Ivy INVESTMENTS®

VARIABLE INSURANCE PORTFOLIOS

Annual Report

DECEMBER 31, 2020

Ivy Variable Insurance Portfolios

Core Equity	Class II
Corporate Bond	Class II
Global Bond	Class II
Global Equity Income	Class II
Global Growth	Class II
Limited-Term Bond	Class II
Securian Real Estate Securities	Class II
Value	Class II

CONTENTS

Philip J. Sanders, CFA

DECEMBER 31, 2020 (UNAUDITED)

Dear Shareholder,

Markets in 2020 were, to use an overused word, unprecedented. In a matter of months, we witnessed economic and market moves that typically take an entire market cycle of many years to unfold. To start the fiscal year, financial markets had been positive as political conflicts, trade uncertainty and global economic growth concerns waned. However, that upward trajectory suddenly reversed in late February and markets declined in response to two exogenous shocks: the COVID-19 pandemic and the collapse in energy markets. The COVID-19 pandemic caused one of the most rapid and dramatic global economic downturns in history. The U.S. stock markets dropped approximately 35% from peak in February to trough in late March. Global economic activity hit a full stop around the world, as countries and businesses implemented plans to isolate and protect each other. Remarkably, within about 30 days, we moved from a relatively strong domestic economy with financial market indexes hitting record highs, to a global recession.

Governments and central banks took strong steps to mitigate the economic blow of social distancing. Monetary policy response was broader and more rapid than at any other time in history. Global central banks enacted aggressive stimulus through lower interest rates, quantitative easing (QE) and liquidity provisions, with some developing countries implementing QE for the first time. The U.S. Federal Reserve's (Fed) response included a broad array of policy measures and an unprecedented pace of QE. Fourth quarter 2020 economic data showed the global economy had a very strong rebound. Since the March 23 trough, the S&P 500 Index stabilized and experienced a rapid bounce back. As of fiscal year end, the Index was up 18.40%.

Going forward, we believe there are reasons for optimism as we enter 2021. COVID-19 vaccines are being distributed around the world and record amounts of stimulus continue to support the global economic recovery. This optimism is reflected in our outlook for global growth in 2021, which we believe will return to pre-pandemic levels sooner than expected, driven in part by pent-up demand. We anticipate 2021 U.S. economic GDP growth will average 6.2%, fueled in part by a resurgence in consumption as pandemic-related constraints wane. With President Joe Biden and his administration taking the reins of power in Washington, we anticipate policy changes on several fronts. We expect an additional stimulus package that includes additional checks to individuals, an extension of emergency unemployment benefits and help for state and local governments. Later in the year, we anticipate broader legislation to pass that could include a number of spending initiatives, including an infrastructure plan with a focus on green initiatives. We also expect the legislation to include higher taxes for businesses and high-income earners.

As we examine the investment landscape, we continue to put greater emphasis on the fundamentals and quality of asset classes and sectors. We believe it is important to stay focused on the merits of individual market sectors, industries and company business models when making investment decisions. Those fundamentals historically have tended to outweigh external factors. In today's environment, we believe there are many high-quality businesses offering attractive entry points and cyclicals that will likely be key beneficiaries as economies continue to recover. Importantly, through this uncertain time, we remain focused on the innovation and management skill within individual companies, the ultimate drivers of long-term stock prices.

Economic Snapshot

	12/31/2020	12/31/2019
S&P 500 Index	3,756.07	3,230.78
MSCI EAFE Index	2,147.53	2,036.94
10-Year Treasury Yield	0.93%	1.92%
U.S. unemployment rate	6.7%	3.6%
30-year fixed mortgage rate	2.67%	3.74%
Oil price per barrel	$48.52	$61.14

Sources: Bloomberg, U.S. Department of Labor, MBA, CME

All government statistics shown are subject to periodic revision. The S&P 500 Index is an unmanaged index that tracks the stocks of 500 primarily large-cap U.S. companies. MSCI EAFE Index is an unmanaged index comprised of securities that represent the securities markets in Europe, Australasia and the Far East. It is not possible to invest directly in any of these indexes. Mortgage rates are from BankRate and reflect the overnight national average rate on a conventional 30-year fixed loan. Oil prices reflect the market price of West Texas intermediate grade crude.

Respectfully,

Philip J. Sanders

Philip J. Sanders, CFA
President

The opinions expressed in this letter are those of the President of the Ivy Variable Insurance Portfolios and are current only through the end of the period of the report, as stated on the cover. The President's views are subject to change at any time, based on market and other conditions, and no forecasts can be guaranteed.

(UNAUDITED)

Expense Example

As a shareholder of a Portfolio, you incur ongoing costs, including management fees, distribution and service fees, and other Portfolio expenses. The following table is intended to help you understand your ongoing costs (in dollars) of investing in a Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of $1,000 invested at the beginning of the period and held for the six-month period ended December 31, 2020.

Actual Expenses

The first section in the following table provides information about actual investment values and actual expenses for each share class. You may use the information in this section, together with your initial investment in Portfolio shares, to estimate the expenses that you paid over the period. Simply divide the value of that investment by $1,000 (for example, a $7,500 initial investment divided by $1,000 = 7.5), then multiply the result by the number in the first section under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your investment during this period. In addition, there are fees and expenses imposed under the variable annuity or variable life insurance contract through which shares of the Portfolio are held. Additional fees have the effect of reducing investment returns.

Hypothetical Example for Comparison Purposes

The second section in the following table provides information about hypothetical investment values and hypothetical expenses for each share class based on the Portfolio's actual expense ratio and an assumed rate of return of five percent per year before expenses, which is not the Portfolio's actual return. The hypothetical investment values and expenses may not be used to estimate the actual investment value at the end of the period or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Portfolio and other funds. To do so, compare this five percent hypothetical example with the five percent hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs as a shareholder of the Portfolio and do not reflect any fees and expenses imposed under the variable annuity or variable life insurance contract through which shares of the Portfolio are held.

Expenses paid may be impacted by expense reduction arrangements. If those arrangements had not been in place, expenses paid would have been higher. See Note 5 in Notes to Financial Statements for further information.

(UNAUDITED)

	Actual[1]			Hypothetical[2]			
Portfolio	Beginning Account Value 6-30-20	Ending Account Value 12-31-20	Expenses Paid During Period*	Beginning Account Value 6-30-20	Ending Account Value 12-31-20	Expenses Paid During Period*	Annualized Expense Ratio Based on the Six-Month Period
Core Equity							
Class II	$1,000	$1,230.40	$5.35	$1,000	$1,020.34	$4.85	0.95%
Corporate Bond							
Class II	$1,000	$1,042.60	$3.98	$1,000	$ 1,021.24	$3.94	0.77%
Global Bond							
Class II	$1,000	$1,063.70	$2.79	$1,000	$1,022.43	$2.73	0.54%
Global Equity Income							
Class II	$1,000	$ 1,194.30	$ 5.71	$1,000	$ 1,019.97	$5.25	1.03%
Global Growth							
Class II	$1,000	$1,240.20	$6.38	$1,000	$ 1,019.39	$5.76	1.13%
Limited-Term Bond							
Class II	$1,000	$ 1,011.20	$4.02	$1,000	$1,021.09	$4.04	0.81%
Securian Real Estate Securities							
Class II	$1,000	$ 1,116.80	$6.99	$1,000	$ 1,018.57	$6.66	1.31%
Value							
Class II	$1,000	$1,235.20	$5.70	$1,000	$1,020.07	$ 5.15	1.01%

**Portfolio expenses are equal to the Portfolio's annualized expense ratio (provided in the table), multiplied by the average account value over the period, multiplied by 184 days in the six-month period ended December 31, 2020, and divided by 366.*

(1)This section uses the Portfolio's actual total return and actual Portfolio expenses. It is a guide to the actual expenses paid by the Portfolio in the period. The "Ending Account Value" shown is computed using the Portfolio's actual return and the "Expenses Paid During Period" column shows the dollar amount that would have been paid by an investor who started with $1,000 in the Portfolio. A shareholder may use the information here, together with the dollar amount invested, to estimate the expenses that were paid over the period. For every thousand dollars a shareholder has invested, the expenses are listed in the last column of this section.

(2)This section uses a hypothetical five percent annual return and actual Portfolio expenses. It helps to compare the Portfolio's ongoing costs with other mutual funds. A shareholder can compare the Portfolio's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other Portfolios.

The above illustrations are based on ongoing costs only.

(UNAUDITED)

Erik R. Becker

Erik R. Becker, CFA, portfolio manager of Ivy VIP Core Equity, discusses positioning, performance and results for the fiscal year ended December 31, 2020. Mr. Becker has managed the Portfolio since 2006 and has 22 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended December 31, 2020	
Ivy VIP Core Equity (Class II shares at net asset value)	21.52%
Benchmark and Morningstar Category	
S&P 500 Index (generally reflects the performance of large- and medium-sized U.S. stocks)	18.40%
Morningstar Large Growth Category Average (generally reflects the performance of the universe of portfolios with similar investment objectives)	35.86%

Please note that Portfolio returns include applicable fees and expenses while index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

Key factors

2020 proved to be a surprisingly strong year in the equity market with the S&P 500 Index, the Portfolio's benchmark, increasing over 18% despite significant early year volatility caused by the COVID-19 pandemic. Quarterly gross domestic product (GDP) growth was erratic, again due to the pandemic. GDP in the U.S. decreased 5% quarter over quarter at a seasonally adjusted rate in the first quarter, followed by -31% in second quarter, and +33% in the third quarter. While fourth quarter has yet to be reported, we expect full year GDP to have contracted 3.6%. Current expectations suggest that the full year drop in GDP led to a 16% contraction in S&P 500 Index earnings. The strong equity market returns suggest market participants were willing to look through 2020 earnings weakness given unprecedented support offered to consumers/ businesses through the Coronavirus Aid, Relief, and Economic Security (CARES) Act ($2.2 billion economic stimulus bill signed into law on March 27) and subsequent legislation in the fourth quarter for an additional $900 billion in stimulus. Fiscal stimulus appears to have been highly effective as the U.S. unemployment rate has declined to below 7% in December after peaking above 13% in June as pandemic-related business closures were at their peak.

Information technology stocks led the market in 2020 with gains of nearly 44%. Consumer discretionary followed with gains over 33% while communications services (where many large internet names reside) and materials stocks also beat the market averages. The year's worst performing groups included energy (-33%), real estate (-2%) and financials (-2%).

Contributors and detractors

During the measurement period, Ivy VIP Core Equity meaningfully outperformed its benchmark as the result of strong performance from the Portfolio's holdings in financials, consumer staples and utilities, offsetting weaker stock selection within information technology and a modest drag from cash. The vast majority of outperformance for the year (over 90%) was due to individual stock selection as opposed to overweight and underweight positions of particular market sectors. From an individual security standpoint, Microsoft Corp. led the contribution to total return for the year followed by Amazon.com, Inc., Apple, Inc., Discover Financial Services and Union Pacific Corp. Standouts on the downside included Citigroup, Anthem and Comcast. All three companies are no longer held in the Portfolio. Overall, we are pleased with the Portfolio's relative performance for the year in addition to improving longer-run performance metrics that proved the value of strong active management through long market cycles.

The Portfolio remains focused on finding competitively advantaged businesses that are likely to exceed longer-run earnings and cash flow projections, with a keen interest on investing in areas where we see significant competitive change. We benefit from taking advantage of opportunities presented by the market to buy good businesses at reasonable valuations where our fundamental analysis suggests earnings power is underappreciated.

Over the past nine months, the market provided significant opportunity in strong businesses undergoing transitory earnings disruption as the result of the pandemic and related economic effects. To that end, we made several adjustments during the year based on opportunity to add or increase certain holdings in financials (Discover Financial Services, JPMorgan Chase & Co. and Fiserv, Inc.). We believe the earnings of these companies are temporarily depressed based on increased reserves taken in 2020, as well as weakness in payment revenue streams due to restricted travel and entertainment. Temporary earnings disruptions also significantly impacted the consumer discretionary and health care sectors, with consumers unwilling or unable to eat out or schedule certain medical procedures. The Portfolio capitalized on attractive valuations in HCA Holdings, Inc. during 2020 and more recently added Sysco Corp. as the leading food distributor to restaurants and institutions. Other recent additions to the Portfolio were more idiosyncratic in nature. The Portfolio significantly added to the position in UnitedHealth Group, Inc. at a time when election uncertainty made the valuation of this strong organic grower and vital piece of the nation's healthcare system more attractive. We added D.R. Horton, Inc. based on our belief in significant pent-up demand for new, affordable single-family homes as millennials move into active home-buying mode. Already well-positioned for entry-level and first-time move-up buyers, the company is also transitioning to an "asset-light" model (less land ownership) that we believe will yield structural improvement in returns.

Outlook

Two critical events occurred in the fourth quarter that we believe are likely to have lasting repercussions on the state of the U.S. economy. Success in the development of a highly effective vaccine was clearly the most important development in terms of understanding a path to economic recovery. Ivy's economist believes the U.S. economy can expand 6% in 2021, largely the result of substantial anticipated re-opening activity toward the middle of the year. On a bottom-up basis, forecasters suggest this will result in earnings growth for the market of greater than 20%. Our experience over several market cycles suggests companies are far more adaptable during periods of revenue weakness and opt to rationalize cost structures aggressively to protect profits at these times. Over the past nine months, companies have reduced workforces, found more efficient ways to conduct businesses (Zoom and lack of travel), and invested in technology (cloud adoption, etc.) all to protect the downside and prepare for the eventual upturn. This usually results in greater operating leverage (the ability of bottom-line profits to expand faster than revenues) during an upturn than investors expect. We anticipate this leverage to be most pronounced in companies that were forced to be most cost conscious over the previous nine months and as such we have increased the cyclicality of the Portfolio to take advantage.

The other obvious development is the transition of power in Washington with Joe Biden's presidential victory and the democratic capture of the Senate (for all practical purposes). While the margin of the democratic majority is slim in both houses of Congress, we anticipate this will result in meaningful policy changes that will provide the underpinning of growth in several areas. Most broadly, we would expect that fiscal stimulus efforts will increase, all else equal, under the current power structure. More stimulus is likely to lead to more short-term economic growth and a stronger consumer recovery, while relieving the onus on monetary policy (federal bond purchasing and low interest rates) as the dominant policy measures to expand growth. It is widely expected that fiscal stimulus will expand beyond direct payments to include spending on infrastructure, clean energy investment, and state/local funding to offset budget shortfalls that otherwise would detract from growth

Between vaccine success and pro-growth fiscal policies that already supplement highly stimulative monetary policy, short-term growth expectations seem robust. We think there still exists an element of risk; however, because the ultimate path of COVID-19 is far from certain. Longer-run ramifications of increased stimulus and the ultimate path of long-term interest rates and inflation also give us pause in extrapolating robust market gains well into the future. As has been discussed in previous letters, certain pockets of the market have become prohibitively expensive, such as high-growth technology, pandemic beneficiaries, clean energy (Tesla), and even alternative asset classes for which there are no valuation paradigms (Bitcoin). Tesla and Bitcoin are not held in the Portfolio. It appears speculative fervor is alive and well. The Portfolio will seek to participate in emerging themes to the extent we are able to uncover competitively advantaged and fairly valued companies that produce solid earnings and free cash flow. We will continue to monitor portfolio risk levels, seeking to ensure the strategy is protected from violent swings in expectations around the direction of monetary policy, the future path of inflation, and the resulting impact both could have on the price levels of highly valued companies. As always, we look forward to updating you in the future. Thank you for your continued investment in Ivy.

Past performance is not a guarantee of future results. The value of the Portfolio's shares will change, and you could lose money on your investment.

Because the Portfolio is generally invested in a small number of stocks, the performance of any one security held by the Portfolio will have a greater impact than if the Portfolio were invested in a larger number of securities. Although larger companies tend to be less volatile than companies with smaller market capitalizations, returns on investments in securities of large capitalization companies could trail the returns on investments in securities of smaller companies. These and other risks are more fully described in the Portfolio's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The portfolio manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of Ivy VIP Core Equity.

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Stocks	99.6%
Information Technology	28.0%
Financials	17.6%
Health Care	12.6%
Consumer Discretionary	10.7%
Communication Services	9.9%
Industrials	8.0%
Consumer Staples	6.3%
Materials	2.8%
Utilities	2.6%
Real Estate	1.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	0.4%

Top 10 Equity Holdings

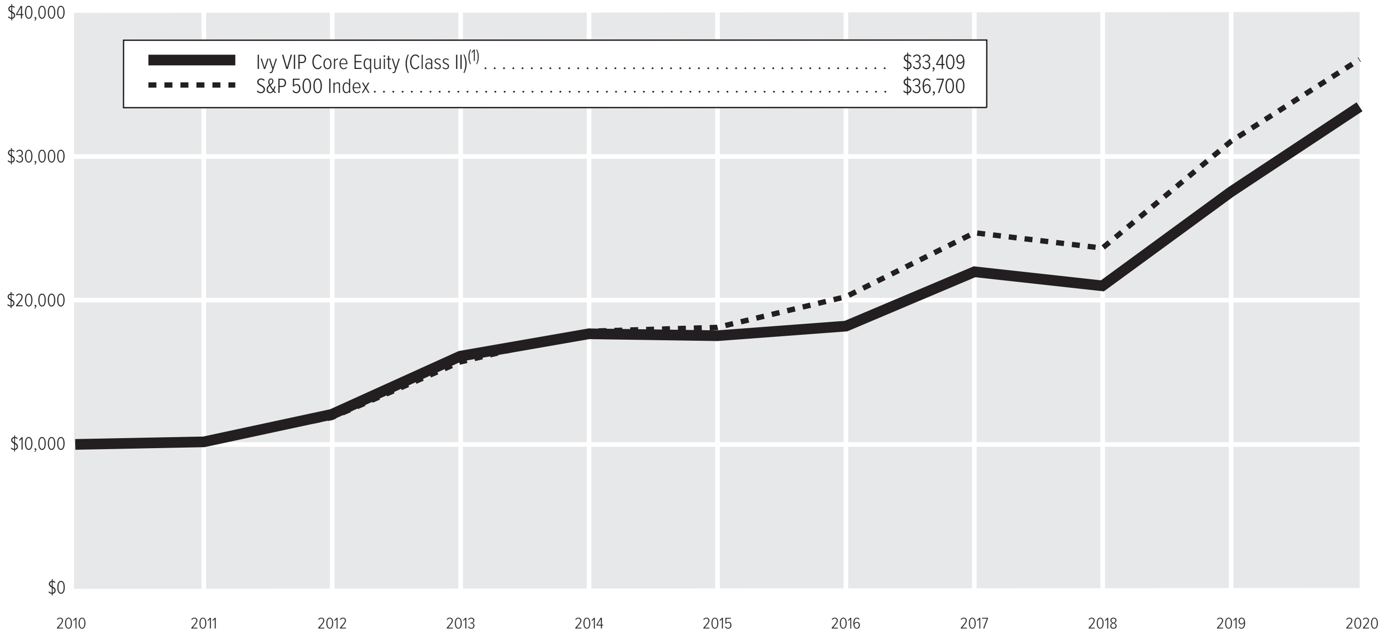
Company	Sector	Industry
Microsoft Corp.	Information Technology	Systems Software
Apple, Inc.	Information Technology	Technology Hardware, Storage & Peripherals
Fiserv, Inc.	Information Technology	Data Processing & Outsourced Services
Amazon.com, Inc.	Consumer Discretionary	Internet & Direct Marketing Retail
JPMorgan Chase & Co.	Financials	Other Diversified Financial Services
UnitedHealth Group, Inc.	Health Care	Managed Health Care
Morgan Stanley	Financials	Investment Banking & Brokerage
Union Pacific Corp.	Industrials	Railroads
Alphabet, Inc., Class A	Communication Services	Interactive Media & Services
NextEra Energy, Inc.	Utilities	Electric Utilities

See your advisor or www.ivyinvestments.com for more information on the Portfolio's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF $10,000 INVESTMENT

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return(2)	Class II
1-year period ended 12-31-20	21.52%
5-year period ended 12-31-20	13.76%
10-year period ended 12-31-20	12.82%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS CORE EQUITY (in thousands)

DECEMBER 31, 2020

COMMON STOCKS	Shares	Value
Communication Services		
Cable & Satellite – 1.8%		
Charter Communications, Inc., Class A (A)	20	$ 12,980
Interactive Home Entertainment – 1.3%		
Take-Two Interactive Software, Inc. (A)	48	10,006
Interactive Media & Services – 5.1%		
Alphabet, Inc., Class A (A)	11	19,256
Facebook, Inc., Class A (A)	68	18,635
		37,891
Movies & Entertainment – 1.7%		
Netflix, Inc. (A)	23	12,438
Total Communication Services – 9.9%		73,315
Consumer Discretionary		
Auto Parts & Equipment – 2.5%		
Aptiv plc	141	18,343
Automotive Retail – 1.9%		
AutoZone, Inc. (A)	12	13,910
Footwear – 1.8%		
NIKE, Inc., Class B	93	13,133
Homebuilding – 1.0%		
D.R. Horton, Inc.	106	7,304
Internet & Direct Marketing Retail – 3.5%		
Amazon.com, Inc. (A)	8	25,954
Total Consumer Discretionary – 10.7%		78,644
Consumer Staples		
Food Distributors – 1.5%		
Sysco Corp.	148	10,988
Household Products – 1.4%		
Procter & Gamble Co. (The)	76	10,539
Hypermarkets & Super Centers – 3.4%		
Costco Wholesale Corp.	35	13,026
Wal-Mart Stores, Inc.	80	11,546
		24,572
Total Consumer Staples – 6.3%		46,099
Financials		
Asset Management & Custody Banks – 4.3%		
Artisan Partners Asset Management, Inc.	148	7,455
Blackstone Group, Inc. (The), Class A	181	11,758
KKR & Co.	313	12,669
		31,882

COMMON STOCKS (Continued)	Shares	Value
Consumer Finance – 2.6%		
Discover Financial Services	209	$ 18,937
Financial Exchanges & Data – 1.9%		
CME Group, Inc.	80	14,500
Insurance Brokers – 2.5%		
Aon plc	86	18,258
Investment Banking & Brokerage – 2.9%		
Morgan Stanley	313	21,441
Other Diversified Financial Services – 3.4%		
JPMorgan Chase & Co.	196	24,843
Total Financials – 17.6%		129,861
Health Care		
Health Care Equipment – 4.2%		
Danaher Corp.	57	12,557
Zimmer Holdings, Inc.	120	18,493
		31,050
Health Care Facilities – 1.7%		
HCA Holdings, Inc.	76	12,495
Managed Health Care – 3.0%		
UnitedHealth Group, Inc.	63	22,233
Pharmaceuticals – 3.7%		
Eli Lilly and Co.	82	13,843
Zoetis, Inc.	79	13,036
		26,879
Total Health Care – 12.6%		92,657
Industrials		
Aerospace & Defense – 1.0%		
Airbus SE ADR	259	7,063
Agricultural & Farm Machinery – 1.3%		
Deere & Co.	36	9,631
Industrial Machinery – 1.3%		
Stanley Black & Decker, Inc.	55	9,773
Railroads – 2.7%		
Union Pacific Corp.	95	19,821
Trading Companies & Distributors – 1.7%		
United Rentals, Inc. (A)	54	12,625
Total Industrials – 8.0%		58,913
Information Technology		
Application Software – 1.0%		
Intuit, Inc.	19	7,276
Data Processing & Outsourced Services – 7.6%		
Fiserv, Inc. (A)	263	29,923
MasterCard, Inc., Class A	53	18,953
PayPal, Inc. (A)	31	7,311
		56,187

COMMON STOCKS (Continued)	Shares	Value
Electronic Manufacturing Services – 2.4%		
TE Connectivity Ltd.	144	$ 17,435
Semiconductors – 4.8%		
Analog Devices, Inc.	91	13,381
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	103	11,243
Texas Instruments, Inc.	64	10,580
		35,204
Systems Software – 7.0%		
Microsoft Corp.	232	51,553
Technology Hardware, Storage & Peripherals – 5.2%		
Apple, Inc.	291	38,641
Total Information Technology – 28.0%		206,296
Materials		
Industrial Gases – 1.0%		
Linde plc	27	7,057
Specialty Chemicals – 1.8%		
Sherwin-Williams Co. (The)	18	13,413
Total Materials – 2.8%		20,470
Real Estate		
Health Care REITs – 1.1%		
Welltower, Inc.	130	8,383
Total Real Estate – 1.1%		8,383
Utilities		
Electric Utilities – 2.6%		
NextEra Energy, Inc.	247	19,093
Total Utilities – 2.6%		19,093
TOTAL COMMON STOCKS – 99.6%		$ 733,731
(Cost: $528,429)		
SHORT-TERM SECURITIES		
Money Market Funds (B) – 0.2%		
State Street Institutional U.S. Government Money Market Fund – Premier Class 0.030%	1,404	1,404
TOTAL SHORT-TERM SECURITIES – 0.2%		$ 1,404
(Cost: $1,404)		
TOTAL INVESTMENT SECURITIES – 99.8%		$ 735,135
(Cost: $529,833)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.2%		1,540
NET ASSETS – 100.0%		$ 736,675

CORE EQUITY (in thousands)

DECEMBER 31, 2020

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)Rate shown is the annualized 7-day yield at December 31, 2020.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	$733,731	$—	$—
Short-Term Securities	1,404	—	—
Total	$735,135	$—	$—

The following acronyms are used throughout this schedule:

ADR = American Depositary Receipts
REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Mark G. Beischel

Susan Regan

Below, Mark G. Beischel, CFA and Susan Regan, co-portfolio managers of Ivy VIP Corporate Bond, discuss positioning, performance and results for the fiscal year ended December 31, 2020. Mr. Beischel has managed the Portfolio since April 2018 and has 27 years of industry experience. Ms. Regan has managed the Portfolio since April 2018 and has 33 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended December 31, 2020	
Ivy VIP Corporate Bond (Class II shares at net asset value)	10.97%
Benchmark and Morningstar Category	
Bloomberg Barclays U.S. Credit Index (generally reflects the performance of securities representing the U.S. credit market)	9.35%
Morningstar Corporate Bond Category Average (generally reflects the performance of the universe of funds with similar investment objectives)	9.24%

Please note that Portfolio returns include applicable fees and expenses while index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

Portfolio Performance

The Portfolio had a double-digit return and outperformed its benchmark and Morningstar peer group category average for the year. The return was primarily driven by falling U.S. Treasury yields and coupon income, while the spread on the benchmark remained relatively flat.

Market Update

Calendar year 2020 ushered in a black swan event that hasn't occurred in more than 100 years – the COVID-19 pandemic. This worldwide virus outbreak resulted in the worst quarter of economic growth in the post-WWII era. The pandemic was met with a simply epic response from both monetary and fiscal authorities in the U.S. and around the world. The unprecedented responses alleviated pressure on declining asset prices as the crisis unfolded but created an odd dynamic of solid risk asset performance in the face of an economically devastating event. The S&P 500 Index returned more than 18% for the fiscal year, despite being down over 30% at one point.

As the Federal Reserve (Fed) responded by cutting rates to zero and embarking on quantitative easing again, rates fell during the fiscal year with the 10-year U.S. Treasury yield falling 101 basis points (bps) from 1.92% to 0.91%. The 2-year U.S. Treasury fell from 1.57% to a mere 0.12% during the year, while the yield curve steepened over the course of the period as the difference between the 10-year U.S. Treasury and the 2-year U.S. Treasury rose 45 bps to 79 bps for the year.

The spread on the Portfolio's benchmark, the Bloomberg Barclays U.S. Credit Index, widened from 90 bps to 92 bps during the year; it reached a peak of 341 bps in March. Also, the Fed announced its intent to begin purchasing corporate bonds for the first time ever, which sparked the rally in credit asset classes. High yield delivered gains of more than 7% for the period. However, much like the investment-grade market, the returns were driven by carry and rates as high yield spreads widened from 336 bps to 360 bps on the year, as measured by the Bloomberg Barclays U.S. Corporate High Yield Index.

Debt growth and leverage increased at an accelerated rate in the year with debt rising 9.2% through the third quarter of the fiscal year. While this continued the long trend of debt growth in the market, the main drivers this year were bolstering liquidity and balance sheets versus mergers and acquisitions and shareholder returns previously seen. Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) also declined by 6% year over year through the third quarter, resulting in leverage metrics of 3.3-times versus 2.9-times at the start of 2020. Ten years ago, this figure was around 2.0-times.

For the year, gross issuance was $2.1 trillion, a staggering 62% increase over the prior year and 43% higher than the prior record year in 2017. The Fed's support for the market allowed corporations to bolster their balance sheets in the face of the COVID-19-driven uncertainty. Issuance, net of maturities, has been even more dramatic with net issuance of $1.07 trillion in 2020 versus $356 billion of net issuance for all of 2019. Issuance was slightly longer maturity than historical averages. When coupled with duration in the market being extended from the fall in rates, the overall duration of the investment grade market rose to 8.55 versus 7.65 at the start of the year. This adds more risk and potential volatility to the market.

Portfolio Positioning

The Portfolio's duration rose moderately during the year, but not to the degree of the benchmark. The Portfolio remained moderately below the benchmark's duration of 8.55 years at fiscal year-end. Higher duration means higher price volatility for a given change in spreads as well as interest rates.

During the year, the Portfolio increased its allocation primarily to BB and BBB-rated credits, at the expense of the Portfolio's exposure to AA and A rated credits. The largest changes in sector positioning were increases in the communications and consumer-cyclical sectors and decreases in the consumer non-cyclical and industrial sectors.

Outlook

As odd as it was, after one of the most volatile years in credit market history, the year ended very close to where it started with a path no one could have predicted. The immense response from fiscal and monetary authorities will continue to impact markets going forward and cannot be ignored. Nor can one ignore the fundamentals, which we have often talked about, and which remain incredibly weak for corporate credit markets. Particularly after the Fed backstop of the credit markets was eliminated during the quarter.

We believe the future has numerous material risks that will likely impact markets going forward. We remain in a pandemic, a situation that has been de-risked with the arrival of the vaccines, but plenty of uncertainty remains on the timing, uptake and efficacy on variants of the virus.

We have a weak but strengthening economy, and significant policy uncertainty remains after the recent elections. Regarding fixed income markets, the recent stimulus and additional future stimulus are not as positive as they are for equities. The stimulus leads to a greater degree of duration supply that the market may struggle to absorb, particularly given the already upward pressure on rates from resurging inflation expectations.

We believe there is significant excess risk taking in the marketplace, a situation that in the past has brought meaningful volatility without the need for material macro deterioration. It is during these times of euphoria that credit markets become impacted by increases in financial engineering and mergers and acquisitions (M&A). Lagging equities likely feel obliged either under their own volition or under pressure of activists to borrow at 2% for a 10-year bond to repurchase stock, pay dividends or embark on M&A. While such activity impacts specific credits, it also has macro implications for the market by creating an increased risk premium for re-leveraging conditions, as well worsening the supply and demand technicals.

Investment-grade fundamentals continue to be extremely weak with leverage remaining at record highs and duration in the market being near a record high. However, credit spreads sit at 92 bps for investment grade, well below their 20-year average of 145 bps. The reason for this disconnect between the fundamentals and valuations is the favorable technical picture and the search for yield driven by the Fed's actions.

The technical backdrop continued to be favorable as supply in the quarter fell from the record pace of the prior two quarters and fund flows and foreign demand largely continued to be strong. Market forecasters largely believe that supply going forward is likely to be supportive. In aggregate, companies issued more than enough debt to shore up liquidity and subsequently refinanced a great deal of debt which suggests low issuance in the coming year. However, the wildcard remains the activity we mentioned above, M&A and re-leveraging, which we believe may surprise to the upside resulting in supply which is likely to exceed expectations.

Going forward, we believe there are likely to be more frequent periods of volatility that prevent spreads from rallying materially in the coming year. Our conservative positioning is designed to allow us to opportunistically take incremental risk to capitalize on the volatility as it presents itself. In environments like these the cost of being defensive is very low. For instance, the breakeven spread on the investment-grade market, which means the amount of spread widening that will wipe away a year's worth of spread carry, is roughly 11 bps. Calendar year 2020 saw the index widen by 11 bps or more in a single day nine times. While 2021 is unlikely to be quite as volatile as 2020, we believe there will be plenty of volatility. We believe the best offense is a good defense to achieve sustained and attractive relative performance with current valuations.

We believe credit selection will be paramount, and we continue to find many mispriced credit situations as the pandemic continues to drive vastly different results from companies across the investment-grade universe.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Portfolio's shares will change, and you could lose money on your investment.

Certain U.S. government securities in which the Portfolio may invest, such as Treasury securities and securities issued by the Government National Mortgage Association (Ginnie Mae), are backed by the full faith and credit of the U.S. government. However, other U.S. government securities in which the Portfolio may invest, such as securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal Home Loan Banks (FHLB), are not backed by the full faith and credit of the U.S. government, are not insured or guaranteed by the U.S. government and, instead, may be supported only by the right of the issuer to borrow from the U.S. Treasury or by the credit of the issuer.

Fixed income securities are subject to interest rate risk and, as such, the net asset value of the Portfolio may fall as interest rates rise. These and other risks are more fully described in the Portfolio's prospectus.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The portfolio managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of Ivy VIP Corporate Bond.

