

Release Date: 12-31-2018

Ivy VIP Energy — Class II

Investment Strategy from investment's prospectus

The investment seeks capital growth and appreciation. The fund normally invests at least 80% of its net assets in securities of companies within the energy sector, which includes all aspects of the energy industry, such as exploration, discovery, production, distribution or infrastructure of energy and/or alternative energy sources. It also may invest in companies that are not within the energy sector that are engaged in the development of products and services to enhance energy efficiency for the users of those products and services. The fund may invest up to 100% of its total assets in foreign securities.

Past name: Ivy VIP Energy.

Category Description: Equity Energy

Equity energy portfolios invest primarily in equity securities of U.S. or non-U.S. companies who conduct business primarily in energy-related industries. This includes and is not limited to companies in alternative energy, coal, exploration, oil and gas services, pipelines, natural gas services, and refineries.

Operations

Fund Inception Date	05-01-06
Initial Share Class Inception Date	05-01-06
Advisor	Ivy Investment Management Co
Subadvisor	—

Fees and Expenses as of 04-30-18

Gross Prospectus Expense Ratio	1.19%
Net Prospectus Expense Ratio	1.19%

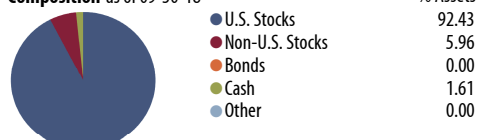
Waiver Data	Type	Exp.Date	%
—	—	—	—

Portfolio Manager(s)

David P. Ginther, CPA, B.S., Kansas State University. Since 2006.
 Michael T. Wolverton, M.B.A., University of TexasAustin. B.A./B.S., William Jewell College. Since 2016.

Portfolio Analysis as of 09-30-18

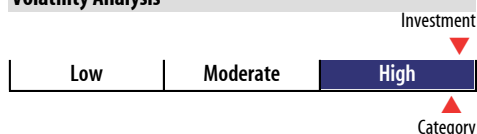
Composition as of 09-30-18



Top 20 Holdings as of 09-30-18

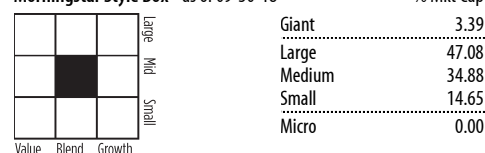
Company	% Assets
Concho Resources Inc	6.36
Continental Resources Inc	5.27
EOG Resources Inc	4.11
WPX Energy Inc Class A	4.05
Diamondback Energy Inc	3.74
Parsley Energy Inc A	3.72
Whiting Petroleum Corp	3.67
Oasis Petroleum Inc	3.56
Pioneer Natural Resources Co	3.53
Halliburton Co	3.53
Schlumberger Ltd	3.31
Marathon Oil Corp	3.25
Anadarko Petroleum Corp	2.79
Transocean Ltd	2.58
WEX Inc	2.54
Marathon Petroleum Corp	2.52
Patterson-UTI Energy Inc	2.39
Valero Energy Corp	2.34
EnSCO PLC Class A	2.30
Phillips 66	2.27
Total Number of Stock Holdings	41
Total Number of Bond Holdings	—
Annual Turnover Ratio %	22.00
Total Fund Assets (\$mil)	46.29

Volatility Analysis



In the past, this investment has shown a wide range of price fluctuations relative to other investments. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments that follow different investment strategies.

Morningstar Style Box™ as of 09-30-18



Statistics as of 09-30-18

Statistic	Stk Port Avg	S&P 500	Category
P/E Ratio	23.95	14.35	13.72
P/B Ratio	1.80	2.73	1.53
P/C Ratio	11.67	11.79	7.88
GeoAvgCap(\$mil)	13,215.25	93,688.30	33,834.33

Risk Measures as of 12-31-18

Metric	Port Avg	S&P 500	Category
3 Yr Std Dev	26.99	10.95	24.36
3 Yr Sharpe Ratio	-0.22	0.76	-0.07
3 Yr Alpha	-14.12	—	-10.66
3 Yr Beta	1.38	—	1.34
3 Yr R-squared	29.66	—	35.06

Morningstar Sectors as of 09-30-18

Sector	%Fund	S&P 500 %
Cyclical	0.00	32.63
Basic Materials	0.00	2.56
Consumer Cyclical	0.00	11.82
Financial Services	0.00	15.83
Real Estate	0.00	2.42
Sensitive	100.00	40.71
Communication Services	0.00	3.58
Energy	97.42	5.32
Industrials	2.58	9.92
Technology	0.00	21.89
Defensive	0.00	26.65
Consumer Defensive	0.00	7.85
Healthcare	0.00	15.46
Utilities	0.00	3.34

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE