

## Invesco V.I. Capital Appreciation Fund

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

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, from our Client Services department at 800 959 4246 or at [invesco.com/corporate/about-us/esg](http://invesco.com/corporate/about-us/esg). The information is also available on the SEC website, [sec.gov](http://sec.gov).

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

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

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

# Management's Discussion of Fund Performance

## Performance summary

For the year ended December 31, 2021, Series I shares of Invesco V.I. Capital Appreciation Fund (the Fund) underperformed the Russell 1000 Growth Index.

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

## Fund vs. Indexes

Total returns, 12/31/20 to 12/31/21, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

Series I Shares	22.57%
Series II Shares	22.28
S&P 500 Index▼	28.71
Russell 1000 Growth Index▼	27.60

Source(s): ▼RIMES Technologies Corp.

## Market conditions and your Fund

US political unrest and rising coronavirus (COVID-19) infection rates marked the start of the first quarter of 2021. Additionally, retail investors bid up select stocks like GameStop and AMC Theaters, ultimately causing a sharp selloff in late January. Corporate earnings generally beat expectations, but market volatility rose during the quarter as investors worried about rising bond yields and inflation. Despite the US Federal Reserve's (the Fed's) commitment to an accommodative policy, the 10-year US Treasury yield rose from 0.92% at the end of 2020 to 1.75%<sup>1</sup> at the end of March 2021. Approval of a third COVID-19 vaccine boosted investors' optimism for faster economic recovery. Although March saw increased volatility with consecutive down days in the US stock market, stocks continued to hit all-time highs through April 2021.

The US stock market once again hit new highs in the second quarter of 2021, despite higher volatility stemming from inflation concerns and the potential for rising interest rates. Investors remained optimistic about the strength of the economic recovery after the US gross domestic product (GDP) grew at a 6.4% annualized rate for the first quarter of 2021.<sup>2</sup> Corporate earnings also remained strong as the majority of S&P 500 companies beat Wall Street earnings forecasts. US equity markets continued to move higher in July despite inflation concerns and increasing COVID-19 infection rates due to the rapidly spreading Delta variant. Despite the Consumer Price Index (CPI) increasing in June through September,<sup>3</sup> the Fed declined to raise interest rates at its September Federal Open Market Committee (FOMC) meeting. The US stock market saw continued volatility in August and a selloff through most of September due to increasing concerns of inflation due to a spike in oil prices and supply chain shortages causing rising costs.

Equity markets were volatile in the fourth quarter of 2021 amid record inflation and the emergence of a new COVID-19 variant. Pandemic related supply chain disruption and labor shortages intensified during the quarter, resulting in broadly higher input costs for

companies and consumers alike. Additionally, the price of oil (West Texas Intermediate) rose to nearly \$85 per barrel in October,<sup>1</sup> causing higher gas prices for consumers and pushing energy stocks higher. The CPI report for November increased 0.8%, resulting in a 6.8% increase over the last 12 months, the highest since 1982.<sup>3</sup> To combat inflation, the Fed announced a faster pace of "tapering" at its December meeting, pledging to end its asset purchase program by March 2022. The Fed also announced the potential for three interest rate increases in 2022. With solid corporate earnings and optimism about the COVID-19 Omicron strain reporting milder symptoms, stocks rallied at year-end and the S&P 500 Index returned 28.71%<sup>4</sup> for the calendar year. Meanwhile, the Fund's benchmark, the Russell 1000 Growth Index, returned 27.60%.

During the fiscal year, stock selection within the health care and financials sectors were the largest contributors to the Fund's performance versus the Russell 1000 Growth Index. This was offset by weaker stock selection in the consumer discretionary and communication services sectors.

The largest individual contributors to the Fund's absolute performance during the fiscal year included **Microsoft**, **Alphabet** and **NVIDIA**. Microsoft's business demonstrated continued strength in the first quarter, with growth continuing to be driven by strength across the company's commercial cloud segment: Azure, Office 365, LinkedIn and Dynamics 365. In the second quarter, Alphabet's earnings grew significantly and eclipsed the sharp rebound from the previous quarter and beat consensus estimates by a wide margin. Growth accelerated sharply for the three main advertising revenue sources (Google Search, YouTube and Google Network). NVIDIA designs and manufactures computer graphics processors, chipsets and related multimedia software. The company's strong revenue growth of 50% led by datacenter GPU and excitement about the Metaverse/Omniverse drove outperformance during the fourth quarter of 2021.

The largest individual detractors from the Fund's absolute performance during the fiscal year included **Trade Desk**, **RingCentral** and

**Coupa Software**. Trade Desk provides a technology-based self-serve programmatic platform that enables ad buyers to purchase internet advertising more efficiently and effectively. Shares underperformed because first quarter 2021 revenues were only modestly above analyst estimates, along with concerns that second-half earnings will compare unfavorably to prior periods and apprehension about Google's expected phasing out of cookies. RingCentral is a global provider of cloud enterprise unified communications and collaboration software. The company's stock underperformed early in the fiscal year due to investors' rotation into more cyclical companies that benefit from the reopening of the economy. We exited the stock during the fiscal year. Coupa Software offers procurement and expense management software. The company's growth has stalled as large enterprises have focused on front-office software rather than the back office software that Coupa provides. We exited the stock during the fiscal year.

We expect 2022 to be a year of transition to more normal macro-economic conditions. GDP growth is likely to slow from the 5%+ rate achieved in 2021 as extraordinary fiscal and monetary stimulus moderates. The Fed has already begun to slow the pace of liquidity being added to the financial system and plans to begin raising short-term interest rates by mid-year. As a result, we anticipate the rate of corporate earnings growth will slow, volatility will pick up and equity returns will be tempered. Meanwhile, technology-driven innovation will continue to disrupt large portions of the global economy, providing substantial opportunity via investment in premier growth compounders. Such growth companies may gain advantages as the economic cycle matures. At the same time, growth investors may have to contend with valuation headwinds due to lingering inflation and the Fed's tightening. We will continue to focus on harnessing the power of compound growth by identifying companies best positioned to thrive in an ever changing environment.

