Fidelity® VIP High Income Portfolio

Key Takeaways

- For the six months ending June 30, 2020, the fund's share classes returned roughly 6%, lagging the -4.84% result of the benchmark, the ICE BofA® US High Yield Constrained Index. The fund trailed its peer group average by a similar margin.
- Co-Manager Michael Weaver says the steep high-yield market sell-off that began in late February made for a challenging investment environment in the first half of 2020.
- In particular, high-yield bonds issued by energy companies – the benchmark's largest segment the past six months – were hampered by a precipitous drop in the price of oil amid a deluge of supply.
- Against this backdrop, Mike and Co-Manager Alexandre Karam continued to take a consistent, conservative approach to investing in high-yield bonds.
- The fund's core investment in high-yield bonds modestly lagged the benchmark and detracted from relative performance, as did a much smaller non-benchmark allocation to floating-rate bank loans.
- The fund's stake in cash, which represented about 4% of assets, on average, this period, aided performance versus the benchmark.
- By industry, security selection and an overweighting in energy detracted most by a wide margin.
- In contrast, security selection in telecommunications, services and technology contributed, as did overweightings in cable/satellite TV and technology and an underweighting in super retail.
- As of June 30, Mike and Alexandre believe the high-yield market may have the worst behind it, but faces a long road toward full recovery.

MARKET RECAP

The ICE BofA® US High Yield Constrained Index returned -4.84% for the six months ending June 30, 2020, in what was a bumpy ride for high-yield bonds, marked by a steep but brief decline due to the early-2020 outbreak and spread of the coronavirus, followed by a sharp rebound. Declared a pandemic on March 11, the COVID-19 crisis and containment efforts caused broad contraction in economic activity, along with extreme uncertainty, volatility and dislocation in financial markets. High yield slid in late February, after a surge in COVID-19 cases outside China. The sudden downtrend continued in March (-12%), capping the worst quarterly result for high yield since 2008. A historically rapid and expansive U.S. monetary/fiscal-policy response fueled a sharp uptrend. Aggressive support for financial markets by the U.S. Federal Reserve, plans for reopening the economy and improving infection data boosted high yield in April (+4%) and May (+5%). In June, the index gained 1% amid progress on potential treatments and signs of an early recovery in economic activity. Lower-rated bonds fared worst (-14%). The B credit tier returned -6%, while bonds rated BB had a result of -1%. By industry, performance was decidedly negative. Energy (-20%) fell hard along with the price of crude oil. Energy represented 11% of the index this period. Air transportation (-18%) was held back by travel restrictions. Conversely, food & drug retail (+4%), food/beverage/tobacco (+1%) and technology (0%) led the way.

Michael Weaver
Co-Manager

Alexandre Karam
Co-Manager

Fund Facts

Start Date:	September 19, 1985
Size (in millions):	$896.88

Investment Approach

- Fidelity® VIP High Income Portfolio is a diversified high-yield bond strategy focused on investing primarily in the bonds of non-investment-grade companies.
- We apply a core investment approach, with the majority of the fund concentrated in securities rated B and BB, and typically below-benchmark exposure to the more opportunistic, lower-rated (CCC or below) credit tiers.
- We take a consistent, conservative approach, focusing on higher-quality, less-cyclical industries and businesses. In particular, we seek companies with strong balance sheets, high free cash flow, improving business/industry fundamentals and solid management teams. In doing so, we take a longer-term investment outlook, with a focus on the best risk-adjusted opportunities that we can find in the market.
- We strive to uncover these companies through in-depth fundamental "bottom-up" credit analysis, working closely with Fidelity's high-income and global research teams.

Q&A

An interview with Co-Managers Michael Weaver and Alexandre Karam

Q: Mike, how did the fund perform for the six months ending June 30, 2020?

M.W. The fund's share classes returned roughly -6%, lagging the -4.84% result of the benchmark, the ICE BofA® US High Yield Constrained Index. The fund lagged its peer group average by a similar margin.

Looking a bit longer term, the fund's share classes returned about -2% the past 12 months, again underperforming both the benchmark and the peer group average.

Q: Please describe the investment backdrop for high-yield bonds the past six months.

