



Invesco V.I. Equity and Income Fund



The Fund provides a complete list of its holdings four times in each fiscal year, at the quarter-ends. For the second and fourth quarters, the lists appear in the Fund's semiannual and annual reports to shareholders. For the first and third quarters, the Fund files the lists with the Securities and Exchange Commission (SEC) as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT filings are available on the SEC website, sec.gov. The SEC file numbers for the Fund are 811-07452 and 033-57340. The Fund's most recent portfolio holdings, as filed on Form N-PORT, have also been made available to insurance companies issuing variable annuity contracts and variable life insurance policies ("variable products") that invest in the Fund.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 959 4246 or at invesco.com/proxyguidelines. The information is also available on the SEC website, sec.gov.

Information regarding how the Fund voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 is available at invesco.com/proxysearch. The information is also available on the SEC website, sec.gov.

Invesco Advisers, Inc. is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the US distributor for Invesco Ltd.'s retail mutual funds, exchange-traded funds and institutional money market funds. Both are wholly owned, indirect subsidiaries of Invesco Ltd.

This report must be accompanied or preceded by a currently effective Fund prospectus and variable product prospectus, which contain more complete information, including sales charges and expenses. Investors should read each carefully before investing.

Management's Discussion of Fund Performance

Performance summary

For the year ended December 31, 2020, Series I shares of Invesco V.I. Equity and Income Fund (the Fund) outperformed the Russell 1000 Value Index.

Your Fund's long-term performance appears later in this report.

Fund vs. Indexes

Total returns, 12/31/19 to 12/31/20, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

| | |
|---|-------|
| Series I Shares | 9.95% |
| Series II Shares | 9.65 |
| Russell 1000 Value Index▼ (Broad Market Index) | 2.80 |
| Bloomberg Barclays U.S. Government/Credit Index▼ (Style-Specific Index) | 8.93 |
| Lipper VUF Mixed-Asset Target Allocation Growth Funds Index■ (Peer Group Index) | 10.72 |

Source(s): ▼RIMES Technologies Corp.; ■Lipper Inc.

Market conditions and your Fund

During the first quarter of 2020, as the spread of the new coronavirus (COVID-19) disrupted travel and suppressed consumer activity, investors became increasingly concerned about the global economy. At the same time, oil prices fell sharply as a price war between Saudi Arabia and Russia threatened to boost supply even as demand was falling. Beginning in late February, equity markets declined sharply and quickly, ushering in the first bear market since the financial crisis of 2008. Though equity markets stabilized somewhat toward the end of March, all sectors declined during the downturn. In response to the major collapse in demand and to help facilitate liquidity, the US Federal Reserve (the Fed) cut interest rates two times in March by 0.50% and 1.00%, ending with a target range of 0.00% to 0.25%.¹

In April, US unemployment numbers continued to climb and the initial gross domestic product (GDP) estimates for the first quarter of 2020 saw the economy shrink by 5%, the sharpest drop since the 2008 financial crisis.² However, during the second and into the third quarter of 2020, US stocks largely shrugged off economic uncertainty, social unrest and a resurgence in coronavirus infections to rally from the market bottom. Investor sentiment improved in response to trillions of dollars in economic stimulus, progress on a coronavirus vaccine and re-openings in many US regions. In July, the Fed extended its emergency stimulus programs, originally scheduled to end in September, to year-end, which provided support to equities. In late August revised second quarter GDP fell by 31.4%,² a record decline. Despite the extreme drop in the economy, the S&P 500 Index not only erased all its losses from the first quarter but made record highs.

Despite a September selloff, US equity markets posted gains in the third quarter as the Fed extended its emergency stimulus programs and changed its inflation target policy, both of which supported equities. Data for both manufacturing and services indicated expansion, a reversal from significant declines

earlier in the year. Corporate earnings were also better than anticipated and a gradual decline in new COVID-19 infections in many regions, combined with optimism about progress on a coronavirus vaccine, further boosted stocks. October saw increased volatility as COVID-19 infection rates rose to record highs in the US and in Europe. Investors also became concerned about delayed results from the US presidential election and the real possibility of a contested election, further delaying a clear winner.

US equity markets posted gains in the fourth quarter, as positive news on COVID-19 vaccines and strong corporate earnings outweighed investor concerns about political disagreement over a fiscal stimulus package and sharply rising coronavirus infections nationwide. Cyclical sectors like energy and financials lead the way, while real estate and consumer staples lagged. Market leadership also shifted during the quarter with value stocks outperforming growth for the first time since the fourth quarter of 2016. While the US economy rebounded significantly since the pandemic began, the recovery appeared to slow in the fourth quarter with estimates for employment gains and GDP growth down from the third quarter. However, stocks were buoyed by the Fed's pledge to maintain its accommodative stance and asset purchases, "until substantial further progress has been made" toward employment and inflation targets. Despite massive volatility and one of the worst bear markets in decades for the major stock indices in the US and globally, the S&P 500 Index returned 18.40% for the year.³

Seven out of eleven sectors within the Russell 1000 Value Index had positive returns for the year. The materials sector had the highest return for the year, while the energy sector posted a double-digit loss.

Stock selection in and overweight exposure to the information technology (IT) sector was the largest contributor to the Fund's relative performance compared to the Russell 1000 Value Index. Within the sector, **Apple**, **QUALCOMM** and **Cognizant Technology Solutions** were the largest contributors, benefiting from

a strong rally in the sector beginning in the second quarter of 2020. Apple shares moved higher following the selloff as the company reopened its factory in China and sales rebounded. Shares of QUALCOMM traded higher following the company's patent license settlement with Huawei that helped boost both revenue and profits. Cognizant had revenue declines due to the pandemic, but earnings were better than anticipated.

Stock selection and the Fund's underweight exposure to the real estate sector also helped the Fund's relative performance versus the Russell 1000 Value Index as the sector underperformed, posting a decline for the year.

Security selection in the financials sector was another contributor to the Fund's relative performance during the fiscal year. Within the sector, **Morgan Stanley** and **Goldman Sachs** were strong contributors. Large banks and capital markets firms benefited from a rise in yields during the year and these stocks performed well amid a broader rally in cyclical stocks.

The Fund holds investment grade bonds and convertible securities as a source of income and to provide a measure of stability amid market volatility. Both asset classes outperformed the Russell 1000 Value Index during the year and benefited the Fund's performance relative to the index.

Security selection in the consumer discretionary sector was the largest detractor from the Fund's relative performance compared to the Russell 1000 Value Index for the year. Within the sector, **Carnival** and **Capri Holdings** were significant detractors, driven in large part by the pandemic-related selloff in February and March of 2020. Shares of Carnival declined sharply following news of COVID-19 infections on cruise ships. The industry was also hit by the suspension of cruise travel that resulted from the virus outbreak. As a result, the team eliminated the Fund's position in the stock as they believed cruise demand would be slower to recover than other areas within the sector. Capri Holdings includes the Michael Kors, Versace, and Jimmy Choo brands. The stock declined significantly in the market correction, as consumers sheltered-in-place and stores closed amid the COVID-19 pandemic. Capri's shares later rebounded from lows set in February and March, so the team used that as an opportunity to eliminate the position given ongoing volatility in the stock.

Stock selection and an overweight exposure to the energy sector also detracted from the Fund's relative performance versus the Russell 1000 Value Index during the year. Energy stocks were negatively impacted by the severe decline in oil prices due to the concurrent increase in oil supply resulting from the Saudi Arabia/ Russia conflict, and the sharp deceleration in demand due to COVID-19. Key detractors for the year included **Royal Dutch Shell** and **Marathon Oil**. The team eliminated these positions during the

year and reduced the Fund's overall exposure to the sector during the year, as there was significant difficulty estimating the extent of volume declines amid the pandemic.

Security selection in and underweight exposure to the consumer staples sector also detracted from the Fund's relative performance versus the Russell 1000 Value Index. Restaurant supplier **US Foods** was a key detractor from Fund performance as demand declined sharply due to COVID-related restaurant closures. The Fund's lack of exposure to Proctor & Gamble and Wal-Mart (not Fund holdings) also hurt performance. These companies held up relatively better than other companies in the consumer staples sector as they were beneficiaries of heightened consumer demand in response to pandemic-related shelter-in-place mandates.

The Fund held currency forward contracts during the year for the purpose of hedging currency exposure of non-US-based companies held in the Fund. These derivatives were not for speculative purposes or leverage, and these positions had a small negative impact on the Fund's relative performance for the year.

During the year, the team reduced the Fund's relative overweight exposure to the financials and energy sectors within the equity portion of the Fund, and increased exposures to the industrials, communication services, IT and real estate sectors. At the end of the year, the Fund's largest overweight exposures were in the financials, IT and health care sectors, while the largest underweight exposures were to the communication services, utilities and real estate sectors.

As always, we thank you for your investment in Invesco V.I. Equity and Income Fund and for sharing our long-term investment horizon.

See important Fund and, if applicable, index disclosures later in this report.

- 1 Source: US Federal Reserve
- 2 Source: US Bureau of Economic Analysis
- 3 Source: Lipper Inc.

Portfolio manager(s):

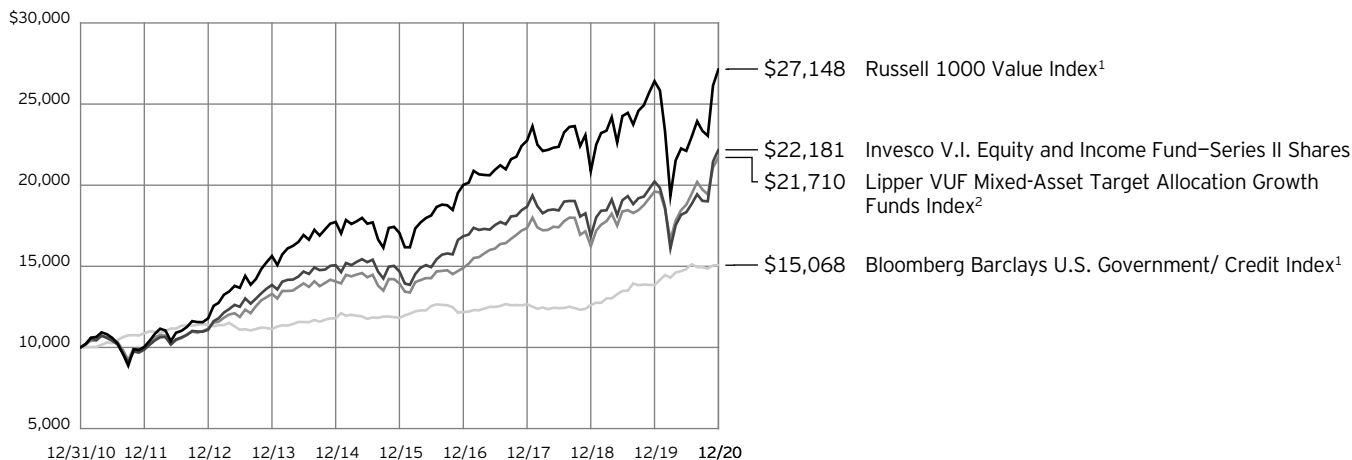
Chuck Burge
Brian Jurkash (Co-Lead)
Sergio Marcheli
Matthew Titus (Co-Lead)

The views and opinions expressed in management's discussion of Fund performance are those of Invesco Advisers, Inc. These views and opinions are subject to change at any time based on factors such as market and economic conditions. These views and opinions may not be relied upon as investment advice or recommendations, or as an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but Invesco Advisers, Inc. makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Your Fund's Long-Term Performance

Results of a \$10,000 Investment – Oldest Share Class(es)

Fund and index data from 12/31/10



1 Source: RIMES Technologies Corp.

2 Source: Lipper Inc.

Past performance cannot guarantee future results.

| Average Annual Total Returns | |
|------------------------------|-------|
| As of 12/31/20 | |
| Series I Shares | |
| Inception (6/1/10) | 9.45% |
| 10 Years | 8.54 |
| 5 Years | 8.89 |
| 1 Year | 9.95 |
| Series II Shares | |
| Inception (4/30/03) | 7.92% |
| 10 Years | 8.29 |
| 5 Years | 8.61 |
| 1 Year | 9.65 |

tion of taxes a shareholder would pay on Fund distributions or sale of Fund shares. Investment return and principal value will fluctuate so that you may have a gain or loss when you sell shares.

Invesco V.I. Equity and Income Fund, a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds), is currently offered through insurance companies issuing variable products. You cannot purchase shares of the Fund directly. Performance figures given represent the Fund and are not intended to reflect actual variable product values. They do not reflect sales charges, expenses and fees assessed in connection with a variable product. Sales charges, expenses and fees, which are determined by the variable product issuers, will vary and will lower the total return.

The most recent month-end performance at the Fund level, excluding variable product charges, is available at 800 451 4246. As mentioned above, for the most recent month-end performance including variable product charges, please contact your variable product issuer or financial adviser.

Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information.

Effective June 1, 2010, Class II shares of the predecessor fund, Universal Institutional Funds Equity and Income Portfolio, advised by Morgan Stanley Investment Management Inc. were reorganized into Series II shares of Invesco Van Kampen V.I. Equity and Income Fund (renamed Invesco V.I. Equity and Income Fund on April 29, 2013). Returns shown above, prior to June 1, 2010, for Series II shares are those of the Class II shares of the predecessor fund. Share class returns will differ from the predecessor fund because of different expenses.

The performance data quoted represent past performance and cannot guarantee future results; current performance may be lower or higher. Please contact your variable product issuer or financial adviser for the most recent month-end variable product performance. Performance figures reflect Fund expenses, reinvested distributions and changes in net asset value. Performance figures do not reflect deduc-

Supplemental Information

Invesco V.I. Equity and Income Fund's investment objectives are both capital appreciation and current income.

- Unless otherwise stated, information presented in this report is as of December 31, 2020, and is based on total net assets.
- Unless otherwise noted, all data provided by Invesco.
- To access your Fund's reports/prospectus, visit [invesco.com/fundreports](https://www.invesco.com/fundreports).

About indexes used in this report

- The **Russell 1000[®] Value Index** is an unmanaged index considered representative of large-cap value stocks. The Russell 1000 Value Index is a trademark/service mark of the Frank Russell Co. Russell[®] is a trademark of the Frank Russell Co.
- The **Bloomberg Barclays U.S. Government/Credit Index** is a broad-based benchmark that includes investment-grade, US dollar-denominated, fixed-rate Treasuries, government-related and corporate securities.
- The **Lipper VUF Mixed-Asset Target Allocation Growth Funds Index** is an unmanaged index considered representative of mixed-asset target allocation growth variable insurance underlying funds tracked by Lipper.
- The Fund is not managed to track the performance of any particular index, including the index(es) described here, and consequently, the performance of the Fund may deviate significantly from the performance of the index(es).
- A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses; performance of a market index does not.

Fund Information

Portfolio Composition

| By security type | % of total net assets |
|---|-----------------------|
| Common Stocks & Other Equity Interests | 68.65% |
| U.S. Dollar Denominated Bonds & Notes | 20.90 |
| U.S. Treasury Securities | 5.26 |
| Security Types Each Less Than 1% of Portfolio | 0.66 |
| Money Market Funds Plus Other Assets Less Liabilities | 4.53 |

Top 10 Equity Holdings*

| | % of total net assets |
|--|-----------------------|
| 1. General Motors Co. | 2.36% |
| 2. Cognizant Technology Solutions Corp., Class A | 1.97 |
| 3. Philip Morris International, Inc. | 1.92 |
| 4. Morgan Stanley | 1.87 |
| 5. Wells Fargo & Co. | 1.85 |
| 6. Goldman Sachs Group, Inc. (The) | 1.83 |
| 7. Corteva, Inc. | 1.65 |
| 8. CSX Corp. | 1.60 |
| 9. American International Group, Inc. | 1.58 |
| 10. PNC Financial Services Group, Inc. (The) | 1.56 |

The Fund's holdings are subject to change, and there is no assurance that the Fund will continue to hold any particular security.