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

1 Source: Bloomberg LP

2 Source: US Bureau of Economic Analysis

3 Source: US Bureau of Labor Statistics

4 Source: Lipper Inc.

## Portfolio manager(s):

Ash Shah

Ronald Zibelli, Jr. - Lead

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

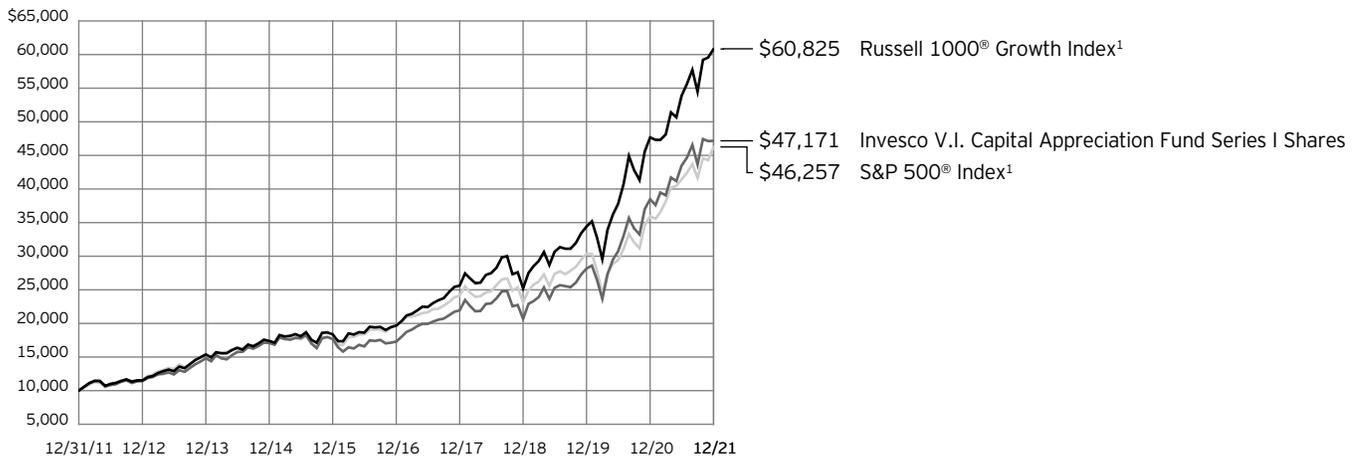
*ations, or as an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but Invesco Advisers, Inc. makes no representation or warranty as to their completeness 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 12/31/11



1 Source: RIMES Technologies Corp.

Past performance cannot guarantee future results.

### Average Annual Total Returns

As of 12/31/21

#### Series I Shares

Inception (4/3/85)	11.28%
10 Years	16.78
5 Years	22.21
1 Year	22.57

#### Series II Shares

Inception (9/18/01)	9.10%
10 Years	16.49
5 Years	21.91
1 Year	22.28

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

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

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

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

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

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

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## Supplemental Information

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

- Unless otherwise stated, information presented in this report is as of December 31, 2021, and is based on total net assets.
- Unless otherwise noted, all data is provided by Invesco.
- To access your Fund's reports/prospectus, visit [invesco.com/fundreports](https://invesco.com/fundreports).

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

- The **Russell 1000<sup>®</sup> Growth Index** is an unmanaged index considered representative of large-cap growth stocks. The Russell 1000 Growth Index is a trademark/service mark of the Frank Russell Co. Russell<sup>®</sup> is a trademark of the Frank Russell Co.
- The **S&P 500<sup>®</sup> Index** is an unmanaged index considered representative of the US stock market.
- The Fund is not managed to track the performance of any particular index, including the index(es) described here, and consequently, the performance of the Fund may deviate significantly from the performance of the index(es).
- A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses; performance of a market index does not.

# Fund Information

## Portfolio Composition

By sector	% of total net assets
Information Technology	42.04%
Consumer Discretionary	14.91
Health Care	13.05
Communication Services	12.15
Industrials	6.05
Financials	5.95
Other Sectors, Each Less than 2% of Net Assets	4.91
Money Market Funds Plus Other Assets Less Liabilities	0.94

## Top 10 Equity Holdings\*

	% of total net assets
1. Microsoft Corp.	9.47%
2. Apple, Inc.	7.43
3. Alphabet, Inc., Class C	7.41
4. Amazon.com, Inc.	4.85
5. NVIDIA Corp.	3.71
6. UnitedHealth Group, Inc.	2.43
7. Meta Platforms, Inc., Class A	2.14
8. Danaher Corp.	2.13
9. Netflix, Inc.	1.90
10. Advanced Micro Devices, Inc.	1.86

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, 2021.

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

December 31, 2021

	Shares	Value
<b>Common Stocks &amp; Other Equity Interests-99.06%</b>		
<b>Aerospace &amp; Defense-0.60%</b>		
TransDigm Group, Inc. <sup>(b)</sup>	8,580	\$ 5,459,282
<b>Agricultural &amp; Farm Machinery-1.05%</b>		
Deere & Co.	27,840	9,546,058
<b>Apparel, Accessories &amp; Luxury Goods-0.80%</b>		
lululemon athletica, inc. <sup>(b)</sup>	18,556	7,263,746
<b>Application Software-7.51%</b>		
Atlassian Corp. PLC, Class A <sup>(b)</sup>	30,299	11,552,706
Datadog, Inc., Class A <sup>(b)</sup>	60,754	10,820,895
HubSpot, Inc. <sup>(b)</sup>	17,263	11,378,907
Intuit, Inc.	17,828	11,467,326
salesforce.com, inc. <sup>(b)</sup>	18,034	4,582,980
Synopsys, Inc. <sup>(b)</sup>	32,222	11,873,807
Trade Desk, Inc. (The), Class A <sup>(b)</sup>	24,078	2,206,508
Tyler Technologies, Inc. <sup>(b)</sup>	8,740	4,701,683
		68,584,812
<b>Asset Management &amp; Custody Banks-2.22%</b>		
BlackRock, Inc.	7,540	6,903,322
KKR & Co., Inc., Class A	179,545	13,376,103
		20,279,425
<b>Auto Parts &amp; Equipment-1.10%</b>		
Aptiv PLC <sup>(b)</sup>	60,854	10,037,867
<b>Automobile Manufacturers-2.11%</b>		
General Motors Co. <sup>(b)</sup>	91,790	5,381,648
Tesla, Inc. <sup>(b)</sup>	13,155	13,901,941
		19,283,589
<b>Biotechnology-0.36%</b>		
Alnylam Pharmaceuticals, Inc. <sup>(b)</sup>	19,567	3,318,172
<b>Casinos &amp; Gaming-0.89%</b>		
Caesars Entertainment, Inc. <sup>(b)</sup>	86,565	8,096,424
<b>Data Processing &amp; Outsourced Services-1.17%</b>		
Mastercard, Inc., Class A	29,742	10,686,895
<b>Electrical Components &amp; Equipment-1.26%</b>		
Generac Holdings, Inc. <sup>(b)</sup>	32,679	11,500,394
<b>Environmental &amp; Facilities Services-0.94%</b>		
Waste Connections, Inc.	63,084	8,596,457
<b>Financial Exchanges &amp; Data-1.62%</b>		
MSCI, Inc.	10,587	6,486,549
S&P Global, Inc.	17,610	8,310,687
		14,797,236
<b>General Merchandise Stores-0.76%</b>		
Target Corp.	29,870	6,913,113
<b>Health Care Equipment-3.13%</b>		
DexCom, Inc. <sup>(b)</sup>	8,163	4,383,123
Edwards Lifesciences Corp. <sup>(b)</sup>	58,793	7,616,633
IDEXX Laboratories, Inc. <sup>(b)</sup>	12,538	8,255,772