M.W. The steep sell-off that began in late February made this one of the more challenging investment environments we have ever experienced. Following a decent showing in January and February 2020, below-investment-grade securities were among the hardest hit categories until reaching a low on March 23. The outbreak and spread of the coronavirus hampered global economic growth and dimmed the outlook for corporate earnings. Virus-containment efforts caused broad contraction in economic activity, along with extreme uncertainty, volatility and dislocation in markets.

In particular, high-yield bonds issued by energy companies – the benchmark's largest segment this period – were held back by a steep drop in the price of oil amid a deluge of supply, due to an unexpected pricing spat between Saudi Arabia and Russia. In mid-March, the average extra yield, or spread, investors demanded to hold high-yield bonds climbed to roughly 11%, up from about 3.5% a month earlier.

Beginning in April and through June 30, the high-yield market staged a partial rebound from its March 23 low, gaining 9.54% in the second quarter of 2020, boosted in part by government and central bank intervention to support the economy and global asset prices. These measures included the U.S. Federal Reserve's promise to buy investment-grade corporate bonds and even some lower-rated bonds that had been downgraded. Furthermore, demand for high-yield securities improved because investors sought value in the asset class, which historically has generated some of its best returns in the months after large sell-offs pushed spreads unusually high. Rising oil prices added more fuel to the rally, achieving their strongest quarterly gain in 30 years, from about $20 at the end of March to nearly $40 on June 30.

Q: How did you and Alex manage the fund?

M.W. Against this volatile backdrop, and consistent with Fidelity's approach to managing high-yield bond funds, we worked with our research group to evaluate companies, analyze industries and generate investment ideas. We believe in taking a consistent, conservative approach to investing in high-yield bonds. Our investment philosophy is grounded in our belief that higher-quality businesses in the high-yield market offer the best balance of risk and reward over time. Our process emphasizes a bottom-up approach, with a heavy focus on primary insights generated from our research team. We aim to have individual security selection drive fund performance over time. All in all, we believe this investment approach was mostly rewarded this period.

Q: What notably influenced performance?

M.W. The fund's core investments in high-yield bonds returned -5.10%, modestly trailing the benchmark and detracting from our relative result. Performance likewise was hurt by our much smaller non-benchmark allocation to floating-rate bank loans, which returned -37.00%.

Conversely, relative performance was boosted by our cash position, which represented about 4% of assets, on average, this period. This reflected sales we made and the lack of compelling investment opportunities available in early 2020, when many holdings were called by their issuer. As we identified and purchased attractively valued securities that emerged after the market's March/April sell-off, our cash position represented roughly 4% at period end.

Q: What detracted versus the benchmark?

M.W. Our picks and an overweighting in energy hurt most by a wide margin, followed by security selection and an overweighting in air transportation.

Noteworthy individual relative detractors included too much exposure to several underperforming energy holdings, with Chesapeake Energy (-82%), California Resources (-77%), Denbury (-51%) and Sanchez Energy (-59%) hurting most. Sanchez was a non-benchmark holding. In the callout portion of this review, we'll have more to say about our investments within energy.

Another notable individual detractor was airplane lease company AerCap (-30%), which struggled as its airline customers cut their flight schedules amid a steep decline in travel as the coronavirus spread.

Q: Alexandre, what notably helped?

A.K. By industry, security selection in telecommunications, services and technology contributed, as did overweightings in cable/satellite TV and technology and an underweighting in super retail.

Not owning car rental company and benchmark component Hertz (-80%) was helpful, given the company's bankruptcy filing. In telecommunications, we added value by overweighting Altice (+1%), a provider of broadband communications and video services. Its bonds were driven by the firm's better-than-expected financial results, which were fueled largely by growing demand for its services.

Our sizable stake in JBS, a leading processer of beef, pork and prepared foods, also added value. Our holdings were roughly flat for the period.

Q: Mike and Alexandre, what's your outlook?

M.W. As of June 30, we're hopeful that the worst of the high-yield market's reaction to the coronavirus-related global economic shutdown is behind us. But even when the world's economies begin to re-open, we believe there's still a long and challenging road ahead. In our view, government intervention to support the economy and financial markets was necessary, but not sufficient. We think more intervention will be required. There are most certainly credit downgrades and defaults coming, especially among issuers in deeply cyclical industries. The high-yield market could remain choppy as the world works its way toward recovery, presenting both risks and opportunities in the short term.

We're more upbeat about the longer term. Investors' need for income in a world of low- and negative-yielding fixed-income alternatives could continue to support demand for high-yield bonds, in our view.