* Excluding money market fund holdings, if any.

Data presented here are as of December 31, 2020.

Schedule of Investments^(a)

December 31, 2020

| | Shares | Value |
|--|---------|---------------|
| Common Stocks & Other Equity Interests-68.65% | | |
| Aerospace & Defense-3.42% | | |
| General Dynamics Corp. | 119,194 | \$ 17,738,451 |
| Raytheon Technologies Corp. | 213,576 | 15,272,820 |
| Textron, Inc. | 214,257 | 10,355,041 |
| | | 43,366,312 |
| Apparel Retail-1.12% | | |
| TJX Cos., Inc. (The) | 207,744 | 14,186,838 |
| Automobile Manufacturers-2.36% | | |
| General Motors Co. | 718,695 | 29,926,460 |
| Building Products-2.28% | | |
| Johnson Controls International PLC | 403,356 | 18,792,356 |
| Trane Technologies PLC | 69,348 | 10,066,556 |
| | | 28,858,912 |
| Cable & Satellite-1.80% | | |
| Charter Communications, Inc., Class A ^(b) | 15,340 | 10,148,177 |
| Comcast Corp., Class A | 241,301 | 12,644,172 |
| | | 22,792,349 |
| Commodity Chemicals-0.75% | | |
| Dow, Inc. | 171,147 | 9,498,658 |
| Construction & Engineering-0.46% | | |
| Quanta Services, Inc. | 81,847 | 5,894,621 |
| Consumer Finance-0.76% | | |
| American Express Co. | 80,150 | 9,690,936 |
| Data Processing & Outsourced Services-0.75% | | |
| Fiserv, Inc. ^(b) | 83,861 | 9,548,413 |
| Diversified Banks-3.77% | | |
| Bank of America Corp. | 376,435 | 11,409,745 |
| Citigroup, Inc. | 209,883 | 12,941,386 |
| Wells Fargo & Co. | 775,478 | 23,403,926 |
| | | 47,755,057 |
| Electric Utilities-1.91% | | |
| Duke Energy Corp. | 95,326 | 8,728,048 |
| Exelon Corp. | 207,663 | 8,767,532 |
| FirstEnergy Corp. | 221,513 | 6,780,513 |
| | | 24,276,093 |
| Electronic Components-0.74% | | |
| Corning, Inc. | 259,795 | 9,352,620 |
| Electronic Manufacturing Services-0.70% | | |
| TE Connectivity Ltd. | 73,600 | 8,910,752 |
| Fertilizers & Agricultural Chemicals-2.17% | | |
| Corteva, Inc. | 538,648 | 20,856,450 |
| Nutrien Ltd. (Canada) | 139,024 | 6,695,396 |
| | | 27,551,846 |
| Food Distributors-2.07% | | |
| Sysco Corp. | 180,250 | 13,385,365 |

| | Shares | Value |
|---|-----------|---------------|
| Food Distributors-(continued) | | |
| US Foods Holding Corp. ^(b) | 386,030 | \$ 12,858,659 |
| | | 26,244,024 |
| Health Care Distributors-0.89% | | |
| McKesson Corp. | 64,531 | 11,223,232 |
| Health Care Equipment-1.89% | | |
| Medtronic PLC | 126,836 | 14,857,569 |
| Zimmer Biomet Holdings, Inc. | 59,213 | 9,124,131 |
| | | 23,981,700 |
| Health Care Facilities-0.54% | | |
| Universal Health Services, Inc., Class B | 49,669 | 6,829,488 |
| Health Care Services-1.48% | | |
| Cigna Corp. | 48,546 | 10,106,306 |
| CVS Health Corp. | 126,495 | 8,639,609 |
| | | 18,745,915 |
| Health Care Supplies-0.46% | | |
| Alcon, Inc. (Switzerland) ^(b) | 86,706 | 5,788,461 |
| Home Improvement Retail-0.70% | | |
| Kingfisher PLC (United Kingdom) ^(b) | 2,404,100 | 8,896,022 |
| Human Resource & Employment Services-0.50% | | |
| Adecco Group AG (Switzerland) | 95,093 | 6,376,215 |
| Insurance Brokers-0.65% | | |
| Willis Towers Watson PLC | 38,860 | 8,187,025 |
| Integrated Oil & Gas-0.97% | | |
| Chevron Corp. | 145,869 | 12,318,637 |
| Internet & Direct Marketing Retail-1.10% | | |
| Booking Holdings, Inc. ^(b) | 6,249 | 13,918,210 |
| Investment Banking & Brokerage-4.29% | | |
| Charles Schwab Corp. (The) | 140,646 | 7,459,864 |
| Goldman Sachs Group, Inc. (The) | 88,169 | 23,251,047 |
| Morgan Stanley | 345,055 | 23,646,619 |
| | | 54,357,530 |
| IT Consulting & Other Services-1.97% | | |
| Cognizant Technology Solutions Corp., Class A | 304,157 | 24,925,666 |
| Managed Health Care-1.43% | | |
| Anthem, Inc. | 56,363 | 18,097,596 |
| Movies & Entertainment-1.37% | | |
| Walt Disney Co. (The) ^(b) | 95,581 | 17,317,366 |
| Multi-line Insurance-1.58% | | |
| American International Group, Inc. | 528,282 | 20,000,757 |
| Oil & Gas Exploration & Production-2.46% | | |
| Canadian Natural Resources Ltd. (Canada) | 271,468 | 6,523,848 |
| Concho Resources, Inc. | 126,591 | 7,386,585 |
| ConocoPhillips | 56,059 | 2,241,799 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

| | Shares | Value |
|--|------------------|--------------|
| Oil & Gas Exploration & Production-(continued) | | |
| Devon Energy Corp. | 447,664 | \$ 7,077,568 |
| Parsley Energy, Inc., Class A | 557,153 | 7,911,573 |
| | | 31,141,373 |
| Other Diversified Financial Services-1.44% | | |
| Equitable Holdings, Inc. | 296,873 | 7,596,980 |
| Voya Financial, Inc. | 181,627 | 10,681,484 |
| | | 18,278,464 |
| Packaged Foods & Meats-0.25% | | |
| Mondelez International, Inc., Class A | 54,098 | 3,163,110 |
| Pharmaceuticals-3.68% | | |
| Bristol-Myers Squibb Co. | 251,171 | 15,580,137 |
| GlaxoSmithKline PLC (United Kingdom) | 287,271 | 5,263,686 |
| Johnson & Johnson | 50,911 | 8,012,373 |
| Pfizer, Inc. | 221,342 | 8,147,599 |
| Sanofi (France) | 99,154 | 9,580,313 |
| | | 46,584,108 |
| Railroads-1.60% | | |
| CSX Corp. | 224,087 | 20,335,895 |
| Real Estate Services-1.46% | | |
| CBRE Group, Inc., Class A ^(b) | 294,282 | 18,457,367 |
| Regional Banks-4.42% | | |
| Citizens Financial Group, Inc. | 537,932 | 19,236,448 |
| PNC Financial Services Group, Inc. (The) | 132,676 | 19,768,724 |
| Truist Financial Corp. | 355,151 | 17,022,388 |
| | | 56,027,560 |
| Semiconductors-2.89% | | |
| Micron Technology, Inc. ^(b) | 108,374 | 8,147,557 |
| NXP Semiconductors N.V. (Netherlands) | 75,149 | 11,949,443 |
| QUALCOMM, Inc. | 108,839 | 16,580,533 |
| | | 36,677,533 |
| Specialty Chemicals-0.76% | | |
| DuPont de Nemours, Inc. | 136,353 | 9,696,062 |
| Systems Software-1.17% | | |
| Oracle Corp. | 229,491 | 14,845,773 |
| Technology Hardware, Storage & Peripherals-0.69% | | |
| Apple, Inc. | 65,699 | 8,717,600 |
| Tobacco-1.92% | | |
| Philip Morris International, Inc. | 293,738 | 24,318,569 |
| Wireless Telecommunication Services-1.03% | | |
| Vodafone Group PLC (United Kingdom) | 7,919,762 | 13,033,030 |
| Total Common Stocks & Other Equity Interests (Cost \$634,568,558) | | 870,094,155 |
| | Principal Amount | |
| U.S. Dollar Denominated Bonds & Notes-20.90% | | |
| Aerospace & Defense-0.19% | | |
| General Dynamics Corp., 3.88%, 07/15/2021 | \$ 1,690,000 | 1,707,227 |
| Precision Castparts Corp., 2.50%, 01/15/2023 | 333,000 | 346,146 |

| | Principal Amount | Value |
|--|------------------|------------|
| Aerospace & Defense-(continued) | | |
| Raytheon Technologies Corp., 4.45%, 11/16/2038 | \$ 299,000 | \$ 377,036 |
| | | 2,430,409 |
| Agricultural & Farm Machinery-0.09% | | |
| Deere & Co., 2.60%, 06/08/2022 | 1,161,000 | 1,194,619 |
| Agricultural Products-0.03% | | |
| Ingredion, Inc., 6.63%, 04/15/2037 | 232,000 | 333,624 |
| Air Freight & Logistics-0.06% | | |
| FedEx Corp., 4.90%, 01/15/2034 | 402,000 | 519,297 |
| United Parcel Service, Inc., 3.40%, 11/15/2046 | 236,000 | 284,711 |
| | | 804,008 |
| Airlines-0.12% | | |
| American Airlines Pass-Through Trust, Series 2014-1, Class A, 3.70%, 04/01/2028 | 277,591 | 261,957 |
| Continental Airlines Pass-Through Trust, Series 2010-1, Class A, 4.75%, 01/12/2021 | 112,577 | 112,691 |
| Series 2012-1, Class A, 4.15%, 04/11/2024 | 293,349 | 295,874 |
| United Airlines Pass-Through Trust, Series 2014-2, Class A, 3.75%, 09/03/2026 | 356,896 | 363,612 |
| Series 2018-1, Class AA, 3.50%, 03/01/2030 | 449,581 | 447,869 |
| | | 1,482,003 |
| Alternative Carriers-0.18% | | |
| Liberty Latin America Ltd. (Chile), Conv., 2.00%, 07/15/2024 | 2,431,000 | 2,322,171 |
| Application Software-0.66% | | |
| Nuance Communications, Inc., Conv., 1.00%, 12/15/2022 ^(c) | 1,209,000 | 2,256,205 |
| 1.25%, 04/01/2025 | 1,081,000 | 2,465,096 |
| Workday, Inc., Conv., 0.25%, 10/01/2022 | 2,173,000 | 3,641,845 |
| | | 8,363,146 |
| Asset Management & Custody Banks-0.31% | | |
| Apollo Management Holdings L.P., 4.00%, 05/30/2024 ^(d) | 2,715,000 | 3,008,871 |
| Brookfield Asset Management, Inc. (Canada), 4.00%, 01/15/2025 | 420,000 | 468,740 |
| Carlyle Holdings Finance LLC, 3.88%, 02/01/2023 ^(d) | 98,000 | 104,322 |
| KKR Group Finance Co. III LLC, 5.13%, 06/01/2044 ^(d) | 287,000 | 377,299 |
| | | 3,959,232 |
| Automobile Manufacturers-0.08% | | |
| General Motors Co., 6.60%, 04/01/2036 | 361,000 | 494,179 |
| General Motors Financial Co., Inc., 5.25%, 03/01/2026 | 459,000 | 541,476 |
| | | 1,035,655 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

| | Principal Amount | Value |
|---|------------------|------------|
| Biotechnology-0.44% | | |
| AbbVie, Inc., 4.50%, 05/14/2035 | \$ 656,000 | \$ 824,518 |
| 4.05%, 11/21/2039 | 1,288,000 | 1,558,169 |
| 4.85%, 06/15/2044 | 264,000 | 350,181 |
| Gilead Sciences, Inc., 4.40%, 12/01/2021 | 448,000 | 460,294 |
| Neurocrine Biosciences, Inc., Conv., 2.25%, 05/15/2024 | 1,685,000 | 2,341,768 |
| | | 5,534,930 |

Brewers-0.26%

| | | |
|--|---------|-----------|
| Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide, Inc. (Belgium), 4.70%, 02/01/2036 | 914,000 | 1,160,607 |
| 4.90%, 02/01/2046 | 511,000 | 667,119 |
| Heineken N.V. (Netherlands), 3.50%, 01/29/2028 ^(d) | 910,000 | 1,036,455 |
| Molson Coors Beverage Co., 4.20%, 07/15/2046 | 361,000 | 414,251 |
| | | 3,278,432 |

Cable & Satellite-1.34%

| | | |
|---|-----------|------------|
| BofA Finance LLC, Conv., 0.13%, 09/01/2022 | 2,151,000 | 2,512,368 |
| Charter Communications Operating LLC/Charter Communications Operating Capital Corp., 4.46%, 07/23/2022 | 969,000 | 1,021,810 |
| 3.85%, 04/01/2061 | 1,040,000 | 1,048,075 |
| Comcast Corp., 4.15%, 10/15/2028 | 905,000 | 1,089,657 |
| 6.45%, 03/15/2037 | 278,000 | 428,239 |
| 3.90%, 03/01/2038 | 746,000 | 912,895 |
| Cox Communications, Inc., 2.95%, 10/01/2050 ^(d) | 197,000 | 201,427 |
| DISH Network Corp., Conv., 3.38%, 08/15/2026 | 7,388,000 | 7,060,945 |
| Liberty Broadband Corp., Conv., 1.25%, 10/05/2023 ^{(c)(d)} | 2,352,000 | 2,386,130 |
| NBCUniversal Media LLC, 5.95%, 04/01/2041 | 197,000 | 301,140 |
| | | 16,962,686 |

Commodity Chemicals-0.04%

| | | |
|---|---------|---------|
| LYB Finance Co. B.V. (Netherlands), 8.10%, 03/15/2027 ^(d) | 339,000 | 468,967 |
|---|---------|---------|

Communications Equipment-0.51%

| | | |
|---|-----------|-----------|
| Cisco Systems, Inc., 1.85%, 09/20/2021 | 1,560,000 | 1,575,909 |
| Finisar Corp., Conv., 0.50%, 12/15/2021 ^(c) | 1,013,000 | 1,018,339 |
| Viavi Solutions, Inc., Conv., 1.75%, 06/01/2023 | 1,295,000 | 1,608,684 |
| 1.00%, 03/01/2024 | 1,806,000 | 2,320,462 |
| | | 6,523,394 |

Construction Machinery & Heavy Trucks-0.06%

| | | |
|--|---------|---------|
| Caterpillar Financial Services Corp., 1.70%, 08/09/2021 | 765,000 | 771,637 |
|--|---------|---------|

| | Principal Amount | Value |
|---|------------------|------------|
| Consumer Finance-0.28% | | |
| American Express Co., 3.63%, 12/05/2024 | \$ 306,000 | \$ 340,159 |
| Capital One Financial Corp., 3.20%, 01/30/2023 | 943,000 | 994,073 |
| Discover Bank, 3.35%, 02/06/2023 | 1,500,000 | 1,583,625 |
| Synchrony Financial, 3.95%, 12/01/2027 | 546,000 | 612,532 |
| | | 3,530,389 |

Data Processing & Outsourced Services-0.12%

| | | |
|---------------------------------|-----------|-----------|
| Fiserv, Inc., 3.80%, 10/01/2023 | 1,397,000 | 1,522,280 |
|---------------------------------|-----------|-----------|