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Bonds	97.7%
Corporate Debt Securities	94.6%
Asset-Backed Securities	1.3%
Municipal Bonds – Taxable	1.0%
Other Government Securities	0.5%
United States Government and Government Agency Obligations	0.2%
Mortgage-Backed Securities	0.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	2.3%

Quality Weightings

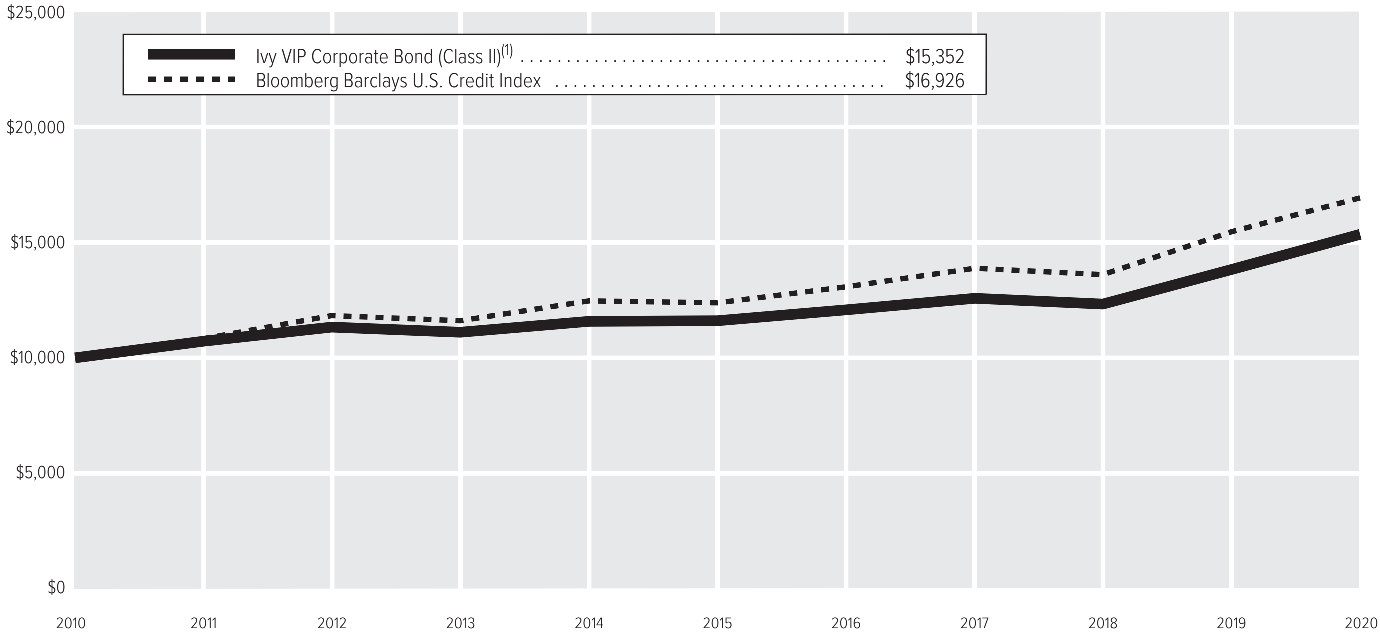
Investment Grade	94.0%
AAA	2.0%
AA	9.4%
A	33.6%
BBB	49.0%
Non-Investment Grade	3.7%
BB	3.2%
B	0.4%
Non-rated	0.1%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	2.3%

Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF $10,000 INVESTMENT CORPORATE BOND

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return(2)	Class II
1-year period ended 12-31-20	10.97%
5-year period ended 12-31-20	5.73%
10-year period ended 12-31-20	4.38%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS CORPORATE BOND (in thousands)

DECEMBER 31, 2020

ASSET-BACKED SECURITIES	Principal	Value
AerCap Ireland Capital Ltd. and AerCap Global Aviation Trust, 3.500%, 5-26-22	$ 296	$ 306
Air Canada Enhanced Equipment Trust, Series 2015-2, Class AA, 3.750%, 12-15-27 (A)	783	775
American Airlines Class AA Pass-Through Certificates, Series 2016-2, 3.200%, 6-15-28	1,530	1,492
American Airlines, Inc. Pass-Through Certificates, Series 2016-1, Class AA, 3.575%, 1-15-28	809	802
American Airlines, Inc. Pass-Through Certificates, Series 2017-1, Class AA, 3.650%, 2-15-29	2,072	2,088
Delta Air Lines, Inc. Pass-Through Certificates, Series 2020AA, Class B, 2.000%, 6-10-28	1,479	1,476
United Airlines Pass-Through Certificates, Series 2016-AA, 3.100%, 7-7-28	2,483	2,513
TOTAL ASSET-BACKED SECURITIES – 1.3%		$9,452
(Cost: $9,351)		

CORPORATE DEBT SECURITIES	Principal	Value
Communication Services		
Alternative Carriers – 0.6%		
Bell Canada (GTD by BCE, Inc.), 4.300%, 7-29-49	3,263	4,266
Cable & Satellite – 2.0%		
Charter Communications Operating LLC and Charter Communications Operating Capital Corp.:		
4.464%, 7-23-22	1,800	1,898
4.500%, 2-1-24	931	1,032
Comcast Corp. (GTD by Comcast Cable Communications and NBCUniversal):		
3.900%, 3-1-38	500	611
4.600%, 10-15-38	1,125	1,481
Comcast Corp. (GTD by Comcast Cable Communications LLC and NBCUniversal Media LLC), 3.250%, 11-1-39	3,875	4,392
Cox Communications, Inc.:		
1.800%, 10-1-30 (A)	850	849
2.950%, 10-1-50 (A)	850	867
Viacom, Inc., 4.750%, 5-15-25	2,000	2,321
		13,451
Integrated Telecommunication Services – 2.6%		
AT&T, Inc.:		
2.550%, 12-1-33 (A)	2,212	2,274
3.650%, 6-1-51	2,600	2,718
3.300%, 2-1-52	$ 1,584	$ 1,567
3.500%, 9-15-53 (A)	800	797
3.550%, 9-15-55 (A)	942	937
Verizon Communications, Inc.:		
4.500%, 8-10-33	3,500	4,410
4.812%, 3-15-39	1,684	2,194
2.650%, 11-20-40	1,250	1,262
2.987%, 10-30-56 (A)	1,492	1,499
		17,658
Interactive Media & Services – 0.2%		
Alphabet, Inc., 2.050%, 8-15-50	1,696	1,615
Movies & Entertainment – 1.0%		
Netflix, Inc., 5.500%, 2-15-22	3,185	3,332
Walt Disney Co. (The):		
4.125%, 6-1-44	1,724	2,206
3.600%, 1-13-51	1,175	1,424
		6,962
Publishing – 0.7%		
Lamar Media Corp., 4.875%, 1-15-29	1,350	1,434
Thomson Reuters Corp.:		
3.350%, 5-15-26	1,090	1,223
5.850%, 4-15-40	1,500	2,096
5.650%, 11-23-43	117	158
		4,911
Wireless Telecommunication Service – 1.5%		
Crown Castle Towers LLC, 3.663%, 5-15-25 (A)	2,450	2,639
Sprint Spectrum L.P., 3.360%, 9-20-21 (A)	656	662
T-Mobile USA, Inc.:		
3.500%, 4-15-25 (A)	4,805	5,310
4.375%, 4-15-40 (A)	1,025	1,251
3.300%, 2-15-51 (A)	425	437
		10,299
Total Communication Services – 8.6%		59,162
Consumer Discretionary		
Apparel Retail – 0.3%		
TJX Cos., Inc. (The), 3.500%, 4-15-25	1,600	1,786
Apparel, Accessories & Luxury Goods – 0.5%		
PVH Corp., 4.625%, 7-10-25	1,050	1,183
Ralph Lauren Corp., 2.950%, 6-15-30	2,025	2,200
		3,383
Automobile Manufacturers – 0.1%		
Nissan Motor Co. Ltd., 3.522%, 9-17-25 (A)	850	911
Automotive Retail – 0.3%		
AutoNation, Inc., 4.750%, 6-1-30	$ 1,700	$2,045
Casinos & Gaming – 0.2%		
GLP Capital L.P. and GLP Financing II, Inc., 5.375%, 4-15-26	425	488
Las Vegas Sands Corp., 3.500%, 8-18-26	595	636
		1,124
Education Services – 0.1%		
University of Southern California, 3.028%, 10-1-39	500	543
Footwear – 0.6%		
NIKE, Inc.:		
3.250%, 3-27-40	2,900	3,368
3.375%, 3-27-50	925	1,136
		4,504
General Merchandise Stores – 0.4%		
Dollar General Corp., 4.125%, 4-3-50	2,000	2,527
Home Improvement Retail – 0.7%		
Home Depot, Inc. (The):		
4.200%, 4-1-43	1,670	2,169
3.350%, 4-15-50	2,105	2,501
		4,670
Homebuilding – 1.7%		
D.R. Horton, Inc., 2.600%, 10-15-25	3,080	3,321
Lennar Corp.:		
4.125%, 1-15-22	1,250	1,280
4.750%, 11-15-22 (B)	2,720	2,869
NVR, Inc., 3.000%, 5-15-30	4,022	4,400
		11,870
Hotels, Resorts & Cruise Lines – 0.4%		
Royal Caribbean Cruises Ltd., 3.700%, 3-15-28	3,500	3,103
Internet & Direct Marketing Retail – 1.4%		
Amazon.com, Inc.:		
3.875%, 8-22-37	4,027	5,018
2.500%, 6-3-50	1,250	1,294
Booking Holdings, Inc., 4.625%, 4-13-30	2,255	2,800
Expedia Group, Inc., 6.250%, 5-1-25 (A)	415	481
		9,593

SCHEDULE OF INVESTMENTS CORPORATE BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Restaurants – 0.5%		
Darden Restaurants, Inc.:		
3.850%, 5-1-27	$ 1,100	$ 1,206
4.550%, 2-15-48	2,000	2,200
		3,406
Total Consumer Discretionary – 7.2%		49,465
Consumer Staples		
Agricultural Products – 0.3%		
Cargill, Inc.:		
3.250%, 5-23-29 (A)	1,400	1,582
3.875%, 5-23-49 (A)	500	610
		2,192
Brewers – 0.6%		
Anheuser-Busch Inbev Finance, Inc. (GTD by AB INBEV/BBR/COB), 4.700%, 2-1-36	2,850	3,615
Anheuser-Busch InBev Worldwide, Inc. (GTD by AB INBEV/BBR/COB), 4.750%, 1-23-29	113	139
		3,754
Drug Retail – 0.5%		
CVS Health Corp.:		
4.100%, 3-25-25	1,613	1,826
4.780%, 3-25-38	1,175	1,483
		3,309
Food Distributors – 0.5%		
McCormick & Co., Inc., 3.500%, 9-1-23	771	824
Sysco Corp., 6.600%, 4-1-40	1,730	2,528
		3,352
Food Retail – 0.3%		
Alimentation Couche-Tard, Inc.:		
2.700%, 7-26-22 (A)	570	589
2.950%, 1-25-30 (A)	1,600	1,748
		2,337
Hypermarkets & Super Centers – 1.0%		
Costco Wholesale Corp., 1.600%, 4-20-30	1,000	1,024
Walmart, Inc., 4.050%, 6-29-48	4,385	5,940
		6,964
Packaged Foods & Meats – 1.7%		
Hormel Foods Corp., 1.800%, 6-11-30	2,645	2,734
Mars, Inc., 2.375%, 7-16-40 (A)	2,520	2,577
Nestle Holdings, Inc.:		
3.900%, 9-24-38 (A)	980	1,227
4.000%, 9-24-48 (A)	1,485	1,972

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Packaged Foods & Meats (Continued)		
Smithfield Foods, Inc.:		
2.650%, 10-3-21 (A)	$ 1,250	$ 1,261
3.350%, 2-1-22 (A)	1,500	1,521
		11,292
Personal Products – 0.4%		
Estee Lauder Co., Inc. (The), 4.150%, 3-15-47	1,875	2,456
Soft Drinks – 1.1%		
Coca-Cola Co. (The):		
1.375%, 3-15-31	1,325	1,322
2.500%, 3-15-51	350	360
PepsiCo, Inc.:		
3.450%, 10-6-46	1,500	1,811
3.375%, 7-29-49	2,175	2,639
3.625%, 3-19-50	1,275	1,615
		7,747
Tobacco – 1.4%		
Altria Group, Inc. (GTD by Philip Morris USA, Inc.):		
3.490%, 2-14-22	1,830	1,892
2.850%, 8-9-22	2,550	2,648
Imperial Brands Finance plc, 3.125%, 7-26-24 (A)	4,200	4,497
Philip Morris International, Inc., 2.875%, 5-1-24	585	630
		9,667
Total Consumer Staples – 7.8%		53,070
Energy		
Integrated Oil & Gas – 0.3%		
National Fuel Gas Co., 5.500%, 1-15-26	1,875	2,162
Oil & Gas Equipment & Services – 0.4%		
Baker Hughes, a GE Co. LLC and Baker Hughes Co-Obligor, Inc., 2.773%, 12-15-22	3,000	3,133
Oil & Gas Exploration & Production – 1.8%		
BP Capital Markets plc (GTD by BP plc):		
3.216%, 11-28-23	1,000	1,072
3.814%, 2-10-24	3,000	3,294
Canadian Natural Resources Ltd., 3.850%, 6-1-27	4,950	5,552
ConocoPhillips Co. (GTD by ConocoPhillips), 4.150%, 11-15-34	218	253
EQT Corp.:		
3.000%, 10-1-22	1,450	1,461
7.875%, 2-1-25 (B)	650	740
		12,372

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Oil & Gas Refining & Marketing – 0.3%		
Phillips 66 (GTD by Phillips 66 Co.) (3-Month U.S. LIBOR plus 60 bps), 0.833%, 2-26-21 (C)	$2,000	$ 2,000
Oil & Gas Storage & Transportation – 4.7%		
Boardwalk Pipelines L.P. (GTD by Boardwalk Pipeline Partners L.P.), 4.450%, 7-15-27	2,000	2,238
Cheniere Corpus Christi Holdings LLC, 7.000%, 6-30-24	1,075	1,255
Colonial Pipeline Co., 4.250%, 4-15-48 (A)	1,000	1,179
Colorado Interstate Gas Co., 4.150%, 8-15-26 (A)	1,000	1,136
Energy Transfer Partners L.P.:		
4.200%, 4-15-27	500	551
6.000%, 6-15-48	1,000	1,188
EQT Midstream Partners L.P., 4.750%, 7-15-23	1,000	1,052
Kinder Morgan, Inc., 5.550%, 6-1-45	1,000	1,283
Midwest Connector Capital Co. LLC, 4.625%, 4-1-29 (A)	2,409	2,524
Plains All American Pipeline L.P. and PAA Finance Corp.:		
3.600%, 11-1-24	1,031	1,098
4.500%, 12-15-26	1,750	1,960
Sabal Trail Transmission LLC, 4.246%, 5-1-28 (A)	2,500	2,868
Sabine Pass Liquefaction LLC, 4.200%, 3-15-28	2,150	2,467
Sunoco Logistics Partners Operations L.P. (GTD by Energy Transfer Partners L.P.), 4.000%, 10-1-27	1,500	1,641
Sunoco Logistics Partners Operations L.P. (GTD by Sunoco Logistics Partners L.P.), 4.400%, 4-1-21	500	503
Tennessee Gas Pipeline Co., 7.000%, 3-15-27	2,000	2,496
Transcontinental Gas Pipe Line Co. LLC:		
3.250%, 5-15-30	1,225	1,372
4.600%, 3-15-48	1,000	1,212
Williams Partners L.P., 4.850%, 3-1-48	3,250	3,989
		32,012
Total Energy – 7.5%		51,679
Financials		
Asset Management & Custody Banks – 2.8%		
Apollo Management Holdings L.P., 2.650%, 6-5-30 (A)	4,850	4,955
Blackstone Holdings Finance Co. LLC, 3.500%, 9-10-49 (A)	1,058	1,220

SCHEDULE OF INVESTMENTS CORPORATE BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Asset Management & Custody Banks (Continued)		
Brookfield Finance LLC (GTD by Brookfield Asset Management, Inc.),		
3.450%, 4-15-50	$ 1,150	$ 1,219
JAB Holdings B.V.,		
2.200%, 11-23-30 (A)	1,495	1,502
KKR Group Finance Co. III LLC,		
5.125%, 6-1-44 (A)	2,085	2,733
KKR Group Finance Co. VIII LLC (GTD by KKR & Co., Inc. and KKR Group Partnership L.P.),		
3.500%, 8-25-50 (A)	210	233
National Securities Clearing Corp.,		
1.500%, 4-23-25 (A)	5,000	5,175
Owl Rock Capital Corp.:		
5.250%, 4-15-24	675	730
4.000%, 3-30-25	1,025	1,070
		18,837
Consumer Finance – 0.5%		
Ford Motor Credit Co. LLC:		
5.875%, 8-2-21	1,500	1,535
3.810%, 1-9-24	1,500	1,538
General Motors Financial Co., Inc. (GTD by AmeriCredit Financial Services, Inc.),		
3.200%, 7-6-21	500	505
		3,578
Diversified Banks – 7.8%		
Banco Santander S.A.,		
3.500%, 4-11-22	1,250	1,298
Bank of America Corp.:		
2.503%, 10-21-22	4,000	4,071
3.974%, 2-7-30	2,500	2,943
2.496%, 2-13-31	2,000	2,123
1.898%, 7-23-31	1,200	1,212
Bank of America Corp. (3-Month U.S. LIBOR plus 77 bps),		
0.995%, 2-5-26 (C)	4,000	4,024
Bank of New York Mellon Corp. (The),		
3.550%, 9-23-21	1,250	1,277
BB&T Corp.,		
2.750%, 4-1-22	3,500	3,601
Citizens Bank N.A.,		
3.250%, 2-14-22	1,050	1,081
Commonwealth Bank of Australia,		
2.000%, 9-6-21 (A)(D)	1,500	1,518
Danske Bank A.S.,		
2.700%, 3-2-22 (A)	1,300	1,333
Fifth Third Bank N.A.:		
2.250%, 6-14-21	500	503
3.350%, 7-26-21	1,500	1,522
ING Groep N.V.,		
3.550%, 4-9-24	1,325	1,447
Korea Development Bank,		
3.000%, 3-19-22	1,125	1,159
Mitsubishi UFJ Financial Group, Inc.:		
2.998%, 2-22-22	500	515
3.218%, 3-7-22	2,000	2,068

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Diversified Banks (Continued)		
Mizuho Financial Group, Inc.,		
2.953%, 2-28-22	$3,000	$ 3,090
Toronto-Dominion Bank,		
3.250%, 3-11-24	1,275	1,384
U.S. Bancorp,		
3.375%, 2-5-24	704	766
U.S. Bank N.A.,		
3.450%, 11-16-21	3,500	3,590
Wells Fargo & Co.:		
2.100%, 7-26-21	1,000	1,010
3.069%, 1-24-23	1,500	1,543
2.393%, 6-2-28	2,500	2,660
4.150%, 1-24-29	1,000	1,187
2.879%, 10-30-30	4,080	4,449
2.572%, 2-11-31	400	423
5.013%, 4-4-51	650	923
Westpac Banking Corp.,		
2.000%, 8-19-21	1,000	1,011
		53,731
Diversified Capital Markets – 0.3%		
Credit Suisse Group AG,		
3.574%, 1-9-23 (A)	2,000	2,061
Financial Exchanges & Data – 0.4%		
Intercontinental Exchange, Inc.,		
2.650%, 9-15-40	2,475	2,537
Insurance Brokers – 1.2%		
Brown & Brown, Inc.,		
4.200%, 9-15-24	2,754	3,066
Marsh & McLennan Cos., Inc.,		
2.750%, 1-30-22	2,000	2,047
Willis North America, Inc.,		
2.950%, 9-15-29	3,105	3,396
		8,509
Investment Banking & Brokerage – 4.9%		
Charles Schwab Corp. (The),		
1.650%, 3-11-31	2,150	2,169
Daiwa Securities Group, Inc.,		
3.129%, 4-19-22 (A)	1,000	1,032
Goldman Sachs Group, Inc. (The):		
3.000%, 4-26-22	1,000	1,008
2.905%, 7-24-23	1,000	1,039
4.250%, 10-21-25	3,250	3,727
3.500%, 11-16-26	2,000	2,245
4.223%, 5-1-29	3,500	4,150
4.017%, 10-31-38	2,700	3,291
Morgan Stanley:		
4.875%, 11-1-22	2,931	3,157
5.000%, 11-24-25	2,150	2,571
3.875%, 1-27-26	3,850	4,415
1.794%, 2-13-32	2,125	2,137
3.971%, 7-22-38	800	985
Morgan Stanley (3-Month U.S. LIBOR plus 140 bps),		
1.615%, 10-24-23 (C)	1,500	1,529
		33,455

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Life & Health Insurance – 2.7%		
Aflac, Inc.,		
4.750%, 1-15-49	$2,250	$ 3,135
MetLife Global Funding I,		
1.950%, 9-15-21 (A)(D)	2,000	2,024
Metropolitan Life Insurance Co.,		
3.450%, 10-9-21 (A)	3,000	3,071
New York Life Global Funding,		
2.900%, 1-17-24 (A)	5,500	5,899
Northwestern Mutual Life Insurance Co. (The),		
3.850%, 9-30-47 (A)	3,000	3,527
Principal Life Global Funding II,		
3.000%, 4-18-26 (A)	1,000	1,112
		18,768
Other Diversified Financial Services – 4.7%		
Citigroup, Inc.:		
3.500%, 5-15-23	2,260	2,421
3.875%, 3-26-25	2,000	2,232
3.520%, 10-27-28	1,750	1,978
2.666%, 1-29-31	1,925	2,064
4.412%, 3-31-31	2,735	3,314
4.700%, 7-30-68	850	874
5.000%, 3-12-69	2,500	2,598
JPMorgan Chase & Co.:		
3.875%, 9-10-24	1,424	1,594
3.220%, 3-1-25	6,000	6,476
4.493%, 3-24-31	3,000	3,688
2.522%, 4-22-31	2,000	2,149
4.000%, 10-1-68	1,650	1,677
5.000%, 2-1-69	1,000	1,052
		32,117
Regional Banks – 0.6%		
PNC Bank N.A.,		
3.300%, 10-30-24	1,000	1,102
SunTrust Banks, Inc.,		
3.200%, 4-1-24	2,500	2,713
		3,815
Specialized Finance – 0.6%		
Fidelity National Financial, Inc.:		
5.500%, 9-1-22	1,730	1,864
3.400%, 6-15-30	1,850	2,030
		3,894
Total Financials – 26.5%		181,302
Health Care		
Biotechnology – 0.4%		
Amgen, Inc.,		
4.950%, 10-1-41	2,250	3,040
Health Care Equipment – 0.9%		
Becton Dickinson & Co.,		
2.894%, 6-6-22	2,559	2,645
Boston Scientific Corp.,		
4.550%, 3-1-39	1,875	2,388

SCHEDULE OF INVESTMENTS CORPORATE BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Health Care Equipment (Continued)		
Zimmer Biomet Holdings, Inc., 5.750%, 11-30-39	$ 725	$ 951
		5,984
Health Care Facilities – 0.8%		
HCA, Inc. (GTD by HCA Holdings, Inc.), 4.750%, 5-1-23	2,935	3,201
Universal Health Services, Inc., 2.650%, 10-15-30 (A)	1,925	1,998
		5,199
Health Care Services – 0.6%		
Cigna Corp., 3.400%, 9-17-21	2,500	2,554
CVS Caremark Corp., 3.875%, 7-20-25	1,250	1,416
		3,970
Health Care Supplies – 0.6%		
Abbott Laboratories, 4.750%, 11-30-36	1,315	1,810
Dentsply Sirona, Inc., 3.250%, 6-1-30	1,923	2,140
Shire Acquisitions Investments Ireland Designated Activity Co., 2.400%, 9-23-21	274	278
		4,228
Managed Health Care – 1.6%		
Humana, Inc., 2.900%, 12-15-22	5,000	5,224
UnitedHealth Group, Inc.:		
3.500%, 2-15-24	2,500	2,735
2.750%, 5-15-40	1,400	1,516
3.700%, 8-15-49	1,000	1,252
		10,727
Pharmaceuticals – 1.7%		
Bayer U.S. Finance II LLC, 2.850%, 4-15-25 (A)	1,490	1,580
Bayer U.S. Finance LLC, 3.000%, 10-8-21 (A)	1,500	1,526
Elanco Animal Health, Inc.:		
4.912%, 8-27-21 (B)	1,250	1,278
5.022%, 8-28-23 (B)	1,500	1,639
Merck & Co., Inc., 2.350%, 6-24-40	1,250	1,291
Novartis Capital Corp. (GTD by Novartis AG), 2.750%, 8-14-50	1,850	2,023
Royalty Pharma plc (GTD by Royalty Pharma Holdings Ltd.):		
1.200%, 9-2-25 (A)	1,500	1,523
2.200%, 9-2-30 (A)	750	770
3.300%, 9-2-40 (A)	325	341
		11,971
Total Health Care – 6.6%		45,119
Industrials		
Aerospace & Defense – 2.0%		
BAE Systems Holdings, Inc., 3.850%, 12-15-25 (A)	$ 1,500	$ 1,701
Boeing Co. (The):		
2.950%, 2-1-30	2,000	2,069
5.150%, 5-1-30	1,000	1,210
3.750%, 2-1-50	3,375	3,543
Harris Corp., 5.054%, 4-27-45	1,500	2,071
Raytheon Technologies Corp., 3.125%, 7-1-50	1,075	1,183
Rockwell Collins, Inc., 2.800%, 3-15-22	1,500	1,543
United Technologies Corp., 4.625%, 11-16-48	400	542
		13,862
Agricultural & Farm Machinery – 0.3%		
CNH Industrial Capital LLC (GTD by CNH Industrial Capital America LLC and New Holland Credit Co. LLC), 1.950%, 7-2-23	1,850	1,904
Airlines – 0.7%		
Aviation Capital Group Corp., 2.875%, 1-20-22 (A)	3,000	3,038
Aviation Capital Group LLC, 3.500%, 11-1-27 (A)	465	465
Sydney Airport Finance, 3.625%, 4-28-26 (A)	1,000	1,098
		4,601
Building Products – 0.4%		
Lennox International, Inc., 1.350%, 8-1-25	2,500	2,557
Diversified Support Services – 0.2%		
Genpact Luxembourg S.a.r.l. (GTD by Genpact Ltd.), 3.375%, 12-1-24	1,500	1,633
Environmental & Facilities Services – 1.3%		
Republic Services, Inc.:		
2.300%, 3-1-30	387	409
3.050%, 3-1-50	1,560	1,702
Waste Connections, Inc., 3.500%, 5-1-29	3,049	3,476
Waste Management, Inc. (GTD by Waste Management Holdings, Inc.), 4.100%, 3-1-45	2,500	3,131
		8,718
Industrial Machinery – 0.3%		
Roper Technologies, Inc., 2.950%, 9-15-29	1,721	1,890
Railroads – 0.8%		
Burlington Northern Santa Fe LLC, 4.550%, 9-1-44	1,000	1,349
Railroads (Continued)		
Kansas City Southern, 4.300%, 5-15-43	$ 1,475	$ 1,732
Union Pacific Corp., 3.550%, 8-15-39	1,875	2,167
		5,248
Research & Consulting Services – 1.2%		
CoStar Group, Inc., 2.800%, 7-15-30 (A)	3,431	3,563
IHS Markit Ltd., 5.000%, 11-1-22 (A)	2,840	3,037
Verisk Analytics, Inc., 3.625%, 5-15-50	1,735	2,018
		8,618
Total Industrials – 7.2%		49,031
Information Technology		
Application Software – 1.5%		
Autodesk, Inc., 2.850%, 1-15-30	3,500	3,885
Infor, Inc.:		
1.450%, 7-15-23 (A)	425	432
1.750%, 7-15-25 (A)	3,270	3,396
NXP B.V. and NXP Funding LLC, 4.625%, 6-1-23 (A)	2,595	2,836
		10,549
Communications Equipment – 0.3%		
Motorola Solutions, Inc., 5.500%, 9-1-44	1,415	1,799
Data Processing & Outsourced Services – 2.1%		
Global Payments, Inc., 2.650%, 2-15-25	3,000	3,212
PayPal Holdings, Inc.:		
2.650%, 10-1-26	2,050	2,253
2.300%, 6-1-30	2,600	2,783
3.250%, 6-1-50	1,100	1,266
Visa, Inc., 2.700%, 4-15-40	4,397	4,793
		14,307
Electronic Components – 0.3%		
Maxim Integrated Products, Inc.:		
3.375%, 3-15-23	375	395
3.450%, 6-15-27	1,700	1,906
		2,301
Internet Services & Infrastructure – 0.1%		
Baidu, Inc., 1.720%, 4-9-26	609	617
IT Consulting & Other Services – 0.3%		
Leidos, Inc. (GTD by Leidos Holdings, Inc.), 2.950%, 5-15-23 (A)	2,213	2,328

CORPORATE BOND (in thousands)

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Semiconductor Equipment – 0.3%		
Lam Research Corp.:		
3.750%, 3-15-26	$ 1,275	$ 1,457
2.875%, 6-15-50	415	446
		1,903
Semiconductors – 4.5%		
Broadcom, Inc.:		
3.625%, 10-15-24	2,443	2,684
4.700%, 4-15-25	2,500	2,864
Intel Corp.:		
4.000%, 12-15-32	1,500	1,866
4.100%, 5-19-46	4,000	5,083
Microchip Technology, Inc.,		
3.922%, 6-1-21	2,750	2,789
QUALCOMM, Inc.:		
4.800%, 5-20-45	500	710
4.300%, 5-20-47	1,500	2,031
Taiwan Semiconductor Manufacturing Co. Ltd.,		
1.375%, 9-28-30 (A)	5,000	4,906
Texas Instruments, Inc.:		
3.875%, 3-15-39	3,500	4,359
4.150%, 5-15-48	400	534
Xilinx, Inc.,		
2.375%, 6-1-30	2,625	2,754
		30,580
Systems Software – 1.1%		
Microsoft Corp.,		
3.700%, 8-8-46	3,000	3,798
ServiceNow, Inc.,		
1.400%, 9-1-30	4,010	3,910
		7,708
Technology Hardware, Storage & Peripherals – 1.6%		
Apple, Inc.:		
2.400%, 5-3-23	2,895	3,036
3.850%, 5-4-43	1,350	1,703
4.650%, 2-23-46	1,739	2,468
3.850%, 8-4-46	1,800	2,311
2.950%, 9-11-49	725	808
Seagate HDD Cayman (GTD by Seagate Technology plc),		
5.750%, 12-1-34	387	456
		10,782
Total Information Technology – 12.1%		82,874
Materials		
Construction Materials – 0.3%		
Martin Marietta Materials, Inc.,		
3.500%, 12-15-27	1,371	1,553
Vulcan Materials Co.,		
3.900%, 4-1-27	425	495
		2,048
Diversified Chemicals – 0.2%		
DowDuPont, Inc.,		
4.205%, 11-15-23	1,300	1,434

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Fertilizers & Agricultural Chemicals – 0.5%		
Mosaic Co. (The):		
3.250%, 11-15-22	$ 1,333	$ 1,393
4.250%, 11-15-23	400	437
Nutrien Ltd.,		
5.250%, 1-15-45	1,320	1,795
		3,625
Metal & Glass Containers – 0.1%		
Colonial Enterprises, Inc.,		
3.250%, 5-15-30 (A)	700	792
Specialty Chemicals – 0.2%		
Ecolab, Inc.,		
4.800%, 3-24-30	850	1,084
Total Materials – 1.3%		8,983
Real Estate		
Health Care REITs – 0.3%		
HCP, Inc.,		
4.250%, 11-15-23	230	252
Healthpeak Properties, Inc.:		
3.875%, 8-15-24	582	644
2.875%, 1-15-31	1,025	1,104
		2,000
Industrial REITs – 0.2%		
Aircastle Ltd.,		
5.500%, 2-15-22	598	623
Avolon Holdings Funding Ltd.:		
3.625%, 5-1-22 (A)	160	163
3.250%, 2-15-27 (A)	1,000	1,020
		1,806
Specialized REITs – 2.9%		
American Tower Corp.:		
3.070%, 3-15-23 (A)	1,500	1,529
3.000%, 6-15-23	2,500	2,649
4.400%, 2-15-26	1,000	1,158
American Tower Trust I,		
3.652%, 3-23-28 (A)	1,000	1,099
Crown Castle International Corp.:		
5.250%, 1-15-23	2,317	2,535
3.150%, 7-15-23	175	186
3.200%, 9-1-24	1,250	1,358
4.000%, 3-1-27	2,000	2,296
CubeSmart L.P. (GTD by CubeSmart),		
4.375%, 2-15-29	1,615	1,908
CyrusOne L.P. and CyrusOne Finance Corp. (GTD by CyrusOne, Inc.):		
2.900%, 11-15-24	1,639	1,750
3.450%, 11-15-29	1,505	1,619
EPR Properties,		
4.950%, 4-15-28	720	724
Public Storage, Inc.,		
3.385%, 5-1-29	700	801
		19,612
Total Real Estate – 3.4%		23,418

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Utilities		
Electric Utilities – 3.5%		
American Transmission Systems, Inc.,		
5.250%, 1-15-22 (A)	$ 450	$ 469
Appalachian Power Co.,		
4.500%, 3-1-49	1,500	1,955
CenterPoint Energy, Inc.:		
4.250%, 11-1-28	1,683	1,993
2.950%, 3-1-30	750	816
Commonwealth Edison Co.,		
3.650%, 6-15-46	3,000	3,560
Duke Energy Indiana LLC,		
3.750%, 5-15-46	1,430	1,712
Duke Energy Ohio, Inc.,		
4.300%, 2-1-49	410	529
Entergy Corp.:		
0.900%, 9-15-25	1,300	1,299
3.750%, 6-15-50	1,200	1,388
FirstEnergy Corp.:		
2.850%, 7-15-22	1,306	1,327
3.400%, 3-1-50	215	206
National Rural Utilities Cooperative Finance Corp.,		
4.400%, 11-1-48	2,000	2,658
Southern California Edison Co.,		
4.125%, 3-1-48	1,525	1,816
Virginia Electric and Power Co., Series B,		
4.600%, 12-1-48	1,736	2,435
Wisconsin Electric Power Co.:		
4.250%, 6-1-44	250	309
4.300%, 10-15-48	1,250	1,683
		24,155
Gas Utilities – 0.5%		
Southern California Gas Co.,		
4.300%, 1-15-49	2,505	3,285
Independent Power Producers & Energy Traders – 0.3%		
Black Hills Corp.,		
4.350%, 5-1-33	2,000	2,421
Multi-Utilities – 1.6%		
Baltimore Gas and Electric Co.,		
4.250%, 9-15-48	1,500	1,954
Dominion Energy, Inc.:		
3.600%, 3-15-27	2,000	2,272
4.600%, 3-15-49	1,200	1,607
Dominion Resources, Inc.,		
2.750%, 1-15-22	3,000	3,065
Public Service Electric and Gas Co.,		
1.900%, 3-15-21	2,000	2,004
		10,902
Water Utilities – 0.5%		
American Water Capital Corp.,		
4.150%, 6-1-49	2,500	3,292
Total Utilities – 6.4%		44,055
TOTAL CORPORATE DEBT SECURITIES – 94.6%		$648,158
(Cost: $606,035)		

CORPORATE BOND (in thousands)

MORTGAGE-BACKED SECURITIES	Principal	Value
Non-Agency REMIC/CMO – 0.1%		
MASTR Adjustable Rate Mortgages Trust, Series 2005-1, Class B1 (Mortgage spread to 10-year U.S. Treasury index), 3.206%, 3-25-35 (C)	$ 839	$ 677
TOTAL MORTGAGE-BACKED SECURITIES – 0.1%		$ 677
(Cost: $836)		

MUNICIPAL BONDS – TAXABLE	Principal	Value
New York – 0.6%		
NYC Indl Dev Agy, Rental Rev Bonds (Yankee Stadium Proj), Ser 2009, 11.000%, 3-1-29 (A)	2,805	3,848
Ohio – 0.4%		
OH State Univ, Gen Receipts Bonds (Multiyear Debt Issuance Prog), Ser 2016A, 3.798%, 12-1-46	2,000	2,453
TOTAL MUNICIPAL BONDS – TAXABLE – 1.0%		$6,301
(Cost: $4,805)		

OTHER GOVERNMENT SECURITIES (E)	Principal	Value
Canada – 0.5%		
Province de Quebec, 7.140%, 2-27-26	$2,500	$3,277
TOTAL OTHER GOVERNMENT SECURITIES – 0.5%		$3,277
(Cost: $2,667)		

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS	Principal	Value
Agency Obligations – 0.2%		
Tennessee Valley Authority, 2.875%, 2-1-27	1,000	1,126
Mortgage-Backed Obligations – 0.0%		
Government National Mortgage Association Agency REMIC/CMO, 0.004%, 6-17-45 (A)(C)(F)	11	—*
TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 0.2%		$ 1,126
(Cost: $1,001)		

SHORT-TERM SECURITIES	Shares	Value
Money Market Funds (H) – 1.6%		
Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares, 0.030% (G)	761	$ 761
State Street Institutional U.S. Government Money Market Fund – Premier Class, 0.030%	10,279	10,279
		11,040
TOTAL SHORT-TERM SECURITIES – 1.6%		$ 11,040
(Cost: $11,040)		
TOTAL INVESTMENT SECURITIES – 99.3%		$680,031
(Cost: $635,735)		
CASH AND OTHER ASSETS, NET OF LIABILITIES (I) – 0.7%		4,781
NET ASSETS – 100.0%		$684,812

Notes to Schedule of Investments

*Not shown due to rounding.

(A)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2020 the total value of these securities amounted to $125,833 or 18.4% of net assets.

(B)Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at December 31, 2020.

(C)Variable rate security. Interest rate disclosed is that which is in effect at December 31, 2020. Description of the reference rate and spread, if applicable, are included in the security description.

(D)All or a portion of securities with an aggregate value of $745 are on loan.

(E)Other Government Securities may include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(F)Interest-only security. Amount shown as principal represents notional amount for computation of interest.

(G)Investment made with cash collateral received from securities on loan.

(H)Rate shown is the annualized 7-day yield at December 31, 2020.

(I)Cash of $410 has been pledged as collateral on open futures contracts.

The following futures contracts were outstanding at December 31, 2020 (contracts unrounded):

Description	Type	Number of Contracts	Expiration Date	Notional Amount	Value	Unrealized Depreciation
U.S. 10-Year Treasury Note	Short	65	3-20-21	6,500	$ (8,975)	$ (17)
U.S. Treasury Long Bond	Short	76	3-22-21	7,600	(13,162)	(48)
					$(22,137)	$(65)

SCHEDULE OF INVESTMENTS CORPORATE BOND (in thousands)

DECEMBER 31, 2020

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Asset-Backed Securities	$ —	$ 9,452	$—
Corporate Debt Securities	—	648,158	—
Mortgage-Backed Securities	—	677	—
Municipal Bonds	—	6,301	—
Other Government Securities	—	3,277	—
United States Government Agency Obligations	—	1,126	—
Short-Term Securities	11,040	—	—
Total	$11,040	$668,991	$—
Liabilities			
Futures Contracts	$ 65	$ —	$—

The following acronyms are used throughout this schedule:

CMO = Collateralized Mortgage Obligation
GTD = Guaranteed
LIBOR = London Interbank Offered Rate
REIT = Real Estate Investment Trust
REMIC = Real Estate Mortgage Investment Conduit

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Mark G. Beischel

Below, Mark G. Beischel, CFA, portfolio manager of Ivy VIP Global Bond, discusses positioning, performance and results for the fiscal year ended December 31, 2020. Mr. Beischel has managed the Portfolio since its inception in 2010 and has 27 years of industry experience.

Fiscal Year Performance

For the 12 months ended December 31, 2020	
Ivy VIP Global Bond (Class II shares at net asset value)	8.15%
Benchmark and Morningstar Category	
Bloomberg Barclays U.S. Universal Index (Generally reflects performance of U.S. dollar-denominated taxable bonds that are rated either investment-grade or high yield; includes U.S. Treasury bonds, investment-grade and high yield U.S. corporate bonds, mortgage-backed securities, and Eurodollar bonds)	7.58%
Bloomberg Barclays Global Credit 1-10 Year Hedged Index (generally reflects the performance of the global investment grade local currency corporate and government-related bond markets with a maturity greater than 1 year and less than 10 years)	5.74%
Morningstar World Bond Category Average (generally reflects the performance of the universe of funds with similar investment objectives)	8.35%

Please note that the Portfolio returns include applicable fees and expenses, whereas the index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

One full credit cycle in one quarter

The first two months in calendar year 2020 were strong as the U.S.-China trade deal was finally signed in January. Business confidence was improving and optimistic, while job growth was solid – beating expectations. Also, the unemployment rate was at a historical low. The stock market made new records with consumer confidence elevated. The outlook for calendar year 2020 was for stable global growth.

Unfortunately, the rise of COVID-19 that began in late November 2019 and spread throughout China, Asia, Europe, and ultimately the U.S. in early March, dramatically impacted the overall picture for global growth, capital markets and financial stability. This led to an immediate decline in global gross domestic product output, massive job losses and enormous reductions of wealth. The fiscal and monetary responses were massive with the Federal Reserve (Fed) cutting rates to zero, providing U.S. dollar liquidity to other central banks, money market funds and corporate credit. The Fed also started unlimited quantitative easing with large purchases of U.S. Treasuries and mortgage-backed securities – the Fed's balance increased by $1 trillion in one week. Most central banks indicated they would respond as needed to maintain operations and avoid dysfunctional financial markets during the crisis, and they kept policies extremely accommodative as their economies recovered. The monetary response was just as impressive. A spending bill of more than $2.0 trillion passed the U.S. Senate and House of the Representatives after last minute negotiations; ultimately bridging the effects of "social distancing."

In effect, the market witnessed a full credit cycle in one quarter. Credit spreads compressed back to pre-COVID-19 levels after widening in March. We have never seen a health crisis morph into an economic crisis by virtue of a government mandated full-stop shutdown. The National Bureau of Economic Research recently declared that the recession began in February. A clean V-shaped U.S. economic recovery was hopeful at best as credit continued to be at the mercy of COVID-19-related news; both negative and positive.

The U.S. Treasury curve steepened slightly after Fed Chair Jerome Powell used his speech at the Jackson Hole Symposium at the end of August 2020 to signal sustained looser monetary conditions. Specifically, he indicated that the Fed would change its interpretation of its price-stability mandate to target "inflation that averages 2% over time," which we believe allows for "inflation moderately above 2%" after periods of low inflation.

The global credit market renewed its grind tighter in the final quarter of the year after pausing in September. The credit spread on the Bloomberg Barclays U.S. Universal Index, the Portfolio's benchmark, ended the year at 81 basis points (bps), which is 125 bps tighter than the widest levels reached in March and just 8 bps wider than the year's tightest level in January 2020.

In December, the Organization for Economic Cooperation and Development (OECD) again upgraded its forecast for global economic growth in 2020 to a decline of 4.2%, up from September's estimate of negative 4.5%. China, with expected growth of 1.8%, remains the only G20 country that the OECD forecasts to have grown in 2020. The OECD does expect global growth to rebound in 2021 to 4.2%, although the rebound will be very uneven across the globe.

Fixed-income investment returns generally remained positive for the year, despite the U.S. Treasury yield rising steadily over the fourth quarter to end the year at 0.91% after falling near 0.5% multiple times earlier in the year. The U.S. Treasury curve steepened during the quarter as market-implied inflation metrics rose on optimism over an economic recovery and the election of Joe Biden as the 46th president of the United States. Growth in U.S. consumer spending slowed towards the end of the fiscal year as a new wave of COVID-19 cases swept the country and Congress failed to pass further stimulus measures until the end of December.

Performance and seeking low volatility positioning

The Portfolio changed its benchmark during the fiscal year. It outperformed both its old and new benchmarks during the period but underperformed its Morningstar peer group. The underperformance relative to the Morningstar peer group was attributed to the Portfolio's lack of exposure to foreign currencies, as the U.S. dollar underperformed all other G10 currencies. The Portfolio had a 100% weighting in the U.S. dollar and its lack of exposure in the euro, British pound and yen detracted from performance, as those currencies appreciated 8.9%, 3.1%, and 5.2% against the U.S. dollar, respectively.

