



Invesco Oppenheimer V.I. Conservative Balanced Fund



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

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

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

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

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

Management's Discussion of Fund Performance

Performance summary

For the year ended December 31, 2020, Series I shares of Invesco Oppenheimer V.I. Conservative Balanced Fund (the Fund) outperformed the Custom Invesco Oppenheimer V.I. Conservative Balanced Index.

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

Fund vs. Indexes

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

Series I Shares	14.86%
Series II Shares	14.59
Russell 3000 Index▼	20.89
Bloomberg Barclays U.S. Aggregate Bond Index▼	7.51
Custom Invesco Oppenheimer V.I. Conservative Balanced Index■	13.69

Source(s): ▼RIMES Technologies Corp.; ■Invesco, RIMES Technologies Corp.

Market conditions and your Fund

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

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

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

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

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

During the year, stock selection in the communication services and financials sectors were the largest contributors to the equity holding's performance versus the Russell 3000 Index. This was offset by weaker stock selection in the health care and consumer discretionary sectors.

The largest individual contributors to performance during the year included **NVIDIA** and **Microsoft**. NVIDIA experienced strength in both its gaming and data center businesses

for accelerated computing. Those end markets had secular growth tailwinds, and both were in the early stages of new product cycles.

Microsoft benefited from strong execution and various tailwinds that were accelerated due to the pandemic including the increased need and importance of technology to work from home. The company experienced continued momentum for commercial cloud offerings and reported strong revenue growth and increased operating margin.

The largest individual detractors to performance during the fiscal year included **SL Green** and **ExxonMobil**. SL Green is a pure play on New York City office space. The stock was hit very hard when investors grew concerned that COVID-19 would inflict long-term damage on New York office demand. The collapse of an anticipated building sale due to the buyer's inability to obtain financing also dealt a blow to the stock, as the proceeds had been earmarked for share buybacks. During the year, we disposed of our previous investment in SL Green.

ExxonMobil was negatively impacted by the general weakness across the energy sector. Oil prices and related equities were hit particularly hard during the first quarter of 2020 when mandatory quarantines dramatically reduced demand for driving and flying.

In fixed income markets, the 10-year US Treasury yield continued to decline at the start of the year as the Fed adopted a more dovish stance and continued geopolitical uncertainty forced investors to seek higher quality fixed income instruments. Elevated volatility levels due to the COVID-19 pandemic and ensuing global recession led to a severe "risk-off" tone in the markets driving Treasury yields even lower. The 10-year US Treasury yield ended the year at 0.88%, 85 basis points lower than at the beginning of the year.⁴ (A basis point is one one-hundredth of a percentage point.)

US corporate markets posted gains in the fourth quarter, as positive news on COVID-19 vaccines and strong corporate earnings outweighed investor concerns about political disagreement over a fiscal stimulus package and sharply rising coronavirus infections nationwide. Cyclical sectors like energy and financials lead the way, while real estate and consumer staples lagged. While the US economy rebounded significantly since the pandemic began, the recovery appeared to slow in the fourth quarter with estimates for employment gains and GDP growth down from the third quarter. However, bonds were buoyed by the Fed's pledge to maintain its accommodative stance and asset purchases, "until substantial further progress has been made" toward employment and inflation targets. With a potential vaccine in sight for the end of 2020 or early 2021 the broader bond market ended the year in positive territory.

Overweight exposure to investment grade bonds was the most notable contributor to

Fund performance relative to the Bloomberg Barclays U.S. Aggregate Bond Index. However, trading friction detracted from Fund performance with the majority of the impact occurring in the second quarter due to market volatility and higher than usual bid/offers. With regard to security selection, in the financial institutions and technology sectors, security selection contributed to relative Fund performance during the year. The Fund's allocation to cash holdings also contributed to relative performance. Meanwhile, security selection in the investment grade industrial sector and high yield banking sector detracted from relative Fund performance.

Thank you for your continued investment in Invesco Oppenheimer V.I. Conservative Balanced Fund.

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

Portfolio manager(s):

Michael Hyman
Magnus Krantz

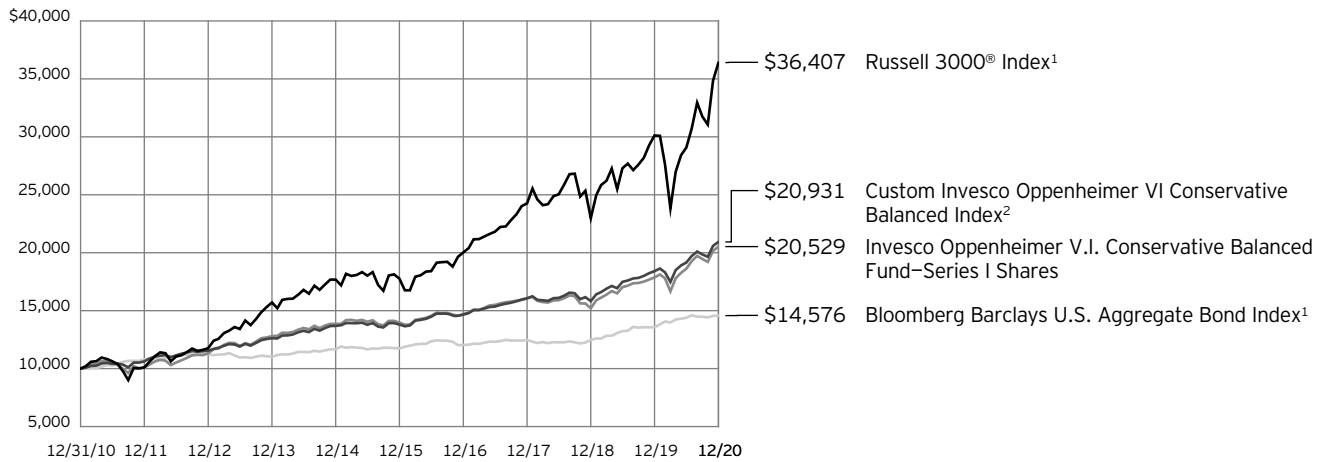
The views and opinions expressed in management's discussion of Fund performance are those of Invesco Advisers, Inc. These views and opinions are subject to change at any time based on factors such as market and economic conditions. These views and opinions may not be relied upon as investment advice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

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 12/31/10



1 Source: RIMES Technologies Corp.

2 Source: Invesco, RIMES Technologies Corp.

Past performance cannot guarantee future results.

Average Annual Total Returns	
As of 12/31/20	
Series I Shares	
Inception (2/9/87)	7.20%
10 Years	7.46
5 Years	8.00
1 Year	14.86
Series II Shares	
Inception (5/1/02)	4.51%
10 Years	7.18
5 Years	7.73
1 Year	14.59

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

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

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

Effective May 24, 2019, Non-Service and Service shares of the Oppenheimer Conservative Balanced Fund/VA, (the predecessor fund) were reorganized into Series I and Series II shares, respectively, of Invesco Oppenheimer V.I. Conservative Balanced Fund. 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 deduction of taxes a shareholder would pay on

Supplemental Information

Invesco Oppenheimer V.I. Conservative Balanced Fund's investment objective is to seek total return.

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

About indexes used in this report

- The **Bloomberg Barclays U.S. Aggregate Bond Index** is an unmanaged index considered representative of the US investment-grade, fixed-rate bond market.
- The **Custom Invesco Oppenheimer V.I. Conservative Balanced Index** is composed of 65% Bloomberg Barclays U.S. Aggregate Bond Index/35% Russell 3000 Index.
- The **Russell 3000® Index** is an unmanaged index considered representative of the US stock market. The Russell 3000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co.
- The Fund is not managed to track the performance of any particular index, including the index(es) described here, and consequently, the performance of the Fund may deviate significantly from the performance of the index(es).
- A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses; performance of a market index does not.

Fund Information

Portfolio Composition

By security type	% of total net assets
Common Stocks & Other Equity Interests	43.75%
U.S. Dollar Denominated Bonds & Notes	23.35
Asset-Backed Securities	13.14
U.S. Government Sponsored Agency Mortgage-Backed Securities	11.44
U.S. Treasury Securities	5.69
Security Types Each Less Than 1% of Portfolio	1.37
Other Assets Less Liabilities	1.26

Top 10 Equity Holdings*

	% of total net assets
1. Microsoft Corp.	2.66%
2. Amazon.com, Inc.	2.03
3. Alphabet, Inc., Class A	1.91
4. Apple, Inc.	1.59
5. NVIDIA Corp.	1.48
6. JPMorgan Chase & Co.	1.37
7. Facebook, Inc., Class A	1.34
8. QUALCOMM, Inc.	1.07
9. Mastercard, Inc., Class A	0.97
10. Verizon Communications, Inc.	0.91

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

* Excluding money market fund holdings, if any.

Data presented here are as of December 31, 2020.

Schedule of Investments^(a)

December 31, 2020

	Shares	Value
Common Stocks & Other Equity Interests-43.75%		
Aerospace & Defense-0.71%		
Boeing Co. (The)	3,550	\$ 759,913
Lockheed Martin Corp.	1,818	645,354
		1,405,267
Air Freight & Logistics-0.43%		
United Parcel Service, Inc., Class B	5,097	858,335
Alternative Carriers-0.00%		
ORBCOMM, Inc. ^(b)	375	2,782
Apparel Retail-0.37%		
Ross Stores, Inc.	5,955	731,334
Application Software-0.83%		
Q2 Holdings, Inc. ^(b)	4,970	628,854
Workday, Inc., Class A ^(b)	4,252	1,018,822
		1,647,676
Automobile Manufacturers-0.28%		
General Motors Co.	13,181	548,857
Automotive Retail-0.41%		
CarMax, Inc. ^(b)	8,619	814,151
Biotechnology-0.29%		
Seagen, Inc. ^(b)	3,321	581,640
Cable & Satellite-0.36%		
Charter Communications, Inc., Class A ^(b)	1,093	723,074
Commodity Chemicals-0.20%		
Valvoline, Inc.	17,323	400,854
Communications Equipment-0.44%		
Motorola Solutions, Inc.	5,124	871,387
Construction Machinery & Heavy Trucks-0.33%		
Caterpillar, Inc.	3,622	659,276
Construction Materials-0.22%		
Vulcan Materials Co.	2,978	441,667
Consumer Finance-0.41%		
Capital One Financial Corp.	8,335	823,915
Data Processing & Outsourced Services-1.48%		
Fiserv, Inc. ^(b)	8,897	1,013,012
Mastercard, Inc., Class A	5,440	1,941,754
		2,954,766
Distillers & Vintners-0.33%		
Constellation Brands, Inc., Class A	3,010	659,340
Diversified Banks-1.37%		
JPMorgan Chase & Co.	21,510	2,733,276
Diversified Metals & Mining-0.29%		
Compass Minerals International, Inc.	9,440	582,637

	Shares	Value
Electric Utilities-0.53%		
Avangrid, Inc.	16,320	\$ 741,744
Portland General Electric Co.	7,373	315,343
		1,057,087
Electrical Components & Equipment-0.22%		
Rockwell Automation, Inc.	1,765	442,680
Financial Exchanges & Data-0.75%		
Intercontinental Exchange, Inc.	12,900	1,487,241
Food Distributors-0.38%		
Sysco Corp.	10,252	761,313
Footwear-0.34%		
NIKE, Inc., Class B	4,795	678,349
Gas Utilities-0.33%		
National Fuel Gas Co.	7,788	320,320
Suburban Propane Partners L.P.	22,085	328,183
		648,503
Health Care Equipment-1.13%		
Boston Scientific Corp. ^(b)	18,211	654,686
CryoPort, Inc. ^(b)	9,707	425,943
DexCom, Inc. ^(b)	1,212	448,101
Zimmer Biomet Holdings, Inc.	4,627	712,974
		2,241,704
Health Care Facilities-0.32%		
HCA Healthcare, Inc.	3,859	634,651
Health Care Services-0.45%		
LHC Group, Inc. ^(b)	4,189	893,597
Health Care Technology-0.31%		
Teladoc Health, Inc. ^(b)	3,104	620,676
Home Improvement Retail-0.64%		
Home Depot, Inc. (The)	4,792	1,272,851
Homebuilding-0.37%		
D.R. Horton, Inc.	10,580	729,174
Hotels, Resorts & Cruise Lines-0.23%		
Airbnb, Inc., Class A ^(b)	3,184	467,411
Household Products-0.61%		
Procter & Gamble Co. (The)	8,763	1,219,284
Human Resource & Employment Services-0.28%		
Korn Ferry	12,820	557,670
Hypermarkets & Super Centers-0.45%		
Walmart, Inc.	6,196	893,153
Industrial Conglomerates-0.76%		
General Electric Co.	59,685	644,598
Honeywell International, Inc.	4,117	875,686
		1,520,284

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

	Shares	Value
Industrial Machinery-0.36%		
Stanley Black & Decker, Inc.	4,005	\$ 715,133
Industrial REITs-0.72%		
Prologis, Inc.	14,481	1,443,176
Insurance Brokers-0.34%		
Arthur J. Gallagher & Co.	5,537	684,982
Integrated Oil & Gas-0.74%		
Exxon Mobil Corp.	25,321	1,043,732
TOTAL S.A., ADR (France)	10,445	437,750
		1,481,482
Integrated Telecommunication Services-0.91%		
Verizon Communications, Inc.	30,775	1,808,031
Interactive Home Entertainment-0.77%		
Zynga, Inc., Class A ^(b)	154,290	1,522,842
Interactive Media & Services-4.10%		
Alphabet, Inc., Class A ^(b)	2,163	3,790,961
Facebook, Inc., Class A ^(b)	9,781	2,671,778
Snap, Inc., Class A ^(b)	33,890	1,696,872
		8,159,611
Internet & Direct Marketing Retail-2.03%		
Amazon.com, Inc. ^(b)	1,238	4,032,079
Internet Services & Infrastructure-0.07%		
Snowflake, Inc., Class A ^(b)	480	135,072
IT Consulting & Other Services-0.30%		
Perspecta, Inc.	24,907	599,761
Leisure Facilities-0.11%		
Cedar Fair L.P.	5,485	215,780
Life Sciences Tools & Services-0.22%		
Avantor, Inc. ^(b)	15,586	438,746
Managed Health Care-0.87%		
UnitedHealth Group, Inc.	4,953	1,736,918
Metal & Glass Containers-0.20%		
Silgan Holdings, Inc.	10,567	391,824
Multi-Utilities-0.15%		
Consolidated Edison, Inc.	4,263	308,087
Office REITs-0.21%		
Alexandria Real Estate Equities, Inc.	2,308	411,332
Office Services & Supplies-0.21%		
ACCO Brands Corp.	48,950	413,627
Oil & Gas Refining & Marketing-0.24%		
Valero Energy Corp.	8,435	477,168
Oil & Gas Storage & Transportation-0.15%		
Shell Midstream Partners L.P.	29,695	299,326
Paper Products-0.24%		
Schweitzer-Mauduit International, Inc., Class A	11,635	467,843