Diversified Banks-1.72%

| | | |
|---|-----------|------------|
| ANZ New Zealand (Int'l) Ltd. (New Zealand), 2.88%, 01/25/2022 ^(d) | 350,000 | 359,354 |
| Australia & New Zealand Banking Group Ltd. (Australia), 2.30%, 06/01/2021 | 713,000 | 719,246 |
| Bank of America Corp., 3.25%, 10/21/2027 | 515,000 | 576,492 |
| BBVA Bancomer S.A. (Mexico), 4.38%, 04/10/2024 ^(d) | 700,000 | 762,307 |
| Citigroup, Inc., 3.67%, 07/24/2028 ^(e) | 496,000 | 562,428 |
| 6.68%, 09/13/2043 | 741,000 | 1,206,584 |
| 5.30%, 05/06/2044 | 228,000 | 321,711 |
| 4.75%, 05/18/2046 | 341,000 | 455,429 |
| HSBC Holdings PLC (United Kingdom), 2.63%, 11/07/2025 ^(e) | 1,775,000 | 1,889,935 |
| JPMorgan Chase & Co., 3.20%, 06/15/2026 | 379,000 | 424,546 |
| 3.51%, 01/23/2029 ^(e) | 1,043,000 | 1,190,560 |
| 4.26%, 02/22/2048 ^(e) | 479,000 | 627,364 |
| 3.90%, 01/23/2049 ^(e) | 1,043,000 | 1,314,948 |
| Series V, 3.56% (3 mo. USD LIBOR + 3.32%) ^{(f)(g)} | 582,000 | 572,508 |
| Mizuho Financial Group Cayman 3 Ltd. (Japan), 4.60%, 03/27/2024 ^(d) | 200,000 | 220,569 |
| National Australia Bank Ltd. (Australia), 1.88%, 07/12/2021 | 945,000 | 953,043 |
| SMBC Aviation Capital Finance DAC (Ireland), 2.65%, 07/15/2021 ^(d) | 315,000 | 318,344 |
| Societe Generale S.A. (France), 5.00%, 01/17/2024 ^(d) | 735,000 | 812,018 |
| Standard Chartered PLC (United Kingdom), 3.05%, 01/15/2021 ^(d) | 680,000 | 680,520 |
| U.S. Bancorp, Series W, 3.10%, 04/27/2026 | 2,087,000 | 2,325,549 |
| Wells Fargo & Co., 3.55%, 09/29/2025 | 596,000 | 669,664 |
| 4.10%, 06/03/2026 | 410,000 | 470,236 |
| 4.65%, 11/04/2044 | 632,000 | 809,774 |
| Westpac Banking Corp. (Australia), 2.10%, 05/13/2021 | 3,590,000 | 3,614,971 |
| | | 21,858,100 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

| | Principal Amount | Value |
|---|---------------------|------------|
| Diversified Capital Markets-0.36% | | |
| Credit Suisse AG (Switzerland), 6.50%, 08/08/2023 ^(d) | \$ 686,000 | \$ 774,248 |
| Conv., 0.50%, 06/24/2024 ^(d) | 3,834,000 | 3,748,502 |
| | | 4,522,750 |
| Diversified Metals & Mining-0.02% | | |
| Rio Tinto Finance USA Ltd. (Australia), 7.13%, 07/15/2028 | 182,000 | 256,334 |
| Drug Retail-0.13% | | |
| CVS Pass-Through Trust, 6.04%, 12/10/2028 | 574,936 | 668,131 |
| Walgreens Boots Alliance, Inc., 3.30%, 11/18/2021 | 548,000 | 559,450 |
| 4.50%, 11/18/2034 | 404,000 | 464,632 |
| | | 1,692,213 |
| Electric Utilities-0.50% | | |
| Electricite de France S.A. (France), 4.88%, 01/22/2044 ^(d) | 846,000 | 1,069,790 |
| Georgia Power Co., Series B, 3.70%, 01/30/2050 | 341,000 | 411,151 |
| NextEra Energy Capital Holdings, Inc., 3.55%, 05/01/2027 | 519,000 | 591,533 |
| Ohio Power Co., Series M, 5.38%, 10/01/2021 | 182,000 | 188,647 |
| PPL Electric Utilities Corp., 6.25%, 05/15/2039 | 46,000 | 69,377 |
| Southern Co. (The), 2.35%, 07/01/2021 | 2,335,000 | 2,353,536 |
| Xcel Energy, Inc., 0.50%, 10/15/2023 | 552,000 | 553,897 |
| 3.50%, 12/01/2049 | 957,000 | 1,121,974 |
| | | 6,359,905 |
| Environmental & Facilities Services-0.04% | | |
| Waste Management, Inc., 3.90%, 03/01/2035 | 427,000 | 523,756 |
| Food Retail-0.26% | | |
| Nestle Holdings, Inc., 3.10%, 09/24/2021 ^(d) | 3,190,000 | 3,246,426 |
| General Merchandise Stores-0.03% | | |
| Dollar General Corp., 3.25%, 04/15/2023 | 333,000 | 352,431 |
| Health Care Equipment-0.76% | | |
| Becton, Dickinson and Co., 4.88%, 05/15/2044 | 342,000 | 423,067 |
| DexCom, Inc., Conv., 0.75%, 12/01/2023 | 2,639,000 | 6,006,674 |
| Integra LifeSciences Holdings Corp., Conv., 0.50%, 08/15/2025 ^(d) | 1,758,000 | 1,943,323 |
| Medtronic, Inc., 4.38%, 03/15/2035 | 234,000 | 315,221 |
| NuVasive, Inc., Conv., 2.25%, 03/15/2021 | 503,000 | 511,769 |
| Tandem Diabetes Care, Inc., Conv., 1.50%, 05/01/2025 ^(d) | 338,000 | 399,750 |
| | | 9,599,804 |

| | Principal Amount | Value |
|---|---------------------|------------|
| Health Care REITs-0.08% | | |
| Healthpeak Properties, Inc., 4.20%, 03/01/2024 | \$ 438,000 | \$ 481,140 |
| 3.88%, 08/15/2024 | 461,000 | 510,413 |
| | | 991,553 |
| Health Care Services-0.13% | | |
| Cigna Corp., 4.80%, 08/15/2038 | 298,000 | 388,500 |
| CVS Health Corp., 3.38%, 08/12/2024 | 341,000 | 372,653 |
| Laboratory Corp. of America Holdings, 3.20%, 02/01/2022 | 548,000 | 564,388 |
| 4.70%, 02/01/2045 | 241,000 | 316,594 |
| | | 1,642,135 |
| Health Care Technology-0.32% | | |
| Teladoc Health, Inc., Conv., 1.25%, 06/01/2027 ^(d) | 3,333,000 | 4,008,615 |
| Home Improvement Retail-0.05% | | |
| Home Depot, Inc. (The), 2.00%, 04/01/2021 | 575,000 | 576,505 |
| Hotel & Resort REITs-0.01% | | |
| Service Properties Trust, 5.00%, 08/15/2022 | 182,000 | 185,640 |
| Industrial Conglomerates-0.05% | | |
| Honeywell International, Inc., 0.46% (3 mo. USD LIBOR + 0.23%), 08/19/2022 ^(g) | 590,000 | 590,646 |
| Insurance Brokers-0.02% | | |
| Willis North America, Inc., 3.60%, 05/15/2024 | 228,000 | 249,032 |
| Integrated Oil & Gas-0.13% | | |
| BP Capital Markets America, Inc., 2.94%, 06/04/2051 | 965,000 | 985,414 |
| Husky Energy, Inc. (Canada), 3.95%, 04/15/2022 | 274,000 | 282,406 |
| Suncor Energy, Inc. (Canada), 3.60%, 12/01/2024 | 304,000 | 335,486 |
| | | 1,603,306 |
| Integrated Telecommunication Services-0.51% | | |
| AT&T, Inc., 3.00%, 06/30/2022 | 474,000 | 490,675 |
| 4.30%, 02/15/2030 | 318,000 | 380,144 |
| 4.50%, 05/15/2035 | 421,000 | 511,039 |
| 3.50%, 09/15/2053 ^(d) | 447,000 | 447,025 |
| 3.55%, 09/15/2055 ^(d) | 157,000 | 156,475 |
| 3.80%, 12/01/2057 ^(d) | 255,000 | 265,904 |
| Orange S.A. (France), 4.13%, 09/14/2021 | 1,385,000 | 1,420,135 |
| Telefonica Emisiones S.A. (Spain), 4.67%, 03/06/2038 | 750,000 | 906,032 |
| 5.21%, 03/08/2047 | 700,000 | 903,848 |
| Verizon Communications, Inc., 4.40%, 11/01/2034 | 297,000 | 370,765 |
| 4.81%, 03/15/2039 | 459,000 | 598,840 |
| | | 6,450,882 |

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| | Principal Amount | Value |
|--|------------------|--------------|
| Interactive Home Entertainment-0.08% | | |
| Zynga, Inc., Conv., 0.00%, 12/15/2026 ^{(d)(h)} | \$ 1,015,000 | \$ 1,070,584 |
| Internet & Direct Marketing Retail-0.87% | | |
| Booking Holdings, Inc., Conv., 0.90%, 09/15/2021 | 1,430,000 | 1,660,985 |
| 0.75%, 05/01/2025 ^(d) | 345,000 | 502,943 |
| Match Group Financero 3, Inc., Conv., 2.00%, 01/15/2030 ^(d) | 3,211,000 | 6,226,663 |
| Trip.com Group Ltd. (China), Conv., 1.25%, 09/15/2022 | 2,721,000 | 2,598,583 |
| | | 10,989,174 |
| Internet Services & Infrastructure-0.28% | | |
| Shopify, Inc. (Canada), Conv., 0.13%, 11/01/2025 | 3,000,000 | 3,547,500 |
| Investment Banking & Brokerage-0.62% | | |
| Goldman Sachs Group, Inc. (The), 5.25%, 07/27/2021 | 364,000 | 374,261 |
| 4.25%, 10/21/2025 | 502,000 | 576,018 |
| GS Finance Corp., Series 0001, Conv., 0.25%, 07/08/2024 | 5,920,000 | 6,204,160 |
| Morgan Stanley, 4.00%, 07/23/2025 | 619,000 | 708,835 |
| | | 7,863,274 |
| IT Consulting & Other Services-0.04% | | |
| DXC Technology Co., 4.45%, 09/18/2022 | 446,000 | 469,562 |
| Life & Health Insurance-0.33% | | |
| Athene Global Funding, 4.00%, 01/25/2022 ^(d) | 1,110,000 | 1,149,694 |
| 2.75%, 06/25/2024 ^(d) | 260,000 | 275,181 |
| Guardian Life Global Funding, 2.90%, 05/06/2024 ^(d) | 669,000 | 720,531 |
| Jackson National Life Global Funding, 2.10%, 10/25/2021 ^(d) | 479,000 | 485,990 |
| 3.25%, 01/30/2024 ^(d) | 438,000 | 471,126 |
| Nationwide Financial Services, Inc., 5.30%, 11/18/2044 ^(d) | 405,000 | 490,668 |
| Prudential Financial, Inc., 3.91%, 12/07/2047 | 141,000 | 169,709 |
| Reliance Standard Life Global Funding II, 3.05%, 01/20/2021 ^(d) | 423,000 | 423,493 |
| | | 4,186,392 |
| Managed Health Care-0.05% | | |
| UnitedHealth Group, Inc., 3.50%, 08/15/2039 | 543,000 | 645,988 |
| Movies & Entertainment-0.86% | | |
| Liberty Media Corp., Conv., 2.25%, 10/05/2021 ^(c) | 1,399,000 | 664,486 |
| 1.38%, 10/15/2023 | 5,513,000 | 6,995,990 |
| Liberty Formula One, Conv., 1.00%, 01/30/2023 | 520,000 | 664,883 |
| Live Nation Entertainment, Inc., Conv., 2.50%, 03/15/2023 | 1,953,000 | 2,530,698 |
| | | 10,856,057 |

| | Principal Amount | Value |
|--|------------------|------------|
| Multi-line Insurance-0.15% | | |
| American International Group, Inc., 4.38%, 01/15/2055 | \$ 656,000 | \$ 844,142 |
| Liberty Mutual Group, Inc., 3.95%, 05/15/2060 ^(d) | 887,000 | 1,062,192 |
| | | 1,906,334 |
| Multi-Utilities-0.11% | | |
| NiSource, Inc., 4.38%, 05/15/2047 | 562,000 | 714,239 |
| Sempra Energy, 3.80%, 02/01/2038 | 551,000 | 639,051 |
| | | 1,353,290 |
| Office REITs-0.05% | | |
| Office Properties Income Trust, 4.00%, 07/15/2022 | 664,000 | 679,060 |
| Oil & Gas Exploration & Production-0.16% | | |
| Cameron LNG LLC, 3.70%, 01/15/2039 ^(d) | 606,000 | 684,255 |
| ConocoPhillips, 4.15%, 11/15/2034 | 217,000 | 252,204 |
| Noble Energy, Inc., 5.25%, 11/15/2043 | 756,000 | 1,086,027 |
| | | 2,022,486 |
| Oil & Gas Storage & Transportation-0.69% | | |
| Energy Transfer Operating L.P., 4.20%, 09/15/2023 | 1,722,000 | 1,857,746 |
| 4.90%, 03/15/2035 | 325,000 | 358,403 |
| 5.00%, 05/15/2050 | 716,000 | 775,994 |
| Enterprise Products Operating LLC, 6.45%, 09/01/2040 | 23,000 | 32,964 |
| 4.25%, 02/15/2048 | 686,000 | 805,706 |
| Kinder Morgan, Inc., 5.30%, 12/01/2034 | 384,000 | 473,391 |
| MPLX L.P., 4.50%, 07/15/2023 | 1,656,000 | 1,804,366 |
| 4.50%, 04/15/2038 | 799,000 | 913,936 |
| Plains All American Pipeline L.P./PAA Finance Corp., 3.65%, 06/01/2022 | 323,000 | 332,672 |
| Spectra Energy Partners L.P., 4.50%, 03/15/2045 | 488,000 | 571,144 |
| Sunoco Logistics Partners Operations L.P., 5.30%, 04/01/2044 | 587,000 | 634,958 |
| Texas Eastern Transmission L.P., 7.00%, 07/15/2032 | 169,000 | 235,141 |
| | | 8,796,421 |
| Other Diversified Financial Services-1.68% | | |
| Convertible Trust - Energy, Series 2019-1, 0.33%, 09/19/2024 | 5,688,000 | 5,892,199 |
| Convertible Trust - Healthcare, Series 2018-1, 0.25%, 02/05/2024 | 5,897,000 | 6,697,812 |
| Convertible Trust - Media, Series 2019, Class 1, 0.25%, 12/04/2024 | 5,704,000 | 7,774,552 |
| MassMutual Global Funding II, 2.00%, 04/15/2021 ^(d) | 945,000 | 949,668 |
| | | 21,314,231 |