	Shares	Value
<b>Health Care Equipment-(continued)</b>		
Intuitive Surgical, Inc. <sup>(b)</sup>	23,271	\$ 8,361,270
		28,616,798
<b>Health Care Facilities-1.00%</b>		
HCA Healthcare, Inc.	35,459	9,110,126
<b>Health Care Supplies-0.54%</b>		
Align Technology, Inc. <sup>(b)</sup>	7,524	4,944,622
<b>Home Improvement Retail-1.02%</b>		
Home Depot, Inc. (The)	22,524	9,347,685
<b>Hotels, Resorts &amp; Cruise Lines-1.87%</b>		
Airbnb, Inc., Class A <sup>(b)</sup>	31,534	5,250,096
Marriott International, Inc., Class A <sup>(b)</sup>	71,283	11,778,803
		17,028,899
<b>Industrial Gases-0.75%</b>		
Linde PLC (United Kingdom)	19,760	6,845,457
<b>Industrial Machinery-0.27%</b>		
Chart Industries, Inc. <sup>(b)</sup>	15,668	2,498,889
<b>Industrial REITs-0.55%</b>		
Prologis, Inc.	29,907	5,035,143
<b>Interactive Media &amp; Services-9.55%</b>		
Alphabet, Inc., Class C <sup>(b)</sup>	23,388	67,675,283
Meta Platforms, Inc., Class A <sup>(b)</sup>	58,045	19,523,436
		87,198,719
<b>Internet &amp; Direct Marketing Retail-4.85%</b>		
Amazon.com, Inc. <sup>(b)</sup>	13,285	44,296,707
<b>Internet Services &amp; Infrastructure-1.26%</b>		
MongoDB, Inc. <sup>(b)</sup>	12,758	6,753,447
Shopify, Inc., Class A (Canada) <sup>(b)</sup>	3,427	4,720,316
		11,473,763
<b>Investment Banking &amp; Brokerage-0.94%</b>		
Goldman Sachs Group, Inc. (The)	22,373	8,558,791
<b>IT Consulting &amp; Other Services-1.29%</b>		
Accenture PLC, Class A	28,313	11,737,154
<b>Life Sciences Tools &amp; Services-4.24%</b>		
Agilent Technologies, Inc.	43,340	6,919,231
Danaher Corp.	58,997	19,410,603
Thermo Fisher Scientific, Inc.	10,485	6,996,011
West Pharmaceutical Services, Inc.	11,560	5,421,756
		38,747,601
<b>Managed Health Care-2.43%</b>		
UnitedHealth Group, Inc.	44,111	22,149,898
<b>Movies &amp; Entertainment-2.60%</b>		
Live Nation Entertainment, Inc. <sup>(b)</sup>	53,868	6,447,461
Netflix, Inc. <sup>(b)</sup>	28,705	17,293,040
		23,740,501

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

	Shares	Value
<b>Oil &amp; Gas Storage &amp; Transportation-0.75%</b>		
Cheniere Energy, Inc.	67,199	\$ 6,815,323
<b>Personal Products-1.13%</b>		
Estee Lauder Cos., Inc. (The), Class A	27,904	10,330,061
<b>Pharmaceuticals-1.34%</b>		
Catalent, Inc. <sup>(b)</sup>	34,018	4,355,324
Eli Lilly and Co.	28,403	7,845,477
		12,200,801
<b>Regional Banks-1.17%</b>		
SVB Financial Group <sup>(b)</sup>	15,748	10,680,923
<b>Restaurants-1.52%</b>		
Chipotle Mexican Grill, Inc. <sup>(b)</sup>	3,625	6,337,406
Domino's Pizza, Inc.	13,323	7,518,569
		13,855,975
<b>Semiconductor Equipment-2.37%</b>		
Applied Materials, Inc.	50,158	7,892,863
ASML Holding N.V., New York Shares (Netherlands)	17,216	13,706,346
		21,599,209
<b>Semiconductors-9.88%</b>		
Advanced Micro Devices, Inc. <sup>(b)</sup>	117,766	16,946,527
Marvell Technology, Inc.	136,842	11,972,307
Monolithic Power Systems, Inc.	32,599	16,082,065
NVIDIA Corp.	115,230	33,890,295
QUALCOMM, Inc.	61,729	11,288,382
		90,179,576
<b>Specialized REITs-0.98%</b>		
Extra Space Storage, Inc.	39,295	8,909,355

