



Limited-Term Bond Portfolio-II

Total US Short-Term Bond Strategy Assets:¹ \$9.7 billion | **Total Portfolio Assets:** \$186.4 million

INVESTMENT APPROACH

- The portfolio seeks to provide a high level of income with fluctuations in principal value consistent to those of a traditional low duration portfolio.
- Utilizes a diversified multi-sector approach in an effort to provide investors with consistent returns over a market cycle while minimizing volatility.
- Seeks to add value primarily through sector rotation, individual security selection, and term structure positioning.
- Integrate proprietary credit and capital market research to identify market inefficiencies.
- Structurally overweight investment grade credit sectors as yield has historically played a much larger role than price appreciation in generating excess returns.
- Unlike money market funds, which are managed to maintain a stable share price, the portfolio's price can decline. Yield and share prices will vary with interest rate changes.

PORTFOLIO CONSTRUCTION

- Non-index foreign bond exposure is limited to 10% (hedged and unhedged)
- During normal market conditions, duration is managed within +/- 20% of the benchmark
- Target tracking error range: 40 to 80 basis points
- Investable universe focuses primarily on short-and intermediate-term investment-grade U.S. fixed income securities, with the ability to integrate non-index sectors and securities, including foreign bonds as well as mortgage-backed, commercial mortgage-backed, and asset-backed securities.

BENCHMARK

- Bloomberg 1-3 Year U.S. Government/Credit Bond Index
- Lipper Variable Annuity Underlying Short Investment Grade Debt Fund Average

PORTFOLIO MANAGEMENT

Michael Reinartz, CFA®

Portfolio Manager

- 23 years of investment experience; 27 years with T. Rowe Price.
- B.S., Towson University

For a complete list of the members of the Portfolio's Investment Advisory Committee, please refer to the Portfolio's prospectus.

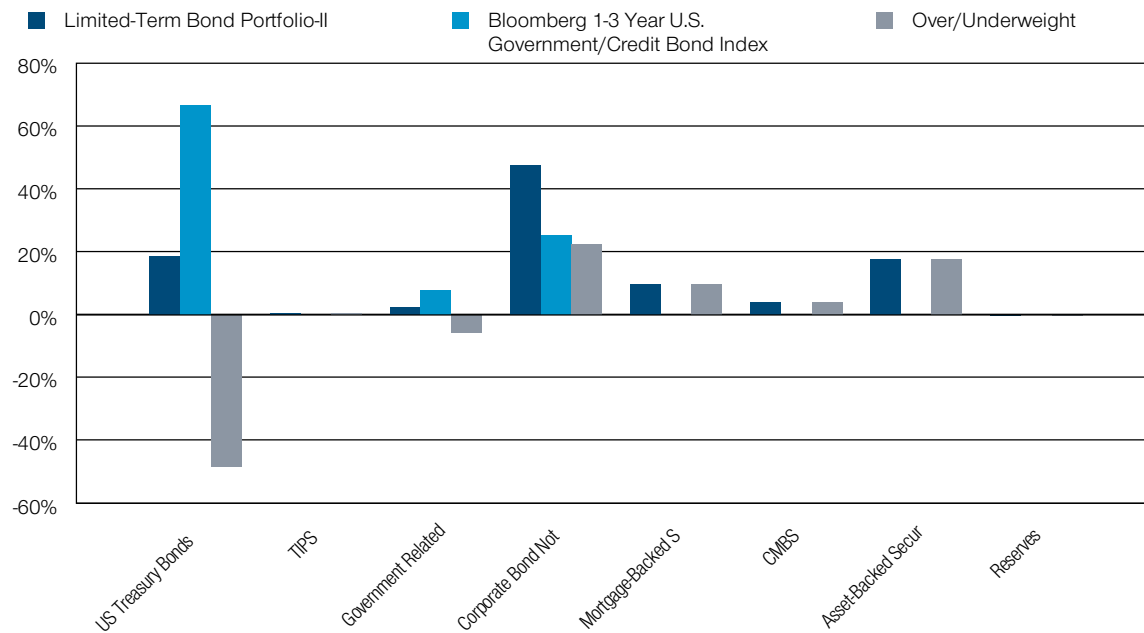
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¹ Includes a U.S.-registered mutual fund, variable annuity portfolios, subadvised portfolios, and separate accounts.

