



PORTFOLIO UPDATE

Equity Income Portfolio

As of June 30, 2021



Portfolio Manager:
John Linehan

Managed Portfolio Since:
2015

Joined Firm:
1998

INVESTMENT OBJECTIVE

The fund seeks a high level of dividend income and long-term capital growth primarily through investments in stocks.

PORTFOLIO INFORMATION

Symbol	N/A
CUSIP	77954T100
Inception Date of Portfolio	March 31, 1994
Benchmark	Russell 1000 Value Index
Expense Information (as of the most recent Prospectus)*	0.85% (Gross) 0.74% (Net)
Fiscal Year End	December 31
12B-1 Fee	-

* The Portfolio operates under a contractual expense limitation that expires on April 30, 2022.

PERFORMANCE

(NAV, total return)

	One Month	Three Months	Year-to-Date	One Year	Annualized			
					Three Years	Five Years	Ten Years	Fifteen Years
Equity Income Portfolio	-2.40%	4.43%	18.37%	47.63%	11.30%	12.16%	10.57%	7.80%
Russell 1000 Value Index	-1.15	5.21	17.05	43.68	12.42	11.87	11.61	8.01
S&P 500 Index	2.33	8.55	15.25	40.79	18.67	17.65	14.84	10.73
Lipper Variable Annuity Underlying Equity Income Funds Average	-1.14	5.22	15.42	38.59	11.33	11.32	10.53	7.76

Performance data quoted represents past performance and is not a reliable indicator of future performance. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit troweprice.com. Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780 or visit troweprice.com. Read it carefully. The Portfolio's total return figures reflect the reinvestment of dividends and capital gains, if any. **Figures shown do not reflect fees at the insurance product or contract level; if these fees were included, returns would be lower. Investors should note that the Portfolio's short-term performance is highly unusual and unlikely to be sustained.**

The value approach carries the risk that the market will not recognize a security's intrinsic value for a long time, or that a stock judged to be undervalued may actually be appropriately priced. For Sourcing Information, please see Additional Disclosures.

MARKET COMMENTARY

U.S. equities were mixed in June. The S&P 500 Index reached record highs, but on typically subdued summer trading volumes. As measured by various Russell indexes, growth stocks outperformed value across all market capitalizations. Within the S&P 500 Index, information technology and energy outperformed, while materials and financials lagged with losses.

Interest rates and inflation fears seemed to dominate sentiment throughout the month. Investors eagerly awaited the conclusion of the Federal Reserve's mid-month meeting, which was surprisingly hawkish. Policymakers acknowledged that progress on vaccinations has allowed the economic recovery from the pandemic to gain strength, and Fed Chair Jerome Powell acknowledged that central bank officials have begun to discuss slowing the central bank's monthly bond purchases. In addition, policymakers indicated that they now expect two rate hikes by the end of 2023. Nevertheless, Fed officials continue to believe that the recent spike in inflation is transitory. While growth signals remained strong, signs emerged that the pace of the economic rebound might have also peaked. The Labor Department reported that employers added 559,000 jobs in May, somewhat below consensus forecasts of around 650,000, while the labor force participation rate ticked down. On the positive side, the unemployment rate fell more than expected.

Despite the strength and speed of the global economic recovery, potential risks to growth persist. Vaccine progress remains slow in parts of the world and new variants remain a potential threat. While the Biden administration is seeking to raise the U.S. corporate tax rate, any increase is likely to be moderate and neutral for U.S. equity markets. However, proposed increases in capital gains and dividend taxes could be negative for after-tax returns on most asset classes. Meanwhile, price/earnings multiples in some sectors and stocks imply demanding earnings expectations. Even relatively strong second-half results might fail to meet those expectations.

RISK RETURN CHARACTERISTICS

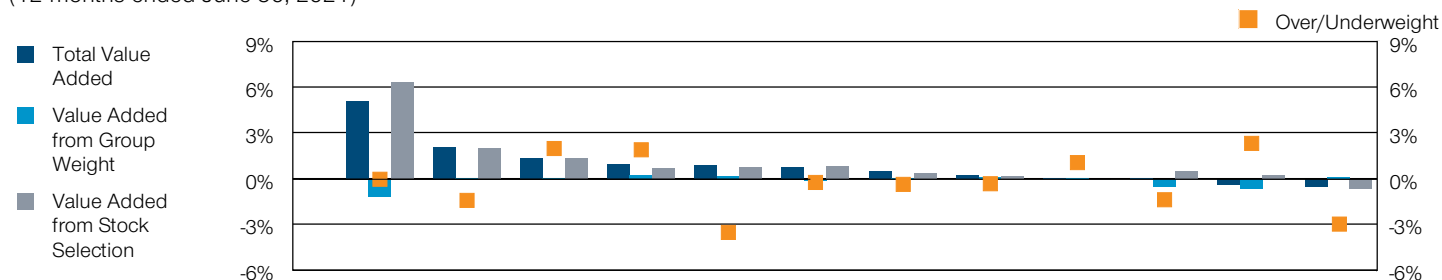
(Five Years ended June 30, 2021)

	Active Share* (as of 6/30/21)	Annualized Std. Deviation	Alpha	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error
Equity Income Portfolio	72.9%	16.85%	-0.04%	1.04	0.98	0.11	0.65	2.63%
Russell 1000 Value Index	-	16.06	0.00	1.00	1.00	0.00	0.66	0.00

* Active Share is a snapshot in time as of the indicated date.

