

## Invesco V.I. Capital Appreciation Fund

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The Fund provides a complete list of its portfolio holdings four times each year, at the end of each fiscal quarter. For the second and fourth quarters, the list appears, respectively, in the Fund's semiannual and annual reports to shareholders. For the first and third quarters, the Fund files the list 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](http://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/corporate/about-us/esg](http://invesco.com/corporate/about-us/esg). The information is also available on the SEC website, [sec.gov](http://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](http://invesco.com/proxysearch). The information is also available on the SEC website, [sec.gov](http://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, 2022, Series I shares of Invesco V.I. Capital Appreciation Fund (the Fund) underperformed the Russell 1000 Growth Index.

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

## Fund vs. Indexes

Total returns, 12/31/21 to 12/31/22, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

Series I Shares	-30.78%
Series II Shares	-30.96
S&P 500 Index▼	-18.11
Russell 1000 Growth Index▼	-29.14
Source(s): ▼RIMES Technologies Corp.	

## Market conditions and your Fund

Equity markets declined in the first quarter of 2022 amid volatility sparked by Russia's invasion of Ukraine, rising commodity prices, rampant global inflation and the US Federal Reserve's (the Fed) shift toward tighter monetary policy. Russia's invasion exacerbated inflation pressures, disrupting already strained supply chains and increasing shortages of oil, gas and raw materials. The price of oil rose sharply, with crude prices reaching their highest price per barrel since 2008.<sup>1</sup> Inflation continued to be a top concern for consumers, investors and the Fed. To combat inflation, the Fed raised the federal funds rate by one-quarter percentage point in March and indicated it would "taper" its asset purchase program quickly.<sup>2</sup>

As the war in Ukraine continued and corporate earnings in high-profile names like Netflix reported slowing growth and profits, the equity markets sold off for much of April 2022. The downward direction of the equity markets continued into the second quarter of 2022 amid substantial inflation, rising interest rates and an increasing likelihood of a US recession. Driven by higher food and energy prices, the consumer price index rose by yet another 40-year high to 8.6% for the twelve months ended May 2022.<sup>3</sup> Oil prices peaked near \$122 per barrel in early June, resulting in skyrocketing gasoline prices; the national average price reached a record high, above \$5 per gallon in early June.<sup>1</sup> In an effort to tame inflation, the Fed raised the benchmark federal funds rate three more times, by 0.50% in May, by 0.75% in June and another 0.75% in July, which were the largest increases in nearly 30 years.<sup>2</sup> US equity markets rose in July and August until Fed chairman Jerome Powell's hawkish comments at an economic policy symposium held in Jackson Hole, which sparked a sharp selloff at month-end. The Fed reiterated that it would continue taking aggressive action to curb inflation, even though such measures could "bring pain to households and businesses," and the Fed raised the benchmark federal funds rate by another 0.75% in September.<sup>2</sup>

After experiencing a sharp drop in September 2022, US equity markets rebounded in

October and November,<sup>4</sup> despite mixed data on the economy and corporate earnings. However, the Fed's message of continued rate hikes until data shows inflation meaningfully declining, sent markets lower in December.<sup>4</sup> As energy prices declined,<sup>1</sup> the rate of inflation slowed modestly in the fourth quarter.<sup>3</sup> Corporate earnings generally met expectations, though companies provided cautious future guidance. With inflation still at multi-decade highs and little evidence of a slowing economy, the Fed raised its target rate by 0.75% in November and by 0.50% in December, marking its highest level in over a decade.<sup>2</sup>

In this environment, US stocks had negative double-digit returns for the fiscal year of -18.11%, as measured by the S&P 500 Index.<sup>4</sup>

In this environment, the Fund underperformed the Russell 1000 Growth Index during the fiscal year. Due to the challenging environment for fundamental bottom-up growth-oriented strategies, stock selection in information technology and financials detracted most from the Fund's relative performance. These results were partially offset by strong stock selection within the communication services sector.

At the stock level, the largest contributor to Fund performance on an absolute basis was **Eli Lilly**. Eli Lilly, a large-cap pharmaceuticals company, benefited from the general outperformance of the pharmaceuticals industry this fiscal year as it is typically viewed as a defensive industry in down markets. The company also reported positive data for its drug Tirzepatide and received FDA (Food and Drug Administration) approval to use the drug for adults with type 2 diabetes.

The second largest individual contributor to Fund performance on an absolute basis was **Cheniere Energy**. Cheniere Energy is a US exporter of liquefied natural gas. Supplies from Russia to Europe fell due to the threat and then the onset of the Ukraine invasion, which has raised prices on fuel used to heat homes and generate electricity. The price surge has benefited Cheniere Energy.

The third largest individual contributor to Fund performance on an absolute basis was **UnitedHealth Group**, which owns and man-

ages health systems. The company provides employers products and resources to plan and administer employee benefit programs. Managed care as a group did very well in the first quarter of 2022 due to revenue being all US, able to pass on inflationary costs through premium increases and low correlation to gross domestic product.

The largest individual detractor from absolute Fund performance during the fiscal year was **Amazon.com**. It is an online retailer that offers a wide range of products. Company products include books, music, computers, electronics and numerous other products. It fell along with other technology names as market sentiment continued to move away from growth names. In addition, it reported its first quarterly loss since 2015 and issued disappointing guidance.

The second largest individual detractor from absolute Fund performance during the fiscal year was **Alphabet**. The company through its subsidiaries, provides web-based search capabilities, advertisements, maps, software applications, mobile operating systems, consumer content, enterprise solutions, commerce and hardware products. Weakness came with a disappointing first quarter of 2022 earnings report. In addition, it fell along with other technology names as market sentiment continued to move away from growth names.

**Microsoft** was the third largest individual detractor from absolute Fund performance. The stock sold off in September as inflation exceeded expectations and the Fed maintained its aggressive monetary stance.

Our long-term investment process remains the same. We seek dynamic companies with above-average, sustainable revenue and earnings growth that we believe are positioned to outperform. This includes leading firms in structurally attractive industries with committed management teams that have proven records of success.

We thank you for your continued conviction and investment in Invesco V.I. Capital Appreciation Fund.

1 Source: Bloomberg LP

2 Source: US Federal Reserve

3 Source: US Bureau of Labor Statistics

4 Source: Lipper Inc.

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**Portfolio manager(s):**

Ash Shah

Ronald Zibelli, Jr. - Lead

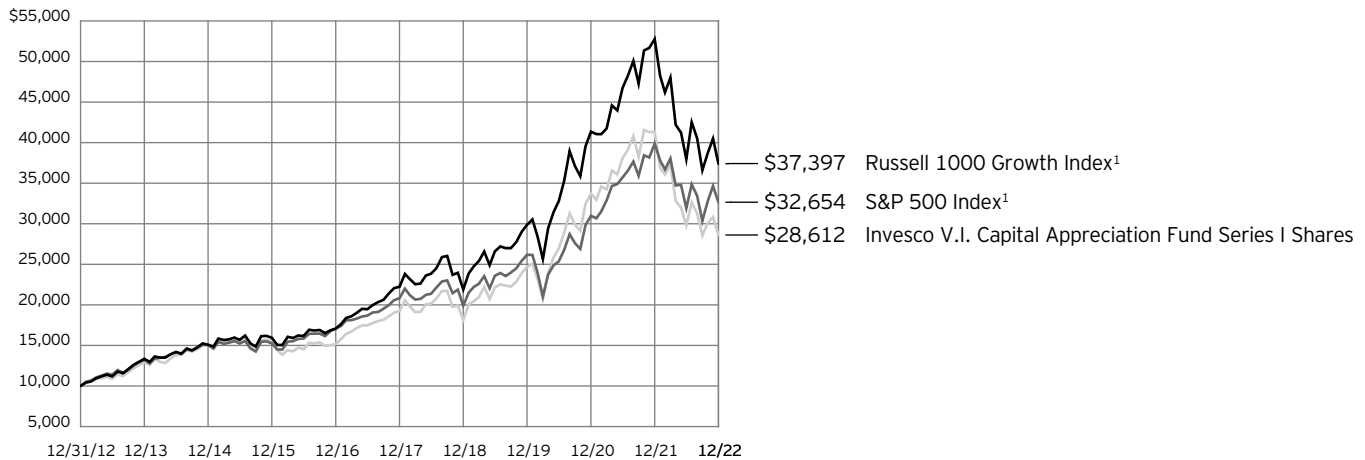
*The views and opinions expressed in management's discussion of Fund performance are those of Invesco Advisers, Inc. and its affiliates. These views and opinions are subject to change at any time based on factors such as market and economic conditions. These views and opinions may not be relied upon 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.*

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

# Your Fund's Long-Term Performance

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

Fund and index data from 12/31/12



1 Source: RIMES Technologies Corp.

Past performance cannot guarantee future results.

Average Annual Total Returns	
As of 12/31/22	
<b>Series I Shares</b>	
Inception (4/3/85)	9.89%
10 Years	11.08
5 Years	8.27
1 Year	-30.78
<b>Series II Shares</b>	
Inception (9/18/01)	6.78%
10 Years	10.81
5 Years	8.00
1 Year	-30.96

Effective May 24, 2019, Non-Service and Service shares of the Oppenheimer Capital Appreciation Fund/VA, (the predecessor fund) were reorganized into Series I and Series II shares, respectively, of Invesco Oppenheimer V.I. Capital Appreciation Fund (renamed Invesco V.I. Capital Appreciation Fund on April 30, 2021). Returns shown above, for periods ending on or prior to May 24, 2019, for Series I and Series II shares are those of the Non-Service shares and Service 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-

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. Capital Appreciation 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.

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## Supplemental Information

### **Invesco V.I. Capital Appreciation Fund's investment objective is to seek capital appreciation.**

- Unless otherwise stated, information presented in this report is as of December 31, 2022, and is based on total net assets.
- Unless otherwise noted, all data is provided by Invesco.
- To access your Fund's reports/prospectus, visit [invesco.com/fundreports](https://www.invesco.com/fundreports).

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### **About indexes used in this report**

- The **Russell 1000<sup>®</sup> Growth Index** is an unmanaged index considered representative of large-cap growth stocks. The Russell 1000 Growth Index is a trademark/service mark of the Frank Russell Co. Russell<sup>®</sup> is a trademark of the Frank Russell Co.
- The **S&P 500<sup>®</sup> Index** is an unmanaged index considered representative of the US stock market.
- 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 sector	% of total net assets
Information Technology	36.40%
Health Care	18.88
Consumer Discretionary	10.60
Industrials	8.36
Communication Services	7.16
Consumer Staples	5.69
Financials	3.46
Energy	3.21
Materials	2.02
Real Estate	1.12
Money Market Funds Plus Other Assets Less Liabilities	3.10

## Top 10 Equity Holdings\*

	% of total net assets
1. Microsoft Corp.	8.34%
2. Apple, Inc.	5.20
3. UnitedHealth Group, Inc.	4.68
4. Alphabet, Inc., Class C	3.60
5. Mastercard, Inc., Class A	3.37
6. Eli Lilly and Co.	2.91
7. Amazon.com, Inc.	2.70
8. NVIDIA Corp.	2.18
9. Synopsys, Inc.	2.00
10. Cheniere Energy, Inc.	1.76

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, 2022.