At the beginning of the fiscal year we upgraded the quality profile of the Portfolio. We shifted up the credit quality with the expectation that the Fed's policy of normalizing interest rates would lead to increased volatility in the credit markets. The Portfolio was defensively positioned to take advantage of market volatility that dramatically increased credit spreads as COVID-19 led to a shutdown of the U.S. economy. The Portfolio opportunistically added to its emerging market and high yield exposures, capitalizing on tremendous widening of credit spreads during the March and June timeframes.

Amid the volatility, we are maintaining low duration in the Portfolio, and believe we have plenty of liquidity. We believe shorter duration will enable the Portfolio to focus on higher yielding corporate bonds, while greater liquidity will allow us to be more responsive to changing market environments. We continue to focus on maintaining proper diversification for the Portfolio by investing in different securities, sectors, countries and currencies. This flexibility allows us to seek less volatility with a reasonable yield that we believe should reward investors over the longer term.

We continue to search for value in emerging market and domestic high-yield corporate bonds and senior loans. Some of the best returns have been from those sectors, which we believe should continue. We think there will be more opportunities to redeploy liquidity due to the volatility associated with the U.S. political climate and the Fed's normalization of interest rates.

Looking ahead

We believe short-term interest rates will stay near zero for the foreseeable future. We also believe that inflation will remain low due to growth constraints, although it is likely to be higher than we had previously anticipated due to the Democrats gaining control of the Senate along with the House of Representatives.

The U.S.'s sizable fiscal packages provided much needed income support for sidelined workers and financial support for businesses facing interrupted product demand and cash flows. However, we do not believe that the stimulus packages passed thus far are fiscal stimulus that will generate sustained stronger growth. The federal government finally passed another fiscal stimulus bill at the end of December, while states look to fill gaps in their budgets. We think the outlook is good for additional stimulus as Democrats have stated it is one of their first priorities in the new term.

Demand for corporate credit remains intact. Across the globe, fixed-income yields are staggeringly low, leaving investors few alternatives. The Fed has indicated it will continue to support markets beyond the point at which the COVID-19 virus is contained, which we believe is likely to support current spread levels.

China has contained COVID-19 more effectively than most countries and is now the closest of the major countries to be operating at "business-as-usual." This has been a major support to global resource demand. While Chinese authorities are unlikely to tighten policy for the foreseeable future, we think that momentum in its credit cycle is likely to have peaked, which could weigh on global resource demand later in 2021.

The economies of many emerging market countries have been supported by surprisingly aggressive fiscal stimulus. With ballooning fiscal deficits, however, governments will likely have less room to respond as COVID-19 cases hit record highs across much of the world.

West Texas Intermediate crude began to rise in mid-November as COVID-19 vaccine trials showed positive results. The crude benchmark rose from $36 per barrel at the end of October to $48 per barrel at the end of the year. Saudi Arabia has committed to cutting supply during the first quarter of 2021 which should provide further support for higher oil prices as well as the finances of countries that depend on oil exports. Meanwhile, China's economic strength continues to support the prices of many industrial metals.

Finally, the tilt away from globalization that has been underway for about half of the decade is likely to be reinforced. We believe new factors stemming from COVID-19 and heightened geopolitical tension between the U.S. and China will fuel the move further away from globalization, which will change complex international supply chains, and lead to higher tariffs and potentially increased barriers to immigration.

Past performance is not a guarantee of future results. The value of the Portfolio's shares will change, and you could lose money on your investment.

Certain U.S. government securities in which the Portfolio may invest, such as Treasury securities and securities issued by the Government National Mortgage Association (GinnieMae), are backed by the full faith and credit of the U.S. government. However, other U.S. government securities in which the Portfolio may invest, such as securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal Home Loan Banks (FHLB), are not backed by the full faith and credit of the U.S. government, are not insured or guaranteed by the U.S. government and, instead, may be supported only by the right of the issuer to borrow from the U.S. Treasury or by the credit of the issuer.

International investing involves additional risks including currency fluctuations, political or economic conditions affecting a foreign country, and differences in accounting standards and foreign regulations. Fixed income securities are subject to interest rate risk and, as such, the net asset value of the Portfolio may fall as interest rates rise. These and other risks are more fully described in the Portfolio's prospectus.

Diversification and asset allocation are investment strategies that attempt to manage risk within the Portfolio but they do not guarantee profits or protect against loss in declining markets.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, and includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of Ivy VIP Global Bond.

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Bonds	96.6%
Corporate Debt Securities	74.9%
United States Government Obligations	12.9%
Other Government Securities	8.8%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	3.4%

Quality Weightings

Investment Grade	71.5%
AAA	2.8%
AA	14.1%
A	16.9%
BBB	37.7%
Non-Investment Grade	25.1%
BB	19.5%
B	4.3%
CCC	1.3%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	3.4%

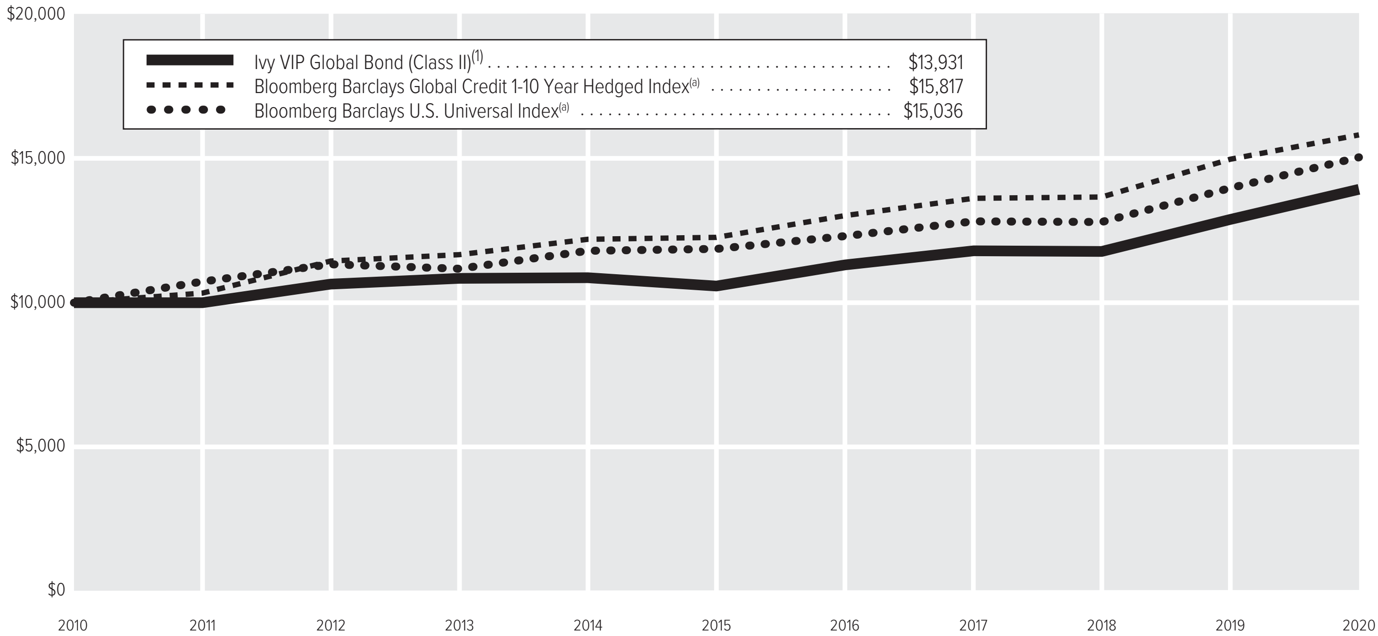
Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

Country Weightings

North America	34.2%
United States	24.9%
Mexico	7.5%
Other North America	1.8%
South America	18.4%
Chile	4.7%
Brazil	4.2%
Other South America	9.5%
Europe	14.8%
United Kingdom	4.8%
Other Europe	10.0%
Pacific Basin	16.3%
China	4.1%
Other Pacific Basin	12.2%
Bahamas/Caribbean	6.7%
Middle East	5.2%
Africa	1.0%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	3.4%

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return(2)	Class II
1-year period ended 12-31-20	8.15%
5-year period ended 12-31-20	5.68%
10-year period ended 12-31-20	3.37%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

(a)Effective August 24, 2020, the Portfolio's new benchmark is the Bloomberg Barclays U.S. Universal Index. IICO believes that this index is more reflective of the types of securities that the Portfolio invests in. Both the new benchmark and the Portfolio's previous benchmark noted above are included for comparison purposes.

SCHEDULE OF INVESTMENTS GLOBAL BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES	Principal	Value
Argentina		
Energy – 0.8%		
Pampa Energia S.A. 7.500%, 1-24-27 (A)	$ 150	$ 133
Pan American Energy LLC 7.875%, 5-7-21	33	34
		167
Total Argentina – 0.8%		$ 167
Australia		
Industrials – 0.3%		
Transurban Finance Co. Pty Ltd. 2.450%, 3-16-31 (A)	70	73
Utilities – 1.0%		
Ausgrid Finance Pty Ltd. 3.850%, 5-1-23 (A)	200	211
Total Australia – 1.3%		$284
Austria		
Consumer Staples – 1.0%		
JBS Investments II GmbH (GTD by JBS S.A.) 5.750%, 1-15-28 (A)	200	214
Total Austria – 1.0%		$ 214
Bermuda		
Consumer Staples – 0.5%		
Bacardi Ltd. 4.450%, 5-15-25 (A)	100	112
Total Bermuda – 0.5%		$ 112
Brazil		
Industrials – 1.1%		
Cosan Ltd. 5.500%, 9-20-29 (A)(B)	200	219
Materials – 2.1%		
Nexa Resources S.A. 6.500%, 1-18-28 (A)	200	236
Vale Overseas Ltd. 6.250%, 8-10-26	150	186
		422
Utilities – 1.0%		
Aegea Finance S.a.r.l. 5.750%, 10-10-24 (A)	200	209
Total Brazil – 4.2%		$850
British Virgin Islands		
Information Technology – 1.0%		
Taiwan Semiconductor Manufacturing Co. Ltd. 1.000%, 9-28-27 (A)	200	198
Total British Virgin Islands – 1.0%		$ 198

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Canada		
Consumer Staples – 0.3%		
Alimentation Couche-Tard, Inc. 2.700%, 7-26-22 (A)	$ 60	$ 62
Energy – 0.6%		
TransCanada PipeLines Ltd. 4.250%, 5-15-28	100	118
Financials – 0.9%		
Brookfield Finance, Inc. (GTD by Brookfield Asset Management, Inc.) 4.350%, 4-15-30	100	120
Royal Bank of Canada 4.650%, 1-27-26	50	59
		179
Total Canada – 1.8%		$359
Cayman Islands		
Consumer Discretionary – 1.0%		
Meituan 3.050%, 10-28-30 (A)	200	208
Financials – 1.0%		
Three Gorges Finance I Ltd. 1.300%, 9-22-25 (A)(B)	200	198
Total Cayman Islands – 2.0%		$406
Chile		
Energy – 1.0%		
GeoPark Ltd. 6.500%, 9-21-24 (A)	200	207
Financials – 1.0%		
Banco del Estado de Chile 2.704%, 1-9-25 (A)	200	211
Industrials – 1.1%		
Empresa de Transporte de Pasajeros Metro S.A. 3.650%, 5-7-30 (A)	200	225
Materials – 1.1%		
Celulosa Arauco y Constitucion S.A. 4.500%, 8-1-24	200	220
Utilities – 0.5%		
Enel Chile S.A. 4.875%, 6-12-28	80	94
Total Chile – 4.7%		$957
China		
Communication Services – 2.0%		
Tencent Holdings Ltd. 2.985%, 1-19-23 (A)	200	208
Weibo Corp. 3.500%, 7-5-24	200	210
		418

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Consumer Discretionary – 1.1%		
Alibaba Group Holding Ltd. 3.400%, 12-6-27	$ 200	$223
Information Technology – 1.0%		
Lenovo Group Ltd. 3.421%, 11-2-30 (A)	200	210
Total China – 4.1%		$ 851
Columbia		
Financials – 1.0%		
Banco de Bogota S.A. 5.375%, 2-19-23 (A)	200	214
Utilities – 1.5%		
Emgesa S.A. E.S.P. 8.750%, 1-25-21 (C)	COP302,000	89
Empresas Publicas de Medellin E.S.P. 4.250%, 7-18-29 (A)	$ 200	215
		304
Total Columbia – 2.5%		$ 518
France		
Financials – 1.0%		
BNP Paribas S.A. 7.625%, 12-29-49 (A)	200	203
Total France – 1.0%		$203
Hong Kong		
Financials – 1.1%		
Bangkok Bank Public Co. Ltd. 4.050%, 3-19-24 (A)	200	217
Total Hong Kong – 1.1%		$ 217
India		
Utilities – 2.1%		
Adani Electricity Mumbai Ltd. 3.949%, 2-12-30 (A)	200	212
Adani Green Energy (UP) Ltd., Parampujya Solar Energy Private Ltd. and Prayatna Developers Private Ltd. 6.250%, 12-10-24 (A)	200	222
		434
Total India – 2.1%		$434
Indonesia		
Utilities – 2.4%		
Perusahaan Listrik Negara:		
5.450%, 5-21-28 (A)	200	239
5.375%, 1-25-29 (A)	200	241
		480
Total Indonesia – 2.4%		$480

SCHEDULE OF INVESTMENTS GLOBAL BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Isle of Man		
Consumer Discretionary – 1.0%		
GOHL Capital Ltd. 4.250%, 1-24-27	$200	$ 212
Total Isle of Man – 1.0%		$ 212
Japan		
Financials – 1.1%		
Mitsubishi UFJ Financial Group, Inc. 3.287%, 7-25-27	100	113
Sumitomo Mitsui Financial Group, Inc. 3.748%, 7-19-23	110	119
		232
Total Japan – 1.1%		$232
Luxembourg		
Consumer Staples – 1.1%		
Minerva Luxembourg S.A. 5.875%, 1-19-28 (A)(B)	200	216
Financials – 1.1%		
JSM Global S.a.r.l. 4.750%, 10-20-30 (A)(B)	200	215
Industrials – 1.0%		
Rumo Luxembourg S.a.r.l. 7.375%, 2-9-24 (A)	200	208
Total Luxembourg – 3.2%		$639
Mexico		
Consumer Staples – 1.1%		
Grupo Bimbo S.A.B. de C.V. 3.875%, 6-27-24 (A)	200	219
Energy – 0.4%		
Petroleos Mexicanos 6.490%, 1-23-27	80	84
Financials – 1.8%		
Banco Santander S.A. 4.125%, 11-9-22 (A)	150	158
Credito Real S.A. de C.V. SOFOM E.N.R. 7.250%, 7-20-23 (A)	200	202
		360
Industrials – 2.1%		
Alfa S.A.B. de C.V. 5.250%, 3-25-24 (A)	200	221
Grupo Kuo S.A.B. de C.V. 5.750%, 7-7-27 (A)	200	210
		431
Materials – 1.0%		
CEMEX S.A.B. de C.V. 7.750%, 4-16-26 (A)	$200	$ 211
Total Mexico – 6.4%		$1,305
Netherlands		
Financials – 1.0%		
Syngenta Finance N.V. 5.182%, 4-24-28 (A)	200	214
Health Care – 1.1%		
Teva Pharmaceutical Finance Netherlands III B.V. (GTD by Teva Pharmaceutical Industries Ltd.) 6.750%, 3-1-28 (B)	200	226
Total Netherlands – 2.1%		$ 440
Nigeria		
Financials – 1.0%		
Africa Finance Corp. 4.375%, 4-17-26 (A)	200	218
Total Nigeria – 1.0%		$ 218
Norway		
Energy – 0.7%		
Aker BP ASA 4.750%, 6-15-24 (A)	150	155
Total Norway – 0.7%		$ 155
Panama		
Financials – 1.0%		
Banco Latinoamericanco de Comercio Exterior S.A. 2.375%, 9-14-25 (A)	200	205
Total Panama – 1.0%		$ 205
Peru		
Financials – 1.8%		
Banco de Credito del Peru 4.250%, 4-1-23 (A)	150	160
Corporacion Financiera de Desarrolla S.A. 2.400%, 9-28-27 (A)	200	203
		363
Utilities – 0.9%		
Fenix Power Peru S.A. 4.317%, 9-20-27	179	188
Total Peru – 2.7%		$ 551
Saudi Arabia		
Energy – 1.0%		
Saudi Arabian Oil Co. 1.250%, 11-24-23 (A)	$200	$203
Total Saudi Arabia – 1.0%		$203
South Korea		
Financials – 2.1%		
Hyundai Capital Services, Inc. 2.983%, 8-29-22 (A)	210	218
Korea Development Bank 3.250%, 2-19-24	200	216
		434
Total South Korea – 2.1%		$434
Spain		
Financials – 1.0%		
Banco Santander S.A. 2.706%, 6-27-24	200	214
Utilities – 1.0%		
EnfraGen Energia Sur S.A.U. 5.375%, 12-30-30 (A)	200	207
Total Spain – 2.0%		$ 421
United Arab Emirates		
Consumer Discretionary – 1.0%		
GEMS MENASA Cayman Ltd. and GEMS Education Delaware LLC 7.125%, 7-31-26 (A)	200	210
Energy – 1.0%		
Galaxy Pipeline Assets BidCo Ltd. 1.750%, 9-30-27 (A)	200	203
Total United Arab Emirates – 2.0%		$ 413
United Kingdom		
Communication Services – 1.0%		
Liquid Telecommunications Financing plc (GTD by Liquid Telecommunications Holdings Ltd.) 8.500%, 7-13-22 (A)	200	204
Consumer Staples – 1.0%		
Imperial Tobacco Finance plc 3.750%, 7-21-22 (A)	200	208
Financials – 2.8%		
ANZ New Zealand International Ltd. 3.450%, 1-21-28 (A)	200	228
Royal Bank of Scotland Group plc (The) 6.000%, 12-19-23	100	114

SCHEDULE OF INVESTMENTS GLOBAL BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Financials (Continued)		
State Bank of India		
4.875%, 4-17-24 (A)	$200	$ 221
		563
Total United Kingdom – 4.8%		$ 975
United States		
Communication Services – 1.1%		
T-Mobile USA, Inc.		
6.000%, 3-1-23	230	230
Consumer Discretionary – 1.1%		
Volkswagen Group of America, Inc.		
4.250%, 11-13-23 (A)	200	220
Consumer Staples – 1.3%		
Keurig Dr Pepper, Inc.		
4.597%, 5-25-28	125	152
Reynolds American, Inc.		
4.450%, 6-12-25	100	114
		266
Financials – 4.9%		
Bank of America Corp.		
3.593%, 7-21-28	125	142
BBVA Bancomer S.A.		
5.875%, 9-13-34 (A)	200	228
Citigroup, Inc.		
3.520%, 10-27-28	125	141
Goldman Sachs Group, Inc. (The)		
3.814%, 4-23-29	100	116
JPMorgan Chase & Co.:		
3.540%, 5-1-28	118	135
4.000%, 10-1-68	50	51
TerraForm Global Operating LLC (GTD by TerraForm Global LLC)		
6.125%, 3-1-26 (A)	50	51
Wells Fargo & Co.		
4.300%, 7-22-27	125	146
		1,010
Health Care – 1.9%		
Bayer U.S. Finance II LLC		
2.850%, 4-15-25 (A)	200	212
Fresenius U.S. Finance II, Inc.:		
4.250%, 2-1-21 (A)	100	100
4.500%, 1-15-23 (A)	75	80
		392
Industrials – 0.7%		
BAE Systems Holdings, Inc.		
3.800%, 10-7-24 (A)	75	83
Boeing Co. (The)		
4.508%, 5-1-23	50	54
		137
Real Estate – 1.0%		
Aircastle Ltd.		
4.400%, 9-25-23	100	106

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Real Estate (Continued)		
CyrusOne L.P. and CyrusOne Finance Corp. (GTD by CyrusOne, Inc.)		
2.900%, 11-15-24	$100	$ 107
		213
Total United States – 12.0%		$2,468
Uruguay		
Industrials – 0.4%		
Navios South American Logistics, Inc. and Navios Logistics Finance (U.S.), Inc.		
10.750%, 7-1-25 (A)	70	75
Total Uruguay – 0.4%		$ 75
Venezuela		
Financials – 0.9%		
Corporacion Andina de Fomento:		
3.250%, 2-11-22	150	154
2.375%, 5-12-23	30	31
		185
Total Venezuela – 0.9%		$ 185
TOTAL CORPORATE DEBT SECURITIES – 74.9%		$15,381
(Cost: $14,359)		

OTHER GOVERNMENT SECURITIES (D)	Principal	Value
Argentina – 0.5%		
Republic of Argentina:		
1.000%, 7-9-29	12	6
0.125%, 7-9-30	243	98
		104
Bahamas – 1.1%		
Commonwealth of Bahamas		
8.950%, 10-15-32 (A)	200	218
Costa Rica – 0.9%		
Costa Rica Government Bond		
4.250%, 1-26-23 (A)	200	192
Mexico – 1.1%		
United Mexican States		
3.250%, 4-16-30 (B)	200	216
Panama – 1.1%		
Republic of Panama		
3.750%, 4-17-26	200	218
Peru – 0.5%		
Republic of Peru		
1.862%, 12-1-32	100	101
Qatar – 1.0%		
Qatar Government Bond		
3.875%, 4-23-23	200	215

OTHER GOVERNMENT SECURITIES (D) (Continued)	Principal	Value
Saudi Arabia – 1.2%		
Saudi Arabia Government Bond		
2.375%, 10-26-21 (A)	$250	$ 254
Uruguay – 0.3%		
Republica Orient Uruguay		
4.500%, 8-14-24	50	55
Vietnam – 1.1%		
Vietnam Government Bond		
4.800%, 11-19-24 (A)	200	224
TOTAL OTHER GOVERNMENT SECURITIES – 8.8%		$ 1,797
(Cost: $1,729)		

UNITED STATES GOVERNMENT OBLIGATIONS		
United States – 12.9%		
U.S. Treasury Notes:		
1.500%, 1-15-23	150	154
2.125%, 9-30-24	100	107
0.250%, 10-31-25	400	398
2.250%, 11-15-25	150	164
0.375%, 11-30-25	700	701
2.375%, 5-15-27	125	139
0.375%, 7-31-27	300	296
0.375%, 9-30-27	400	394
0.500%, 10-31-27	200	198
0.625%, 11-30-27	100	100
		2,651
TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 12.9%		$ 2,651
(Cost: $2,616)		

SHORT-TERM SECURITIES	Shares	
Money Market Funds (E) – 6.9%		
State Street Institutional U.S. Government Money Market Fund – Premier Class		
0.030%	501	501
Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares		
0.030% (F)	926	926
		1,427
TOTAL SHORT-TERM SECURITIES – 6.9%		$ 1,427
(Cost: $1,427)		
TOTAL INVESTMENT SECURITIES – 103.5%		$21,256
(Cost: $20,131)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – (3.5)%		(714)
NET ASSETS – 100.0%		$20,542

SCHEDULE OF INVESTMENTS GLOBAL BOND (in thousands)

Notes to Schedule of Investments

(A)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2020 the total value of these securities amounted to $11,751 or 57.2% of net assets.

(B)All or a portion of securities with an aggregate value of $903 are on loan.

(C)Principal amounts are denominated in the indicated foreign currency, where applicable (COP—Columbian Peso).

(D)Other Government Securities may include emerging markets sovereign, quasi-sovereign, corporate and supranational agency and organization debt securities.

(E)Rate shown is the annualized 7-day yield at December 31, 2020.

(F)Investment made with cash collateral received from securities on loan.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Corporate Debt Securities	$ —	$ 15,381	$—
Other Government Securities	—	1,797	—
United States Government Obligations	—	2,651	—
Short-Term Securities	1,427	—	—
Total	$1,427	$19,829	$—

The following acronym is used throughout this schedule:

GTD = Guaranteed

Country Diversification

(as a % of net assets)	
United States	24.9%
Mexico	7.5%
United Kingdom	4.8%
Chile	4.7%
Brazil	4.2%
China	4.1%
Peru	3.2%
Luxembourg	3.2%
Columbia	2.5%
Indonesia	2.4%
Saudi Arabia	2.2%
Netherlands	2.1%
South Korea	2.1%
India	2.1%
Panama	2.1%
Spain	2.0%

Country Diversification (Continued)

United Arab Emirates	2.0%
Cayman Islands	2.0%
Canada	1.8%
Australia	1.3%
Argentina	1.3%
Japan	1.1%
Vietnam	1.1%
Bahamas	1.1%
Hong Kong	1.1%
Nigeria	1.0%
Qatar	1.0%
Austria	1.0%
Isle of Man	1.0%
France	1.0%
British Virgin Islands	1.0%
Other Countries	3.7%
Other+	3.4%

+Includes liabilities (net of cash and other assets), and cash equivalents

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Christopher J. Parker

Robert E. Nightingale

Below, Christopher Parker, CFA, and Robert E. Nightingale, portfolio managers of Ivy VIP Global Equity Income, discuss positioning, performance and results for the fiscal year ended December 31, 2020. Mr. Parker has managed the Portfolio since 2014 and has 25 years of industry experience. Mr. Nightingale has managed the Portfolio in since 2018 and has 25 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended December 31, 2020	
Ivy VIP Global Equity Income (Class II shares at net asset value)	3.15%
Benchmark and Morningstar Category	
FTSE All-World High Dividend Yield Index (generally reflects the performance of securities with higher-than-average dividend yields in the global market)	-0.32%
Morningstar World Large Stock Category Average (generally reflects the performance of the universe of funds with similar investment objectives)	17.67%

Please note that Portfolio returns include applicable fees and expenses, whereas the index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

A year in review

2020 is a year that many of us want to forget, and we are happy the calendar has turned to another year. However, 2020 was such an extraordinary period that it is likely to be remembered perhaps more vividly than most years. The word "unprecedented" is probably one of the more misused words in the lexicon of financial commentators. In the case of 2020, much of what we all experienced was genuinely unprecedented or certainly nearly so. While COVID-19 was not the first pandemic, it was the first to spread in such a rapid fashion around the globe. Additionally, the global response was certainly unprecedented both in terms of markets and in the real economy. In order to slow the spread of COVID-19, global leaders effectively shut down large portions of their economies, leading to some of the sharpest declines in economic output and employment on record. The depth of uncertainty regarding the future led to the fastest bear market in the history of U.S. markets.

The response to the economic distress in much of the world was equally unprecedented. Central banks unleashed their full arsenal of tools to ease stress in certain corners of the financial markets. Within weeks, central banks around the world had taken rates to zero if they were not there already, ramped up buying activity in financial markets to provide a stabilizing bid, and had either dusted off or developed credit facilities to inject credit and liquidity into the real economy. On the fiscal side, the action was equally rapid and awe-inspiring in terms of its scale. Stimulus packages were in the trillions as billions were simply insufficient. This type of massive mobilization of resources was not completely unprecedented, though outside of war-time it certainly seems to be so. In response to the blast of adrenaline and defibrillation provided by this combination of monetary and fiscal policy, financial markets roared to life off the March bottoms. After the quickest bear market in history, we experienced the fastest return to a new bull market in history. After this quick return to life, most markets have been on a solid upward march, occasionally interrupted by upticks in the rate of new COVID-19 infections or other short-term obstacles that pervasive optimism simply plowed over. Even toward the end of the year, good news on vaccines was taken as good news, while bad news on infection rates was largely ignored or spun into being a positive as it would simply lead to more fiscal stimulus and greater monetary easing.

The Portfolio's benchmark index ended up roughly flat for the fiscal year, while many markets and indices were strongly positive. The S&P 500 Index rose by 18%, with much of this being driven by certain sectors and companies that were either substantial beneficiaries of an environment where many people were working from home and making completely different consumption choices compared to normal. Within this, we believe some real areas of speculation have developed, and in some cases, these pockets of excessive optimism are creating a sufficient gravity to pull up valuations in other areas as often occurs during a melt up in markets. We think the coming year, or perhaps longer, might be a period where the reality of broader growth might be rewarded while the hopes, dreams and aspirations of a cohort of highly valued concept stocks might be set to disappoint.

In some ways markets lend themselves to analysis using models for other sciences. Newtown's First Law states that a body in motion will remain in motion until acted upon by an external force. We highly doubt that markets will remain in motion on the current course for an overly extended period. History has shown that momentum can persist for longer than expected but eventually some force acts and alters the course of markets. It is not clear if this force is something like simply strong economic growth that broadens the base of winners and restores a normal level of inflation and nominal growth, or some other variable. If one thing has repeated precedent in financial markets, it is that bubbles and manias develop on occasion, typically expanding far beyond what most would view as rational until they become held as a new norm and eventually burst.

Portfolio contributors and detractors

The Portfolio outperformed its benchmark but underperformed is Morningstar peer group average during the fiscal year. Outperformance during the period was primarily driven by positive stock selection. Currency was also a tailwind to relative performance, while sector allocation was roughly neutral.

Seven of eleven sectors outperformed the benchmark during the year. Information technology substantially outperformed the benchmark as stocks in that sector benefitted from strong relative growth during the pandemic-related lockdowns and the ensuing recovery. Several companies within the sector also saw substantial multiple expansion based on improving structural outlooks for their respective industries or businesses. Materials and industrials also outperformed, driven by more resilient-than-expected demand and an improved outlook for future growth due to robust expected economic growth. Energy was the most significant underperforming sector, lagging due to a poor crude price environment for much of the year. However, toward the end of the year, energy rallied significantly based on a brightening demand outlook resulting from vaccine approvals and expectations of future substantial easing of COVID-19 related restrictions. Sector allocation was roughly neutral to performance with positioning in information technology, financials, consumer staples and health care helping performance. Positioning in energy, materials and utilities hurt performance.

From a geographic perspective, the Portfolio was helped by positive stock selection and adversely impacted by regional allocation. The Portfolio's overweight position in Europe was a drag on performance. However, stock selection in Europe was strongly positive. Additionally, the currency impact of being overweight the euro and U.K. sterling were both positive. Stock selection in North America, Asia and emerging markets were positive, while selection in Japan was a drag on relative performance.

This was a very solid year for stock selection across the Portfolio, with only the consumer discretionary and industrials sectors resulting in a negative impact from stock selection. Stock selection was especially strong in information technology and utilities, and was also solidly favorable in financials, energy, communication services, health care and materials.

From an individual security point of view, the most significant positive contributors were Taiwan Semiconductor Manufacturing Co. Ltd. (TSMC), Samsung Electronics Co. Ltd., QUALCOMM, Inc., Morgan Stanley and ENEL S.p.A. The Portfolio no longer holds QUALCOMM, Inc. TSMC benefitted from strong demand driven by strength in mobile demand behind 5G, PC demand due to work-from-home and gaming, as well strong demand from hyperscale. The company's multiple also expanded significantly as investors increasingly recognize the strength of its competitive position in future semiconductor production nodes. Samsung benefitted from many of the same demand drivers as TSMC. Samsung also saw multiple expansion due to increasing investor confidence that full-cycle profitability in the company's core memory business has improved due to increased industry consolidation and competitive rationality. Qualcomm benefitted from an ongoing strong 5G handset cycle driving units and improved content, as well as resolution of remaining licensing disputes. Morgan Stanley shares benefitted from a recognition of a continued business mix toward wealth management and due to favorable conditions in investment banking and trading for most of the year. ENEL benefited from continued expansion of its pipeline of renewable energy projects around the world, and further recognition that the world is still early in a migration to carbon neutral sources of power generation. This is providing increased comfort that the duration of attractive growth at reasonable returns in that space can be measured in decades and not in years.

The most significant detractors to relative performance were CNOOC Ltd., Unilever plc, Amgen, Inc., Citigroup, Inc. and Sands China Ltd. The Portfolio no longer holds CNOOC Ltd., which underperformed due to the poor crude price environment during the year and was hit hard in the fourth quarter when the U.S. government was set to put the company on the Defense Department blacklist. Unilever is a recent purchase based on a view that relative growth and operational execution are set to improve. We also believed the stock price was at a discount to peers within consumer staples and companies with similar characteristics outside of consumer staples. Shares in both Unilever and Amgen underperformed due to an especially strong market environment, as opposed to company specific fundamentals. Citigroup shares were a drag due, in large part, to the pressure on financials shares. Shares in Sands China underperformed as a result of the impact of COVID-19 on its gaming operations in Macau.

Positioning

As one would expect, the Portfolio positioning has evolved over the past few quarters in response to a variety of factors. Most notably are 1) a broadly improving environment for economic growth as the global economy recovers from the various impacts related to COVID-19; 2) the tailwind provided by COVID-19 related fiscal stimulus in certain key areas; and 3) the impact that somewhat disparate performance has had on relative valuations.

The Portfolio is currently overweight utilities where we are finding perceived value in several companies that are at the forefront of investing in the unfolding energy transformation from fossil fuels toward wind and solar power generation. The Portfolio is overweight industrials where we anticipate benefits from improving global growth, increased spending in electrification and digitization as well as normalization of spending in areas adversely impacted by the operating conditions in the past year. The Portfolio is modestly overweight health care and consumer discretionary. The Portfolio is underweight consumer staples as we have found more compelling opportunities elsewhere. The Portfolio is underweight communication services as we have found few names in this sector that meet all the key investment criteria we are seeking. The Portfolio is also underweight materials – the sector has performed well during the past year and, as a result, our exposure to companies in that area is lower as we see better opportunities elsewhere. Lastly, the Portfolio is underweight energy. The characteristics of businesses in this sector are such that we are likely to be underweight for long periods of time. However, this is an area where we are spending a considerable amount of effort as improving demand fundamentals, supply restraint and attractive valuations are offering potential here.

Our investment approach remains steadfastly focused on investing in what we believe are quality businesses with favorable near and intermediate fundamentals, generally stable to rising dividends and attractive valuations. This approach is consistent across sectors and geographies. The core of our approach is based on stock selection as the key driver of portfolio inclusion and construction. As such, we do not significantly adjust portfolio positioning based on our short-term economic outlook or other factors that could impact a company's earnings outlook over the short run. However, a core part of our focus is on finding quality businesses we believe are mispriced due to these shorter-term market dislocations or other factors the market has underappreciated.

Outlook

We are cautiously optimistic on our 2021 outlook for economic growth and corporate earnings. We are fairly balanced with risk and sector weightings and own perceived quality names. Savings rates in many economies have expanded significantly during the pandemic as a result of government support schemes as well as the effect that COVID-19 related restrictions have had on the ability (as opposed to willingness) of consumers to spend. As vaccination programs progress, we see the savings rate as a coiled spring for consumption in numerous areas that have suffered during the pandemic. While many of these areas may take some time to return to normality, and normal will differ from pre-pandemic conditions, we see this as a tailwind for consumption that will drive recovery in employment in key parts of the service economy. To a degree, corporations have also been operating under tighter constraints with respect to investment in several areas. As COVID-19 restrictions unlock and confidence builds in the broader recovery, we also expect a recovery in corporate spending analogous to a typical early stage economic recovery. All these typical recovery dynamics are being boosted by substantial levels of stimulus from governments around the world. While there have been periods in prior recoveries where stimulus aided growth, the sheer magnitude of stimulus globally as well as the combination of both aggressive monetary and fiscal stimulus makes the current outlook more unusual and more favorable in the short-term.

While much ink has been spilled recently on extreme valuations in certain segments of financial markets, our view of valuation within our universe is more balanced. Valuations in certain segments and stocks are no longer as compelling after the strong rally in broader equities over the past several months. However, we believe more robust and broader economic growth is creating a more favorable investment backdrop in numerous more economically sensitive areas that have lagged over the past few years. We have been finding attractive opportunities in these sectors that fit our key criteria of attractive businesses, sustainable financial structures, attractive valuations and, in particular, improving underlying business fundamentals that are not fully appreciated by other investors. Within this context, we remain focused on businesses that have company specific drivers of improved performance in addition to having the wind at their backs. As such, portfolio positioning has migrated in this direction recently and may continue to do so as due-diligence progresses on new investment opportunities – seeking to take advantage of dips and pauses to build or add to positions.

Past performance is not a guarantee of future results. The value of the Portfolio's shares will change, and you could lose money on your investment.

International investing involves additional risks including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. The value of the Portfolio's investments, as measured in U.S. dollars, may be unfavorably affected by changes in foreign currency exchange rates and exchange control regulations. Focusing on a single geographic region involves increased currency, political, regulatory and other risks. These risks are magnified in emerging markets.

Dividend-paying stocks may fall out of favor with investors and underperform non-dividend paying stocks and the market as a whole. In addition, dividend-paying companies may not pay dividends in the future; such dividends, if declared, may not remain at current levels or increase over time. The amount of any dividend the company may pay may fluctuate significantly. Dividend-paying stocks can decline in value when interest rates rise; this risk may be greater during the current period of historically low interest rates. These and other risks are more fully described in the Portfolio's prospectus.