	Shares	Value
<b>Specialty Chemicals-0.75%</b>		
Albemarle Corp.	29,251	\$ 6,838,006
<b>Systems Software-11.13%</b>		
Microsoft Corp.	256,985	86,429,195
ServiceNow, Inc. <sup>(b)</sup>	23,441	15,215,788
		101,644,983
<b>Technology Hardware, Storage &amp; Peripherals-7.43%</b>		
Apple, Inc.	381,949	67,822,684
<b>Trading Companies &amp; Distributors-1.03%</b>		
United Rentals, Inc. <sup>(b)</sup>	28,353	9,421,418
<b>Trucking-0.90%</b>		
Old Dominion Freight Line, Inc.	22,928	8,216,937
Total Common Stocks & Other Equity Interests (Cost \$546,580,823)		904,209,474
<b>Money Market Funds-1.19%</b>		
Invesco Government & Agency Portfolio, Institutional Class, 0.03% <sup>(c)(d)</sup>	3,798,976	3,798,976
Invesco Liquid Assets Portfolio, Institutional Class, 0.02% <sup>(c)(d)</sup>	2,713,010	2,713,552
Invesco Treasury Portfolio, Institutional Class, 0.01% <sup>(c)(d)</sup>	4,341,686	4,341,686
Total Money Market Funds (Cost \$10,854,214)		10,854,214
TOTAL INVESTMENTS IN SECURITIES-100.25% (Cost \$557,435,037)		915,063,688
OTHER ASSETS LESS LIABILITIES-(0.25)%		(2,264,505)
NET ASSETS-100.00%		\$912,799,183

Investment Abbreviations:

REIT - Real Estate Investment Trust

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) Affiliated issuer. The issuer and/or the Fund is a wholly-owned subsidiary of Invesco Ltd., or is affiliated by having an investment adviser that is under common control of Invesco Ltd. The table below shows the Fund's transactions in, and earnings from, its investments in affiliates for the fiscal year ended December 31, 2021.

	Value December 31, 2020	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation	Realized Gain (Loss)	Value December 31, 2021	Dividend Income
<b>Investments in Affiliated Money Market Funds:</b>							
Invesco Government & Agency Portfolio, Institutional Class	\$2,929,702	\$ 72,513,298	\$ (71,644,024)	\$ -	\$ -	\$ 3,798,976	\$ 546
Invesco Liquid Assets Portfolio, Institutional Class	2,092,396	51,644,166	(51,022,673)	166	(503)	2,713,552	237
Invesco Treasury Portfolio, Institutional Class	3,348,230	82,872,341	(81,878,885)	-	-	4,341,686	238
<b>Investments Purchased with Cash Collateral from Securities on Loan:</b>							
Invesco Private Government Fund	-	6,904,779	(6,904,779)	-	-	-	16*
Invesco Private Prime Fund	-	14,579,991	(14,579,991)	-	-	-	209*
Total	\$8,370,328	\$228,514,575	\$(226,030,352)	\$166	\$(503)	\$10,854,214	\$1,246

\* 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.

- (d) The rate shown is the 7-day SEC standardized yield as of December 31, 2021.

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

# Statement of Assets and Liabilities

December 31, 2021

## Assets:

Investments in unaffiliated securities, at value (Cost \$546,580,823)	\$904,209,474
Investments in affiliated money market funds, at value (Cost \$10,854,214)	10,854,214
Cash	1,235,993
Foreign currencies, at value (Cost \$164)	158
Receivable for:	
Fund shares sold	22,554
Dividends	74,700
Investment for trustee deferred compensation and retirement plans	137,512
Other assets	3,489
<b>Total assets</b>	<b>916,538,094</b>

## Liabilities:

Payable for:	
Fund shares reacquired	3,161,289
Accrued fees to affiliates	394,478
Accrued other operating expenses	45,632
Trustee deferred compensation and retirement plans	137,512
<b>Total liabilities</b>	<b>3,738,911</b>
<b>Net assets applicable to shares outstanding</b>	<b>\$912,799,183</b>

## Net assets consist of:

Shares of beneficial interest	\$328,143,646
Distributable earnings	584,655,537
	\$912,799,183

## Net Assets:

Series I	\$686,517,157
Series II	\$226,282,026

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

Series I	8,385,975
Series II	2,843,535
Series I:	
Net asset value per share	\$ 81.86
Series II:	
Net asset value per share	\$ 79.58

# Statement of Operations

For the year ended December 31, 2021

## Investment income:

Dividends (net of foreign withholding taxes of \$50,376)	\$ 4,091,729
Dividends from affiliated money market funds (includes securities lending income of \$1,010)	2,031
<b>Total investment income</b>	<b>4,093,760</b>

## Expenses:

Advisory fees	6,039,396
Administrative services fees	1,370,291
Custodian fees	8,008
Distribution fees - Series II	559,752
Transfer agent fees	53,474
Trustees' and officers' fees and benefits	29,944
Professional services fees	59,715
Other	(104,659)
<b>Total expenses</b>	<b>8,015,921</b>
Less: Fees waived	(359,578)
<b>Net expenses</b>	<b>7,656,343</b>
<b>Net investment income (loss)</b>	<b>(3,562,583)</b>

## Realized and unrealized gain (loss) from:

Net realized gain (loss) from:	
Unaffiliated investment securities (includes net gains from securities sold to affiliates of \$552,919)	238,954,487
Affiliated investment securities	(503)
Foreign currencies	36,547
	238,990,531
Change in net unrealized appreciation (depreciation) of:	
Unaffiliated investment securities	(55,673,914)
Affiliated investment securities	166
Foreign currencies	(12,617)
	(55,686,365)
<b>Net realized and unrealized gain</b>	<b>183,304,166</b>
<b>Net increase in net assets resulting from operations</b>	<b>\$179,741,583</b>

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

# Statement of Changes in Net Assets

For the years ended December 31, 2021 and 2020

	2021	2020
<b>Operations:</b>		
Net investment income (loss)	\$ (3,562,583)	\$ (1,344,835)
Net realized gain	238,990,531	44,098,047
Change in net unrealized appreciation (depreciation)	(55,686,365)	187,508,885
Net increase in net assets resulting from operations	179,741,583	230,262,097
<b>Distributions to shareholders from distributable earnings:</b>		
Series I	(35,407,065)	(81,814,036)
Series II	(12,047,935)	(28,225,418)
Total distributions from distributable earnings	(47,455,000)	(110,039,454)
<b>Share transactions-net:</b>		
Series I	(38,987,718)	(6,360,539)
Series II	(22,413,761)	(10,935,911)
Net increase (decrease) in net assets resulting from share transactions	(61,401,479)	(17,296,450)
Net increase in net assets	70,885,104	102,926,193
<b>Net assets:</b>		
Beginning of year	841,914,079	738,987,886
End of year	\$912,799,183	\$ 841,914,079