	Shares	Value
Pharmaceuticals-1.44%		
AstraZeneca PLC, ADR (United Kingdom)	21,183	\$ 1,058,938
Catalent, Inc. ^(b)	8,464	880,849
Merck & Co., Inc.	11,234	918,941
		2,858,728
Property & Casualty Insurance-0.62%		
Progressive Corp. (The)	12,480	1,234,022
Railroads-0.55%		
Canadian Pacific Railway Ltd. (Canada)	3,140	1,088,607
Regional Banks-1.08%		
East West Bancorp, Inc.	15,001	760,701
Signature Bank	3,464	468,644
SVB Financial Group ^(b)	2,395	928,853
		2,158,198
Restaurants-0.65%		
Starbucks Corp.	12,053	1,289,430
Semiconductor Equipment-0.82%		
Applied Materials, Inc.	18,890	1,630,207
Semiconductors-3.03%		
NVIDIA Corp.	5,638	2,944,164
QUALCOMM, Inc.	14,039	2,138,701
Texas Instruments, Inc.	5,787	949,820
		6,032,685
Soft Drinks-0.59%		
Coca-Cola Co. (The)	21,420	1,174,673
Specialized REITs-0.15%		
EPR Properties	8,940	290,550
Specialty Stores-0.39%		
Tractor Supply Co.	5,577	784,015
Systems Software-2.66%		
Microsoft Corp.	23,799	5,293,374
Technology Hardware, Storage & Peripherals-1.59%		
Apple, Inc.	23,800	3,158,022
Trading Companies & Distributors-0.39%		
Fastenal Co.	16,040	783,233
Total Common Stocks & Other Equity Interests (Cost \$58,232,271)		87,084,426
	Principal Amount	
U.S. Dollar Denominated Bonds & Notes-23.35%		
Advertising-0.25%		
Interpublic Group of Cos., Inc. (The), 3.75%, 10/01/2021	\$ 198,000	202,989
4.20%, 04/15/2024	135,000	150,302
WPP Finance 2010 (United Kingdom), 3.75%, 09/19/2024	132,000	146,377
		499,668
Aerospace & Defense-0.23%		
BAE Systems Holdings, Inc. (United Kingdom), 3.85%, 12/15/2025 ^(c)	101,000	114,661

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

	Principal Amount	Value
Aerospace & Defense-(continued)		
L3Harris Technologies, Inc., 3.85%, 06/15/2023	\$ 137,000	\$ 148,055
Northrop Grumman Corp., 4.75%, 06/01/2043	77,000	102,847
Raytheon Technologies Corp., 3.95%, 08/16/2025	85,000	97,509
		463,072
Agricultural & Farm Machinery-0.02%		
Deere & Co., 3.10%, 04/15/2030	30,000	34,359
Airlines-0.52%		
Delta Air Lines Pass-Through Trust, Series 2020-1, Class AA, 2.00%, 06/10/2028	162,977	163,231
Delta Air Lines, Inc./SkyMiles IP Ltd., 4.50%, 10/20/2025 ^(c)	185,000	197,803
4.75%, 10/20/2028 ^(c)	311,000	339,713
United Airlines Pass-Through Trust, Series 2020-1, Class A, 5.88%, 10/15/2027	312,000	337,963
		1,038,710
Apparel Retail-0.15%		
Ross Stores, Inc., 3.38%, 09/15/2024	154,000	165,102
0.88%, 04/15/2026	71,000	71,045
4.70%, 04/15/2027	26,000	30,714
1.88%, 04/15/2031	36,000	36,187
		303,048
Application Software-0.02%		
Autodesk, Inc., 4.38%, 06/15/2025	42,000	48,051
Asset Management & Custody Banks-0.25%		
Ameriprise Financial, Inc., 3.00%, 04/02/2025	124,000	135,182
Brookfield Asset Management, Inc. (Canada), 4.00%, 01/15/2025	102,000	113,837
Carlyle Finance Subsidiary LLC, 3.50%, 09/19/2029 ^(c)	63,000	69,305
CI Financial Corp. (Canada), 3.20%, 12/17/2030	173,000	177,458
		495,782
Automobile Manufacturers-0.81%		
Daimler Finance North America LLC (Germany), 2.55%, 08/15/2022 ^(c)	149,000	154,153
General Motors Financial Co., Inc., 4.20%, 11/06/2021	194,000	199,984
4.15%, 06/19/2023	127,000	136,676
Hyundai Capital America, 5.75%, 04/06/2023 ^(c)	166,000	183,940
4.13%, 06/08/2023 ^(c)	137,000	147,894
Nissan Motor Acceptance Corp., 3.65%, 09/21/2021 ^(c)	266,000	270,700
Volkswagen Group of America Finance LLC (Germany), 4.00%, 11/12/2021 ^(c)	311,000	320,584
1.63%, 11/24/2027 ^(c)	200,000	201,870
		1,615,801

	Principal Amount	Value
Biotechnology-0.19%		
AbbVie, Inc., 3.85%, 06/15/2024	\$ 223,000	\$ 245,821
2.95%, 11/21/2026	52,000	57,567
4.05%, 11/21/2039	60,000	72,585
		375,973
Brewers-0.17%		
Anheuser-Busch InBev Worldwide, Inc. (Belgium), 8.20%, 01/15/2039	81,000	139,789
Bacardi Ltd. (Bermuda), 4.70%, 05/15/2028 ^(c)	171,000	203,024
		342,813
Broadcasting-0.34%		
Discovery Communications LLC, 4.00%, 09/15/2055 ^(c)	453,000	507,068
Fox Corp., 3.05%, 04/07/2025	42,000	45,987
ViacomCBS, Inc., 4.20%, 06/01/2029	65,000	77,864
4.38%, 03/15/2043	42,000	49,621
		680,540
Cable & Satellite-0.42%		
Charter Communications Operating LLC/ Charter Communications Operating Capital Corp., 5.13%, 07/01/2049	42,000	51,264
3.85%, 04/01/2061	135,000	136,048
Comcast Corp., 4.00%, 03/01/2048	35,000	44,045
2.80%, 01/15/2051	121,000	126,032
2.45%, 08/15/2052	134,000	130,534
2.65%, 08/15/2062	166,000	166,196
Cox Communications, Inc., 1.80%, 10/01/2030 ^(c)	51,000	50,985
2.95%, 10/01/2050 ^(c)	81,000	82,820
Time Warner Cable LLC, 4.50%, 09/15/2042	46,000	53,905
		841,829
Communications Equipment-0.18%		
British Telecommunications PLC (United Kingdom), 4.50%, 12/04/2023	202,000	223,808
Motorola Solutions, Inc., 4.60%, 02/23/2028	106,000	127,907
		351,715
Consumer Finance-0.31%		
American Express Co., 3.13%, 05/20/2026	77,000	86,338
Series C, 3.50% (3 mo. USD LIBOR + 3.29%) ^{(d)(e)}	184,000	179,560
Capital One Financial Corp., 3.80%, 01/31/2028	38,000	43,818
Discover Bank, 4.65%, 09/13/2028	122,000	146,071
Discover Financial Services, 3.75%, 03/04/2025	44,000	48,471
Synchrony Financial, 4.25%, 08/15/2024	102,000	112,755
		617,013

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

	Principal Amount	Value
Distillers & Vintners-0.07%		
Pernod Ricard S.A. (France), 4.25%, 07/15/2022 ^(c)	\$ 134,000	\$ 141,514
Distributors-0.08%		
Genuine Parts Co., 1.88%, 11/01/2030	152,000	150,950
Diversified Banks-3.96%		
Australia & New Zealand Banking Group Ltd. (Australia), 2.57%, 11/25/2035 ^{(c)(f)}	200,000	204,182
Banco Santander S.A. (Spain), 2.75%, 12/03/2030	200,000	206,592
Bank of America Corp., 3.37%, 01/23/2026 ^(f)	117,000	128,855
3.82%, 01/20/2028 ^(f)	77,000	88,458
4.27%, 07/23/2029 ^(f)	64,000	76,225
2.59%, 04/29/2031 ^(f)	105,000	112,611
1.90%, 07/23/2031 ^(f)	265,000	267,818
1.92%, 10/24/2031 ^(f)	270,000	273,651
7.75%, 05/14/2038	115,000	196,414
Bank of Ireland Group PLC (Ireland), 4.50%, 11/25/2023 ^(c)	263,000	288,460
Bank of Montreal (Canada), Series E, 3.30%, 02/05/2024	101,000	109,595
BBVA Bancomer S.A. (Mexico), 1.88%, 09/18/2025 ^(c)	200,000	202,250
BBVA USA, 2.50%, 08/27/2024	252,000	267,826
BNP Paribas S.A. (France), 2.59%, 08/12/2035 ^{(c)(f)}	200,000	204,697
BPCE S.A. (France), 4.50%, 03/15/2025 ^(c)	184,000	208,198
Citigroup, Inc., 3.11%, 04/08/2026 ^(f)	143,000	156,426
4.08%, 04/23/2029 ^(f)	110,000	129,045
4.41%, 03/31/2031 ^(f)	117,000	141,887
Series V, 4.70% ^{(d)(f)}	160,000	164,714
Credit Agricole S.A. (France), 4.38%, 03/17/2025 ^(c)	304,000	341,649
Danske Bank A/S (Denmark), 3.24%, 12/20/2025 ^{(c)(f)}	200,000	214,220
HSBC Holdings PLC (United Kingdom), 3.95%, 05/18/2024 ^(f)	109,000	117,615
4.04%, 03/13/2028 ^(f)	135,000	154,194
4.58%, 06/19/2029 ^(f)	183,000	216,638
4.60% ^{(d)(f)}	225,000	229,527
JPMorgan Chase & Co., 3.80%, 07/23/2024 ^(f)	170,000	184,572
2.08%, 04/22/2026 ^(f)	185,000	195,506
3.78%, 02/01/2028 ^(f)	136,000	156,427
3.54%, 05/01/2028 ^(f)	104,000	118,963
2.96%, 05/13/2031 ^(f)	144,000	158,053
3.11%, 04/22/2041 ^(f)	115,000	128,738
Mitsubishi UFJ Financial Group, Inc. (Japan), 3.74%, 03/07/2029	79,000	92,991
National Australia Bank Ltd. (Australia), 3.93%, 08/02/2034 ^{(c)(f)}	154,000	173,179
Royal Bank of Canada (Canada), 3.70%, 10/05/2023	118,000	128,716
Standard Chartered PLC (United Kingdom), 3.27%, 02/18/2036 ^{(c)(f)}	221,000	231,448

	Principal Amount	Value
Diversified Banks-(continued)		
Sumitomo Mitsui Financial Group, Inc. (Japan), 1.47%, 07/08/2025	\$ 200,000	\$ 205,008
2.14%, 09/23/2030	291,000	292,657
Truist Bank, 2.64%, 09/17/2029 ^(f)	376,000	397,939
U.S. Bancorp, Series W, 3.10%, 04/27/2026	101,000	112,545
1.38%, 07/22/2030	107,000	107,286
Wells Fargo & Co., 2.19%, 04/30/2026 ^(f)	54,000	56,903
3.58%, 05/22/2028 ^(f)	102,000	115,648
3.07%, 04/30/2041 ^(f)	77,000	83,887
4.75%, 12/07/2046	79,000	103,498
Westpac Banking Corp. (Australia), 2.89%, 02/04/2030 ^(f)	92,000	96,485
2.67%, 11/15/2035 ^(f)	42,000	43,319
		7,885,515
Diversified Capital Markets-0.63%		
Credit Suisse AG (Switzerland), 3.63%, 09/09/2024	197,000	218,927
Credit Suisse Group AG (Switzerland), 4.55%, 04/17/2026	154,000	181,269
4.19%, 04/01/2031 ^{(c)(f)}	250,000	294,248
5.10% ^{(c)(d)(f)}	201,000	209,543
UBS Group AG (Switzerland), 4.13%, 04/15/2026 ^(c)	160,000	185,186
4.25%, 03/23/2028 ^(c)	147,000	172,135
		1,261,308
Diversified Chemicals-0.10%		
Dow Chemical Co. (The), 3.63%, 05/15/2026	92,000	103,715
Eastman Chemical Co., 3.50%, 12/01/2021	98,000	100,689
		204,404
Diversified Metals & Mining-0.31%		
Anglo American Capital PLC (South Africa), 3.63%, 09/11/2024 ^(c)	86,000	93,654
5.38%, 04/01/2025 ^(c)	203,000	237,787
5.63%, 04/01/2030 ^(c)	216,000	275,451
		606,892
Diversified REITs-0.10%		
Brixmor Operating Partnership L.P., 4.13%, 05/15/2029	65,000	74,867
4.05%, 07/01/2030	106,000	121,791
		196,658
Drug Retail-0.06%		
Walgreen Co., 3.10%, 09/15/2022	121,000	126,345
Electric Utilities-0.58%		
AEP Texas, Inc., 3.95%, 06/01/2028 ^(c)	172,000	201,394
Consolidated Edison Co. of New York, Inc., Series 20A, 3.35%, 04/01/2030	18,000	20,648
Series C, 3.00%, 12/01/2060	111,000	112,994
EDP Finance B.V. (Portugal), 3.63%, 07/15/2024 ^(c)	231,000	252,277
Emera US Finance L.P. (Canada), 2.70%, 06/15/2021	146,000	147,146

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

	Principal Amount	Value
Electric Utilities-(continued)		
Enel Finance International N.V. (Italy), 2.88%, 05/25/2022 ^(c)	\$ 313,000	\$ 323,046
Eversource Energy, Series Q, 0.80%, 08/15/2025	26,000	25,973
Fortis, Inc. (Canada), 3.06%, 10/04/2026	51,000	56,206
Virginia Electric and Power Co., 2.45%, 12/15/2050	19,000	19,105
		1,158,789
Electrical Components & Equipment-0.10%		
Acuity Brands Lighting, Inc., 2.15%, 12/15/2030	194,000	197,134
Electronic Components-0.02%		
Corning, Inc., 5.45%, 11/15/2079	32,000	43,931
Electronic Manufacturing Services-0.08%		
Jabil, Inc., 3.00%, 01/15/2031	148,000	157,691
Environmental & Facilities Services-0.08%		
Republic Services, Inc., 1.75%, 02/15/2032	153,000	153,417
Financial Exchanges & Data-0.15%		
Intercontinental Exchange, Inc., 3.00%, 09/15/2060	110,000	115,515
Moody's Corp., 3.25%, 05/20/2050	47,000	52,320
		37,594
S&P Global, Inc., 1.25%, 08/15/2030	97,000	95,655
		301,084
Gas Utilities-0.02%		
East Ohio Gas Co. (The), 1.30%, 06/15/2025 ^(c)	40,000	40,791
Health Care Equipment-0.04%		
Becton, Dickinson and Co., 3.70%, 06/06/2027	71,000	81,496
Health Care Facilities-0.07%		
CommonSpirit Health, 1.55%, 10/01/2025	73,000	75,050
West Virginia United Health System Obligated Group, 3.13%, 06/01/2050	53,000	54,844
		129,894
Health Care REITs-0.26%		
Healthcare Trust of America Holdings L.P., 3.50%, 08/01/2026	87,000	98,621
	106,000	106,179
Healthpeak Properties, Inc., 3.00%, 01/15/2030	112,000	122,616
Omega Healthcare Investors, Inc., 3.38%, 02/01/2031	133,000	139,943
Welltower, Inc., 2.70%, 02/15/2027	53,000	58,431
		525,790
Health Care Services-0.47%		
Cigna Corp., 4.13%, 11/15/2025	102,000	117,519