The opinions expressed in this report are those of the portfolio managers and are current only through the end of the period of the report as stated on the cover. The portfolio managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, and includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of Ivy VIP Global Equity Income

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Stocks	99.3%
Financials	23.0%
Health Care	12.6%
Information Technology	12.5%
Industrials	11.7%
Utilities	10.8%
Consumer Staples	9.9%
Consumer Discretionary	5.9%
Communication Services	4.4%
Energy	4.3%
Materials	4.2%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	0.7%

Country Weightings

North America	39.2%
United States	37.7%
Other North America	1.5%
Europe	36.4%
United Kingdom	9.8%
Germany	9.6%
France	9.0%
Switzerland	3.8%
Other Europe	4.2%
Pacific Basin	23.7%
Japan	6.6%
South Korea	5.2%
Taiwan	5.0%
Other Pacific Basin	6.9%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	0.7%

Top 10 Equity Holdings

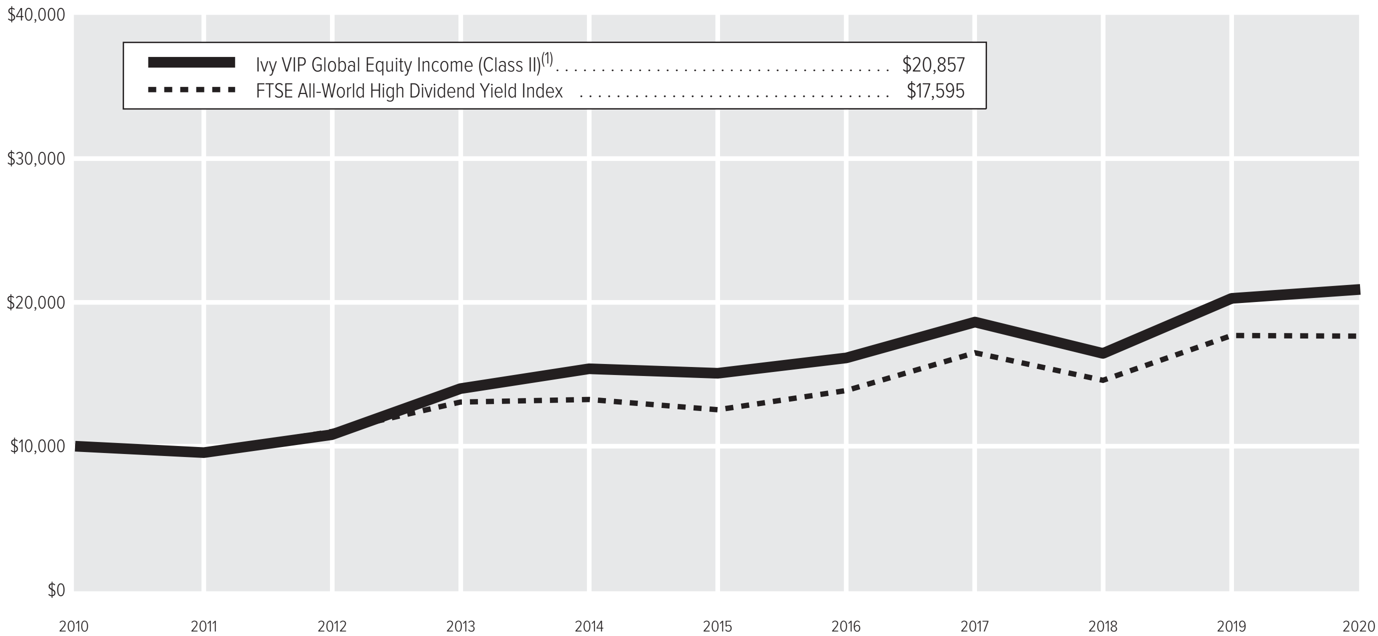
Company	Sector	Industry
Samsung Electronics Co. Ltd.	Information Technology	Technology Hardware, Storage & Peripherals
Taiwan Semiconductor Manufacturing Co. Ltd.	Information Technology	Semiconductors
Procter & Gamble Co. (The)	Consumer Staples	Household Products
Morgan Stanley	Financials	Investment Banking & Brokerage
ENEL S.p.A.	Utilities	Electric Utilities
Verizon Communications, Inc.	Communication Services	Integrated Telecommunication Services
Schneider Electric S.A.	Industrials	Electrical Components & Equipment
Citigroup, Inc.	Financials	Other Diversified Financial Services
Unilever plc	Consumer Staples	Personal Products
Philip Morris International, Inc.	Consumer Staples	Tobacco

See your advisor or www.ivyinvestments.com for more information on the Portfolio's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF $10,000 INVESTMENT

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return[2]	Class II
1-year period ended 12-31-20	3.15%
5-year period ended 12-31-20	6.76%
10-year period ended 12-31-20	7.63%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS GLOBAL EQUITY INCOME (in thousands)

DECEMBER 31, 2020

COMMON STOCKS	Shares	Value
Canada		
Financials – 1.5%		
Bank of Montreal	62	$ 4,729
Total Canada – 1.5%		$ 4,729
France		
Energy – 2.3%		
Total S.A. (A)	167	7,210
Financials – 2.2%		
Axa S.A.	293	7,024
Health Care – 1.7%		
Sanofi-Aventis	56	5,385
Industrials – 2.8%		
Schneider Electric S.A.	62	8,890
Total France – 9.0%		$28,509
Germany		
Communication Services – 1.5%		
Deutsche Telekom AG, Registered Shares	262	4,787
Financials – 1.5%		
Munchener Ruckversicherungs-Gesellschaft AG, Registered Shares	16	4,873
Industrials – 1.8%		
Siemens AG	40	5,776
Utilities – 3.2%		
E.ON AG	393	4,351
RWE Aktiengesellschaft	138	5,847
		10,198
Total Germany – 8.0%		$25,634
Hong Kong		
Utilities – 1.4%		
Guangdong Investment Ltd.	2,400	4,327
Total Hong Kong – 1.4%		$ 4,327
Indonesia		
Financials – 1.8%		
PT Bank Mandiri (Persero) Tbk	12,799	5,775
Total Indonesia – 1.8%		$ 5,775
Ireland		
Materials – 1.3%		
CRH plc	98	4,181
Total Ireland – 1.3%		$ 4,181

COMMON STOCKS (Continued)	Shares	Value
Italy		
Utilities – 2.9%		
ENEL S.p.A.	900	$ 9,155
Total Italy – 2.9%		$ 9,155
Japan		
Consumer Discretionary – 1.2%		
Subaru Corp.	190	3,800
Financials – 3.8%		
ORIX Corp.	447	6,882
Tokio Marine Holdings, Inc.	97	4,972
		11,854
Industrials – 1.6%		
ITOCHU Corp.	172	4,941
Total Japan – 6.6%		$20,595
Macau		
Consumer Discretionary – 1.8%		
Sands China Ltd.	1,335	5,831
Total Macau – 1.8%		$ 5,831
Singapore		
Financials – 1.8%		
DBS Group Holdings Ltd. (A)	294	5,564
Total Singapore – 1.8%		$ 5,564
South Korea		
Information Technology – 5.2%		
Samsung Electronics Co. Ltd.	218	16,263
Total South Korea – 5.2%		$ 16,263
Switzerland		
Financials – 1.6%		
Zurich Financial Services, Registered Shares	12	5,135
Health Care – 2.2%		
Roche Holdings AG, Genusscheine	20	7,084
Total Switzerland – 3.8%		$ 12,219
Taiwan		
Information Technology – 5.0%		
Taiwan Semiconductor Manufacturing Co. Ltd.	836	15,815
Total Taiwan – 5.0%		$ 15,815
United Kingdom		
Consumer Staples – 2.7%		
Unilever plc	139	8,314

COMMON STOCKS (Continued)	Shares	Value
Financials – 1.4%		
3i Group plc	272	$ 4,299
Health Care – 4.1%		
AstraZeneca plc	75	7,439
GlaxoSmithKline plc	285	5,222
		12,661
Materials – 1.6%		
Anglo American plc	153	5,040
Total United Kingdom – 9.8%		$ 30,314
United States		
Communication Services – 2.9%		
Verizon Communications, Inc.	152	8,930
Consumer Discretionary – 1.3%		
V.F. Corp.	48	4,134
Consumer Staples – 7.2%		
Philip Morris International, Inc.	95	7,904
Procter & Gamble Co. (The)	75	10,451
Sysco Corp.	61	4,523
		22,878
Energy – 2.0%		
ConocoPhillips	158	6,303
Financials – 7.4%		
Citigroup, Inc.	138	8,516
KeyCorp	261	4,282
Morgan Stanley	152	10,445
		23,243
Health Care – 4.6%		
Amgen, Inc.	32	7,283
CVS Caremark Corp.	107	7,335
		14,618
Industrials – 5.5%		
Eaton Corp.	56	6,699
Lockheed Martin Corp.	15	5,181
Raytheon Technologies Corp.	75	5,370
		17,250
Information Technology – 2.3%		
Cisco Systems, Inc.	161	7,220
Materials – 1.3%		
Eastman Chemical Co.	40	4,045
Utilities – 3.3%		
Exelon Corp.	141	5,967
Public Service Enterprise Group, Inc.	75	4,384
		10,351
Total United States – 37.8%		$ 118,972
TOTAL COMMON STOCKS – 97.7%		$307,883
(Cost: $274,200)		

SCHEDULE OF INVESTMENTS GLOBAL EQUITY INCOME (in thousands)

DECEMBER 31, 2020

PREFERRED STOCKS	Shares	Value
Germany		
Consumer Discretionary – 1.6%		
Volkswagen AG, 2.260%	27	$4,954
Total Germany – 1.6%		$4,954
TOTAL PREFERRED STOCKS – 1.6%		$4,954
(Cost: $4,301)		

SHORT-TERM SECURITIES	Shares	Value
Money Market Funds (B) – 0.5%		
State Street Institutional U.S. Government Money Market Fund – Premier Class 0.030%	1,718	$ 1,718
TOTAL SHORT-TERM SECURITIES – 0.5%		$ 1,718
(Cost: $1,718)		
TOTAL INVESTMENT SECURITIES – 99.8%		$314,555
(Cost: $280,219)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.2%		685
NET ASSETS – 100.0%		$315,240

Notes to Schedule of Investments

(A)All or a portion of securities with an aggregate value of $7,281 are on loan.

(B)Rate shown is the annualized 7-day yield at December 31, 2020.

The following table is a summary of the valuation of the Portfolio’s investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks			
Communication Services	$ 8,930	$ 4,787	$—
Consumer Discretionary	4,134	9,631	—
Consumer Staples	22,878	8,314	—
Energy	6,303	7,210	—
Financials	27,972	44,524	—
Health Care	14,618	25,130	—
Industrials	17,250	19,607	—
Information Technology	7,220	32,078	—
Materials	4,045	9,221	—
Utilities	10,351	23,680	—
Total Common Stocks	$123,701	$184,182	$—
Preferred Stocks	—	4,954	—
Short-Term Securities	1,718	—	—
Total	$125,419	$189,136	$—

Market Sector Diversification

(as a % of net assets)	
Financials	23.0%
Health Care	12.6%
Information Technology	12.5%
Industrials	11.7%
Utilities	10.8%
Consumer Staples	9.9%

Market Sector Diversification (Continued)

Consumer Discretionary	5.9%
Communication Services	4.4%
Energy	4.3%
Materials	4.2%
Other+	0.7%

+Includes cash and other assets (net of liabilities), and cash equivalents

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Sarah C. Ross

Below, Sarah C. Ross, CFA, portfolio manager of Ivy VIP Global Growth, discusses positioning, performance and results for the fiscal year ended December 31, 2020. Ms. Ross has 25 years of industry experience and has managed the Portfolio since August 2014.

Fiscal Year Performance

For the 12 Months Ended December 31, 2020	
Ivy VIP Global Growth (Class II shares at net asset value)	20.58%
Benchmark and Morningstar Category	
MSCI World Index (generally reflects the performance of securities markets around the world)	15.90%
Morningstar World Large Stock Category Average (generally reflects the performance of the universe of funds with similar investment objectives)	17.67%

Please note that Portfolio returns include applicable fees and expenses, whereas the index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

A year in review

Global equity performance for 2020 can be viewed predominantly in terms of the COVID-19 pandemic impact. The year began with an earnings recession caused by pandemic-related economic shutdowns as governments around the world attempted to curb the virus spread. China had the biggest negative impact early, but also recovered more quickly given aggressive social distancing measures and the use of technology to contact trace early on. Economic shut downs were affecting most of the world by mid-March. This global earnings recession was followed by a period of recovery that started with China and ebbed and flowed across global markets as economies partially reopened. Global market enthusiasm took a step up in mid-November and carried through year end after multiple vaccine developers announced COVID-19 vaccine data with better efficacy (over 95%) than expected.

Global equity markets ended the year up almost 16%. Aggressive monetary and fiscal stimulus globally played a significant role in strong equity market returns. In many markets globally, including the U.S., consumers and businesses received direct government payments to partially offset wage hits and economic hardship from the pandemic. The resulting economic impact from the recession (including loan losses in the financial system, consumer demand and industrial production, to name a few) have not been nearly as bad as initially feared in many markets.

During 2020, growth substantially outperformed value, with the outperformance more pronounced early in the year. As global economies began to recover and positive vaccine data was announced, value performance improved. Price/earnings expansion played a role in equity returns as in most markets globally earnings have yet to fully recover from the pandemic hit. Gold was a notable strong performer among a broad range of asset classes as investors viewed it as a store of wealth in uncertain times. During the period, emerging markets outperformed developed markets. The U.S. was one of the stronger developed market performers, handily beating the benchmark and outperforming Japan and most of Europe. The information technology sector continued its strength in 2020, followed by outperformance from consumer discretionary and communication services. The most notable underperformer in the period was energy, down over 30% for the fiscal year. Financials and real estate also had negative absolute returns in a strong market.

Performance for the year

The Portfolio posted strong positive performance and outperformed its benchmark index and Morningstar peer group for the fiscal year. Stock selection was the overwhelming source of outperformance in the period with strong stock picking in energy, financials and consumer discretionary. An additional significant contributor in the fiscal period came from the Portfolio's overweight to information technology stocks, which continued to perform well. These positives more than offset weak stock selection in industrials. Traditional work-from-home beneficiaries, such as Amazon.com, Inc. and PayPal, Inc., were significant positive contributors to performance. In addition, a range of technology holdings did well in the period, including Taiwan Semiconductor Manufacturing Co. Ltd. ADR, Infineon Technologies AG, Microsoft Corp. and Adobe, Inc. Other contributors included Discover Financial Services, Ferrari N.V. and Thermo Fisher Scientific, Inc. Airbus SE was by far our largest detractor in the year given the abrupt decline in air travel associated with the pandemic. The second largest relative detractor was not owning Tesla, Inc., which contributed almost one percentage point to benchmark returns. Other detractors included Canadian Natural Resources Ltd., Recruit Holdings Co. Ltd. and Prudential Financial, Inc. The Portfolio no longer holds Prudential Financial, Inc.

Outlook

While COVID-19 cases globally remain at relatively high levels, effective vaccines are currently being administered globally as manufacturing production increases. We expect a very strong recovery in global growth for 2021, with global GDP growth approaching 5%. Comparisons will be off a low base following 2020, as many economies around the world were shut down in the first quarter of 2020 and only slowly recovered throughout the year. In addition, we anticipate continued fiscal and monetary stimulus to benefit growth rates in 2021. We expect another round of sizable stimulus in the U.S. following the Democratic wins in the Senate, creating a majority in congress to support President Biden’s initiatives. We have added to positions we believe will benefit from a gradual return to normalcy, with exposure to restaurants, consumer spending and eventually travel. We think 2021 can also be a relatively strong year for emerging markets, and we continue to look for investment ideas that have sustainable competitive advantages that can benefit from improving economic growth in emerging markets and a likely lower U.S. dollar. We currently expect more rapid recovery in the U.S. market relative to other parts of the world. That said, we are tempering our enthusiasm given high U.S. equity valuations and longer-term risks, including rising corporate tax rates given the new Democratic leadership. We continue to focus on investment ideas that we feel have unique competitive barriers to entry with strong long-term tailwinds.

Past performance is not a guarantee of future results. The value of the Portfolio’s shares will change, and you could lose money on your investment.

International investing involves additional risks including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. These and other risks are more fully described in the Portfolio’s prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The portfolio manager’s views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged, and includes reinvested dividends and does not include fees. One cannot invest directly in an index, nor is an index representative of Ivy VIP Global Growth.

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Stocks	99.9%
Information Technology	26.1%
Consumer Discretionary	17.3%
Industrials	14.6%
Financials	14.4%
Health Care	11.9%
Communication Services	8.1%
Consumer Staples	4.2%
Energy	3.3%
Cash and Other Assets (Net of Liabilities)	0.1%

Country Weightings

North America	59.4%
United States	55.8%
Canada	3.6%
Europe	25.1%
France	7.7%
United Kingdom	6.6%
Other Europe	10.8%
Pacific Basin	14.6%
China	7.3%
Japan	3.5%
Other Pacific Basin	3.8%
South America	0.8%
Cash and Other Assets (Net of Liabilities)	0.1%

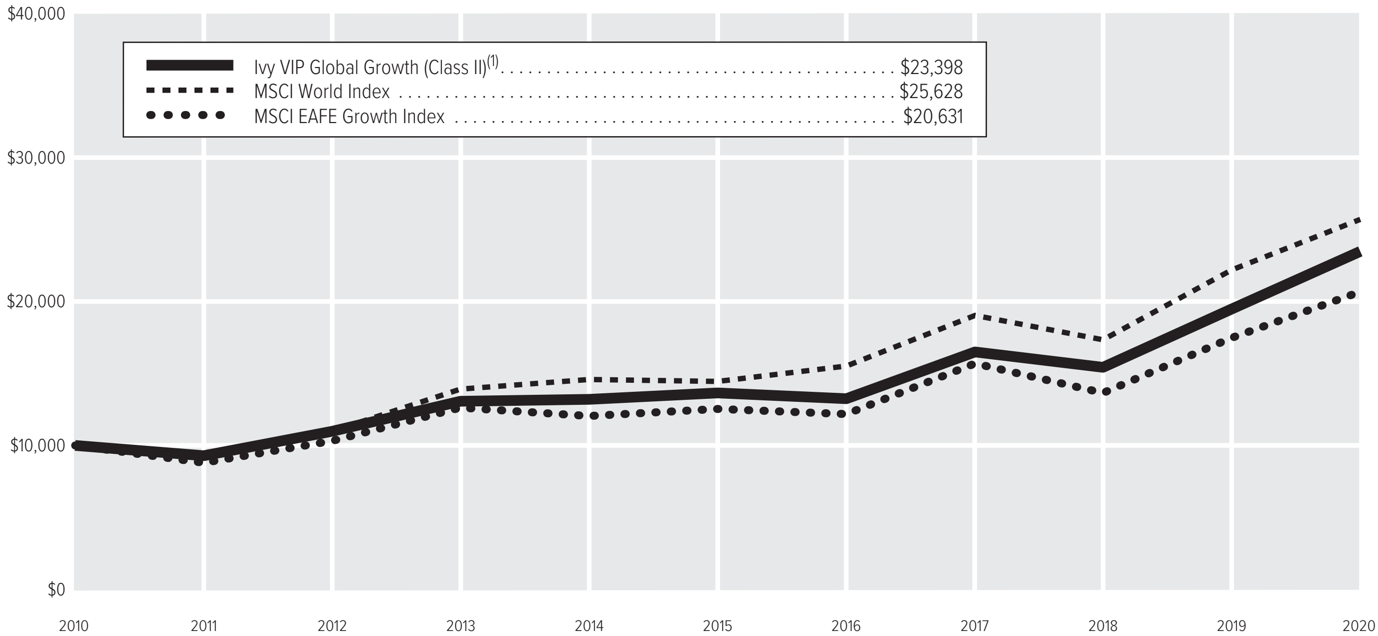
Top 10 Equity Holdings

Company	Country	Sector	Industry
Amazon.com, Inc.	United States	Consumer Discretionary	Internet & Direct Marketing Retail
Microsoft Corp.	United States	Information Technology	Systems Software
Apple, Inc.	United States	Information Technology	Technology Hardware, Storage & Peripherals
Ferrari N.V.	Italy	Consumer Discretionary	Automobile Manufacturers
Discover Financial Services	United States	Financials	Consumer Finance
PayPal, Inc.	United States	Information Technology	Data Processing & Outsourced Services
Airbus SE	France	Industrials	Aerospace & Defense
Schneider Electric S.A.	France	Industrials	Electrical Components & Equipment
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	Taiwan	Information Technology	Semiconductors
Ferguson plc	Switzerland	Industrials	Trading Companies & Distributors

See your advisor or www.ivyinvestments.com for more information on the Portfolio's most recently published Top 10 Equity Holdings.

COMPARISON OF CHANGE IN VALUE OF $10,000 INVESTMENT GLOBAL GROWTH

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return(2)	Class II
1-year period ended 12-31-20	20.58%
5-year period ended 12-31-20	11.44%
10-year period ended 12-31-20	8.87%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS GLOBAL GROWTH (in thousands)

DECEMBER 31, 2020

COMMON STOCKS	Shares	Value
Brazil		
Consumer Discretionary – 0.5%		
Magazine Luiza S.A.	163	$ 783
Financials – 0.3%		
Banco do Brasil S.A.	61	457
Total Brazil – 0.8%		$ 1,240
Canada		
Consumer Staples – 2.3%		
Alimentation Couche-Tard, Inc., Class B	107	3,653
Energy – 1.3%		
Canadian Natural Resources Ltd.	86	2,057
Total Canada – 3.6%		$ 5,710
China		
Communication Services – 3.5%		
Baidu.com, Inc. ADR (A)	11	2,338
Tencent Holdings Ltd.	44	3,180
		5,518
Consumer Discretionary – 1.7%		
Alibaba Group Holding Ltd. ADR (A)	11	2,674
Financials – 2.1%		
Ping An Insurance (Group) Co. of China Ltd., H Shares	271	3,298
Total China – 7.3%		$11,490
France		
Communication Services – 1.6%		
Ubisoft Entertainment S.A. (A)	26	2,553
Consumer Discretionary – 0.8%		
LVMH Moet Hennessy – Louis Vuitton	2	1,210
Industrials – 5.3%		
Airbus SE	37	4,095
Schneider Electric S.A.	28	4,066
		8,161
Total France – 7.7%		$11,924
Germany		
Financials – 1.3%		
Deutsche Boerse AG	12	1,983
Information Technology – 1.4%		
Infineon Technologies AG	56	2,133
Total Germany – 2.7%		$ 4,116

COMMON STOCKS (Continued)	Shares	Value
India		
Energy – 1.3%		
Reliance Industries Ltd.	77	$ 2,107
Total India – 1.3%		$ 2,107
Italy		
Consumer Discretionary – 3.3%		
Ferrari N.V.	22	5,090
Total Italy – 3.3%		$5,090
Japan		
Financials – 1.0%		
ORIX Corp.	99	1,522
Industrials – 2.5%		
Daikin Industries Ltd.	11	2,425
Recruit Holdings Co. Ltd.	35	1,453
		3,878
Total Japan – 3.5%		$5,400
Netherlands		
Health Care – 1.4%		
Koninklijke Philips Electronics N.V., Ordinary Shares	40	2,161
Total Netherlands – 1.4%		$ 2,161
Switzerland		
Health Care – 1.0%		
Alcon, Inc.	24	1,566
Industrials – 2.4%		
Ferguson plc	31	3,766
Total Switzerland – 3.4%		$5,332
Taiwan		
Information Technology – 2.5%		
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	35	3,866
Total Taiwan – 2.5%		$3,866
United Kingdom		
Communication Services – 1.6%		
WPP Group plc	223	2,420
Consumer Discretionary – 1.5%		
Aptiv plc	18	2,397
Consumer Staples – 1.9%		
Diageo plc	38	1,486
Unilever plc	23	1,358
		2,844

COMMON STOCKS (Continued)	Shares	Value
Health Care – 1.6%		
AstraZeneca plc	16	$ 1,611
AstraZeneca plc ADR	18	918
		2,529
Total United Kingdom – 6.6%		$10,190
United States		
Communication Services – 1.4%		
Facebook, Inc., Class A (A)	8	2,116
Consumer Discretionary – 9.5%		
Amazon.com, Inc. (A)	2	7,266
Brinker International, Inc.	28	1,577
Darden Restaurants, Inc.	27	3,243
Dollar General Corp.	5	1,025
Home Depot, Inc. (The)	6	1,678
		14,789
Energy – 0.7%		
ConocoPhillips	25	1,019
Financials – 9.7%		
Citigroup, Inc.	33	2,048
CME Group, Inc.	6	1,089
Discover Financial Services	54	4,928
Goldman Sachs Group, Inc. (The)	9	2,449
JPMorgan Chase & Co.	14	1,777
Morgan Stanley	41	2,808
		15,099
Health Care – 7.9%		
Abbott Laboratories	29	3,127
HCA Holdings, Inc.	11	1,806
Johnson & Johnson	19	3,041
Thermo Fisher Scientific, Inc.	5	2,464
UnitedHealth Group, Inc.	5	1,897
		12,335
Industrials – 4.4%		
Eaton Corp.	21	2,510
Northrop Grumman Corp.	7	2,226
Union Pacific Corp.	11	2,200
		6,936
Information Technology – 22.2%		
Adobe, Inc. (A)	5	2,325
Ambarella, Inc. (A)	21	1,956
Apple, Inc.	43	5,751
Autodesk, Inc. (A)	3	933
Fidelity National Information Services, Inc.	19	2,685
Intuit, Inc.	9	3,422
MasterCard, Inc., Class A	9	3,255
Microsoft Corp.	26	5,775
PayPal, Inc. (A)	20	4,719

SCHEDULE OF INVESTMENTS GLOBAL GROWTH (in thousands)

DECEMBER 31, 2020

COMMON STOCKS (Continued)	Shares	Value
Information Technology (Continued)		
Visa, Inc., Class A	17	$ 3,736
		34,557
Total United States – 55.8%		$ 86,851
TOTAL COMMON STOCKS – 99.9%		$155,477
(Cost: $101,075)		
TOTAL INVESTMENT SECURITIES – 99.9%		$155,477
(Cost: $101,075)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.1%		193
NET ASSETS – 100.0%		$155,670

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

The following table is a summary of the valuation of the Portfolio’s investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks			
Communication Services	$ 4,454	$ 8,153	$—
Consumer Discretionary	19,860	7,083	—
Consumer Staples	3,653	2,844	—
Energy	3,076	2,107	—
Financials	15,099	7,260	—
Health Care	13,253	5,338	—
Industrials	6,936	15,805	—
Information Technology	38,423	2,133	—
Total Common Stocks	$104,754	$50,723	$—
Total	$104,754	$50,723	$—

The following acronym is used throughout this schedule:

ADR = American Depositary Receipts

Market Sector Diversification

(as a % of net assets)	
Information Technology	26.1%
Consumer Discretionary	17.3%
Industrials	14.6%
Financials	14.4%
Health Care	11.9%
Communication Services	8.1%
Consumer Staples	4.2%
Energy	3.3%
Other+	0.1%

+Includes cash and other assets (net of liabilities)

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Susan Regan

Below, Susan K. Regan, portfolio manager of Ivy VIP Limited-Term Bond, discusses positioning, performance and results for the fiscal year ended December 31, 2020. She has managed the Portfolio since 2014 and has 33 years industry experience.

Fiscal Year Performance

For the 12 Months Ended December 31, 2020	
Ivy VIP Limited-Term Bond (Class II shares at net asset value)	4.14%
Benchmark(s) and Morningstar Category	
Bloomberg Barclays 1-3 Year Gov/Credit Index (generally reflects the performance of securities representing the bond market that have maturities between 1 and 3 years)	3.33%
Bloomberg Barclays 1-5 Year U.S. Government/Credit Index (generally reflects the performance of securities representing the bond market that have maturities between 1 and 5 years)	4.71%
Morningstar Short-Term Bond Category Average (generally reflects the performance of the universe of funds with similar investment objectives)	3.81%

Please note that the Portfolio returns include applicable investment fees and expenses, whereas the index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

Performance

The Portfolio underwent a benchmark change that was effective April 30, 2020. The reason for the benchmark change was to align the Portfolio with the benchmark used by more than 60% of the portfolios in the Morningstar Short-Term Bond category. For the fiscal period ending December 31, 2020, the Portfolio outperformed its new benchmark, the Bloomberg Barclays 1-3 Year Gov/Credit Index and its Morningstar peer group.

Market Review

When the year began, the 2-year U.S. Treasury note yielded 1.57% and the 10-year U.S. Treasury note yielded 1.92%. The Bloomberg Barclays U.S. Credit Index, a good gauge of credit spreads, a subset of which is the Fund's benchmark, was at a spread of 90 basis points (bps). As the novel coronavirus spread from China to Europe to the U.S., the flight to quality trade in U.S. Treasuries was significant. Equities fell, credit and other products experienced substantial spread widening, and U.S. Treasuries rallied hard, pushing yields lower.

The initial response to the panic was swift. The Federal Reserve (Fed) engaged in an emergency rate cut of 50 bps on March 3 to a federal funds rate range of 1.00-1.25%. Less than two weeks later, the Fed slashed the rate to 0-0.25%. In late March, the spread on the Bloomberg Barclays U.S. Credit Index widened to 341 bps. The Fed announced more programs to help the markets, including another round of quantitative easing (QE4). It began purchasing U.S. Treasuries, including U.S. Treasury Inflation-Indexed Bonds and agency mortgage-backed securities. It also announced a program to purchase corporate bonds, commercial paper and exchange traded funds (ETFs). The Fed, Congress, the U.S. Treasury and President Donald Trump played a role in the initial response to helping the markets and the individuals financially impacted by the virus, which helped ease the markets.

Support from the Fed continued through the year, and it is currently buying $80 billion per month in U.S. Treasuries and $40 billion in agency mortgage-backed securities. It expects to continue the purchases for the foreseeable future. The Fed's dovish policy framework includes goals to reach maximum employment and to overshoot on inflation, indicating it intends to keep rates at zero for the next several years. The support to the credit markets in the form of purchases of corporate bonds and ETFs expired at the end of the calendar year. However, the market is operating under the assumption that the Fed would come to the rescue again if it were needed.

The spread on the Bloomberg Barclays U.S. Credit Index tightened throughout the year and ended 2020 at 92 bps, just 2 bps wider than a year earlier. Issuance was extremely strong in the initial throes of the pandemic as corporations issued bonds at wide levels to ensure liquidity with the uncertainty brought by the pandemic and the economic shutdowns in much of the country. Investment grade corporate bond issuance hit record levels of more than $2 trillion. Throughout the remainder of the year, corporations continued to issue bonds as the all-in cost of borrowing was so low given the movement in overall interest rates in the country. The primary credit market was wide open as investors scrambled to reach for yield. The fundamentals in the credit market continued to deteriorate in 2020 as corporations rely on more and more debt in this low interest rate world.

Portfolio Positioning

The portfolio was well-positioned when the pandemic came to our shores and markets in the first quarter of 2020. The allocation to U.S. Treasuries was roughly 50% when 2020 began because we did not feel that we were being compensated for the risks taken in the credit market and had been reducing that exposure.

The 2-year U.S. Treasury note saw its high yield in January at 1.59% and then it rallied hard to end the quarter at a yield of just 25 bps. Yields in the front end of the curve remained anchored throughout the year with the Fed's commitment to an accommodative policy for the foreseeable future.

The large allocation to U.S. Treasuries gave the Fund plenty of "dry powder" to be opportunistic and add spread product, namely credit, back to the portfolio to increase yield. We increased the Portfolio's holding of credit to 54% of the Portfolio from 32% in the last three quarters of the year, primarily using the sales proceeds of U.S. Treasuries to fund the purchases.

With spreads ending the year basically back to the tight levels where they started, one could question whether the Portfolio will continue to keep its current overweight in credit. While we are concerned with spreads back near the tights, the fact that U.S. Treasury yields in the front end barely have double-digit yields has kept us from reversing this trade. We still have about 29% of the Portfolio in U.S. Treasuries and currently plan to continue to keep an allocation in the 25-30% area.

We have maintained an allocation to mortgage-backed securities for a while. While it is not an asset class present in the benchmark, it is one in which we are very comfortable. The securitized portion of the Portfolio generated some of the highest returns during the period. Approximately 14% of the Portfolio is in securitized products – while we may add to that allocation, we do not anticipate a higher than a 20% weighting to this non-benchmark security type.

Outlook

The pandemic has taken an awful toll on people throughout the world. Its unprecedented reach has impacted most of America, either by its grip on a family member's health, the death of a family member or friend, or loss of security of income and work. We are looking forward to the day when our everyday lives will look more like they did before the pandemic hit our country.

Although we are somewhat cautious due to potential volatility and rich valuations, an improving economic environment supported by stimulus and confidence in vaccines balances our view as we look further into 2021. In addition, we believe that the strong technical backdrop helps to offset stretched credit fundamentals for short-dated spread product.

We think the first quarter looks to be especially challenging with respect to COVID-19 and the knock-on economic impacts. While multiple vaccines appear to have taken the extreme tail risk off the table, the virus is out of control in much of the U.S., overwhelming the health care systems in several regions and continuing to depress economic activity. We believe a large degree of uncertainty will remain with us through much of the year until the virus is contained, and even then, we believe there will likely continue to be significant and lasting impacts on consumer behavior, corporate operations and government responses.

President Joe Biden was sworn in as our 46th president on January 20, 2021. A high priority will be the delivery of vaccines across the nation, as well as assistance to states in the vaccination process. It is expected that the new administration will encourage more fiscal stimulus in the form of direct checks, extended unemployment insurance, rent and mortgage forbearance, help to impacted businesses and an infrastructure program. As these policies are announced and implemented, we believe they will have wide-ranging implications for the economy and the various sectors and securities in which we invest.

With the Fed indicating its intention to keep short rates depressed for the foreseeable future, we will continue to look to the ever-changing credit market for yield contribution. The incredible technical appears to be intact and although the Fed facilities have officially ended, the market has seen a paradigm shift in its willingness and ability to provide support which should continue to contribute to the healthy appetite for short-end spread products. Fiscal and monetary policies should further support the economy and businesses in which we invest. However, we remain mindful of some of the risks associated with a world awash in liquidity and will pay careful attention to trends in capital allocation policies, liability management and mergers and acquisitions for our corporate coverage.

Our first responsibility is capital preservation. With that responsibility always in view, we will look for opportunities to invest in securities in which we have high conviction that their addition will positively contribute to the Fund's total return over the life of the investment.

Past performance is not a guarantee of future results. As with any mutual fund, the value of the Portfolio's shares will change, and you could lose money on your investment. Certain U.S. government securities in which the Portfolio may invest, such as Treasury securities and securities issued by the Government National Mortgage Association (Ginnie Mae), are backed by the full faith and credit of the U.S. government. However, other government securities in which the Portfolio may invest, such as securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal Home Loan Banks (FHLB), are not backed by the full faith and credit of the U.S. government, are not insured or guaranteed by the U.S. government and, instead, may be supported only by the right of the issuer to borrow from the U.S. Treasury or by the credit of the issuer.

Fixed-income securities are subject to interest rate risk and, as such, the Portfolio's net asset value may fall as interest rates rise. These and other risks are more fully described in the Portfolio's prospectus.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The portfolio manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of the Ivy VIP Limited-Term Bond.