# Schedule of Investments<sup>(a)</sup>

December 31, 2022

	Shares	Value
<b>Common Stocks &amp; Other Equity Interests-96.90%</b>		
<b>Advertising-0.59%</b>		
Trade Desk, Inc. (The), Class A <sup>(b)</sup>	74,121	\$ 3,322,844
<b>Aerospace &amp; Defense-1.22%</b>		
Northrop Grumman Corp.	12,579	6,863,228
<b>Agricultural &amp; Farm Machinery-1.03%</b>		
Deere & Co. <sup>(c)</sup>	13,558	5,813,128
<b>Apparel Retail-0.53%</b>		
TJX Cos., Inc. (The)	37,737	3,003,865
<b>Apparel, Accessories &amp; Luxury Goods-0.95%</b>		
lululemon athletica, inc. <sup>(b)</sup>	16,687	5,346,181
<b>Application Software-6.06%</b>		
Bill.com Holdings, Inc. <sup>(b)(c)</sup>	20,978	2,285,763
Intuit, Inc.	11,159	4,343,306
Paycom Software, Inc. <sup>(b)</sup>	17,965	5,574,719
Roper Technologies, Inc.	18,324	7,917,617
Synopsys, Inc. <sup>(b)</sup>	35,237	11,250,822
Workday, Inc., Class A <sup>(b)</sup>	16,555	2,770,148
		34,142,375
<b>Automobile Manufacturers-0.52%</b>		
Tesla, Inc. <sup>(b)</sup>	23,737	2,923,924
<b>Automotive Retail-1.55%</b>		
AutoZone, Inc. <sup>(b)</sup>	3,542	8,735,210
<b>Biotechnology-3.10%</b>		
AbbVie, Inc.	57,313	9,262,354
Alnylam Pharmaceuticals, Inc. <sup>(b)(c)</sup>	11,683	2,776,465
Vertex Pharmaceuticals, Inc. <sup>(b)</sup>	18,888	5,454,477
		17,493,296
<b>Building Products-0.62%</b>		
Trane Technologies PLC	20,888	3,511,064
<b>Communications Equipment-1.44%</b>		
Motorola Solutions, Inc.	31,434	8,100,856
<b>Construction &amp; Engineering-1.42%</b>		
Quanta Services, Inc.	56,250	8,015,625
<b>Data Processing &amp; Outsourced Services-5.29%</b>		
Fiserv, Inc. <sup>(b)</sup>	29,247	2,955,994
Mastercard, Inc., Class A	54,620	18,993,013
Visa, Inc., Class A <sup>(c)</sup>	37,926	7,879,506
		29,828,513
<b>Distributors-0.54%</b>		
Genuine Parts Co.	17,583	3,050,826
<b>Electrical Components &amp; Equipment-0.76%</b>		
Hubbell, Inc. <sup>(c)</sup>	18,166	4,263,197
<b>Environmental &amp; Facilities Services-1.62%</b>		
Waste Connections, Inc.	68,857	9,127,684

	Shares	Value
<b>Fertilizers &amp; Agricultural Chemicals-0.43%</b>		
CF Industries Holdings, Inc.	28,675	\$ 2,443,110
<b>Financial Exchanges &amp; Data-0.98%</b>		
S&P Global, Inc.	16,440	5,506,414
<b>General Merchandise Stores-1.01%</b>		
Dollar General Corp. <sup>(c)</sup>	22,999	5,663,504
<b>Health Care Distributors-0.92%</b>		
AmerisourceBergen Corp.	31,287	5,184,569
<b>Health Care Equipment-2.72%</b>		
DexCom, Inc. <sup>(b)</sup>	62,469	7,073,989
Insulet Corp. <sup>(b)</sup>	9,692	2,853,228
Intuitive Surgical, Inc. <sup>(b)</sup>	20,443	5,424,550
		15,351,767
<b>Hotels, Resorts &amp; Cruise Lines-0.86%</b>		
Marriott International, Inc., Class A	32,563	4,848,305
<b>Hypermarkets &amp; Super Centers-1.01%</b>		
Costco Wholesale Corp.	12,443	5,680,230
<b>Industrial Gases-0.63%</b>		
Linde PLC (United Kingdom)	10,915	3,560,255
<b>Interactive Media &amp; Services-4.13%</b>		
Alphabet, Inc., Class C <sup>(b)</sup>	228,826	20,303,731
Pinterest, Inc., Class A <sup>(b)</sup>	123,406	2,996,298
		23,300,029
<b>Internet &amp; Direct Marketing Retail-2.70%</b>		
Amazon.com, Inc. <sup>(b)</sup>	181,177	15,218,868
<b>Investment Banking &amp; Brokerage-0.74%</b>		
Goldman Sachs Group, Inc. (The)	12,198	4,188,549
<b>IT Consulting &amp; Other Services-2.33%</b>		
Amdocs Ltd.	53,685	4,879,966
Gartner, Inc. <sup>(b)</sup>	24,564	8,256,943
		13,136,909
<b>Life Sciences Tools &amp; Services-2.52%</b>		
Danaher Corp.	33,868	8,989,244
Thermo Fisher Scientific, Inc.	9,446	5,201,818
		14,191,062
<b>Managed Health Care-6.71%</b>		
Elevance Health, Inc.	17,243	8,845,142
Humana, Inc. <sup>(c)</sup>	5,123	2,623,949
UnitedHealth Group, Inc.	49,710	26,355,248
		37,824,339
<b>Movies &amp; Entertainment-0.96%</b>		
Netflix, Inc. <sup>(b)(c)</sup>	18,417	5,430,805
<b>Oil &amp; Gas Equipment &amp; Services-0.74%</b>		
Schlumberger Ltd.	77,875	4,163,198
<b>Oil &amp; Gas Exploration &amp; Production-0.72%</b>		
Diamondback Energy, Inc.	8,999	1,230,883

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

	Shares	Value
<b>Oil &amp; Gas Exploration &amp; Production-(continued)</b>		
Pioneer Natural Resources Co.	12,316	\$ 2,812,851
		4,043,734
<b>Oil &amp; Gas Storage &amp; Transportation-1.75%</b>		
Cheniere Energy, Inc.	65,903	9,882,814
<b>Packaged Foods &amp; Meats-1.45%</b>		
Hershey Co. (The)	35,260	8,165,158
<b>Pharmaceuticals-2.91%</b>		
Eli Lilly and Co.	44,794	16,387,437
<b>Property &amp; Casualty Insurance-1.74%</b>		
Chubb Ltd.	13,620	3,004,572
Progressive Corp. (The)	52,209	6,772,029
		9,776,601
<b>Research &amp; Consulting Services-0.73%</b>		
CoStar Group, Inc. <sup>(b)</sup>	53,526	4,136,489
<b>Restaurants-1.94%</b>		
Chipotle Mexican Grill, Inc. <sup>(b)</sup>	3,603	4,999,127
McDonald's Corp.	22,525	5,936,013
		10,935,140
<b>Semiconductor Equipment-1.10%</b>		
Enphase Energy, Inc. <sup>(b)</sup>	23,452	6,213,842
<b>Semiconductors-5.62%</b>		
Advanced Micro Devices, Inc. <sup>(b)</sup>	78,854	5,107,374
First Solar, Inc. <sup>(b)</sup>	27,027	4,048,374
GLOBALFOUNDRIES, Inc. <sup>(b)(c)</sup>	45,069	2,428,768
Monolithic Power Systems, Inc. <sup>(c)</sup>	22,075	7,805,941
NVIDIA Corp.	84,127	12,294,320
		31,684,777
<b>Soft Drinks-3.23%</b>		
Monster Beverage Corp. <sup>(b)</sup>	88,823	9,018,199
PepsiCo, Inc.	50,858	9,188,006
		18,206,205
<b>Specialized REITs-1.12%</b>		
SBA Communications Corp., Class A	22,519	6,312,301
<b>Specialty Chemicals-0.96%</b>		
Albemarle Corp.	24,998	5,421,066