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| | Principal Amount | Value |
|--|---------------------|--|
| Packaged Foods & Meats-0.05% | | |
| Kraft Heinz Foods Co. (The), 4.63%, 10/01/2039 ^(d) | \$ 525,000 | \$ 587,322 |
| Mead Johnson Nutrition Co. (United Kingdom), 4.13%, 11/15/2025 | 60,000 | 69,244 |
| | | 656,566 |
| Paper Packaging-0.12% | | |
| International Paper Co., 6.00%, 11/15/2041 | 223,000 | 327,080 |
| Packaging Corp. of America, 4.50%, 11/01/2023 | 1,037,000 | 1,143,934 |
| | | 1,471,014 |
| Pharmaceuticals-0.97% | | |
| Bayer US Finance II LLC (Germany), 4.38%, 12/15/2028 ^(d) | 985,000 | 1,158,831 |
| Bayer US Finance LLC (Germany), 3.00%, 10/08/2021 ^(d) | 590,000 | 600,138 |
| Bristol-Myers Squibb Co., 4.00%, 08/15/2023 | 485,000 | 531,254 |
| | | 4.13%, 06/15/2039 603,000 770,059 |
| | | 4.63%, 05/15/2044 1,390,000 1,897,988 |
| GlaxoSmithKline Capital, Inc. (United Kingdom), 6.38%, 05/15/2038 | 64,000 | 101,053 |
| Jazz Investments I Ltd., Conv., 2.00%, 06/15/2026 ^(d) | 1,374,000 | 1,794,931 |
| Pacira BioSciences, Inc., Conv., 2.38%, 04/01/2022 | 205,000 | 235,622 |
| | | 0.75%, 08/01/2025 ^(d) 852,000 962,341 |
| Pfizer, Inc., 3.00%, 09/15/2021 | 1,805,000 | 1,840,977 |
| | | 2.20%, 12/15/2021 575,000 586,237 |
| Supernus Pharmaceuticals, Inc., Conv., 0.63%, 04/01/2023 | 1,057,000 | 1,007,681 |
| Utah Acquisition Sub, Inc., 3.15%, 06/15/2021 | 393,000 | 396,812 |
| Zoetis, Inc., 4.70%, 02/01/2043 | 333,000 | 456,018 |
| | | 12,339,942 |
| Property & Casualty Insurance-0.21% | | |
| Allstate Corp. (The), 3.28%, 12/15/2026 | 292,000 | 333,701 |
| Markel Corp., 5.00%, 03/30/2043 | 351,000 | 437,086 |
| | | 5.00%, 05/20/2049 482,000 665,449 |
| Travelers Cos., Inc. (The), 4.60%, 08/01/2043 | 605,000 | 848,856 |
| W.R. Berkley Corp., 4.63%, 03/15/2022 | 382,000 | 400,462 |
| | | 2,685,554 |
| Railroads-0.18% | | |
| CSX Corp., 5.50%, 04/15/2041 | 346,000 | 484,526 |
| Norfolk Southern Corp., 3.40%, 11/01/2049 | 456,000 | 523,135 |
| Union Pacific Corp., 3.65%, 02/15/2024 | 92,000 | 99,946 |
| | | 4.15%, 01/15/2045 401,000 498,563 |
| | | 3.84%, 03/20/2060 519,000 643,890 |
| | | 2,250,060 |

| | Principal Amount | Value |
|---|---------------------|--|
| Real Estate Services-0.24% | | |
| Redfin Corp., Conv., 0.00%, 10/15/2025 ^{(d)(h)} | \$ 2,531,000 | \$ 3,037,574 |
| Regional Banks-0.09% | | |
| Citizens Financial Group, Inc., 2.38%, 07/28/2021 | 415,000 | 419,035 |
| PNC Financial Services Group, Inc. (The), 3.45%, 04/23/2029 | 669,000 | 771,334 |
| | | 1,190,369 |
| Reinsurance-0.12% | | |
| PartnerRe Finance B LLC, 3.70%, 07/02/2029 | 1,015,000 | 1,169,121 |
| Reinsurance Group of America, Inc., 4.70%, 09/15/2023 | 352,000 | 389,239 |
| | | 1,558,360 |
| Renewable Electricity-0.05% | | |
| Oglethorpe Power Corp., 4.55%, 06/01/2044 | 529,000 | 597,090 |
| Restaurants-0.06% | | |
| Starbucks Corp., 3.55%, 08/15/2029 | 685,000 | 797,331 |
| Retail REITs-0.09% | | |
| Regency Centers L.P., 2.95%, 09/15/2029 | 745,000 | 796,490 |
| | | 4.65%, 03/15/2049 256,000 308,888 |
| | | 1,105,378 |
| Semiconductors-1.11% | | |
| Broadcom Corp./Broadcom Cayman Finance Ltd., 3.63%, 01/15/2024 | 610,000 | 659,600 |
| Cree, Inc., Conv., 0.88%, 09/01/2023 | 1,359,000 | 2,472,275 |
| | | 1.75%, 05/01/2026 ^(d) 956,000 2,218,290 |
| Microchip Technology, Inc., Conv., 0.13%, 11/15/2024 | 3,726,000 | 4,125,023 |
| Micron Technology, Inc., 4.66%, 02/15/2030 | 670,000 | 823,037 |
| NVIDIA Corp., 2.20%, 09/16/2021 | 720,000 | 728,845 |
| NXP B.V./NXP Funding LLC (Netherlands), 3.88%, 09/01/2022 ^(d) | 1,885,000 | 1,987,084 |
| | | 5.35%, 03/01/2026 ^(d) 656,000 791,181 |
| Texas Instruments, Inc., 2.63%, 05/15/2024 | 210,000 | 224,397 |
| | | 14,029,732 |
| Soft Drinks-0.10% | | |
| PepsiCo, Inc., 3.00%, 08/25/2021 | 1,300,000 | 1,324,339 |
| Specialized REITs-0.17% | | |
| Crown Castle International Corp., 4.75%, 05/15/2047 | 46,000 | 59,104 |
| EPR Properties, 4.75%, 12/15/2026 | 1,556,000 | 1,573,750 |
| LifeStorage L.P., 3.50%, 07/01/2026 | 404,000 | 456,496 |
| | | 2,089,350 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

| | Principal Amount | Value |
|--|------------------|-------------|
| Specialty Chemicals-0.02% | | |
| Sherwin-Williams Co. (The), 4.50%, 06/01/2047 | \$ 156,000 | \$ 208,679 |
| Systems Software-0.37% | | |
| FireEye, Inc., Series B, Conv., 1.63%, 06/01/2022 ^(c) | 1,587,000 | 1,565,221 |
| Series A, Conv., 1.00%, 06/01/2025 ^(c) | 1,566,000 | 1,549,270 |
| Microsoft Corp., 3.50%, 02/12/2035 | 367,000 | 452,095 |
| Oracle Corp., 3.60%, 04/01/2040 | 965,000 | 1,131,573 |
| | | 4,698,159 |
| Technology Distributors-0.06% | | |
| Avnet, Inc., 4.63%, 04/15/2026 | 641,000 | 725,895 |
| Technology Hardware, Storage & Peripherals-0.28% | | |
| Apple, Inc., 2.15%, 02/09/2022 | 652,000 | 665,610 |
| 3.35%, 02/09/2027 | 305,000 | 348,093 |
| Dell International LLC/EMC Corp., 5.45%, 06/15/2023 ^(d) | 587,000 | 649,408 |
| 8.35%, 07/15/2046 ^(d) | 14,000 | 21,180 |
| Western Digital Corp., Conv., 1.50%, 02/01/2024 | 1,916,000 | 1,913,980 |
| | | 3,598,271 |
| Tobacco-0.26% | | |
| Altria Group, Inc., 5.80%, 02/14/2039 | 1,088,000 | 1,433,565 |
| Philip Morris International, Inc., 3.60%, 11/15/2023 | 369,000 | 402,181 |
| 4.88%, 11/15/2043 | 1,102,000 | 1,480,194 |
| | | 3,315,940 |
| Trading Companies & Distributors-0.10% | | |
| Air Lease Corp., 3.00%, 09/15/2023 | 63,000 | 66,296 |
| 4.25%, 09/15/2024 | 392,000 | 429,814 |
| Aircastle Ltd., 4.40%, 09/25/2023 | 761,000 | 806,750 |
| | | 1,302,860 |
| Trucking-0.14% | | |
| Aviation Capital Group LLC, 2.88%, 01/20/2022 ^(d) | 1,015,000 | 1,027,885 |
| 4.88%, 10/01/2025 ^(d) | 669,000 | 723,477 |
| | | 1,751,362 |
| Wireless Telecommunication Services-0.25% | | |
| America Movil S.A.B. de C.V. (Mexico), 4.38%, 07/16/2042 | 600,000 | 751,912 |
| Rogers Communications, Inc. (Canada), 4.50%, 03/15/2043 | 533,000 | 679,033 |
| 4.30%, 02/15/2048 | 1,379,000 | 1,764,833 |
| | | 3,195,778 |
| Total U.S. Dollar Denominated Bonds & Notes (Cost \$227,516,448) | | 264,857,571 |
| U.S. Treasury Securities-5.26% | | |
| U.S. Treasury Bills-0.00% | | |
| 0.11%, 02/04/2021 ^{(i)(j)} | 10,000 | 9,999 |

| | Principal Amount | Value |
|---|------------------|-----------------|
| U.S. Treasury Bonds-0.87% | | |
| 4.50%, 02/15/2036 | \$ 2,636,800 | \$ 3,866,929 |
| 4.50%, 08/15/2039 | 36,400 | 55,632 |
| 4.38%, 05/15/2040 | 72,800 | 110,357 |
| 1.38%, 08/15/2050 | 7,472,600 | 6,984,546 |
| | | 11,017,464 |
| U.S. Treasury Notes-4.39% | | |
| 0.13%, 11/30/2022 | 17,189,300 | 17,191,986 |
| 0.13%, 12/15/2023 | 15,880,500 | 15,861,270 |
| 0.38%, 11/30/2025 | 16,710,100 | 16,730,987 |
| 0.63%, 11/30/2027 | 3,189,800 | 3,188,305 |
| 0.88%, 11/15/2030 | 2,681,100 | 2,671,046 |
| | | 55,643,594 |
| Total U.S. Treasury Securities (Cost \$66,098,164) | | 66,671,057 |
| Preferred Stocks-0.58% | | |
| Asset Management & Custody Banks-0.17% | | |
| AMG Capital Trust II, 5.15%, Conv. Pfd. | 42,732 | 2,135,798 |
| Diversified Banks-0.02% | | |
| Wells Fargo & Co., 5.85%, Series Q, Pfd. ^(e) | 10,911 | 292,960 |
| Oil & Gas Storage & Transportation-0.39% | | |
| El Paso Energy Capital Trust I, 4.75%, Conv. Pfd. | 95,499 | 4,943,028 |
| Total Preferred Stocks (Cost \$5,854,432) | | 7,371,786 |
| U.S. Government Sponsored Agency Mortgage-Backed Securities-0.08% | | |
| Federal Home Loan Mortgage Corp. (FHLMC)-0.08% | | |
| 6.75%, 03/15/2031 | \$ 682,000 | 1,051,119 |
| 5.50%, 02/01/2037 | 8 | 9 |
| | | 1,051,128 |
| Federal National Mortgage Association (FNMA)-0.00% | | |
| 9.50%, 04/01/2030 | 630 | 706 |
| Total U.S. Government Sponsored Agency Mortgage-Backed Securities (Cost \$843,029) | | 1,051,834 |
| Money Market Funds-4.64% | | |
| Invesco Government & Agency Portfolio, Institutional Class, 0.03% ^{(k)(l)} | 22,007,337 | 22,007,337 |
| Invesco Liquid Assets Portfolio, Institutional Class, 0.08% ^{(k)(l)} | 11,692,344 | 11,695,851 |
| Invesco Treasury Portfolio, Institutional Class, 0.01% ^{(k)(l)} | 25,151,242 | 25,151,242 |
| Total Money Market Funds (Cost \$58,847,595) | | 58,854,430 |
| TOTAL INVESTMENTS IN SECURITIES-100.11% (Cost \$993,728,226) | | 1,268,900,833 |
| OTHER ASSETS LESS LIABILITIES-(0.11)% | | (1,419,641) |
| NET ASSETS-100.00% | | \$1,267,481,192 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Investment Abbreviations:

Conv. - Convertible
LIBOR - London Interbank Offered Rate
Pfd. - Preferred
REIT - Real Estate Investment Trust
USD - U.S. Dollar

Notes to Schedule of Investments:

- (a) Industry and/or sector classifications used in this report are generally according to the Global Industry Classification Standard, which was developed by and is the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.
- (b) Non-income producing security.
- (c) Security has an irrevocable call by the issuer or mandatory put by the holder. Maturity date reflects such call or put.
- (d) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at December 31, 2020 was \$56,869,271, which represented 4.49% of the Fund's Net Assets.
- (e) Security issued at a fixed rate for a specific period of time, after which it will convert to a variable rate.
- (f) Perpetual bond with no specified maturity date.
- (g) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on December 31, 2020.
- (h) Zero coupon bond issued at a discount.
- (i) All or a portion of the value was pledged as collateral to cover margin requirements for open futures contracts. See Note 1L.
- (j) Security traded on a discount basis. The interest rate shown represents the discount rate at the time of purchase by the Fund.
- (k) Affiliated issuer. The issuer and/or the Fund is a wholly-owned subsidiary of Invesco Ltd., or is affiliated by having an investment adviser that is under common control of Invesco Ltd. The table below shows the Fund's transactions in, and earnings from, its investments in affiliates for the fiscal year ended December 31, 2020.

| | Value December 31, 2019 | Purchases at Cost | Proceeds from Sales | Change in Unrealized Appreciation | Realized Gain (Loss) | Value December 31, 2020 | Dividend Income |
|--|----------------------------|----------------------|------------------------|---|----------------------------|----------------------------|------------------|
| Investments in Affiliated Money Market Funds: | | | | | | | |
| Invesco Government & Agency Portfolio, Institutional Class | \$19,017,510 | \$ 96,819,974 | \$ (93,830,147) | \$ - | \$ - | \$22,007,337 | \$ 70,460 |
| Invesco Liquid Assets Portfolio, Institutional Class | 13,563,951 | 69,157,124 | (71,030,065) | 4,528 | 313 | 11,695,851 | 69,114 |
| Invesco Treasury Portfolio, Institutional Class | 21,734,298 | 110,651,398 | (107,234,454) | - | - | 25,151,242 | 75,619 |
| Investments Purchased with Cash Collateral from Securities on Loan: | | | | | | | |
| Invesco Government & Agency Portfolio, Institutional Class | - | 10,778,973 | (10,778,973) | - | - | - | 1,310* |
| Invesco Liquid Assets Portfolio, Institutional Class | - | 3,141,262 | (3,139,648) | - | (1,614) | - | 865* |
| Invesco Private Government Fund | - | 5,048,621 | (5,048,621) | - | - | - | 35* |
| Invesco Private Prime Fund | - | 1,970,952 | (1,971,046) | - | 94 | - | 19* |
| Total | \$54,315,759 | \$297,568,304 | \$(293,032,954) | \$4,528 | \$(1,207) | \$58,854,430 | \$217,422 |

* Represents the income earned on the investment of cash collateral, which is included in securities lending income on the Statement of Operations. Does not include rebates and fees paid to lending agent or premiums received from borrowers, if any.

- (l) The rate shown is the 7-day SEC standardized yield as of December 31, 2020.

