

## Invesco V.I. Balanced-Risk Allocation 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. Balanced-Risk Allocation Fund (the Fund) underperformed the Custom Invesco V.I. Balanced-Risk Allocation Index, the Fund's style-specific benchmark.

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	9.55%
Series II Shares	9.26
MSCI World Index▼ (Broad Market Index)	21.82
Custom Invesco V.I. Balanced-Risk Allocation Index■ (Style-Specific Index)	12.07
Lipper VUF Absolute Return Funds Classification Average♦ (Peer Group)	0.91

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

## Market conditions and your Fund

For the fiscal year ended December 31, 2021, the Fund at NAV reported positive absolute performance as two of the macro factors in which the Fund invests (growth and real return assets) contributed to Fund performance. The Fund invests in derivatives, such as swaps and futures, which are expected to correspond to the performance of the US and international fixed-income, equity and commodity markets.

The Fund's strategic exposure to the growth macro factor, obtained through the use of swaps and futures, contributed to results for the fiscal year with five of the six markets in which the Fund invests delivering positive returns largely due to reopening economies releasing pent-up demand. European equities were the largest contributor to the Fund's absolute performance over the fiscal year, followed by the exposures to the US, UK and Japan. US and UK equities benefited from the successful rollout of coronavirus (COVID-19) vaccinations. However, even regions facing slower rollouts, including the Eurozone and Japan, performed well, driven by a rebound in global demand. Emerging markets trailed all other regions due to a combination of COVID-19 outbreaks and exposure to China, the index's largest country weighting. Chinese equities were weighted down by significant regulatory changes in the private tutoring industry, increased regulation in the technology sectors and concerns of the potential default of a large property developer, and signs of slowing economic growth. Tactical positioning in equities improved results, as the Fund maintained overweight positions across each market throughout the fiscal year.

The Fund's strategic exposure to the real return macro factor, obtained through the use of swaps, futures and commodity-linked notes, also contributed to the Fund's absolute performance for the fiscal year as tight supplies were unable to keep pace with surging demand. The rally was propelled by rising inflation, supply disruptions and global shortages leading to increased prices. Strategic

exposure to energy was the leading contributor with gains across crude oil, distillates and natural gas. Energy prices were driven higher by increased demand due to the ongoing reopening of the global economy while supplies remained tight given restrained production in the US and across Organization of the Petroleum Exporting Countries (OPEC) member nations. Strategic exposure to agriculture also contributed to performance as the sub-complex benefited from a combination of Chinese buying and weather-related events that negatively impacted grain crop yields and/or delayed plantings. The rising cost of shipping and freight added further pressure. Strategic exposure to industrial metals also contributed to absolute Fund performance as the sub-complex benefited from an increase in manufacturing activity, supply bottlenecks in South America and enthusiasm over President Biden's infrastructure plan. Strategic exposure to precious metals was a net detractor from the Fund's absolute performance, as gains from exposure to silver were offset by losses from gold. Gold prices were pressured by a stronger US dollar, higher real rates and lack of safe-haven demand. Tactical positioning in commodities detracted from the Fund's absolute performance during the fiscal year with losses in positioning in agriculture, energy and precious metals.

The Fund's strategic exposure to the defensive macro factor, obtained through the use of swaps and futures, detracted from the Fund's absolute performance during the fiscal year due to a combination of strong growth dampening safe-haven demand and concerns about mounting inflationary pressures. Increasingly hawkish tones emanating from central banks applied additional pressure to bonds. Against this backdrop, prices for Australian, Canadian, UK and US bonds fell, while Japanese bonds saw an uptick over the fiscal year in which the Fund was invested. Bond markets faced a tough environment over the fiscal year with the Fund's strategic exposure to defensive factor premia generating losses despite gains from the emerging market factor exposures. Tactical positioning across gov-

ernment bonds detracted from the Fund's results during the fiscal year largely due to ill-timed overweight positions during the month of September.

Please note that our strategy is principally implemented with derivative instruments that include futures, commodity-linked notes and total return swaps. Therefore, all or most of the performance of the strategy, both positive and negative, can be attributed to these instruments. Derivatives can be a cost-effective way to gain exposure to asset classes. However, derivatives may amplify traditional investment risks through the creation of leverage and may be less liquid than traditional securities.

Thank you for your continued investment in Invesco V.I. Balanced-Risk Allocation Fund. As always, we welcome your comments and questions.

## Portfolio manager(s):

Mark Ahnrud  
Chris Devine  
Scott Hixon  
Christian Ulrich  
Scott Wolle

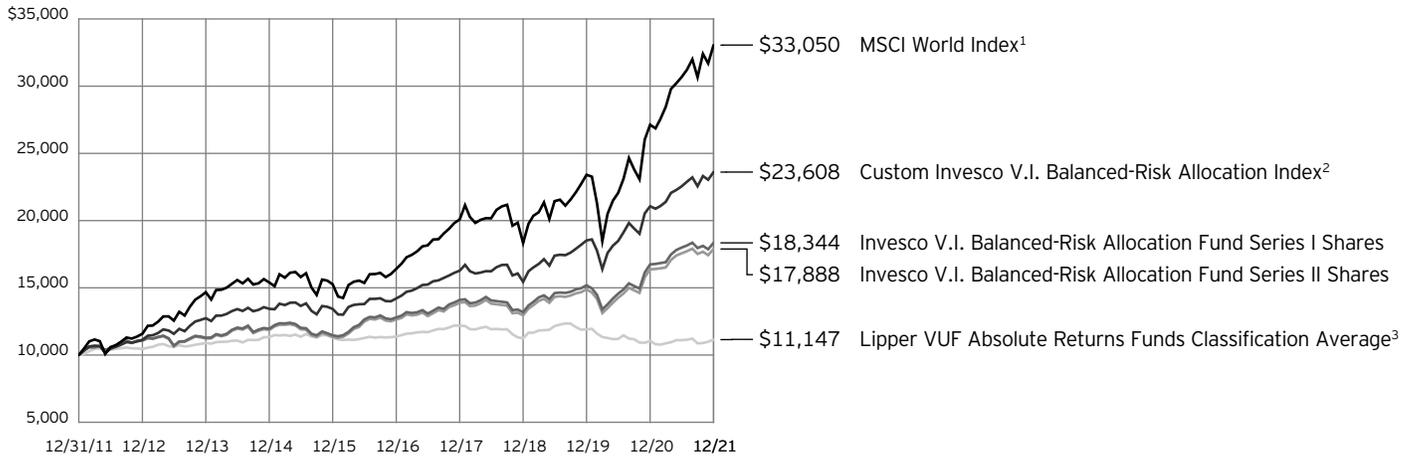
*The views and opinions expressed in management's discussion of Fund performance are those of Invesco Advisers, Inc. and its affiliates. These views and opinions are subject to change at any time based on factors such as market and economic conditions. These views and opinions may not be relied upon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

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

# Your Fund's Long-Term Performance

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

Fund and index data from 12/31/11



1 Source: RIMES Technologies Corp.

2 Source: Invesco, RIMES Technologies Corp.

3 Source: Lipper, Inc.

Past performance cannot guarantee future results.

Average Annual Total Returns	
As of 12/31/21	
<b>Series I Shares</b>	
Inception (1/23/09)	8.46%
10 Years	6.25
5 Years	7.47
1 Year	9.55
<b>Series II Shares</b>	
Inception (1/23/09)	8.18%
10 Years	5.99
5 Years	7.18
1 Year	9.26

The returns shown above include the returns of Invesco Van Kampen V.I. Global Tactical Asset Allocation Fund (the first predecessor fund) for the period June 1, 2010, to May 2, 2011, the date the first predecessor fund was reorganized into the Fund, and the returns of Van Kampen Life Investment Trust Global Tactical Asset Allocation Portfolio (the second predecessor fund) for the period prior to June 1, 2010, the date the second predecessor fund was reorganized into the first predecessor fund. The second predecessor fund was advised by Van Kampen Asset Management. Returns shown above for Series I and Series II shares are blended returns of the predecessor funds and Invesco V.I. Balanced-Risk Allocation Fund. Share class returns will differ from the predecessor funds because of different expenses.

The performance data quoted represent past performance and cannot guarantee future results; current performance may be

lower or higher. Please contact your variable product issuer or financial adviser for the most recent month-end variable product performance. Performance figures reflect Fund expenses, reinvested distributions and changes in net asset value. Performance figures do not reflect deduction of taxes a shareholder would pay on 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. Balanced-Risk Allocation 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. Balanced-Risk Allocation Fund's investment objective is total return with a low to moderate correlation to traditional financial market indices.**

- 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://www.invesco.com/fundreports).