Investment Abbreviations:

REIT - Real Estate Investment Trust

	Shares	Value
<b>Systems Software-9.36%</b>		
Microsoft Corp.	196,059	\$ 47,018,869
Palo Alto Networks, Inc. <sup>(b)(c)</sup>	9,863	1,376,283
ServiceNow, Inc. <sup>(b)</sup>	11,192	4,345,518
		52,740,670
<b>Technology Hardware, Storage &amp; Peripherals-5.20%</b>		
Apple, Inc.	225,371	29,282,454
<b>Trading Companies &amp; Distributors-0.50%</b>		
United Rentals, Inc. <sup>(b)</sup>	7,972	2,833,408
<b>Trucking-0.46%</b>		
Uber Technologies, Inc. <sup>(b)</sup>	103,656	2,563,413
<b>Wireless Telecommunication Services-1.48%</b>		
T-Mobile US, Inc. <sup>(b)(c)</sup>	59,401	8,316,140
Total Common Stocks & Other Equity Interests (Cost \$434,765,739)		546,135,378
<b>Money Market Funds-2.49%</b>		
Invesco Government & Agency Portfolio, Institutional Class, 4.22% <sup>(d)(e)</sup>	4,921,440	4,921,439
Invesco Liquid Assets Portfolio, Institutional Class, 4.42% <sup>(d)(e)</sup>	3,514,285	3,515,340
Invesco Treasury Portfolio, Institutional Class, 4.20% <sup>(d)(e)</sup>	5,624,502	5,624,502
Total Money Market Funds (Cost \$14,061,281)		14,061,281
TOTAL INVESTMENTS IN SECURITIES (excluding investments purchased with cash collateral from securities on loan)-99.39% (Cost \$448,827,020)		
		560,196,659
<b>Investments Purchased with Cash Collateral from Securities on Loan</b>		
<b>Money Market Funds-8.75%</b>		
Invesco Private Government Fund, 4.28% <sup>(d)(e)(f)</sup>	13,801,216	13,801,216
Invesco Private Prime Fund, 4.46% <sup>(d)(e)(f)</sup>	35,478,197	35,488,840
Total Investments Purchased with Cash Collateral from Securities on Loan (Cost \$49,288,571)		49,290,056
TOTAL INVESTMENTS IN SECURITIES-108.14% (Cost \$498,115,591)		609,486,715
OTHER ASSETS LESS LIABILITIES-(8.14)%		(45,877,440)
NET ASSETS-100.00%		\$563,609,275

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



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) All or a portion of this security was out on loan at December 31, 2022.
- (d) 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, 2022.

	Value December 31, 2021	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation	Realized Gain	Value December 31, 2022	Dividend Income
<b>Investments in Affiliated Money Market Funds:</b>							
Invesco Government & Agency Portfolio, Institutional Class	\$ 3,798,976	\$ 74,094,357	\$ (72,971,894)	\$ -	\$ -	\$ 4,921,439	\$ 69,689
Invesco Liquid Assets Portfolio, Institutional Class	2,713,552	52,924,542	(52,123,431)	-	677	3,515,340	51,378
Invesco Treasury Portfolio, Institutional Class	4,341,686	84,679,265	(83,396,449)	-	-	5,624,502	77,057
<b>Investments Purchased with Cash Collateral from Securities on Loan:</b>							
Invesco Private Government Fund	-	162,935,407	(149,134,191)	-	-	13,801,216	143,713*
Invesco Private Prime Fund	-	420,441,851	(384,964,961)	1,485	10,465	35,488,840	389,855*
Total	\$10,854,214	\$795,075,422	\$(742,590,926)	\$1,485	\$11,142	\$63,351,337	\$ 731,692

\* 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.

- (e) The rate shown is the 7-day SEC standardized yield as of December 31, 2022.
- (f) The security has been segregated to satisfy the commitment to return the cash collateral received in securities lending transactions upon the borrower's return of the securities loaned. See Note 1K.

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

# Statement of Assets and Liabilities

December 31, 2022

## Assets:

Investments in unaffiliated securities, at value (Cost \$434,765,739)*	\$546,135,378
Investments in affiliated money market funds, at value (Cost \$63,349,852)	63,351,337
Cash	2,013,023
Cash collateral from securities on loan	2,288,276
Foreign currencies, at value (Cost \$162)	140
Receivable for:	
Investments sold	1,386,834
Fund shares sold	255,475
Dividends	277,008
Investment for trustee deferred compensation and retirement plans	96,757
Other assets	3,271
<b>Total assets</b>	<b>615,807,499</b>

## Liabilities:

Payable for:	
Fund shares reacquired	208,967
Collateral upon return of securities loaned	51,576,847
Accrued fees to affiliates	276,486
Accrued trustees' and officers' fees and benefits	3,581
Accrued other operating expenses	35,586
Trustee deferred compensation and retirement plans	96,757
<b>Total liabilities</b>	<b>52,198,224</b>
<b>Net assets applicable to shares outstanding</b>	<b>\$563,609,275</b>

## Net assets consist of:

Shares of beneficial interest	\$475,928,672
Distributable earnings	87,680,603
	<b>\$563,609,275</b>

## Net Assets:

Series I	\$443,995,855
Series II	\$119,613,420

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

Series I	12,769,203
Series II	3,617,971
Series I:	
Net asset value per share	\$ 34.77
Series II:	
Net asset value per share	\$ 33.06

\* At December 31, 2022, securities with an aggregate value of \$50,576,245 were on loan to brokers.