Open Futures Contracts

| Short Futures Contracts | Number of Contracts | Expiration Month | Notional Value | Value | Unrealized Appreciation (Depreciation) |
|----------------------------|------------------------|---------------------|-------------------|-----------|--|
| Interest Rate Risk | | | | | |
| U.S. Treasury 5 Year Notes | 10 | March-2021 | \$(1,261,641) | \$(2,989) | \$(2,989) |

Open Forward Foreign Currency Contracts

| Settlement Date | Counterparty | Contract to | | | | Unrealized Appreciation (Depreciation) |
|-----------------|-------------------------------|-------------|---------|---------|---------|--|
| | | Deliver | | Receive | | |
| Currency Risk | | | | | | |
| 01/15/2021 | State Street Bank & Trust Co. | CHF | 259,598 | USD | 293,667 | \$ 339 |
| 01/15/2021 | State Street Bank & Trust Co. | EUR | 206,737 | USD | 253,566 | 937 |
| 01/15/2021 | State Street Bank & Trust Co. | USD | 191,963 | CAD | 247,326 | 2,350 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Open Forward Foreign Currency Contracts—(continued)

| Settlement Date | Counterparty | Contract to | | | | Unrealized Appreciation (Depreciation) |
|--|-------------------------------|-------------|------------|---------|------------|--|
| | | Deliver | | Receive | | |
| 01/15/2021 | State Street Bank & Trust Co. | USD | 442,223 | CHF | 393,032 | \$ 1,876 |
| 01/15/2021 | State Street Bank & Trust Co. | USD | 310,836 | EUR | 255,075 | 862 |
| 01/15/2021 | State Street Bank & Trust Co. | USD | 1,654,715 | GBP | 1,230,080 | 27,589 |
| Subtotal-Appreciation | | | | | | 33,953 |
| Currency Risk | | | | | | |
| 01/15/2021 | Bank of New York Mellon (The) | CAD | 6,588,230 | USD | 5,172,269 | (3,806) |
| 01/15/2021 | Bank of New York Mellon (The) | EUR | 5,789,354 | USD | 7,040,978 | (33,512) |
| 01/15/2021 | Bank of New York Mellon (The) | GBP | 16,071,964 | USD | 21,522,979 | (457,654) |
| 01/15/2021 | State Street Bank & Trust Co. | CAD | 121,003 | USD | 94,983 | (84) |
| 01/15/2021 | State Street Bank & Trust Co. | CHF | 8,230,018 | USD | 9,290,116 | (9,222) |
| 01/15/2021 | State Street Bank & Trust Co. | EUR | 130,884 | USD | 159,550 | (388) |
| 01/15/2021 | State Street Bank & Trust Co. | GBP | 403,397 | USD | 543,312 | (8,389) |
| 01/15/2021 | State Street Bank & Trust Co. | USD | 174,603 | CAD | 222,174 | (51) |
| Subtotal-Depreciation | | | | | | (513,106) |
| Total Forward Foreign Currency Contracts | | | | | | \$(479,153) |

Abbreviations:

CAD - Canadian Dollar

CHF - Swiss Franc

EUR - Euro

GBP - British Pound Sterling

USD - U.S. Dollar

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Assets and Liabilities

December 31, 2020

Assets:

| | |
|---|-----------------|
| Investments in securities, at value (Cost \$934,880,631) | \$1,210,046,403 |
| Investments in affiliated money market funds, at value (Cost \$58,847,595) | 58,854,430 |
| Other investments: | |
| Unrealized appreciation on forward foreign currency contracts outstanding | 33,953 |
| Foreign currencies, at value (Cost \$783) | 793 |
| Receivable for: | |
| Investments sold | 2,660,730 |
| Fund shares sold | 13,338 |
| Dividends | 1,665,255 |
| Interest | 1,736,781 |
| Investment for trustee deferred compensation and retirement plans | 171,827 |
| Total assets | 1,275,183,510 |

Liabilities:

| | |
|--|-----------------|
| Other investments: | |
| Variation margin payable - futures contracts | 469 |
| Unrealized depreciation on forward foreign currency contracts outstanding | 513,106 |
| Payable for: | |
| Investments purchased | 5,116,721 |
| Fund shares reacquired | 457,771 |
| Amount due custodian | 643,460 |
| Accrued fees to affiliates | 685,739 |
| Accrued trustees' and officers' fees and benefits | 571 |
| Accrued other operating expenses | 93,975 |
| Trustee deferred compensation and retirement plans | 190,506 |
| Total liabilities | 7,702,318 |
| Net assets applicable to shares outstanding | \$1,267,481,192 |

Net assets consist of:

| | |
|-------------------------------|-----------------|
| Shares of beneficial interest | \$ 973,640,832 |
| Distributable earnings | 293,840,360 |
| | \$1,267,481,192 |

Net Assets:

| | |
|-----------|-----------------|
| Series I | \$ 43,098,779 |
| Series II | \$1,224,382,413 |

Shares outstanding, no par value, with an unlimited number of shares authorized:

| | |
|---------------------------|------------|
| Series I | 2,403,983 |
| Series II | 68,694,164 |
| Series I: | |
| Net asset value per share | \$ 17.93 |
| Series II: | |
| Net asset value per share | \$ 17.82 |

Statement of Operations

For the year ended December 31, 2020

Investment income:

| | |
|--|--------------|
| Dividends (net of foreign withholding taxes of \$200,707) | \$19,623,657 |
| Interest | 6,971,100 |
| Dividends from affiliated money market funds (includes securities lending income of \$64,619) | 279,812 |
| Total investment income | 26,874,569 |

Expenses:

| | |
|---|------------|
| Advisory fees | 4,292,612 |
| Administrative services fees | 1,835,917 |
| Custodian fees | 34,000 |
| Distribution fees - Series II | 2,691,046 |
| Transfer agent fees | 34,607 |
| Trustees' and officers' fees and benefits | 37,587 |
| Reports to shareholders | 17,908 |
| Professional services fees | 63,880 |
| Other | 9,963 |
| Total expenses | 9,017,520 |
| Less: Fees waived | (57,375) |
| Net expenses | 8,960,145 |
| Net investment income | 17,914,424 |

Realized and unrealized gain (loss) from:

| | |
|--|--------------|
| Net realized gain (loss) from: | |
| Unaffiliated investment securities | 11,762,128 |
| Affiliated investment securities | (1,207) |
| Foreign currencies | 450,690 |
| Forward foreign currency contracts | (2,855,287) |
| Futures contracts | (83,105) |
| | 9,273,219 |
| Change in net unrealized appreciation (depreciation) of: | |
| Unaffiliated investment securities | 66,429,215 |
| Affiliated investment securities | 4,528 |
| Foreign currencies | 5,349 |
| Forward foreign currency contracts | 687,602 |
| Futures contracts | (8,096) |
| | 67,118,598 |
| Net realized and unrealized gain | 76,391,817 |
| Net increase in net assets resulting from operations | \$94,306,241 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Statement of Changes in Net Assets

For the years ended December 31, 2020 and 2019

| | 2020 | 2019 |
|---|-----------------|-----------------|
| Operations: | | |
| Net investment income | \$ 17,914,424 | \$ 23,135,130 |
| Net realized gain | 9,273,219 | 83,910,028 |
| Change in net unrealized appreciation | 67,118,598 | 121,055,875 |
| Net increase in net assets resulting from operations | 94,306,241 | 228,101,033 |
| Distributions to shareholders from distributable earnings: | | |
| Series I | (2,664,901) | (4,953,688) |
| Series II | (74,585,577) | (114,458,310) |
| Total distributions from distributable earnings | (77,250,478) | (119,411,998) |
| Share transactions-net: | | |
| Series I | (8,088,300) | (131,330,818) |
| Series II | (27,486,339) | 100,806,762 |
| Net increase (decrease) in net assets resulting from share transactions | (35,574,639) | (30,524,056) |
| Net increase (decrease) in net assets | (18,518,876) | 78,164,979 |
| Net assets: | | |
| Beginning of year | 1,286,000,068 | 1,207,835,089 |
| End of year | \$1,267,481,192 | \$1,286,000,068 |

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Financial Highlights

The following schedule presents financial highlights for a share of the Fund outstanding throughout the periods indicated.

| | Net asset value, beginning of period | Net investment income ^(a) | Net gains (losses) on securities (both realized and unrealized) | Total from investment operations | Dividends from net investment income | Distributions from net realized gains | Total distributions | Net asset value, end of period | Total return ^(b) | Net assets, end of period (000's omitted) | Ratio of expenses to average net assets with fee waivers and/or expenses absorbed | Ratio of expenses to average net assets without fee waivers and/or expenses absorbed | Ratio of net investment income to average net assets | Portfolio turnover ^(c) |
|---------------------|--------------------------------------|--------------------------------------|---|----------------------------------|--------------------------------------|---------------------------------------|---------------------|--------------------------------|-----------------------------|---|---|--|--|-----------------------------------|
| Series I | | | | | | | | | | | | | | |
| Year ended 12/31/20 | \$17.52 | \$0.30 | \$ 1.30 | \$ 1.60 | \$(0.42) | \$(0.77) | \$(1.19) | \$17.93 | 9.95% | \$ 43,099 | 0.56% ^(d) | 0.57% ^(d) | 1.84% ^(d) | 96% |
| Year ended 12/31/19 | 16.12 | 0.36 | 2.82 | 3.18 | (0.47) | (1.31) | (1.78) | 17.52 | 20.37 | 50,731 | 0.54 | 0.55 | 2.02 | 150 |
| Year ended 12/31/18 | 19.04 | 0.35 | (2.00) | (1.65) | (0.43) | (0.84) | (1.27) | 16.12 | (9.50) | 165,924 | 0.54 | 0.55 | 1.91 | 150 |
| Year ended 12/31/17 | 17.76 | 0.35 ^(e) | 1.58 | 1.93 | (0.31) | (0.34) | (0.65) | 19.04 | 11.03 | 184,768 | 0.55 | 0.56 | 1.93 ^(e) | 119 |
| Year ended 12/31/16 | 16.23 | 0.29 | 2.10 | 2.39 | (0.32) | (0.54) | (0.86) | 17.76 | 15.12 | 157,774 | 0.60 | 0.61 | 1.78 | 101 |
| Series II | | | | | | | | | | | | | | |
| Year ended 12/31/20 | 17.42 | 0.26 | 1.28 | 1.54 | (0.37) | (0.77) | (1.14) | 17.82 | 9.65 | 1,224,382 | 0.81 ^(d) | 0.82 ^(d) | 1.59 ^(d) | 96 |
| Year ended 12/31/19 | 16.04 | 0.31 | 2.80 | 3.11 | (0.42) | (1.31) | (1.73) | 17.42 | 20.01 | 1,235,269 | 0.79 | 0.80 | 1.77 | 150 |
| Year ended 12/31/18 | 18.95 | 0.31 | (2.00) | (1.69) | (0.38) | (0.84) | (1.22) | 16.04 | (9.73) | 1,041,911 | 0.79 | 0.80 | 1.66 | 150 |
| Year ended 12/31/17 | 17.68 | 0.31 ^(e) | 1.57 | 1.88 | (0.27) | (0.34) | (0.61) | 18.95 | 10.78 | 1,385,490 | 0.80 | 0.81 | 1.68 ^(e) | 119 |
| Year ended 12/31/16 | 16.16 | 0.25 | 2.09 | 2.34 | (0.28) | (0.54) | (0.82) | 17.68 | 14.84 | 1,314,323 | 0.85 | 0.86 | 1.53 | 101 |

^(a) Calculated using average shares outstanding.

^(b) Includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions. Total returns are not annualized for periods less than one year, if applicable, and do not reflect charges assessed in connection with a variable product, which if included would reduce total returns.

^(c) Portfolio turnover is calculated at the fund level and is not annualized for periods less than one year, if applicable.

^(d) Ratios are based on average daily net assets (000's omitted) of \$42,899 and \$1,076,418 for Series I and Series II shares, respectively.

^(e) Net investment income per share and the ratio of net investment income to average net assets includes significant dividends received during the year ended December 31, 2017. Net investment income per share and the ratio of net investment income to average net assets excluding the significant dividends are \$0.30 and 1.64% and \$0.26 and 1.39% for Series I and Series II shares, respectively.

See accompanying Notes to Financial Statements which are an integral part of the financial statements.

Notes to Financial Statements

December 31, 2020

NOTE 1—Significant Accounting Policies

Invesco V.I. Equity and Income Fund (the “Fund”) is a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) (the “Trust”). The Trust is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end series management investment company. Information presented in these financial statements pertains only to the Fund. Matters affecting the Fund or each class will be voted on exclusively by the shareholders of the Fund or each class. Current Securities and Exchange Commission (“SEC”) guidance, however, requires participating insurance companies offering separate accounts to vote shares proportionally in accordance with the instructions of the contract owners whose investments are funded by shares of each Fund or class.

The Fund’s investment objectives are both capital appreciation and current income.

The Fund currently offers two classes of shares, Series I and Series II, both of which are offered to insurance company separate accounts funding variable annuity contracts and variable life insurance policies (“variable products”).

The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 946, *Financial Services – Investment Companies*.

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements.

A. Security Valuations – Securities, including restricted securities, are valued according to the following policy.

A security listed or traded on an exchange (except convertible securities) is valued at its last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded, or lacking any sales or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued by an independent pricing service they may be considered fair valued. Futures contracts are valued at the final settlement price set by an exchange on which they are principally traded. Listed options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Options not listed on an exchange are valued by an independent source at the mean between the last bid and asked prices. For purposes of determining net asset value (“NAV”) per share, futures and option contracts generally are valued 15 minutes after the close of the customary trading session of the New York Stock Exchange (“NYSE”).

Investments in open-end and closed-end registered investment companies that do not trade on an exchange are valued at the end-of-day net asset value per share. Investments in open-end and closed-end registered investment companies that trade on an exchange are valued at the last sales price or official closing price as of the close of the customary trading session on the exchange where the security is principally traded.

Debt obligations (including convertible securities) and unlisted equities are fair valued using an evaluated quote provided by an independent pricing service. Evaluated quotes provided by the pricing service may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to specific securities, dividend rate (for unlisted equities), yield (for debt obligations), quality, type of issue, coupon rate (for debt obligations), maturity (for debt obligations), individual trading characteristics and other market data. Pricing services generally value debt obligations assuming orderly transactions of institutional round lot size, but a fund may hold or transact in the same securities in smaller, odd lot sizes. Odd lots often trade at lower prices than institutional round lots. Debt obligations are subject to interest rate and credit risks. In addition, all debt obligations involve some risk of default with respect to interest and/or principal payments.

Foreign securities’ (including foreign exchange contracts) prices are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the NYSE. If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that the investment adviser determines are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities’ prices meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depositary Receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economic upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

Securities for which market prices are not provided by any of the above methods may be valued based upon quotes furnished by independent sources. The last bid price may be used to value equity securities. The mean between the last bid and asked prices is used to value debt obligations, including corporate loans.

Securities for which market quotations are not readily available or became unreliable are valued at fair value as determined in good faith by or under the supervision of the Trust’s officers following procedures approved by the Board of Trustees. Issuer specific events, market trends, bid/asked quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security’s fair value.

The Fund may invest in securities that are subject to interest rate risk, meaning the risk that the prices will generally fall as interest rates rise and, conversely, the prices will generally rise as interest rates fall. Specific securities differ in their sensitivity to changes in interest rates depending on their individual characteristics. Changes in interest rates may result in increased market volatility, which may affect the value and/or liquidity of certain Fund investments.

Valuations change in response to many factors including the historical and prospective earnings of the issuer, the value of the issuer’s assets, general market conditions which are not specifically related to the particular issuer, such as real or perceived adverse economic conditions, changes in the general outlook for revenues or corporate earnings, changes in interest or currency rates, regional or global instability, natural or environmental disasters, widespread disease or other public health issues, war, acts of terrorism or adverse investor sentiment generally and market liquidity. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

B. Securities Transactions and Investment Income – Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is recorded on an accrual basis from settlement date. Bond premiums and discounts are amortized and/or accreted over the lives of the respective securities. Pay-in-kind interest income and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

The Fund may periodically participate in litigation related to Fund investments. As such, the Fund may receive proceeds from litigation settlements. Any proceeds received are included in the Statement of Operations as realized gain (loss) for investments no longer held and as unrealized gain (loss) for investments still held.

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment

securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Fund's net asset value and, accordingly, they reduce the Fund's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and the Statement of Changes in Net Assets, or the net investment income per share and the ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Fund and the investment adviser.

The Fund allocates income and realized and unrealized capital gains and losses to a class based on the relative net assets of each class.

- C. Country Determination** – For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.

- D. Distributions** – Distributions from net investment income and net realized capital gain, if any, are generally declared and paid to separate accounts of participating insurance companies annually and recorded on the ex-dividend date.

- E. Federal Income Taxes** – The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), necessary to qualify as a regulated investment company and to distribute substantially all of the Fund's taxable earnings to shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained. Management has analyzed the Fund's uncertain tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

The Fund files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally, the Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.

- F. Expenses** – Fees provided for under the Rule 12b-1 plan of a particular class of the Fund and which are directly attributable to that class are charged to the operations of such class. All other expenses are allocated among the classes based on relative net assets.

- G. Accounting Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount. In addition, the Fund monitors for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.

- H. Indemnifications** – Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust is indemnified against certain liabilities that may arise out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts, including the Fund's servicing agreements, that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.