A.K. Current market conditions underscore the rising importance of careful credit and industry selection. In choosing investments for the fund, we will continue to favor durable, higher-quality businesses with improving fundamentals. At the same time, we remain generally cautious about industries that are highly cyclical or categories that face strong secular headwinds, as we believe it will be difficult for companies that operate in these areas to improve their credit profile in the next few years.

All in all, it has been a challenging environment for investors, and we know it is unsettling when markets decline significantly in a short period. But we have been through periods of major market and economic disruption before, and markets and economies eventually recovered. The weeks and months ahead may bring continued volatility, with economic fallout and market uncertainty caused by the coronavirus crisis stressing the financial system.

In managing the fund, we maintain our investor mindset, which means staying focused on the long term and using a decision process that is analytical, logical and grounded in empirical data. We're striving as hard as ever on behalf of our shareholders to identify the best investment ideas for the fund. We continue to leverage our stability and vast resources – especially our technology, our research expertise across asset classes, and our relationships with corporations and other entities – to closely monitor the situation, gain insight into market dynamics as they evolve, and choose securities we think have the potential to outperform over time. As always, Mike and I thank you for your confidence in our investment-management capabilities. ■

Michael Weaver and Alexandre Karam on the fund's positioning:

M.W. "As of June 30, the fund was underweight the higher-quality BBB and BB tiers of the market, while overweight the B tier.

"The fund is roughly neutral weighted in the CCC tier, the most credit-sensitive and most likely to underperform during periods of volatility or economic weakness. Our exposure to this latter credit-quality tier reflects some opportunities we identified in energy, much of which is lower rated.

"The energy group, which was the largest industry segment of the benchmark the past six months, was hit hard by simultaneous shocks to supply and demand in February and March. Since then, prices for oil and natural gas have moved somewhat higher, and they're still near breakeven costs for a good number of commodity-sensitive exploration and production (E&P) firms, energy services companies, and onshore and offshore drillers.

"At period end, we maintained limited exposure to such companies, focusing instead on higher-quality, less-cyclical energy credits, including those issued by midstream and infrastructure companies. Energy represented 12% of fund assets on June 30, roughly in line with the benchmark.

"**A.K.** "Outside of energy, the fund's largest allocation and biggest overweight was in telecommunications, a reflection of our view that the global economic recovery will be slow."

LARGEST HOLDINGS BY ISSUER

Issuer	
TENET HEALTHCARE CORP	
CCO HLDGS LLC/CAP CORP	
TRANSDIGM INC	
JBS USA LLC / JBS USA FIN INC	
C&W SENIOR FINANCING DESIGNATE	
Five Largest Issuers as a % of Net Assets	**12.03%**
Total Number of Holdings	**349**

The five largest issuers are as of the end of the reporting period, and may not be representative of the fund's current or future investments. Holdings do not include money market investments.

10 LARGEST HOLDINGS

Holding	Market Segment
C&W Senior Financing Designated Activity Co. 6.875% 9/15/27	Telecommunications
Sprint Corp. 7.875% 9/15/23	Telecommunications
Frontier Communications Corp. 8% 4/1/27	Telecommunications
JBS U.S.A. LLC/JBS U.S.A. Finance, Inc. 5.875% 7/15/24	Food/Beverage/Tobacco
Ally Financial, Inc. 5.75% 11/20/25	Banks & Thrifts
Rackspace Hosting, Inc. 8.625% 11/15/24	Technology
CCO Holdings LLC/CCO Holdings Capital Corp. 5% 2/1/28	Cable/Satellite TV
Altice Financing SA 7.5% 5/15/26	Telecommunications
NSG Holdings II LLC/NSG Holdings, Inc. 7.75% 12/15/25	Utilities
TRANSDIGM INC 5.5% 11/15/27	Aerospace
10 Largest Holdings as a % of Net Assets	**10.56%**
Total Number of Holdings	**349**

The 10 largest holdings are as of the end of the reporting period, and may not be representative of the fund's current or future investments. Holdings do not include money market investments.