# Statement of Operations

For the year ended December 31, 2022

## Investment income:

Dividends (net of foreign withholding taxes of \$8,974)	\$ 5,296,224
Dividends from affiliated money market funds (includes net securities lending income of \$36,366)	234,490
<b>Total investment income</b>	<b>5,530,714</b>

## Expenses:

Advisory fees	4,674,115
Administrative services fees	1,100,018
Custodian fees	17,445
Distribution fees - Series II	362,140
Transfer agent fees	34,089
Trustees' and officers' fees and benefits	22,867
Reports to shareholders	2,082
Professional services fees	42,748
Other	8,007
<b>Total expenses</b>	<b>6,263,511</b>
Less: Fees waived	(568,148)
<b>Net expenses</b>	<b>5,695,363</b>
<b>Net investment income (loss)</b>	<b>(164,649)</b>

## Realized and unrealized gain (loss) from:

Net realized gain (loss) from:	
Unaffiliated investment securities	(21,275,494)
Affiliated investment securities	11,142
Foreign currencies	932
	<b>(21,263,420)</b>
Change in net unrealized appreciation (depreciation) of:	
Unaffiliated investment securities	(246,259,012)
Affiliated investment securities	1,485
Foreign currencies	(2,826)
	<b>(246,260,353)</b>
<b>Net realized and unrealized gain (loss)</b>	<b>(267,523,773)</b>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$(267,688,422)</b>

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, 2022 and 2021

	2022	2021
<b>Operations:</b>		
Net investment income (loss)	\$ (164,649)	\$ (3,562,583)
Net realized gain (loss)	(21,263,420)	238,990,531
Change in net unrealized appreciation (depreciation)	(246,260,353)	(55,686,365)
Net increase (decrease) in net assets resulting from operations	(267,688,422)	179,741,583
<b>Distributions to shareholders from distributable earnings:</b>		
Series I	(179,766,695)	(35,407,065)
Series II	(49,922,936)	(12,047,935)
Total distributions from distributable earnings	(229,689,631)	(47,455,000)
<b>Share transactions-net:</b>		
Series I	144,085,970	(38,987,718)
Series II	4,102,175	(22,413,761)
Net increase (decrease) in net assets resulting from share transactions	148,188,145	(61,401,479)
Net increase (decrease) in net assets	(349,189,908)	70,885,104
<b>Net assets:</b>		
Beginning of year	912,799,183	841,914,079
End of year	\$ 563,609,275	\$912,799,183

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 (loss) <sup>(a)</sup>	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 <sup>(b)</sup>	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 <sup>(c)</sup>	Ratio of net investment income (loss) to average net assets	Portfolio turnover <sup>(d)</sup>
<b>Series I</b>														
Year ended 12/31/22	\$81.86	\$ 0.02	\$(24.48)	\$(24.46)	\$ -	\$(22.63)	\$(22.63)	\$34.77	(30.78)%	\$443,996	0.80%	0.88%	0.03%	73%
Year ended 12/31/21	70.34	(0.26)	16.12	15.86	-	(4.34)	(4.34)	81.86	22.57	686,517	0.80	0.84	(0.34)	91
Year ended 12/31/20	59.77	(0.08)	21.00	20.92	-	(10.35)	(10.35)	70.34	36.59	626,304	0.80	0.88	(0.12)	37
Year ended 12/31/19	48.50	0.06	16.80	16.86	(0.04)	(5.55)	(5.59)	59.77	36.20	538,247	0.80	0.88	0.10	73
Year ended 12/31/18	55.70	0.09	(2.71)	(2.62)	(0.19)	(4.39)	(4.58)	48.50	(5.73)	460,708	0.80	0.85	0.16	27
<b>Series II</b>														
Year ended 12/31/22	79.58	(0.12)	(23.77)	(23.89)	-	(22.63)	(22.63)	33.06	(30.96)	119,613	1.05	1.13	(0.22)	73
Year ended 12/31/21	68.64	(0.45)	15.73	15.28	-	(4.34)	(4.34)	79.58	22.28	226,282	1.05	1.09	(0.59)	91
Year ended 12/31/20	58.67	(0.23)	20.55	20.32	-	(10.35)	(10.35)	68.64	36.24	215,610	1.05	1.13	(0.37)	37
Year ended 12/31/19	47.78	(0.08)	16.52	16.44	-	(5.55)	(5.55)	58.67	35.84	200,741	1.05	1.13	(0.15)	73
Year ended 12/31/18	54.89	(0.05)	(2.67)	(2.72)	-	(4.39)	(4.39)	47.78	(5.96)	141,790	1.05	1.10	(0.09)	27

<sup>(a)</sup> Calculated using average shares outstanding.

<sup>(b)</sup> 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.

<sup>(c)</sup> Does not include indirect expenses from affiliated fund fees and expenses of 0.00% for the years ended October 31, 2019 and 2018, respectively.

<sup>(d)</sup> Portfolio turnover is calculated at the fund level and is not annualized for periods less than one year, if applicable.

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

# Notes to Financial Statements

December 31, 2022

## NOTE 1—Significant Accounting Policies

Invesco V.I. Capital Appreciation 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. The Fund is classified as non-diversified. 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 objective is to seek capital appreciation.

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 is generally valued at its trade price or official closing price that day as of the close of the exchange where the security is principally traded, or lacking any trades 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 using prices provided by an independent pricing service they may be considered fair valued. Futures contracts are valued at the daily settlement price set by an exchange on which they are principally traded. U.S. exchange-traded options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Non-U.S. exchange-traded options are valued at the final settlement price set by the exchange on which they trade. Options not listed on an exchange and swaps generally are valued using pricing provided from independent pricing services.

Securities of investment companies that are not exchange-traded (e.g., open-end mutual funds) are valued using such company’s end-of-business-day net asset value per share.

Deposits, other obligations of U.S. and non-U.S. banks and financial institutions are valued at their daily account value.