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

- The **MSCI World Index<sup>SM</sup>** is an unmanaged index considered representative of stocks of developed countries. The index is computed using the net return, which withholds applicable taxes for non-resident investors.
- The **Custom Invesco V.I. Balanced-Risk Allocation Index** is composed of the MSCI World Index and Bloomberg U.S. Aggregate Bond Index. Prior to May 2, 2011, the index comprised the MSCI World Index, JP Morgan GBI Global Index and FTSE US 3-Month Treasury Bill Index. The Bloomberg U.S. Aggregate Bond Index is considered representative of the US investment-grade, fixed-rate bond market. The FTSE US 3-Month Treasury Bill Index is considered representative of three-month US Treasury bills. The JP Morgan GBI Global Index tracks the performance of fixed-rate issuances from high-income developed market countries.
- The **Lipper VUF Absolute Return Funds Classification Average** represents an average of all variable insurance underlying funds in the Lipper Absolute Return Funds Classification.
- 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

## Target Risk Contribution and Notional Asset Weights as of December 31, 2021

Asset Class	Target Risk Contribution*	Notional Asset Weights**
Equities	39.66%	71.88%
Fixed Income	43.56	74.68
Commodities	16.78	21.97
Total	100.00%	168.53%

\* Reflects the risk that each asset class is expected to contribute to the overall risk of the Fund as measured by standard deviation and estimates of risk based on historical data. Standard deviation measures the annualized fluctuations (volatility) of monthly returns.

\*\* Proprietary models determine the Notional Asset Weights necessary to achieve the Target Risk Contributions. Total Notional Asset Weight greater than 100% is achieved through derivatives and other instruments that create leverage.

# Consolidated Schedule of Investments

December 31, 2021

	Interest Rate	Maturity Date	Principal Amount (000)	Value
<b>U.S. Treasury Securities-11.56%<sup>(a)</sup></b>				
<b>U.S. Treasury Bills-11.56%</b>				
U.S. Treasury Bills	0.04%	03/17/2022	\$ 45,400	\$ 45,395,374
U.S. Treasury Bills	0.10%	05/26/2022	11,700	11,695,863
U.S. Treasury Bills	0.13%	06/09/2022	12,100	12,094,459
U.S. Treasury Bills	0.13%	06/16/2022	44,300	44,274,521
Total U.S. Treasury Securities (Cost \$113,458,669)				113,460,217
<b>Commodity-Linked Securities-3.47%</b>				
<b>Expiration Date</b>				
Canadian Imperial Bank of Commerce EMTN, U.S. Federal Funds Effective Rate minus 0.02% (linked to the Canadian Imperial Bank of Commerce Custom 7 Agriculture Commodity Index, multiplied by 2) (Canada) <sup>(b)(c)</sup>		11/22/2022	10,670	12,838,807
Cargill, Inc., Commodity-Linked Notes, one mo. USD LIBOR minus 0.10% (linked to the Monthly Rebalance Commodity Excess Return Index, multiplied by 2) <sup>(b)(c)</sup>		05/31/2022	16,550	21,240,663
Total Commodity-Linked Securities (Cost \$27,220,000)				34,079,470
<b>Money Market Funds-76.45%<sup>(d)</sup></b>				
<b>Shares</b>				
Invesco Government & Agency Portfolio, Institutional Class, 0.03% <sup>(e)</sup>			221,762,138	221,762,138
Invesco Government Money Market Fund, Cash Reserve Shares, 0.01% <sup>(e)</sup>			31,293,325	31,293,325
Invesco Premier U.S. Government Money Portfolio, Institutional Class, 0.01% <sup>(e)</sup>			99,254,510	99,254,510
Invesco STIC (Global Series) PLC, U.S. Dollar Liquidity Portfolio (Ireland), Institutional Class, 0.01% <sup>(e)</sup>			49,355,914	49,355,914
Invesco Treasury Obligations Portfolio, Institutional Class, 0.01% <sup>(e)</sup>			171,324,067	171,324,067
Invesco Treasury Portfolio, Institutional Class, 0.01% <sup>(e)</sup>			160,648,618	160,648,618
Invesco V.I. Government Money Market Fund, Series I, 0.01% <sup>(e)</sup>			16,640,310	16,640,310
Total Money Market Funds (Cost \$750,278,882)				750,278,882
<b>Options Purchased-0.87%</b>				
(Cost \$12,491,700) <sup>(f)</sup>				8,498,857
TOTAL INVESTMENTS IN SECURITIES-92.35% (Cost \$903,449,251)				906,317,426
OTHER ASSETS LESS LIABILITIES-7.65%				75,053,606
NET ASSETS-100.00%				\$981,371,032

Investment Abbreviations:

EMTN - European Medium-Term Notes  
LIBOR - London Interbank Offered Rate  
USD - U.S. Dollar

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

Notes to Consolidated Schedule of Investments:

- (a) Security traded on a discount basis. The interest rate shown represents the discount rate at the time of purchase by the Fund.
- (b) Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at December 31, 2021 was \$34,079,470, which represented 3.47% of the Fund's Net Assets.
- (c) The Reference Entity Components table below includes additional information regarding the underlying components of certain reference entities that are not publicly available.
- (d) The rate shown is the 7-day SEC standardized yield as of December 31, 2021.
- (e) 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	Value December 31, 2021	Dividend Income
<b>Investments in Affiliated Money Market Funds:</b>							
Invesco Government & Agency Portfolio, Institutional Class	\$217,347,590	\$ 407,857,975	\$ (403,443,427)	\$-	\$-	\$221,762,138	\$ 64,381
Invesco Government Money Market Fund, Cash Reserve Shares	66,946,656	36,659,331	(72,312,662)	-	-	31,293,325	2,783
Invesco Premier U.S. Government Money Portfolio, Institutional Class	88,804,736	120,694,714	(110,244,940)	-	-	99,254,510	10,437
Invesco STIC (Global Series) PLC, U.S. Dollar Liquidity Portfolio, Institutional Class	59,779,663	293,000,792	(303,424,541)	-	-	49,355,914	10,476
Invesco Treasury Obligations Portfolio, Institutional Class	171,324,067	-	-	-	-	171,324,067	17,509
Invesco Treasury Portfolio, Institutional Class	146,283,230	419,397,865	(405,032,477)	-	-	160,648,618	15,592
Invesco V.I. Government Money Market Fund, Series I	16,640,310	-	-	-	-	16,640,310	1,058
<b>Total</b>	<b>\$767,126,252</b>	<b>\$1,277,610,677</b>	<b>\$(1,294,458,047)</b>	<b>\$-</b>	<b>\$-</b>	<b>\$750,278,882</b>	<b>\$122,236</b>

- (f) The table below details options purchased.

**Open Exchange-Traded Index Options Purchased**

Description	Type of Contract	Expiration Date	Number of Contracts	Exercise Price	Notional Value <sup>(a)</sup>	Value
<b>Equity Risk</b>						
EURO STOXX 50 Index	Put	03/18/2022	60	EUR 3,500.00	EUR 2,100,000	\$ 14,003
EURO STOXX 50 Index	Put	06/17/2022	60	EUR 3,750.00	EUR 2,250,000	64,280
EURO STOXX 50 Index	Put	06/17/2022	60	EUR 3,850.00	EUR 2,310,000	76,029
EURO STOXX 50 Index	Put	03/18/2022	60	EUR 3,900.00	EUR 2,340,000	32,515
EURO STOXX 50 Index	Put	06/17/2022	60	EUR 3,800.00	EUR 2,280,000	69,881
EURO STOXX 50 Index	Put	03/18/2022	60	EUR 3,450.00	EUR 2,070,000	12,706
EURO STOXX 50 Index	Put	09/16/2022	60	EUR 3,850.00	EUR 2,310,000	109,774
EURO STOXX 50 Index	Put	12/16/2022	60	EUR 3,800.00	EUR 2,280,000	132,931
EURO STOXX 50 Index	Put	12/16/2022	58	EUR 4,050.00	EUR 2,349,000	175,318
EURO STOXX 50 Index	Put	12/16/2022	60	EUR 3,900.00	EUR 2,340,000	150,487
EURO STOXX 50 Index	Put	09/16/2022	60	EUR 3,900.00	EUR 2,340,000	117,835
EURO STOXX 50 Index	Put	09/16/2022	60	EUR 4,000.00	EUR 2,400,000	135,800
FTSE 100 Index	Put	01/21/2022	35	GBP 6,875.00	GBP 2,406,250	4,974
FTSE 100 Index	Put	02/18/2022	35	GBP 6,850.00	GBP 2,397,500	16,818
FTSE 100 Index	Put	03/18/2022	35	GBP 6,800.00	GBP 2,380,000	31,504
FTSE 100 Index	Put	04/14/2022	35	GBP 6,800.00	GBP 2,380,000	48,795
FTSE 100 Index	Put	05/20/2022	35	GBP 6,775.00	GBP 2,371,250	66,798
FTSE 100 Index	Put	06/17/2022	35	GBP 6,700.00	GBP 2,345,000	74,378
FTSE 100 Index	Put	07/15/2022	35	GBP 6,400.00	GBP 2,240,000	65,140
FTSE 100 Index	Put	08/19/2022	35	GBP 6,625.00	GBP 2,318,750	97,354
FTSE 100 Index	Put	09/16/2022	35	GBP 6,750.00	GBP 2,362,500	122,462
FTSE 100 Index	Put	10/21/2022	35	GBP 6,650.00	GBP 2,327,500	125,068
FTSE 100 Index	Put	11/18/2022	35	GBP 6,900.00	GBP 2,415,000	166,520