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Bonds	98.1%
Corporate Debt Securities	54.6%
United States Government and Government Agency Obligations	41.8%
Asset-Backed Securities	1.3%
Mortgage-Backed Securities	0.4%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.9%

Quality Weightings

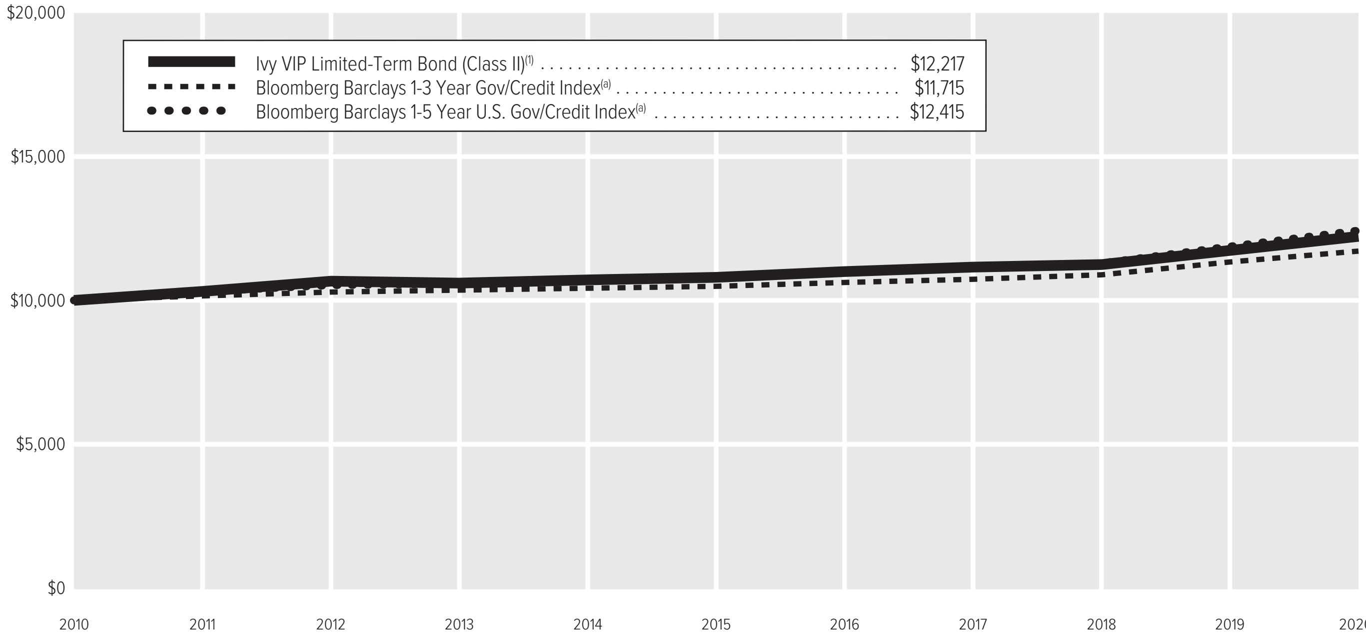
Investment Grade	91.4%
AAA	22.9%
AA	10.9%
A	15.5%
BBB	42.1%
Non-Investment Grade	6.7%
BB	3.8%
Non-rated	2.9%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	1.9%

Our preference is to always use ratings obtained from Standard & Poor's, Moody's, and Fitch. It is each Portfolio's general policy to classify such security at the lower rating level if only two ratings are available. If more than two ratings are available and a median exists, the median is used. If more than two ratings exist without a median, the lower of the two middle ratings is used. We do not evaluate these ratings, but simply assign them to the appropriate credit quality category as determined by the rating agency.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF $10,000 INVESTMENT

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return(2)	Class II
1-year period ended 12-31-20	4.14%
5-year period ended 12-31-20	2.49%
10-year period ended 12-31-20	2.02%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

(a)Effective April 30, 2020, the Portfolio's new benchmark is the Bloomberg Barclays 1-3 Year Gov/Credit Index. IICO believes that this index is more reflective of the types of securities that the Portfolio invests in. Both the new benchmark and the Portfolio's previous benchmark noted above are included for comparison purposes

SCHEDULE OF INVESTMENTS LIMITED-TERM BOND (in thousands)

DECEMBER 31, 2020

ASSET-BACKED SECURITIES	Principal	Value
American Airlines Class AA Pass-Through Certificates, Series 2016-2, 3.200%, 6-15-28	$ 810	$ 789
SBA Tower Trust, Series 2014-2 (GTD by SBA Guarantor LLC and SBA Holdings LLC), 3.869%, 10-8-24 (A)	2,000	2,139
SBA Tower Trust, Series 2017-1C (GTD by SBA Guarantor LLC and SBA Holdings LLC), 3.168%, 4-11-22 (A)	1,250	1,260
SBA Tower Trust, Series 2020-1 (GTD by SBA Guarantor LLC and SBA Holdings LLC), 1.884%, 1-15-26 (A)	1,155	1,189
TOTAL ASSET-BACKED SECURITIES – 1.3%		$ 5,377
(Cost: $5,294)		

CORPORATE DEBT SECURITIES	Principal	Value
Communication Services		
Cable & Satellite – 0.8%		
Charter Communications Operating LLC and Charter Communications Operating Capital Corp., 4.464%, 7-23-22	1,225	1,291
Viacom, Inc., 4.250%, 9-1-23	1,750	1,905
		3,196
Integrated Telecommunication Services – 0.8%		
AT&T, Inc., 4.125%, 2-17-26	1,500	1,736
Qwest Corp., 6.750%, 12-1-21	1,386	1,450
		3,186
Movies & Entertainment – 0.6%		
Netflix, Inc., 5.500%, 2-15-22	2,560	2,678
Publishing – 0.3%		
Thomson Reuters Corp., 4.300%, 11-23-23	1,269	1,391
Wireless Telecommunication Service – 1.7%		
Crown Castle Towers LLC:		
3.222%, 5-15-22 (A)	4,300	4,346
3.663%, 5-15-25 (A)	950	1,023
Sprint Spectrum L.P., 3.360%, 9-20-21 (A)	416	420
T-Mobile USA, Inc., 3.500%, 4-15-25 (A)	1,500	1,658
		7,447
Total Communication Services – 4.2%		17,898

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Consumer Discretionary		
Apparel, Accessories & Luxury Goods – 0.6%		
Ralph Lauren Corp., 1.700%, 6-15-22	$ 1,292	$ 1,316
VF Corp., 2.050%, 4-23-22	1,225	1,251
		2,567
Automobile Manufacturers – 1.4%		
General Motors Co., 4.875%, 10-2-23	1,000	1,109
Nissan Motor Co. Ltd., 3.043%, 9-15-23 (A)	1,250	1,307
Volkswagen Group of America, Inc.:		
2.500%, 9-24-21 (A)	1,600	1,624
0.875%, 11-22-23 (A)	1,850	1,860
		5,900
General Merchandise Stores – 1.5%		
Dollar General Corp., 3.250%, 4-15-23	3,940	4,169
Family Dollar Stores, Inc., 5.000%, 2-1-21	2,515	2,522
		6,691
Homebuilding – 0.9%		
D.R. Horton, Inc., 2.600%, 10-15-25	625	674
Lennar Corp.:		
4.125%, 1-15-22	1,000	1,024
4.750%, 11-15-22 (B)	2,000	2,110
		3,808
Internet & Direct Marketing Retail – 0.8%		
Amazon.com, Inc., 0.400%, 6-3-23	1,750	1,760
Expedia Group, Inc.:		
3.600%, 12-15-23 (A)	775	826
7.000%, 5-1-25 (A)	900	991
		3,577
Total Consumer Discretionary – 5.2%		22,543
Consumer Staples		
Agricultural Products – 0.3%		
Cargill, Inc., 1.375%, 7-23-23 (A)	1,500	1,537
Distillers & Vintners – 1.2%		
Constellation Brands, Inc.:		
3.200%, 2-15-23	2,250	2,377
4.250%, 5-1-23	1,188	1,295
Diageo Capital plc (GTD by Diageo plc), 3.500%, 9-18-23	1,300	1,401
		5,073
Food Distributors – 0.1%		
McCormick & Co., Inc., 3.500%, 9-1-23	475	508

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Food Retail – 0.3%		
Alimentation Couche-Tard, Inc., 2.700%, 7-26-22 (A)	$ 1,166	$ 1,205
Packaged Foods & Meats – 0.3%		
Campbell Soup Co., 3.950%, 3-15-25	1,025	1,155
Soft Drinks – 1.0%		
Coca-Cola Refreshments USA, Inc., 8.000%, 9-15-22	2,125	2,396
Keurig Dr Pepper, Inc., 4.057%, 5-25-23	1,700	1,847
		4,243
Total Consumer Staples – 3.2%		13,721
Energy		
Integrated Oil & Gas – 0.1%		
Chevron USA, Inc. (GTD by Chevron Corp.) (3-Month U.S. LIBOR plus 20 bps), 0.405%, 8-11-23 (C)	500	501
Oil & Gas Exploration & Production – 0.6%		
Aker BP ASA, 2.875%, 1-15-26 (A)	1,325	1,352
EQT Corp., 3.000%, 10-1-22	1,050	1,058
		2,410
Oil & Gas Refining & Marketing – 0.2%		
HollyFrontier Corp., 2.625%, 10-1-23	1,075	1,098
Oil & Gas Storage & Transportation – 3.4%		
Enbridge, Inc., 2.900%, 7-15-22	2,470	2,561
EQT Midstream Partners L.P., 4.750%, 7-15-23	1,500	1,577
Galaxy Pipeline Assets BidCo Ltd., 1.750%, 9-30-27 (A)	1,500	1,523
Kinder Morgan Energy Partners L.P.:		
3.500%, 3-1-21	1,000	1,000
3.450%, 2-15-23	1,646	1,728
Midwest Connector Capital Co. LLC, 3.625%, 4-1-22 (A)	1,550	1,577
Plains All American Pipeline L.P. and PAA Finance Corp., 3.850%, 10-15-23	1,800	1,924
Sunoco Logistics Partners Operations L.P. (GTD by Sunoco Logistics Partners L.P.), 4.250%, 4-1-24	1,132	1,226
Western Gas Partners L.P., 5.375%, 6-1-21	1,425	1,432
		14,548
Total Energy – 4.3%		18,557

SCHEDULE OF INVESTMENTS LIMITED-TERM BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Financials		
Asset Management & Custody Banks – 1.0%		
Ares Capital Corp.:		
3.625%, 1-19-22	$ 404	$ 416
3.500%, 2-10-23	1,110	1,169
Brookfield Finance, Inc. (GTD by Brookfield Asset Management, Inc.),		
4.000%, 4-1-24	1,150	1,262
National Securities Clearing Corp.,		
1.200%, 4-23-23 (A)	350	357
Owl Rock Capital Corp.,		
3.400%, 7-15-26	1,300	1,317
		4,521
Consumer Finance – 2.2%		
Ally Financial, Inc.:		
4.250%, 4-15-21	2,589	2,616
1.450%, 10-2-23	2,100	2,143
Caterpillar Financial Services Corp.,		
0.450%, 9-14-23	1,000	1,004
Discover Bank,		
3.350%, 2-6-23	1,830	1,931
General Motors Financial Co., Inc. (GTD by AmeriCredit Financial Services, Inc.),		
5.200%, 3-20-23	1,000	1,097
Hyundai Capital America,		
1.250%, 9-18-23 (A)	800	809
		9,600
Diversified Banks – 5.6%		
Bank of America Corp.:		
4.100%, 7-24-23	2,983	3,265
4.125%, 1-22-24	1,000	1,110
4.200%, 8-26-24	1,325	1,486
Citizens Bank N.A.,		
3.250%, 2-14-22	1,200	1,235
Mitsubishi UFJ Financial Group, Inc.,		
0.848%, 9-15-24	1,500	1,509
Mizuho Financial Group, Inc.,		
0.849%, 9-8-24	1,800	1,810
National Bank of Canada,		
2.100%, 2-1-23	1,400	1,446
Sumitomo Mitsui Financial Group, Inc.,		
2.784%, 7-12-22	1,710	1,773
Sumitomo Mitsui Trust Bank Ltd.,		
0.800%, 9-12-23 (A)	1,300	1,312
Svenska Handelsbanken AB,		
0.625%, 6-30-23 (A)	1,500	1,510
Synchrony Bank,		
3.000%, 6-15-22	1,500	1,549
U.S. Bancorp,		
5.125%, 1-15-2168 (D)	3,380	3,371
Wells Fargo & Co.,		
3.000%, 4-22-26	2,300	2,531
		23,907
Financial Exchanges & Data – 1.1%		
Intercontinental Exchange, Inc.:		
0.700%, 6-15-23	1,300	1,310
3.450%, 9-21-23	2,080	2,242

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Financial Exchanges & Data (Continued)		
Moody's Corp.,		
2.625%, 1-15-23	$ 1,250	$ 1,304
		4,856
Investment Banking & Brokerage – 3.4%		
Charles Schwab Corp. (The),		
0.900%, 3-11-26	2,600	2,634
E*TRADE Financial Corp.,		
2.950%, 8-24-22	1,908	1,981
Goldman Sachs Group, Inc. (The):		
3.850%, 7-8-24	1,500	1,658
4.250%, 10-21-25	2,500	2,867
0.870%, 12-9-26	1,300	1,307
Morgan Stanley,		
4.875%, 11-1-22	3,734	4,023
Morgan Stanley (3-Month U.S. LIBOR plus 110 bps),		
4.000%, 5-31-23 (C)	300	312
		14,782
Life & Health Insurance – 1.1%		
MassMutual Global Funding II,		
2.250%, 7-1-22 (A)	1,250	1,285
Metropolitan Life Global Funding I,		
0.900%, 6-8-23 (A)	1,250	1,266
Protective Life Global Funding,		
0.631%, 10-13-23 (A)	750	754
Reliance Standard Life Insurance II,		
2.150%, 1-21-23 (A)	1,400	1,435
		4,740
Multi-Line Insurance – 0.4%		
Athene Global Funding,		
2.800%, 5-26-23 (A)	1,500	1,566
Other Diversified Financial Services – 3.4%		
Citigroup, Inc.:		
2.750%, 4-25-22	2,000	2,060
3.500%, 5-15-23	1,510	1,618
2.876%, 7-24-23	1,400	1,454
0.776%, 10-30-24	1,300	1,308
5.500%, 9-13-25	1,000	1,202
JPMorgan Chase & Co.:		
3.875%, 9-10-24	847	948
0.653%, 9-16-24	1,000	1,005
1.045%, 11-19-26	3,900	3,943
USAA Capital Corp.,		
1.500%, 5-1-23 (A)	1,000	1,026
		14,564
Regional Banks – 0.5%		
First Horizon National Corp.,		
3.550%, 5-26-23	2,000	2,125
Specialized Finance – 0.9%		
AerCap Ireland Capital Ltd. and AerCap Global Aviation Trust:		
3.300%, 1-23-23	850	887
4.500%, 9-15-23	1,000	1,084
Corporacion Andina de Fomento,		
2.375%, 5-12-23	500	518

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Specialized Finance (Continued)		
Fidelity National Financial, Inc.,		
5.500%, 9-1-22	$ 1,290	$ 1,390
		3,879
Total Financials – 19.6%		84,540
Health Care		
Health Care Equipment – 0.2%		
Becton Dickinson & Co.,		
2.894%, 6-6-22	853	882
Health Care Facilities – 0.5%		
HCA, Inc. (GTD by HCA Holdings, Inc.),		
4.750%, 5-1-23	1,891	2,062
Pharmaceuticals – 1.4%		
AbbVie, Inc.,		
2.300%, 11-21-22	1,400	1,451
Bayer U.S. Finance II LLC,		
2.850%, 4-15-25 (A)	860	912
Elanco Animal Health, Inc.,		
5.022%, 8-28-23 (B)	1,700	1,857
Royalty Pharma plc (GTD by Royalty Pharma Holdings Ltd.):		
0.750%, 9-2-23 (A)	800	804
1.200%, 9-2-25 (A)	1,000	1,015
		6,039
Total Health Care – 2.1%		8,983
Industrials		
Aerospace & Defense – 2.3%		
BAE Systems plc,		
4.750%, 10-11-21 (A)	1,170	1,208
Boeing Co. (The):		
2.200%, 10-30-22	2,000	2,051
2.800%, 3-1-23	2,250	2,336
Harris Corp.,		
3.832%, 4-27-25	775	870
Park Aerospace Holdings Ltd.:		
5.250%, 8-15-22 (A)	250	262
5.500%, 2-15-24 (A)	1,300	1,418
Raytheon Technologies Corp.,		
2.500%, 12-15-22	1,500	1,554
		9,699
Agricultural & Farm Machinery – 0.8%		
CNH Industrial Capital LLC (GTD by CNH Industrial Capital America LLC and New Holland Credit Co. LLC),		
1.950%, 7-2-23	1,550	1,595
John Deere Capital Corp.:		
0.550%, 7-5-22	750	754
0.700%, 7-5-23	1,250	1,263
		3,612

SCHEDULE OF INVESTMENTS LIMITED-TERM BOND (in thousands)

DECEMBER 31, 2020

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Airlines – 0.7%		
Aviation Capital Group LLC, 4.375%, 1-30-24 (A)	$1,000	$ 1,055
Delta Air Lines, Inc., 3.400%, 4-19-21	1,800	1,812
		2,867
Environmental & Facilities Services – 1.5%		
Republic Services, Inc., 0.875%, 11-15-25	1,800	1,813
Waste Management, Inc. (GTD by Waste Management Holdings, Inc.):		
2.400%, 5-15-23	3,843	4,012
0.750%, 11-15-25	525	527
		6,352
Industrial Conglomerates – 0.2%		
General Electric Capital Corp., 5.012%, 1-1-24	695	737
Industrial Machinery – 0.2%		
Roper Technologies, Inc., 0.450%, 8-15-22	1,000	1,002
Research & Consulting Services – 0.4%		
IHS Markit Ltd., 5.000%, 11-1-22 (A)	1,690	1,807
Total Industrials – 6.1%		26,076
Information Technology		
Application Software – 0.5%		
Infor, Inc., 1.450%, 7-15-23 (A)	877	891
NXP B.V. and NXP Funding LLC, 4.625%, 6-1-23 (A)	1,300	1,421
		2,312
Communications Equipment – 0.1%		
Motorola Solutions, Inc., 3.500%, 3-1-23	312	330
Data Processing & Outsourced Services – 0.9%		
Global Payments, Inc., 2.650%, 2-15-25	1,375	1,472
PayPal Holdings, Inc., 1.350%, 6-1-23	2,250	2,304
		3,776
Electronic Components – 0.0%		
Maxim Integrated Products, Inc., 3.375%, 3-15-23	225	237
Internet Services & Infrastructure – 0.1%		
Baidu, Inc., 1.720%, 4-9-26	379	384

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
IT Consulting & Other Services – 0.5%		
Leidos, Inc. (GTD by Leidos Holdings, Inc.), 2.950%, 5-15-23 (A)	$ 1,870	$ 1,967
Semiconductors – 1.1%		
Broadcom Corp. and Broadcom Cayman Finance Ltd. (GTD by Broadcom Ltd.), 3.625%, 1-15-24	450	486
Broadcom, Inc., 3.125%, 10-15-22	810	848
Microchip Technology, Inc., 3.922%, 6-1-21	2,000	2,028
Xilinx, Inc., 2.950%, 6-1-24	1,325	1,425
		4,787
Technology Hardware, Storage & Peripherals – 0.7%		
Apple, Inc., 3.000%, 2-9-24	2,650	2,852
Total Information Technology – 3.9%		16,645
Materials		
Diversified Chemicals – 0.2%		
DowDuPont, Inc., 4.205%, 11-15-23	800	883
Fertilizers & Agricultural Chemicals – 0.4%		
Mosaic Co. (The):		
3.250%, 11-15-22	774	809
4.250%, 11-15-23	250	273
Nutrien Ltd., 1.900%, 5-13-23	500	516
		1,598
Total Materials – 0.6%		2,481
Real Estate		
Health Care REITs – 0.1%		
HCP, Inc., 4.250%, 11-15-23	140	153
Healthpeak Properties, Inc., 3.875%, 8-15-24	400	443
		596
Industrial REITs – 0.2%		
Avolon Holdings Funding Ltd., 4.250%, 4-15-26 (A)	800	862
Specialized REITs – 1.8%		
American Tower Corp.:		
3.070%, 3-15-23 (A)	3,545	3,615
0.600%, 1-15-24	1,300	1,301
Crown Castle International Corp., 3.150%, 7-15-23	400	425
CyrusOne L.P. and CyrusOne Finance Corp. (GTD by CyrusOne, Inc.), 2.900%, 11-15-24	1,000	1,068

CORPORATE DEBT SECURITIES (Continued)	Principal	Value
Specialized REITs (Continued)		
Equinix, Inc., 1.000%, 9-15-25	$ 1,325	$ 1,328
		7,737
Total Real Estate – 2.1%		9,195
Utilities		
Electric Utilities – 2.7%		
American Transmission Systems, Inc., 5.250%, 1-15-22 (A)	275	287
CenterPoint Energy, Inc., 2.500%, 9-1-22	3,000	3,101
Edison International, 3.550%, 11-15-24	1,300	1,400
Evergy, Inc., 5.292%, 6-15-22 (B)	1,154	1,218
FirstEnergy Corp., 2.850%, 7-15-22	1,665	1,692
MidAmerican Energy Co., 3.700%, 9-15-23	1,045	1,128
Virginia Electric and Power Co., Series C, 2.750%, 3-15-23	2,675	2,801
		11,627
Multi-Utilities – 0.6%		
Dominion Energy Gas Holdings LLC, 3.550%, 11-1-23	1,235	1,330
Pacific Gas and Electric Co. (3-Month U.S. LIBOR plus 137.50 bps), 1.600%, 11-15-21 (C)	1,300	1,301
		2,631
Total Utilities – 3.3%		14,258
TOTAL CORPORATE DEBT SECURITIES – 54.6%		$234,897
(Cost: $230,124)		

MORTGAGE-BACKED SECURITIES	Principal	Value
Non-Agency REMIC/CMO – 0.4%		
Credit Suisse Mortgage Trust, Series 2018-RPL8, Class A1 (Mortgage spread to 3-year U.S. Treasury index), 4.125%, 7-25-58 (A)(C)	912	915
Verus Securitization Trust, Series 2018-3, Class B1 (Mortgage spread to 5-year U.S. Treasury index), 5.694%, 10-25-58 (A)(C)	700	709
		1,624
TOTAL MORTGAGE-BACKED SECURITIES – 0.4%		$ 1,624
(Cost: $1,612)		

SCHEDULE OF INVESTMENTS LIMITED-TERM BOND (in thousands)

DECEMBER 31, 2020

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS	Principal	Value
Agency Obligations – 1.0%		
Federal Home Loan Bank, 2.250%, 7-21-31	$ 1,640	$ 1,650
U.S. Department of Transportation, 6.001%, 12-7-21 (A)	2,500	2,628
		4,278
Mortgage-Backed Obligations – 11.8%		
Federal Home Loan Mortgage Corp. Agency REMIC/CMO, 2.500%, 5-15-44	414	433
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 185 bps), 2.003%, 8-25-25 (A)(C)	1,320	1,267
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 205 bps), 2.203%, 6-25-28 (A)(C)	611	585
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 220 bps), 2.340%, 4-25-29 (A)(C)	774	756
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 225 bps), 2.395%, 12-25-29 (A)(C)	1,250	1,207
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 230 bps), 2.440%, 8-25-29 (A)(C)	580	565
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 250 bps), 2.653%, 11-25-24 (A)(C)	424	423
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 255 bps), 2.703%, 6-25-27 (A)(C)	415	397
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 265 bps), 2.803%, 5-25-27 (A)(C)	759	739
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (1-Month U.S. LIBOR plus 435 bps), 4.503%, 11-25-21 (A)(C)	2,923	2,926
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (Mortgage spread to 1-Month U.S. LIBOR), 4.153%, 9-25-22 (A)(C)	359	358

UNITED STATES GOVERNMENT AGENCY OBLIGATIONS (Continued)	Principal	Value
Mortgage-Backed Obligations (Continued)		
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (Mortgage spread to 2-year U.S. Treasury index), 3.630%, 11-25-47 (A)(C)	$ 1,500	$ 1,517
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (Mortgage spread to 3-year U.S. Treasury index):		
3.393%, 7-25-22 (A)(C)	1,720	1,777
3.972%, 2-25-46 (A)(C)	70	70
3.631%, 7-25-46 (A)(C)	2,000	2,100
3.565%, 11-25-47 (A)(C)	5,000	5,105
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (Mortgage spread to 5-year U.S. Treasury index):		
3.485%, 11-25-23 (A)(C)	600	622
3.581%, 11-25-23 (A)(C)	10,870	11,303
3.867%, 5-25-45 (A)(C)	600	623
3.556%, 6-25-45 (A)(C)	1,000	1,052
3.565%, 11-25-47 (A)(C)	2,724	2,834
3.526%, 2-25-48 (A)(C)	1,000	1,023
3.587%, 6-25-48 (A)(C)	1,170	1,270
Federal Home Loan Mortgage Corp. Agency REMIC/CMO (Mortgage spread to 7-year U.S. Treasury index):		
3.731%, 6-25-22 (A)(C)	2,000	2,068
4.055%, 5-25-25 (A)(C)	225	249
3.675%, 11-25-49 (A)(C)	1,900	2,047
3.648%, 11-25-50 (A)(C)	5,650	6,075
Federal Home Loan Mortgage Corp. Fixed Rate Participation Certificates, 4.500%, 8-1-30	385	426
Federal National Mortgage Association Fixed Rate Pass-Through Certificates:		
3.680%, 2-1-21	50	50
4.381%, 6-1-21	328	328
Government National Mortgage Association Agency REMIC/CMO, 2.000%, 3-16-42	525	544
		50,739
TOTAL UNITED STATES GOVERNMENT AGENCY OBLIGATIONS – 12.8%		$55,017
(Cost: $53,371)		

UNITED STATES GOVERNMENT OBLIGATIONS	Principal	Value
Treasury Obligations – 29.0%		
U.S. Treasury Notes:		
1.500%, 11-30-21	$20,350	$ 20,604
2.125%, 12-31-21	16,000	16,319
1.500%, 1-31-22	14,750	14,969
1.875%, 2-28-22	19,000	19,386
1.750%, 4-30-22	13,000	13,282
1.750%, 5-31-22	2,250	2,302
2.000%, 7-31-22	10,000	10,294
1.375%, 10-15-22	1,000	1,022
2.375%, 1-31-23	2,250	2,355
2.500%, 3-31-23	1,000	1,053
0.250%, 6-15-23	10,000	10,025
0.125%, 8-15-23	6,300	6,296
0.125%, 12-15-23	3,000	2,996
0.375%, 11-30-25	4,000	4,005
		124,908
TOTAL UNITED STATES GOVERNMENT OBLIGATIONS – 29.0%		$124,908
(Cost: $122,570)		

SHORT-TERM SECURITIES	Principal	Value
Commercial Paper (E) – 0.8%		
Duke Energy Corp., 0.210%, 1-4-21	500	500
J.M. Smucker Co. (The), 0.100%, 1-4-21	3,000	3,000
		3,500
Master Note – 0.3%		
Toyota Motor Credit Corp. (1-Week U.S. LIBOR plus 25 bps), 0.350%, 1-7-21 (F)	1,141	1,141
	Shares	
Money Market Funds (G) – 0.3%		
State Street Institutional U.S. Government Money Market Fund – Premier Class, 0.030%	1,350	1,350
TOTAL SHORT-TERM SECURITIES – 1.4%		$ 5,991
(Cost: $5,991)		
TOTAL INVESTMENT SECURITIES – 99.5%		$ 427,814
(Cost: $418,962)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.5%		2,159
NET ASSETS – 100.0%		$429,973

Notes to Schedule of Investments

(A)Securities were purchased pursuant to an exemption from registration available under Rule 144A under the Securities Act of 1933 and may only be resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 2020 the total value of these securities amounted to $107,891 or 25.1% of net assets.

(B)Step bond that pays an initial coupon rate for the first period and then a higher or lower coupon rate for the following periods. Interest rate disclosed is that which is in effect at December 31, 2020.

SCHEDULE OF INVESTMENTS LIMITED-TERM BOND (in thousands)

DECEMBER 31, 2020

(C)Variable rate security. Interest rate disclosed is that which is in effect at December 31, 2020. Description of the reference rate and spread, if applicable, are included in the security description.

(D)All or a portion of securities with an aggregate value of $2,697 are on loan.

(E)Rate shown is the yield to maturity at December 31, 2020.

(F)Variable rate security. Interest rate disclosed is that which is in effect at December 31, 2020. Date shown represents the date that the variable rate resets. Description of the reference rate and spread, if applicable, are included in the security description.

(G)Rate shown is the annualized 7-day yield at December 31, 2020.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Asset-Backed Securities	$ —	$ 5,377	$—
Corporate Debt Securities	—	234,897	—
Mortgage-Backed Securities	—	1,624	—
United States Government Agency Obligations	—	55,017	—
United States Government Obligations	—	124,908	—
Short-Term Securities	1,350	4,641	—
Total	$1,350	$426,464	$—

The following acronyms are used throughout this schedule:

CMO = Collateralized Mortgage Obligation
GTD = Guaranteed
LIBOR = London Interbank Offered Rate
REIT = Real Estate Investment Trust
REMIC = Real Estate Mortgage Investment Conduit

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Matthew K. Richmond

Lowell R. Bolken

Joshua M. Klaetsch

Below, Lowell R. Bolken, CFA, Matthew K. Richmond and Joshua M. Klaetsch, the co-portfolio managers of Ivy VIP Securian Real Estate Securities during the fiscal year ended December 31, 2020, discuss positioning, performance and results for the fiscal year. Mr. Bolken has managed the Portfolio since 2006, and has 30 years of industry experience. Mr. Richmond has co-managed the Portfolio since 2013 and has 26 years of industry experience. Mr. Klaetsch joined the portfolio management team in 2018 and has 14 years of industry experience. Ivy VIP Securian Real Estate Securities is subadvised by Securian Asset Management, Inc.

Fiscal Year Performance

For the 12 Months Ended December 31, 2020	
Ivy VIP Securian Real Estate Securities (Class II shares at net asset value)	-3.13%
Benchmark and Morningstar Category	
FTSE Nareit Equity REITs Index (Generally reflects the performance of securities representing the commercial real estate market)	-8.00%
Morningstar Real Estate Category Average (Generally reflects the performance of the universe of portfolios with similar investment objectives)	-4.49%

Please note that Portfolio returns include applicable fees and expenses while index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

Key Drivers

Real estate stocks delivered negative returns for the year ending December 31, 2020, widely underperforming the S&P 500 Index for the second consecutive year. The COVID-19 pandemic ushered in unprecedented economic strife on main-street America, leading to significant occupancy losses and operating uncertainty across the commercial real estate landscape. The majority of damage was inflicted throughout the first half of the year, with steady improvement in operating conditions being achieved in the second half. With the economy effectively shuttered in the second quarter and job losses exceeding 20 million (as opposed to 8 million in the Global Financial Crisis of 2008) it comes as little surprise that real estate demand suffered wide-reaching effects.

COVID-19 continues to weigh on real estate demand across most property types, but the welcome news of effective vaccines has shifted the outlook for the sector. Relative to earlier in the year, rental collections have improved dramatically, and the sector appears to have stabilized. Significant laggards, including retail and hotels, can now see a light at the end of what has been a very long tunnel. While it will likely take years for demand to return to pre-COVID-19 levels, we think the specter of widespread tenant bankruptcies has faded. Optimism surrounding a return to normal activity levels across the economy and space demand resumption is driving expectations of 5% cash flow growth for real estate investment trusts (REITs) in 2021.

Data centers and cell tower owners were the standouts among the property types, while retail and hotel owners suffered near-catastrophic business interruption. Demand for space remains strong, with enterprise migrations in data centers and 5G buildouts in towers expected to accelerate. At the same time, edge and cloud computing, mobile data usage growth and artificial intelligence are expected to provide tailwinds to demand for the foreseeable future.

Industrial REITs were another clear winner throughout the pandemic as online shopping exploded and consumers continued to execute a secular shift from 'bricks and mortar' shopping to e-commerce with same-day delivery.

Single family rental REITs also delivered solid performance. A limited supply of affordable and available inventory, coupled with surging demand from renters fleeing large, urban areas drove near-sector-leading returns for single family rental REITs.

As if ‘bricks & mortar’ retailers needed another problem in the fight for consumer dollars, the pandemic all but destroyed the demand for in-person shopping. Another year of significant store closures and bankruptcy filings resulted in dismal performance for mall REITs, whose returns lagged the index by nearly 30%.

Office REITs were another casualty of COVID-19, as the world reverted to a work-from-home model. We believe this phenomenon has staying power that will impinge office demand for the foreseeable future. We believe that demand and rental rates will likely take years to recover (if ever) to pre-COVID-19 levels in certain urban markets.

Contributors and detractors

The Portfolio delivered a negative return, but widely outperformed its benchmark and finished in the top quartile of peers. We properly anticipated the wide-ranging influence of the pandemic and quickly shifted the Portfolio to a “defensive” posture late in the first quarter. Our investment philosophy consistently favors companies we believe own well-located, high-quality properties that feature stable balance sheets, exhibit improving property fundamentals and have above-average cash flow growth prospects. Those characteristics have proven over time to result in favorable performance.

Office stocks underperformed the index, but selection decisions within the sector aided the Portfolio’s relative performance. A long-held overweight position in biotechnology/life science owner Alexandria Real Estate Equities was a sizable outperformer. This company continues to benefit from owning an A+ portfolio of buildings with a highly attractive tenant roster. Additionally, near complete avoidance of New York City (NYC) office owners benefitted the Portfolio. Owners of NYC office face significant challenges now and into the forseeable future with the COVID-19 fallout expected to impact demand for years, as dense urban office leasing will likely become taboo in the post-pandemic world. We also reduced our holdings in West Coast centric office owners as conditions in that region have deteriorated.

Data center and tower REITs were among the top performers in 2020, and the Portfolio’s overweight position was a significant contributor to benchmark-relative performance. We continue to see the communications infrastructure names as attractively valued when considering their growth prospects and defensive lease structures – the Portfolio remains overweight to this sector.

Retail REITs dramatically lagged the benchmark as COVID-19-related business disruption drove record bankruptcies and tenant disruption. Later in the year, particularly following “Pfizer Monday” when it announced its vaccine, retail REITs became a prime beneficiary within the reopening rally. We continue to have concerns over tenant health in the space, but also recognize the steep discounted valuations available at current pricing. We have recently shifted the portfolio to an overweight position as we have become increasingly optimistic that retail fundamentals will improve in a post-vaccine environment.

Hotel REITs and operating companies continued to feel the impacts of restricted travel throughout the year and their stock performance suffered relative to the REIT benchmark. While business and air travel remain largely shut down, hotel REIT management teams have noted a surprising uptick in leisure demand at drive-to resort properties. Similar to retail, we have taken advantage of depressed pricing to initiate an overweight position predicated on improving lodging trends in 2021.

Outlook

The Federal Reserve’s (Fed) intentions are clear – rates are to remain anchored near zero until inflation takes hold. The Fed remains committed to maintaining an aggressive pace of asset purchases, even as its balance sheet has grown by over $3.2 trillion since the end of February. Congress seems to understand that fiscal policy needs to play a leading role. The late passage of a new COVID-19 relief bill provides for ongoing enhanced unemployment benefits, $600 stimulus checks, and continued aid for small businesses and transportation. At a value of $900 billion, while smaller than the $2.5 trillion CARES Act, the package still weighs in at over 4% of GDP. Under a Biden administration, policymakers are likely to support actions that seek to drive growth until the tide lifts all boats.

While a strong rebound is likely, in our view we’re not going to return to the old normal. The pandemic accelerated trends that were already in place and focused an unflinching spotlight on imbalances and sectors with weak value propositions. We believe that work-from-home is here to stay, and demand for office space and business travel will likely face a long recovery; as will brick-and- mortar retail. We do not believe many office, hotel and retail properties will ever recover pre-COVID-19 occupancy levels. We have been careful to avoid companies that we believe are more exposed to these trends and have focused the Portfolio’s positioning to take advantage of those we believe will recover and thrive post-COVID-19.

On the bright side, the economy has been surprisingly resilient, and strong growth will ease the transition back to normality. REIT stocks remain attractively valued, particularly against the backdrop of Fed actions, improving economic growth, and low interest rates. Slow vaccine rollout, new vaccine-resistant strains, and higher 10-year U.S. Treasury rates are all risks that could cause the group to deliver uninspiring returns again in 2021.

Past performance is not a guarantee of future results. The value of the Portfolio's shares will change, and you could lose money on your investment.

Investment risks associated with real estate securities, in addition to other risks, include rental income fluctuation, depreciation, property tax value changes and differences in real estate market values. Real estate securities are subject to interest-rate risk and, as such, the Portfolio's net asset value may fall as interest rates rise. Investing in companies involved in one specified sector may be more risky and volatile than an investment with greater diversification. These and other risks are more fully described in the Portfolio's prospectus.

The opinions expressed in this report are those of the Portfolio managers and are current only through the end of the period of the report as stated on the cover. The portfolio managers' views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged and include reinvested dividends. One cannot invest directly in an index, nor is an index representative of Ivy VIP Securian Real Estate Securities.

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Stocks	98.0%
Real Estate	98.0%
Cash and Other Assets (Net of Liabilities), and Cash Equivalents+	2.0%

Top 10 Equity Holdings

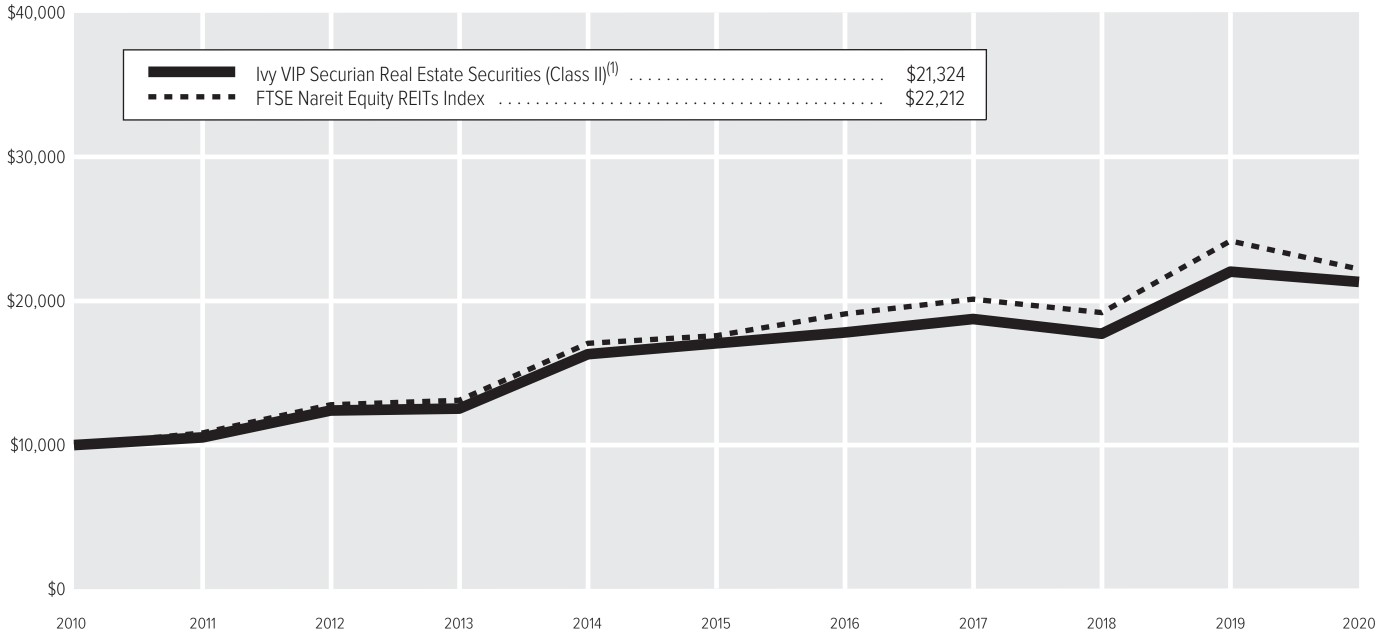
Company	Sector	Industry
ProLogis, Inc.	Real Estate	Industrial REITs
Equinix, Inc.	Real Estate	Specialized REITs
Welltower, Inc.	Real Estate	Health Care REITs
Simon Property Group, Inc.	Real Estate	Retail REITs
Public Storage, Inc.	Real Estate	Specialized REITs
Digital Realty Trust, Inc.	Real Estate	Specialized REITs
AvalonBay Communities, Inc.	Real Estate	Residential REITs
Ventas, Inc.	Real Estate	Health Care REITs
Duke Realty Corp.	Real Estate	Industrial REITs
Invitation Homes, Inc.	Real Estate	Residential REITs

See your advisor or www.ivyinvestments.com for more information on the Portfolio's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF $10,000 INVESTMENT

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return[2]	Class II
1-year period ended 12-31-20	-3.13%
5-year period ended 12-31-20	4.57%
10-year period ended 12-31-20	7.87%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS SECURIAN REAL ESTATE SECURITIES (in thousands)

DECEMBER 31, 2020

COMMON STOCKS	Shares	Value
Real Estate		
Diversified REITs – 4.4%		
Essential Properties Realty Trust, Inc.	10	$ 220
STORE Capital Corp.	16	544
VEREIT, Inc.	14	516
W.P. Carey, Inc.	1	99
		1,379
Health Care REITs – 11.4%		
CareTrust REIT, Inc.	12	257
Healthcare Trust of America, Inc., Class A	8	221
Healthpeak Properties, Inc.	22	677
Omega Healthcare Investors, Inc.	10	352
Ventas, Inc.	17	843
Welltower, Inc.	18	1,189
		3,539
Hotel & Resort REITs – 4.9%		
Host Hotels & Resorts, Inc.	37	543
MGM Growth Properties LLC, Class A	6	200
Park Hotels & Resorts, Inc.	16	274
Pebblebrook Hotel Trust	13	235
RLJ Lodging Trust	19	268
		1,520
Industrial REITs – 12.4%		
Duke Realty Corp.	21	835
First Industrial Realty Trust, Inc.	5	207
ProLogis, Inc.	24	2,394
Terreno Realty Corp.	7	404
		3,840

COMMON STOCKS (Continued)	Shares	Value
Office REITs – 8.5%		
Alexandria Real Estate Equities, Inc.	4	$ 757
Boston Properties, Inc.	5	473
Cousins Properties, Inc.	11	357
Douglas Emmett, Inc.	7	190
Highwoods Properties, Inc.	7	257
Kilroy Realty Corp.	6	327
Vornado Realty Trust	8	284
		2,645
Residential REITs – 19.3%		
American Homes 4 Rent	20	597
AvalonBay Communities, Inc.	6	940
Camden Property Trust	5	530
Equity Lifestyle Properties, Inc.	6	399
Equity Residential	11	641
Essex Property Trust, Inc.	1	131
Invitation Homes, Inc.	28	832
Mid-America Apartment Communities, Inc.	5	570
Sun Communities, Inc.	4	547
UDR, Inc.	21	811
		5,998
Retail REITs – 13.9%		
Agree Realty Corp.	5	353
Brixmor Property Group, Inc.	33	553
Federal Realty Investment Trust	3	221
Kimco Realty Corp.	23	341
National Retail Properties, Inc.	8	327
Realty Income Corp.	13	814
Regency Centers Corp.	6	277
Simon Property Group, Inc.	13	1,120
Weingarten Realty Investors	15	323
		4,329

COMMON STOCKS (Continued)	Shares	Value
Specialized REITs – 23.2%		
American Tower Corp., Class A	1	$ 202
CubeSmart	7	235
CyrusOne, Inc.	11	768
Digital Realty Trust, Inc.	8	1,061
Equinix, Inc.	3	1,924
Extra Space Storage, Inc.	6	637
Gaming and Leisure Properties, Inc.	—*	1
Life Storage, Inc.	3	358
Public Storage, Inc.	5	1,086
QTS Realty Trust, Inc., Class A	4	272
VICI Properties, Inc.	26	672
		7,216
Total Real Estate – 98.0%		30,466
TOTAL COMMON STOCKS – 98.0%		$30,466
(Cost: $29,859)		
SHORT-TERM SECURITIES		
Money Market Funds (A) – 1.7%		
State Street Institutional U.S. Government Money Market Fund – Premier Class, 0.030%	527	527
TOTAL SHORT-TERM SECURITIES – 1.7%		$ 527
(Cost: $527)		
TOTAL INVESTMENT SECURITIES – 99.7%		$30,993
(Cost: $30,386)		
CASH AND OTHER ASSETS, NET OF LIABILITIES – 0.3%		104
NET ASSETS – 100.0%		$ 31,097

Notes to Schedule of Investments

*Not shown due to rounding.