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

# Financial Highlights

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

	Net asset value, beginning of period	Net investment income (loss) <sup>(a)</sup>	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends from net investment income	Distributions from net realized gains	Total distributions	Net asset value, end of period	Total return <sup>(b)</sup>	Net assets, end of period (000's omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed <sup>(c)</sup>	Ratio of net investment income (loss) to average net assets	Portfolio turnover <sup>(d)</sup>
<b>Series I</b>														
Year ended 12/31/21	\$70.34	\$(0.26)	\$16.12	\$15.86	\$ -	\$ (4.34)	\$ (4.34)	\$81.86	22.57%	\$686,517	0.80%	0.84%	(0.34)%	91%
Year ended 12/31/20	59.77	(0.08)	21.00	20.92	-	(10.35)	(10.35)	70.34	36.59	626,304	0.80	0.88	(0.12)	37
Year ended 12/31/19	48.50	0.06	16.80	16.86	(0.04)	(5.55)	(5.59)	59.77	36.20	538,247	0.80	0.88	0.10	73
Year ended 12/31/18	55.70	0.09	(2.71)	(2.62)	(0.19)	(4.39)	(4.58)	48.50	(5.73)	460,708	0.80	0.85	0.16	27
Year ended 12/31/17	48.36	0.15	12.33	12.48	(0.13)	(5.01)	(5.14)	55.70	26.83	556,227	0.80	0.82	0.29	26
<b>Series II</b>														
Year ended 12/31/21	68.64	(0.45)	15.73	15.28	-	(4.34)	(4.34)	79.58	22.28	226,282	1.05	1.09	(0.59)	91
Year ended 12/31/20	58.67	(0.23)	20.55	20.32	-	(10.35)	(10.35)	68.64	36.24	215,610	1.05	1.13	(0.37)	37
Year ended 12/31/19	47.78	(0.08)	16.52	16.44	-	(5.55)	(5.55)	58.67	35.84	200,741	1.05	1.13	(0.15)	73
Year ended 12/31/18	54.89	(0.05)	(2.67)	(2.72)	-	(4.39)	(4.39)	47.78	(5.96)	141,790	1.05	1.10	(0.09)	27
Year ended 12/31/17	47.73	0.02	12.16	12.18	(0.01)	(5.01)	(5.02)	54.89	26.50	316,864	1.05	1.07	0.04	26

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

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

<sup>(c)</sup> Does not include indirect expenses from affiliated fund fees and expenses of 0.00% for the years ended October 31, 2019, 2018 and 2017, respectively.

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

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

# Notes to Financial Statements

December 31, 2021

## NOTE 1—Significant Accounting Policies

Invesco V.I. Capital Appreciation Fund, formerly Invesco Oppenheimer V.I. Capital Appreciation Fund (the “Fund”) is a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) (the “Trust”). The Trust is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end series management investment company. The Fund is classified as non-diversified. The Fund’s classification changed from diversified to non-diversified on April 30, 2021. Information presented in these financial statements pertains only to the Fund. Matters affecting the Fund or each class will be voted on exclusively by the shareholders of the Fund or each class. Current Securities and Exchange Commission (“SEC”) guidance, however, requires participating insurance companies offering separate accounts to vote shares proportionally in accordance with the instructions of the contract owners whose investments are funded by shares of each Fund or class.

The Fund’s investment objective is to seek capital appreciation.

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

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

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

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

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

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

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

Foreign securities’ (including foreign exchange contracts) prices are converted into U.S. dollar amounts using the applicable exchange rates as of the close of the NYSE. If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become unreliable. If between the time trading ends on a particular security and the close of the customary trading session on the NYSE, events occur that the investment adviser determines are significant and make the closing price unreliable, the Fund may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith using procedures approved by the Board of Trustees. Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities’ prices meeting the approved degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depository 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 and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

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

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

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

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

**C. Country Determination** – For the purposes of making investment selection decisions and presentation in the Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues 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. Master Limited Partnerships** – The Fund invests in Master Limited Partnerships ("MLPs"). MLPs are publicly traded partnerships and limited liability companies taxed as partnerships under the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). The Fund invests in MLPs engaged in, among other things, the transportation, storage, processing, refining, marketing, exploration, production and mining of minerals and natural resources. The Fund is a partner in each MLP; accordingly, the Fund is required to take into account the Fund's allocable share of income, gains, losses, deductions, expenses, and tax credits recognized by each MLP.

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

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

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

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

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

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

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

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

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

**K. Securities Lending** – The Fund may lend portfolio securities having a market value up to one-third of the Fund's total assets. Such loans are secured by collateral equal to or less than the market value of the loaned securities determined daily by the securities lending provider. Such collateral will be cash or debt securities issued or guaranteed by the U.S. Government or any of its sponsored agencies. Cash collateral received in connection with these loans is invested in short-term money market instruments or affiliated, unregistered investment companies that comply with Rule 2a-7 under the Investment Company Act and money market funds (collectively, "affiliated money market funds") and is shown as such on the Schedule of Investments. The Fund bears the risk of loss with respect to the investment of collateral. It is the Fund's policy to obtain additional collateral from or return excess collateral to the borrower by the end of the next business day, following the valuation date of the securities loaned. Therefore, the value of the collateral held may be temporarily less than the value of the securities on loan. When loaning securities, the Fund retains certain benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security. Lending securities entails a risk of loss to the Fund if, and to the extent that, the market value of the securities loaned were to increase and the borrower did not increase the collateral accordingly, and the borrower failed to return the securities. The securities loaned are subject to termination at the option of the borrower or the Fund. Upon termination, the borrower will return to the Fund the securities loaned and the Fund will return the collateral. Upon the failure of the borrower to return the securities, collateral may be liquidated and the securities may be purchased on the open market to replace the loaned securities. The Fund could experience delays and costs in gaining access to the collateral and the securities may lose value during the delay which could result in potential losses to the Fund. Some of these losses may be indemnified by the lending agent. The Fund bears the risk of any deficiency in the amount of the collateral available for return to the borrower due to any loss on the collateral invested. Dividends received on cash collateral investments for securities lending transactions, which are net of compensation to counterparties, are included in *Dividends from affiliated money market funds* on the Statement of Operations. The aggregate value of securities out on loan, if any, is shown as a footnote on the Statement of Assets and Liabilities.