Fixed income securities (including convertible debt securities) generally are valued on the basis of prices provided by independent pricing services. Prices 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, and their value may be adjusted accordingly. 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 New York Stock Exchange (“NYSE”). If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Invesco Advisers, Inc. (the “Adviser” or “Invesco”) may use various pricing services to obtain market quotations as well as fair value prices. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become not representative of market value in the Adviser’s judgment (“unreliable”). If, between the time trading ends on a particular security and the close of the customary trading session on the NYSE, a significant event occurs that makes the closing price of the security unreliable, the Adviser 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 in accordance with Board- approved policies and related Adviser procedures (“Valuation Procedures”). 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 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.

Unlisted securities will be valued using prices provided by independent pricing services or by another method that the Adviser, in its judgment, believes better reflects the security’s fair value in accordance with the Valuation Procedures.

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 may be used to value debt obligations, including corporate loans.

Securities for which market quotations are not readily available are fair valued by the Adviser in accordance with the Valuation Procedures. If a fair value price provided by a pricing service is unreliable, the Adviser will fair value the security using the Valuation Procedures. 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, significant governmental actions 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.

The price the Fund could receive upon the sale of any investment may differ from the Adviser’s valuation of the investment, particularly for securities that are valued using a fair valuation technique. When fair valuation techniques are applied, the Adviser uses available information, including both observable and unobservable inputs and assumptions, to determine a methodology that will result in a valuation that the Adviser believes approximates market value. Fund securities that are fair valued may be subject to greater fluctuation in their value from one day to the next than would be the case if market quotations were used. Because of the inherent uncertainties of valuation, and the degree of subjectivity in such decisions, the Fund could realize a greater or lesser than expected gain or loss upon the sale of the investment.

### 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 and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. 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, the country that has the primary market for the issuer's securities and its "country of risk" as determined by a third party service provider, 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. Master Limited Partnerships** - The Fund invests in Master Limited Partnerships ("MLPs"). MLPs are publicly traded partnerships and limited liability companies taxed as partnerships under the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). The Fund invests in MLPs engaged in, among other things, the transportation, storage, processing, refining, marketing, exploration, production and mining of minerals and natural resources. The Fund is a partner in each MLP; accordingly, the Fund is required to take into account the Fund's allocable share of income, gains, losses, deductions, expenses, and tax credits recognized by each MLP.

MLP's may be less liquid and subject to more abrupt or erratic price movements than conventional publicly traded securities.

The Fund is non-diversified and will invest in securities of fewer issues than if it were diversified.

**F. Return of Capital** – Distributions received from the Fund's investments in MLPs generally are comprised of income and return of capital. The Fund records investment income and return of capital based on estimates made at the time such distributions are received. The return of capital portion of the distribution is a reduction to investment income that results in an equivalent reduction in the cost basis of the associated investments and increases net realized gains (losses) and change in unrealized appreciation (depreciation). Such estimates are based on historical information available from each MLP and other industry sources. These estimates will subsequently be revised and may materially differ primarily based on information received from the MLPs after their tax reporting periods are concluded.

**G. 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.

**H. 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.

**I. 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.

**J. 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.

**K. 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, unregistered investment companies that comply with Rule 2a-7 under the 1940 Act and money market funds (collectively, "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.

The Adviser serves as an affiliated securities lending agent for the Fund. The Bank of New York Mellon also serves as a lending agent. To the extent the Fund utilizes the Adviser as an affiliated securities lending agent, the Fund conducts its securities lending in accordance with, and in reliance upon, no-action letters issued by the SEC staff that provide guidance on how an affiliate may act as a direct agent lender and receive compensation for those services in a manner consistent with the federal securities laws. For the year ended December 31, 2022, the Fund paid the Adviser \$3,416 in fees for securities lending agent services. Fees paid to the Adviser for securities lending agent services, if any, are included in *Dividends from affiliated money market funds* on the Statement of Operations.

- L. 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.

- M. 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 exchange of the two currencies on the settlement date, 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).

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 for hedging 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.

- N. Other Risks** – The Fund is non-diversified and may invest in securities of fewer issuers than if it were diversified. Thus, the value of the Fund's shares may vary more widely and the Fund may be subject to greater market and credit risk than if the Fund invested more broadly.
- O. COVID-19 Risk** – The COVID-19 strain of coronavirus has resulted in instances of market closures and dislocations, extreme volatility, liquidity constraints and increased trading costs. Efforts to contain its spread have resulted in travel restrictions, disruptions of healthcare systems, business operations (including business closures) and supply chains, layoffs, lower consumer demand and employee availability, and defaults and credit downgrades, among other significant economic impacts that have disrupted global economic activity across many industries. Such economic impacts may exacerbate other pre-existing political, social and economic risks locally or globally and cause general concern and uncertainty. The full economic impact and ongoing effects of COVID-19 (or other future epidemics or pandemics) at the macro-level and on individual businesses are unpredictable and may result in significant and prolonged effects on the Fund's performance.

## NOTE 2–Advisory Fees and Other Fees Paid to Affiliates

The Trust has entered into a master investment advisory agreement with the Adviser. 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*
Upto \$200 million	0.750%
Next \$200 million	0.720%
Next \$200 million	0.690%
Next \$200 million	0.660%
Next \$200 million	0.600%
Over \$1 billion	0.580%

- \* The advisory fee paid by the Fund shall be reduced by any amounts paid by the Fund under the administrative services agreement with the Adviser.

For the year ended December 31, 2022, the effective advisory fee rate incurred by the Fund was 0.70%.

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). Invesco has also entered into a sub-advisory agreement with OppenheimerFunds, Inc. to provide discretionary management services to the Fund.

The Adviser has contractually agreed, through at least April 30, 2024, 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 0.80% and Series II shares to 1.05% 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 April 30, 2024. 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.

Further, the Adviser has contractually agreed, through at least June 30, 2024, 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 (excluding investments of cash collateral from securities lending) in such affiliated money market funds.

For the year ended December 31, 2022, the Adviser waived advisory fees of \$568,148.