	Principal Amount	Value
Health Care Services-(continued)		
CVS Health Corp., 1.30%, 08/21/2027	\$ 149,000	\$ 149,720
	64,000	64,845
Fresenius Medical Care US Finance II, Inc. (Germany), 5.88%, 01/31/2022 ^(c)	130,000	136,931
Sutter Health, Series 20A, 3.16%, 08/15/2040	245,000	260,408
	180,000	196,133
		925,556
Home Improvement Retail-0.08%		
Lowe's Cos., Inc., 1.30%, 04/15/2028	104,000	104,941
	48,000	59,764
		164,705
Homebuilding-0.06%		
D.R. Horton, Inc., 4.75%, 02/15/2023	118,000	127,033
Independent Power Producers & Energy Traders-0.20%		
AES Corp. (The), 1.38%, 01/15/2026 ^(c)	104,000	105,004
	114,000	115,571
Deutsche Telekom International Finance B.V. (Germany), 4.38%, 06/21/2028 ^(c)	146,000	172,504
		393,079
Industrial Conglomerates-0.09%		
GE Capital International Funding Co. Unlimited Co., 3.37%, 11/15/2025	160,000	178,160
Industrial REITs-0.03%		
Lexington Realty Trust, 2.70%, 09/15/2030	59,000	61,512
Insurance Brokers-0.03%		
Marsh & McLennan Cos., Inc., 4.35%, 01/30/2047	46,000	61,052
Integrated Oil & Gas-0.32%		
BP Capital Markets America, Inc., 2.94%, 06/04/2051	239,000	244,056
Gray Oak Pipeline LLC, 2.60%, 10/15/2025 ^(c)	127,000	131,011
Occidental Petroleum Corp., 2.90%, 08/15/2024	228,000	219,792
	48,000	40,890
		635,749
Integrated Telecommunication Services-1.36%		
AT&T, Inc., 4.30%, 02/15/2030	136,000	162,577
	595,000	613,150
	160,000	162,335
	262,000	262,014
	16,000	15,946
	80,000	83,421
	11,000	11,055
	102,000	101,596

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	Principal Amount	Value
Integrated Telecommunication Services-(continued)		
T-Mobile USA, Inc., 3.50%, 04/15/2025 ^(c)	\$ 160,000	\$ 176,957
Verizon Communications, Inc., 0.85%, 11/20/2025	167,000	168,353
1.75%, 01/20/2031	204,000	203,229
2.65%, 11/20/2040	175,000	176,992
4.52%, 09/15/2048	71,000	92,594
2.88%, 11/20/2050	214,000	215,825
3.00%, 11/20/2060	252,000	253,750
		2,699,794

Interactive Home Entertainment-0.09%

Activision Blizzard, Inc., 2.50%, 09/15/2050	185,000	180,828
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Interactive Media & Services-0.08%

Alphabet, Inc., 1.90%, 08/15/2040	30,000	29,445
2.25%, 08/15/2060	137,000	132,655
		162,100

Internet & Direct Marketing Retail-0.32%

Expedia Group, Inc., 4.63%, 08/01/2027 ^(c)	101,000	112,930
Prosus N.V. (Netherlands), 3.83%, 02/08/2051 ^(c)	531,000	521,571
		634,501

Internet Services & Infrastructure-0.16%

VeriSign, Inc., 5.25%, 04/01/2025	105,000	119,503
4.75%, 07/15/2027	189,000	203,118
		322,621

Investment Banking & Brokerage-0.92%

Goldman Sachs Group, Inc. (The), 3.50%, 04/01/2025	126,000	140,224
3.75%, 02/25/2026	66,000	75,007
3.50%, 11/16/2026	68,000	76,390
1.09%, 12/09/2026 ^(f)	163,000	164,834
0.87% (SOFR + 0.79%), 12/09/2026 ^(e)	700,000	704,822
Morgan Stanley, 5.00%, 11/24/2025	131,000	156,816
2.19%, 04/28/2026 ^(f)	94,000	99,349
4.43%, 01/23/2030 ^(f)	97,000	118,283
3.62%, 04/01/2031 ^(f)	120,000	139,462
Raymond James Financial, Inc., 3.63%, 09/15/2026	63,000	72,348
4.65%, 04/01/2030	60,000	73,673
		1,821,208

IT Consulting & Other Services-0.06%

DXC Technology Co., 4.75%, 04/15/2027	101,000	115,678
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Life & Health Insurance-0.86%

AIA Group Ltd. (Hong Kong), 3.20%, 09/16/2040 ^(c)	200,000	210,026
Athene Global Funding, 1.20%, 10/13/2023 ^(c)	242,000	243,947
2.95%, 11/12/2026 ^(c)	203,000	217,966

	Principal Amount	Value
Life & Health Insurance-(continued)		
Athene Holding Ltd., 6.15%, 04/03/2030	\$ 132,000	\$ 164,426
3.50%, 01/15/2031	54,000	57,153
Belrose Funding Trust, 2.33%, 08/15/2030 ^(c)	133,000	137,089
Lincoln National Corp., 3.80%, 03/01/2028	76,000	88,029
Manulife Financial Corp. (Canada), 4.06%, 02/24/2032 ^(f)	97,000	106,167
Pacific LifeCorp, 3.35%, 09/15/2050 ^(c)	136,000	151,552
Prudential Financial, Inc., 5.20%, 03/15/2044 ^(f)	184,000	195,695
Reliance Standard Life Global Funding II, 2.75%, 01/21/2027 ^(c)	139,000	146,243
		1,718,293

Managed Health Care-0.32%

Anthem, Inc., 3.13%, 05/15/2022	124,000	128,684
Children's Hospital, Series 2020, 2.93%, 07/15/2050	90,000	90,353
Community Health Network, Inc., Series 20-A, 3.10%, 05/01/2050	193,000	194,939
Hackensack Meridian Health, Inc., Series 2020, 2.68%, 09/01/2041	84,000	85,018
2.88%, 09/01/2050	81,000	83,659
New York and Presbyterian Hospital (The), 2.26%, 08/01/2040	61,000	59,763
		642,416

Multi-Utilities-0.38%

Ameren Corp., 2.50%, 09/15/2024	83,000	88,557
3.50%, 01/15/2031	61,000	70,229
CenterPoint Energy, Inc., 4.25%, 11/01/2028	61,000	72,293
Dominion Energy, Inc., 2.72%, 08/15/2021 ^(g)	160,000	162,012
Series C, 3.38%, 04/01/2030	101,000	115,124
DTE Energy Co., Series F, 1.05%, 06/01/2025	54,000	54,641
WEC Energy Group, Inc., 1.38%, 10/15/2027	102,000	103,801
1.80%, 10/15/2030	92,000	92,418
		759,075

Office REITs-0.13%

Highwoods Realty L.P., 2.60%, 02/01/2031	31,000	31,673
Office Properties Income Trust, 4.50%, 02/01/2025	212,000	224,816
		256,489

Oil & Gas Exploration & Production-0.21%

Canadian Natural Resources Ltd. (Canada), 2.05%, 07/15/2025	184,000	193,179
Concho Resources, Inc., 2.40%, 02/15/2031	45,000	47,174
EQT Corp., 3.00%, 10/01/2022	29,000	29,272
Pioneer Natural Resources Co., 1.90%, 08/15/2030	140,000	138,783
		408,408

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	Principal Amount	Value
Oil & Gas Storage & Transportation-0.76%		
Energy Transfer Operating L.P., 4.25%, 03/15/2023	\$ 107,000	\$ 113,804
Kinder Morgan Energy Partners L.P., 5.80%, 03/01/2021	108,000	108,884
Kinder Morgan, Inc., 2.00%, 02/15/2031	85,000	85,964
5.20%, 03/01/2048	52,000	66,242
MPLX L.P., 1.33% (3 mo. USD LIBOR + 1.10%), 09/09/2022 ^(e)	144,000	144,026
1.75%, 03/01/2026	134,000	138,746
4.25%, 12/01/2027	77,000	90,508
2.65%, 08/15/2030	142,000	148,983
ONEOK, Inc., 5.85%, 01/15/2026	48,000	57,544
6.35%, 01/15/2031	180,000	231,104
Sabine Pass Liquefaction LLC, 4.20%, 03/15/2028	74,000	84,954
Sunoco Logistics Partners Operations L.P., 4.00%, 10/01/2027	85,000	93,030
Williams Cos., Inc. (The), 3.70%, 01/15/2023	137,000	145,209
		1,508,998
Other Diversified Financial Services-0.30%		
Avolon Holdings Funding Ltd. (Ireland), 4.25%, 04/15/2026 ^(c)	78,000	84,094
Blackstone Holdings Finance Co. LLC, 3.15%, 10/02/2027 ^(c)	48,000	53,541
1.60%, 03/30/2031 ^(c)	190,000	189,258
2.80%, 09/30/2050 ^(c)	87,000	88,994
Equitable Holdings, Inc., 4.35%, 04/20/2028	66,000	78,046
KKR Group Finance Co. VIII LLC, 3.50%, 08/25/2050 ^(c)	85,000	94,605
		588,538
Packaged Foods & Meats-0.48%		
Conagra Brands, Inc., 4.60%, 11/01/2025	130,000	153,262
Experian Finance PLC (United Kingdom), 2.75%, 03/08/2030 ^(c)	311,000	338,030
Mondelez International Holdings Netherlands B.V., 2.00%, 10/28/2021 ^(c)	339,000	343,216
Tyson Foods, Inc., 3.90%, 09/28/2023	112,000	122,360
		956,868
Paper Packaging-0.09%		
Berry Global, Inc., 1.57%, 01/15/2026 ^(c)	60,000	60,594
Packaging Corp. of America, 3.65%, 09/15/2024	112,000	122,820
		183,414
Pharmaceuticals-0.78%		
Bayer US Finance II LLC (Germany), 3.88%, 12/15/2023 ^(c)	335,000	365,245

	Principal Amount	Value
Pharmaceuticals-(continued)		
Bristol-Myers Squibb Co., 0.75%, 11/13/2025	\$ 160,000	\$ 161,171
1.45%, 11/13/2030	248,000	249,320
2.35%, 11/13/2040	24,000	24,701
2.55%, 11/13/2050	80,000	81,923
Elanco Animal Health, Inc., 5.90%, 08/28/2028	145,000	171,553
Mylan, Inc., 3.13%, 01/15/2023 ^(c)	126,000	132,341
Royalty Pharma PLC, 1.20%, 09/02/2025 ^(c)	53,000	53,859
1.75%, 09/02/2027 ^(c)	50,000	51,489
2.20%, 09/02/2030 ^(c)	59,000	60,657
Takeda Pharmaceutical Co. Ltd. (Japan), 5.00%, 11/26/2028	160,000	198,974
		1,551,233
Property & Casualty Insurance-0.27%		
Arch Capital Group Ltd., 3.64%, 06/30/2050	73,000	85,119
CNA Financial Corp., 3.45%, 08/15/2027	94,000	106,601
Fidelity National Financial, Inc., 3.40%, 06/15/2030	92,000	101,179
2.45%, 03/15/2031	142,000	144,665
W.R. Berkley Corp., 4.00%, 05/12/2050	81,000	99,085
		536,649
Railroads-0.18%		
CSX Corp., 2.50%, 05/15/2051	155,000	153,968
Union Pacific Corp., 2.15%, 02/05/2027	89,000	94,653
2.40%, 02/05/2030	110,000	118,590
		367,211
Real Estate Development-0.05%		
Piedmont Operating Partnership L.P., 3.15%, 08/15/2030	99,000	101,520
Regional Banks-0.56%		
Citizens Financial Group, Inc., 3.25%, 04/30/2030	60,000	67,847
Fifth Third Bancorp, 2.55%, 05/05/2027	78,000	84,978
Fifth Third Bank N.A., 3.85%, 03/15/2026	160,000	181,495
Huntington Bancshares, Inc., 4.00%, 05/15/2025	137,000	155,240
KeyCorp, 4.15%, 10/29/2025	43,000	49,954
PNC Financial Services Group, Inc. (The), 3.15%, 05/19/2027	104,000	116,294
Santander Holdings USA, Inc., 3.50%, 06/07/2024	102,000	110,228
Synovus Financial Corp., 3.13%, 11/01/2022	72,000	74,788
Zions Bancorporation N.A., 3.25%, 10/29/2029	250,000	263,653
		1,104,477
Reinsurance-0.07%		
Berkshire Hathaway Finance Corp., 2.85%, 10/15/2050	132,000	141,692

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	Principal Amount	Value
Residential REITs-0.27%		
Essex Portfolio L.P., 3.00%, 01/15/2030	\$ 61,000	\$ 67,024
1.65%, 01/15/2031	66,000	65,677
2.65%, 09/01/2050	118,000	113,495
Mid-America Apartments L.P., 1.70%, 02/15/2031	43,000	42,914
Spirit Realty L.P., 3.20%, 01/15/2027	83,000	88,251
VEREIT Operating Partnership L.P., 2.20%, 06/15/2028	76,000	77,781
2.85%, 12/15/2032	69,000	72,174
		527,316

Restaurants-0.01%		
McDonald's Corp., 3.30%, 07/01/2025	19,000	21,175

Retail REITs-0.41%		
Kimco Realty Corp., 1.90%, 03/01/2028	166,000	171,501
2.70%, 10/01/2030	81,000	87,357
Kite Realty Group L.P., 4.00%, 10/01/2026	81,000	85,025
Realty Income Corp., 3.25%, 01/15/2031	110,000	124,840
Regency Centers L.P., 2.95%, 09/15/2029	98,000	104,773
Retail Properties of America, Inc., 4.75%, 09/15/2030	95,000	101,005
Scentre Group Trust 2 (Australia), 4.75%, 09/24/2080 ^{(c)(f)}	133,000	138,811
5.13%, 09/24/2080 ^{(c)(f)}	4,000	4,225
		817,537

Semiconductor Equipment-0.06%		
NXP B.V./NXP Funding LLC/NXP USA, Inc. (Netherlands), 2.70%, 05/01/2025 ^(c)	33,000	35,540
3.88%, 06/18/2026 ^(c)	81,000	92,863
		128,403

Semiconductors-0.60%		
Analog Devices, Inc., 2.95%, 04/01/2025	52,000	56,800
Broadcom, Inc., 2.25%, 11/15/2023	175,000	182,881
4.70%, 04/15/2025	215,000	246,432
3.15%, 11/15/2025	180,000	196,620
4.15%, 11/15/2030	148,000	171,428
QUALCOMM, Inc., 2.15%, 05/20/2030	160,000	169,516
3.25%, 05/20/2050	155,000	179,932
		1,203,609