TOP ISSUERS

	% of Portfolio
Crown Castle	0.9%
AbbVie	0.7
JPMorgan Chase	0.7
Morgan Stanley	0.6
Goldman Sachs	0.6
American Tower	0.6
Citigroup	0.6
V. F.	0.6
Bank of America	0.6
Ross Stores	0.6
Total	6.5%

SECTOR DIVERSIFICATION

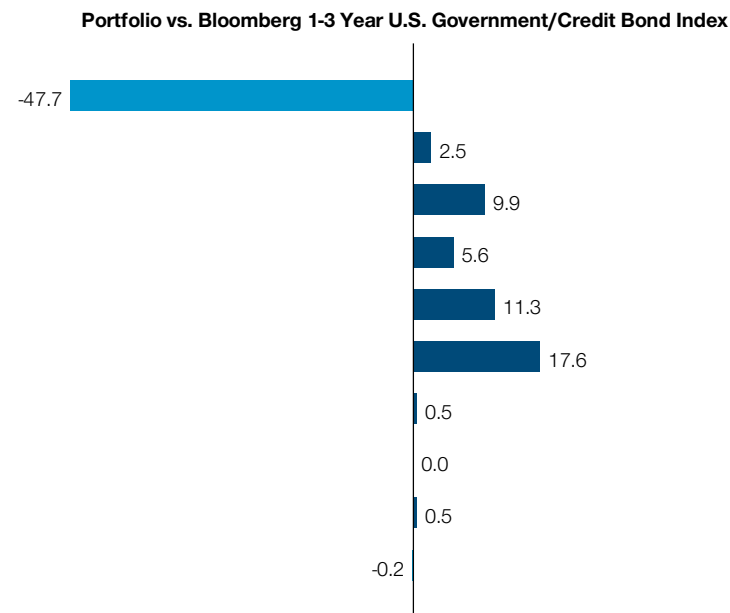


PORTFOLIO CHARACTERISTICS

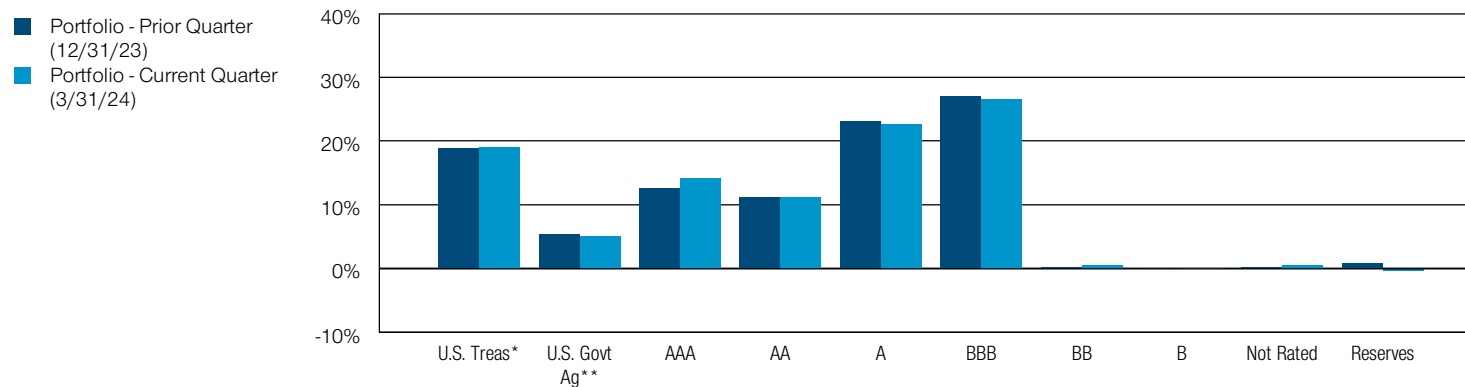
	Portfolio	Bloomberg 1-3 Year U.S. Government/Credit Bond Index
Weighted Average Maturity	2.16 years	1.88 years
Weighted Average Effective Duration	1.86 years	1.76 years
Number of Holdings	792	2,011

CREDIT QUALITY DIVERSIFICATION

	% of Portfolio	% of Index
U.S. Treasury*	19.0	66.7
U.S. Government Agency Securities**	5.1	2.6
AAA	14.2	4.3
AA	11.3	5.7
A	22.8	11.5
BBB	26.7	9.2
BB	0.5	0.0
B	0.0	0.0
Not Rated	0.5	0.0
Reserves	-0.2	0.0