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

**Open Exchange-Traded Index Options Purchased--(continued)**

Description	Type of Contract	Expiration Date	Number of Contracts	Exercise Price	Notional Value <sup>(a)</sup>	Value
FTSE 100 Index	Put	12/16/2022	35	GBP 6,800.00	GBP 2,380,000	\$ 163,915
MSCI Emerging Markets Index	Put	04/14/2022	33	USD 1,280.00	USD 4,224,000	265,320
MSCI Emerging Markets Index	Put	01/21/2022	33	USD 1,290.00	USD 4,257,000	201,135
MSCI Emerging Markets Index	Put	02/18/2022	33	USD 1,290.00	USD 4,257,000	226,710
MSCI Emerging Markets Index	Put	05/20/2022	33	USD 1,280.00	USD 4,224,000	296,670
MSCI Emerging Markets Index	Put	03/18/2022	33	USD 1,330.00	USD 4,389,000	356,400
MSCI Emerging Markets Index	Put	06/17/2022	33	USD 1,330.00	USD 4,389,000	437,580
MSCI Emerging Markets Index	Put	07/15/2022	33	USD 1,310.00	USD 4,323,000	424,875
MSCI Emerging Markets Index	Put	08/19/2022	33	USD 1,220.00	USD 4,026,000	295,020
MSCI Emerging Markets Index	Put	09/16/2022	33	USD 1,250.00	USD 4,125,000	357,885
MSCI Emerging Markets Index	Put	10/21/2022	33	USD 1,180.00	USD 3,894,000	272,745
MSCI Emerging Markets Index	Put	11/18/2022	33	USD 1,210.00	USD 3,993,000	347,325
MSCI Emerging Markets Index	Put	12/16/2022	33	USD 1,170.00	USD 3,861,000	292,050
Nikkei 225 Index	Put	01/14/2022	16	JPY 7,000.00	JPY 112,000,000	8,763
Nikkei 225 Index	Put	06/10/2022	16	JPY 7,750.00	JPY 124,000,000	161,349
Nikkei 225 Index	Put	03/11/2022	16	JPY 7,750.00	JPY 124,000,000	81,370
Nikkei 225 Index	Put	02/10/2022	16	JPY 8,000.00	JPY 128,000,000	57,724
Nikkei 225 Index	Put	06/10/2022	16	JPY 7,250.00	JPY 116,000,000	139,790
Nikkei 225 Index	Put	06/10/2022	16	JPY 7,500.00	JPY 120,000,000	150,222
Nikkei 225 Index	Put	09/09/2022	16	JPY 7,500.00	JPY 120,000,000	200,296
Nikkei 225 Index	Put	09/09/2022	16	JPY 6,500.00	JPY 104,000,000	157,176
Nikkei 225 Index	Put	09/09/2022	16	JPY 7,250.00	JPY 116,000,000	188,473
Nikkei 225 Index	Put	12/09/2022	16	JPY 7,250.00	JPY 116,000,000	238,546
Nikkei 225 Index	Put	12/09/2022	16	JPY 6,750.00	JPY 108,000,000	425,628
Nikkei 225 Index	Put	12/09/2022	16	JPY 8,250.00	JPY 132,000,000	294,880
S&P 500 Index	Put	03/18/2022	4	USD 3,750.00	USD 1,500,000	5,920
S&P 500 Index	Put	04/14/2022	4	USD 3,925.00	USD 1,570,000	13,520
S&P 500 Index	Put	05/20/2022	4	USD 4,050.00	USD 1,620,000	25,520
S&P 500 Index	Put	06/17/2022	4	USD 4,050.00	USD 1,620,000	32,160
S&P 500 Index	Put	01/21/2022	4	USD 4,075.00	USD 1,630,000	1,160
S&P 500 Index	Put	02/18/2022	4	USD 4,075.00	USD 1,630,000	4,820
S&P 500 Index	Put	07/15/2022	4	USD 4,150.00	USD 1,660,000	44,300
S&P 500 Index	Put	08/19/2022	4	USD 4,250.00	USD 1,700,000	60,340
S&P 500 Index	Put	09/16/2022	4	USD 4,375.00	USD 1,750,000	77,480
S&P 500 Index	Put	10/21/2022	4	USD 4,175.00	USD 1,670,000	69,220
S&P 500 Index	Put	11/18/2022	4	USD 4,450.00	USD 1,780,000	101,080
S&P 500 Index	Put	12/16/2022	4	USD 4,475.00	USD 1,790,000	110,120
Total Index Options Purchased						\$8,498,857

<sup>(a)</sup> Notional Value is calculated by multiplying the Number of Contracts by the Exercise Price by the multiplier.

**Open Futures Contracts<sup>(a)</sup>**

Long Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
<b>Commodity Risk</b>					
Brent Crude	220	May-2022	\$ 16,684,800	\$ 1,662,612	\$ 1,662,612
Gasoline Reformulated Blendstock Oxygenate Blending	185	January-2022	17,285,142	918,006	918,006
New York Harbor Ultra-Low Sulfur Diesel	8	March-2022	767,693	(29,059)	(29,059)
Silver	186	March-2022	21,717,360	(1,194,787)	(1,194,787)
WTI Crude	167	February-2022	12,504,960	1,333,883	1,333,883
Subtotal				2,690,655	2,690,655

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

**Open Futures Contracts<sup>(a)</sup>—(continued)**

<b>Long Futures Contracts</b>	<b>Number of Contracts</b>	<b>Expiration Month</b>	<b>Notional Value</b>	<b>Value</b>	<b>Unrealized Appreciation (Depreciation)</b>
<b>Equity Risk</b>					
E-Mini Russell 2000 Index	784	March-2022	\$ 87,917,760	\$ 348,167	\$ 348,167
E-Mini S&P 500 Index	123	March-2022	29,264,775	408,792	408,792
EURO STOXX 50 Index	570	March-2022	27,823,508	647,984	647,984
FTSE 100 Index	243	March-2022	24,089,562	383,552	383,552
MSCI Emerging Markets Index	425	March-2022	26,058,875	179,676	179,676
Nikkei 225 Index	9	March-2022	2,251,760	18,897	18,897
Subtotal				1,987,068	1,987,068
<b>Interest Rate Risk</b>					
Australia 10 Year Bonds	2,054	March-2022	207,969,943	(142,308)	(142,308)
Canada 10 Year Bonds	1,530	March-2022	172,503,735	3,709,744	3,709,744
Japan 10 Year Bonds	70	March-2022	92,248,109	(227,300)	(227,300)
Long Gilt	967	March-2022	163,479,463	(385,343)	(385,343)
U.S. Treasury Long Bonds	567	March-2022	90,968,063	565,040	565,040
Subtotal				3,519,833	3,519,833
Total Futures Contracts				\$ 8,197,556	\$ 8,197,556

<sup>(a)</sup> Futures contracts collateralized by \$49,595,000 cash held with Goldman Sachs & Co., the futures commission merchant.