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, 2022, Invesco was paid \$96,051 for accounting and fund administrative services and was reimbursed \$1,003,967 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, 2022, 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, 2022, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

For the year ended December 31, 2022, the Fund incurred \$8,474 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. 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 Adviser's 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, 2022. 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
<b>Investments in Securities</b>				
Common Stocks & Other Equity Interests	\$546,135,378	\$ -	\$-	\$546,135,378
Money Market Funds	14,061,281	49,290,056	-	63,351,337
<b>Total Investments</b>	<b>\$560,196,659</b>	<b>\$49,290,056</b>	<b>\$-</b>	<b>\$609,486,715</b>

### NOTE 4—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 5—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 6—Distributions to Shareholders and Tax Components of Net Assets****Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended December 31, 2022 and 2021:**

	2022	2021
Ordinary income*	\$ 29,696,026	\$ -
Long-term capital gain	199,993,605	47,455,000
Total distributions	\$229,689,631	\$47,455,000

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

**Tax Components of Net Assets at Period-End:**

	2022
Net unrealized appreciation – investments	\$109,000,890
Net unrealized appreciation (depreciation) – foreign currencies	(2,832)
Temporary book/tax differences	(95,198)
Capital loss carryforward	(21,222,257)
Shares of beneficial interest	475,928,672
Total net assets	\$563,609,275

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 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 has a capital loss carryforward as of December 31, 2022, as follows:

**Capital Loss Carryforward\***

Expiration	Short-Term	Long-Term	Total
Not subject to expiration	\$21,222,257	\$-	\$21,222,257

\* Capital loss carryforward is reduced for limitations, if any, to the extent required by the Internal Revenue Code and may be further limited depending upon a variety of factors, including the realization of net unrealized gains or losses as of the date of any reorganization.

**NOTE 7—Investment Transactions**

The aggregate amount of investment securities (other than short-term securities, U.S. Government obligations and money market funds, if any) purchased and sold by the Fund during the year ended December 31, 2022 was \$486,514,776 and \$576,994,539, 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	\$128,315,963
Aggregate unrealized (depreciation) of investments	(19,315,073)
Net unrealized appreciation of investments	\$109,000,890

Cost of investments for tax purposes is \$500,485,825.

**NOTE 8—Reclassification of Permanent Differences**

Primarily as a result of differing book/tax treatment of partnerships and distributions, on December 31, 2022, undistributed net investment income (loss) was increased by \$2,237,948, undistributed net realized gain (loss) was decreased by \$1,834,829 and shares of beneficial interest was decreased by \$403,119. This reclassification had no effect on the net assets of the Fund.

**NOTE 9—Share Information****Summary of Share Activity**

	Year ended December 31, 2022 <sup>(a)</sup>		Year ended December 31, 2021	
	Shares	Amount	Shares	Amount
<b>Sold:</b>				
Series I	331,753	\$ 19,748,578	209,804	\$ 16,035,979
Series II	162,700	8,595,382	82,230	6,046,853
<b>Issued as reinvestment of dividends:</b>				
Series I	5,000,464	179,766,695	433,698	35,407,065
Series II	1,459,734	49,922,936	151,756	12,047,930

## Summary of Share Activity

	Year ended December 31, 2022 <sup>(a)</sup>		Year ended December 31, 2021	
	Shares	Amount	Shares	Amount
<b>Reacquired:</b>				
Series I	(948,989)	\$ (55,429,303)	(1,161,400)	\$(90,430,762)
Series II	(847,998)	(54,416,143)	(531,413)	(40,508,544)
Net increase (decrease) in share activity	5,157,664	\$148,188,145	(815,325)	\$(61,401,479)

<sup>(a)</sup> There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 33% 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.

# 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. Capital Appreciation 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. Capital Appreciation Fund (one of the funds constituting AIM Variable Insurance Funds (Invesco Variable Insurance Funds), referred to hereafter as the "Fund") as of December 31, 2022, the related statement of operations for the year ended December 31, 2022, the statement of changes in net assets for each of the two years in the period ended December 31, 2022, including the related notes, and the financial highlights for each of the four years in the period ended December 31, 2022 (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, 2022, 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, 2022 and the financial highlights for each of the four years in the period ended December 31, 2022 in conformity with accounting principles generally accepted in the United States of America.

The financial statements of Oppenheimer Capital Appreciation Fund/VA (subsequently renamed Invesco V.I. Capital Appreciation Fund) as of and for the year ended December 31, 2018 and the financial highlights for the year ended December 31, 2018 (not presented herein, other than the financial highlights) were audited by other auditors whose report dated February 14, 2019 expressed an unqualified opinion on those financial statements and financial highlights.

## ***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, 2022 by correspondence with the custodian, transfer agent and broker. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

Houston, Texas  
February 14, 2023

We have served as the auditor of one or more of the 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, 2022 through December 31, 2022.

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 (07/01/22)	ACTUAL		HYPOTHETICAL (5% annual return before expenses)		Annualized Expense Ratio
		Ending Account Value (12/31/22) <sup>1</sup>	Expenses Paid During Period <sup>2</sup>	Ending Account Value (12/31/22)	Expenses Paid During Period <sup>2</sup>	
Series I	\$1,000.00	\$960.50	\$3.95	\$1,021.17	\$4.08	0.80%
Series II	1,000.00	959.30	5.19	1,019.91	5.35	1.05

<sup>1</sup> The actual ending account value is based on the actual total return of the Fund for the period July 1, 2022 through December 31, 2022, 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.

<sup>2</sup> Expenses are equal to the Fund's annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 184/365 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 advisers.

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, 2022:

## **Federal and State Income Tax**

Long-Term Capital Gain Distributions	\$199,993,605
Qualified Dividend Income*	0.00%
Corporate Dividends Received Deduction*	11.66%
U.S. Treasury Obligations*	0.00%
Qualified Business Income*	0.00%
Business Interest Income*	0.00%

\* 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
<b>Interested Trustee</b>				
Martin L. Flanagan <sup>1</sup> – 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)	189	None