Soft Drinks-0.07%		
Keurig Dr Pepper, Inc., 4.06%, 05/25/2023	125,000	135,897

Specialized REITs-0.27%		
Agree L.P., 2.90%, 10/01/2030	42,000	44,684

	Principal Amount	Value
Specialized REITs-(continued)		
American Tower Corp., 3.00%, 06/15/2023	\$ 112,000	\$ 118,710
4.00%, 06/01/2025	70,000	79,114
1.30%, 09/15/2025	82,000	83,907
Crown Castle International Corp., 3.30%, 07/01/2030	42,000	47,060
Equinix, Inc., 3.20%, 11/18/2029	60,000	66,225
Life Storage L.P., 2.20%, 10/15/2030	48,000	49,053
Simon Property Group L.P., 3.50%, 09/01/2025	38,000	42,217
		530,970

Systems Software-0.14%		
Leidos, Inc., 2.30%, 02/15/2031 ^(c)	191,000	194,834
VMware, Inc., 3.90%, 08/21/2027	70,000	78,985
		273,819

Technology Hardware, Storage & Peripherals-0.50%		
Apple, Inc., 4.38%, 05/13/2045	76,000	104,160
2.55%, 08/20/2060	480,000	493,703
Dell International LLC/EMC Corp., 5.30%, 10/01/2029 ^(c)	157,000	192,409
Lenovo Group Ltd. (China), 3.42%, 11/02/2030 ^(c)	200,000	210,373
		1,000,645

Thriffs & Mortgage Finance-0.09%		
Nationwide Building Society (United Kingdom), 3.96%, 07/18/2030 ^{(c)(f)}	150,000	174,865

Tobacco-0.34%		
Altria Group, Inc., 3.49%, 02/14/2022	85,000	87,935
BAT Capital Corp. (United Kingdom), 2.26%, 03/25/2028	117,000	121,557
Imperial Brands Finance PLC (United Kingdom), 3.75%, 07/21/2022 ^(c)	328,000	342,143
Philip Morris International, Inc., 0.88%, 05/01/2026	124,000	124,580
		676,215

Trucking-0.31%		
Penske Truck Leasing Co. L.P./PTL Finance Corp., 3.65%, 07/29/2021 ^(c)	90,000	91,406
4.00%, 07/15/2025 ^(c)	106,000	120,256
1.20%, 11/15/2025 ^(c)	36,000	36,334
3.40%, 11/15/2026 ^(c)	120,000	133,531
Ryder System, Inc., 2.50%, 09/01/2024	58,000	61,640
4.63%, 06/01/2025	98,000	113,599
3.35%, 09/01/2025	48,000	53,525
		610,291

Total U.S. Dollar Denominated Bonds & Notes (Cost \$43,144,515)		46,481,576
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Asset-Backed Securities-13.14%		
Alternative Loan Trust, Series 2005- 29CB, Class A4, 5.00%, 07/25/2035	123,206	100,141

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

	Principal Amount	Value
American Credit Acceptance Receivables Trust, Series 2017-4, Class D, 3.57%, 01/10/2024 ^(c)	\$ 166,254	\$ 168,452
Series 2018-2, Class C, 3.70%, 07/10/2024 ^(c)	67,477	67,766
Series 2018-3, Class D, 4.14%, 10/15/2024 ^(c)	25,000	25,586
Series 2018-4, Class C, 3.97%, 01/13/2025 ^(c)	119,614	120,908
Series 2019-3, Class C, 2.76%, 09/12/2025 ^(c)	155,000	157,937
AmeriCredit Automobile Receivables Trust, Series 2017-2, Class D, 3.42%, 04/18/2023	320,000	329,087
Series 2017-4, Class D, 3.08%, 12/18/2023	205,000	211,302
Series 2018-3, Class C, 3.74%, 10/18/2024	260,000	274,001
Series 2019-2, Class C, 2.74%, 04/18/2025	100,000	104,235
Series 2019-2, Class D, 2.99%, 06/18/2025	270,000	282,756
Series 2019-3, Class D, 2.58%, 09/18/2025	130,000	135,065
Angel Oak Mortgage Trust, Series 2020-1, Class A1, 2.47%, 12/25/2025 ^{(c)(h)}	128,909	130,301
Series 2020-3, Class A1, 1.69%, 04/25/2025 ^{(c)(h)}	373,912	377,024
Bain Capital Credit CLO Ltd., Series 2017-2A, Class AR, 1.46% (3 mo. USD LIBOR + 1.25%), 07/25/2030 ^{(c)(e)}	423,812	423,917
Banc of America Funding Trust, Series 2007-1, Class 1A3, 6.00%, 01/25/2037	28,512	28,170
Series 2007-C, Class 1A4, 3.48%, 05/20/2036 ^(h)	9,490	9,368
Banc of America Mortgage Trust, Series 2004-E, Class 2A6, 3.60%, 06/25/2034 ^(h)	26,014	26,064
Bank, Series 2019-BNK16, Class XA, 10, 0.96%, 02/15/2052 ⁽ⁱ⁾	1,564,204	98,655
Bear Stearns Adjustable Rate Mortgage Trust, Series 2005-9, Class A1, 2.41% (1 yr. U.S. Treasury Yield Curve Rate + 2.30%), 10/25/2035 ^(e)	162,741	163,082
Series 2006-1, Class A1, 2.37% (1 yr. U.S. Treasury Yield Curve Rate + 2.25%), 02/25/2036 ^(e)	59,534	60,925
Benchmark Mortgage Trust, Series 2018-B1, Class XA, 10, 0.52%, 01/15/2051 ⁽ⁱ⁾	2,175,845	63,722
Capital Auto Receivables Asset Trust, Series 2017-1, Class D, 3.15%, 02/20/2025 ^(c)	40,000	40,619
Series 2018-2, Class B, 3.48%, 10/20/2023 ^(c)	125,000	125,953
Series 2018-2, Class C, 3.69%, 12/20/2023 ^(c)	120,000	122,006

	Principal Amount	Value
CarMax Auto Owner Trust, Series 2017-1, Class D, 3.43%, 07/17/2023	\$ 245,000	\$ 246,355
Series 2017-4, Class D, 3.30%, 05/15/2024	110,000	112,575
CCG Receivables Trust, Series 2018-1, Class B, 3.09%, 06/16/2025 ^(c)	90,000	90,848
Series 2018-2, Class C, 3.87%, 12/15/2025 ^(c)	60,000	61,848
Series 2019-2, Class B, 2.55%, 03/15/2027 ^(c)	105,000	107,844
Series 2019-2, Class C, 2.89%, 03/15/2027 ^(c)	100,000	102,629
CD Mortgage Trust, Series 2017-CD6, Class XA, 10, 0.92%, 11/13/2050 ⁽ⁱ⁾	841,558	34,893
Chase Home Lending Mortgage Trust, Series 2019-ATR1, Class A15, 4.00%, 04/25/2049 ^{(c)(h)}	28,566	29,339
Chase Mortgage Finance Trust, Series 2005-A2, Class 1A3, 3.36%, 01/25/2036 ^(h)	65,846	63,796
CHL Mortgage Pass-Through Trust, Series 2005-26, Class 1A8, 5.50%, 11/25/2035	38,198	32,585
Series 2006-6, Class A3, 6.00%, 04/25/2036	24,437	18,598
Citigroup Commercial Mortgage Trust, Series 2013-GC17, Class XA, 10, 1.03%, 11/10/2046 ⁽ⁱ⁾	405,128	9,986
Series 2014-GC21, Class AA, 3.48%, 05/10/2047	74,308	77,845
Series 2017-C4, Class XA, 10, 1.10%, 10/12/2050 ⁽ⁱ⁾	2,248,923	119,032
Citigroup Mortgage Loan Trust, Inc., Series 2006-AR1, Class 1A1, 3.88% (1 yr. U.S. Treasury Yield Curve Rate + 2.40%), 10/25/2035 ^(e)	154,156	157,423
CNH Equipment Trust, Series 2017-C, Class B, 2.54%, 05/15/2025	70,000	71,044
Series 2019-A, Class A4, 3.22%, 01/15/2026	120,000	126,928
COLT Mortgage Loan Trust, Series 2020-1, Class A1, 2.49%, 02/25/2050 ^{(c)(h)}	263,525	266,981
Series 2020-2, Class A1, 1.85%, 03/25/2065 ^{(c)(h)}	193,311	196,033
COMM Mortgage Trust, Series 2012-CR5, Class XA, 10, 1.51%, 12/10/2045 ⁽ⁱ⁾	297,329	7,238
Series 2013-CR6, Class AM, 3.15%, 03/10/2046 ^(c)	255,000	265,354
Series 2014-CR20, Class ASB, 3.31%, 11/10/2047	54,362	57,006
Series 2014-CR21, Class AM, 3.99%, 12/10/2047	865,000	950,971
Series 2014-LC15, Class AM, 4.20%, 04/10/2047	140,000	153,932
Series 2014-UBS6, Class AM, 4.05%, 12/10/2047	495,000	544,372
CSAIL Commercial Mortgage Trust, Series 2020-C19, Class A3, 2.56%, 03/15/2053	571,000	617,506

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	Principal Amount	Value
CSMC Mortgage-Backed Trust, Series 2006-6, Class 1A4, 6.00%, 07/25/2036	\$ 99,970	\$ 79,090
Dell Equipment Finance Trust, Series 2018-1, Class B, 3.34%, 06/22/2023 ^(c)	90,000	90,729
Series 2019-1, Class C, 3.14%, 03/22/2024 ^(c)	330,000	337,602
Series 2019-2, Class D, 2.48%, 04/22/2025 ^(c)	110,000	111,812
Drive Auto Receivables Trust, Series 2017-1, Class D, 3.84%, 03/15/2023	135,875	137,517
Series 2018-1, Class D, 3.81%, 05/15/2024	116,050	118,350
Series 2018-2, Class D, 4.14%, 08/15/2024	230,000	236,711
Series 2018-3, Class D, 4.30%, 09/16/2024	215,000	222,817
Series 2018-5, Class C, 3.99%, 01/15/2025	210,000	214,911
Series 2019-1, Class C, 3.78%, 04/15/2025	340,000	346,560
DT Auto Owner Trust, Series 2017-1A, Class D, 3.55%, 11/15/2022 ^(c)	44	44
Series 2017-2A, Class D, 3.89%, 01/15/2023 ^(c)	16,037	16,072
Series 2017-3A, Class D, 3.58%, 05/15/2023 ^(c)	21,483	21,651
Series 2017-3A, Class E, 5.60%, 08/15/2024 ^(c)	195,000	200,773
Series 2017-4A, Class D, 3.47%, 07/17/2023 ^(c)	42,944	43,133
Series 2018-3A, Class B, 3.56%, 09/15/2022 ^(c)	26,744	26,776
Series 2018-3A, Class C, 3.79%, 07/15/2024 ^(c)	105,000	106,314
Ellington Financial Mortgage Trust, Series 2020-1, Class A1, 2.01%, 05/25/2065 ^{(c)(h)}	86,465	87,917
Exeter Automobile Receivables Trust, Series 2019-2A, Class C, 3.30%, 03/15/2024 ^(c)	322,000	328,798
Series 2019-4A, Class D, 2.58%, 09/15/2025 ^(c)	230,000	236,744
First Horizon Alternative Mortgage Securities Trust, Series 2005-FA8, Class 1A6, 0.80% (1 mo. USD LIBOR + 0.65%), 11/25/2035 ^(e)	55,402	25,995
Flagship Credit Auto Trust, Series 2016-1, Class C, 6.22%, 06/15/2022 ^(c)	133,305	134,590
Ford Credit Floorplan Master Owner Trust, Series 2019-3, Class A2, 0.76% (1 mo. USD LIBOR + 0.60%), 09/15/2024 ^(e)	550,000	554,111

	Principal Amount	Value
FREMF Mortgage Trust, Series 2013-K25, Class C, 3.62%, 11/25/2045 ^{(c)(h)}	\$ 60,000	\$ 62,366
Series 2013-K26, Class C, 3.60%, 12/25/2045 ^{(c)(h)}	40,000	41,749
Series 2013-K27, Class C, 3.50%, 01/25/2046 ^{(c)(h)}	110,000	114,680
Series 2013-K28, Class C, 3.49%, 06/25/2046 ^{(c)(h)}	450,000	472,372
Series 2014-K715, Class C, 4.12%, 02/25/2046 ^{(c)(h)}	180,000	179,762
GLS Auto Receivables Trust, Series 2018-1A, Class A, 2.82%, 07/15/2022 ^(c)	8,361	8,370
GS Mortgage Securities Trust, Series 2012-GC6, Class A3, 3.48%, 01/10/2045	54,793	55,674
Series 2013-GC16, Class AS, 4.65%, 11/10/2046	65,000	71,079
Series 2013-GCJ12, Class AAB, 2.68%, 06/10/2046	15,804	16,127
Series 2014-GC18, Class AAB, 3.65%, 01/10/2047	56,035	58,516
Series 2020-GC47, Class A5, 2.38%, 05/12/2053	225,000	242,593
GSR Mortgage Loan Trust, Series 2005-AR, Class 6A1, 3.33%, 07/25/2035 ^(h)	8,401	8,578
HomeBanc Mortgage Trust, Series 2005-3, Class A2, 0.77% (1 mo. USD LIBOR + 0.62%), 07/25/2035 ^(e)	4,570	4,584
JP Morgan Chase Commercial Mortgage Securities Trust, Series 2013-C10, Class AS, 3.37%, 12/15/2047	325,000	339,775
Series 2013-C16, Class AS, 4.52%, 12/15/2046	330,000	359,433
Series 2013-LC11, Class AS, 3.22%, 04/15/2046	78,000	81,195
Series 2014-C20, Class AS, 4.04%, 07/15/2047	245,000	267,714
Series 2016-JP3, Class A2, 2.43%, 08/15/2049	128,912	130,193
JP Morgan Mortgage Trust, Series 2007-A1, Class 5A1, 3.06%, 07/25/2035 ^(h)	41,731	41,387
Series 2018-8, Class A17, 4.00%, 01/25/2049 ^{(c)(h)}	4,171	4,175
JPMBB Commercial Mortgage Securities Trust, Series 2014-C24, Class B, 4.12%, 11/15/2047 ^(h)	270,000	278,608
Series 2014-C25, Class AS, 4.07%, 11/15/2047	105,000	115,635
Series 2015-C27, Class XA, IO, 1.16%, 02/15/2048 ⁽ⁱ⁾	2,105,926	83,663
MASTR Adjustable Rate Mortgages Trust, Series 2004-13, Class 2A2, 3.11%, 04/21/2034 ^(h)	14,758	14,790
Morgan Stanley BAML Trust, Series 2014-C19, Class AS, 3.83%, 12/15/2047	720,000	784,843
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2013-C9, Class AS, 3.46%, 05/15/2046	240,000	251,267