**Open Over-The-Counter Total Return Swap Agreements<sup>(a)(b)</sup>**

<b>Counterparty</b>	<b>Pay/Receive</b>	<b>Reference Entity<sup>(c)</sup></b>	<b>Fixed Rate</b>	<b>Payment Frequency</b>	<b>Number of Contracts</b>	<b>Maturity Date</b>	<b>Notional Value</b>	<b>Upfront Payments Paid (Received)</b>	<b>Value</b>	<b>Unrealized Appreciation</b>
<b>Commodity Risk</b>										
Barclays Bank PLC	Receive	Barclays Commodity Strategy 1452 Excess Return Index	0.26%	Monthly	11,200	November-2022	USD 8,349,204	\$-	\$ 488,079	\$ 488,079
Canadian Imperial Bank of Commerce	Receive	Canadian Imperial Bank of Commerce Dynamic Roll LME Copper Excess Return Index 2	0.30	Monthly	169,200	February-2022	USD 19,307,970	-	589,797	589,797
Cargill, Inc.	Receive	Monthly Rebalance Commodity Excess Return Index	0.47	Monthly	16,050	February-2022	USD 16,116,702	-	727,720	727,720
Cargill, Inc.	Receive	Single Commodity Index Excess Return	0.12	Monthly	4,600	December-2022	USD 5,170,529	-	151,032	151,032
J.P. Morgan Chase Bank, N.A.	Receive	J.P. Morgan Contag Beta Gas Oil Excess Return Index	0.25	Monthly	9,500	March-2022	USD 1,997,112	-	57,151	57,151
J.P. Morgan Chase Bank, N.A.	Receive	S&P GSCI Gold Index Excess Return	0.09	Monthly	104,000	March-2022	USD 13,824,450	-	202,509	202,509
Merrill Lynch International	Receive	Merrill Lynch Gold Excess Return Index	0.14	Monthly	83,000	February-2022	USD 17,544,274	-	0	0
Merrill Lynch International	Receive	MLCX Dynamic Enhanced Copper Excess Return Index	0.25	Monthly	6,500	February-2022	USD 534,886	-	0	0
Morgan Stanley Capital Services LLC	Receive	S&P GSCI Aluminum Dynamic Roll Index Excess Return	0.30	Monthly	78,000	July-2022	USD 9,124,869	-	381,350	381,350
Total - Total Return Swap Agreements								\$-	\$2,597,638	\$2,597,638

<sup>(a)</sup> Open Over-The-Counter Total Return Swap Agreements are collateralized by cash held with the swap Counterparties in the amount of \$1,380,000.

<sup>(b)</sup> The Fund receives or pays payments based on any positive or negative return on the Reference Entity, respectively.

<sup>(c)</sup> The Reference Entity Components table below includes additional information regarding the underlying components of certain reference entities that are not publicly available.

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

**Open Over-The-Counter Total Return Swap Agreements<sup>(a)(b)</sup>**

Counterparty	Pay/Receive	Reference Entity	Floating Rate Index	Payment Frequency	Number of Contracts	Maturity Date	Notional Value	Upfront Payments Paid (Received)	Value	Unrealized Appreciation
<b>Equity Risk</b>										
Barclays Bank PLC	Receive	MSCI Japan Minimum Volatility Index	1.0 x TONAR - 0.06%	Monthly	857,948	February-2022	JPY 2,268,311,558	\$ -	\$ 125,899	\$ 125,899
BNP Paribas S.A.	Receive	MSCI EMU Minimum Volatility Index	1 Month EURIBOR - 0.050%	Monthly	4,730	March-2022	EUR 15,847,581	490	416,161	415,671
BNP Paribas S.A.	Receive	MSCI EMU Momentum Index	1 Month EURIBOR - 0.380%	Monthly	2,750	June-2022	EUR 15,932,986	-	214,844	214,844
BNP Paribas S.A.	Receive	MSCI EMU Quality Index	1 Month EURIBOR + 0.050%	Monthly	3,535	March-2022	EUR 15,629,331	-	374,160	374,160
BNP Paribas S.A.	Receive	MSCI USA Minimum Volatility Index	1 Month USD LIBOR - 0.030%	Monthly	2,500	March-2022	USD 13,446,650	-	228,500	228,500
Citibank, N.A.	Receive	MSCI Japan Minimum Volatility Index	1.0 x TONAR - 0.130%	Monthly	130,000	January-2022	JPY 343,704,400	-	19,077	19,077
Citibank, N.A.	Receive	MSCI Japan Quality Index	1.0 x TONAR - 0.080%	Monthly	75,000	January-2022	JPY 229,154,250	-	25,350	25,350
Citibank, N.A.	Receive	MSCI USA Quality Index	1 Month USD LIBOR + 0.100%	Monthly	2,700	March-2022	USD 12,159,477	-	266,355	266,355
Goldman Sachs International	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.720%	Monthly	5,915	June-2022	USD 12,024,781	-	339,994	339,994
Goldman Sachs International	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.740%	Monthly	500	April-2022	USD 1,030,125	-	15,080	15,080
Goldman Sachs International	Receive	MSCI Emerging Markets Momentum Index	1 Month USD LIBOR + 1.240%	Monthly	1,003	April-2022	USD 7,595,879	-	177,695	177,695
Goldman Sachs International	Receive	MSCI Emerging Markets Momentum Index	1 Month USD LIBOR + 1.240%	Monthly	833	April-2022	USD 6,308,442	-	147,577	147,577
Goldman Sachs International	Receive	MSCI Japan Minimum Volatility Index	1.0 x TONAR - 0.040%	Monthly	35,000	February-2022	JPY 92,535,800	-	5,136	5,136
Goldman Sachs International	Receive	MSCI Japan Minimum Volatility Index	1.0 x TONAR - 0.130%	Monthly	687,052	February-2022	JPY 1,816,483,042	-	100,821	100,821
Goldman Sachs International	Receive	MSCI Japan Quality Index	1.0 x TONAR - 0.080%	Monthly	543,463	February-2022	JPY 1,660,491,415	-	183,690	183,690
Goldman Sachs International	Receive	MSCI Japan Quality Index	1.0 x TONAR + 0.020%	Monthly	45,000	February-2022	JPY 137,492,550	-	15,210	15,210
Goldman Sachs International	Receive	MSCI Japan Quality Index	1.0 x TONAR + 0.100%	Monthly	801,537	February-2022	JPY 2,449,008,134	-	270,919	270,919
J.P. Morgan Chase Bank, N.A.	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.680%	Monthly	5,169	March-2022	USD 10,649,432	-	155,897	155,897

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

**Open Over-The-Counter Total Return Swap Agreements<sup>(a)(b)</sup>—(continued)**

Counterparty	Pay/Receive	Reference Entity	Floating Rate Index	Payment Frequency	Number of Contracts	Maturity Date	Notional Value	Upfront Payments Paid (Received)	Value	Unrealized Appreciation
J.P. Morgan Chase Bank, N.A.	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.790%	Monthly	954	June-2022	USD 12,513,647	\$ -	\$ 227,503	\$ 227,503
J.P. Morgan Chase Bank, N.A.	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.790%	Monthly	797	June-2022	USD 10,454,273	-	190,062	190,062
J.P. Morgan Chase Bank, N.A.	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.790%	Monthly	210	June-2022	USD 2,754,576	-	50,079	50,079
J.P. Morgan Chase Bank, N.A.	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.790%	Monthly	1,076	May-2022	USD 2,216,829	-	32,452	32,452
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.280%	Monthly	363	March-2022	GBP 4,840,220	-	158,923	158,923
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.280%	Monthly	362	March-2022	GBP 4,826,886	-	158,485	158,485
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.280%	Monthly	763	March-2022	GBP 5,009,815	-	156,613	156,613
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.280%	Monthly	762	March-2022	GBP 5,003,249	-	156,408	156,408
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.280%	Monthly	1,375	March-2022	GBP 5,201,618	-	144,634	144,634
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.280%	Monthly	1,375	March-2022	GBP 5,201,618	-	144,634	144,634
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.300%	Monthly	565	March-2022	GBP 7,533,676	-	247,360	247,360
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.300%	Monthly	1,065	March-2022	GBP 6,992,729	-	218,602	218,602
J.P. Morgan Chase Bank, N.A.	Receive	MSCI United Kingdom Index	SONIA + 0.300%	Monthly	1,700	March-2022	GBP 6,431,092	(168)	178,821	178,989
J.P. Morgan Chase Bank, N.A.	Receive	MSCI USA Momentum Index	1 Month USD LIBOR + 0.180%	Monthly	2,900	March-2022	USD 12,217,404	-	236,921	236,921
Merrill Lynch International	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.860%	Monthly	3,200	March-2022	USD 6,592,800	(844)	96,512	97,356
Merrill Lynch International	Receive	MSCI Emerging Markets Minimum Volatility Daily Net Total Return Index	1 Month USD LIBOR + 0.950%	Monthly	3,200	January-2022	USD 6,592,800	-	96,512	96,512
Total – Total Return Swap Agreements								\$(522)	\$5,576,886	\$5,577,408

<sup>(a)</sup> Open Over-The-Counter Total Return Swap Agreements are collateralized by cash held with the swap Counterparties in the amount of \$1,380,000.