ASSET ALLOCATION

Asset Class	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Bank Debt	1.80%	0.00%	1.80%	-0.26%
Corporate Bond: Cash Pay	93.01%	99.62%	-6.61%	3.47%
Corporate Bond: Deferred Pay	0.00%	0.07%	-0.07%	-0.07%
Other Debt	0.00%	0.31%	-0.31%	-0.03%
Convertible Bonds	0.87%	0.00%	0.87%	0.33%
Convertible Preferred Stock	0.00%	0.00%	0.00%	0.00%
Non-Convertible Preferred Stock	0.00%	0.00%	0.00%	0.00%
Equities	0.01%	0.00%	0.01%	-0.22%
Cash & Net Other Assets	4.31%	0.00%	4.31%	-3.22%

Net Other Assets can include fund receivables, fund payables, and offsets to other derivative positions, as well as certain assets that do not fall into any of the portfolio composition categories. Depending on the extent to which the fund invests in derivatives and the number of positions that are held for future settlement, Net Other Assets can be a negative number.

MARKET-SEGMENT DIVERSIFICATION

Market Segment	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
Telecommunications	14.31%	8.52%	5.79%	6.01%
Energy	12.14%	12.33%	-0.19%	-2.01%
Health Care	7.94%	9.65%	-1.71%	-1.02%
Technology	7.26%	5.15%	2.11%	0.47%
Cable TV	6.11%	4.48%	1.63%	-0.37%
Electric Utilities	6.03%	3.09%	2.94%	0.94%
Gaming	5.87%	2.47%	3.40%	0.86%
Services	4.99%	4.24%	0.75%	1.49%
Aero/Elec/Computer	4.38%	2.06%	2.32%	1.49%
Food/Beverage/Tobacco	3.96%	3.51%	0.45%	-1.48%
Diversified Financial Services	2.76%	5.01%	-2.25%	-2.73%
Chemicals	2.36%	2.65%	-0.29%	-0.06%
Broadcasting	2.03%	3.01%	-0.98%	0.75%
Containers	1.68%	2.61%	-0.93%	-0.47%
Homebuilding/Real Estate	1.64%	4.06%	-2.42%	0.30%
Banks & Thrifts	1.62%	1.75%	-0.13%	-1.44%
Insurance	1.47%	0.89%	0.58%	0.58%
Metals/Mining	1.31%	2.88%	-1.57%	-1.57%
Capital Goods	1.02%	0.99%	0.03%	0.03%

CREDIT-QUALITY DIVERSIFICATION

Credit Quality	Portfolio Weight	Index Weight	Relative Weight	Relative Change From Six Months Ago
BBB & Above	1.43%	3.21%	-1.78%	-3.73%
BB	38.51%	46.49%	-7.98%	-5.42%
B	37.76%	35.59%	2.17%	9.36%
CCC & Below	14.92%	14.34%	0.58%	0.74%
Not Rated/Not Available	3.07%	0.07%	3.00%	2.30%
Cash & Net Other Assets	4.31%	0.30%	4.01%	-3.25%

Net Other Assets can include fund receivables, fund payables, and offsets to other derivative positions, as well as certain assets that do not fall into any of the portfolio composition categories. Depending on the extent to which the fund invests in derivatives and the number of positions that are held for future settlement, Net Other Assets can be a negative number.

Credit ratings for a rated issuer or security are categorized using Moody's Investors Service (Moody's). If Moody's does not publish a rating for a security or issuer, then the Standard & Poor's Ratings Services (S&P) rating is used. When S&P and Moody's provide different ratings for the same issuer or security, the Moody's rating is used. Securities that are not rated by these NRSROs (e.g. equity securities) are categorized as Not Rated. All U.S. government securities are included in the U.S. Government category. The table information is based on the combined investments of the fund and its pro-rata share of any investments in other Fidelity funds.

PERFORMANCE SUMMARY

Variable annuity contracts are issued by insurance companies through separate accounts that are part of the insurer. The value of a variable annuity contract depends on the values of units of subaccounts of the separate account. Each subaccount purchases shares of a corresponding mutual fund. Subaccount investment performance is based on the performance of the mutual fund in which it invests, less insurance company charges made against the assets of the separate account. A subaccount is not a mutual fund.