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	Principal Amount	Value
Morgan Stanley Capital I Trust, Series 2011-C2, Class A4, 4.66%, 06/15/2044 ^(c)	\$ 57,196	\$ 57,585
Series 2017-HR2, Class XA, 10, 0.79%, 12/15/2050 ⁽ⁱ⁾	764,387	33,821
Morgan Stanley ReRemic Trust, Series 2012-R3, Class 1B, 2.64%, 11/26/2036 ^{(c)(h)}	169,000	161,287
Mortgage-Linked Amortizing Notes, Series 2012-1, Class A10, 2.06%, 01/15/2022	80,533	81,898
Neuberger Berman Loan Advisers CLO 24 Ltd., Series 2017-24A, Class AR, 1.24% (3 mo. USD LIBOR + 1.02%), 04/19/2030 ^{(c)(e)}	276,000	274,945
OCP CLO Ltd. (Cayman Islands), Series 2017-13A, Class A1A, 1.50% (3 mo. USD LIBOR + 1.26%), 07/15/2030 ^{(c)(e)}	250,000	250,125
Series 2020-8RA, Class A1, 1.00% (1.22% - 3 mo. USD LIBOR), 01/17/2032 ^{(c)(e)}	366,000	366,183
Octagon Investment Partners 49 Ltd., Series 2020-5A, Class A1, 1.00% (1.22% - 3 mo. USD LIBOR), 01/15/2033 ^{(c)(e)}	339,000	339,276
OHA Loan Funding Ltd., Series 2016-1A, Class AR, 1.48% (3 mo. USD LIBOR + 1.26%), 01/20/2033 ^{(c)(e)}	272,907	273,615
Prestige Auto Receivables Trust, Series 2019-1A, Class C, 2.70%, 10/15/2024 ^(c)	115,000	118,045
Progress Residential Trust, Series 2020-SFR1, Class A, 1.73%, 04/17/2037 ^(c)	360,000	367,108
RBSSP Resecuritization Trust, Series 2010-1, Class 2A1, 3.04%, 07/26/2045 ^{(c)(h)}	2,278	2,297
Residential Accredited Loans, Inc. Trust, Series 2006-QS13, Class 1A8, 6.00%, 09/25/2036	5,579	5,204
Residential Mortgage Loan Trust, Series 2020-1, Class A1, 2.38%, 02/25/2024 ^{(c)(h)}	120,007	122,561
Santander Drive Auto Receivables Trust, Series 2017-1, Class E, 5.05%, 07/15/2024 ^(c)	410,000	416,986
Series 2017-3, Class D, 3.20%, 11/15/2023	295,000	300,185
Series 2018-1, Class D, 3.32%, 03/15/2024	110,000	112,539
Series 2018-2, Class D, 3.88%, 02/15/2024	170,000	175,616
Series 2018-5, Class C, 3.81%, 12/16/2024	170,375	172,281
Series 2019-2, Class D, 3.22%, 07/15/2025	195,000	202,915
Series 2019-3, Class D, 2.68%, 10/15/2025	165,000	169,744

	Principal Amount	Value
Santander Retail Auto Lease Trust, Series 2019-A, Class C, 3.30%, 05/22/2023 ^(c)	\$ 320,000	\$ 329,638
Series 2019-B, Class C, 2.77%, 08/21/2023 ^(c)	115,000	118,410
Series 2019-C, Class C, 2.39%, 11/20/2023 ^(c)	205,000	210,577
Starwood Mortgage Residential Trust, Series 2020-1, Class A1, 2.28%, 02/25/2050 ^{(c)(h)}	152,527	156,074
Symphony CLO XXII Ltd., Series 2020-22A, Class A1A, 1.51% (3 mo. USD LIBOR + 1.29%), 04/18/2033 ^{(c)(e)}	250,000	250,312
TICP CLO XV Ltd., Series 2020-15A, Class A, 1.50% (3 mo. USD LIBOR + 1.28%), 04/20/2033 ^{(c)(e)}	256,000	256,330
Tricon American Homes Trust, Series 2020-SFR2, Class A, 1.48%, 11/17/2039 ^(c)	280,000	282,831
UBS Commercial Mortgage Trust, Series 2017-C5, Class XA, 10, 1.00%, 11/15/2050 ⁽ⁱ⁾	1,494,516	71,969
United Auto Credit Securitization Trust, Series 2019-1, Class C, 3.16%, 08/12/2024 ^(c)	139,182	139,849
Verus Securitization Trust, Series 2020-1, Class A1, 2.42%, 01/25/2060 ^{(c)(g)}	335,307	341,976
Series 2020-1, Class A2, 2.64%, 01/25/2060 ^{(c)(g)}	99,729	101,752
Series 2020-INV1, Class A1, 1.98%, 03/25/2060 ^{(c)(h)}	90,494	91,918
Visio Trust, Series 2020-1R, Class A1, 1.31%, 11/25/2055 ^(c)	175,429	175,966
WaMu Mortgage Pass-Through Cdfs. Trust, Series 2003-AR10, Class A7, 2.57%, 10/25/2033 ^(h)	38,396	38,664
Series 2005-AR14, Class 1A4, 2.90%, 12/25/2035 ^(h)	44,307	44,289
Series 2005-AR16, Class 1A1, 2.75%, 12/25/2035 ^(h)	43,293	42,851
Wells Fargo Commercial Mortgage Trust, Series 2015-NXS1, Class ASB, 2.93%, 05/15/2048	288,534	299,028
Series 2017-C42, Class XA, 10, 0.88%, 12/15/2050 ⁽ⁱ⁾	1,064,556	54,379
Westlake Automobile Receivables Trust, Series 2017-2A, Class E, 4.63%, 07/15/2024 ^(c)	320,000	321,459
Series 2018-1A, Class D, 3.41%, 05/15/2023 ^(c)	212,931	214,549
Series 2018-3A, Class B, 3.32%, 10/16/2023 ^(c)	16,322	16,341
Series 2019-3A, Class C, 2.49%, 10/15/2024 ^(c)	265,000	271,368
WFRBS Commercial Mortgage Trust, Series 2011-C3, Class XA, 10, 1.27%, 03/15/2044 ^{(c)(i)}	1,482,413	1,020
Series 2013-C14, Class AS, 3.49%, 06/15/2046	155,000	162,754
Series 2014-C20, Class AS, 4.18%, 05/15/2047	150,000	163,144
Series 2014-LC14, Class AS, 4.35%, 03/15/2047 ^(h)	165,000	180,318

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	Principal Amount	Value
World Financial Network Credit Card Master Trust, Series 2018-A, Class A, 3.07%, 12/16/2024	\$ 540,000	\$ 541,766
Series 2018-B, Class A, 3.46%, 07/15/2025	245,000	250,406
Series 2018-C, Class A, 3.55%, 08/15/2025	490,000	502,427
Series 2019-A, Class A, 3.14%, 12/15/2025	75,000	77,364
Series 2019-B, Class A, 2.49%, 04/15/2026	260,000	268,050
Series 2019-C, Class A, 2.21%, 07/15/2026	225,000	232,069
Total Asset-Backed Securities (Cost \$25,800,602)		26,152,212

U.S. Government Sponsored Agency Mortgage-Backed Securities-11.44%

Collateralized Mortgage Obligations-0.99%

Fannie Mae Interest STRIPS, 10, 7.00%, 06/25/2023 to 04/25/2032 ⁽ⁱ⁾	32,249	2,776
7.50%, 08/25/2023 to 11/25/2023 ⁽ⁱ⁾	41,772	2,811
6.50%, 02/25/2032 to 02/25/2033 ⁽ⁱ⁾	116,443	22,650
6.50%, 02/25/2033 ^{(h)(i)}	31,663	5,979
6.00%, 06/25/2033 to 08/25/2035 ⁽ⁱ⁾	87,725	16,543
5.50%, 09/25/2033 to 06/25/2035 ⁽ⁱ⁾	246,132	43,842
6.00%, 09/25/2035 ^{(h)(i)}	35,505	6,525
Fannie Mae REMICs, 10, 5.50%, 06/25/2023 to 07/25/2046 ⁽ⁱ⁾	420,577	341,771
6.55%, 02/25/2024 to 05/25/2035 ^{(e)(i)}	108,922	20,570
4.00%, 08/25/2026 to 08/25/2047 ⁽ⁱ⁾	307,865	30,990
3.00%, 11/25/2027 ⁽ⁱ⁾	131,866	7,571
6.95% (7.10% - 1 mo. USD LIBOR), 11/25/2030 ^{(e)(i)}	36,339	6,586
7.75% (7.90% - 1 mo. USD LIBOR), 11/25/2031 ^{(e)(i)}	52,469	10,474
7.80% (7.95% - 1 mo. USD LIBOR), 01/25/2032 ^{(e)(i)}	12,101	2,499
7.95% (8.10% - 1 mo. USD LIBOR), 03/25/2032 ^{(e)(i)}	13,979	3,105
7.85%, 04/25/2032 to 12/25/2032 ^{(e)(i)}	167,430	37,017
7.94% (8.10% - 1 mo. USD LIBOR), 12/18/2032 ^{(e)(i)}	16,800	2,737
8.10%, 02/25/2033 to 05/25/2033 ^{(e)(i)}	79,118	18,718
7.40% (1 mo. USD LIBOR + 7.55%), 10/25/2033 ^{(e)(i)}	9,964	2,228
5.90%, 03/25/2035 to 07/25/2038 ^{(e)(i)}	31,300	5,572
6.60% (6.75% - 1 mo. USD LIBOR), 03/25/2035 ^{(e)(i)}	5,673	972
6.45% (6.60% - 1 mo. USD LIBOR), 05/25/2035 ^{(e)(i)}	291,825	47,690
3.50%, 08/25/2035 ⁽ⁱ⁾	334,945	40,689

	Principal Amount	Value
Collateralized Mortgage Obligations-(continued) 5.95% (6.10% - 1 mo. USD LIBOR), 10/25/2035 ^{(e)(i)}	\$ 26,196	\$ 5,187
6.39% (1 mo. USD LIBOR + 6.54%), 06/25/2037 ^{(e)(i)}	47,882	9,970
6.40% (6.55% - 1 mo. USD LIBOR), 10/25/2041 ^{(e)(i)}	68,523	14,421
6.00% (6.15% - 1 mo. USD LIBOR), 12/25/2042 ^{(e)(i)}	248,010	49,352
PO, 0.00%, 09/25/2023 ^(k)	10,781	10,637
6.00%, 11/25/2028	21,420	24,278
13.80% (1 mo. USD LIBOR + 14.10%), 12/25/2033 ^(e)	38	39
0.40% (1 mo. USD LIBOR + 0.25%), 08/25/2035 ^(e)	25,164	25,185
24.02% (24.57% - (3.67 x 1 mo. USD LIBOR)), 03/25/2036 ^(e)	33,583	55,183
23.66% (24.20% - (3.67 x 1 mo. USD LIBOR)), 06/25/2036 ^(e)	3,739	5,579
23.66% (24.20% - (3.67 x 1 mo. USD LIBOR)), 06/25/2036 ^(e)	19,818	32,199
1.09% (1 mo. USD LIBOR + 0.94%), 06/25/2037 ^(e)	15,231	15,599
1.50%, 01/25/2040	78,576	79,127
5.00%, 04/25/2040 to 09/25/2047 ^{(e)(i)}	711,248	136,886
Freddie Mac Multifamily Structured Pass-Through Ctfs., Series KC02, Class X1, 0.50%, 03/25/2024 ^(h)	4,845,245	52,558
Series KC03, Class X1, 0.63%, 11/25/2024 ^(h)	2,713,198	44,707
Series K734, Class X1, 0.65%, 02/25/2026 ^(h)	2,066,437	59,079
Series K735, Class X1, 1.10%, 05/25/2026 ^(h)	2,033,436	93,170
Series K093, Class X1, 0.95%, 05/25/2029 ^(h)	1,650,526	115,483
Freddie Mac REMICs, 1.50%, 07/15/2023	128,861	129,759
6.50%, 03/15/2032 to 06/15/2032	68,630	80,741
3.50%, 05/15/2032	17,191	18,479
24.17% (24.75% - (3.67 x 1 mo. USD LIBOR)), 08/15/2035 ^(e)	7,485	12,427
0.56% (1 mo. USD LIBOR + 0.40%), 09/15/2035 ^(e)	44,029	44,336
10, 7.49%, 07/15/2026 to 03/15/2029 ^{(e)(i)}	56,003	7,559
3.00%, 06/15/2027 to 05/15/2040 ⁽ⁱ⁾	426,560	26,775
2.50%, 05/15/2028 ⁽ⁱ⁾	80,399	4,334
6.54% (6.70% - 1 mo. USD LIBOR), 01/15/2035 ^{(e)(i)}	209,341	38,527
6.59% (6.75% - 1 mo. USD LIBOR), 02/15/2035 ^{(e)(i)}	12,885	2,327
6.56% (6.72% - 1 mo. USD LIBOR), 05/15/2035 ^{(e)(i)}	94,267	14,969
6.84% (7.00% - 1 mo. USD LIBOR), 12/15/2037 ^{(e)(i)}	12,802	2,923
5.84% (6.00% - 1 mo. USD LIBOR), 04/15/2038 ^{(e)(i)}	5,163	906

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

	Principal Amount	Value
Collateralized Mortgage Obligations-(continued)		
5.91% (6.07% - 1 mo. USD LIBOR), 05/15/2038 ^{(e)(i)}	\$ 42,425	\$ 8,468
6.09% (6.25% - 1 mo. USD LIBOR), 12/15/2039 ^{(e)(i)}	20,136	3,833
4.00%, 04/15/2040 to 03/15/2045 ⁽ⁱ⁾	147,605	25,352
5.94% (6.10% - 1 mo. USD LIBOR), 01/15/2044 ^{(e)(i)}	102,239	11,166
Freddie Mac STRIPS, IO,		
7.00%, 04/01/2027 ⁽ⁱ⁾	27,562	3,741
3.00%, 12/15/2027 ⁽ⁱ⁾	166,459	10,970
3.27%, 12/15/2027 ^{(h)(i)}	43,166	2,326
6.50%, 02/01/2028 ⁽ⁱ⁾	7,118	1,020
6.00%, 12/15/2032 ⁽ⁱ⁾	22,090	3,559
PO,		
0.00%, 06/01/2026 ^(k)	7,194	6,993
		1,970,444

Federal Home Loan Mortgage Corp. (FHLMC)-0.11%

9.00%, 08/01/2022 to 05/01/2025	380	412
6.50%, 07/01/2028 to 04/01/2034	11,776	13,460
7.00%, 10/01/2031 to 10/01/2037	38,765	44,686
5.00%, 12/01/2034	1,533	1,743
5.50%, 09/01/2039	135,913	157,897
		218,198

Federal National Mortgage Association (FNMA)-0.06%

8.50%, 07/01/2032	844	847
7.50%, 01/01/2033	30,591	36,118
6.00%, 03/01/2037	66,334	79,519
		116,484