<sup>(b)</sup> The Fund receives or pays payments based on any positive or negative return on the Reference Entity, respectively.

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

### Reference Entity Components

Reference Entity	Underlying Components	Percentage
<b>Canadian Imperial Bank of Commerce Custom 7 Agriculture Commodity Index</b>	<b>Long Futures Contracts</b>	
	Coffee 'C'	5.15%
	Corn	5.81
	Cotton No. 2	21.69
	Lean Hogs	0.51
	Live Cattle	0.66
	Soybean Meal	22.52
	Soybean Oil	10.13
	Soybeans	21.05
	Sugar No. 11	5.60
	Wheat	6.88
<b>Total</b>	<b>100.00%</b>	
<b>Monthly Rebalance Commodity Excess Return Index</b>	<b>Long Futures Contracts</b>	
	Coffee 'C'	5.15%
	Corn	5.81
	Cotton No. 2	21.69
	Lean Hogs	0.51
	Live Cattle	0.66
	Soybean Meal	22.52
	Soybean Oil	10.13
	Soybeans	21.05
	Sugar No. 11	5.60
	Wheat	6.88
<b>Total</b>	<b>100.00%</b>	
<b>Barclays Commodity Strategy 1452 Excess Return Index</b>	<b>Long Futures Contracts</b>	
	Copper	100.00%
<b>Canadian Imperial Bank of Commerce Dynamic Roll LME Copper Excess Return Index 2</b>	<b>Long Futures Contracts</b>	
	Copper	100.00%
<b>Single Commodity Index Excess Return</b>	<b>Long Futures Contracts</b>	
	Gold	100.00%
<b>J. P. Morgan Contag Beta Gas Oil Excess Return Index</b>	<b>Long Futures Contracts</b>	
	Gas Oil	100.00%
<b>S&amp;P GSCI Gold Index Excess Return</b>	<b>Long Futures Contracts</b>	
	Gold	100.00%
<b>Merrill Lynch Gold Excess Return Index</b>	<b>Long Futures Contracts</b>	
	Gold	100.00%

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

**Reference Entity Components—(continued)**

<b>Reference Entity</b>	<b>Underlying Components</b>	<b>Percentage</b>
<b>MLCX Dynamic Enhanced Copper Excess Return Index</b>	<b>Long Futures Contracts</b>	
	Copper	100.00%
<b>S&amp;P GSCI Aluminum Dynamic Roll Index Excess Return</b>	<b>Long Futures Contracts</b>	
	Aluminum	100.00%

## Abbreviations:

EMU	—European Economic and Monetary Union
EUR	—Euro
EURIBOR	—Euro Interbank Offered Rate
GBP	—British Pound Sterling
JPY	—Japanese Yen
LIBOR	—London Interbank Offered Rate
SONIA	—Sterling Overnight Index Average
TONAR	—Tokyo Overnight Average Rate
USD	—U.S. Dollar

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

# Consolidated Statement of Assets and Liabilities

December 31, 2021

## Assets:

Investments in unaffiliated securities, at value (Cost \$153,170,369)	\$156,038,544
Investments in affiliated money market funds, at value (Cost \$750,278,882)	750,278,882
Other investments:	
Swaps receivable – OTC	521,145
Unrealized appreciation on swap agreements – OTC	8,175,046
Deposits with brokers:	
Cash collateral – exchange-traded futures contracts	49,595,000
Cash collateral – OTC Derivatives	1,380,000
Cash	2,843,598
Foreign currencies, at value (Cost \$20,487,869)	20,565,104
Receivable for:	
Fund shares sold	993,258
Dividends	9,145
Investment for trustee deferred compensation and retirement plans	105,407
Other assets	18,827
<b>Total assets</b>	<b>990,523,956</b>

## Liabilities:

Other investments:	
Variation margin payable - futures contracts	1,284,241
Premiums received on swap agreements – OTC	522
Swaps payable – OTC	2,193,499
Payable for:	
Fund shares reacquired	1,516,868
Accrued fees to affiliates	769,425
Accrued other operating expenses	120,355
Collateral with broker - OTC Derivatives	3,150,000
Trustee deferred compensation and retirement plans	118,014
<b>Total liabilities</b>	<b>9,152,924</b>
Net assets applicable to shares outstanding	\$981,371,032

## Net assets consist of:

Shares of beneficial interest	\$876,545,077
Distributable earnings	104,825,955
	<b>\$981,371,032</b>

## Net Assets:

Series I	\$ 49,456,197
Series II	\$931,914,835

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

Series I	4,595,353
Series II	88,310,699
Series I:	
Net asset value per share	\$ 10.76
Series II:	
Net asset value per share	\$ 10.55

# Consolidated Statement of Operations

For the year ended December 31, 2021

## Investment income:

Interest	\$ 64,979
Dividends from affiliated money market funds	122,236
<b>Total investment income</b>	<b>187,215</b>

## Expenses:

Advisory fees	9,105,565
Administrative services fees	1,625,140
Custodian fees	65,542
Distribution fees - Series II	2,354,399
Transfer agent fees	39,726
Trustees' and officers' fees and benefits	31,612
Reports to shareholders	13,371
Professional services fees	74,977
Other	64,159
<b>Total expenses</b>	<b>13,374,491</b>
Less: Fees waived	(3,936,280)
<b>Net expenses</b>	<b>9,438,211</b>
<b>Net investment income (loss)</b>	<b>(9,250,996)</b>

## Realized and unrealized gain (loss) from:

Net realized gain (loss) from:	
Unaffiliated investment securities	9,103,385
Foreign currencies	(1,519,915)
Futures contracts	45,004,876
Swap agreements	58,955,017
	<b>111,543,363</b>
Change in net unrealized appreciation (depreciation) of:	
Unaffiliated investment securities	(9,565,586)
Foreign currencies	42,328
Futures contracts	(7,363,464)
Swap agreements	2,880,400
	<b>(14,006,322)</b>
<b>Net realized and unrealized gain</b>	<b>97,537,041</b>
<b>Net increase in net assets resulting from operations</b>	<b>\$ 88,286,045</b>

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

# Consolidated Statement of Changes in Net Assets

For the years ended December 31, 2021 and 2020

	2021	2020
<b>Operations:</b>		
Net investment income (loss)	\$ (9,250,996)	\$ (4,606,803)
Net realized gain	111,543,363	54,569,544
Change in net unrealized appreciation (depreciation)	(14,006,322)	35,805,378
Net increase in net assets resulting from operations	88,286,045	85,768,119
<b>Distributions to shareholders from distributable earnings:</b>		
Series I	(3,189,391)	(5,885,904)
Series II	(57,937,140)	(113,684,097)
Total distributions from distributable earnings	(61,126,531)	(119,570,001)
<b>Share transactions-net:</b>		
Series I	1,372,815	2,911,262
Series II	(27,784,944)	(10,389,997)
Net increase (decrease) in net assets resulting from share transactions	(26,412,129)	(7,478,735)
Net increase (decrease) in net assets	747,385	(41,280,617)
<b>Net assets:</b>		
Beginning of year	980,623,647	1,021,904,264
End of year	\$981,371,032	\$ 980,623,647

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

# Consolidated 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	Return of capital	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	Ratio of net investment income (loss) to average net assets	Portfolio turnover <sup>(c)</sup>
<b>Series I</b>															
Year ended 12/31/21	\$10.48	\$(0.08)	\$ 1.08	\$ 1.00	\$(0.36)	\$(0.36)	\$ -	\$(0.72)	\$10.76	9.55%	\$ 49,456	0.71%	1.11%	(0.69)%	107%
Year ended 12/31/20	10.91	(0.03)	1.03	1.00	(0.87)	(0.56)	-	(1.43)	10.48	10.22	46,853	0.66 <sup>(d)</sup>	1.10	(0.25)	82
Year ended 12/31/19	9.47	0.14	1.30	1.44	-	-	-	-	10.91	15.21	45,427	0.64 <sup>(d)</sup>	1.10	1.38	94
Year ended 12/31/18	11.31	0.11	(0.79)	(0.68)	(0.14)	(0.99)	(0.03)	(1.16)	9.47	(6.46)	37,450	0.65 <sup>(d)</sup>	1.10	1.03	199
Year ended 12/31/17	11.35	0.01	1.08	1.09	(0.48)	(0.65)	-	(1.13)	11.31	10.06	39,340	0.68 <sup>(d)</sup>	1.11	0.10	52
<b>Series II</b>															
Year ended 12/31/21	10.29	(0.10)	1.05	0.95	(0.33)	(0.36)	-	(0.69)	10.55	9.26	931,915	0.96	1.36	(0.94)	107
Year ended 12/31/20	10.73	(0.05)	1.01	0.96	(0.84)	(0.56)	-	(1.40)	10.29	9.99	933,770	0.91 <sup>(d)</sup>	1.35	(0.50)	82
Year ended 12/31/19	9.34	0.12	1.27	1.39	-	-	-	-	10.73	14.88	976,477	0.89 <sup>(d)</sup>	1.35	1.13	94
Year ended 12/31/18	11.17	0.08	(0.78)	(0.70)	(0.11)	(0.99)	(0.03)	(1.13)	9.34	(6.71)	968,329	0.90 <sup>(d)</sup>	1.35	0.78	199
Year ended 12/31/17	11.22	(0.02)	1.07	1.05	(0.45)	(0.65)	-	(1.10)	11.17	9.83	1,158,077	0.93 <sup>(d)</sup>	1.36	(0.15)	52