Past performance is not a reliable indicator of future performance. Figures are calculated using monthly data and are net of fees.**SECTOR ATTRIBUTION DATA VS. RUSSELL 1000 VALUE INDEX**

(12 months ended June 30, 2021)



	Total	Info Tech	Materials	Financials	Comm Svcs	Indust & Bus Svcs	Real Estate	Consumer Staples	Energy	Consumer Disc	Utilities	Health Care
Over/Underweight	0.00%	-1.40%	2.02%	1.92%	-3.50%	-0.24%	-0.36%	-0.31%	1.06%	-1.34%	2.34%	-2.94%
Portfolio Performance	48.81	57.88	77.56	69.05	54.40	63.85	51.73	25.09	51.81	78.69	18.25	23.78
Index Performance	43.69	29.86	52.14	65.43	39.55	55.78	37.60	23.33	51.04	59.83	16.01	29.25
Value Add - Group Weight	-1.20	0.05	0.04	0.24	0.20	-0.08	0.07	0.09	0.08	-0.47	-0.63	0.13
Value Add - Stock Selection	6.33	2.03	1.35	0.71	0.72	0.87	0.42	0.15	-0.04	0.49	0.25	-0.64
Total Contribution	5.12	2.09	1.39	0.95	0.92	0.79	0.49	0.24	0.04	0.01	-0.37	-0.50

Past performance is not a reliable indicator of future performance. Numbers may not total due to rounding; all other numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets that will not receive a classification assignment in the detailed structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested. Sources: Financial data and analytics provider FactSet. Copyright 2021 FactSet. All Rights Reserved. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price Associates, Inc. T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all updates to GICS for prospective reporting. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD. For Sourcing Information, please see Additional Disclosures.

TOP 10 ISSUERS

Comprising 24.4% of total net assets.

	Industry	% of Portfolio
Wells Fargo	Banks	3.8%
GE	Industrial Conglomerates	2.9
Southern Company	Electric Utilities	2.7
UPS	Air Freight & Logistics	2.6
Qualcomm	Semicons & Semicon Equip	2.5
American International Group	Insurance	2.1
MetLife	Insurance	2.1
TotalEnergies	Oil, Gas & Consumable Fuels	2.0
Anthem	Health Care Providers & Svcs	2.0
International Paper	Containers & Packaging	1.9

Issuers are as of the date indicated and are subject to change.

PORTFOLIO CHARACTERISTICS

	Equity Income Portfolio	Russell 1000 Value Index
Number of Issuers	115	830
Investment Weighted Median Market Cap (mm)	\$70,724	\$75,937
Price to Earnings (12 Months Forward)* ° †	16.0X	19.2X
Price to Book°	2.8X	3.3X
Projected Earnings Growth Rate (3 - 5 Years)* ° †	10.0%	10.1%
Return on Equity (Last 12 Months excl. charges)°	12.3%	15.2%
Top 20 Issuers as Percent of Total	41.1%	27.5%
Total Assets (all share classes)	760,279,408	-
Percent of Portfolio in Cash	1.2%	-

°Investment Weighted Median.

*I/B/E/S © 2021 Refinitiv. All rights reserved.

†Based on the VIP's underlying holdings and is not a projection of future portfolio performance.

SECTOR DIVERSIFICATION

	Finan- cials	Health Care	Indust & Bus Svcs	Info Tech	Utilities	Cons Stpls	Energy	Materi- als	Comm Svcs	Cons Disc	Real Es- tate
Equity Income Portfolio	22.8%	14.7%	11.8%	8.8%	8.2%	6.9%	6.2%	5.8%	5.0%	4.4%	4.2%
Russell 1000 Value Index	20.8	17.3	12.0	10.2	4.8	7.2	5.1	3.8	8.5	5.7	4.5
Over/Underweight	1.9	-2.6	-0.2	-1.4	3.4	-0.3	1.1	2.0	-3.5	-1.3	-0.4

For Sourcing Information, please see Additional Disclosures.

Definitions

Active Share is a holdings based measure of active management representing the percentage of a portfolio's holdings that differ from those in its benchmark. Compared to tracking error, which measures the standard deviation of the difference in a manager's returns versus the Benchmark returns, Active Share allows investors to get a clearer understanding of what a manager is doing to drive performance, rather than drawing conclusions from observed returns. The greater the difference between the asset composition of a product and its benchmark, the greater the active share is.

Additional Disclosures

The specific securities identified and described do not represent all of the securities purchased or sold for this Portfolio. This information is not intended to be a recommendation to take any particular investment action and is subject to change. No assumption should be made that the securities identified and discussed were or will be profitable.

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Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.

Unless indicated otherwise the source of all data is T. Rowe Price.

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2016-US-20821 202107-1702001