On September 29, 2021, the Board of Trustees appointed Invesco Advisers, Inc. (the "Adviser" or "Invesco") to serve as an affiliated securities lending agent for the Fund. Prior to September 29, 2021, the Bank of New York Mellon ("BNYM") served as the sole securities lending agent for the Fund under the securities lending program. BNYM also continues to serve as a lending agent. To the extent the Fund utilizes the Adviser as an affiliated securities lending agent, the Fund conducts its securities lending in accordance with, and in reliance upon, no-action letters issued by the SEC staff that provide guidance on how an affiliate may act as a direct agent lender and receive compensation for those services in a manner consistent with the federal securities laws. For the year ended December 31, 2021, there were no securities lending transactions with the Adviser.

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

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

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

The Fund may also enter into forward foreign currency contracts for the purchase or sale of a security denominated in a foreign currency in order to “lock in” the U.S. dollar price of that security, or the Fund may also enter into forward foreign currency contracts that do not provide for physical 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.

**N. Other Risks** – The Fund is non-diversified and may invest in securities of fewer issuers than if it were diversified. Thus, the value of the Fund's shares may vary more widely and the Fund may be subject to greater market and credit risk than if the Fund invested more broadly.

**O. COVID-19 Risk** – The COVID-19 strain of coronavirus has resulted in instances of market closures and dislocations, extreme volatility, liquidity constraints and increased trading costs. Efforts to contain its spread have resulted in travel restrictions, disruptions of healthcare systems, business operations and supply chains, layoffs, lower consumer demand, and defaults, among other significant economic impacts that have disrupted global economic activity across many industries. Such economic impacts may exacerbate other pre-existing political, social and economic risks locally or globally.

The ongoing effects of COVID-19 are unpredictable and may result in significant and prolonged effects on the Fund's performance.

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

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

Average Daily Net Assets*	Rate
Upto \$200 million	0.750%
Next \$200 million	0.720%
Next \$200 million	0.690%
Next \$200 million	0.660%
Next \$200 million	0.600%
Over \$1 billion	0.580%

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

For the year ended December 31, 2021, the effective advisory fee rate incurred by the Fund was 0.68%.

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

The Adviser has contractually agreed, through at least April 30, 2023, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement excluding certain items discussed below) of Series I shares to 0.80% and Series II shares to 1.05% of the Fund's average daily net assets (the “expense limits”). In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. Unless Invesco continues the fee waiver agreement, it will terminate on April 30, 2023. 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, 2023, 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, 2021, the Adviser waived advisory fees of \$359,578.

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, 2021, Invesco was paid \$124,443 for accounting and fund administrative services and was reimbursed \$1,245,848 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, 2021, 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, 2021, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

For the year ended December 31, 2021, the Fund incurred \$15,587 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.

As of December 31, 2021, all of the securities in this Fund were valued based on Level 1 inputs (see the Schedule of Investments for security categories). 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.

### **NOTE 4—Security Transactions with Affiliated Funds**

The Fund is permitted to purchase or sell securities from or to certain other Invesco Funds under specified conditions outlined in procedures adopted by the Board of Trustees of the Trust. The procedures have been designed to ensure that any purchase or sale of securities by the Fund from or to another fund or portfolio that is or could be considered an affiliate by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 of the 1940 Act. Further, as defined under the procedures, each transaction is effected at the current market price. Pursuant to these procedures, for the year ended December 31, 2021, the Fund engaged in securities purchases of \$6,685,140 and securities sales of \$2,732,308, which resulted in net realized gains of \$552,919.

### **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, 2021 and 2020:**

	2021	2020
Ordinary income*	\$ -	\$ 4,657,573
Long-term capital gain	47,455,000	105,381,881
Total distributions	\$47,455,000	\$110,039,454

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

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

	2021
Undistributed ordinary income	\$ 29,344,302
Undistributed long-term capital gain	200,082,750
Net unrealized appreciation – investments	355,355,436
Net unrealized appreciation (depreciation) – foreign currencies	(6)
Temporary book/tax differences	(126,945)
Shares of beneficial interest	328,143,646
Total net assets	\$912,799,183

The difference between book-basis and tax-basis unrealized appreciation (depreciation) is due to differences in the timing of recognition of gains and losses on investments for tax and book purposes. The Fund's net unrealized appreciation (depreciation) difference is attributable primarily to wash sales and 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, 2021.

**NOTE 8—Investment Transactions**

The aggregate amount of investment securities (other than short-term securities, U.S. Government obligations and money market funds, if any) purchased and sold by the Fund during the year ended December 31, 2021 was \$800,277,244 and \$910,547,180, 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	\$357,772,114
Aggregate unrealized (depreciation) of investments	(2,416,678)
Net unrealized appreciation of investments	\$355,355,436

Cost of investments for tax purposes is \$559,708,252.

**NOTE 9—Reclassification of Permanent Differences**

Primarily as a result of differing book/tax treatment of net operating losses, on December 31, 2021, undistributed net investment income (loss) was increased by \$5,643,360, undistributed net realized gain was decreased by \$5,952,178 and shares of beneficial interest was increased by \$308,818. This reclassification had no effect on the net assets of the Fund.

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

	Year ended December 31, 2021 <sup>(a)</sup>		Year ended December 31, 2020	
	Shares	Amount	Shares	Amount
<b>Sold:</b>				
Series I	209,804	\$ 16,035,979	286,935	\$ 18,471,044
Series II	82,230	6,046,853	706,142	41,437,974
<b>Issued as reinvestment of dividends:</b>				
Series I	433,698	35,407,065	1,269,813	81,814,036
Series II	151,756	12,047,930	448,663	28,225,406

**Summary of Share Activity**

	Year ended December 31, 2021 <sup>(a)</sup>		Year ended December 31, 2020	
	Shares	Amount	Shares	Amount
<b>Reacquired:</b>				
Series I	(1,161,400)	\$(90,430,762)	(1,658,108)	\$(106,645,619)
Series II	(531,413)	(40,508,544)	(1,435,287)	(80,599,291)
Net increase (decrease) in share activity	(815,325)	\$(61,401,479)	(381,842)	\$ (17,296,450)

<sup>(a)</sup> There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 39% of the outstanding shares of the Fund. The Fund and the Fund's principal underwriter or adviser, are parties to participation agreements with these entities whereby these entities sell units of interest in separate accounts funding variable products that are invested in the Fund. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as, securities brokerage, third party record keeping and account servicing and administrative services. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

# Report of Independent Registered Public Accounting Firm

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

## ***Opinion on the Financial Statements***

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Invesco V.I. Capital Appreciation Fund (one of the funds constituting AIM Variable Insurance Funds (Invesco Variable Insurance Funds), referred to hereafter as the "Fund") as of December 31, 2021, the related statement of operations for the year ended December 31, 2021, the statement of changes in net assets for each of the two years in the period ended December 31, 2021, including the related notes, and the financial highlights for each of the three years in the period ended December 31, 2021 (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, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2021 and the financial highlights for each of the three years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

The financial statements of Oppenheimer Capital Appreciation Fund/VA (subsequently renamed Invesco V.I. Capital Appreciation Fund) as of and for the year ended December 31, 2018 and the financial highlights for 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, 2021 by correspondence with the custodian, transfer agent and broker. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

Houston, Texas  
February 14, 2022

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

# Calculating your ongoing Fund expenses

## Example

As a shareholder of the Fund, you incur ongoing costs, including management fees; distribution and/or service fees (12b-1); and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period July 1, 2021 through December 31, 2021.