QUARTER-OVER-QUARTER CHANGE



PERFORMANCE

	Three Months	One Year	Annualized (only pertains to the total return figures)			
			Three Years	Five Years	Ten Years	Fifteen Years
Limited-Term Bond Portfolio-II	0.69%	4.03%	-0.02%	1.46%	1.17%	1.54%
Bloomberg 1-3 Year U.S. Government/Credit Bond Index	0.42	3.49	0.25	1.36	1.29	1.51
Lipper Variable Annuity Underlying Short Investment Grade Debt Fund Average	0.89	4.67	0.49	1.45	1.32	1.93
Lipper Ranking	–	26 of 34	26 of 33	13 of 31	17 of 26	20 of 23

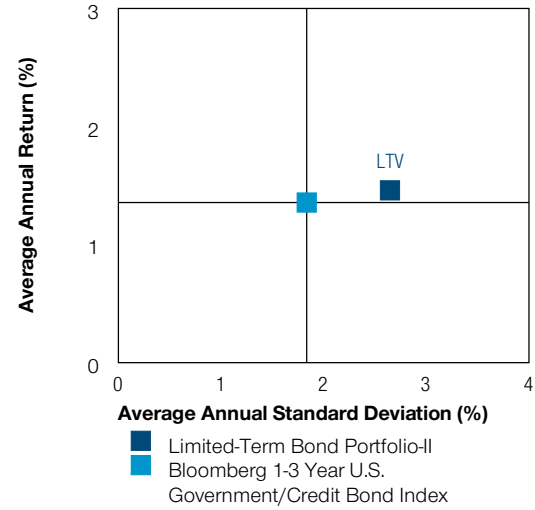
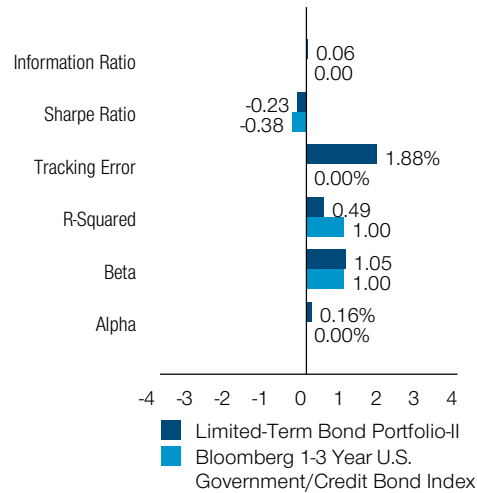
Performance data quoted represents past performance and is not a reliable indicator of future performance. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit [troweprice.com](https://www.troweprice.com). 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.

The Portfolio's gross and net expense ratios as of its most recent prospectus were 0.95% and 0.75%, respectively. The Fund operates under a contractual expense limitation that expires on April 30, 2024. Lipper rankings are based on cumulative total return. The Lipper Average consists of all share classes; each share class is counted separately.

RISK/RETURN CHARACTERISTICS

Five Years ended March 31, 2024



Past performance is not a reliable indicator of future performance. Figures are calculated using monthly data and are net of fees.

ADDITIONAL DISCLOSURES

Portfolio Construction: There is no guarantee that the investment will remain within the anticipated ranges of exposure.

Weighted Average Maturity is an average of the maturities of the underlying bonds, with each bond's maturity weighted by the percentage of Portfolio assets it represents. Weighted Average Effective Duration is a calculation that seeks to measure the price sensitivity of the Portfolio to changes in interest rates. In general, the longer the average maturity or duration, the greater the Portfolio's sensitivity to interest rates. Duration is a better indicator of price sensitivity because it takes into account the time value of cash flows.

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](https://www.troweprice.com). Read it carefully.

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

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Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

The Top Issuers excludes U.S. Treasuries, institutional funds, agencies and securitized products.

Source for Sector Diversification: T. Rowe Price

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

Credit ratings for the securities held in the Portfolio are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The Portfolio is not rated by any agency. U.S. Government Agency securities, if any, may include conventional pass-through securities and collateralized mortgage obligations. This category may include rated and unrated securities.

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2016-US-28536