- I. Securities Lending** – The Fund may lend portfolio securities having a market value up to one-third of the Fund's total assets. Such loans are secured by collateral equal to no less than the market value of the loaned securities determined daily by the securities lending provider. Such collateral will be cash or debt securities issued or guaranteed by the U.S. Government or any of its sponsored agencies. Cash collateral received in connection with these loans is invested in short-term money market instruments or affiliated money market funds and is shown as such on the Schedule of Investments. The Fund bears the risk of loss with respect to the investment of collateral. It is the Fund's policy to obtain additional collateral from or return excess collateral to the borrower by the end of the next business day, following the valuation date of the securities loaned. Therefore, the value of the collateral held may be temporarily less than the value of the securities on loan. When loaning securities, the Fund retains certain benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security. Lending securities entails a risk of loss to the Fund if, and to the extent that, the market value of the securities loaned were to increase and the borrower did not increase the collateral accordingly, and the borrower failed to return the securities. The securities loaned are subject to termination at the option of the borrower or the Fund. Upon termination, the borrower will return to the Fund the securities loaned and the Fund will return the collateral. Upon the failure of the borrower to return the securities, collateral may be liquidated and the securities may be purchased on the open market to replace the loaned securities. The Fund could experience delays and costs in gaining access to the collateral and the securities may lose value during the delay which could result in potential losses to the Fund. Some of these losses may be indemnified by the lending agent. The Fund bears the risk of any deficiency in the amount of the collateral available for return to the borrower due to any loss on the collateral invested. Dividends received on cash collateral investments for securities lending transactions, which are net of compensation to counterparties, are included in *Dividends from affiliated money market funds* on the Statement of Operations. The aggregate value of securities out on loan, if any, is shown as a footnote on the Statement of Assets and Liabilities.

- J. Foreign Currency Translations** – Foreign currency is valued at the close of the NYSE based on quotations posted by banks and major currency dealers. Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of portfolio securities (net of foreign taxes withheld on disposition) and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not separately account for the portion of the results of operations resulting from changes in foreign exchange rates on investments and the fluctuations arising from changes in market prices of securities held. The combined results of changes in foreign exchange rates and the fluctuation of market prices on investments (net of estimated foreign tax withholding) are included with the net realized and unrealized gain or loss from investments in the Statement of Operations. Reported net realized foreign currency gains or losses arise from (1) sales of foreign currencies, (2) currency gains or losses realized between the trade and settlement dates on securities transactions, and (3) the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign currency gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

The Fund may invest in foreign securities, which may be subject to foreign taxes on income, gains on investments or currency repatriation, a portion of which may be recoverable. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests and are shown in the Statement of Operations.

- K. Forward Foreign Currency Contracts** – The Fund may engage in foreign currency transactions either on a spot (i.e. for prompt delivery and settlement) basis, or through forward foreign currency contracts, to manage or minimize currency or exchange rate risk.

The Fund may also enter into forward foreign currency contracts for the purchase or sale of a security denominated in a foreign currency in order to "lock in" the U.S. dollar price of that security, or the Fund may also enter into forward foreign currency contracts that do not provide for physical settlement of the two currencies, but instead are settled by a single cash payment calculated as the difference between the agreed upon exchange rate and the spot rate at settlement

based upon an agreed upon notional amount (non-deliverable forwards). The Fund will set aside liquid assets in an amount equal to the daily mark-to-market obligation for forward foreign currency contracts.

A forward foreign currency contract is an obligation between two parties ("Counterparties") to purchase or sell a specific currency for an agreed-upon price at a future date. The use of forward foreign currency contracts does not eliminate fluctuations in the price of the underlying securities the Fund owns or intends to acquire but establishes a rate of exchange in advance. Fluctuations in the value of these contracts are measured by the difference in the contract date and reporting date exchange rates and are recorded as unrealized appreciation (depreciation) until the contracts are closed. When the contracts are closed, realized gains (losses) are recorded. Realized and unrealized gains (losses) on the contracts are included in the Statement of Operations. The primary risks associated with forward foreign currency contracts include failure of the Counterparty to meet the terms of the contract and the value of the foreign currency changing unfavorably. These risks may be in excess of the amounts reflected in the Statement of Assets and Liabilities.

- L. Futures Contracts** – The Fund may enter into futures contracts to manage exposure to interest rate, equity and market price movements and/or currency risks. A futures contract is an agreement between Counterparties to purchase or sell a specified underlying security, currency or commodity (or delivery of a cash settlement price, in the case of an index future) for a fixed price at a future date. The Fund currently invests only in exchange-traded futures and they are standardized as to maturity date and underlying financial instrument. Initial margin deposits required upon entering into futures contracts are satisfied by the segregation of specific securities or cash as collateral at the futures commission merchant (broker). During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by recalculating the value of the contracts on a daily basis. Subsequent or variation margin payments are received or made depending upon whether unrealized gains or losses are incurred. These amounts are reflected as receivables or payables on the Statement of Assets and Liabilities. When the contracts are closed or expire, the Fund recognizes a realized gain or loss equal to the difference between the proceeds from, or cost of, the closing transaction and the Fund's basis in the contract. The net realized gain (loss) and the change in unrealized gain (loss) on futures contracts held during the period is included on the Statement of Operations. The primary risks associated with futures contracts are market risk and the absence of a liquid secondary market. If the Fund were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Fund would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. Futures contracts have minimal Counterparty risk since the exchange's clearinghouse, as Counterparty to all exchange-traded futures, guarantees the futures against default. Risks may exceed amounts recognized in the Statement of Assets and Liabilities.

Active trading of portfolio securities may result in added expenses, a lower return and increased tax liability.

- M. Leverage Risk** – Leverage exists when the Fund can lose more than it originally invests because it purchases or sells an instrument or enters into a transaction without investing an amount equal to the full economic exposure of the instrument or transaction.

- N. Collateral** – To the extent the Fund has designated or segregated a security as collateral and that security is subsequently sold, it is the Fund's practice to replace such collateral no later than the next business day. This practice does not apply to securities pledged as collateral for securities lending transactions.

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

The Trust has entered into a master investment advisory agreement with Invesco Advisers, Inc. (the "Adviser" or "Invesco"). Under the terms of the investment advisory agreement, the Fund accrues daily and pays monthly an advisory fee to the Adviser based on the annual rate of the Fund's average daily net assets as follows:

| Average Daily Net Assets | Rate |
|--------------------------|--------|
| First \$150 million | 0.500% |
| Next \$100 million | 0.450% |
| Next \$100 million | 0.400% |
| Over \$350 million | 0.350% |

For the year ended December 31, 2020, the effective advisory fee rate incurred by the Fund was 0.38%.

Under the terms of a master sub-advisory agreement between the Adviser and each of Invesco Asset Management Deutschland GmbH, Invesco Asset Management Limited, Invesco Asset Management (Japan) Limited, Invesco Hong Kong Limited, Invesco Senior Secured Management, Inc. and Invesco Canada Ltd. and separate sub-advisory agreements with Invesco Capital Management LLC and Invesco Asset Management (India) Private Limited (collectively, the "Affiliated Sub-Advisers") the Adviser, not the Fund, will pay 40% of the fees paid to the Adviser to any such Affiliated Sub-Adviser(s) that provide(s) discretionary investment management services to the Fund based on the percentage of assets allocated to such Affiliated Sub-Adviser(s).

The Adviser has contractually agreed, through at least June 30, 2021, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement (excluding certain items discussed below) of Series I shares to 1.50% and Series II shares to 1.75% of the Fund's average daily net assets (the "expense limits"). In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. Unless Invesco continues the fee waiver agreement, it will terminate on June 30, 2021. During its term, the fee waiver agreement cannot be terminated or amended to increase the expense limits or reduce the advisory fee waiver without approval of the Board of Trustees. The Adviser did not waive fees and/or reimburse expenses during the period under these expense limits.

Further, the Adviser has contractually agreed, through at least June 30, 2022, to waive the advisory fee payable by the Fund in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Fund of uninvested cash in such affiliated money market funds.

For the year ended December 31, 2020, the Adviser waived advisory fees of \$57,375.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Fund has agreed to pay Invesco a fee for costs incurred in providing accounting services and fund administrative services to the Fund and to reimburse Invesco for fees paid to insurance companies that have agreed to provide certain administrative services to the Fund. These administrative services provided by the insurance companies may include, among other things: maintenance of master accounts with the Fund; tracking, recording and transmitting net purchase and redemption orders for Fund shares; maintaining and preserving records related to the purchase, redemption and other account activity of variable product owners; distributing copies of Fund documents such as prospectuses, proxy materials and periodic reports, to variable product owners, and responding to inquiries from variable product owners about the Fund. Pursuant to such agreement, for the year ended December 31, 2020, Invesco was paid \$158,403 for accounting and fund administrative services and was reimbursed \$1,677,514 for fees paid to insurance companies. Invesco has entered into a sub-administration agreement whereby State Street Bank and Trust Company ("SSB") serves as fund accountant and provides certain administrative services to the Fund. Pursuant to a custody agreement with the Trust on behalf of the Fund, SSB also serves as the Fund's custodian.

The Trust has entered into a transfer agency and service agreement with Invesco Investment Services, Inc. ("IIS") pursuant to which the Fund has agreed to pay IIS a fee for providing transfer agency and shareholder services to the Fund and reimburse IIS for certain expenses incurred by IIS in the course of providing such services. For the year ended December 31, 2020, expenses incurred under the agreement are shown in the Statement of Operations as *Transfer agent fees*.

The Trust has entered into a master distribution agreement with Invesco Distributors, Inc. ("IDI") to serve as the distributor for the Fund. The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Series II shares (the "Plan"). The Fund, pursuant to the Plan, pays IDI compensation at the

annual rate of 0.25% of the Fund's average daily net assets of Series II shares. The fees are accrued daily and paid monthly. Of the Plan payments, up to 0.25% of the average daily net assets of the Series II shares may be paid to insurance companies who furnish continuing personal shareholder services to customers who purchase and own Series II shares of the Fund. For the year ended December 31, 2020, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

For the year ended December 31, 2020, the Fund incurred \$2,204 in brokerage commissions with Invesco Capital Markets, Inc., an affiliate of the Adviser and IDI, for portfolio transactions executed on behalf of the Fund.

Certain officers and trustees of the Trust are officers and directors of the Adviser, IIS and/or IDI.

NOTE 3—Additional Valuation Information

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions. GAAP establishes a hierarchy that prioritizes the inputs to valuation methods, giving the highest priority to readily available unadjusted quoted prices in an active market for identical assets (Level 1) and the lowest priority to significant unobservable inputs (Level 3), generally when market prices are not readily available or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

Level 1 - Prices are determined using quoted prices in an active market for identical assets.

Level 2 - Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

Level 3 - Prices are determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Fund's own assumptions about the factors market participants would use in determining fair value of the securities or instruments and would be based on the best available information.

The following is a summary of the tiered valuation input levels, as of December 31, 2020. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

| | Level 1 | Level 2 | Level 3 | Total |
|---|----------------------|----------------------|------------|------------------------|
| Investments in Securities | | | | |
| Common Stocks & Other Equity Interests | \$821,156,428 | \$ 48,937,727 | \$- | \$ 870,094,155 |
| U.S. Dollar Denominated Bonds & Notes | - | 264,857,571 | - | 264,857,571 |
| U.S. Treasury Securities | - | 66,671,057 | - | 66,671,057 |
| Preferred Stocks | 7,371,786 | - | - | 7,371,786 |
| U.S. Government Sponsored Agency Mortgage-Backed Securities | - | 1,051,834 | - | 1,051,834 |
| Money Market Funds | 58,854,430 | - | - | 58,854,430 |
| Total Investments in Securities | 887,382,644 | 381,518,189 | - | 1,268,900,833 |
| Other Investments - Assets* | | | | |
| Forward Foreign Currency Contracts | - | 33,953 | - | 33,953 |
| Other Investments - Liabilities* | | | | |
| Futures Contracts | (2,989) | - | - | (2,989) |
| Forward Foreign Currency Contracts | - | (513,106) | - | (513,106) |
| | (2,989) | (513,106) | - | (516,095) |
| Total Other Investments | (2,989) | (479,153) | - | (482,142) |
| Total Investments | \$887,379,655 | \$381,039,036 | \$- | \$1,268,418,691 |

* Unrealized appreciation (depreciation).

NOTE 4—Derivative Investments

The Fund may enter into an International Swaps and Derivatives Association Master Agreement ("ISDA Master Agreement") under which a fund may trade OTC derivatives. An OTC transaction entered into under an ISDA Master Agreement typically involves a collateral posting arrangement, payment netting provisions and close-out netting provisions. These netting provisions allow for reduction of credit risk through netting of contractual obligations. The enforceability of the netting provisions of the ISDA Master Agreement depends on the governing law of the ISDA Master Agreement, among other factors.

For financial reporting purposes, the Fund does not offset OTC derivative assets or liabilities that are subject to ISDA Master Agreements in the Statement of Assets and Liabilities.

Value of Derivative Investments at Period-End

The table below summarizes the value of the Fund's derivative investments, detailed by primary risk exposure, held as of December 31, 2020:

| Derivative Assets | Value | | |
|---|------------------|--------------------|------------------|
| | Currency Risk | Interest Rate Risk | Total |
| Unrealized appreciation on forward foreign currency contracts outstanding | \$ 33,953 | \$ - | \$ 33,953 |
| Derivatives not subject to master netting agreements | - | - | - |
| Total Derivative Assets subject to master netting agreements | \$ 33,953 | \$ - | \$ 33,953 |

| | Value | | |
|---|---------------|--------------------|-------------|
| | Currency Risk | Interest Rate Risk | Total |
| Derivative Liabilities | | | |
| Unrealized depreciation on futures contracts – Exchange-Traded ^(a) | \$ - | \$(2,989) | \$ (2,989) |
| Unrealized depreciation on forward foreign currency contracts outstanding | (513,106) | - | (513,106) |
| Total Derivative Liabilities | (513,106) | (2,989) | (516,095) |
| Derivatives not subject to master netting agreements | - | 2,989 | 2,989 |
| Total Derivative Liabilities subject to master netting agreements | \$(513,106) | \$ - | \$(513,106) |

^(a) The daily variation margin receivable (payable) at period-end is recorded in the Statement of Assets and Liabilities.

Offsetting Assets and Liabilities

The table below reflects the Fund's exposure to Counterparties subject to either an ISDA Master Agreement or other agreement for OTC derivative transactions as of December 31, 2020.

| Counterparty | Financial Derivative Assets | Financial Derivative Liabilities | Net Value of Derivatives | Collateral (Received)/Pledged | | Net Amount |
|-------------------------------|------------------------------------|------------------------------------|--------------------------|-------------------------------|------|-------------|
| | Forward Foreign Currency Contracts | Forward Foreign Currency Contracts | | Non-Cash | Cash | |
| Bank of New York Mellon (The) | \$ - | \$(494,972) | \$(494,972) | \$- | \$- | \$(494,972) |
| State Street Bank & Trust Co. | 33,953 | (18,134) | 15,819 | - | - | 15,819 |
| Total | \$33,953 | \$(513,106) | \$(479,153) | \$- | \$- | \$(479,153) |

Effect of Derivative Investments for the year ended December 31, 2020

The table below summarizes the gains (losses) on derivative investments, detailed by primary risk exposure, recognized in earnings during the period:

| | Location of Gain (Loss) on Statement of Operations | | |
|---|--|--------------------|---------------|
| | Currency Risk | Interest Rate Risk | Total |
| Realized Gain (Loss): | | | |
| Forward foreign currency contracts | \$(2,855,287) | \$ - | \$(2,855,287) |
| Futures contracts | - | (83,105) | (83,105) |
| Change in Net Unrealized Appreciation (Depreciation): | | | |
| Forward foreign currency contracts | 687,602 | - | 687,602 |
| Futures contracts | - | (8,096) | (8,096) |
| Total | \$(2,167,685) | \$(91,201) | \$(2,258,886) |

The table below summarizes the average notional value of derivatives held during the period.

| | Forward Foreign Currency Contracts | Futures Contracts |
|------------------------|------------------------------------|-------------------|
| Average notional value | \$60,144,965 | \$1,478,947 |

NOTE 5–Trustees' and Officers' Fees and Benefits

Trustees' and Officers' Fees and Benefits include amounts accrued by the Fund to pay remuneration to certain Trustees and Officers of the Fund. Trustees have the option to defer compensation payable by the Fund, and *Trustees' and Officers' Fees and Benefits* also include amounts accrued by the Fund to fund such deferred compensation amounts. Those Trustees who defer compensation have the option to select various Invesco Funds in which their deferral accounts shall be deemed to be invested. Finally, certain current Trustees were eligible to participate in a retirement plan that provided for benefits to be paid upon retirement to Trustees over a period of time based on the number of years of service. The Fund may have certain former Trustees who also participate in a retirement plan and receive benefits under such plan. *Trustees' and Officers' Fees and Benefits* include amounts accrued by the Fund to fund such retirement benefits. Obligations under the deferred compensation and retirement plans represent unsecured claims against the general assets of the Fund.