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

<sup>(d)</sup> In addition to the fees and expenses which the Fund bears directly; the Fund indirectly bears a pro rata share of the fees and expenses of the underlying funds in which the Fund invests. Because the underlying funds have varied expenses and fee levels and the Fund may own different proportions at different times, the amount of fees and expenses incurred indirectly by the Fund will vary. Estimated underlying fund expenses are not expenses that are incurred directly by your Fund. They are expenses that are incurred directly by the underlying funds and are deducted from the value of the funds your Fund invests in. The effect of the estimated underlying fund expenses that you bear indirectly is included in your Fund's total return. Estimated acquired fund fees from underlying funds were 0.15%, 0.15%, 0.16% and 0.15% for the years ended December 31, 2020, 2019, 2018 and 2017, respectively.

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

# Notes to Consolidated Financial Statements

December 31, 2021

## NOTE 1—Significant Accounting Policies

Invesco V.I. Balanced-Risk Allocation Fund (the “Fund”) is a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) (the “Trust”). The Trust is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end series management investment company. Information presented in these consolidated financial statements pertains only to the Fund and the Invesco Cayman Commodity Fund IV Ltd. (the “Subsidiary”), a wholly-owned subsidiary of the Fund organized under the laws of the Cayman Islands. 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 will seek to gain exposure to the commodity markets primarily through investments in the Subsidiary. The Subsidiary was organized by the Fund to invest in commodity-linked derivatives and other securities that may provide leveraged and non-leveraged exposure to commodities. The Fund may invest up to 25% of its total assets in the Subsidiary.

The Fund’s investment objective is total return with a low to moderate correlation to traditional financial market indices.

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 consolidated financial statements.

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

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

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

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

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

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

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

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

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

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

and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

The Fund may periodically participate in litigation related to Fund investments. As such, the Fund may receive proceeds from litigation settlements. Any proceeds received are included in the Consolidated 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 Consolidated Statement of Operations and the Consolidated Statement of Changes in Net Assets and the net realized and unrealized gains (losses) on securities per share in the Consolidated 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 Consolidated Statement of Operations and the Consolidated 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 Consolidated 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 Consolidated Schedule of Investments, the investment adviser may determine the country in which an issuer is located and/or credit risk exposure based on various factors. These factors include the laws of the country under which the issuer is organized, where the issuer maintains a principal office, the country in which the issuer derives 50% or more of its total revenues and the country that has the primary market for the issuer's securities, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.

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

**E. Federal Income Taxes** – The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), necessary to qualify as a regulated investment company and to distribute substantially all of the Fund's taxable earnings to shareholders. As such, the Fund will not be subject to federal income taxes on otherwise taxable income (including net realized capital gain) that is distributed to shareholders. Therefore, no provision for federal income taxes is recorded in the consolidated 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 Subsidiary is classified as a controlled foreign corporation under Subchapter N of the Internal Revenue Code. Therefore, the Fund is required to increase its taxable income by its share of the Subsidiary's income. Net investment losses of the Subsidiary cannot be deducted by the Fund in the current period nor carried forward to offset taxable income in future periods.

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

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

**G. Accounting Estimates** – The financial statements are prepared on a consolidated basis in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which 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. The accompanying financial statements reflect the financial position of the Fund and its Subsidiary and the results of operations on a consolidated basis. All inter-company accounts and transactions have been eliminated in consolidation.

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 consolidated financial statements are released to print.

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

**I. Structured Securities** – The Fund may invest in structured securities. Structured securities are a type of derivative security whose value is determined by reference to changes in the value of underlying securities, currencies, interest rates, commodities, indices or other financial indicators ("reference instruments"). Most structured securities are fixed-income securities that have maturities of three years or less. Structured securities may be positively or negatively indexed (i.e., their principal value or interest rates may increase or decrease if the underlying reference instrument appreciates) and may have return characteristics similar to direct investments in the underlying reference instrument.

Structured securities may entail a greater degree of market risk than other types of debt securities because the investor bears the risk of the reference instruments. In addition to the credit risk of structured securities and the normal risks of price changes in response to changes in interest rates, the principal amount of structured notes or indexed securities may decrease as a result of changes in the value of the underlying reference instruments. Changes in the daily value of structured securities are recorded as unrealized gains (losses) in the Consolidated Statement of Operations. When the structured securities mature or are sold, the Fund recognizes a realized gain (loss) on the Consolidated Statement of Operations.

**J. Foreign Currency Translations** – Foreign currency is valued at the close of the NYSE based on quotations posted by banks and major currency dealers. Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of portfolio securities (net of foreign taxes withheld on disposition) and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not separately account for the portion of the results of operations resulting from changes in foreign exchange rates on investments and the fluctuations arising from changes in market prices of securities held. The combined results of changes in foreign exchange rates and the fluctuation of market prices on investments (net of estimated foreign tax withholding) are included with the net realized and unrealized gain or loss from investments in the Consolidated 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 Consolidated Statement of Operations.

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

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

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

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

**M. Put Options Purchased** – The Fund may purchase put options including options on securities indexes, or foreign currency and/or futures contracts. By purchasing a put option, the Fund obtains the right (but not the obligation) to sell the option’s underlying instrument at a fixed strike price. In return for this right, the Fund pays an option premium. The option’s underlying instrument may be a security, securities index, or a futures contract. Put options may be used by the Fund to hedge securities it owns by locking in a minimum price at which the Fund can sell. If security prices fall, the put option could be exercised to offset all or a portion of the Fund’s resulting losses. At the same time, because the maximum the Fund has at risk is the cost of the option, purchasing put options does not eliminate the potential for the Fund to profit from an increase in the value of the securities hedged. Realized and unrealized gains and losses on put options purchased are included in the Consolidated Statement of Operations as Net realized gain (loss) from and Change in net unrealized appreciation (depreciation) of Investment securities. A risk in buying an option is that the Fund pays a premium whether or not the option is exercised. In addition, there can be no assurance that a liquid secondary market will exist for any option purchased.

**N. Swap Agreements** – The Fund may enter into various swap transactions, including interest rate, total return, index, currency and credit default swap contracts (“CDS”) for investment purposes or to manage interest rate, currency, commodity or credit risk. Such transactions are agreements between Counterparties. These agreements may contain among other conditions, events of default and termination events, and various covenants and representations such as provisions that require the Fund to maintain a pre-determined level of net assets, and/or provide limits regarding the decline of the Fund’s NAV over specific periods of time. If the Fund were to trigger such provisions and have open derivative positions at that time, the Counterparty may be able to terminate such agreement and request immediate payment in an amount equal to the net liability positions, if any.

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

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

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

Changes in the value of swap agreements are recognized as unrealized gains (losses) in the Consolidated Statement of Operations by “marking to market” on a daily basis to reflect the value of the swap agreement at the end of each trading day. Payments received or paid at the beginning of the agreement are reflected as such on the Consolidated Statement of Assets and Liabilities and may be referred to as upfront payments. The Fund accrues for the fixed payment stream and amortizes upfront payments, if any, on swap agreements on a daily basis with the net amount, recorded as a component of realized gain (loss) on the Consolidated Statement of Operations. A liquidation payment received or made at the termination of a swap agreement is recorded as realized gain (loss) on the Consolidated Statement of Operations. The Fund segregates cash or liquid securities having a value at least equal to the amount of the potential obligation of a Fund under any swap transaction. Cash held as collateral is recorded as deposits with brokers on the Consolidated Statement of Assets and Liabilities. Entering into these agreements involves, to varying degrees, lack of liquidity and elements of credit, market, and Counterparty risk in excess of amounts recognized on the Consolidated Statement of Assets and Liabilities. Such risks involve the possibility that a swap is difficult to sell or liquidate; the Counterparty does not honor its obligations under the agreement and unfavorable interest rates and market fluctuations. It is possible that developments in the swaps market, including potential government regulation, could adversely affect the Fund’s ability to terminate existing swap agreements or to realize amounts to be received under such

agreements. Additionally, an International Swaps and Derivatives Association Master Agreement ("ISDA Master Agreement") includes credit related contingent features which allow Counterparties to OTC derivatives to terminate derivative contracts prior to maturity in the event that, for example, the Fund's net assets decline by a stated percentage or the Fund fails to meet the terms of its ISDA master agreements, which would cause the Fund to accelerate payment of any net liability owed to the Counterparty. A short position in a security poses more risk than holding the same security long. As there is no limit on how much the price of the security can increase, the Fund's exposure is unlimited.