The information provided in this Performance Summary contains performance information for the fund, or class, and each variable subaccount, with comparisons over different time periods to the fund's relevant benchmarks – including an appropriate index as well as a group of similar funds whose average returns are compiled and monitored by an independent mutual fund research company. Figures for more than one year assume a steady compounded rate of return and are not a class' year-by-year results, which fluctuated over the periods shown. Fund performance numbers are net of all underlying fund operating expenses, but do not include any insurance charges imposed by your insurance company's separate account. If fund performance information included the effect of these additional charges, the total returns would have been lower. The performance table also contains performance information for certain insurance company subaccounts that invest in the fund. Each variable subaccount's performance, as shown, is net of all fees and expenses, including those charges imposed by your insurance company. Seeing the returns over different time periods can help you assess the performance against relevant measurements and across multiple market environments. The performance information includes average annual total returns and cumulative total returns and is further explained in this section.*

Investing in a variable annuity involves risk of loss – investment returns, contract value, and, for variable income annuities, payment amounts are not guaranteed and will fluctuate. Withdrawals of taxable amounts from an annuity are subject to ordinary income tax, and, if taken before age 59 1/2, may be subject to a 10% IRS penalty.

Current performance may be higher or lower than the performance data quoted below. An investor's shares, when redeemed, may be worth more or less than their original cost. For month-end performance figures, please visit www.fidelity.com/annuityperformance or call Fidelity. The performance data featured represents past performance, which is no guarantee of future results.

Fiscal periods ending June 30, 2020

	Cumulative		Annualized			
Total Returns for the Fund	**6 Month**	**YTD**	**1 Year**	**3 Year**	**5 Year**	**10 Year/ LOF[1]**
VIP High Income Portfolio - Initial Class Gross Expense Ratio: 0.67%[2]	-6.11%	-6.11%	-2.29%	2.28%	3.48%	5.64%
VIP High Income Portfolio - Investor Class Gross Expense Ratio: 0.70%[2]	-5.97%	-5.97%	-2.32%	2.20%	3.46%	5.61%
ICE BofA US High Yield/US High Yield Constrained Blend	-4.84%	-4.84%	-1.17%	2.92%	4.57%	6.46%
Morningstar Insurance High Yield Bond	-4.76%	-4.76%	-1.03%	2.70%	3.96%	6.04%

[1] Life of Fund (LOF) if performance is less than 10 years. Fund inception date: 09/19/1985.

[2] This expense ratio is from the prospectus in effect as of the date shown above and generally is based on amounts incurred during that fiscal year. It does not include any fee waivers or reimbursements, which would be reflected in the fund's net expense ratio.

Performance and disclosure information continued on next page.

PERFORMANCE SUMMARY (continued):

Fiscal periods ending June 30, 2020	Annualized	Cumulative		Annualized			
Total Returns for the Variable Subaccount**	**New York Only: 10 Year/Life of Subaccount**	**6 Month**	**YTD**	**1 Year**	**3 Year**	**5 Year**	**10 Year/Life of Subaccount**
Fidelity Retirement Reserves [A]	4.79%	-6.48%	-6.48%	-3.08%	1.46%	2.68%	4.79%
Fidelity Income Advantage [B]	4.58%	-6.58%	-6.58%	-3.27%	1.25%	2.48%	4.58%
Fidelity Personal Retirement Annuity [C] (for contracts purchased prior to 1/1/09 and on or after 9/7/10)	5.35%	-6.08%	-6.08%	-2.57%	1.95%	3.20%	5.35%
Fidelity Personal Retirement Annuity [C] (for contracts purchased between 1/1/09 and 9/6/10)	5.35%	-6.08%	-6.08%	-2.57%	1.95%	3.20%	5.35%
Fidelity Personal Retirement Annuity [C] (for contracts purchased on or after 9/7/10 with an initial purchase payment of $1M+)	5.51%	-6.01%	-6.01%	-2.42%	2.10%	3.36%	5.51%

Fidelity Retirement Reserves - Subaccount Inception: February 29, 1988; New York Only Inception: June 03, 1992. Fidelity Income Advantage - Subaccount Inception: February 29, 1988; New York Only Inception: June 03, 1992. Fidelity Personal Retirement Annuity - Subaccount Inception: August 15, 2005; New York Only Inception: October 28, 2005.

Fidelity Retirement Reserves' underlying fund options are Initial Class fund offerings. Fidelity Income Advantage's underlying fund options are Initial Class fund offerings. Fidelity Personal Retirement Annuity's underlying fund options are Investor Class fund offerings.