(A)Rate shown is the annualized 7-day yield at December 31, 2020.

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	$30,466	$—	$—
Short-Term Securities	527	—	—
Total	$30,993	$—	$—

The following acronym is used throughout this schedule:

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

(UNAUDITED)

Matthew T. Norris

Below, Matthew T. Norris, CFA, portfolio manager of Ivy VIP Value, discusses positioning, performance and results for the fiscal year ended December 31, 2020. He has managed the Fund since 2003 and has 29 years of industry experience.

Fiscal Year Performance

For the 12 Months Ended December 31, 2020	
Ivy VIP Value (Class II shares at net asset value)	1.98%
Benchmark and Morningstar Category	
Russell 1000 Value Index (generally reflects the performance of large-company value style stocks)	2.80%
Morningstar Large Value Category Average (generally reflects the performance of the universe of funds with similar investment objectives)	2.91%

Please note that Portfolio returns include applicable fees and expenses while index returns do not include any such fees. Also, the Portfolio's performance data does not take into account any product expenses or charges associated with owning a variable life or annuity policy, which is invested in Ivy Variable Insurance Portfolios.

Key drivers

2020 started out relatively benign, with a continuation of the 10-year bull market in the month of January. In February, the arrival of the novel coronavirus in the U.S. caused one of the sharpest and fastest market declines in history. The S&P 500 Index declined 12% on March 16, the third worse daily loss in history, only topped by infamous trading days in October 1929 and October 1987. Volatility remained elevated, but the market bottomed shortly after that in late March.

As a result of the virus, the U.S. economy contracted severely in the first half of 2020, and policy was enacted to combat that. The Federal Reserve (Fed) lowered the federal funds rate close to zero, where is it likely to remain for some time. Stimulus checks were sent to many American people and businesses. These policy actions have helped. The unemployment rate, which was 6.7% as of the end of the fiscal year, remained elevated relative to the period prior to the pandemic, but has declined faster than most expected since climbing above 13% during the second quarter.

Housing demand remained strong with help from record low mortgage rates, a demographic tailwind, and nesting/work-from-home trends. Record low inventory continues to place pressure on homebuilders to keep up with demand while also placing upward pressure on home prices, a risk to the outlook for affordability.

Personal consumption continued to hold up on net during the first two months of 2020 despite the virus resurgence and tighter restrictions. Auto sales have recovered to pre-COVID-19 levels and demand remains solid. The online portion of consumption continued to take market share from brick and mortar. Goods have more than recovered relative to pre-pandemic levels, although we believe services will likely remain depressed until the vaccine has reached a major portion of the U.S. population.

Manufacturing activity strengthened during the fiscal year, and we believe the combination of elevated orders and low inventories is expected to support ongoing production in coming months.

The Russell 1000 Value Index, the Portfolio's benchmark, was up 2.80% for the measurement period. By comparison, the Portfolio return 1.98% for the same period. Value investing, while still lagging over the long term, has very recently begun to perform better relative to growth investing. As usual, we try to ignore short-term fluctuations and keep our focus on the longer term.

Contributors and detractors

During the measurement period, energy caused the most damage to the Portfolio's return as two sector holdings cost the strategy more than three percentage points of relative performance. These underperforming holdings were Valero and Energy Transfer. Oil prices cratered as demand collapsed in the second quarter of 2020. The price of oil hit a shocking all-time low of minus $37 per barrel in April 2020. The resulting fallout in names was painful. Oil has since recovered along with the rest of the world, and the long-depressed energy sector has started to outperform. While there is probably still value in Valero and Energy Transfer, we no longer own either stock, as the risk does not justify reward.

The Portfolio's best relative sector was information technology, where our investments in Lam Research Corp. and Broadcom. Corp. drove performance. Lam Research benefited from a resurgence in semiconductor spending that is still on an upward swing. The Portfolio's next best sector was consumer discretionary, where our investment in Lowe's Co., Inc. was up nearly 36%. As consumers hunkered down to ride out the virus, home improvement spend was a large beneficiary.

The Portfolio does not attempt to make sector calls, rather focusing primarily on stock selection. We hold overweight or underweight positions in sectors based on individual stock opportunity, with some limits to control risk or volatility. The Portfolio currently holds overweight positions in financials and information technology, where we continue to find value and yield. In these areas, we have been able to find good companies with repeatable business models generating high rates of free cash flow, and low stock prices relative to our estimation of each company's true intrinsic value. We currently hold underweight positions in real estate and industrials, simply due to a lack of compelling ideas.

Outlook

The U.S. economy had enjoyed a long successful run from the end of the 2008 recession, but the coronavirus ended this run in March 2020. We think the snapback in economic activity is helpful, and we expect it to grind higher until we are back to levels pre-crisis. The Fed strengthened forward guidance for interest rates, which sets a very high bar for raising rates until well after the virus is contained. The Fed would also like to see inflation return to a typical level of 2%, but we expect this target won't be achieved for another year or so. We believe this may result in higher interest rates at the longer end of the Treasury curve. We must also watch as a new administration takes office, and potential governance changes that could affect our holdings.

While the economic forces listed above are clearly important factors, our first approach is from the company level. We seek to find quality, growing companies whose stocks are trading below what we consider their intrinsic values. This is often due to short-term negative factors, and we become larger owners of a company if we feel those negatives are about to dissipate. We continue to search for and make investments one company at a time to seek to benefit clients over the long run.

Past performance is no guarantee of future results. The value of the Portfolio's shares will change, and you could lose money on your investment.

Value stocks are stocks of companies that may have experienced adverse business or industry developments, or may be subject to special risks that have caused the stocks to be out of favor and, in the opinion of the Portfolio's manager, undervalued. The value of a security believed by the Portfolio's manager to be undervalued may never reach what the manager believes to be its full value, or such security's value may decrease. These and other risks are more fully described in the Portfolio's prospectus.

The use of derivatives presents several risks, including the risk that these instruments may change in value in a manner that adversely affects the Portfolio's value and the risk that fluctuations in the value of the derivatives may not correlate with the corresponding securities or fixed-income markets or the underlying asset upon which the derivative's value is based.

The opinions expressed in this report are those of the portfolio manager and are current only through the end of the period of the report as stated on the cover. The portfolio manager's views are subject to change at any time based on market and other conditions, and no forecasts can be guaranteed.

The index noted is unmanaged and includes reinvested dividends. One cannot invest directly in an index, nor is an index representative of Ivy VIP Value.

ALL DATA IS AS OF DECEMBER 31, 2020 (UNAUDITED)

Asset Allocation

Stocks	97.7%
Financials	20.8%
Health Care	14.0%
Industrials	11.9%
Information Technology	9.6%
Communication Services	9.6%
Consumer Discretionary	7.8%
Consumer Staples	7.0%
Utilities	5.2%
Materials	5.1%
Energy	4.0%
Real Estate	2.7%
Liabilities (Net of Cash and Other Assets), and Cash Equivalents+	2.3%

Top 10 Equity Holdings

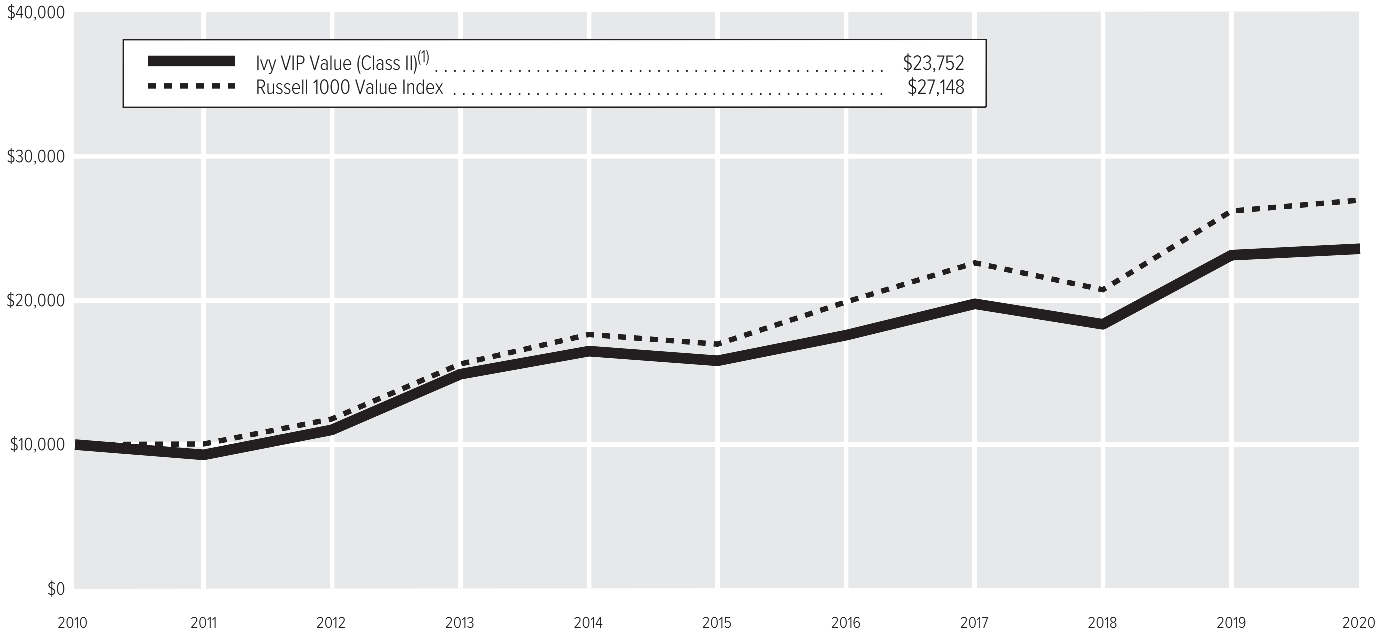
Company	Sector	Industry
Comcast Corp., Class A	Communication Services	Cable & Satellite
Wal-Mart Stores, Inc.	Consumer Staples	Hypermarkets & Super Centers
Morgan Stanley	Financials	Investment Banking & Brokerage
Citigroup, Inc.	Financials	Other Diversified Financial Services
Philip Morris International, Inc.	Consumer Staples	Tobacco
Raytheon Technologies Corp.	Industrials	Aerospace & Defense
Target Corp.	Consumer Discretionary	General Merchandise Stores
Capital One Financial Corp.	Financials	Consumer Finance
CVS Caremark Corp.	Health Care	Health Care Services
Broadcom Corp., Class A	Information Technology	Semiconductors

See your advisor or www.ivyinvestments.com for more information on the Portfolio's most recently published Top 10 Equity Holdings.

+Cash equivalents are defined as highly liquid securities with maturities of less than three months. Cash equivalents may include U.S. Government Treasury bills, bank certificates of deposit, bankers' acceptances, corporate commercial paper and other money market instruments.

COMPARISON OF CHANGE IN VALUE OF $10,000 INVESTMENT

(UNAUDITED)



(1)The value of the investment in the Portfolio is impacted by the ongoing expenses of the Portfolio and assumes reinvestment of dividends and distributions.

Average Annual Total Return(2)	Class II
1-year period ended 12-31-20	1.98%
5-year period ended 12-31-20	8.36%
10-year period ended 12-31-20	9.04%

(2)Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyinvestments.com for the Portfolio's most recent month-end performance. Performance data quoted does not reflect any expenses or charges associated with owning a variable life insurance policy or variable annuity contract that invests in the Portfolio's shares. When such charges are deducted, actual investment performance in a variable policy or contract will be lower.

Past performance is not necessarily indicative of future performance. Indexes are unmanaged. The performance graph and table do not reflect the deduction of taxes that a shareholder would pay on Portfolio distributions or on the redemption of Portfolio shares. Performance results may include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.

SCHEDULE OF INVESTMENTS VALUE (in thousands)

DECEMBER 31, 2020

COMMON STOCKS	Shares	Value
Communication Services		
Alternative Carriers – 2.7%		
Liberty Global, Inc., Series C (A)	523	$ 12,369
Cable & Satellite – 6.9%		
Comcast Corp., Class A	372	19,500
Liberty Media Corp., Class C (A)	294	12,774
		32,274
Total Communication Services – 9.6%		44,643
Consumer Discretionary		
Auto Parts & Equipment – 2.4%		
Magna International, Inc.	159	11,236
General Merchandise Stores – 3.1%		
Target Corp.	81	14,262
Home Improvement Retail – 2.3%		
Lowe's Co., Inc.	67	10,800
Total Consumer Discretionary – 7.8%		36,298
Consumer Staples		
Hypermarkets & Super Centers – 3.7%		
Wal-Mart Stores, Inc.	118	16,952
Tobacco – 3.3%		
Philip Morris International, Inc.	187	15,457
Total Consumer Staples – 7.0%		32,409
Energy		
Oil & Gas Exploration & Production – 1.3%		
EOG Resources, Inc.	124	6,164
Oil & Gas Refining & Marketing – 2.7%		
Marathon Petroleum Corp.	300	12,416
Total Energy – 4.0%		18,580
Financials		
Asset Management & Custody Banks – 2.3%		
Ameriprise Financial, Inc.	56	10,798
Consumer Finance – 5.4%		
Capital One Financial Corp.	144	14,223
Synchrony Financial	310	10,753
		24,976
Investment Banking & Brokerage – 3.5%		
Morgan Stanley	238	16,287

COMMON STOCKS (Continued)	Shares	Value
Mortgage REITs – 2.1%		
AGNC Investment Corp.	627	$ 9,777
Other Diversified Financial Services – 3.5%		
Citigroup, Inc.	261	16,116
Reinsurance – 4.0%		
Everest Re Group Ltd.	40	9,252
Reinsurance Group of America, Inc.	81	9,430
		18,682
Total Financials – 20.8%		96,636
Health Care		
Biotechnology – 2.2%		
Amgen, Inc.	44	10,231
Health Care Distributors – 2.6%		
McKesson Corp.	70	12,203
Health Care Facilities – 2.9%		
HCA Holdings, Inc.	82	13,506
Health Care Services – 3.0%		
CVS Caremark Corp.	204	13,934
Managed Health Care – 1.3%		
Anthem, Inc.	18	5,908
Pharmaceuticals – 2.0%		
GlaxoSmithKline plc ADR	260	9,553
Total Health Care – 14.0%		65,335
Industrials		
Aerospace & Defense – 3.1%		
Raytheon Technologies Corp.	203	14,548
Electrical Components & Equipment – 5.8%		
Eaton Corp.	115	13,867
nVent Electric plc	559	13,015
		26,882
Railroads – 3.0%		
Norfolk Southern Corp.	58	13,853
Total Industrials – 11.9%		55,283
Information Technology		
Data Processing & Outsourced Services – 2.9%		
Fidelity National Information Services, Inc.	96	13,606
Semiconductor Equipment – 1.1%		
Lam Research Corp.	10	4,941

COMMON STOCKS (Continued)	Shares	Value
Semiconductors – 5.6%		
Broadcom Corp., Class A	32	$ 13,871
NXP Semiconductors N.V.	78	12,456
		26,327
Total Information Technology – 9.6%		44,874
Materials		
Diversified Metals & Mining – 2.4%		
BHP Billiton Ltd. ADR	174	11,363
Paper Packaging – 2.7%		
Graphic Packaging Holding Co.	736	12,474
Total Materials – 5.1%		23,837
Real Estate		
Health Care REITs – 2.7%		
Welltower, Inc.	191	12,331
Total Real Estate – 2.7%		12,331
Utilities		
Electric Utilities – 4.6%		
Entergy Corp.	112	11,202
Evergy, Inc. (B)	178	9,898
		21,100
Multi-Utilities – 0.6%		
Public Service Enterprise Group, Inc.	50	2,921
Total Utilities – 5.2%		24,021
TOTAL COMMON STOCKS – 97.7%		$ 454,247
(Cost: $383,857)		

SHORT-TERM SECURITIES	Shares	Value
Money Market Funds (C) – 2.3%		
State Street Institutional U.S. Government Money Market Fund – Premier Class, 0.030%	10,893	10,893
TOTAL SHORT-TERM SECURITIES – 2.3%		$ 10,893
(Cost: $10,893)		
TOTAL INVESTMENT SECURITIES – 100.0%		$ 465,140
(Cost: $394,750)		
LIABILITIES, NET OF CASH AND OTHER ASSETS – 0.0%		(138)
NET ASSETS – 100.0%		$465,002

SCHEDULE OF INVESTMENTS VALUE (in thousands)

DECEMBER 31, 2020

Notes to Schedule of Investments

(A)No dividends were paid during the preceding 12 months.

(B)All or a portion of securities with an aggregate value of $414 are held in collateralized accounts to cover potential obligations with respect to outstanding written options.

(C)Rate shown is the annualized 7-day yield at December 31, 2020.

The following written options were outstanding at December 31, 2020 (contracts and exercise prices unrounded):

Underlying Security	Counterparty, if OTC	Type	Number of Contracts	Notional Amount	Expiration Month	Exercise Price	Premium Received	Value
Broadcom Corp., Class A	N/A	Call	32	3	January 2021	$440.00	$ 25	$ (27)
nVent Electric plc	JPMorgan Chase Bank N.A.	Put	717	72	February 2021	25.00	287	(183)
Reinsurance Group of America, Inc.	JPMorgan Chase Bank N.A.	Put	84	8	April 2021	140.00	318	(218)
							$630	$(428)

The following table is a summary of the valuation of the Portfolio's investments by the fair value hierarchy levels as of December 31, 2020. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Common Stocks	$454,247	$ —	$—
Short-Term Securities	10,893	—	—
Total	$465,140	$ —	$—
Liabilities			
Written Options	$ 27	$401	$—

The following acronyms are used throughout this schedule:

ADR = American Depository Receipts
OTC = Over the Counter
REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

AS OF DECEMBER 31, 2020

(In thousands, except per share amounts)	Core Equity	Corporate Bond	Global Bond	Global Equity Income	Global Growth	Limited-Term Bond	Securian Real Estate Securities	Value
ASSETS								
Investments in unaffiliated securities at value+^	$ 735,135	$ 680,031	$ 21,256	$ 314,555	$ 155,477	$ 427,814	$ 30,993	$ 465,140
Investments at Value	735,135	680,031	21,256	314,555	155,477	427,814	30,993	465,140
Cash	—	—	—	—	—	—	—*	—
Restricted cash	—	410	—	—	—	—	—	—
Investment securities sold receivable	1,526	634	1	—	—	—	—	—
Dividends and interest receivable	347	5,530	220	871	287	2,355	135	644
Capital shares sold receivable	7	1	2	—*	4	—*	7	—*
Receivable from affiliates	160	—	—	—	58	—	—	—
Receivable from securities lending income – net	—*	—*	—*	1	1	—*	—	—*
Prepaid and other assets	5	4	—*	1	2	1	—*	3
Total Assets	737,180	686,610	21,479	315,428	155,829	430,170	31,135	465,787
LIABILITIES								
Cash collateral on securities loaned at value	—	761	926	—	—	—	—	—
Investment securities purchased payable	—	625	—	—	—	—	—	—
Capital shares redeemed payable	349	258	2	111	6	130	21	262
Independent Trustees and Chief Compliance Officer fees payable	100	70	1	41	49	29	6	56
Overdraft due to custodian	—	—*	—	—	78	—	—	—
Distribution and service fees payable	5	5	—*	2	1	3	—*	3
Investment management fee payable	14	9	—	6	3	6	1	9
Accounting services fee payable	28	27	3	16	11	21	4	21
Variation margin payable	—	33	—	—	—	—	—	—
Written options at value+	—	—	—	—	—	—	—	428
Other liabilities	9	10	5	12	11	8	6	6
Total Liabilities	505	1,798	937	188	159	197	38	785
Commitments and Contingencies (See Note 2 and Note 10)								
Total Net Assets	$736,675	$ 684,812	$20,542	$315,240	$155,670	$429,973	$ 31,097	$465,002
NET ASSETS								
Capital paid in (shares authorized – unlimited)	$498,985	$595,800	$ 19,835	$278,432	$ 93,726	$ 412,656	$ 29,709	$ 388,857
Accumulated earnings gain	237,690	89,012	707	36,808	61,944	17,317	1,388	76,145
Total Net Assets	$736,675	$ 684,812	$20,542	$315,240	$155,670	$429,973	$ 31,097	$465,002
CAPITAL SHARES OUTSTANDING:								
Class II	51,288	113,160	3,907	52,371	36,256	85,835	4,460	72,671
NET ASSET VALUE PER SHARE:								
Class II	$ 14.36	$ 6.05	$ 5.26	$ 6.02	$ 4.29	$ 5.01	$ 6.97	$ 6.40
+COST								
Investments in unaffiliated securities at cost	$529,833	$ 635,735	$ 20,131	$280,219	$ 101,075	$ 418,962	$ 30,386	$ 394,750
Written options premiums received at cost	—	—	—	—	—	—	—	630
^Securities loaned at value	—	745	903	7,281	—	2,697	—	—

** Not shown due to rounding.*

See Accompanying Notes to Financial Statements.

FOR THE YEAR ENDED DECEMBER 31, 2020

(In thousands)	Core Equity	Corporate Bond	Global Bond	Global Equity Income	Global Growth	Limited-Term Bond	Securian Real Estate Securities	Value
INVESTMENT INCOME								
Dividends from unaffiliated securities	$ 9,981	$ —	$ —	$ 9,951	$ 1,751	$ —	$ 733	$ 11,001
Foreign dividend withholding tax	(30)	—	—	(708)	(97)	—	—	(72)
Interest and amortization from unaffiliated securities	35	19,582	866	21	8	9,928	2	77
Securities lending income – net	—*	21	4	36	2	3	—	38
Total Investment Income	9,986	19,603	870	9,300	1,664	9,931	735	11,044
EXPENSES								
Investment management fee	4,774	2,993	125	2,025	1,190	2,066	274	3,009
Distribution and service fees:								
Class II	1,705	1,575	50	723	350	1,033	76	1,075
Shareholder servicing:								
Class II	—*	—*	—*	—*	—*	—*	—*	—*
Custodian fees	15	10	4	31	13	8	3	6
Independent Trustees and Chief Compliance Officer fees	85	63	4	26	26	32	4	39
Accounting services fee	165	160	13	92	62	124	26	126
Professional fees	43	59	49	38	49	56	49	42
Third-party valuation service fees	—*	1	—	7	12	—	—	—
Other	35	29	11	40	20	20	12	25
Total Expenses	6,822	4,890	256	2,982	1,722	3,339	444	4,322
Less:								
Expenses in excess of limit	(330)	—	(124)	—	(136)	—	(28)	—
Total Net Expenses	6,492	4,890	132	2,982	1,586	3,339	416	4,322
Net Investment Income	3,494	14,713	738	6,318	78	6,592	319	6,722
REALIZED AND UNREALIZED GAIN (LOSS)								
Net realized gain (loss) on:								
Investments in unaffiliated securities	29,065	33,123	(86)	(2,054)	11,263	7,840	445	(3,769)
Futures contracts	—	(698)	—	—	—	—	—	—
Written options	—	—	—	—	—	—	—	39
Foreign currency exchange transactions	(8)	—	—*	5	(20)	—	—	—
Net change in unrealized appreciation (depreciation) on:								
Investments in unaffiliated securities	102,469	14,754	833	9,662	15,811	1,725	(1,951)	823
Futures contracts	—	(65)	—	—	—	—	—	—
Written options	—	—	—	—	—	—	—	36
Foreign currency exchange transactions	—	—	—*	44	19	—	—	—
Net Realized and Unrealized Gain (Loss)	131,526	47,114	747	7,657	27,073	9,565	(1,506)	(2,871)
Net Increase (Decrease) in Net Assets Resulting from Operations	$135,020	$61,827	$1,485	$13,975	27,151	16,157	$ (1,187)	$ 3,851

** Not shown due to rounding.*

See Accompanying Notes to Financial Statements.

(In thousands)	Core Equity Year ended 12-31-20	Core Equity Year ended 12-31-19	Corporate Bond Year ended 12-31-20	Corporate Bond Year ended 12-31-19	Global Bond Year ended 12-31-20	Global Bond Year ended 12-31-19
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	$ 3,494	$ 3,660	$ 14,713	$ 15,182	$ 738	$ 855
Net realized gain (loss) on investments	29,057	39,097	32,425	7,968	(86)	71
Net change in unrealized appreciation	102,469	141,906	14,689	40,261	833	1,024
Net Increase in Net Assets Resulting from Operations	135,020	184,663	61,827	63,411	1,485	1,950
Distributions to Shareholders From:						
Accumulated earnings:						
(combined net investment income and net realized gains)						
Class II	(41,268)	(73,214)	(15,230)	(15,235)	(784)	(784)
Total Distributions to Shareholders	(41,268)	(73,214)	(15,230)	(15,235)	(784)	(784)
Capital Share Transactions	(80,352)	(14,607)	38,413	7,718	(761)	(2,406)
Net Increase (Decrease) in Net Assets	13,400	96,842	85,010	55,894	(60)	(1,240)
Net Assets, Beginning of Period	723,275	626,433	599,802	543,908	20,602	21,842
Net Assets, End of Period	$736,675	$723,275	$ 684,812	$599,802	$ 20,542	$ 20,602

(In thousands)	Global Equity Income Year ended 12-31-20	Global Equity Income Year ended 12-31-19	Global Growth Year ended 12-31-20	Global Growth Year ended 12-31-19	Limited-Term Bond Year ended 12-31-20	Limited-Term Bond Year ended 12-31-19
INCREASE (DECREASE) IN NET ASSETS						
Operations:						
Net investment income	$ 6,318	$ 7,412	$ 78	$ 596	$ 6,592	$ 9,982
Net realized gain (loss) on investments	(2,049)	(1,045)	11,243	(3,622)	7,840	2,068
Net change in unrealized appreciation	9,706	54,983	15,830	36,179	1,725	10,182
Net Increase in Net Assets Resulting from Operations	13,975	61,350	27,151	33,153	16,157	22,232
Distributions to Shareholders From:						
Accumulated earnings:						
(combined net investment income and net realized gains)						
Class II	(8,016)	(85,169)	(585)	(96,488)	(10,693)	(9,903)
Total Distributions to Shareholders	(8,016)	(85,169)	(585)	(96,488)	(10,693)	(9,903)
Capital Share Transactions	12,697	36,767	(19,238)	77,403	(28,033)	(101,449)
Net Increase (Decrease) in Net Assets	18,656	12,948	7,328	14,068	(22,569)	(89,120)
Net Assets, Beginning of Period	296,584	283,636	148,342	134,274	452,542	541,662
Net Assets, End of Period	$ 315,240	$296,584	$ 155,670	$ 148,342	$429,973	$452,542

See Accompanying Notes to Financial Statements.

(In thousands)	Securian Real Estate Securities Year ended 12-31-20	Securian Real Estate Securities Year ended 12-31-19	Value Year ended 12-31-20	Value Year ended 12-31-19
INCREASE (DECREASE) IN NET ASSETS				
Operations:				
Net investment income	$ 319	$ 503	$ 6,722	$ 8,776
Net realized gain (loss) on investments	445	2,485	(3,730)	18,462
Net change in unrealized appreciation (depreciation)	(1,951)	4,986	859	84,726
Net Increase (Decrease) in Net Assets Resulting from Operations	(1,187)	7,974	3,851	111,964
Distributions to Shareholders From:				
Accumulated earnings:				
(combined net investment income and net realized gains)				
Class II	(2,884)	(744)	(26,609)	(30,616)
Total Distributions to Shareholders	(2,884)	(744)	(26,609)	(30,616)
Capital Share Transactions	(293)	(6,032)	(23,117)	(16,326)
Net Increase (Decrease) in Net Assets	(4,364)	1,198	(45,875)	65,022
Net Assets, Beginning of Period	35,461	34,263	510,877	445,855
Net Assets, End of Period	$31,097	$ 35,461	$465,002	$ 510,877

See Accompanying Notes to Financial Statements.

This page intentionally left blank.

FOR A SHARE OF CAPITAL STOCK OUTSTANDING THROUGHOUT EACH PERIOD

	Net Asset Value, Beginning of Period	Net Investment Income(1)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Distributions From Net Investment Income	Distributions From Net Realized Gains	Total Distributions
Core Equity							
Class II Shares							
Year ended 12-31-2020	$12.63	$0.06	$ 2.44	$ 2.50	$(0.07)	$(0.70)	$ (0.77)
Year ended 12-31-2019	10.80	0.06	3.10	3.16	(0.07)	(1.26)	(1.33)
Year ended 12-31-2018	12.30	0.07	(0.53)	(0.46)	(0.06)	(0.98)	(1.04)
Year ended 12-31-2017	10.67	0.05	2.09	2.14	(0.05)	(0.46)	(0.51)
Year ended 12-31-2016	11.75	0.05	0.32	0.37	(0.05)	(1.40)	(1.45)
Corporate Bond							
Class II Shares							
Year ended 12-31-2020	5.60	0.14	0.46	0.60	(0.15)	—	(0.15)
Year ended 12-31-2019	5.13	0.15	0.47	0.62	(0.15)	—	(0.15)
Year ended 12-31-2018	5.35	0.14	(0.24)	(0.10)	(0.11)	(0.01)	(0.12)
Year ended 12-31-2017	5.27	0.12	0.08	0.20	(0.08)	(0.04)	(0.12)
Year ended 12-31-2016	5.20	0.12	0.09	0.21	(0.13)	(0.01)	(0.14)
Global Bond							
Class II Shares							
Year ended 12-31-2020	5.07	0.19	0.20	0.39	(0.20)	—	(0.20)
Year ended 12-31-2019	4.81	0.20	0.24	0.44	(0.18)	—	(0.18)
Year ended 12-31-2018	4.96	0.17	(0.18)	(0.01)	(0.14)	—	(0.14)
Year ended 12-31-2017	4.89	0.15	0.06	0.21	(0.14)	—	(0.14)
Year ended 12-31-2016	4.74	0.16	0.17	0.33	(0.18)	—	(0.18)
Global Equity Income							
Class II Shares							
Year ended 12-31-2020	6.01	0.12	0.03	0.15	(0.14)	—	(0.14)
Year ended 12-31-2019	6.89	0.16	1.17	1.33	(0.22)	(1.99)	(2.21)
Year ended 12-31-2018	8.58	0.16	(1.07)	(0.91)	(0.14)	(0.64)	(0.78)
Year ended 12-31-2017	7.79	0.13	1.03	1.16	(0.10)	(0.27)	(0.37)
Year ended 12-31-2016	7.82	0.11	0.40	0.51	(0.10)	(0.44)	(0.54)
Global Growth							
Class II Shares							
Year ended 12-31-2020	3.58	0.00*	0.72	0.72	(0.01)	—	(0.01)
Year ended 12-31-2019	8.67	0.02	1.45	1.47	(0.06)	(6.50)	(6.56)
Year ended 12-31-2018	9.87	0.05	(0.58)	(0.53)	(0.05)	(0.62)	(0.67)
Year ended 12-31-2017	8.14	0.04	1.93	1.97	—*	(0.24)	(0.24)
Year ended 12-31-2016	8.68	0.01	(0.28)	(0.27)	(0.02)	(0.25)	(0.27)
Limited-Term Bond							
Class II Shares							
Year ended 12-31-2020	4.95	0.08	0.12	0.20	(0.14)	—	(0.14)
Year ended 12-31-2019	4.84	0.09	0.11	0.20	(0.09)	—	(0.09)
Year ended 12-31-2018	4.88	0.09	(0.05)	0.04	(0.08)	—	(0.08)
Year ended 12-31-2017	4.89	0.08	(0.01)	0.07	(0.08)	—	(0.08)
Year ended 12-31-2016	4.87	0.08	0.01	0.09	(0.07)	—	(0.07)
Securian Real Estate Securities							
Class II Shares							
Year ended 12-31-2020	8.05	0.07	(0.46)	(0.39)	(0.12)	(0.57)	(0.69)
Year ended 12-31-2019	6.60	0.17	1.43	1.60	(0.12)	(0.03)	(0.15)
Year ended 12-31-2018	7.64	0.10	(0.54)	(0.44)	(0.11)	(0.49)	(0.60)
Year ended 12-31-2017	8.40	0.11	0.27	0.38	(0.11)	(1.03)	(1.14)
Year ended 12-31-2016	8.98	0.10	0.25	0.35	(0.10)	(0.84)	(0.94)
Value							
Class II Shares							
Year ended 12-31-2020	6.72	0.09	(0.05)	0.04	(0.12)	(0.24)	(0.36)
Year ended 12-31-2019	5.69	0.11	1.32	1.43	(0.05)	(0.35)	(0.40)
Year ended 12-31-2018	6.44	0.07	(0.51)	(0.44)	(0.12)	(0.19)	(0.31)
Year ended 12-31-2017	5.93	0.11	0.61	0.72	(0.09)	(0.12)	(0.21)
Year ended 12-31-2016	6.15	0.08	0.49	0.57	(0.07)	(0.72)	(0.79)

* *Not shown due to rounding.*

(1) Based on average weekly shares outstanding.

(2)Based on net asset value. Total returns do not reflect a sales charge or contingent sales charge, if applicable. Total returns for periods less than one year are not annualized.

(3)Ratios excluding expense waivers are included only for periods in which the class had waived or reimbursed expenses.

	Net Asset Value, End of Period	Total Return[(2)]	Net Assets, End of Period (in millions)	Ratio of Expenses to Average Net Assets Including Expense Waiver	Ratio of Net Investment Income to Average Net Assets Including Expense Waiver	Ratio of Expenses to Average Net Assets Excluding Expense Waiver[(3)]	Ratio of Net Investment Income (Loss) to Average Net Assets Excluding Expense Waiver[(3)]	Portfolio Turnover Rate
Core Equity								
Class II Shares								
Year ended 12-31-2020	$14.36	21.52%	$ 737	0.95%	0.51%	1.00%	0.46%	58%
Year ended 12-31-2019	12.63	31.09	723	0.95	0.53	1.00	0.48	80
Year ended 12-31-2018	10.80	-4.51	626	0.95	0.59	1.00	0.54	99
Year ended 12-31-2017	12.30	20.75	445	0.95	0.42	1.00	0.37	78
Year ended 12-31-2016	10.67	3.74	420	0.95	0.45	1.01	0.39	75
Corporate Bond								
Class II Shares								
Year ended 12-31-2020	6.05	10.97	685	0.77	2.34	—	—	95
Year ended 12-31-2019	5.60	12.18	600	0.77	2.73	—	—	66
Year ended 12-31-2018	5.13	-1.90	544	0.77	2.77	—	—	63
Year ended 12-31-2017	5.35	4.01	548	0.78	2.32	—	—	66
Year ended 12-31-2016	5.27	4.03	416	0.79	2.17	—	—	84
Global Bond								
Class II Shares								
Year ended 12-31-2020	5.26	8.15	21	0.65	3.71	1.28	3.08	56
Year ended 12-31-2019	5.07	9.42	21	0.50	3.96	1.13	3.33	43
Year ended 12-31-2018	4.81	-0.18	22	0.50	3.52	1.12	2.90	37
Year ended 12-31-2017	4.96	4.27	23	0.50	3.08	1.12	2.46	49
Year ended 12-31-2016	4.89	7.04	22	0.50	3.28	1.13	2.65	18
Global Equity Income								
Class II Shares								
Year ended 12-31-2020	6.02	3.15	315	1.03	2.19	—	—	73
Year ended 12-31-2019	6.01	23.15	297	1.02	2.52	—	—	39
Year ended 12-31-2018	6.89	-11.68	284	1.01	2.01	—	—	93
Year ended 12-31-2017	8.58	15.56	527	1.00	1.60	—	—	35
Year ended 12-31-2016	7.79	6.95	509	1.01	1.43	—	—	59
Global Growth								
Class II Shares								
Year ended 12-31-2020	4.29	20.58	156	1.13	0.06	1.23	-0.04	33
Year ended 12-31-2019	3.58	25.93	148	1.13	0.41	1.21	0.33	26
Year ended 12-31-2018	8.67	-6.27	134	1.13	0.46	1.18	0.41	40
Year ended 12-31-2017	9.87	24.52	424	1.14	0.47	1.17	0.44	54
Year ended 12-31-2016	8.14	-3.04	408	1.13	0.09	1.16	0.06	71
Limited-Term Bond								
Class II Shares								
Year ended 12-31-2020	5.01	4.14	430	0.81	1.60	—	—	74
Year ended 12-31-2019	4.95	4.23	453	0.79	1.89	—	—	54
Year ended 12-31-2018	4.84	0.78	542	0.79	1.91	—	—	53
Year ended 12-31-2017	4.88	1.40	443	0.80	1.62	—	—	55
Year ended 12-31-2016	4.89	1.94	395	0.81	1.53	—	—	60
Securian Real Estate Securities								
Class II Shares								
Year ended 12-31-2020	6.97	-3.13	31	1.37	1.06	1.46	0.97	72
Year ended 12-31-2019	8.05	24.43	35	1.26	1.36	1.35	1.27	54
Year ended 12-31-2018	6.60	-5.57	34	1.24	1.45	1.33	1.36	71
Year ended 12-31-2017	7.64	5.39	43	1.22	1.38	1.31	1.29	73
Year ended 12-31-2016	8.39	4.26	49	1.20	1.26	1.29	1.17	79
Value								
Class II Shares								
Year ended 12-31-2020	6.40	1.98	465	1.01	1.57	—	—	63
Year ended 12-31-2019	6.72	26.33	511	1.00	1.81	—	—	62
Year ended 12-31-2018	5.69	-7.24	446	1.00	1.09	—	—	56
Year ended 12-31-2017	6.44	12.49	432	1.00	1.74	—	—	67
Year ended 12-31-2016	5.93	11.14	379	1.02	1.38	1.03	1.37	54

See Accompanying Notes to Financial Statements.

DECEMBER 31, 2020

1. ORGANIZATION

Ivy Variable Insurance Portfolios, a Delaware statutory trust (the “Trust”), is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. Core Equity, Corporate Bond, Global Bond, Global Equity Income, Global Growth, Limited-Term Bond, Securian Real Estate Securities and Value (each, a “Portfolio”) are eight series of the Trust and are the only series of the Trust included in these financial statements. The assets belonging to each Portfolio are held separately by the custodian. The investment objective, policies and risk factors of each Portfolio are described more fully in the Prospectus and Statement of Additional Information (“SAI”). Each Portfolio’s investment adviser is Ivy Investment Management Company (“IICO”).