- O. LIBOR Risk** - The Fund may invest in financial instruments that utilize LIBOR as the reference or benchmark rate for variable interest rate calculations. On July 27, 2017, the head of the United Kingdom's Financial Conduct Authority announced a desire to phase out the use of LIBOR by the end of 2021. Although many LIBOR rates will be phased out at the end of 2021 as originally intended, a selection of widely used USD LIBOR rates will continue to be published until June 2023 in order to assist with the transition. There remains uncertainty regarding the effect of the LIBOR transition process and therefore any impact of a transition away from LIBOR on the Fund or the instruments in which the Fund invests cannot yet be determined. There is no assurance that the composition or characteristics of any alternative reference rate will be similar to or produce the same value or economic equivalence as LIBOR or that instruments using an alternative rate will have the same volume or liquidity. Any such effects of the transition away from LIBOR and the adoption of alternative reference rates could result in losses to the Fund.
- P. Leverage Risk** - Leverage exists when the Fund can lose more than it originally invests because it purchases or sells an instrument or enters into a transaction without investing an amount equal to the full economic exposure of the instrument or transaction.
- Q. Other Risks** - The Fund will seek to gain exposure to commodity markets primarily through an investment in the Subsidiary and through investments in commodity futures and swaps, commodity related exchange-traded funds and exchange-traded notes and commodity linked notes, some or all of which will be owned through the Subsidiary. The Subsidiary, unlike the Fund, may invest without limitation in commodities, commodity-linked derivatives and other securities, such as exchange-traded and commodity-linked notes, that may provide leveraged and non-leveraged exposure to commodity markets. The Fund is indirectly exposed to the risks associated with the Subsidiary's investments.

The current low interest rate environment was created in part by the Federal Reserve Board (FRB) and certain foreign central banks keeping the federal funds and equivalent foreign rates near historical lows. Increases in the federal funds and equivalent foreign rates may expose fixed income markets to heightened volatility and reduced liquidity for certain fixed income investments, particularly those with longer maturities. In addition, decreases in fixed income dealer market-making capacity may also potentially lead to heightened volatility and reduced liquidity in the fixed income markets. As a result, the value of the Fund's investments and share price may decline. Changes in central bank policies could also result in higher than normal shareholder redemptions, which could potentially increase portfolio turnover and the Fund's transaction costs. Additionally, from time to time, uncertainty regarding the status of negotiations in the U.S. Government to increase the statutory debt limit, commonly called the "debt ceiling", could increase the risk that the U.S. Government may default on payments on certain U.S. Government securities, cause the credit rating of the U.S. Government to be downgraded, increase volatility in the stock and bond markets, result in higher interest rates, reduce prices of U.S. Treasury securities, and/or increase the costs of various kinds of debt. If a U.S. Government-sponsored entity is negatively impacted by legislative or regulatory action, is unable to meet its obligations, or its creditworthiness declines, the performance of a Fund that holds securities of that entity will be adversely impacted.

In addition to risks associated with the underlying commodities, investments in commodity-linked notes may be subject to additional risks, such as non-payment of interest and loss of principal, counterparty risk, lack of a secondary market and risk of greater volatility than traditional equity and debt securities. The value of the commodity-linked notes the Fund buys may fluctuate significantly because the values of the underlying investments to which they are linked are themselves volatile. Additionally, certain commodity-linked notes employ "economic" leverage by requiring payment by the issuer of an amount that is a multiple of the price increase or decrease of the underlying commodity, commodity index, or other economic variable. Such economic leverage will increase the volatility of the value of these commodity-linked notes and the Fund to the extent it invests in such notes.

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

- R. 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 Invesco Advisers, Inc. (the "Adviser" or "Invesco"). Under the terms of the investment advisory agreement, the Fund accrues daily and pays monthly an advisory fee to the Adviser less the amount paid by the Subsidiary to the Adviser based on the annual rate of the Fund's average daily net assets as follows:

Average Daily Net Assets	Rate
First \$250 million	0.950%
Next \$250 million	0.925%
Next \$500 million	0.900%
Next \$1.5 billion	0.875%
Next \$2.5 billion	0.850%
Next \$2.5 billion	0.825%
Next \$2.5 billion	0.800%
Over \$10 billion	0.775%

For the year ended December 31, 2021, the effective advisory fee rate incurred by the Fund was 0.92%.

The Subsidiary has entered into a separate contract with the Adviser whereby the Adviser provides investment advisory and other services to the Subsidiary. In consideration of these services, the Subsidiary pays an advisory fee to the Adviser based on the annual rate of the Subsidiary's average daily net assets as set forth in the table above.

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

The Adviser has contractually agreed, through April 30, 2022, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement (including prior fiscal year-end Acquired Fund Fees and Expenses of 0.15% and 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").

Effective May 1, 2022 through at least April 30, 2023, the Adviser has contractually agreed 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 (including prior fiscal year-end Acquired Fund Fees and Expenses of 0.07% and excluding certain items discussed below) of Series I shares to 0.88% and Series II shares to 1.13% of the Fund's average daily net assets. 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. Acquired Fund Fees and Expenses are not operating expenses of the Fund directly, but are fees and expenses, including management fees, of the investment companies in which the Fund invests. As a result, the total annual fund operating expenses after expense reimbursement may exceed the expense limits above. 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 in such affiliated money market funds.

For the year ended December 31, 2021, the Adviser waived advisory fees of \$3,936,280.

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 \$139,709 for accounting and fund administrative services and was reimbursed \$1,485,431 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 Consolidated 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 Consolidated Statement of Operations as *Distribution fees*.

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

### NOTE 3—Additional Valuation Information

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

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

Level 2 - Prices are determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security.

These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, yield curves, loss severities, default rates, discount rates, volatilities and others.

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

The following is a summary of the tiered valuation input levels, as of December 31, 2021. 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 consolidated financial statements may materially differ from the value received upon actual sale of those investments.

	Level 1	Level 2	Level 3	Total
<b>Investments in Securities</b>				
U.S. Treasury Securities	\$ -	\$113,460,217	\$-	\$113,460,217
Commodity-Linked Securities	-	34,079,470	-	34,079,470
Money Market Funds	750,278,882	-	-	750,278,882
Options Purchased	8,498,857	-	-	8,498,857
<b>Total Investments in Securities</b>	<b>758,777,739</b>	<b>147,539,687</b>	<b>-</b>	<b>906,317,426</b>
<b>Other Investments - Assets*</b>				
Futures Contracts	10,176,353	-	-	10,176,353
Swap Agreements	-	8,175,046	-	8,175,046
	10,176,353	8,175,046	-	18,351,399

	Level 1	Level 2	Level 3	Total
<b>Other Investments - Liabilities*</b>				
Futures Contracts	\$ (1,978,797)	\$ -	\$-	\$ (1,978,797)
<b>Total Other Investments</b>	8,197,556	8,175,046	-	16,372,602
<b>Total Investments</b>	\$766,975,295	\$155,714,733	\$-	\$922,690,028

\* Unrealized appreciation (depreciation).