[A] In NY, Retirement Reserves
[B] In NY, Income Advantage
[C] In NY, Personal Retirement Annuity

** Total returns are historical and include changes in share price (for the fund) and unit price (for the variable subaccount) and reinvestment of dividends and capital gains, if any.*

*** Returns for Fidelity Retirement Reserves include the 0.80% annual annuity charge. For Fidelity Retirement Reserves contracts, returns do not reflect the annual $30 maintenance fee which applies to contracts where purchase payments less any withdrawals are less than $25,000. Returns for Fidelity Income Advantage include the 1.00% annual annuity charge. Returns for Fidelity Personal Retirement Annuity ("FPRA") include the 0.25% annual annuity charge for contracts purchased prior to 1/1/2009, and on or after 9/7/2010. For FPRA contracts purchased between 1/1/2009 and 9/6/2010, returns include a 0.35% annual annuity charge prior to 9/7/2010 and 0.25% thereafter. For FPRA contracts purchased on or after 9/7/2010 with an initial purchase payment of $1,000,000 or more, returns include a 0.10% annual annuity charge. Life of subaccount returns are from the subaccount inception, the date the portfolio was first available in the insurance company's variable product.*

Please see the last page(s) of this Q&A document for most-recent calendar-quarter performance.

Definitions and Important Information

Information provided in this document is for informational and educational purposes only. To the extent any investment information in this material is deemed to be a recommendation, it is not meant to be impartial investment advice or advice in a fiduciary capacity and is not intended to be used as a primary basis for you or your client's investment decisions. Fidelity, and its representatives may have a conflict of interest in the products or services mentioned in this material because they have a financial interest in, and receive compensation, directly or indirectly, in connection with the management, distribution and/or servicing of these products or services including Fidelity funds, certain third-party funds and products, and certain investment services.

Fidelity Income Advantage (policy form nos. FVIA-92100, et al. and FVIA-99100, et al.), Fidelity Retirement Reserves (policy form no. NRR-96100, et al.), Fidelity Personal Retirement Annuity (policy form no. DVA-2005, et al.), Fidelity Freedom Lifetime Income (policy form nos. FFLI-Q-2005, et al. and FFLI-NQ-2005, et al.), and Fidelity Growth and Guaranteed Income (policy form no. DVA-GWB-2007, et al.) are issued by Fidelity Investments Life Insurance Company, 100 Salem Street, Smithfield, RI 02917, and for NY residents, Income Advantage (policy form nos. EFVIA-92100, et al. and EFVIA-99100, et al.), Retirement Reserves (policy form no. EVA-91100, et al.), Personal Retirement Annuity (policy form no. EDVA-2005, et al.), Fidelity Freedom Lifetime Income (policy form nos. EFLI-Q-2005, et al. and EFLI-NQ-2005, et al.), and Growth and Guaranteed Income (policy form no. EDVA-GWB-2007, et al.) are issued by Empire Fidelity Investments Life Insurance Company, New York, NY. Annuities are distributed by Fidelity Brokerage Services (Member NYSE, SIPC) and Fidelity Insurance Agency, Inc.

FUND RISKS

Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Fixed income investments entail interest rate risk (as interest rates rise bond prices usually fall), the risk of issuer default, issuer credit risk and inflation risk. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. Lower-quality bonds can be more volatile and have greater risk of default than higher-quality bonds.

IMPORTANT FUND INFORMATION

Relative positioning data presented in this commentary is based on the fund's primary benchmark (index) unless a secondary benchmark is provided to assess performance.

VIP refers to Variable Insurance Products

INDICES

It is not possible to invest directly in an index. All indices represented are unmanaged. All indices include reinvestment of dividends and interest income unless otherwise noted.

ICE BofA U.S. High Yield/U.S. High Yield Constrained Blend is a modified market capitalization weighted index of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch). The country of risk of qualifying issuers must be an FX-G10 member, a Western European nation, or a territory of the U.S. or a Western European nation. In addition, qualifying securities must have at least one year remaining to final maturity, a fixed coupon schedule and at least $100 million in outstanding face value. Defaulted securities are excluded. The index contains all securities of ICE BofA U.S. High Yield Index but caps issuer exposure at 2%. Index returns shown for periods prior to January 1, 2006 are returns of ICE BofA U.S. High Yield Master II Index.

MARKET-SEGMENT WEIGHTS

Market-segment weights illustrate examples of sectors or industries in which the fund may invest, and may not be representative of the fund's current or future investments. They should not be construed or used as a recommendation for any sector or industry.