NOTE 6–Cash Balances

The Fund is permitted to temporarily carry a negative or overdrawn balance in its account with SSB, the custodian bank. Such balances, if any at period-end, are shown in the Statement of Assets and Liabilities under the payable caption Amount due custodian. To compensate the custodian bank for such overdrafts, the overdrawn Fund may either (1) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (2) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco, not to exceed the contractually agreed upon rate. The Fund may not purchase additional securities when any borrowings from banks or broker-dealers exceed 5% of the Fund's total assets, or when any borrowings from an Invesco Fund are outstanding.

NOTE 7—Distributions to Shareholders and Tax Components of Net Assets**Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended December 31, 2020 and 2019:**

| | 2020 | 2019 |
|------------------------|--------------|---------------|
| Ordinary income* | \$29,918,266 | \$ 29,108,510 |
| Long-term capital gain | 47,332,212 | 90,303,488 |
| Total distributions | \$77,250,478 | \$119,411,998 |

* Includes short-term capital gain distributions, if any.

Tax Components of Net Assets at Period-End:

| | 2020 |
|--|-----------------|
| Undistributed ordinary income | \$ 34,735,702 |
| Net unrealized appreciation – investments | 259,220,044 |
| Net unrealized appreciation – foreign currencies | 18,058 |
| Temporary book/tax differences | (133,444) |
| Shares of beneficial interest | 973,640,832 |
| Total net assets | \$1,267,481,192 |

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is due to differences in the timing of recognition of gains and losses on investments for tax and book purposes. The Fund's net unrealized appreciation (depreciation) difference is attributable primarily to wash sales, the tax treatment of equity securities, grantor trusts, forward foreign currency contracts and contingent payment debt instruments.

The temporary book/tax differences are a result of timing differences between book and tax recognition of income and/or expenses. The Fund's temporary book/tax differences are the result of the trustee deferral of compensation and retirement plan benefits.

Capital loss carryforward is calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryforward actually available for the Fund to utilize. The ability to utilize capital loss carryforward in the future may be limited under the Internal Revenue Code and related regulations based on the results of future transactions.

The Fund does not have a capital loss carryforward as of December 31, 2020.

NOTE 8—Investment Transactions

The aggregate amount of investment securities (other than short-term securities, U.S. Treasury obligations and money market funds, if any) purchased and sold by the Fund during the year ended December 31, 2020 was \$351,012,113 and \$350,640,945, respectively. During the same period, purchases and sales of U.S. Treasury obligations were \$671,100,801 and \$766,531,118, respectively. Cost of investments, including any derivatives, on a tax basis includes the adjustments for financial reporting purposes as of the most recently completed federal income tax reporting period-end.

Unrealized Appreciation (Depreciation) of Investments on a Tax Basis

| | |
|--|---------------|
| Aggregate unrealized appreciation of investments | \$276,446,456 |
| Aggregate unrealized (depreciation) of investments | (17,226,412) |
| Net unrealized appreciation of investments | \$259,220,044 |

Cost of investments for tax purposes is \$1,009,198,647.

NOTE 9—Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of contingent payment debt instruments, grantor trusts and foreign currency transactions, on December 31, 2020, undistributed net investment income was increased by \$3,038,852, undistributed net realized gain was decreased by \$3,128,315 and shares of beneficial interest was increased by \$89,463. This reclassification had no effect on the net assets of the Fund.

NOTE 10—Share Information**Summary of Share Activity**

| | Year ended December 31, 2020 ^(a) | | Year ended December 31, 2019 | |
|---|--|--------------|---------------------------------|--------------|
| | Shares | Amount | Shares | Amount |
| Sold: | | | | |
| Series I | 192,505 | \$ 3,212,832 | 400,977 | \$ 7,034,559 |
| Series II | 8,497,726 | 137,573,138 | 10,719,286 | 190,855,182 |
| Issued as reinvestment of dividends: | | | | |
| Series I | 166,556 | 2,664,901 | 298,775 | 4,953,688 |
| Series II | 4,685,024 | 74,585,577 | 6,936,867 | 114,458,310 |

Summary of Share Activity

| | Year ended December 31, 2020 ^(a) | | Year ended December 31, 2019 | |
|---|--|-----------------|---------------------------------|-----------------|
| | Shares | Amount | Shares | Amount |
| Reacquired: | | | | |
| Series I | (851,279) | \$ (13,966,033) | (8,098,584) | \$(143,319,065) |
| Series II | (15,407,946) | (239,645,054) | (11,706,489) | (204,506,730) |
| Net increase (decrease) in share activity | (2,717,414) | \$ (35,574,639) | (1,449,168) | \$ (30,524,056) |

^(a) There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 74% of the outstanding shares of the Fund. The Fund and the Fund's principal underwriter or adviser, are parties to participation agreements with these entities whereby these entities sell units of interest in separate accounts funding variable products that are invested in the Fund. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as, securities brokerage, third party record keeping and account servicing and administrative services. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

NOTE 11—Coronavirus (COVID-19) Pandemic

During the first quarter of 2020, the World Health Organization declared COVID-19 to be a public health emergency. COVID-19 has led to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets in general. COVID-19 may adversely impact the Fund's ability to achieve its investment objective. Because of the uncertainties on valuation, the global economy and business operations, values reflected in these financial statements may materially differ from the value received upon actual sales of those investments.

The extent of the impact on the performance of the Fund and its investments will depend on future developments, including the duration and spread of the COVID-19 outbreak, related restrictions and advisories, and the effects on the financial markets and economy overall, all of which are highly uncertain and cannot be predicted.

NOTE 12—Subsequent Event

The Board of Trustees of the Fund unanimously approved an Agreement and Plan of Reorganization (the "Agreement") pursuant to which the Fund would acquire all of the assets and liabilities of Invesco V.I. Managed Volatility Fund (the "Target Fund") in exchange for shares of the Fund.

The Agreement requires approval of the Target Fund's shareholders and will be submitted to the Target Fund shareholders for their consideration at a meeting to be held in or around April 2021. The reorganization is expected to be consummated shortly thereafter. Upon closing of the reorganization, shareholders of the Target Fund will receive shares of the Fund in exchange for their shares of the Target Fund, and the Target Fund will liquidate and cease operations.

Report of Independent Registered Public Accounting Firm

To the Board of Trustees of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) and Shareholders of Invesco V.I. Equity and Income Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Invesco V.I. Equity and Income Fund (one of the funds constituting AIM Variable Insurance Funds (Invesco Variable Insurance Funds), referred to hereafter as the "Fund") as of December 31, 2020, the related statement of operations for the year ended December 31, 2020, the statement of changes in net assets for each of the two years in the period ended December 31, 2020, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2020 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2020, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2020 and the financial highlights for each of the five years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements 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 Fund 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 of these financial statements 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 are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. 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. Our procedures included confirmation of securities owned as of December 31, 2020 by correspondence with the custodian, transfer agent 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.

/s/PricewaterhouseCoopers LLP

Houston, Texas
February 16, 2021

We have served as the auditor of one or more investment companies in the Invesco group of investment companies since at least 1995. We have not been able to determine the specific year we began serving as auditor.

Calculating your ongoing Fund expenses

Example

As a shareholder of the Fund, you incur ongoing costs, including management fees; distribution and/or service fees (12b-1); and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with 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 entire period July 1, 2020 through December 31, 2020.

The actual and hypothetical expenses in the examples below do not represent the effect of any fees or other expenses assessed in connection with a variable product; if they did, the expenses shown would be higher while the ending account values shown would be lower.

Actual expenses

The table below provides information about actual account values and actual expenses. You may use the information in this table, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled “Actual Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Hypothetical example for comparison purposes

The table below also provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return.

The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% 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. Therefore, the hypothetical information is useful in comparing ongoing costs, and will not help you determine the relative total costs of owning different funds.

| | Beginning Account Value (07/01/20) | ACTUAL | | HYPOTHETICAL (5% annual return before expenses) | | Annualized Expense Ratio |
|-----------|--|--|--|---|--|--------------------------------|
| | | Ending Account Value (12/31/20) ¹ | Expenses Paid During Period ² | Ending Account Value (12/31/20) | Expenses Paid During Period ² | |
| Series I | \$1,000.00 | \$1,211.50 | \$3.11 | \$1,022.32 | \$2.85 | 0.56% |
| Series II | 1,000.00 | 1,209.70 | 4.50 | 1,021.06 | 4.12 | 0.81 |

¹ The actual ending account value is based on the actual total return of the Fund for the period July 1, 2020 through December 31, 2020, after actual expenses and will differ from the hypothetical ending account value which is based on the Fund’s expense ratio and a hypothetical annual return of 5% before expenses.

² Expenses are equal to the Fund’s annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 184/366 to reflect the most recent fiscal half year.

Tax Information

Form 1099-DIV, Form 1042-S and other year-end tax information provide shareholders with actual calendar year amounts that should be included in their tax returns. Shareholders should consult their tax advisors.

The following distribution information is being provided as required by the Internal Revenue Code or to meet a specific state's requirement.

The Fund designates the following amounts or, if subsequently determined to be different, the maximum amount allowable for its fiscal year ended December 31, 2020:

Federal and State Income Tax

| | |
|---|--------------|
| Long-Term Capital Gain Distributions | \$47,332,212 |
| Corporate Dividends Received Deduction* | 53.94% |
| U.S. Treasury Obligations* | 9.46% |
| Business Interest Income* | 16.94% |

* The above percentages are based on ordinary income dividends paid to shareholders during the Fund's fiscal year.

Trustees and Officers

The address of each trustee and officer is AIM Variable Insurance Funds (Invesco Variable Insurance Funds) (the “Trust”), 11 Greenway Plaza, Suite 1000, Houston, Texas 77046-1173. The trustees serve for the life of the Trust, subject to their earlier death, incapacitation, resignation, retirement or removal as more specifically provided in the Trust’s organizational documents. Each officer serves for a one year term or until their successors are elected and qualified. Column two below includes length of time served with predecessor entities, if any.

| Name , Year of Birth and Position(s) Held with the Trust | Trustee and/or Officer Since | Principal Occupation(s) During Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorship(s) Held by Trustee During Past 5 Years |
|--|------------------------------|--|---|---|
| Interested Trustee | | | | |
| Martin L. Flanagan ¹ – 1960 Trustee and Vice Chair | 2007 | Executive Director, Chief Executive Officer and President, Invesco Ltd. (ultimate parent of Invesco and a global investment management firm); Trustee and Vice Chair, The Invesco Funds; Vice Chair, Investment Company Institute; and Member of Executive Board, SMU Cox School of Business Formerly: Advisor to the Board, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.); Chairman and Chief Executive Officer, Invesco Advisers, Inc. (registered investment adviser); Director, Chairman, Chief Executive Officer and President, Invesco Holding Company (US), Inc. (formerly IVZ Inc.) (holding company), Invesco Group Services, Inc. (service provider) and Invesco North American Holdings, Inc. (holding company); Director, Chief Executive Officer and President, Invesco Holding Company Limited (parent of Invesco and a global investment management firm); Director, Invesco Ltd.; Chairman, Investment Company Institute and President, Co-Chief Executive Officer, Co-President, Chief Operating Officer and Chief Financial Officer, Franklin Resources, Inc. (global investment management organization) | 197 | None |

¹ Mr. Flanagan is considered an interested person (within the meaning of Section 2(a)(19) of the 1940 Act) of the Trust because he is an officer of the Adviser to the Trust, and an officer and a director of Invesco Ltd., ultimate parent of the Adviser.

Trustees and Officers--(continued)

| Name, Year of Birth and Position(s) Held with the Trust | Trustee and/or Officer Since | Principal Occupation(s) During Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorship(s) Held by Trustee During Past 5 Years |
|---|------------------------------|---|---|--|
| Independent Trustees | | | | |
| Christopher L. Wilson - 1967 Trustee and Chair | 2017 | Retired Formerly: Director, TD Asset Management USA Inc. (mutual fund complex) (22 portfolios); Managing Partner, CT2, LLC (investing and consulting firm); President/Chief Executive Officer, Columbia Funds, Bank of America Corporation; President/Chief Executive Officer, CDC IXIS Asset Management Services, Inc.; Principal & Director of Operations, Scudder Funds, Scudder, Stevens & Clark, Inc.; Assistant Vice President, Fidelity Investments | 197 | enable, Inc. (artificial intelligence technology); ISO New England, Inc. (non-profit organization managing regional electricity market) |
| Beth Ann Brown - 1968 Trustee | 2019 | Independent Consultant Formerly: Head of Intermediary Distribution, Managing Director, Strategic Relations, Managing Director, Head of National Accounts, Senior Vice President, National Account Manager and Senior Vice President, Key Account Manager, Columbia Management Investment Advisers LLC; Vice President, Key Account Manager, Liberty Funds Distributor, Inc.; and Trustee of certain Oppenheimer Funds | 197 | Director, Board of Directors of Caron Engineering Inc.; Advisor, Board of Advisors of Caron Engineering Inc.; President and Director, Acton Shapleigh Youth Conservation Corps (non-profit); and Vice President and Director of Grahamstastic Connection (non-profit) |
| Jack M. Fields - 1952 Trustee | 1997 | Chief Executive Officer, Twenty First Century Group, Inc. (government affairs company); and Board Member, Impact(Ed) (non-profit) Formerly: Owner and Chief Executive Officer, Dos Angeles Ranch L.P. (cattle, hunting, corporate entertainment); Director, Insperity, Inc. (formerly known as Administaff) (human resources provider); Chief Executive Officer, Texana Timber LP (sustainable forestry company); Director of Cross Timbers Quail Research Ranch (non-profit); and member of the U.S. House of Representatives | 197 | Member, Board of Directors of Baylor College of Medicine |
| Cynthia Hostetler - 1962 Trustee | 2017 | Non-Executive Director and Trustee of a number of public and private business corporations Formerly: Director, Aberdeen Investment Funds (4 portfolios); Artio Global Investment LLC (mutual fund complex); Edgen Group, Inc. (specialized energy and infrastructure products distributor); Head of Investment Funds and Private Equity, Overseas Private Investment Corporation; President, First Manhattan Bancorporation, Inc.; Attorney, Simpson Thacher & Bartlett LLP | 197 | Resideo Technologies, Inc. (Technology); Vulcan Materials Company (construction materials company); Trilinc Global Impact Fund; Genesee & Wyoming, Inc. (railroads); Investment Company Institute (professional organization); Independent Directors Council (professional organization) |
| Eli Jones - 1961 Trustee | 2016 | Professor and Dean, Mays Business School - Texas A&M University Formerly: Professor and Dean, Walton College of Business, University of Arkansas and E.J. Ourso College of Business, Louisiana State University; Director, Arvest Bank | 197 | Insperity, Inc. (formerly known as Administaff) (human resources provider) |