#### NOTE 4—Derivative Investments

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

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

#### Value of Derivative Investments at Period-End

The table below summarizes the value of the Fund's derivative investments, detailed by primary risk exposure, held as of December 31, 2021:

Derivative Assets	Value			Total
	Commodity Risk	Equity Risk	Interest Rate Risk	
Unrealized appreciation on futures contracts – Exchange-Traded <sup>(a)</sup>	\$ 3,914,501	\$ 1,987,068	\$ 4,274,784	\$ 10,176,353
Unrealized appreciation on swap agreements – OTC	2,597,638	5,577,408	-	8,175,046
Options purchased, at value – Exchange-Traded <sup>(b)</sup>	-	8,498,857	-	8,498,857
<b>Total Derivative Assets</b>	<b>6,512,139</b>	<b>16,063,333</b>	<b>4,274,784</b>	<b>26,850,256</b>
Derivatives not subject to master netting agreements	(3,914,501)	(10,485,925)	(4,274,784)	(18,675,210)
<b>Total Derivative Assets subject to master netting agreements</b>	<b>\$ 2,597,638</b>	<b>\$ 5,577,408</b>	<b>\$ -</b>	<b>\$ 8,175,046</b>

Derivative Liabilities	Value			Total
	Commodity Risk	Equity Risk	Interest Rate Risk	
Unrealized depreciation on futures contracts – Exchange-Traded <sup>(a)</sup>	\$(1,223,846)	\$ -	\$ (754,951)	\$ (1,978,797)
Derivatives not subject to master netting agreements	1,223,846	-	754,951	1,978,797
<b>Total Derivative Liabilities subject to master netting agreements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<sup>(a)</sup> The daily variation margin receivable (payable) at period-end is recorded in the Consolidated Statement of Assets and Liabilities.

<sup>(b)</sup> Options purchased, at value as reported in the Consolidated Schedule of Investments.

#### Offsetting Assets and Liabilities

The table below reflects the Fund's exposure to Counterparties subject to either an ISDA Master Agreement or other agreement for OTC derivative transactions as of December 31, 2021.

Counterparty	Financial Derivative Assets	Financial Derivative Liabilities	Net Value of Derivatives	Collateral (Received)/Pledged		Net Amount <sup>(a)</sup>
	Swap Agreements	Swap Agreements		Non-Cash	Cash	
<b>Fund</b>						
Barclays Bank PLC	\$ 126,760	\$ (411,043)	\$ (284,283)	\$-	\$ 284,283	\$ -
BNP Paribas S.A.	1,251,077	(347)	1,250,730	-	(390,000)	860,730
Citibank, N.A.	311,130	(191,077)	120,053	-	-	120,053
Goldman Sachs International	1,258,204	(1,488,840)	(230,636)	-	-	(230,636)
J.P. Morgan Chase Bank, N.A.	2,457,562	(40,540)	2,417,022	-	(1,710,000)	707,022
Merrill Lynch International	193,868	(6,311)	187,557	-	-	187,557
Subtotal-Fund	5,598,601	(2,138,158)	3,460,443	-	(1,815,717)	1,644,726

Counterparty	Financial Derivative Assets	Financial Derivative Liabilities	Net Value of Derivatives	Collateral (Received)/Pledged		Net Amount <sup>(a)</sup>
	Swap Agreements	Swap Agreements		Non-Cash	Cash	
<b>Subsidiary</b>						
Barclays Bank PLC	\$ 488,079	\$ (998)	\$ 487,081	\$-	\$ (320,000)	\$ 167,081
Canadian Imperial Bank of Commerce	589,797	(2,958)	586,839	-	-	586,839
Cargill, Inc.	878,752	(5,678)	873,074	-	(873,074)	-
J.P. Morgan Chase Bank, N.A.	259,660	(472)	259,188	-	-	259,188
Merrill Lynch International	458,237	(2,217)	456,020	-	(290,000)	166,020
Morgan Stanley Capital Services LLC	381,350	(1,182)	380,168	-	(380,168)	-
Subtotal-Subsidiary	3,055,875	(13,505)	3,042,370	-	(1,863,242)	1,179,128
Total	\$8,654,476	\$(2,151,663)	\$6,502,813	\$-	\$(3,678,959)	\$2,823,854

<sup>(a)</sup> The Fund and the Subsidiary are recognized as separate legal entities and as such are subject to separate netting arrangements with the Counterparty.

#### Effect of Derivative Investments for the year ended December 31, 2021

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

	Location of Gain (Loss) on Consolidated Statement of Operations			
	Commodity Risk	Equity Risk	Interest Rate Risk	Total
Realized Gain (Loss):				
Futures contracts	\$31,172,146	\$38,029,250	\$(24,196,520)	\$45,004,876
Options purchased <sup>(a)</sup>	-	(7,776,619)	-	(7,776,619)
Swap agreements	30,764,227	28,190,790	-	58,955,017
Change in Net Unrealized Appreciation (Depreciation):				
Futures contracts	(4,740,325)	(4,466,637)	1,843,498	(7,363,464)
Options purchased <sup>(a)</sup>	-	(3,992,843)	-	(3,992,843)
Swap agreements	(2,106,284)	4,986,684	-	2,880,400
Total	\$55,089,764	\$54,970,625	\$(22,353,022)	\$87,707,367

<sup>(a)</sup> Options purchased are included in the net realized gain (loss) from investment securities and the change in net unrealized appreciation (depreciation) of investment securities.

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

	Futures Contracts	Index Options Purchased	Swap Agreements
Average notional value	\$927,626,317	\$3,006,661,817	\$435,840,386
Average contracts	-	1,614	-

#### 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 Consolidated 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*	\$42,646,507	\$ 89,338,290
Long-term capital gain	18,480,024	30,231,711
Total distributions	\$61,126,531	\$119,570,001

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

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

	2021
Undistributed ordinary income	\$ 96,007,877
Net unrealized appreciation – investments	8,875,772
Net unrealized appreciation – foreign currencies	11,132
Temporary book/tax differences	(68,826)
Shares of beneficial interest	876,545,077
Total net assets	\$981,371,032

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 derivative instruments and Subsidiary differences.

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 \$38,939,078 and \$37,799,973, 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	\$15,230,946
Aggregate unrealized (depreciation) of investments	(6,355,174)
Net unrealized appreciation of investments	\$ 8,875,772

Cost of investments for tax purposes is \$913,813,734.

**NOTE 9—Reclassification of Permanent Differences**

Primarily as a result of differing book/tax treatment of income from the Subsidiary, on December 31, 2021, undistributed net investment income (loss) was increased by \$70,831,346 and undistributed net realized gain was decreased by \$70,831,346. This reclassification had no effect on the net assets or the distributable earnings 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	369,779	\$ 4,089,604	379,236	\$ 3,960,734
Series II	4,573,534	49,111,175	3,857,886	39,526,525
<b>Issued as reinvestment of dividends:</b>				
Series I	298,353	3,189,392	609,307	5,885,904
Series II	5,523,083	57,937,139	11,979,357	113,684,097

**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	(544,502)	\$ (5,906,181)	(682,143)	\$ (6,935,376)
Series II	(12,555,988)	(134,833,258)	(16,076,040)	(163,600,619)
Net increase (decrease) in share activity	(2,335,741)	\$ (26,412,129)	67,603	\$ (7,478,735)

<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 80% 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. Balanced-Risk Allocation Fund

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

We have audited the accompanying consolidated statement of assets and liabilities, including the consolidated schedule of investments, of Invesco V.I. Balanced-Risk Allocation Fund and its subsidiary (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 consolidated statement of operations for the year ended December 31, 2021, the consolidated 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 consolidated financial highlights for each of the five years in the period ended December 31, 2021 (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated 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 five years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

## ***Basis for Opinion***

These consolidated financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. Our procedures included confirmation of securities owned as of December 31, 2021 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP

Houston, Texas  
February 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 <sup>2</sup>
		Ending Account Value (12/31/21) <sup>1</sup>	Expenses Paid During Period <sup>2, 3</sup>	Ending Account Value (12/31/21)	Expenses Paid During Period <sup>2, 4</sup>	
Series I	\$1,000.00	\$1,019.60	\$3.67	\$1,021.58	\$3.67	0.72%
Series II	1,000.00	1,018.40	4.93	1,020.32	4.94	0.97

<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. Effective May 1, 2022, the Adviser has contractually agreed to waive advisory fees and/or reimburse expenses to the extent necessary to limit total annual fund operating expenses of Series I and Series II shares to 0.88% and 1.13% of average daily net assets, respectively. The annualized expense ratios restated as if these agreements had been in effect throughout the entire most recent fiscal half year are 0.81% and 1.06% for of Series I and Series II shares, respectively.

<sup>3</sup> The actual expenses paid restated as if the changes discussed above had been in effect throughout the entire most recent half year are \$4.12 and \$5.39 for of Series I and Series II shares, respectively.

<sup>4</sup> The hypothetical expenses paid restated as if the changes discussed above had been in effect throughout the entire most recent half year are \$4.13 and \$5.40 for of Series I and Series II shares, respectively.

# 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	\$18,480,024
Qualified Dividend Income*	0.00%
Corporate Dividends Received Deduction*	0.00%
U.S. Treasury Obligations*	0.13%
Qualified Business Income*	0.00%
Business Interest Income*	1.24%

\* 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	Insperity, 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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### 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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Minneapolis, MN 55474