Government National Mortgage Association (GNMA)-2.45%

7.50%, 01/15/2023 to 06/15/2024	6,520	6,639
8.00%, 04/15/2023	1,330	1,347
7.00%, 01/15/2024	4,874	4,892
IO,		
7.35% (7.50% - 1 mo. USD LIBOR), 02/16/2032 ^{(e)(i)}	40,237	25
6.40% (6.55% - 1 mo. USD LIBOR), 04/16/2037 ^{(e)(i)}	179,570	36,021
6.50% (6.65% - 1 mo. USD LIBOR), 04/16/2041 ^{(e)(i)}	85,069	14,834
4.50%, 09/16/2047 ⁽ⁱ⁾	248,638	36,203
6.05% (6.20% - 1 mo. USD LIBOR), 10/16/2047 ^{(e)(i)}	233,649	42,540
TBA,		
2.50%, 01/01/2051 ⁽ⁱ⁾	4,465,000	4,726,100
		4,868,601

Uniform Mortgage-Backed Securities-7.83%

TBA		
2.00%, 01/01/2036 to 02/01/2051 ⁽ⁱ⁾	15,012,000	15,588,222
Total U.S. Government Sponsored Agency Mortgage-Backed Securities (Cost \$22,898,439)		22,761,949

U.S. Treasury Securities-5.69%

U.S. Treasury Bonds-1.05%

1.38%, 11/15/2040	\$ 627,000	\$ 619,016
1.38%, 08/15/2050	1,564,800	1,462,599
		2,081,615

U.S. Treasury Notes-4.64%

0.13%, 11/30/2022	211,500	211,533
0.13%, 12/15/2023	1,249,900	1,248,386
0.38%, 11/30/2025	4,728,100	4,734,010
0.63%, 11/30/2027	728,900	728,558
0.88%, 11/15/2030	2,328,400	2,319,669
		9,242,156
Total U.S. Treasury Securities (Cost \$11,307,434)		11,323,771

Agency Credit Risk Transfer Notes-0.62%

Fannie Mae Connecticut Avenue Securities

Series 2014-C04, Class 2M2, 5.15% (1 mo. USD LIBOR + 5.00%), 11/25/2024 ^(e)	173,894	178,828
Series 2016-C02, Class 1M2, 6.15% (1 mo. USD LIBOR + 6.00%), 09/25/2028 ^(e)	144,573	153,832

Freddie Mac

Series 2014-DN1, Class M2, STACR [®] , 2.35% (1 mo. USD LIBOR + 2.20%), 02/25/2024 ^(e)	971	972
Series 2014-DN3, Class M3, STACR [®] , 4.15% (1 mo. USD LIBOR + 4.00%), 08/25/2024 ^(e)	100,789	103,211
Series 2014-HQ2, Class M3, STACR [®] , 3.90% (1 mo. USD LIBOR + 3.75%), 09/25/2024 ^(e)	331,194	341,253
Series 2018-HQA1, Class M2, STACR [®] , 2.45% (1 mo. USD LIBOR + 2.30%), 09/25/2030 ^(e)	86,816	86,882
Series 2018-DNA2, Class M1, STACR [®] , 0.95% (1 mo. USD LIBOR + 0.80%), 12/25/2030 ^{(c)(e)}	49,435	49,471
Series 2018-HRP2, Class M2, STACR [®] , 1.40% (1 mo. USD LIBOR + 1.25%), 02/25/2047 ^{(c)(e)}	143,172	143,144
Series 2018-DNA3, Class M1, STACR [®] , 0.90% (1 mo. USD LIBOR + 0.75%), 09/25/2048 ^{(c)(e)}	177	177
Series 2018-HQA2, Class M1, STACR [®] , 0.90% (1 mo. USD LIBOR + 0.75%), 10/25/2048 ^{(c)(e)}	28,180	28,196
Series 2019-HRP1, Class M2, STACR [®] , 1.55% (1 mo. USD LIBOR + 1.40%), 02/25/2049 ^{(c)(e)}	59,848	59,815
Series 2020-DNA5, Class M1, STACR [®] , 1.38% (SOFR + 1.30%), 10/25/2050 ^{(c)(e)}	95,000	95,374
Total Agency Credit Risk Transfer Notes (Cost \$1,266,268)		1,241,155

Shares

Preferred Stocks-0.52%

Asset Management & Custody Banks-0.10%

Bank of New York Mellon Corp. (The), 4.70%, Series G, Pfd. ^{(d)(f)}	175,000	193,427
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Diversified Banks-0.12%

Citigroup, Inc., 5.00%, Series U, Pfd. ^{(d)(f)}	240,000	250,050
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See accompanying Notes to Financial Statements which are an integral part of the financial statements.

	Shares	Value
Investment Banking & Brokerage-0.16%		
Charles Schwab Corp. (The), 4.00%, Series H, Pfd. ^{(d)(f)}	302,000	\$ 319,365
Life & Health Insurance-0.08%		
MetLife, Inc., 3.85%, Series G, Pfd. ^{(d)(f)}	157,000	166,028
Other Diversified Financial Services-0.06%		
Equitable Holdings, Inc., 4.95%, Series B, Pfd. ^{(d)(f)}	105,000	111,956
Total Preferred Stocks (Cost \$979,000)		1,040,826

	Principal Amount	Value
Municipal Obligations-0.23%		
Maryland (State of) Health & Higher Educational Facilities Authority (University of MD Medical System), Series 2020 D, Ref. RB, 3.05%, 07/01/2040	\$ 80,000	83,057
Series 2020 D, Ref. RB, 3.20%, 07/01/2050	105,000	109,051

Investment Abbreviations:

ADR	- American Depositary Receipt
CLO	- Collateralized Loan Obligation
Ctfs.	- Certificates
IO	- Interest Only
LIBOR	- London Interbank Offered Rate
Pfd.	- Preferred
PO	- Principal Only
RB	- Revenue Bonds
Ref.	- Refunding
REIT	- Real Estate Investment Trust
REMICs	- Real Estate Mortgage Investment Conduits
SOFR	- Secured Overnight Financing Rate
STACR [®]	- Structured Agency Credit Risk
STRIPS	- Separately Traded Registered Interest and Principal Security
TBA	- To Be Announced
USD	- U.S. Dollar

	Principal Amount	Value
Texas (State of) Transportation Commission (Central Texas Turnpike System), Series 2020 C, Ref. RB, 3.03%, 08/15/2041	\$265,000	\$ 267,231
Total Municipal Obligations (Cost \$450,000)		459,339
TOTAL INVESTMENTS IN SECURITIES-98.74% (Cost \$164,078,529)		196,545,254
OTHER ASSETS LESS LIABILITIES-1.26%		2,514,347
NET ASSETS-100.00%		\$199,059,601

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) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at December 31, 2020 was \$26,502,564, which represented 13.31% of the Fund's Net Assets.
- (d) Perpetual bond with no specified maturity date.
- (e) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on December 31, 2020.
- (f) Security issued at a fixed rate for a specific period of time, after which it will convert to a variable rate.
- (g) Step coupon bond. The interest rate represents the coupon rate at which the bond will accrue at a specified future date.
- (h) Interest rate is redetermined periodically based on the cash flows generated by the pool of assets backing the security, less any applicable fees. The rate shown is the rate in effect on December 31, 2020.
- (i) Interest only security. Principal amount shown is the notional principal and does not reflect the maturity value of the security. Interest rate is redetermined periodically based on the cash flows generated by the pool of assets backing the security, less any applicable fees. The rate shown is the rate in effect on December 31, 2020.
- (j) Interest only security. Principal amount shown is the notional principal and does not reflect the maturity value of the security.
- (k) Zero coupon bond issued at a discount.
- (l) Security purchased on a forward commitment basis. This security is subject to dollar roll transactions. See Note 10.

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 year ended December 31, 2020.

	Value December 31, 2019	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation	Realized Gain	Value December 31, 2020	Dividend Income
Investments Purchased with Cash Collateral from Securities on Loan:							
Invesco Private Government Fund	\$-	\$ 862,312	\$ (862,312)	\$-	\$-	\$-	\$11*
Invesco Private Prime Fund	-	1,293,469	(1,293,469)	-	-	-	60*
Total	\$-	\$2,155,781	\$(2,155,781)	\$-	\$-	\$-	\$ 71

* 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.

Open Futures Contracts^(a)

	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
Long Futures Contracts					
Interest Rate Risk					
U.S. Treasury 2 Year Notes	158	March-2021	\$34,914,297	\$ 31,782	\$ 31,782
U.S. Treasury 5 Year Notes	56	March-2021	7,065,188	11,591	11,591
U.S. Treasury Ultra Bonds	24	March-2021	5,125,500	(78,803)	(78,803)
Subtotal-Long Futures Contracts				(35,430)	(35,430)
Short Futures Contracts					
Interest Rate Risk					
U.S. Treasury 10 Year Notes	54	March-2021	(7,456,219)	(11,505)	(11,505)
U.S. Treasury 10 Year Ultra Bonds	37	March-2021	(5,785,297)	4,141	4,141
U.S. Treasury Long Bonds	11	March-2021	(1,905,063)	8,860	8,860
Subtotal-Short Futures Contracts				1,496	1,496
Total Futures Contracts				\$(33,934)	\$(33,934)

(a) Futures contracts collateralized by \$168,804 cash held with Bank of America, the futures commission merchant.

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

Statement of Assets and Liabilities

December 31, 2020

Assets:

Investments in securities, at value (Cost \$164,078,529)	\$196,545,254
Other investments:	
Variation margin receivable – futures contracts	373,443
Deposits with brokers:	
Cash collateral – exchange-traded futures contracts	168,804
Cash	22,606,590
Receivable for:	
Investments sold	12,779,731
Fund shares sold	54,825
Dividends	58,442
Interest	476,193
Principal paydowns	484
Investment for trustee deferred compensation and retirement plans	66,338
Total assets	233,130,104

Liabilities:

Payable for:	
Investments purchased	33,717,134
Fund shares reacquired	40,351
Accrued fees to affiliates	86,660
Accrued other operating expenses	160,020
Trustee deferred compensation and retirement plans	66,338
Total liabilities	34,070,503
Net assets applicable to shares outstanding	\$199,059,601

Net assets consist of:

Shares of beneficial interest	\$153,777,241
Distributable earnings	45,282,360
	\$199,059,601

Net Assets:

Series I	\$150,982,726
Series II	\$ 48,076,875

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

Series I	8,419,644
Series II	2,719,127
Series I:	
Net asset value per share	\$ 17.93
Series II:	
Net asset value per share	\$ 17.68

Statement of Operations

For the year ended December 31, 2020

Investment income:

Interest (net of foreign withholding taxes of \$64)	\$ 2,983,481
Dividends (net of foreign withholding taxes of \$10,199)	1,333,719
Dividends from affiliated money market funds (includes securities lending income of \$227)	227
Total investment income	4,317,427

Expenses:

Advisory fees	1,396,456
Administrative services fees	289,746
Custodian fees	41,108
Distribution fees - Series II	113,503
Transfer agent fees	19,992
Trustees' and officers' fees and benefits	20,290
Reports to shareholders	52,610
Professional services fees	46,765
Other	8,645
Total expenses	1,989,115
Less: Fees waived	(603,705)
Net expenses	1,385,410
Net investment income	2,932,017

Realized and unrealized gain (loss) from:

Net realized gain (loss) from:	
Unaffiliated investment securities	8,266,120
Foreign currencies	42
Futures contracts	1,542,437
Swap agreements	(51)
	9,808,548
Change in net unrealized appreciation of:	
Unaffiliated investment securities	13,458,348
Foreign currencies	258
Futures contracts	320,210
	13,778,816
Net realized and unrealized gain	23,587,364
Net increase in net assets resulting from operations	\$26,519,381

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

Statement of Changes in Net Assets

For the years ended December 31, 2020 and 2019

	2020	2019
Operations:		
Net investment income	\$ 2,932,017	\$ 3,922,312
Net realized gain	9,808,548	4,974,593
Change in net unrealized appreciation	13,778,816	21,690,735
Net increase in net assets resulting from operations	26,519,381	30,587,640
Distributions to shareholders from distributable earnings:		
Series I	(6,277,496)	(5,596,424)
Series II	(1,887,499)	(1,648,251)
Total distributions from distributable earnings	(8,164,995)	(7,244,675)
Share transactions-net:		
Series I	(7,271,309)	(13,751,593)
Series II	(2,260,271)	(2,673,730)
Net increase (decrease) in net assets resulting from share transactions	(9,531,580)	(16,425,323)
Net increase in net assets	8,822,806	6,917,642
Net assets:		
Beginning of year	190,236,795	183,319,153
End of year	\$199,059,601	\$190,236,795

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

Financial Highlights

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

	Net asset value, beginning of period	Net investment income ^(a)	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations ^(a)	Dividends from net investment income	Distributions from net realized gains	Total distributions	Net asset value, end of period	Total return ^(b)	Net assets, end of period (000's omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed ^(c)	Ratio of net investment income to average net assets	Portfolio turnover ^{(d)(e)}
Series I														
Year ended 12/31/20	\$16.31	\$0.27	\$ 2.11	\$ 2.38	\$(0.36)	\$(0.40)	\$(0.76)	\$17.93	14.86%	\$150,983	0.67% ^(f)	0.99% ^(f)	1.60% ^(f)	311%
Year ended 12/31/19	14.43	0.33	2.16	2.49	(0.36)	(0.25)	(0.61)	16.31	17.51	144,384	0.67	1.00	2.11	68
Year ended 12/31/18	15.92	0.32	(1.13)	(0.81)	(0.31)	(0.37)	(0.68)	14.43	(5.32)	140,290	0.67	0.98	2.05	60
Year ended 12/31/17	14.86	0.27	1.09	1.36	(0.30)	-	(0.30)	15.92	9.25	166,015	0.67	0.94	1.74	76
Year ended 12/31/16	14.46	0.26	0.49	0.75	(0.35)	-	(0.35)	14.86	5.26	172,573	0.67	0.94	1.78	68
Series II														
Year ended 12/31/20	16.09	0.23	2.08	2.31	(0.32)	(0.40)	(0.72)	17.68	14.59	48,077	0.92 ^(f)	1.24 ^(f)	1.35 ^(f)	311
Year ended 12/31/19	14.24	0.29	2.13	2.42	(0.32)	(0.25)	(0.57)	16.09	17.22	45,853	0.92	1.25	1.86	68
Year ended 12/31/18	15.71	0.27	(1.10)	(0.83)	(0.27)	(0.37)	(0.64)	14.24	(5.53)	43,029	0.92	1.23	1.80	60
Year ended 12/31/17	14.67	0.23	1.07	1.30	(0.26)	-	(0.26)	15.71	8.95	51,633	0.92	1.19	1.49	76
Year ended 12/31/16	14.28	0.22	0.48	0.70	(0.31)	-	(0.31)	14.67	4.96	51,743	0.92	1.19	1.53	68

^(a) Calculated using average shares outstanding.

^(b) Includes adjustments in accordance with accounting principles generally accepted in the United States of America. Total returns are not annualized for periods less than one year, if applicable and do not reflect charges assessed in connection with a variable product, which if included would reduce total returns.