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by each Portfolio.

Security Transactions and Related Investment Income. Security transactions are accounted for on the trade date (date the order to buy or sell is executed). Realized gains and losses are calculated on the identified cost basis. Interest income is recorded on the accrual basis and includes paydown gain (loss) and accretion of discounts and amortization of premiums. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Portfolio is informed of the ex-dividend date. All or a portion of the distributions received from a real estate investment trust or publicly traded partnership may be designated as a reduction of cost of the related investment or realized gain.

Foreign Currency Translation. Each Portfolio’s accounting records are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars daily, using foreign exchange rates obtained from an independent pricing service approved by the Board of Trustees of the Trust (the “Board”). Purchases and sales of investment securities and accruals of income and expenses are translated at the rate of exchange prevailing on the date of the transaction. For assets and liabilities other than investments in securities, net realized and unrealized gains and losses from foreign currency translation arise from changes in currency exchange rates. Each Portfolio combines fluctuations from currency exchange rates and fluctuations in value when computing net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments. Foreign exchange rates are typically valued as of the close of the New York Stock Exchange (“NYSE”), normally 4:00 P.M. Eastern time, on each day the NYSE is open for trading.

Dividends and Distributions to Shareholders. Dividends and distributions to shareholders are recorded by each Portfolio on the business day following record date. Net investment income dividends and capital gains distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America (“U.S. GAAP”). If the total dividends and distributions made in any tax year exceeds net investment income and accumulated realized capital gains, a portion of the total distribution may be treated as a tax return of capital.

Income Taxes. It is the policy of each Portfolio to distribute all of its taxable income and capital gains to its shareholders and to otherwise qualify as a regulated investment company under Subchapter M of the Internal Revenue Code. In addition, each Portfolio intends to pay distributions as required to avoid imposition of excise tax. Accordingly, no provision has been made for Federal income taxes. The Portfolios file income tax returns in U.S. federal and applicable state jurisdictions. The Portfolios’ tax returns are subject to examination by the relevant taxing authority until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax returns. Management of the Trust periodically reviews all tax positions to assess whether it is more likely than not that the position would be sustained upon examination by the relevant tax authority based on the technical merits of each position. As of the date of these financial statements, management believes that no liability for unrecognized tax positions is required.

Segregation and Collateralization. In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (“SEC”), the Dodd Frank Wall Street Reform and Consumer Protection Act, or the interpretive rules and regulations of the U.S. Commodities Futures Trading Commission require that a Portfolio either deliver collateral or segregate assets in connection with certain investments (e.g., dollar rolls, financial futures contracts, foreign currency exchange contracts, options written, securities with extended settlement periods, and swaps), the Portfolio will segregate collateral or designate on its books and records, cash or other liquid securities having a value at least equal to the amount that is required to be physically segregated for the benefit of the counterparty. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party has requirements to deliver/deposit cash or securities as collateral for certain investments. Certain countries require that cash reserves be held while investing in companies incorporated in that country. These cash reserves and cash collateral that has been pledged to cover obligations of the Portfolios under derivative contracts, if any, will be reported separately on the Statements of Assets and Liabilities as “Restricted cash”. Securities collateral pledged for the same purpose, if any, is noted on the Schedule of Investments.

Concentration of Market and Credit Risk. In the normal course of business, the Portfolios invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (issuer credit risk). The value of securities held by the Portfolios may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Portfolios; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to issuer credit risk, the Portfolios may be exposed to counterparty credit risk, or the risk that an entity with which the Portfolios have unsettled or open transactions may fail to or be unable to perform on its commitments. The Portfolios manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Portfolios to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Portfolios' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded on the Portfolios' Statements of Assets and Liabilities, less any collateral held by the Portfolios.

Certain Portfolios may hold high-yield or non-investment-grade bonds, that may be subject to a greater degree of credit risk. Credit risk relates to the ability of the issuer to meet interest or principal payments or both as they become due. The Portfolios may acquire securities in default and are not obligated to dispose of securities whose issuers subsequently default.

Certain Portfolios may enter into financial instrument transactions (such as swaps, futures, options and other derivatives) that may have off-balance sheet market risk. Off-balance sheet market risk exists when the maximum potential loss on a particular financial instrument is greater than the value of such financial instrument, as reflected on the Statements of Assets and Liabilities.

If a Portfolio invests directly in foreign currencies or in securities that trade in, and receive revenues in, foreign currencies, or in financial derivatives that provide exposure to foreign currencies, it will be subject to the risk that those currencies will decline in value relative to the base currency of the Portfolio, or, in the case of hedging positions, that the Portfolio's base currency will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments, central banks or supranational entities such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or abroad.

The London Interbank Offered Rate "LIBOR" is an indicative measure of the average interest rate at which major global banks could borrow from one another. LIBOR is quoted in multiple currencies and multiple time frames using data reported by private-sector banks. LIBOR is used extensively in the United States and globally as a "benchmark" or "reference rate" for various commercial and financial contracts, including corporate and municipal bonds and loans, floating rate mortgages, asset-backed securities, consumer loans, and interest rate swaps and other derivatives.

It is expected that a number of private-sector banks currently reporting information used to set LIBOR will stop doing so after 2021 when their current reporting commitment ends, which could either cause LIBOR to stop publication immediately or cause LIBOR's regulator to determine that its quality has degraded to the degree that it is no longer representative of its underlying market.

Management believes that, with respect to any significant investments by a Portfolio in instruments linked to LIBOR, the impact on investments and discontinuation of LIBOR may represent a significant risk.

However, management acknowledges that the anticipated transition away from LIBOR will occur after 2021 and certain of the current investments will mature prior to that time. Furthermore, the ways in which LIBOR's discontinuation potentially could impact the Portfolios' investments is not fully known. The extent of that impact may vary depending on various factors, which include, but are not limited to: (i) existing fallback or termination provisions in individual contracts and (ii) whether, how, and when industry participants develop and adopt new successor reference rates and/or fallbacks for both legacy and new instruments.

In addition, the transition to a successor rate could potentially cause (i) increased volatility or illiquidity in markets for instruments that currently rely on LIBOR, (ii) a reduction in the value of certain instruments held by a Portfolio, or (iii) reduced effectiveness of related Portfolio transactions, such as hedging.

As the impacts of the transition become clearer during the next year, management will be evaluating the impacts of these changes.

An outbreak of infectious respiratory illness caused by a novel coronavirus known as COVID-19 was first detected in China in December 2019 and has now been detected globally. This coronavirus has resulted in travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, cancellations, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19, and other infectious illness outbreaks that may arise in the future, could adversely affect the economies of many nations or the entire global economy, individual issuers and capital markets in ways that cannot necessarily be foreseen. In addition, the impact of infectious illnesses in emerging market countries may be greater due to generally less established healthcare systems. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

The individual Portfolios herein have adopted a Liquidity Risk Management Program (the "Program"). The Portfolio's board has designated a Liquidity Risk Management Committee (the "Committee") as the administrator of the Program. The Committee or delegates of the Committee conduct the day-to-day operation of the Program. Under the Program, the Committee manages the Portfolio's liquidity risk, which is the risk that any Portfolio could not meet shareholder redemption requests without significant dilution of remaining shareholders' interests in the Portfolio. This risk is managed by monitoring the degree of liquidity of the Portfolio's investments, limiting the amount of the Portfolio's illiquid investments, and utilizing various risk management tools and facilities available to the Portfolio for meeting shareholder redemptions, among other means. The Committee's process of determining the degree of liquidity of the Portfolio's investments is supported by one or more third-party liquidity assessment vendors. The Portfolio's board reviewed a report prepared by a designee of the Committee regarding the operation, adequacy and effectiveness of the Program from the period June 1, 2019, through March 31, 2020. The report described the Program's liquidity classification methodology and the methodology in establishing a Portfolio's Highly Liquid Investment Minimum ("HLIM"), if necessary. The Committee reported that during the period covered by the report, there were no material changes to the Program and no significant liquidity events impacting the Portfolio or its ability to timely meet redemptions without dilution to existing shareholders. In addition, the Committee provided its assessment that the Program, including the operation of each Portfolio's HLIM, where applicable, had been effective in managing the Portfolio's liquidity risk.

Inflation-Indexed Bonds. Certain Portfolios may invest in inflation-indexed bonds. Inflation-indexed bonds are fixed-income securities whose principal value is periodically adjusted to the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value, which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statements of Operations, even though investors do not receive their principal until maturity.

Interest Only Obligations. These securities entitle the owner to receive only the interest portion from a bond, Treasury note or pool of mortgages. These securities are generally created by a third party separating a bond or pool of mortgages into distinct interest-only and principal-only securities. As the principal (par) amount of a bond or pool of mortgages is paid down, the amount of interest income earned by the owner will decline as well.

Loans. Certain Portfolios may invest in loans, the interest rates of which float or adjust periodically based upon a specified adjustment schedule, benchmark indicator, or prevailing interest rates, the debtor of which may be a domestic or foreign corporation, partnership or other entity ("Borrower"). Loans generally pay interest at rates which are periodically redetermined by reference to a base lending rate plus a premium. These base lending rates generally include prime rates of one or more major U.S. banks, the LIBOR or certificates of deposit rates. Loans often require prepayments from excess cash flow or permit the Borrower to repay at its election. The degree to which Borrowers repay cannot be predicted with accuracy. As a result, the actual maturity may be substantially less than the stated maturities. Loans are exempt from registration under the Securities Act of 1933, as amended, may contain certain restrictions on resale, and cannot be sold publicly. A Portfolio's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties.

When a Portfolio purchases assignments, it acquires all the rights and obligations under the loan agreement of the assigning lender. Assignments may, however, be arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than those held by the assigning lender. When a Portfolio purchases a participation of a loan interest, the Portfolio typically enters into a contractual agreement with the lender or other third party selling the participation. A participation interest in loans includes the right to receive payments of principal, interest and any fees to which it is entitled from the lender and only upon receipt by the lender of payments from the Borrower, but not from the Borrower directly. When investing in a participation interest, if a Borrower is unable to meet its obligations under a loan agreement, a Portfolio generally has no direct right to enforce compliance with the terms of the loan agreement. As a result, the Portfolio assumes the credit risk of the Borrower, the selling participant, and any other persons that are interpositioned between the Portfolio and the Borrower. If the lead lender in a typical lending syndicate becomes insolvent, enters Federal Deposit Insurance Corporation ("FDIC") receivership or, if not FDIC insured, enters into bankruptcy, the Portfolio may incur certain costs and delays in receiving payment or may suffer a loss of principal and interest.

Payment In-Kind Securities. Certain Portfolios may invest in payment in-kind securities ("PIKs"). PIKs give the issuer the option at each interest payment date of making interest payments in cash or in additional debt securities. Those additional debt securities usually have the same terms, including maturity dates and interest rates, and associated risks as the original bonds. The daily market quotations of the original bonds may include the accrued interest (referred to as a dirty price) and require a pro-rata adjustment from the unrealized appreciation or depreciation on investments to interest receivable on the Statements of Assets and Liabilities.

Securities on a When-Issued or Delayed Delivery Basis. Certain Portfolios may purchase securities on a “when-issued” basis, and may purchase or sell securities on a “delayed delivery” basis. “When-issued” or “delayed delivery” refers to securities whose terms and indenture are available and for which a market exists, but which are not available for immediate delivery. Delivery and payment for securities that have been purchased by a Portfolio on a when-issued basis normally take place within six months and possibly as long as two years or more after the trade date. During this period, such securities do not earn interest, are subject to market fluctuation and may increase or decrease in value prior to their delivery. The purchase of securities on a when-issued basis may increase the volatility of a Portfolio’s NAV to the extent the Portfolio executes such transactions while remaining substantially fully invested. When a Portfolio engages in when-issued or delayed delivery transactions, it relies on the buyer or seller, as the case may be, to complete the transaction. Their failure to do so may cause the Portfolio to lose the opportunity to obtain or dispose of the security at a price and yield IICO, or the Portfolio’s investment subadviser, as applicable, consider advantageous. The Portfolio maintains internally designated assets with a value equal to or greater than the amount of its purchase commitments. The Portfolio may also sell securities that it purchased on a when-issued or delayed delivery basis prior to settlement of the original purchase.

Custodian Fees. “Custodian fees” on the Statements of Operations may include interest expense incurred by a Portfolio on any cash overdrafts of its custodian account during the period. Such cash overdrafts may result from the effects of failed trades in portfolio securities and from cash outflows resulting from unanticipated shareholder redemption activity. A Portfolio pays interest to its custodian on such cash overdrafts, to the extent they are not offset by positive cash balances maintained by that Portfolio. The “Earnings credit” line item, if shown, represents earnings on cash balances maintained by that Portfolio during the period. Such interest expense and other custodian fees may be paid with these earnings.

Indemnification. The Trust’s organizational documents provide current and former Trustees and Officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Trust. In the normal course of business, the Trust may also enter into contracts that provide general indemnification. The Trust’s maximum exposure under these arrangements is unknown and is dependent on future claims that may be made against the Trust. The risk of material loss from such claims is considered remote.

Basis of Preparation. Each Portfolio is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 (“ASC 946”). The accompanying financial statements were prepared in accordance with U.S. GAAP, including but not limited to ASC 946. U.S. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Notice of Acquisition. On December 2, 2020, Waddell & Reed Financial, Inc. (“Waddell & Reed Financial”), the parent company of Ivy Investment Management Company (“IICO”), and Macquarie Group Limited, including its asset management division Macquarie Asset Management (together, “Macquarie”), announced that they had entered into an agreement whereby Macquarie will acquire Waddell & Reed Financial (the “Transaction”). The Transaction is subject to approval by Waddell & Reed Financial’s shareholders and customary closing conditions, including receipt of applicable regulatory approvals. Subject to such approvals and the satisfaction of certain other conditions, the Transaction is expected to close by mid-2021. This is subject to change.

Under the Investment Company Act of 1940, as amended, closing of the Transaction will result in the automatic termination of each Portfolio’s investment advisory agreement with IICO, and any related sub-advisory contract(s), where applicable. Each Portfolio’s Board recently approved a new investment advisory agreement (and new sub-advisory agreement(s)). The new investment advisory agreement (and new sub-advisory agreement(s)) approved by each Portfolio’s Board is expected to be presented to Portfolio shareholders for approval, and, if approved, would take effect upon the closing of the Transaction. Ivy Portfolios’ shareholders will receive proxy materials pertaining to this and other matters relating to the Transaction in the first quarter of 2021.

Subsequent Events. Management has performed a review for subsequent events through the date this report was issued.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

Each Portfolio’s investments are reported at fair value. Fair value is defined as the price that each Portfolio would receive upon selling an asset or would pay upon satisfying a liability in an orderly transaction between market participants at the measurement date. Each Portfolio calculates the NAV of its shares as of the close of the NYSE, normally 4:00 P.M. Eastern time, on each day the NYSE is open for trading.

For purposes of calculating the NAV, the portfolio securities and financial instruments are valued on each business day using pricing and valuation methods as adopted by the Board. Where market quotes are readily available, fair value is generally determined on the basis of the last reported sales price, or if no sales are reported, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.

Prices for fixed-income securities are typically based on quotes that are obtained from an independent pricing service approved by the Board. To determine values of fixed-income securities, the independent pricing service utilizes such factors as current quotations by broker/dealers, coupon, maturity, quality, type of issue, trading characteristics, and other yield and risk factors it deems relevant in determining valuations. Securities that cannot be valued by the independent pricing service may be valued using quotes obtained from dealers that make markets in the securities.

Short-term securities with maturities of 60 days or less are valued based on quotes that are obtained from an independent pricing service approved by the Board as described in the preceding paragraph above.

Because many foreign markets close before the NYSE, events may occur between the close of the foreign market and the close of the NYSE that could have a material impact on the valuation of foreign securities. Waddell & Reed Services Company ("WRSCO"), pursuant to procedures adopted by the Board, evaluates the impact of these events and may adjust the valuation of foreign securities to reflect the fair value as of the close of the NYSE. In addition, all securities for which values are not readily available or are deemed unreliable are appraised at fair value as determined in good faith under the supervision of the Board.

Where market quotes are not readily available, portfolio securities or financial instruments are valued at fair value, as determined in good faith by the Board or Valuation Committee pursuant to procedures approved by the Board.

Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information or broker quotes), including where events occur after the close of the relevant market, but prior to the NYSE close, that materially affect the values of a Portfolio's securities or financial instruments. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available.

The Board has delegated to WRSCO the responsibility for monitoring significant events that may materially affect the values of a Portfolio's securities or financial instruments and for determining whether the value of the applicable securities or financial instruments should be re-evaluated in light of such significant events. IICO, pursuant to authority delegated by the Board, has established a Valuation Committee to administer and oversee the valuation process, including the use of third party pricing vendors.

The Board has adopted methods for valuing securities and financial instruments in circumstances where market quotes are not readily available. For instances in which daily market quotes are not readily available, investments may be valued, pursuant to procedures established by the Board, with reference to other securities or indices. In the event that the security or financial instrument cannot be valued pursuant to one of the valuation methods established by the Board, the value of the security or financial instrument will be determined in good faith by the Valuation Committee in accordance with the procedures adopted by the Board.

When a Portfolio uses these fair valuation methods applied by WRSCO that use significant unobservable inputs to determine its NAV, securities will be priced by a method that the Board or persons acting at its direction believe accurately reflects fair value and are categorized as Level 3 of the fair value hierarchy. These methods may require subjective determinations about the value of a security. The prices used by a Portfolio may differ from the value that will ultimately be realized at the time the securities are sold.

WRSCO is responsible for monitoring the implementation of the pricing and valuation policies through a series of activities to provide reasonable comfort of the accuracy of prices including: 1) periodic vendor due diligence meetings to review methodologies, new developments, and process at vendors, 2) daily and monthly multi-source pricing comparisons reviewed and submitted to the Valuation Committee, and 3) daily review of unpriced, stale, and variance reports with exceptions reviewed by management and the Valuation Committee.

Accounting standards establish a framework for measuring fair value and a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the factors that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

An individual investment's fair value measurement is assigned a level based upon the observability of the inputs which are significant to the overall valuation.

The three-tier hierarchy of inputs is summarized as follows:

- Level 1 – Observable inputs such as quoted prices, available in active markets, for identical assets or liabilities.
- Level 2 – Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

- Level 3 – Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at its direction that are used in determining the fair value of investments.

A description of the valuation techniques applied to the Portfolios' major classes of assets and liabilities measured at fair value on a recurring basis follows:

Asset-Backed Securities and Mortgage-Backed Securities. The fair value of asset-backed securities and mortgage-backed securities are estimated using recently executed transactions and based on models that consider the estimated cash flows of each debt tranche of the issuer, establish a benchmark yield, and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche including, but not limited to, the prepayment speed assumptions and attributes of the collateral. To the extent the inputs are observable and timely, the values would be categorized in Level 2 of the fair value hierarchy, and otherwise they would be categorized as Level 3.

Corporate Bonds. The fair value of corporate bonds, as obtained from an independent pricing service, is estimated using various techniques, which consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. While most corporate bonds are categorized in Level 2 of the fair value hierarchy, in instances where lower relative weight is placed on transaction prices, quotations, or similar observable inputs, they are categorized in Level 3 of the fair value hierarchy.

Derivative Instruments. Forward foreign currency contracts are valued based upon the closing prices of the forward currency rates determined at the close of the NYSE, which are provided by an independent pricing service. Swaps derive their value from underlying asset prices, indices, reference rates and other inputs or a combination of these factors. Swaps are valued by an independent pricing service unless the price is unavailable, in which case they are valued at the price provided by a dealer in that security. Exchange-traded futures contracts are generally valued at the settlement price. Listed options are ordinarily valued at the mean of the last bid and ask price provided by an independent pricing service unless the price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer. Over the counter ("OTC") options are ordinarily valued at the mean of the last bid and ask price for a comparable listed option provided by an independent pricing service unless such a price is unavailable, in which case they are valued at a quotation obtained from a broker-dealer.

Listed derivatives that are actively traded are valued based on quoted prices from the exchange and are categorized in Level 1 of the fair value hierarchy. OTC derivative contracts include forward foreign currency contracts, swap agreements, and option contracts related to interest rates, foreign currencies, credit standing of reference entities, equity prices, or commodity prices. Depending on the product and the terms of the transaction, the fair value of the OTC derivative products are modeled taking into account the counterparties' creditworthiness and using a series of techniques, including simulation models. Many pricing models do not entail material subjectivity because the methodologies employed do not necessitate significant judgments and the pricing inputs are observed from actively quoted markets, as is the case with interest rate swap and option contracts. OTC derivative products valued using pricing models with significant observable inputs are categorized within Level 2 of the fair value hierarchy.

Equity Securities. Equity securities traded on U.S. or foreign securities exchanges or included in a national market system are valued at the official closing price at the close of each business day unless otherwise stated below. OTC equity securities and listed securities for which no price is readily available are valued at the average of the last bid and ask prices.

Mutual funds, including investment funds, typically are valued at the NAV reported as of the valuation date.

Securities that are stated at the last reported sales price or closing price on the day of valuation taken from the primary exchange where the security is principally traded and to the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

Foreign securities, for which the primary trading market closes at the same time or after the NYSE, are valued based on quotations from the primary market in which they are traded and categorized in Level 1. Because many foreign securities markets and exchanges close prior to the close of the NYSE, closing prices for foreign securities in those markets or on those exchanges do not reflect the events that occur after that close. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intra-day trading in the U.S. markets for investments such as American Depositary Receipts, financial futures, exchange-traded funds, and the movement of certain indices of securities based on a statistical analysis of their historical relationship; such valuations generally are categorized in Level 2.

Preferred stock, repurchase agreements, and other equities traded on inactive markets or valued by reference to similar instruments are also generally categorized in Level 2.

Loans. Loans are valued using a price or composite price from one or more brokers or dealers as obtained from an independent pricing service. The fair value of loans is estimated using recently executed transactions, market price quotations, credit/market events, and cross-asset pricing. Inputs are generally observable market inputs obtained from independent sources. Loans are generally categorized in Level 2 of the fair value hierarchy, unless key inputs are unobservable in which case they would be categorized as Level 3.

Municipal Bonds. Municipal bonds are fair valued based on pricing models used by and obtained from an independent pricing service that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-wants lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond insurance. To the extent that these inputs are observable and timely, the fair values of municipal bonds would be categorized as Level 2; otherwise the fair values would be categorized as Level 3.

Overdraft due to custodian. Due to the short-term nature of overdraft due to custodian, the carrying value approximates fair value and the liability is categorized as Level 2 in the fair value hierarchy.

Restricted Securities. Restricted securities that are deemed to be Rule 144A securities and illiquid, as well as restricted securities held in non-public entities, are included in Level 3 of the fair value hierarchy to the extent that significant inputs to valuation are unobservable, because they trade infrequently, if at all and, therefore, the inputs are unobservable. Restricted securities that are valued at a discount to similar publicly traded securities may be categorized as Level 2 of the fair value hierarchy to the extent that the discount is considered to be insignificant to the fair value measurement in its entirety; otherwise they may be categorized as Level 3.

U.S. Government and Agency Securities. U.S. government and agency securities are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, quoted market prices, and reference data. Accordingly, U.S. government and agency securities are normally categorized in Level 2 of the fair value hierarchy depending on the liquidity and transparency of the market.

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information.

For fair valuations using unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to total realized and unrealized gains or losses, purchases and sales, and transfers in or out of the Level 3 category during the period. In accordance with the requirements of U.S. GAAP, a fair value hierarchy and Level 3 reconciliation, if any, have been included in the Notes to the Schedule of Investments for each respective Portfolio.

Net realized gain (loss) and net unrealized appreciation (depreciation), shown on the reconciliation of Level 3 investments, if applicable, are included on the Statements of Operations in net realized gain (loss) on investments in unaffiliated and/or affiliated securities and in net change in unrealized appreciation (depreciation) on investments in unaffiliated and/or affiliated securities, respectively.

4. DERIVATIVE INSTRUMENTS ($ amounts in thousands unless indicated otherwise)

The following disclosures contain information on why and how the Portfolios use derivative instruments, the associated risks of investing in derivative instruments, and how derivative instruments affect the Portfolios' financial positions and results of operations.

Futures Contracts. Each Portfolio is authorized to engage in buying and selling futures contracts. Upon entering into a futures contract, a Portfolio is required to deposit, in a segregated account, an amount equal to a varying specified percentage of the contract amount. This amount is known as the initial margin. Subsequent amounts, known as variation margin, are paid or received by the Portfolio each day, dependent on the daily fluctuations in the value of the underlying debt security or index. Options on futures contracts may also be purchased or sold by a Portfolio.

Futures contracts are reported on a schedule following the Schedule of Investments. Securities held in collateralized accounts to cover initial margin requirements on open futures contracts are identified on the Schedule of Investments. Cash held by the broker to cover initial margin requirements on open futures contracts and the receivable and/or payable for the daily mark to market for the variation margin are noted on the Statements of Assets and Liabilities. The net change in unrealized appreciation (depreciation) is reported on the Statements of Operations. Realized gains (losses) are reported on the Statements of Operations at the closing or expiration of futures contracts.

Risks of entering into futures contracts include the possibility of loss of securities or cash held as collateral, that there may be an illiquid market where the Portfolio is unable to close the contract or enter into an offsetting position and, if used for hedging purposes, the risk that the price of the contract will correlate imperfectly with the prices of the Portfolio's securities.

Corporate Bond invests in long and/or short positions in futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk).

Option Contracts. Options purchased by a Portfolio are accounted for in the same manner as portfolio securities. The cost of the underlying instruments acquired through the exercise of call options is increased by the premium paid to purchase the call. The proceeds from instruments sold through the exercise of put options are decreased by the premium paid to purchase the put.

When a Portfolio writes (sells) an option, an amount equal to the premium received by the Portfolio is recorded as a liability. The amount of the liability is subsequently adjusted to reflect the current value of the option written. When an option expires on its stipulated expiration date or a Portfolio enters into a closing purchase transaction, the Portfolio realizes a gain (or loss if the cost of a closing purchase transaction exceeds the premium received when the call option was sold), and the liability related to such option is extinguished. When a written call option is exercised, the premium is added to the proceeds from the sale of the underlying instrument in determining whether a Portfolio has realized a gain or loss. When a written put is exercised, the cost basis of the instruments purchased by a Portfolio is reduced by the amount of the premium received.

Investments in options, whether purchased or written, involve certain risks. Writing put options and purchasing call options may increase a Portfolio's exposure to the underlying instrument. With written options, there may be times when a Portfolio will be required to purchase or sell instruments to meet its obligation under the option contract where the required action is not beneficial to the Portfolio, due to unfavorable movement of the market price of the underlying instrument.

Option contracts can be traded on a regulated exchange or traded OTC. Unlike the trades on a regulated exchange where the clearinghouse guarantees the performances of both the buyer and the seller, to the extent a Portfolio enters into OTC option transactions with counterparties, the Portfolio will be exposed to the risk that counterparties to these OTC transactions will be unable to meet their obligations under the terms of the transaction.

Value purchases and writes call and put options to increase or decrease hedging exposure to underlying instruments (which include credit risk, equity risk, foreign currency exchange rate risk, event risk and/or interest rate risk), increase exposure to various equity markets or certain sectors, gain exposure to or facilitate trading in certain securities and/or, in the case of options written, to generate returns from options premiums.

Collateral and rights of offset. A Portfolio mitigates credit risk with respect to OTC derivative counterparties through credit support annexes ("CSA") included with an International Swaps and Derivatives Association, Inc. ("ISDA") Master Agreement which is the standard contract governing all OTC derivative transactions between the Portfolio and each of its counterparties. Although it is not possible to eliminate credit risk entirely, the CSA allows the Portfolio and its counterparty to reduce their exposure to the risk of payment default by the other party by holding an amount in collateral equivalent to the realized and unrealized amount of exposure to the counterparty, which is generally held by the Portfolio's custodian. An amount of collateral is moved to/from applicable counterparties only if the amount of collateral required to be posted surpasses both the threshold and the minimum transfer amount pre-agreed in the CSA between the Portfolio and the counterparty. See Note 2 "Segregation and Collateralization" for additional information with respect to collateral practices.

Offsetting of Assets and Liabilities. The following tables present financial instruments that are either (1) offset or (2) subject to an enforceable master netting arrangement or similar agreement as of December 31, 2020:

Liabilities

				Gross Amounts Not Offset on the Statements of Assets and Liabilities			
Portfolio	Gross Amounts of Recognized Liabilities	Gross Amounts Offset on the Statements of Assets and Liabilities	Net Amounts of Liabilities Presented on the Statements of Assets and Liabilities	Financial Instruments and Derivatives Available for Offset	Non-Cash Collateral Pledged	Cash Collateral Pledged	Net Amount Payable
Value							
Written options at value	$401	$—	$401	$—	$(401)	$—	$—

Additional Disclosure Related to Derivative Instruments

Fair values of derivative instruments as of December 31, 2020:

Portfolio	Type of Risk Exposure	Assets: Statements of Assets & Liabilities Location	Assets: Value	Liabilities: Statements of Assets & Liabilities Location	Liabilities: Value
Corporate Bond	Interest Rate		$—	Unrealized depreciation on futures contracts*	$ 65
Value	Equity		—	Written options at value	428

** The value presented includes cumulative gain (loss) on open futures contracts; however, the value reflected on the accompanying Statements of Assets and Liabilities is only the unsettled variation margin receivable (payable) as of December 31, 2020.*

Amount of realized gain (loss) on derivatives recognized on the Statements of Operations for the year ended December 31, 2020:

		Net realized gain (loss) on:					
Portfolio	Type of Risk Exposure	Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options	Forward foreign currency contracts	Total
Corporate Bond	Interest rate	$—	$—	$(698)	$ —	$—	$(698)
Value	Equity	—	—	—	39	—	39

** Purchased options are reported as investments in unaffiliated securities and are reflected on the accompanying Schedule of Investments.*

Change in unrealized appreciation (depreciation) on derivatives recognized on the Statements of Operations for the year ended December 31, 2020:

		Net change in unrealized appreciation (depreciation) on:					
Portfolio	Type of Risk Exposure	Investments in unaffiliated securities*	Swap agreements	Futures contracts	Written options	Forward foreign currency contracts	Total
Corporate Bond	Interest rate	$—	$—	$(65)	$ —	$—	$(65)
Value	Equity	—	—	—	36	—	36

** Purchased options are reported as investments in unaffiliated securities and are reflected on the accompanying Schedule of Investments.*

During the year ended December 31, 2020, the average derivative volume was as follows:

Portfolio	Forward foreign currency contracts(1)	Long futures contracts(2)	Short futures contracts(2)	Swap agreements(3)	Purchased options(2)	Written options(2)
Corporate Bond	$—	$—	$11,629	$—	$—	$ —
Value	—	—	—	—	—	2,142

(1)Average absolute value of unrealized appreciation/depreciation during the period.
(2)Average value outstanding during the period.
(3)Average notional amount outstanding during the period.

5. INVESTMENT MANAGEMENT AND PAYMENTS TO AFFILIATED PERSONS ($ amounts in thousands unless indicated otherwise)

Management Fees. IICO serves as each Portfolio's investment adviser. The management fee is accrued daily by each Portfolio at the following annual rates as a percentage of average daily net assets:

Portfolio (M – Millions)	$0 to $500M	$500 to $1,000M	$1,000 to $1,500M	$1,500 to $2,000M	$2,000 to $3,000M	Over $3,000M
Core Equity	0.700%	0.700%	0.650%	0.650%	0.600%	0.550%
Corporate Bond	0.475	0.475	0.450	0.400	0.400	0.400
Global Bond	0.625	0.600	0.550	0.500	0.500	0.500
Global Equity Income	0.700	0.700	0.650	0.650	0.600	0.550
Global Growth	0.850	0.850	0.830	0.830	0.800	0.760
Limited-Term Bond	0.500	0.450	0.400	0.350	0.350	0.350
Securian Real Estate Securities	0.900	0.900	0.870	0.870	0.840	0.800
Value	0.700	0.700	0.650	0.650	0.600	0.550

IICO has voluntarily agreed to waive a Portfolio's investment management fee on any Portfolio that is not subadvised on any day that the Portfolio's net assets are less than $25 million, subject to IICO's right to change or modify this waiver. See Expense Reimbursements and/or Waivers for more information.

IICO has entered into a Subadvisory Agreement with the following entity on behalf of Securian Real Estate Securities:

Securian Asset Management, Inc. ("Securian") serves as subadvisor to Securian Real Estate Securities. The subadvisor makes investment decisions in accordance with the Portfolio's investment objectives, policies and restrictions under the supervision of IICO and the Board of Trustees. IICO pays all applicable costs of the subadvisor.

Independent Trustees and Chief Compliance Officer Fees. Fees paid to the Independent Trustees can be paid in cash or deferred to a later date, at the election of the Trustees according to the Deferred Fee Agreement entered into between the Trust and the Trustee(s). Each Portfolio records its portion of the deferred fees as a liability on the Statements of Assets and Liabilities. All fees paid in cash plus any appreciation (depreciation) in the underlying deferred plan are shown on the Statements of Operations. Additionally, fees paid to the Chief Compliance Officer of the Portfolios are shown on the Statements of Operations.

Accounting Services Fees. The Trust has an Accounting and Administrative Services Agreement with Waddell & Reed Services Company ("WRSCO"), doing business as WI Services Company ("WISC"). Under the agreement, WISC acts as the agent in providing bookkeeping and accounting services and assistance to the Trust, including maintenance of Portfolio records, pricing of Portfolio shares and preparation of certain shareholder reports. For these services, each Portfolio pays WISC a monthly fee of one-twelfth of the annual fee based on the average net asset levels shown in the following table:

(M – Millions)	$0 to $10M	$10 to $25M	$25 to $50M	$50 to $100M	$100 to $200M	$200 to $350M	$350 to $550M	$550 to $750M	$750 to $1,000M	Over $1,000M
Annual Fee Rate	$0.00	$11.50	$23.10	$35.50	$48.40	$63.20	$82.50	$96.30	$121.60	$148.50

Each Portfolio also pays WISC a monthly administrative fee at the annual rate of 0.01%, or one basis point, for the first $1 billion of net assets with no fee charged for net assets in excess of $1 billion. This fee is voluntarily waived by WISC until a Portfolio's net assets are at least $10 million and is included in "Accounting services fee" on the Statements of Operations.

Shareholder Servicing. Under the Transfer Agency Agreement between the Trust and WISC, each Portfolio reimburses WISC for certain out-of-pocket costs.

Service Plan. Class II. Under a Service Plan adopted by the Trust pursuant to Rule 12b–1 under the 1940 Act, each Portfolio may pay a service fee to Ivy Distributors, Inc. ("IDI") for Class II shares in an amount not to exceed 0.25% of the Portfolio's average annual net assets. The fee is to be paid to compensate IDI for amounts it expends in connection with the provision of personal services to Policyowners and/or maintenance of Policyowner accounts.

Expense Reimbursements and/or Waivers. IICO, the Portfolios' investment manager, IDI, the Portfolios' distributor, and/or Waddell & Reed Services Company, doing business as WISC, the Portfolios' transfer agent, have contractually agreed to reimburse sufficient management fees, 12b-1 fees and/or shareholder servicing fees to cap the total annual ordinary fund operating expenses (which would exclude interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses, if any). Portfolio and class expense limitations and related waivers/reimbursements for the year ended December 31, 2020 were as follows:

Portfolio Name	Share Class Name	Type of Expense Limit	Commencement Date	End Date	Expense Limit	Amount of Expense Waiver/ Reimbursement	Expense Reduced
Core Equity	Class II	Contractual	10-1-2016	4-30-2021	0.95%	$330	12b-1 Fees and/or Shareholder Servicing
Global Bond	Class II	Voluntary	N/A	N/A	N/A	$124(1)	Investment Management Fee
Global Growth	Class II	Contractual	10-1-2016	4-30-2021	1.13%	$136	12b-1 Fees and/or Shareholder Servicing
Securian Real Estate Securities	Class II	Contractual	12-3-2012	4-30-2021	N/A	$28(2)	Investment Management Fee

(1)For Portfolios managed solely by IICO, IICO has voluntarily agreed to waive its management fee for any day that a portfolio's net assets are less than $25 million, subject to IICO's right to change or modify this waiver.

(2)The Portfolio's investment management fee is being reduced by 0.09% of average daily net assets until April 30, 2021.

Any amounts due to the Portfolios as a reimbursement but not paid as of December 31, 2020 are shown as a receivable from affiliates on the Statements of Assets and Liabilities.

6. INTERFUND LENDING PROGRAM

Pursuant to an exemptive order issued by the SEC ("Order"), the Ivy Funds, Ivy Variable Insurance Portfolios and InvestEd Portfolios (collectively, the "Funds" only for purposes of this footnote 6) have the ability to lend money to, and borrow money from, each other pursuant to a master interfund lending agreement ("Interfund Lending Program"). Under the Interfund Lending Program, the Funds may lend or borrow money for temporary purposes directly to or from one another (each an "Interfund Loan"), subject to meeting the conditions of the Order. The interest rate to be charged on an Interfund Loan is the average of the overnight repurchase agreement rate and the short-term bank loan rate. The Funds made no Interfund Loans under the Interfund Lending Program during the year ended December 31, 2020.

7. INVESTMENT SECURITIES TRANSACTIONS ($ amounts in thousands)

The cost of purchases and the proceeds from maturities and sales of investment securities (excluding short-term securities) for the year ended December 31, 2020, were as follows:

	Purchases		Sales	
	U.S. Government	Other Issuers	U.S. Government	Other Issuers
Core Equity	$ —	$ 392,177	$ —	$508,806
Corporate Bond	—	620,917	—	578,907
Global Bond	2,641	8,346	3,009	9,007
Global Equity Income	—	217,047	—	203,726
Global Growth	—	45,511	—	61,908
Limited-Term Bond	92,635	206,328	204,846	122,970
Securian Real Estate Securities	—	21,383	—	24,305
Value	—	261,253	—	298,624

8. LOANS OF PORTFOLIO SECURITIES ($ amounts in thousands)

Each Portfolio may lend their portfolio securities only to borrowers that are approved by the Portfolio's securities lending agent, The Bank of New York Mellon ("BNYM"). The borrower pledges and maintains with the Portfolio collateral consisting of cash or securities issued or guaranteed by the U.S. government. The collateral received by the Portfolio is required to have a value of at least 102% of the market value of the loaned securities for securities traded on U.S. exchanges and a value of at least 105% of the market value for all other securities, except in the case of loans of foreign securities which are denominated and payable in U.S. dollars, in which case the collateral is required to have a value of at least 102% of the market value of the loaned securities. The market value of the loaned securities is determined at the close of each business day and any additional required collateral is delivered to the Portfolio and any excess collateral is returned by the Portfolio on the next business day. During the term of the loan, the Portfolio is entitled to all distributions made on or in respect of the loaned securities but does not receive interest income on securities received as collateral. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

Cash received as collateral for securities on loan may be reinvested in the Dreyfus Institutional Preferred Government Money Market Fund – Institutional Shares or certain other registered money market funds and are disclosed in the Portfolio's Schedule of Investments and are reflected in the Statements of Assets and Liabilities as cash collateral on securities loaned at value. Non-cash collateral, in the form of securities issued or guaranteed by the U.S. government or its agencies or instrumentalities, is not disclosed in the Portfolio's Statements of Assets and Liabilities as it is held by the lending agent on behalf of the Portfolio and the Portfolio does not have the ability to re-hypothecate these securities. The securities on loan for each Portfolio are also disclosed in its Schedule of Investments. The total value of any securities on loan as of December 31, 2020 and the total value of the related cash collateral are disclosed in the Statements of Assets and Liabilities. Income earned by the Portfolios from securities lending activity is disclosed in the Statements of Operations.