<sup>1</sup> 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
<b>Independent Trustees</b>				
Beth Ann Brown - 1968 Trustee (2019) and Chair (August 2022)	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	189	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) Formerly: President and Director of Grahamstastic Connection (non-profit)
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); Director, Artio Global Investment LLC (mutual fund complex); Director, Edgen Group, Inc. (specialized energy and infrastructure products distributor); Director, Genesee & Wyoming, Inc. (railroads); Head of Investment Funds and Private Equity, Overseas Private Investment Corporation; President, First Manhattan Bancorporation, Inc.; and Attorney, Simpson Thacher & Bartlett LLP	189	Resideo Technologies, Inc. (smart home technology); Vulcan Materials Company (construction materials company); Trilinc Global Impact Fund; Textainer Group Holdings, (shipping container leasing company); Investment Company Institute (professional organization); and Independent Directors Council (professional organization)
Eli Jones - 1961 Trustee	2016	Professor and Dean Emeritus, Mays Business School - Texas A&M University Formerly: Dean of Mays Business School-Texas A&M University; Professor and Dean, Walton College of Business, University of Arkansas and E.J. Ourso College of Business, Louisiana State University; and Director, Arvest Bank	189	Insperty, Inc. (formerly known as Administaff) (human resources provider); and Member of Regional Board of Directors and Board of Directors, First Financial Bancorp (regional bank)
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; and Trustee of certain Oppenheimer Funds	189	Formerly: Member of the Cartica Funds Board of Directors (private investment fund); Trustee of the University of Florida National Board Foundation; and Member of the University of Florida Law Center Association, Inc. Board of Trustees, Audit Committee and Membership Committee
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	189	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; and Board member of Johns Hopkins Bioethics Institute	189	Member of Board of Positive Planet US (non-profit) and HealthCare Chaplaincy Network (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
<b>Independent Trustees--(continued)</b>				
Joel W. Motley - 1952 Trustee	2019	<p>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 Board of Historic Hudson Valley (non-profit cultural organization); Member of the Board, Blue Ocean Acquisition Corp.; and Member of the Vestry and the Investment Committee of Trinity Church Wall Street.</p> <p>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)</p>	189	Member of Board of Trust for Mutual Understanding (non-profit promoting the arts and environment); 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); and Board Member and Investment Committee Member of Pulitzer Center for Crisis Reporting (non-profit journalism)
Teresa M. Ressel - 1962 Trustee	2017	<p>Non-executive director and trustee of a number of public and private business corporations</p> <p>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 &amp; Budget and Designated Chief Financial Officer, U.S. Department of Treasury and Director, ON Semiconductor Corporation (semiconductor manufacturing)</p>	189	None
Robert C. Troccoli - 1949 Trustee	2016	<p>Retired</p> <p>Formerly: Adjunct Professor, University of Denver - Daniels College of Business; and Managing Partner, KPMG LLP</p>	189	None
Daniel S. Vandivort - 1954 Trustee	2019	<p>President, Flyway Advisory Services LLC (consulting and property management)</p> <p>Formerly: President and Chief Investment Officer, previously Head of Fixed Income, Weiss Peck and Greer/Robeco Investment Management; Trustee and Chair, Weiss Peck and Greer Funds Board; and various capacities at CS First Boston including Head of Fixed Income at First Boston Asset Management.</p>	189	Formerly: Trustee and Governance Chair, Oppenheimer Funds; Treasurer, Chairman of the Audit and Finance Committee, Huntington Disease Foundation of America



# 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
<b>Officers</b>				
Sheri Morris – 1964 President and Principal Executive Officer	1999	<p>Director, Invesco Trust Company; Head of Global Fund Services, Invesco Ltd.; President and Principal Executive Officer, 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; and Vice President, OppenheimerFunds, Inc.</p> <p>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.; 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; and Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser)</p>	N/A	N/A
Jeffrey H. Kupor - 1968 Senior Vice President, Chief Legal Officer and Secretary	2018	<p>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); 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.); 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 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.; and Secretary and Vice President, Trinity Investment Management Corporation</p> <p>Formerly: Senior Vice President, Invesco Distributors, Inc.; 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.; Secretary, Sovereign G./P. Holdings Inc.; Secretary, Invesco Indexing LLC; and Secretary, W.L. Ross &amp; Co., LLC</p>	N/A	N/A
Andrew R. Schlossberg - 1974 Senior Vice President	2019	<p>Senior Vice President, Invesco Group Services, Inc.; 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; and Director, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management)</p> <p>Formerly: Director, President and Chairman, Invesco Insurance Agency, Inc.; 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; and Managing Director and Principal Executive Officer, Invesco Capital Management LLC</p>	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
<b>Officers—(continued)</b>				
John M. Zerr - 1962 Senior Vice President	2006	<p>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; 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 Director and Chairman, Invesco Trust Company</p> <p>Formerly: President, Trimark Investments Ltd/Services Financiers Invesco Ltée; Director and Senior Vice President, Invesco Insurance Agency, Inc.; 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.; and Chief Operating Officer and General Counsel, Liberty Ridge Capital, Inc. (an investment adviser)</p>	N/A	N/A
Gregory G. McGreevey - 1962 Senior Vice President	2012	<p>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.; Senior Vice President, The Invesco Funds; 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.; Chairman and Director, INVESCO Realty, Inc.; and Senior Vice President, Invesco Group Services, Inc.</p> <p>Formerly: Senior Vice President, Invesco Management Group, Inc. and Invesco Advisers, Inc.; Assistant Vice President, The Invesco Funds</p>	N/A	N/A
Adrien Deberghes - 1967 Principal Financial Officer, Treasurer and Vice President	2020	<p>Head of the Fund Office of the CFO and Fund Administration; Vice President, Invesco Advisers, Inc.; 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</p> <p>Formerly: Senior Vice President and Treasurer, Fidelity Investments</p>	N/A	N/A
Crissie M. Wisdom - 1969 Anti-Money Laundering Compliance Officer	2013	<p>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; and Fraud Prevention Manager for Invesco Investment Services, Inc.</p>	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
<b>Officers—(continued)</b>				
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 and Senior Vice President, The Invesco Funds  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
James Bordewick, Jr. - 1959 Senior Vice President and Senior Officer	2022	Senior Vice President and Senior Officer, The Invesco Funds  Formerly: Chief Legal Officer, KingsCrowd, Inc. (research and analytical platform for investment in private capital markets); Chief Operating Officer and Head of Legal and Regulatory, Netcapital (private capital investment platform); Managing Director, General Counsel of asset management and Chief Compliance Officer for asset management and private banking, Bank of America Corporation; Chief Legal Officer, Columbia Funds and BofA Funds;  Senior Vice President and Associate General Counsel, MFS Investment Management; Chief Legal Officer, MFS Funds; Associate, Ropes & Gray; and Associate, Gaston Snow & Ely Bartlett	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.

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