^(c) Does not include indirect expenses from affiliated fund fees and expenses of 0.00% for the years ended December 31, 2019, 2018, 2017 and 2016, respectively.

^(d) The portfolio turnover rate excludes purchase and sale transactions of To Be Announced (TBA) mortgage-related securities of \$489,567,330 and \$509,769,207, \$685,887,902 and \$703,549,464, \$729,295,309 and \$711,803,922 and \$737,550,642 and \$742,753,245 for the years ended December 31, 2019, 2018, 2017 and 2016, respectively.

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

^(f) Ratios are based on average daily net assets (000's omitted) of \$144,435 and \$45,401 for Series I and Series II shares, respectively.

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

Notes to Financial Statements

December 31, 2020

NOTE 1—Significant Accounting Policies

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

The Fund's investment objective is to seek total return.

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.

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

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

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

Swap agreements are fair valued using an evaluated quote, if available, provided by an independent pricing service. Evaluated quotes provided by the pricing service are valued based on a model which may include end-of-day net present values, spreads, ratings, industry, company performance and returns of referenced assets. Centrally cleared swap agreements are valued at the daily settlement price determined by the relevant exchange or clearinghouse.

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

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

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

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

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

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

dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Paydown gains and losses on mortgage and asset-backed securities are recorded as adjustments to interest income. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

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

Brokerage commissions and mark ups are considered transaction costs and are recorded as an increase to the cost basis of securities purchased and/or a reduction of proceeds on a sale of securities. Such transaction costs are included in the determination of net realized and unrealized gain (loss) from investment securities reported in the Statement of Operations and the Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Financial Highlights. Transaction costs are included in the calculation of the Fund's net asset value and, accordingly, they reduce the Fund's total returns. These transaction costs are not considered operating expenses and are not reflected in net investment income reported in the Statement of Operations and the Statement of Changes in Net Assets, or the net investment income per share and the ratios of expenses and net investment income reported in the Financial Highlights, nor are they limited by any expense limitation arrangements between the Fund and the investment adviser.

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

- C. Country Determination** – For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.
- D. Distributions** - Distributions from net investment income and net realized capital gain, if any, are generally declared and paid to separate accounts of participating insurance companies annually and recorded on the ex-dividend date.
- E. Federal Income Taxes** - The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), necessary to qualify as a regulated investment company and to distribute substantially all of the Fund's taxable earnings to shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the financial statements.
- The Fund recognizes the tax benefits of uncertain tax positions only when the position is more likely than not to be sustained. Management has analyzed the Fund's uncertain tax positions and concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions. Management is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.
- The Fund files tax returns in the U.S. Federal jurisdiction and certain other jurisdictions. Generally, the Fund is subject to examinations by such taxing authorities for up to three years after the filing of the return for the tax period.
- F. Expenses** - Fees provided for under the Rule 12b-1 plan of a particular class of the Fund and which are directly attributable to that class are charged to the operations of such class. All other expenses are allocated among the classes based on relative net assets.
- G. Accounting Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including estimates and assumptions related to taxation. Actual results could differ from those estimates by a significant amount. In addition, the Fund monitors for material events or transactions that may occur or become known after the period-end date and before the date the financial statements are released to print.
- H. Indemnifications** - Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust is indemnified against certain liabilities that may arise out of the performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts, including the Fund's servicing agreements, that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.
- I. Securities Purchased on a When-Issued and Delayed Delivery Basis** - The Fund may purchase and sell interests in corporate loans and corporate debt securities and other portfolio securities on a when-issued and delayed delivery basis, with payment and delivery scheduled for a future date. No income accrues to the Fund on such interests or securities in connection with such transactions prior to the date the Fund actually takes delivery of such interests or securities. These transactions are subject to market fluctuations and are subject to the risk that the value at delivery may be more or less than the trade date purchase price. Although the Fund will generally purchase these securities with the intention of acquiring such securities, they may sell such securities prior to the settlement date.
- J. Securities Lending** - The Fund may lend portfolio securities having a market value up to one-third of the Fund's total assets. Such loans are secured by collateral equal to no less than the market value of the loaned securities determined daily by the securities lending provider. Such collateral will be cash or debt securities issued or guaranteed by the U.S. Government or any of its sponsored agencies. Cash collateral received in connection with these loans is invested in short-term money market instruments or affiliated money market funds and is shown as such on the Schedule of Investments. The Fund bears the risk of loss with respect to the investment of collateral. It is the Fund's policy to obtain additional collateral from or return excess collateral to the borrower by the end of the next business day, following the valuation date of the securities loaned. Therefore, the value of the collateral held may be temporarily less than the value of the securities on loan. When loaning securities, the Fund retains certain benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security. Lending securities entails a risk of loss to the Fund if, and to the extent that, the market value of the securities loaned were to increase and the borrower did not increase the collateral accordingly, and the borrower failed to return the securities. The securities loaned are subject to termination at the option of the borrower or the Fund. Upon termination, the borrower will return to the Fund the securities loaned and the Fund will return the collateral. Upon the failure of the borrower to return the securities, collateral may be liquidated and the securities may be purchased on the open market to replace the loaned securities. The Fund could experience delays and costs in gaining access to the collateral and the securities may lose value during the delay which could result in potential losses to the Fund. Some of these losses may be indemnified by the lending agent. The Fund bears the risk of any deficiency in the amount of the collateral available for return to the borrower due to any loss on the collateral invested. Dividends received on cash collateral investments for securities lending transactions, which are net of compensation to counterparties, are included in *Dividends from affiliated money market funds* on the Statement of Operations. The aggregate value of securities out on loan, if any, is shown as a footnote on the Statement of Assets and Liabilities.
- K. 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.

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

The Fund may also enter into forward foreign currency contracts for the purchase or sale of a security denominated in a foreign currency in order to “lock in” the U.S. dollar price of that security, or the Fund may also enter into forward foreign currency contracts that do not provide for physical settlement of the two currencies, but instead are settled by a single cash payment calculated as the difference between the agreed upon exchange rate and the spot rate at settlement based upon an agreed upon notional amount (non-deliverable forwards). The Fund will set aside liquid assets in an amount equal to the daily mark-to-market obligation for forward foreign currency contracts.

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

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

N. Swap Agreements – The Fund may enter into various swap transactions, including interest rate, total return, index, currency and credit default swap contracts (“CDS”) for investment purposes or to manage interest rate, currency or credit risk. Such transactions are agreements between Counterparties. A swap agreement may be negotiated bilaterally and traded over-the-counter (“OTC”) between two parties (“uncleared/ OTC”) or, in some instances, must be transacted through a future commission merchant (“FCM”) and cleared through a clearinghouse that serves as a central Counterparty (“centrally cleared swap”). These agreements may contain among other conditions, events of default and termination events, and various covenants and representations such as provisions that require the Fund to maintain a pre-determined level of net assets, and/ or provide limits regarding the decline of the Fund's NAV over specific periods of time. If the Fund were to trigger such provisions and have open derivative positions at that time, the Counterparty may be able to terminate such agreement and request immediate payment in an amount equal to the net liability positions, if any.

Interest rate, total return, index, and currency swap agreements are two-party contracts entered into primarily to exchange the returns (or differentials in rates of returns) earned or realized on particular predetermined investments or instruments. The gross returns to be exchanged or “swapped” between the parties are calculated with respect to a notional amount, i.e., the return on or increase in value of a particular dollar amount invested at a particular interest rate or return of an underlying asset, in a particular foreign currency, or in a “basket” of securities representing a particular index.

In a centrally cleared swap, the Fund's ultimate Counterparty is a central clearinghouse. The Fund initially will enter into centrally cleared swaps through an executing broker. When a fund enters into a centrally cleared swap, it must deliver to the central Counterparty (via the FCM) an amount referred to as “initial margin.” Initial margin requirements are determined by the central Counterparty, but an FCM may require additional initial margin above the amount required by the central Counterparty. Initial margin deposits required upon entering into centrally cleared swaps are satisfied by cash or securities as collateral at the FCM. Securities deposited as initial margin are designated on the Schedule of Investments and cash deposited is recorded on the Statement of Assets and Liabilities. During the term of a cleared swap agreement, a “variation margin” amount may be required to be paid by the Fund or may be received by the Fund, based on the daily change in price of the underlying reference instrument subject to the swap agreement and is recorded as a receivable or payable for variation margin in the Statement of Assets and Liabilities until the centrally cleared swap is terminated at which time a realized gain or loss is recorded.

A CDS is an agreement between Counterparties to exchange the credit risk of an issuer. A buyer of a CDS is said to buy protection by paying a fixed payment over the life of the agreement and in some situations an upfront payment to the seller of the CDS. If a defined credit event occurs (such as payment default or bankruptcy), the Fund as a protection buyer would cease paying its fixed payment, the Fund would deliver eligible bonds issued by the reference entity to the seller, and the seller would pay the full notional value, or the “par value”, of the referenced obligation to the Fund. A seller of a CDS is said to sell protection and thus would receive a fixed payment over the life of the agreement and an upfront payment, if applicable. If a credit event occurs, the Fund as a protection seller would cease to receive the fixed payment stream, the Fund would pay the buyer “par value” or the full notional value of the referenced obligation, and the Fund would receive the eligible bonds issued by the reference entity. In turn, these bonds may be sold in order to realize a recovery value. Alternatively, the seller of the CDS and its Counterparty may agree to net the notional amount and the market value of the bonds and make a cash payment equal to the difference to the buyer of protection. If no credit event occurs, the Fund receives the fixed payment over the life of the agreement. As the seller, the Fund would effectively add leverage to its portfolio because, in addition to its total net assets, the Fund would be subject to investment exposure on the notional amount of the CDS. In connection with these agreements, cash and securities may be identified as collateral in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default under the swap agreement or bankruptcy/insolvency of a party to the swap agreement. If a Counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Fund may experience significant delays in obtaining any recovery in a bankruptcy or other reorganization proceeding. The Fund may obtain only limited recovery or may obtain no recovery in such circumstances. The Fund's maximum risk of loss from Counterparty risk, either as the protection seller or as the protection buyer, is the value of the contract. The risk may be mitigated by having a master netting arrangement between the Fund and the Counterparty and by the designation of collateral by the Counterparty to cover the Fund's exposure to the Counterparty.

Implied credit spreads represent the current level at which protection could be bought or sold given the terms of the existing CDS contract and serve as an indicator of the current status of the payment/performance risk of the CDS. An implied spread that has widened or increased since entry into the initial contract may indicate a deteriorating credit profile and increased risk of default for the reference entity. A declining or narrowing spread may indicate an improving credit profile or decreased risk of default for the reference entity. Alternatively, credit spreads may increase or decrease reflecting the general tolerance for risk in the credit markets.

An interest rate swap is an agreement between Counterparties pursuant to which the parties exchange a floating rate payment for a fixed rate payment based on a specified notional amount.

A total return swap is an agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income generated and capital gains, if any. The unrealized appreciation (depreciation) on total return swaps includes dividends on the underlying securities and financing rate payable from the Counterparty. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference less a financing rate, if any. As a receiver, the Fund would receive payments based on any positive total return and would owe payments in the event of a negative total return. As the payer, the Fund would owe payments on any net positive total return, and would receive payment in the event of a negative total return.

Changes in the value of centrally cleared and OTC swap agreements are recognized as unrealized gains (losses) in the Statement of Operations by "marking to market" on a daily basis to reflect the value of the swap agreement at the end of each trading day. Payments received or paid at the beginning of the agreement are reflected as such on the Statement of Assets and Liabilities and may be referred to as upfront payments. The Fund accrues for the fixed payment stream and amortizes upfront payments, if any, on swap agreements on a daily basis with the net amount, recorded as a component of realized gain (loss) on the Statement of Operations. A liquidation payment received or made at the termination of a swap agreement is recorded as realized gain (loss) on the Statement of Operations. The Fund segregates cash or liquid securities having a value at least equal to the amount of the potential obligation of a Fund under any swap transaction. Cash held as collateral is recorded as deposits with brokers on the Statement of Assets and Liabilities. Entering into these agreements involves, to varying degrees, lack of liquidity and elements of credit, market, and Counterparty risk in excess of amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that a swap is difficult to sell or liquidate; the Counterparty does not honor its obligations under the agreement and unfavorable interest rates and market fluctuations. It is possible that developments in the swaps market, including potential government regulation, could adversely affect the Fund's ability to terminate existing swap agreements or to realize amounts to be received under such agreements. Additionally, an International Swaps and Derivatives Association Master Agreement ("ISDA Master Agreement") includes credit related contingent features which allow Counterparties to OTC derivatives to terminate derivative contracts prior to maturity in the event that, for example, the Fund's net assets decline by a stated percentage or the Fund fails to meet the terms of its ISDA master agreements, which would cause the Fund to accelerate payment of any net liability owed to the Counterparty. A short position in a security poses more risk than holding the same security long. As there is no limit on how much the price of the security can increase, the Fund's exposure is unlimited.

O. Dollar Rolls and Forward Commitment Transactions - The Fund may enter into dollar roll transactions to enhance the Fund's performance. The Fund executes its dollar roll transactions in the *to be announced* ("TBA") market whereby the Fund makes a forward commitment to purchase a security and, instead of accepting delivery, the position is offset by the sale of the security with a simultaneous agreement to repurchase at a future date.

The Fund accounts for dollar roll transactions as purchases and sales and realizes gains and losses on these transactions. These transactions increase the Fund's portfolio turnover rate. The Fund will segregate liquid assets in an amount equal to its dollar roll commitments.

Dollar roll transactions involve the risk that a Counterparty to the transaction may fail to complete the transaction. If this occurs, the Fund may lose the opportunity to purchase or sell the security at the agreed upon price. Dollar roll transactions also involve the risk that the value of the securities retained by the Fund may decline below the price of the securities that the Fund has sold but is obligated to purchase under the agreement. Dollar roll transactions covered in this manner are not treated as senior securities for purposes of a Fund's fundamental investment limitation on borrowings.

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

Mortgage- and asset-backed securities, including collateralized debt obligations and collateralized mortgage obligations, are subject to prepayment or call risk, which is the risk that a borrower's payments may be received earlier or later than expected due to changes in prepayment rates on underlying loans. This could result in the Fund reinvesting these early payments at lower interest rates, thereby reducing the Fund's income. Mortgage- and asset-backed securities also are subject to extension risk, which is the risk that an unexpected rise in interest rates could reduce the rate of prepayments, causing the price of the mortgage- and asset-backed securities and the Fund's share price to fall. An unexpectedly high rate of defaults on the mortgages held by a mortgage pool may adversely affect the value of mortgage-backed securities and could result in losses to the Fund. Privately-issued mortgage-backed securities and asset-backed securities may be less liquid than other types of securities and the Fund may be unable to sell these securities at the time or price it desires.

Obligations of U.S. Government agencies and authorities receive varying levels of support and may not be backed by the full faith and credit of the U.S. Government, which could affect the Fund's ability to recover should they default. No assurance can be given that the U.S. Government will provide financial support to its agencies and authorities if it is not obligated by law to do so.