Trustees and Officers--(continued)

| Name , Year of Birth and Position(s) Held with the Trust | Trustee and/or Officer Since | Principal Occupation(s) During Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorship(s) Held by Trustee During Past 5 Years |
|--|------------------------------|--|---|---|
| Independent Trustees--(continued) | | | | |
| Elizabeth Krentzman - 1959 Trustee | 2019 | Formerly: Principal and Chief Regulatory Advisor for Asset Management Services and U.S. Mutual Fund Leader of Deloitte & Touche LLP; General Counsel of the Investment Company Institute (trade association); National Director of the Investment Management Regulatory Consulting Practice, Principal, Director and Senior Manager of Deloitte & Touche LLP; Assistant Director of the Division of Investment Management - Office of Disclosure and Investment Adviser Regulation of the U.S. Securities and Exchange Commission and various positions with the Division of Investment Management - Office of Regulatory Policy of the U.S. Securities and Exchange Commission; Associate at Ropes & Gray LLP; Advisory Board Member of the Securities and Exchange Commission Historical Society; and Trustee of certain Oppenheimer Funds | 197 | Trustee of the University of Florida National Board Foundation and Audit Committee Member; Member of the Cartica Funds Board of Directors (private investment funds); Member of the University of Florida Law Center Association, Inc. Board of Trustees and Audit Committee Member |
| Anthony J. LaCava, Jr. - 1956 Trustee | 2019 | Formerly: Director and Member of the Audit Committee, Blue Hills Bank (publicly traded financial institution) and Managing Partner, KPMG LLP | 197 | Blue Hills Bank; Chairman, Bentley University; Member, Business School Advisory Council; and Nominating Committee KPMG LLP |
| Prema Mathai-Davis - 1950 Trustee | 1998 | Retired Formerly: Co-Founder & Partner of Quantalytics Research, LLC, (a FinTech Investment Research Platform for the Self-Directed Investor); Trustee of YWCA Retirement Fund; CEO of YWCA of the USA; Board member of the NY Metropolitan Transportation Authority; Commissioner of the NYC Department of Aging; Board member of Johns Hopkins Bioethics Institute | 197 | None |
| Joel W. Motley - 1952 Trustee | 2019 | Director of Office of Finance, Federal Home Loan Bank System; Managing Director of Carmona Motley Inc. (privately held financial advisor); Member of the Council on Foreign Relations and its Finance and Budget Committee; Chairman Emeritus of Board of Human Rights Watch and Member of its Investment Committee; and Member of Investment Committee and Board of Historic Hudson Valley (non-profit cultural organization) Formerly: Managing Director of Public Capital Advisors, LLC (privately held financial advisor); Managing Director of Carmona Motley Hoffman, Inc. (privately held financial advisor); Trustee of certain Oppenheimer Funds; and Director of Columbia Equity Financial Corp. (privately held financial advisor); and Member of the Vestry of Trinity Church Wall Street | 197 | Member of Board of Greenwall Foundation (bioethics research foundation) and its Investment Committee; Member of Board of Friends of the LRC (non-profit legal advocacy); Board Member and Investment Committee Member of Pulitzer Center for Crisis Reporting (non-profit journalism) |
| Teresa M. Ressel - 1962 Trustee | 2017 | Non-executive director and trustee of a number of public and private business corporations Formerly: Chief Executive Officer, UBS Securities LLC (investment banking); Chief Operating Officer, UBS AG Americas (investment banking); Sr. Management Team Olayan America, The Olayan Group (international investor/commercial/industrial); Assistant Secretary for Management & Budget and Designated Chief Financial Officer, U.S. Department of Treasury | 197 | Elucida Oncology (nanotechnology & medical particles company); Atlantic Power Corporation (power generation company); ON Semiconductor Corporation (semiconductor manufacturing) |

Trustees and Officers--(continued)

| Name, Year of Birth and Position(s) Held with the Trust | Trustee and/or Officer Since | Principal Occupation(s) During Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorship(s) Held by Trustee During Past 5 Years |
|---|------------------------------|--|---|---|
| Independent Trustees--(continued) | | | | |
| Ann Barnett Stern - 1957 Trustee | 2017 | President and Chief Executive Officer, Houston Endowment Inc. (private philanthropic institution) Formerly: Executive Vice President and General Counsel, Texas Children's Hospital; Attorney, Beck, Redden and Secrest, LLP; Business Law Instructor, University of St. Thomas; Attorney, Andrews & Kurth LLP and Federal Reserve Bank of Dallas | 197 | None |
| Robert C. Troccoli - 1949 Trustee | 2016 | Retired Formerly: Adjunct Professor, University of Denver - Daniels College of Business; and Managing Partner, KPMG LLP | 197 | None |
| Daniel S. Vandivort - 1954 Trustee | 2019 | Trustee, Board of Trustees, Huntington Disease Foundation of America; and President, Flyway Advisory Services LLC (consulting and property management) Formerly: Trustee and Governance Chair, of certain Oppenheimer Funds; and Treasurer, Chairman of the Audit and Finance Committee, Huntington Disease Foundation of America | 197 | None |
| James D. Vaughn - 1945 Trustee | 2019 | Retired Formerly: Managing Partner, Deloitte & Touche LLP; Trustee and Chairman of the Audit Committee, Schroder Funds; Board Member, Mile High United Way, Boys and Girls Clubs, Boy Scouts, Colorado Business Committee for the Arts, Economic Club of Colorado and Metro Denver Network (economic development corporation); and Trustee of certain Oppenheimer Funds | 197 | Board member and Chairman of Audit Committee of AMG National Trust Bank; Trustee and Investment Committee member, University of South Dakota Foundation; Board member, Audit Committee Member and past Board Chair, Junior Achievement (non-profit) |

Trustees and Officers--(continued)

| Name , Year of Birth and Position(s) Held with the Trust | Trustee and/or Officer Since | Principal Occupation(s) During Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorship(s) Held by Trustee During Past 5 Years |
|---|------------------------------|---|---|---|
| Officers | | | | |
| Sheri Morris – 1964 President and Principal Executive Officer | 1999 | Head of Global Fund Services, Invesco Ltd.; President and Principal Executive Officer, The Invesco Funds; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); and Vice President, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; and Vice President, OppenheimerFunds, Inc. Formerly: Vice President, Treasurer and Principal Financial Officer, The Invesco Funds; Vice President, Invesco AIM Advisers, Inc., Invesco AIM Capital Management, Inc. and Invesco AIM Private Asset Management, Inc.; Assistant Vice President and Assistant Treasurer, The Invesco Funds; Vice President and Assistant Vice President, Invesco Advisers, Inc.; Assistant Vice President, Invesco AIM Capital Management, Inc. and Invesco AIM Private Asset Management, Inc.; and Treasurer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust and Invesco Actively Managed Exchange-Traded Fund Trust | N/A | N/A |
| Russell C. Burk – 1958 Senior Vice President and Senior Officer | 2005 | Senior Vice President and Senior Officer, The Invesco Funds | N/A | N/A |
| Jeffrey H. Kupor - 1968 Senior Vice President, Chief Legal Officer and Secretary | 2018 | Head of Legal of the Americas, Invesco Ltd.; Senior Vice President and Secretary, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Senior Vice President and Secretary, Invesco Distributors, Inc. (formerly known as Invesco AIM Distributors, Inc.); Vice President and Secretary, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.) Senior Vice President, Chief Legal Officer and Secretary, The Invesco Funds; Secretary and General Counsel, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Secretary and General Counsel, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.) and Chief Legal Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Secretary, Invesco Indexing LLC; Secretary, W.L. Ross & Co., LLC ; Secretary and Vice President, Harbourview Asset Management Corporation; Secretary and Vice President, OppenheimerFunds, Inc. and Invesco Managed Accounts, LLC; Secretary and Senior Vice President, OFI Global Institutional, Inc.; Secretary and Vice President, OFI SteelPath, Inc.; Secretary and Vice President, Oppenheimer Acquisition Corp.; Secretary and Vice President, Shareholder Services, Inc.; Secretary and Vice President, Trinity Investment Management Corporation Formerly: Secretary and Vice President, Jemstep, Inc.; Head of Legal, Worldwide Institutional, Invesco Ltd.; Secretary and General Counsel, INVESCO Private Capital Investments, Inc.; Senior Vice President, Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Assistant Secretary, INVESCO Asset Management (Bermuda) Ltd.; Secretary and General Counsel, Invesco Private Capital, Inc.; Assistant Secretary and General Counsel, INVESCO Realty, Inc.; Secretary and General Counsel, Invesco Senior Secured Management, Inc.; and Secretary, Sovereign G./P. Holdings Inc. | N/A | N/A |
| Andrew R. Schlossberg - 1974 Senior Vice President | 2019 | Head of the Americas and Senior Managing Director, Invesco Ltd.; Director and Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director and Chairman, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.) (registered transfer agent); Senior Vice President, The Invesco Funds; Director, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Director, President and Chairman, Invesco Insurance Agency, Inc. Formerly: Director, Invesco UK Limited; Director and Chief Executive, Invesco Asset Management Limited and Invesco Fund Managers Limited; Assistant Vice President, The Invesco Funds; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director and Chief Executive, Invesco Administration Services Limited and Invesco Global Investment Funds Limited; Director, Invesco Distributors, Inc.; Head of EMEA, Invesco Ltd.; President, Invesco Actively Managed Exchange-Traded Commodity Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II and Invesco India Exchange-Traded Fund Trust; Managing Director and Principal Executive Officer, Invesco Capital Management LLC | N/A | N/A |

Trustees and Officers--(continued)

| Name , Year of Birth and Position(s) Held with the Trust | Trustee and/or Officer Since | Principal Occupation(s) During Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorship(s) Held by Trustee During Past 5 Years |
|---|------------------------------|---|---|---|
| Officers--(continued) | | | | |
| John M. Zerr - 1962 Senior Vice President | 2006 | Chief Operating Officer of the Americas; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Senior Vice President, Invesco Distributors, Inc. (formerly known as Invesco AIM Distributors, Inc.); Director and Vice President, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.) Senior Vice President, The Invesco Funds; Managing Director, Invesco Capital Management LLC; Director, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Senior Vice President, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.); Manager, Invesco Indexing LLC; Manager, Invesco Specialized Products, LLC; Director and Senior Vice President, Invesco Insurance Agency, Inc.; Member, Invesco Canada Funds Advisory Board; Director, President and Chief Executive Officer, Invesco Corporate Class Inc. (corporate mutual fund company); and Director, Chairman, President and Chief Executive Officer, Invesco Canada Ltd. (formerly known as Invesco Trimark Ltd./Invesco Trimark Ltée) (registered investment adviser and registered transfer agent); President, Invesco, Inc.; President, Invesco Global Direct Real Estate Feeder GP Ltd.; President, Invesco IP Holdings(Canada) Ltd; President, Invesco Global Direct Real Estate GP Ltd.; President, Invesco Financial Services Ltd. / Services Financiers Invesco Ltée; and President, Trimark Investments Ltd./Placements Trimark Ltée Formerly: Director and Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Secretary, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.); Chief Legal Officer and Secretary, The Invesco Funds; Secretary and General Counsel, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Secretary and General Counsel, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.); Chief Legal Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Secretary, Invesco Indexing LLC; Director, Secretary, General Counsel and Senior Vice President, Van Kampen Exchange Corp.; Director, Vice President and Secretary, IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.); Director and Vice President, INVESCO Funds Group, Inc.; Director and Vice President, Van Kampen Advisors Inc.; Director, Vice President, Secretary and General Counsel, Van Kampen Investor Services Inc.; Director and Secretary, Invesco Distributors, Inc. (formerly known as Invesco AIM Distributors, Inc.); Director, Senior Vice President, General Counsel and Secretary, Invesco AIM Advisers, Inc. and Van Kampen Investments Inc.; Director, Vice President and Secretary, Fund Management Company; Director, Senior Vice President, Secretary, General Counsel and Vice President, Invesco AIM Capital Management, Inc.; Chief Operating Officer and General Counsel, Liberty Ridge Capital, Inc. (an investment adviser) | N/A | N/A |
| Gregory G. McGreevey - 1962 Senior Vice President | 2012 | Senior Managing Director, Invesco Ltd.; Director, Chairman, President, and Chief Executive Officer, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director, Invesco Mortgage Capital, Inc. and Invesco Senior Secured Management, Inc.; and Senior Vice President, The Invesco Funds; and President, SNW Asset Management Corporation and Invesco Managed Accounts, LLC; Chairman and Director, Invesco Private Capital, Inc.; Chairman and Director, INVESCO Private Capital Investments, Inc.; and Chairman and Director, INVESCO Realty, Inc. Formerly: Senior Vice President, Invesco Management Group, Inc. and Invesco Advisers, Inc.; Assistant Vice President, The Invesco Funds | N/A | N/A |
| Adrien Deberghes- 1967 Principal Financial Officer, Treasurer and Vice President | 2020 | Head of the Fund Office of the CFO and Fund Administration; Principal Financial Officer, Treasurer and Vice President, The Invesco Funds; Vice President, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust Formerly: Senior Vice President and Treasurer, Fidelity Investments | N/A | N/A |
| Crissie M. Wisdom - 1969 Anti-Money Laundering Compliance Officer | 2013 | Anti-Money Laundering and OFAC Compliance Officer for Invesco U.S. entities including: Invesco Advisers, Inc. and its affiliates, Invesco Capital Markets, Inc., Invesco Distributors, Inc., Invesco Investment Services, Inc., The Invesco Funds, Invesco Capital Management, LLC, Invesco Trust Company; OppenheimerFunds Distributor, Inc., and Fraud Prevention Manager for Invesco Investment Services, Inc. | N/A | N/A |

Trustees and Officers--(continued)

| Name , Year of Birth and Position(s) Held with the Trust | Trustee and/or Officer Since | Principal Occupation(s) During Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorship(s) Held by Trustee During Past 5 Years |
|--|------------------------------|---|---|---|
| Officers--(continued) | | | | |
| Todd F. Kuehl - 1969 Chief Compliance Officer and Senior Vice President | 2020 | Chief Compliance Officer, Invesco Advisers, Inc. (registered investment adviser); and Chief Compliance Officer, The Invesco Funds and Senior Vice President Formerly: Managing Director and Chief Compliance Officer, Legg Mason (Mutual Funds); Chief Compliance Officer, Legg Mason Private Portfolio Group (registered investment adviser) | N/A | N/A |
| Michael McMaster - 1962 Chief Tax Officer, Vice President and Assistant Treasurer | 2020 | Head of Global Fund Services Tax; Chief Tax Officer, Vice President and Assistant Treasurer, The Invesco Funds; Assistant Treasurer, Invesco Capital Management LLC, Assistant Treasurer and Chief Tax Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Assistant Treasurer, Invesco Specialized Products, LLC Formerly: Senior Vice President - Managing Director of Tax Services, U.S. Bank Global Fund Services (GFS) | N/A | N/A |

The Statement of Additional Information of the Trust includes additional information about the Fund's Trustees and is available upon request, without charge, by calling 1.800.959.4246. Please refer to the Fund's Statement of Additional Information for information on the Fund's sub-advisers.

Office of the Fund

11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Counsel to the Fund

Stradley Ronon Stevens & Young, LLP
2005 Market Street, Suite 2600
Philadelphia, PA 19103-7018

Investment Adviser

Invesco Advisers, Inc.
1555 Peachtree Street, N.E.
Atlanta, GA 30309

Counsel to the Independent Trustees

Goodwin Procter LLP
901 New York Avenue, N.W.
Washington, D.C. 20001

Distributor

Invesco Distributors, Inc.
11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Transfer Agent

Invesco Investment Services, Inc.
11 Greenway Plaza, Suite 1000
Houston, TX 77046-1173

Auditors

PricewaterhouseCoopers LLP
1000 Louisiana Street, Suite 5800
Houston, TX 77002-5678

Custodian

State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110-2801