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 (07/01/21)	ACTUAL		HYPOTHETICAL (5% annual return before expenses)		Annualized Expense Ratio
		Ending Account Value (12/31/21) <sup>1</sup>	Expenses Paid During Period <sup>2</sup>	Ending Account Value (12/31/21)	Expenses Paid During Period <sup>2</sup>	
Series I	\$1,000.00	\$1,085.00	\$4.20	\$1,021.17	\$4.08	0.80%
Series II	1,000.00	1,083.70	5.51	1,019.91	5.35	1.05

<sup>1</sup> The actual ending account value is based on the actual total return of the Fund for the period July 1, 2021 through December 31, 2021, after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's expense ratio and a hypothetical annual return of 5% before expenses.

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

# Tax Information

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

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

The Fund designates the following amounts or, if subsequently determined to be different, the maximum amount allowable for its fiscal year ended December 31, 2021:

## **Federal and State Income Tax**

Long-Term Capital Gain Distributions	\$47,455,000
Qualified Dividend Income*	0.00%
Corporate Dividends Received Deduction*	0.00%
U.S. Treasury Obligations*	0.00%
Qualified Business Income*	0.00%
Business Interest Income*	0.00%

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

## Trustees and Officers

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

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
<b>Interested Trustee</b>				
Martin L. Flanagan <sup>1</sup> – 1960 Trustee and Vice Chair	2007	Executive Director, Chief Executive Officer and President, Invesco Ltd. (ultimate parent of Invesco and a global investment management firm); Trustee and Vice Chair, The Invesco Funds; Vice Chair, Investment Company Institute; and Member of Executive Board, SMU Cox School of Business  Formerly: Advisor to the Board, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.); Chairman and Chief Executive Officer, Invesco Advisers, Inc. (registered investment adviser); Director, Chairman, Chief Executive Officer and President, Invesco Holding Company (US), Inc. (formerly IVZ Inc.) (holding company), Invesco Group Services, Inc. (service provider) and Invesco North American Holdings, Inc. (holding company); Director, Chief Executive Officer and President, Invesco Holding Company Limited (parent of Invesco and a global investment management firm); Director, Invesco Ltd.; Chairman, Investment Company Institute and President, Co-Chief Executive Officer, Co-President, Chief Operating Officer and Chief Financial Officer, Franklin Resources, Inc. (global investment management organization)	186	None

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

## Trustees and Officers –(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
<b>Independent Trustees</b>				
Christopher L. Wilson - 1957 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	186	Director, ISO New England, Inc. (non-profit organization managing regional electricity market) Formerly: enable, Inc. (artificial intelligence technology)
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	186	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 President and Director of Grahamstastic Connection (non-profit)
Cynthia Hostetler - 1962 Trustee	2017	Non-Executive Director and Trustee of a number of public and private business corporations Formerly: Director, Aberdeen Investment Funds (4 portfolios); Director, Artio Global Investment LLC (mutual fund complex); Director, Edgen Group, Inc. (specialized energy and infrastructure products distributor); Director, Genesee & Wyoming, Inc. (railroads); Head of Investment Funds and Private Equity, Overseas Private Investment Corporation; President, First Manhattan Bancorporation, Inc.; Attorney, Simpson Thacher & Bartlett LLP	186	Resideo Technologies, Inc. (smart home technology); Vulcan Materials Company (construction materials company); Trilinc Global Impact Fund; Textainer Group Holdings, (shipping container leasing company); Investment Company Institute (professional organization); Independent Directors Council (professional organization) Eisenhower Foundation (non-profit)
Eli Jones - 1961 Trustee	2016	Professor and Dean Emeritus, Mays Business School - Texas A&M University Formerly: Dean of Mays Business School-Texas A&M University; Professor and Dean, Walton College of Business, University of Arkansas and E. J. Ourso College of Business, Louisiana State University; Director, Arvest Bank	186	Insperty, Inc. (formerly known as Administaff) (human resources provider); First Financial Bancorp (regional bank)
Elizabeth Krentzman - 1959 Trustee	2019	Formerly: Principal and Chief Regulatory Advisor for Asset Management Services and U.S. Mutual Fund Leader of Deloitte & Touche LLP; General Counsel of the Investment Company Institute (trade association); National Director of the Investment Management Regulatory Consulting Practice, Principal, Director and Senior Manager of Deloitte & Touche LLP; Assistant Director of the Division of Investment Management - Office of Disclosure and Investment Adviser Regulation of the U.S. Securities and Exchange Commission and various positions with the Division of Investment Management - Office of Regulatory Policy of the U.S. Securities and Exchange Commission; Associate at Ropes & Gray LLP; and Trustee of certain Oppenheimer Funds	186	Trustee of the University of Florida National Board Foundation; Member of the Cartica Funds Board of Directors (private investment funds) Formerly: Member of the University of Florida Law Center Association, Inc. Board of Trustees, Audit Committee and Membership Committee
Anthony J. LaCava, Jr. - 1956 Trustee	2019	Formerly: Director and Member of the Audit Committee, Blue Hills Bank (publicly traded financial institution) and Managing Partner, KPMG LLP	186	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	186	None

## Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
<b>Independent Trustees—(continued)</b>				
Joel W. Motley - 1952 Trustee	2019	<p>Director of Office of Finance, Federal Home Loan Bank System; Managing Director of Carmona Motley Inc. (privately held financial advisor); Member of the Council on Foreign Relations and its Finance and Budget Committee; Chairman Emeritus of Board of Human Rights Watch and Member of its Investment Committee; and Member of Investment Committee and Board of Historic Hudson Valley (non-profit cultural organization)</p> <p>Formerly: Managing Director of Public Capital Advisors, LLC (privately held financial advisor); Managing Director of Carmona Motley Hoffman, Inc. (privately held financial advisor); Trustee of certain Oppenheimer Funds; Director of Columbia Equity Financial Corp. (privately held financial advisor); and Member of the Vestry of Trinity Church Wall Street</p>	186	<p>Member of Board of Trust for Mutual Understanding (non-profit promoting the arts and environment); Member of Board of Greenwall Foundation (bioethics research foundation) and its Investment Committee; Member of Board of Friends of the LRC (non-profit legal advocacy); Board Member and Investment Committee Member of Pulitzer Center for Crisis Reporting (non-profit journalism)</p>
Teresa M. Ressel - 1962 Trustee	2017	<p>Non-executive director and trustee of a number of public and private business corporations</p> <p>Formerly: Chief Executive Officer, UBS Securities LLC (investment banking); Chief Operating Officer, UBS AG Americas (investment banking); Sr. Management Team Olayan America, The Olayan Group (international investor/commercial/industrial); Assistant Secretary for Management &amp; Budget and Designated Chief Financial Officer, U.S. Department of Treasury; Director, Atlantic Power Corporation (power generation company) and ON Semiconductor Corporation (semiconductor manufacturing)</p>	186	<p>Formerly: Elucida Oncology (nanotechnology &amp; medical particles company)</p>
Ann Barnett Stern - 1957 Trustee	2017	<p>President, Chief Executive Officer and Board Member, Houston Endowment, Inc. a private philanthropic institution</p> <p>Formerly: Executive Vice President, Texas Children's Hospital; Vice President, General Counsel and Corporate Compliance Officer, Texas Children's Hospital; Attorney at Beck, Redden and Secrest, LLP and Andrews and Kurth LLP</p>	186	<p>Director and Audit Committee member of Federal Reserve Bank of Dallas; Trustee and Board Chair of Good Reason Houston (nonprofit); Trustee, Vice Chair, Chair of Nomination/Governance Committee, Chair of Personnel Committee of Holdsworth Center (nonprofit); Trustee and Investment Committee member of University of Texas Law School Foundation (nonprofit); Board Member of Greater Houston Partnership</p>
Robert C. Troccoli - 1949 Trustee	2016	<p>Retired</p> <p>Formerly: Adjunct Professor, University of Denver - Daniels College of Business; and Managing Partner, KPMG LLP</p>	186	None
Daniel S. Vandivort -1954 Trustee	2019	<p>President, Flyway Advisory Services LLC (consulting and property management)</p>	186	<p>Formerly: Trustee, Board of Trustees, Treasurer and Chairman of the Audit and Finance Committee, Huntington Disease Foundation of America; Trustee and Governance Chair, of certain Oppenheimer Funds</p>

## Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
<b>Officers</b>				
Sheri Morris – 1964 President and Principal Executive Officer	1999	<p>Head of Global Fund Services, Invesco Ltd.; President and Principal Executive Officer, The Invesco Funds; Vice President, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Actively Managed Exchange-Traded Commodity Fund Trust and Invesco Exchange-Traded Self-Indexed Fund Trust; and Vice President, OppenheimerFunds, Inc.</p> <p>Formerly: Vice President, Treasurer and Principal Financial Officer, The Invesco Funds; Vice President, Invesco AIM Advisers, Inc., Invesco AIM Capital Management, Inc. and Invesco AIM Private Asset Management, Inc.; Assistant Vice President and Assistant Treasurer, The Invesco Funds; Vice President and Assistant Vice President, Invesco Advisers, Inc.; Assistant Vice President, Invesco AIM Capital Management, Inc. and Invesco AIM Private Asset Management, Inc.; Treasurer, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II, Invesco India Exchange-Traded Fund Trust and Invesco Actively Managed Exchange-Traded Fund Trust and Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser)</p>	N/A	N/A
Jeffrey H. Kupor – 1968 Senior Vice President, Chief Legal Officer and Secretary	2018	<p>Head of Legal of the Americas, Invesco Ltd.; Senior Vice President and Secretary, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); 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 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</p> <p>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.; Secretary, Sovereign G./P. Holdings Inc.; and Secretary, Invesco Indexing LLC; Secretary, W.L. Ross &amp; Co., LLC</p>	N/A	N/A
Andrew R. Schlossberg – 1974 Senior Vice President	2019	<p>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)</p> <p>Formerly: Director, President and Chairman, Invesco Insurance Agency, Inc.; Director, Invesco UK Limited; Director and Chief Executive, Invesco Asset Management Limited and Invesco Fund Managers Limited; Assistant Vice President, The Invesco Funds; Senior Vice President, Invesco Advisers, Inc. (formerly known as Invesco Institutional (N.A.), Inc.) (registered investment adviser); Director and Chief Executive, Invesco Administration Services Limited and Invesco Global Investment Funds Limited; Director, Invesco Distributors, Inc.; Head of EMEA, Invesco Ltd.; President, Invesco Actively Managed Exchange-Traded Commodity Fund Trust, Invesco Actively Managed Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust, Invesco Exchange-Traded Fund Trust II and Invesco India Exchange-Traded Fund Trust; Managing Director and Principal Executive Officer, Invesco Capital Management LLC</p>	N/A	N/A

## Trustees and Officers—(continued)

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

## Trustees and Officers—(continued)

Name, Year of Birth and Position(s) Held with the Trust	Trustee and/or Officer Since	Principal Occupation(s) During Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee	Other Directorship(s) Held by Trustee During Past 5 Years
<b>Officers—(continued)</b>				
Todd F. Kuehl - 1969 Chief Compliance Officer and Senior Vice President	2020	Chief Compliance Officer, Invesco Advisers, Inc. (registered investment adviser); and Chief Compliance Officer, 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; Vice President, Invesco Advisers, Inc.; 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

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

### Auditors

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Houston, TX 77002-5678

### Counsel to the Fund

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2005 Market Street, Suite 2600  
Philadelphia, PA 19103-7018

### Counsel to the Independent Trustees

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

### Transfer Agent

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Houston, TX 77046-1173

### Custodian

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

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**Variable Portfolio Funds**

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