MORNINGSTAR INFORMATION

 The Morningstar information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or redistributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Fidelity does not review the Morningstar data and, for mutual fund performance, you should check the fund's current prospectus for the most up-to-date information concerning applicable loads, fees and expenses.

Manager Facts

Michael Weaver is a portfolio manager in the High Income division at Fidelity Investments. Fidelity Investments is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to institutions, financial intermediaries, and individuals.

In this role, Mr. Weaver co-manages Fidelity High Income Fund, Fidelity and Fidelity Advisor Short Duration High Income Fund, Fidelity VIP High Income Portfolio, Fidelity Focused High Income Fund, Fidelity and Fidelity Advisor Total Bond Fund, Fidelity High Yield Factor ETF, Fidelity Total Bond ETF, and various institutional portfolios.

Prior to assuming his current portfolio management responsibilities, Mr. Weaver was a research analyst covering various sectors including media, cable, satellite and the automotive sector. He also served as portfolio manager of the Fidelity Select Automotive Fund.

Before joining Fidelity in 2005, he worked as a research analyst at Janus Capital Group from 2003 to 2005, an investment banking associate at J.P. Morgan from 2000 to 2003, and an investment banking analyst at Barclays Capital from 1998 to 2000. He has been in the financial industry since 1998.

Mr. Weaver earned his bachelor of science degree in economics from the Wharton School at the University of Pennsylvania.

Alexandre Karam is a portfolio manager in the High Income division at Fidelity Investments. Fidelity Investments is a leading provider of investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing, and other financial products and services to institutions, financial intermediaries, and individuals.

In this role, Mr. Karam co-manages Fidelity High Income Fund, Fidelity and Fidelity Advisor Short Duration High Income Funds, Fidelity VIP High Income Portfolio, Fidelity Focused High Income Fund, Fidelity Series High Income Fund, Fidelity High Yield Factor ETF, Fidelity Specialized High Income Central Fund, and various institutional portfolios for U.S. and non-U.S. investors.

Prior to assuming his current responsibilities, Mr. Karam was a research analyst focused primarily on distressed credits across a variety of industries.

Before joining Fidelity in 2016, Mr. Karam was a vice president at Paulson & Company. Before that, he was an analyst at Goldman Sachs and Morgan Stanley. He has been in the financial industry since 2005.

Mr. Karam earned his bachelor of arts degree in economics and bachelor of science degree in electrical engineering from Stanford University. He also earned his master of science degree in electrical engineering from Stanford University and his master of business administration from Harvard Business School.

PERFORMANCE SUMMARY

Quarter ending September 30, 2020

Total Returns for the Variable Subaccount	New York Only: 10 Year/Life of Subaccount	Annualized			
		1 Year	3 Year	5 Year	10 Year/Life of Subaccount
Fidelity Retirement Reserves	4.51%	-0.70%	2.05%	4.45%	4.51%
Fidelity Income Advantage	4.30%	-0.90%	1.85%	4.24%	4.30%
Fidelity Personal Retirement Annuity (for contracts purchased prior to 1/1/09 and on or after 9/7/10)	5.07%	-0.16%	2.61%	5.03%	5.07%
Fidelity Personal Retirement Annuity (for contracts purchased between 1/1/09 and 9/6/10)	5.07%	-0.16%	2.61%	5.03%	5.07%
Fidelity Personal Retirement Annuity (for contracts purchased on or after 9/7/10 with an initial purchase payment of $1M+)	5.23%	-0.01%	2.76%	5.18%	5.23%

Current performance may be higher or lower than the performance data quoted above. For month-end performance figures, please visit www.fidelity.com/annuityperformance or call Fidelity. The performance data featured represents past performance, which is no guarantee of future results. Investing in a variable annuity involves risk of loss – investment returns, contract value, and, for variable income annuities, payment amounts are not guaranteed and will fluctuate. Withdrawals of taxable amounts from an annuity are subject to ordinary income tax, and, if taken before age 59 1/2, may be subject to a 10% IRS penalty.

Please see the Fiscal Performance Summary section of this Q&A document for performance footnotes and additional information.

Fidelity INVESTMENTS

Before investing, please carefully consider the investment objectives, risks, charges, and expenses of the fund or annuity and its investment options. For this and other information, call or write Fidelity for a free prospectus or, if available, a summary prospectus. Read it carefully before you invest.

Past performance is no guarantee of future results.

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Information included on this page is as of the most recent calendar quarter.

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