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

NOTE 2-Advisory Fees and Other Fees Paid to Affiliates

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

Average Daily Net Assets*	Rate
First \$ 200 million	0.750%
Next \$ 200 million	0.720%
Next \$ 200 million	0.690%
Next \$ 200 million	0.660%
Over \$ 800 million	0.600%

* 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, 2020, the effective advisory fee rate incurred by the Fund was 0.74%.

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 Funds.

The Adviser has contractually agreed, through at least April 30, 2022, 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 0.67% and Series II shares to 0.92% 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, 2022. 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, 2022, to waive the advisory fee payable by the Fund in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Fund of uninvested cash (excluding investments of cash collateral from securities lending) in such affiliated money market funds.

For the year ended December 31, 2020, the Adviser waived advisory fees of \$603,705.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Fund has agreed to pay Invesco a fee for costs incurred in providing accounting services and fund administrative services to the Fund and to reimburse Invesco for fees paid to insurance companies that have agreed to provide certain administrative services to the Fund. These administrative services provided by the insurance companies may include, among other things: maintenance of master accounts with the Fund; tracking, recording and transmitting net purchase and redemption orders for Fund shares; maintaining and preserving records related to the purchase, redemption and other account activity of variable product owners; distributing copies of Fund documents such as prospectuses, proxy materials and periodic reports, to variable product owners, and responding to inquiries from variable product owners about the Fund. Pursuant to such agreement, for the year ended December 31, 2020, Invesco was paid \$27,320 for accounting and fund administrative services and was reimbursed \$262,426 for fees paid to insurance companies. Invesco has entered into a sub-administration agreement whereby State Street Bank and Trust Company ("SSB") serves as fund accountant and provides certain administrative services to the Fund. Pursuant to a custody agreement with the Trust on behalf of the Fund, SSB also serves as the Fund's custodian.

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

The Trust has entered into a master distribution agreement with Invesco Distributors, Inc. ("IDI") to serve as the distributor for the Fund. The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Series II shares (the "Plan"). The Fund, pursuant to the Plan, pays IDI compensation at the annual rate of 0.25% of the Fund's average daily net assets of Series II shares. The fees are accrued daily and paid monthly. Of the Plan payments, up to 0.25% of the average daily net assets of the Series II shares may be paid to insurance companies who furnish continuing personal shareholder services to customers who purchase and own Series II shares of the Fund. For the year ended December 31, 2020, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

For the year ended December 31, 2020, the Fund incurred \$735 in brokerage commissions with Invesco Capital Markets, Inc., an affiliate of the Adviser and IDI, for portfolio transactions executed on behalf of the Fund.

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

NOTE 3—Additional Valuation Information

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

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

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

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

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

	Level 1	Level 2	Level 3	Total
Investments in Securities				
Common Stocks & Other Equity Interests	\$87,084,426	\$ -	\$-	\$ 87,084,426
U.S. Dollar Denominated Bonds & Notes	-	46,481,576	-	46,481,576
Asset-Backed Securities	-	26,152,212	-	26,152,212
U.S. Government Sponsored Agency Mortgage-Backed Securities	-	22,761,949	-	22,761,949
U.S. Treasury Securities	-	11,323,771	-	11,323,771
Agency Credit Risk Transfer Notes	-	1,241,155	-	1,241,155
Preferred Stocks	-	1,040,826	-	1,040,826
Municipal Obligations	-	459,339	-	459,339
Total Investments in Securities	87,084,426	109,460,828	-	196,545,254
Other Investments - Assets*				
Futures Contracts	56,374	-	-	56,374

	Level 1	Level 2	Level 3	Total
Other Investments - Liabilities*				
Futures Contracts	\$ (90,308)	\$ -	\$-	\$ (90,308)
Total Other Investments	(33,934)	-	-	(33,934)
Total Investments	\$87,050,492	\$109,460,828	\$-	\$196,511,320

* Unrealized appreciation (depreciation).

NOTE 4—Derivative Investments

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

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

Value of Derivative Investments at Period-End

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

	Value
Derivative Assets	Interest Rate Risk
Unrealized appreciation on futures contracts – Exchange-Traded ^(a)	\$ 56,374
Derivatives not subject to master netting agreements	(56,374)
Total Derivative Assets subject to master netting agreements	\$ -

	Value
Derivative Liabilities	Interest Rate Risk
Unrealized depreciation on futures contracts – Exchange-Traded ^(a)	\$(90,308)
Derivatives not subject to master netting agreements	90,308
Total Derivative Liabilities subject to master netting agreements	\$ -

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

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

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

	Location of Gain (Loss) on Statement of Operations		
	Credit Risk	Interest Rate Risk	Total
Realized Gain (Loss):			
Futures contracts	\$ -	\$1,542,437	\$1,542,437
Swap agreements	(51)	-	(51)
Change in Net Unrealized Appreciation:			
Futures contracts	-	320,210	320,210
Total	\$(51)	\$1,862,647	\$1,862,596

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

	Futures Contracts	Swap Agreements
Average notional value	\$48,142,311	\$3,439,094

NOTE 5—Trustees' and Officers' Fees and Benefits

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

NOTE 6–Cash Balances

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

NOTE 7–Distributions to Shareholders and Tax Components of Net Assets

Tax Character of Distributions to Shareholders Paid During the Fiscal Years Ended December 31, 2020 and 2019:

	2020	2019
Ordinary income*	\$6,064,889	\$4,189,683
Long-term capital gain	2,100,106	3,054,992
Total distributions	\$8,164,995	\$7,244,675

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

Tax Components of Net Assets at Period-End:

	2020
Undistributed ordinary income	\$ 8,544,929
Undistributed long-term capital gain	4,172,842
Net unrealized appreciation – investments	33,044,233
Net unrealized appreciation - foreign currencies	380
Temporary book/tax differences	(480,024)
Shares of beneficial interest	153,777,241
Total net assets	\$199,059,601

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 partnerships.

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

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

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

NOTE 8–Investment Transactions

The aggregate amount of investment securities (other than short-term securities, U.S. Treasury obligations and money market funds, if any) purchased and sold by the Fund during the year ended December 31, 2020 was \$427,618,744 and \$443,453,457, respectively. During the same period, purchases and sales of U.S. Treasury obligations were \$147,871,241 and \$141,685,323, 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	\$36,693,262
Aggregate unrealized (depreciation) of investments	(3,649,029)
Net unrealized appreciation of investments	\$33,044,233

Cost of investments for tax purposes is \$163,467,087.

NOTE 9–Reclassification of Permanent Differences

Primarily as a result of differing book/tax treatment of paydowns and foreign currencies, on December 31, 2020, undistributed net investment income was increased by \$51,424, undistributed net realized gain was decreased by \$47,506 and shares of beneficial interest was decreased by \$3,918. This reclassification had no effect on the net assets of the Fund.

NOTE 10–Share Information

Summary of Share Activity

	Year ended December 31, 2020 ^(a)		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Sold:				
Series I	293,180	\$ 4,958,390	137,278	\$ 2,146,719
Series II	407,137	6,648,678	190,204	2,932,620

Summary of Share Activity

	Year ended December 31, 2020 ^(a)		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Issued as reinvestment of dividends:				
Series I	366,462	\$ 6,277,496	362,933	\$ 5,596,424
Series II	111,753	1,887,499	108,224	1,648,251
Reacquired:				
Series I	(1,093,831)	(18,507,195)	(1,371,558)	(21,494,736)
Series II	(649,731)	(10,796,448)	(470,960)	(7,254,601)
Net increase (decrease) in share activity	(565,030)	\$ (9,531,580)	(1,043,879)	\$(16,425,323)

^(a) There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 73% of the outstanding shares of the Fund. The Fund and the Fund's principal underwriter or adviser, are parties to participation agreements with these entities whereby these entities sell units of interest in separate accounts funding variable products that are invested in the Fund. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as, securities brokerage, third party record keeping and account servicing and administrative services. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

NOTE 11—Coronavirus (COVID-19) Pandemic

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

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

NOTE 12—Subsequent Event

Effective on or about April 30, 2021, the name of the Fund and all references thereto will change from Invesco Oppenheimer V.I. Conservative Balanced Fund to Invesco V.I. Conservative Balanced Fund.

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 Oppenheimer V.I. Conservative Balanced Fund

Opinion on the Financial Statements

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

The financial statements of Invesco Oppenheimer V.I. Conservative Balanced Fund (formerly known as Oppenheimer Conservative Balanced Fund/VA) as of and for the year ended December 31, 2018 and the financial highlights for each of the periods ended on or prior to 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, 2020 by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

Houston, Texas
February 16, 2021

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

Calculating your ongoing Fund expenses

Example

As a shareholder of the Fund, you incur ongoing costs, including management fees; distribution and/or service fees (12b-1); and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period July 1, 2020 through December 31, 2020.

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

Actual expenses

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

Hypothetical example for comparison purposes

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

The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs. Therefore, the hypothetical information is useful in comparing ongoing costs, and will not help you determine the relative total costs of owning different funds.

	Beginning Account Value (07/01/20)	ACTUAL		HYPOTHETICAL (5% annual return before expenses)		Annualized Expense Ratio
		Ending Account Value (12/31/20) ¹	Expenses Paid During Period ²	Ending Account Value (12/31/20)	Expenses Paid During Period ²	
Series I	\$1,000.00	\$1,102.60	\$3.54	\$1,021.77	\$3.40	0.67%
Series II	1,000.00	1,101.40	4.86	1,020.51	4.67	0.92

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

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

Tax Information

Form 1099-DIV, Form 1042-S and other year-end tax information provide shareholders with actual calendar year amounts that should be included in their tax returns. Shareholders should consult their tax 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, 2020:

Federal and State Income Tax

Long-Term Capital Gain Distributions	\$2,100,106
Qualified Dividend Income*	0.00%
Corporate Dividends Received Deduction*	16.15%
U.S. Treasury Obligations*	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
Interested Trustee				
Martin L. Flanagan ¹ – 1960 Trustee and Vice Chair	2007	Executive Director, Chief Executive Officer and President, Invesco Ltd. (ultimate parent of Invesco and a global investment management firm); Trustee and Vice Chair, The Invesco Funds; Vice Chair, Investment Company Institute; and Member of Executive Board, SMU Cox School of Business Formerly: Advisor to the Board, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.); Chairman and Chief Executive Officer, Invesco Advisers, Inc. (registered investment adviser); Director, Chairman, Chief Executive Officer and President, Invesco Holding Company (US), Inc. (formerly IVZ Inc.) (holding company), Invesco Group Services, Inc. (service provider) and Invesco North American Holdings, Inc. (holding company); Director, Chief Executive Officer and President, Invesco Holding Company Limited (parent of Invesco and a global investment management firm); Director, Invesco Ltd.; Chairman, Investment Company Institute and President, Co-Chief Executive Officer, Co-President, Chief Operating Officer and Chief Financial Officer, Franklin Resources, Inc. (global investment management organization)	197	None

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

Trustees and Officers--(continued)

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

Trustees and Officers—(continued)

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

Trustees and Officers--(continued)

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

Trustees and Officers—(continued)

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

Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
Officers—(continued)				
John M. Zerr - 1962 Senior Vice President	2006	<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; Director and Senior Vice President, Invesco Insurance Agency, Inc.; Member, Invesco Canada Funds Advisory Board; Director, President and Chief Executive Officer, Invesco Corporate Class Inc. (corporate mutual fund company); and Director, Chairman, President and Chief Executive Officer, Invesco Canada Ltd. (formerly known as Invesco Trimark Ltd./Invesco Trimark Ltée) (registered investment adviser and registered transfer agent); President, Invesco, Inc.; President, Invesco Global Direct Real Estate Feeder GP Ltd.; President, Invesco IP Holdings(Canada) Ltd; President, Invesco Global Direct Real Estate GP Ltd.; President, Invesco Financial Services Ltd. / Services Financiers Invesco Ltée; and President, Trimark Investments Ltd./Placements Trimark Ltée</p> <p>Formerly: Director and Senior Vice President, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Secretary and General Counsel, Invesco Management Group, Inc. (formerly known as Invesco AIM Management Group, Inc.); Secretary, Invesco Investment Services, Inc. (formerly known as Invesco AIM Investment Services, Inc.); Chief Legal Officer and Secretary, The Invesco Funds; Secretary and General Counsel, Invesco Investment Advisers LLC (formerly known as Van Kampen Asset Management); Secretary and General Counsel, Invesco Capital Markets, Inc. (formerly known as Van Kampen Funds Inc.); Chief Legal Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Secretary, Invesco Indexing LLC; Director, Secretary, General Counsel and Senior Vice President, Van Kampen Exchange Corp.; Director, Vice President and Secretary, IVZ Distributors, Inc. (formerly known as INVESCO Distributors, Inc.); Director and Vice President, INVESCO Funds Group, Inc.; Director and Vice President, Van Kampen Advisors Inc.; Director, Vice President, Secretary and General Counsel, Van Kampen Investor Services Inc.; Director and Secretary, Invesco Distributors, Inc. (formerly known as Invesco AIM Distributors, Inc.); Director, Senior Vice President, General Counsel and Secretary, Invesco AIM Advisers, Inc. and Van Kampen Investments Inc.; Director, Vice President and Secretary, Fund Management Company; Director, Senior Vice President, Secretary, General Counsel and Vice President, Invesco AIM Capital Management, Inc.; Chief Operating Officer and General Counsel, Liberty Ridge Capital, Inc. (an investment adviser)</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.; and Senior Vice President, The Invesco Funds; and President, SNW Asset Management Corporation and Invesco Managed Accounts, LLC; Chairman and Director, Invesco Private Capital, Inc.; Chairman and Director, INVESCO Private Capital Investments, Inc.; and Chairman and Director, INVESCO Realty, Inc.</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; 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; OppenheimerFunds Distributor, Inc., 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
Officers--(continued)				
Todd F. Kuehl - 1969 Chief Compliance Officer and Senior Vice President	2020	Chief Compliance Officer, Invesco Advisers, Inc. (registered investment adviser); and Chief Compliance Officer, The Invesco Funds and Senior Vice President Formerly: Managing Director and Chief Compliance Officer, Legg Mason (Mutual Funds); Chief Compliance Officer, Legg Mason Private Portfolio Group (registered investment adviser)	N/A	N/A
Michael McMaster - 1962 Chief Tax Officer, Vice President and Assistant Treasurer	2020	Head of Global Fund Services Tax; Chief Tax Officer, Vice President and Assistant Treasurer, The Invesco Funds; Assistant Treasurer, Invesco Capital Management LLC, Assistant Treasurer and Chief Tax Officer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; Assistant Treasurer, Invesco Specialized Products, LLC Formerly: Senior Vice President - Managing Director of Tax Services, U.S. Bank Global Fund Services (GFS)	N/A	N/A

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

Office of the Fund

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

Investment Adviser

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

Distributor

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

Auditors

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

Counsel to the Fund

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

Counsel to the Independent Trustees

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

Transfer Agent

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

Custodian

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