The following is a summary of each Portfolio's securities lending positions and related cash and non-cash collateral received as of December 31, 2020:

Portfolio	Value of Securities on Loan	Cash Collateral Received	Non-Cash Collateral Received	Total Collateral Received
Corporate Bond	$ 745	$ 761	$ —	$ 761
Global Bond	903	926	—	926
Global Equity Income	7,281	—	7,797	7,797
Limited-Term Bond	2,697	—	2,756	2,756

The cash collateral received amounts presented in the table above are transactions accounted for as secured borrowings and have an overnight and continuous maturity. The proceeds from the cash collateral received is invested in registered money market funds.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate these risks, the Portfolios benefit from a borrower indemnity provided by BNYM. BNYM's indemnity allows for full replacement of securities lent wherein BNYM will purchase the unreturned loaned securities on the open market by applying the proceeds of the collateral or to the extent such proceeds are insufficient or the collateral is unavailable, BNYM will purchase the unreturned loan securities at BNYM's expense. However, the Portfolio could suffer a loss if the value of the investments purchased with cash collateral falls below the value of the cash collateral received.

9. CAPITAL SHARE TRANSACTIONS (All amounts in thousands)

The Trust has authorized an unlimited number of no par value shares of beneficial interest. Transactions in shares of beneficial interest were as follows:

	Core Equity				Corporate Bond			
	Year ended 12-31-20		Year ended 12-31-19		Year ended 12-31-20		Year ended 12-31-19	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class II	2,903	$ 31,943	2,145	$ 25,198	31,953	$ 185,875	15,860	$87,364
Shares issued in reinvestment of distributions to shareholders:								
Class II	3,675	41,268	6,669	73,214	2,715	15,230	2,907	15,235
Shares redeemed:								
Class II	(12,562)	(153,563)	(9,534)	(113,019)	(28,668)	(162,692)	(17,580)	(94,881)
Net increase (decrease)	(5,984)	$(80,352)	(720)	$(14,607)	6,000	$ 38,413	1,187	$ 7,718

	Global Bond				Global Equity Income			
	Year ended 12-31-20		Year ended 12-31-19		Year ended 12-31-20		Year ended 12-31-19	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class II	1,085	$ 5,544	750	$ 3,702	16,011	$ 80,580	861	$ 5,716
Shares issued in reinvestment of distributions to shareholders:								
Class II	164	784	162	784	1,697	8,016	15,944	85,169
Shares redeemed:								
Class II	(1,406)	(7,089)	(1,391)	(6,892)	(14,700)	(75,899)	(8,600)	(54,118)
Net increase (decrease)	(157)	$ (761)	(479)	$ (2,406)	3,008	$ 12,697	8,205	$ 36,767

	Global Growth				Limited-Term Bond			
	Year ended 12-31-20		Year ended 12-31-19		Year ended 12-31-20		Year ended 12-31-19	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class II	1,469	$ 5,075	948	$ 4,338	25,074	$ 124,940	9,392	$ 46,061
Shares issued in reinvestment of distributions to shareholders:								
Class II	178	585	30,123	96,488	2,180	10,693	2,048	9,903
Shares redeemed:								
Class II	(6,864)	(24,898)	(5,094)	(23,423)	(32,863)	(163,666)	(32,011)	(157,413)
Net increase (decrease)	(5,217)	$(19,238)	25,977	$ 77,403	(5,609)	$ (28,033)	(20,571)	$(101,449)

	Securian Real Estate Securities				Value			
	Year ended 12-31-20		Year ended 12-31-19		Year ended 12-31-20		Year ended 12-31-19	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value
Shares issued from sale of shares:								
Class II	644	$ 4,266	428	$ 3,239	15,095	$ 79,254	4,195	$ 26,513
Shares issued in reinvestment of distributions to shareholders:								
Class II	494	2,884	99	744	5,308	26,609	5,212	30,616
Shares redeemed:								
Class II	(1,084)	(7,443)	(1,311)	(10,015)	(23,715)	(128,980)	(11,823)	(73,455)
Net increase (decrease)	54	$ (293)	(784)	$ (6,032)	(3,312)	$ (23,117)	(2,416)	$ (16,326)

10. COMMITMENTS

Bridge loan commitments may obligate a Portfolio to furnish temporary financing to a borrower until permanent financing can be arranged. In connection with these commitments, the Portfolio earns a commitment fee, typically set as a percentage of the commitment amount. Such fee income is included in interest income on the Statements of Operations. At December 31, 2020, there were no outstanding bridge loan commitments.

11. FEDERAL INCOME TAX MATTERS ($ amounts in thousands)

For Federal income tax purposes, cost of investments owned at December 31, 2020 and the related unrealized appreciation (depreciation) were as follows:

Portfolio	Cost of Investments	Gross Appreciation	Gross Depreciation	Net Unrealized Appreciation
Core Equity	$529,788	$206,627	$ 1,280	$205,347
Corporate Bond	635,790	45,220	979	44,241
Global Bond	20,131	1,264	139	1,125
Global Equity Income	281,292	41,795	8,532	33,263
Global Growth	101,143	55,687	1,353	54,334
Limited-Term Bond	418,962	9,055	203	8,852
Securian Real Estate Securities	30,567	2,367	1,941	426
Value	394,810	81,552	11,222	70,330

For Federal income tax purposes, the Portfolios' undistributed earnings and profit for the year ended December 31, 2020 and the post-October and late-year ordinary activity updated with information available through the date of this report were as follows:

Portfolio	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Tax Return of Capital	Post-October Capital Losses Deferred	Late-Year Ordinary Losses Deferred
Core Equity	$ 2,107	$30,335	$—	$—	$—
Corporate Bond	32,000	12,840	—	—	—
Global Bond	734	—	—	—	—
Global Equity Income	7,038	—	—	—	—
Global Growth	87	7,557	—	—	—
Limited-Term Bond	8,495	—	—	—	—
Securian Real Estate Securities	327	551	—	—	—
Value	5,598	70	—	—	—

Internal Revenue Code regulations permit each Portfolio to elect to defer into its next fiscal year capital losses and certain specified ordinary items incurred between each November 1 and the end of its fiscal year. Each Portfolio is also permitted to defer into its next fiscal certain ordinary losses that are generated between January 1 and the end of its fiscal year.

The tax character of dividends and distributions paid during the two fiscal years ended December 31, 2020 and 2019 were as follows:

	December 31, 2020		December 31, 2019	
Portfolio	Distributed Ordinary Income(1)	Distributed Long-Term Capital Gains	Distributed Ordinary Income(1)	Distributed Long-Term Capital Gains
Core Equity	$10,009	$31,259	$ 4,416	$68,798
Corporate Bond	15,230	—	15,235	—
Global Bond	784	—	784	—
Global Equity Income	8,016	—	8,357	76,812
Global Growth	585	—	11,998	84,490
Limited-Term Bond	10,693	—	9,903	—
Securian Real Estate Securities	942	1,942	582	162
Value	10,310	16,299	3,917	26,699

(1)Includes short-term capital gains, if any.

Dividends from net investment income and short-term capital gains are treated as ordinary income dividends for federal income tax purposes.

Accumulated capital losses represent net capital loss carryovers as of December 31, 2020 that may be available to offset future realized capital gains and thereby reduce future capital gains distributions. As of December 31, 2020, the capital loss carryforwards were as follows:

Portfolio	Short-Term Capital Loss Carryover	Long-Term Capital Loss Carryover
Core Equity	$ —	$ —
Corporate Bond	—	—
Global Bond	163	986
Global Equity Income	—	3,503
Global Growth	—	—
Limited-Term Bond	—	—
Securian Real Estate Securities	—	—
Value	—	—

Net investment income dividends and capital gains distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. These differences are due to differing treatments for items such as deferral of wash sales, post-October losses, late-year ordinary losses, foreign currency transactions, net operating losses, income from passive foreign investment companies (PFICs) and partnership transactions. At December 31, 2020, the following reclassifications were made:

Portfolio	Accumulated Earning Gain (Loss)	Paid-In Capital
Core Equity	$ 2	$(2)
Corporate Bond	—	—
Global Bond	—	—
Global Equity Income	—	—
Global Growth	—	—
Limited-Term Bond	—	—
Securian Real Estate Securities	—	—
Value	4	(4)

To the Shareholders and Board of Trustees of Ivy Variable Insurance Portfolios:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statements of assets and liabilities of Ivy VIP Core Equity, Ivy VIP Corporate Bond, Ivy VIP Global Bond, Ivy VIP Global Equity Income, Ivy VIP Global Growth, Ivy VIP Limited-Term Bond, Ivy VIP Securian Real Estate Securities, and Ivy VIP Value, eight of the series constituting the Ivy Variable Insurance Portfolios (the "Funds"), including the schedules of investments, as of December 31, 2020, the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Funds as of December 31, 2020, and the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on the Funds' financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2020, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

Deloitte & Touche LLP

Kansas City, Missouri
February 12, 2021

We have served as the auditor of one or more Waddell & Reed investment companies since 1997.

AMOUNTS NOT ROUNDED (UNAUDITED)

The Portfolios hereby designate the following amounts of dividends paid from net ordinary income as dividends qualifying for the 70% dividends received deduction for corporations for the tax period ended December 31, 2020:

	Dividends Received Deduction for Corporations
Core Equity	$ 8,586,992
Corporate Bond	—
Global Bond	—
Global Equity Income	3,154,402
Global Growth	706,714
Limited-Term Bond	—
Securian Real Estate Securities	—
Value	10,068,505

The Portfolios hereby designate the following amounts as distributions of long-term capital gains:

Core Equity	$ 31,258,981
Corporate Bond	—
Global Bond	—
Global Equity Income	—
Global Growth	—
Limited-Term Bond	—
Securian Real Estate Securities	1,941,573(1)
Value	16,298,658(2)

(1)Of this amount $43,351 is Unrecaptured Section 1250 Gain.
(2)Of this amount $49,135 is Unrecaptured Section 1250 Gain.

Internal Revenue Code regulations permit each qualifying Portfolio to elect to pass through a foreign tax credit to shareholders with respect to foreign taxes paid by the Portfolio. Each Portfolio elected to pass the following amounts of creditable foreign taxes through to their shareholders:

	Foreign Tax Credit	Foreign Derived Income
Global Equity Income	$499,668	$5,169,785

(UNAUDITED)

Each of the individuals listed below serves as a trustee for the Trust (28 portfolios), and for the rest of the funds within the Fund Complex, which also includes, in addition to the Trust, the Ivy Funds (45 portfolios), the Ivy High Income Opportunities Fund (a closed-end fund) (“IVH”) and InvestEd Portfolios (“InvestEd”) (10 portfolios).

Board members who are not “interested persons” of the Funds as defined in Section 2(a)(19) of the 1940 Act (Disinterested Trustees) constitute at least 75% of the Board.

Joseph Harroz, Jr. serves as the Independent Chairman of the Trust’s Board and of the Board of Trustees of the other funds in the Fund Complex. Subject to the Trustee Emeritus and Retirement Policy, a Trustee serves until his or her successor is elected and qualified or until his or her earlier death, resignation or removal.

The Statement of Additional Information (the “SAI”) for the Trust includes additional information about the Trust’s trustees. The SAI is available without charge, upon request, by calling 1.888.923.3355. It is also available on the Ivy Investments website, www.ivyinvestments.com.

Disinterested Trustees

Name, Address and Year of Birth	Position(s) Held with the Trust	Trustee Since	Principal Occupation(s) During Past 5 Years	Other Directorships Held
James M. Concannon 6300 Lamar Avenue Overland Park, KS 66202 1947	Trustee	1997	Emeritus Dean and Professor of Law, Washburn University School of Law (1973 to present).	Director, Kansas Legal Services for Prisoners, Inc. (non-profit community service); Director, U.S. Alliance Corporation and wholly-owned subsidiaries: U.S. Alliance Life and Security Company – Montana and Dakota Capital Life Insurance Company (Insurance) (2009 to present); Director, Kansas Appleseed, Inc. (non-profit community service) (2007 to present); Trustee, WRA Funds (1997-2018); Trustee, Ivy NextShares (2017-2019); Trustee, InvestEd (2001 to present) (10 portfolios overseen); Trustee, Ivy Funds (2017 to present) (45 portfolios overseen); Trustee, IVH (2017 to present) (1 portfolio overseen).
H. Jeffrey Dobbs 6300 Lamar Avenue Overland Park, KS 66202 1955	Trustee	2019	Global Sector Chairman, Industrial Manufacturing, KPMG LLP (2010-2015).	Director, Valparaiso University (2012 to present); Director, TechAccel LLC (2015 to present) (Tech R&D); Board Member, Kansas City Repertory Theatre (2015 to present); Board Member, PatientsVoices, Inc. (technology) (2018 to present); Board Member, Kansas City Campus for Animal Care (2018 to present); Director, National Association of Manufacturers (2010-2015); Director, The Children’s Center (2003-2015); Director, Metropolitan Affairs Coalition (2003-2015); Director, Michigan Roundtable for Diversity and Inclusion (2003-2015); Trustee, Ivy NextShares (2019); Trustee, InvestEd (2019 to present) (10 portfolios overseen); Trustee, Ivy Funds (2019 to present) (45 portfolios overseen); Trustee, IVH (2019 to present) (1 portfolio overseen).
James D. Gressett 6300 Lamar Avenue Overland Park, KS 66202 1950	Trustee	2017	Chief Executive Officer (CEO) of CalPac Pizza LLC (2011 to present); CEO of CalPac Pizza II LLC (2012 to present); CEO of PacPizza LLC (Pizza Hut franchise) (2000 to present); Member/CEO, Southern Pac Pizza LLC (2013 to present); Partner, Century Bridge Partners (real estate investments) (2007 to present); Manager, Hartley Ranch Angus Beef, LLC (2013 to present); President, Penn Capital Corp. (1995 to present); Partner, Penn Capital Partners (1999 to present); Partner, 1788 Chicken, LLC (food franchise) (2016 to present).	Member/Secretary, The Metochoi Group LLC (1999 to present); Member/Chairman, Idea Homes LLC (homebuilding and development) (2013 to present); Trustee, WRA Funds (2017-2018); Trustee, Ivy NextShares (2016-2019); Trustee, InvestEd (2017 to present) (10 portfolios overseen); Trustee, Ivy Funds (2002 to present) (45 portfolios overseen); Trustee; IVH (2013 to present) (1 portfolio overseen).

Name, Address and Year of Birth	Position(s) Held with the Trust	Trustee Since	Principal Occupation(s) During Past 5 Years	Other Directorships Held
Joseph Harroz, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1967	Trustee Independent Chairman	1998 2015	President (2020 to present), Interim President (2019-2020), Vice President (2010-2019) and Dean (2010-2019), College of Law, University of Oklahoma; Managing Member, Harroz Investments, LLC, (commercial enterprises) (1998 to present).	Director and Shareholder, Valliance Bank (2007 to present); Director, Foundation Healthcare (formerly Graymark HealthCare) (2008-2017); Trustee, The Mewbourne Family Support Organization (2006 to present) (non-profit); Independent Director, LSQ Manager, Inc. (real estate) (2007-2016); Director, Oklahoma Foundation for Excellence (non-profit) (2008 to present); Director, University of Oklahoma Medical, Inc. (2020 to present) (non-profit); Independent Chairman and Trustee, WRA Funds (Independent Chairman: 2015-2018; Trustee: 1998-2018); Independent Chairman and Trustee, Ivy NextShares (2016-2019); Independent Chairman and Trustee, InvestEd (Independent Chairman: 2015 to present; Trustee: 2001 to present) (10 portfolios overseen); Independent Chairman and Trustee, Ivy Funds (Independent Chairman: 2006 to present; Trustee: 1998 to present) (45 portfolios overseen); Independent Chairman and Trustee, IVH (Independent Chairman and Trustee (2013 to present) (1 portfolio overseen).
Glendon E. Johnson, Jr. 6300 Lamar Avenue Overland Park, KS 66202 1951	Trustee	2017	Of Counsel, Lee & Smith, PC (law firm, emphasis on finance, securities, mergers and acquisitions law) (1996 to 2020); Owner and Manager, Castle Valley Ranches, LLC (ranching) and Castle Valley Outdoors, LLC (outdoor recreation) (1995 to present); Formerly, Partner, Kelly, Drye & Warren LLP (law firm) (1989-1996); Partner, Lane & Edson PC (law firm) (1987-1989).	Director, Thomas Foundation for Cancer Research (non-profit) (2005 to present); Director, Warriors Afield Legacy Foundation (non-profit) (2014 to present); Trustee, WRA Funds (2017-2018); Trustee, Ivy NextShares (2016-2019); Trustee, InvestEd (2017 to present) (10 portfolios overseen); Trustee, Ivy Funds (2002 to present) (45 portfolios overseen); Trustee, IVH (2013 to present) (1 portfolio overseen).
Sandra A.J. Lawrence 6300 Lamar Avenue Overland Park, KS 66202 1957	Trustee	2019	Retired, formerly, Chief Administrative Officer, Children's Mercy Hospitals and Clinics (2016-2019); CFO, Children's Mercy Hospitals and Clinics (2005-2016).	Director, Hall Family Foundation (1993 to present); Director, Westar Energy (2004-2018); Trustee, Nelson-Atkins Museum of Art (non-profit) (2007 to present); Director, Turn the Page KC (non-profit) (2012-2016); Director, Kansas Metropolitan Business and Healthcare Coalition (non-profit) (2017-2019); Director, National Association of Corporate Directors (non-profit) (2017 to present); Director, American Shared Hospital Services (2017 to present); Director, Evergy, Inc., Kansas City Power & Light Company, KCP&L Greater Missouri Operations Company, Westar Energy, Inc. and Kansas Gas and Electric Company (related utility companies) (2018 to present); Director, Stowers (research) (2018); Trustee, Ivy NextShares (2019); Trustee, InvestEd (2019 to present) (10 portfolios overseen); Trustee, Ivy Funds (2019 to present) (45 portfolios overseen); Trustee, IVH (2019 to present) (1 portfolio overseen).
Frank J. Ross, Jr. Polsinelli PC 900 West 48th Place, Suite 900 Kansas City, MO 64112 1953	Trustee	1996	Shareholder/Director, Polsinelli PC (law firm) (1980 to present).	Trustee, WRA Funds (1996-2018); Trustee, Ivy NextShares (2017-2019); Trustee, InvestEd (2001 to present) (10 portfolios overseen); Trustee, Ivy Funds (2017 to present) (45 portfolios overseen); Trustee, IVH (2017 to present) (1 portfolio overseen).

Name, Address and Year of Birth	Position(s) Held with the Trust	Trustee Since	Principal Occupation(s) During Past 5 Years	Other Directorships Held
Michael G. Smith 6300 Lamar Avenue Overland Park, KS 66202 1944	Trustee	2017	Retired; formerly, with Merrill Lynch as Managing Director of Global Investor Client Strategy (1996-1998), Head of Regional Institutional Sales (1995-1996) and of U.S. Central Region (1986-1995, 1999).	Director, Executive Board, Cox Business School, Southern Methodist University (1998-2019); Lead Director, Northwestern Mutual Funds (2003-2017) (29 portfolios overseen); Director, CTMG, Inc. (clinical testing) (2008-2015); Trustee, WRA Funds (2017-2018); Trustee, Ivy NextShares (2016-2019); Trustee, InvestEd (2017 to present) (10 portfolios overseen); Trustee, Ivy Funds (2002 to present) (45 portfolios overseen); Trustee, IVH (2013 to present) (1 portfolio overseen).

Interested Trustee

Mr. Sanders is "interested" by virtue of his current or former engagement as an officer of Waddell & Reed Financial, Inc. ("WDR") or its wholly-owned subsidiaries, including each Fund's investment manager, Ivy Investment Management Company ("IICO"), each Fund's principal underwriter, Ivy Distributors, Inc. ("IDI"), and each Fund's shareholder servicing and accounting services agent, Waddell & Reed Services Company, doing business as WI Services Company ("WISC"), a subsidiary of Waddell & Reed, Inc. ("Waddell & Reed"), as well as by virtue of his personal ownership of shares of WDR. The address for the Interested Trustee and each of the officers in the following tables is 6300 Lamar Avenue, Overland Park, KS 66202.

Name and Year of Birth	Position(s) Held with the Trust	Trustee/Officer Since	Principal Occupation(s) During Past 5 Years	Other Directorships Held
Philip J. Sanders 1959	Trustee	2019	CEO, WDR (2016 to present); President, CEO and Chairman, IICO (2016 to present); President of each of the funds in the Fund Complex (2016 to present); CIO, WDR (2011-2019); CIO, IICO (2010-2019).	Trustee, Ivy NextShares (2019); Trustee, InvestEd (2019 to present) (10 portfolios overseen); Trustee, Ivy Funds (2019 to present) (45 portfolios overseen); Trustee, IVH (2019 to present) (1 portfolio overseen).

Officers

The Board has appointed officers who are responsible for the day-to-day business decisions based on policies it has established. The officers serve at the pleasure of the Board. The Trust's principal officers are:

Name And Year of Birth	Position(s) Held with the Trust and Fund Complex	Officer of Trust Since	Officer of Fund Complex Since*	Principal Occupation(s) During Past 5 Years
Jennifer K. Dulski 1980	Secretary	2017	2017	Secretary for each of the funds in the Fund Complex (2017 to present); Senior Vice President and Associate General Counsel of Waddell & Reed, IICO and IDI (2018 to present).
Joseph W. Kauten 1969	Vice President Treasurer Principal Financial Officer	2009 2009 2009	2006 2006 2007	Principal Financial Officer of each of the funds in the Fund Complex (2007 to present); Vice President and Treasurer of each of the funds in the Fund Complex (2006 to present); Principal Accounting Officer of each of the funds in the Fund Complex (2006-2017); Assistant Treasurer of each of the funds in the Fund Complex (2003-2006); Senior Vice President of Waddell & Reed Services Company (WRSCO) (2014 to present).
Philip J. Sanders** 1959	President	2016	2016	CEO of WDR (2016 to present); President, CEO and Chairman of IICO (2016 to present) and WRIMCO (2016-2018); President of each of the funds in the Fund Complex (2016 to present); CIO of WDR (2011-2019); CIO of IICO (2010-2019) and WRIMCO (2010-2018).
Scott J. Schneider 1968	Vice President Chief Compliance Officer	2009 2009	2006 2004	Chief Compliance Officer (2004 to present) and Vice President (2006 to present) of each of the funds in the Fund Complex; Vice President of IICO (2006 to present) and WRIMCO (2006-2018).

Name And Year of Birth	Position(s) Held with the Trust and Fund Complex	Officer of Trust Since	Officer of Fund Complex Since*	Principal Occupation(s) During Past 5 Years
Philip A. Shipp 1969	Assistant Secretary	2012	2012	Assistant Secretary of each of the funds in the Fund Complex (2012 to present); Vice President of Waddell & Reed and IDI (2010-present).

** This is the date when the Officer first became an officer of one or more of the funds that are the predecessors to current funds within the Fund Complex (if applicable).*
*** Mr. Sanders was Vice President of the Trust since 1998, until his appointment as President in 2016.*

At a meeting of the Board of Trustees (the "Board") of Ivy Variable Insurance Portfolios (the "Trust") held on August 11th and 12th, 2020, the Board, including all of the trustees who are not "interested persons" (the "Independent Trustees"), as defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the "1940 Act"), unanimously approved the continuance of the Investment Management Agreement (the "Management Agreement") between Ivy Investment Management Company ("IICO") and the Trust, and the continuance of the Investment Subadvisory Agreement between IICO and Securian Asset Management, Inc. (the "Subadviser") with respect to Ivy VIP Securian Real Estate Securities, Ivy VIP Pathfinder Moderate – Managed Volatility, Ivy VIP Pathfinder Moderately Aggressive – Managed Volatility and Ivy VIP Pathfinder Moderately Conservative – Managed Volatility. The Management Agreement and the Investment Subadvisory Agreement are referred to collectively herein as the "Agreements."

The Board's Independent Trustees were assisted in their review by independent legal counsel and met with such counsel separately from representatives of IICO and the Subadviser. Independent legal counsel explained the factors that the Board should consider as part of its review of the Agreements, all as outlined in a memorandum it had provided to the Board prior to the meeting, including, among other things, the nature and the quality of the services provided by IICO and the Subadviser, profitability (including any fall-out benefits) from IICO's and the Subadviser's relationships with each series of the Trust (each, a "Fund" and together, the "Funds"), economies of scale, the role played by the Independent Trustees, and information on comparative fees and expenses. The Independent Trustees also considered the written responses and materials produced by IICO and the Subadviser in response to 15(c) due diligence request lists submitted by the Independent Trustees' legal counsel prior to the meeting, as well as materials produced in response to a follow-up request list sent to IICO by independent legal counsel on behalf of the Independent Trustees. Included in those responses, which had been provided to the Board prior to the meeting, was a Fund-by-Fund profitability analysis prepared by IICO, as well as an explanation of the methodology by which the profitability analysis was calculated. The Board also received extensive materials on performance, expenses and comparable fund information from an independent mutual fund rating service. Finally, the Independent Trustees received and reviewed a considerable amount of information that their independent fee consultant had provided to them. The Independent Trustees previously had reviewed and discussed these materials during a telephonic meeting in July 2020. They further reviewed these materials among themselves, with their independent legal counsel and the independent fee consultant, and with the other Board members at executive sessions of the Independent Trustees at the August 11-12, 2020 Board meeting, during which the Board considered various factors described below, none of which by itself was considered dispositive. However, the material factors and conclusions that formed the basis for the Board's determination to approve the Agreements are discussed separately below.

Nature, Extent and Quality of Services

The Board considered the nature, extent and quality of services provided to the Funds by IICO and the Subadviser, taking into account the large amount of materials produced by IICO and the Subadviser in response to the 15(c) due diligence requests submitted on its behalf by independent legal counsel to the Independent Trustees.

The Board also took into account the review that its Investment Oversight Committee (the "IOC") had conducted, in light of that committee's duties to assist the Board in the 15(c) process. The IOC had reported to the Board on its review of the performance of the Funds, IICO's investment risk management function, and the changes IICO and its affiliates have been undertaking for the Trust and the overall fund complex. As such, the Board examined all of IICO's activities in light of performance and expense structure, as well as the overall rationalization of the Ivy Funds complex, which is designed to provide economies of scale to the shareholders, reduce the Funds' expenses and enhance the performance of the Funds, particularly in the context of substantial industry change and regulatory developments.

The Board likewise considered the knowledge it had received from its regular meetings, including from the materials provided in connection with those meetings, such as the resources and key personnel of IICO and the Subadviser, as well as the other services provided to the Funds by IICO and the Subadviser, as applicable (*e.g.*, managing the quality of execution of portfolio transactions and the selection of broker-dealers for those transactions, monitoring adherence to each Fund's investment restrictions, producing reports, providing support services for the Board and its committees, communicating with shareholders and overseeing the activities of other service providers, including monitoring compliance with various Fund policies and procedures and with applicable laws and regulations). The Board also took into account the compliance environment at IICO and the Subadviser, noting the resources that each has dedicated towards compliance. The Board concluded that the nature and extent of the services provided by IICO and the Subadviser were appropriate, that the quality of those services had been consistent with quality norms in the industry and that the Funds were likely to benefit from the continued provision of those services.

Benefits from the Relationship with the Funds

The Board next discussed whether IICO or the Subadviser derives any other direct or indirect benefit from serving the Funds. In that regard, the Board discussed the transfer agency and shareholder servicing fees that Waddell & Reed Services Company ("WISC"), an affiliate of IICO, has provided the Funds. The Board took note of the caps that management previously had agreed to on shareholder servicing costs. The Board also considered the benefits that accrue to each service provider organization from its respective relationship with the Funds, including the fact that a variety of services are provided by affiliates of IICO, including distribution, administrative and Fund accounting services, and, as discussed above, shareholder servicing. The Board also considered that WISC has outsourced certain of its transactional processing operations to a sub-agent, which is designed to promote, and has achieved, greater efficiencies and savings for Fund shareholders over time. After full consideration of these and other factors, the Board concluded that none of IICO, the Subadviser or any of their affiliates receives any additional direct or indirect benefits that would preclude the Board from approving the continuation of the Management Agreement with IICO or the Investment Subadvisory Agreement with the Subadviser.

Economies of Scale

The Board discussed whether economies of scale are being realized by the Funds and whether fee levels reflect those economies of scale for the benefit of the Funds' shareholders. The Board considered the fact that as a Fund's assets have grown, the expenses of that Fund generally have fallen. Additionally, in that regard, the Board considered the various initiatives that IICO has recently undertaken, and continues to implement, in seeking to rationalize the Ivy Funds complex, including the Trust, as well as to reduce expenses and enhance performance.

Performance of the Funds and Costs of Services Provided

The Board considered the performance of each Fund and the costs of the services provided, focusing in particular on a number of Funds that the independent fee consultant had identified. Specifically, the Board examined the investment performance of each Fund, including the percentile ranking of each Fund over various periods of time. The Board also examined the performance of each Fund against its respective benchmark index and peer funds for the same periods. After extensively reviewing all of the performance information provided, the Board concluded that the Funds' performance in each asset class was acceptable. Although the performance of some of the focus Funds identified by the independent fee consultant lagged that of their peers or respective benchmark index, the Board recognized that IICO, or the Subadviser, had taken, or was taking, steps to address that underperformance, and determined to continue to monitor closely the performance of those Funds.

The Board also considered the expenses and expense ratio of each Fund, and the expense limitation and fee reduction arrangements entered into by IICO in light of the services provided by IICO and the Subadviser. The Board also compared each Fund's expenses, including advisory, distribution and shareholder servicing fees, with the expenses and advisory fees of other investment advisers managing similarly situated funds, as well as the advisory fees that IICO charges for providing advisory services to other accounts in the same asset class for certain Funds. In that regard, the Board noted that IICO performs significant additional services for the Funds as compared to those other accounts. The Board also took into account the information on IICO's profitability in managing the Funds, including the methodology used to calculate profitability. The Board finally considered the amount of assets in each Fund, each Fund's average account size and how those factors affect the Funds' expense ratios, noting that, as the Funds' assets have increased or decreased over time, the expense ratios of the Funds generally have fallen or risen, respectively. After completing this examination, the Board concluded that each Fund's expenses are appropriate at the current time.

Independent Fee Consultant Review

Independent legal counsel, on behalf of the Independent Trustees, engaged an independent fee consultant to assist them in evaluating the reasonableness of the management fees charged by IICO to all funds within the Ivy Funds complex. The independent fee consultant's review addressed the following fee-related factors:

1. The nature, extent and quality of IICO's services to the Funds;
2. Management fees and expenses in the context of performance;
3. Product category expenses, including peers;
4. Profit margins of IICO's parent from supplying such services;
5. Subadviser and institutional fee analyses; and
6. Possible economies of scale as a Fund grows larger.

The following summarizes the findings of the independent fee consultant retained by the Independent Trustees.

Summary Findings

The report stated that IICO delivered reasonable levels of performance in the longer-term periods and reasonable levels of service to the Funds in relation to its management fees as compared to the investment advisers of comparable funds. For the 36 months ended March 31, 2020, approximately 23% of the funds within the Ivy Funds complex were in the top quartile of performance and 55% of the Funds were in the top two quartiles of performance and that short-term performance of such funds were showing signs of improvement. Specifically, the report noted that 50% of the funds within the Ivy Funds complex were in the top two quartiles in the one-year period. The independent fee consultant noted that the funds' performance appeared to be grounded in a number of institutional competitive advantages at IICO, including investment management depth, ability to attract top talent, proactive management, performance-focused culture, economic analysis and an effective trading infrastructure.

The report further indicated that total expenses of the funds in the complex, on average, were reasonable in relation to the average total expenses of their respective group of peer funds and that their net management fees were reasonable in relation to the average net management fees of their respective groups of peer funds. The report also stated that the management fees IICO charges to the funds are reasonable in relation to the management fees it charges to its institutional account clients. The report noted that these institutional account clients have different service and infrastructure needs and in addition, the average spread between management fees IICO charged to the funds and those it charges to institutional account clients is reasonable relative to the average fee spreads computed from industry surveys.

The report stated that while it was difficult to confirm overall economies of scale, it was clear that the Funds' shareholders generally are benefitting from lower expenses as the funds' assets grow.

The report also noted that the overall profitability of IICO's parent relative to other complexes is reasonable.

Finally, the report also examined the fees that IICO retains on funds that are subadvised by unaffiliated subadvisers and indicated that those fees are reasonable relative to the industry. The report also stated that the subadvisory fees that IICO earns for serving as a subadviser to an unaffiliated fund when compared to fees of similar funds likewise are reasonable relative to the industry.

Conclusions

The independent fee consultant's report concluded that it believes that the services provided by IICO and its affiliates and expenses incurred by the funds within the Ivy Funds complex in the previous 12 months are reasonable and provide adequate justification for renewal of the Funds' existing Agreements.

ANNUAL PRIVACY NOTICE

(UNAUDITED)

FACTS	What does Ivy Variable Insurance Portfolios do with your personal information?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. The information can include:
	• Social Security Number and income,
	• Assets and transaction history, and
	• Checking account information and wire transfer instructions.
	When you are no longer our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share customers' personal information to conduct everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons Ivy Variable Insurance Portfolios chooses to share, and whether you can limit this sharing.

Reasons we can share your personal information	Does Ivy Variable Insurance Portfolios share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your accounts, respond to court orders and legal investigations or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	Yes	No
For our affiliates everyday business purposes – information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For non-affiliates to market to you	No	We don't share

Questions?	Call 1(800) 777-6472 with questions about this notice. Client service representatives are available Monday through Friday from 7:30 am to 7:00 pm CST. You may also go to www.ivyinvestments.com/privacy_policy.
	If we serve you through an investment professional, such as a registered representative of a broker-dealer or an investment adviser representative (each, a "financial advisor"), please contact them directly. Specific internet addresses, mailing addresses and telephone numbers are listed on your statements and other correspondence.

Who we are	
Who is providing this notice?	Ivy Variable Insurance Portfolios
What we do	
How does Ivy Variable Insurance Portfolios protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Ivy Variable Insurance Portfolios collect my personal information?	We collect your personal information, for example, when you:
	• Give us your contact information or other personal information,
	• Open an account, or
	• Make deposits to an account or withdrawals from an account.
	We also collect your personal information from our affiliates.
Why can't I limit all sharing?	Federal law gives you the right to limit only:
	• Sharing for affiliates' everyday business purposes – information about your creditworthiness,
	• Affiliates from using your information to market to you, and
	• Sharing for non-affiliates to market to you.
	State laws and individual companies may give you additional rights to limit sharing.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies.
	• *Affiliates of Ivy Funds include Waddell & Reed Services Company, Ivy Distributors, Inc., and Ivy Investment Management Company.*
Non-affiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies.
	• *Ivy Funds does not share your personal information with non-affiliates so they can market to you.*
Joint marketing	A formal agreement between non-affiliated financial companies that together market financial products or services to you.
	• *Ivy Funds does not jointly market.*
Other important information	
	If you own shares of Ivy Variable Insurance Portfolios in the name of a third party, such as a bank or a broker-dealer, the third party's privacy policy may apply to you in addition to ours.
	If you are working with a financial advisor, and the financial advisor leaves their firm and joins another non-affiliated broker-dealer or registered investment adviser, then the financial advisor may be permitted to use limited information to contact you. The information that the financial advisor may use is comprised of your name, address, email address, telephone number and account title.

(UNAUDITED)

Proxy Voting Guidelines

A description of the policies and procedures Ivy Variable Insurance Portfolios uses to determine how to vote proxies relating to portfolio securities is available (i) without charge, upon request, by calling 1.888.923-3355 and (ii) on the Securities and Exchange Commission's ("SEC") website at www.sec.gov.

Proxy Voting Records

Information regarding how the Portfolio voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available on Form N-PX at www.ivyinvestments.com and on the SEC's website at www.sec.gov.

QUARTERLY PORTFOLIO SCHEDULE INFORMATION

(UNAUDITED)

Portfolio holdings can be found on the Trust's website at www.ivyinvestments.com. Alternatively, a complete schedule of portfolio holdings of each Portfolio for the first and third quarters of each fiscal year is filed with the SEC and can be found as an exhibit to the Trust's Form N-PORT. These holdings may be viewed in the following ways:

- On the SEC's website at www.sec.gov.
- For review and copy at the SEC's Public Reference Room in Washington, DC. Information on the operations of the Public Reference Room may be obtained by calling 1.800.SEC.0330.

This page has been intentionally left blank

This page has been intentionally left blank

This page has been intentionally left blank

THE IVY VARIABLE INSURANCE PORTFOLIOS FAMILY

Global/International Portfolios

Global Equity Income

Global Growth

International Core Equity

Domestic Equity Portfolios

Core Equity

Growth

Mid Cap Growth

Small Cap Core

Small Cap Growth

Value

Fixed Income Portfolios

Corporate Bond

Global Bond

High Income

Limited-Term Bond

Money Market Portfolio

Government Money Market

Specialty Portfolios

Asset Strategy

Balanced

Energy

Natural Resources

Pathfinder Aggressive

Pathfinder Conservative

Pathfinder Moderate

Pathfinder Moderately Aggressive

Pathfinder Moderately Conservative

Pathfinder Moderate – Managed Volatility

Pathfinder Moderately Aggressive – Managed Volatility

Pathfinder Moderately Conservative – Managed Volatility

Science and Technology

Securian Real Estate Securities

The underlying portfolios discussed in this report are only available as investment options in variable annuity and variable life insurance contracts issued by life insurance companies. They are not offered or made available directly to the general public.

This report is submitted for the general information of the shareholders of Ivy Variable Insurance Portfolios. It is not authorized for distribution to prospective investors in a Portfolio unless accompanied with or preceded by the current Portfolio prospectus as well as the variable product prospectus.

6300 Lamar Avenue
P.O. Box 29217
Shawnee Mission, KS 66201-9217

ivyinvestments.com

ANN-VIP2 (12/20)