Invesco

Semiannual Report to Shareholders **June 30, 2023**

Invesco V.I. High Yield Fund

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. 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. The information is also available on the SEC website, sec.gov.

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

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

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

Fund Performance

Performance summary

Fund vs. Indexes

Cumulative total returns, 12/31/22 to 6/30/23, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

Series I Shares	3.56%
Series II Shares	3.37
Bloomberg U.S. Aggregate Bond Index▼ (Broad Market Index)	2.09
Bloomberg U.S. Corporate High Yield 2% Issuer Cap Index▼ (Style-Specific Index)	5.38
Lipper VUF High Yield Bond Funds Classification Average■ (Peer Group)	4.81

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

The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged index considered representative of the US investment-grade, fixed-rate bond market.

The **Bloomberg U.S. Corporate High Yield 2% Issuer Cap Index** is an unmanaged index considered representative of the US high-yield, fixed-rate corporate bond market. Index weights for each issuer are capped at 2%.

The **Lipper VUF High Yield Bond Funds Classification Average** represents an average of all variable insurance underlying funds in the Lipper High Yield Bond 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.

Average Annual Total Returns

As of 6/30/23

Series I Shares	
Inception (5/1/98)	3.80%
10 Years	3.21
5 Years	2.22
1 Year	7.19
Series II Shares	
Inception (3/26/02)	5.49%
10 Years	2.94
5 Years	1.96
1 Year	6.98

The performance of the Fund's Series I and Series II share classes will differ primarily due to different class 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. High Yield 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 by visiting invesco.com/us. 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.

Liquidity Risk Management Program

In compliance with Rule 22e-4 under the Investment Company Act of 1940, as amended (the "Liquidity Rule"), the Fund has adopted and implemented a liquidity risk management program in accordance with the Liquidity Rule (the "Program"). The Program is reasonably designed to assess and manage the Fund's liquidity risk, which is the risk that the Fund could not meet redemption requests without significant dilution of remaining investors' interests in the Fund. The Board of Trustees of the Fund (the "Board") has appointed Invesco Advisers, Inc. ("Invesco"), the Fund's investment adviser, as the Program's administrator, and Invesco has delegated oversight of the Program to the Liquidity Risk Management Committee (the "Committee"), which is composed of senior representatives from relevant business groups at Invesco.

As required by the Liquidity Rule, the Program includes policies and procedures providing for an assessment, no less frequently than annually, of the Fund's liquidity risk that takes into account, as relevant to the Fund's liquidity risk: (1) the Fund's investment strategy and liquidity of portfolio investments during both normal and reasonably foreseeable stressed conditions; (2) short-term and long-term cash flow projections for the Fund during both normal and reasonably foreseeable stressed conditions; and (3) the Fund's holdings of cash and cash equivalents and any borrowing arrangements. The Liquidity Rule also requires the classification of the Fund's investments into categories that reflect the assessment of their relative liquidity under current market conditions. The Fund classifies its investments into one of four categories defined in the Liquidity Rule: "Highly Liquid," "Moderately Liquid," "Less Liquid," and "Illiquid." Funds that are not invested primarily in "Highly Liquid Investments" that are assets (cash or investments that are reasonably expected to be convertible into cash within three business days without significantly changing the market value of the investment) are required to establish a "Highly Liquid Investment Minimum" ("HLIM"), which is the minimum percentage of net assets that must be invested in Highly Liquid Investments. Funds with HLIMs have procedures for addressing HLIM shortfalls, including reporting to the Board and the SEC (on a non-public basis) as required by the Program and the Liquidity Rule. In addition, the Fund may not acquire an investment if, immediately after the acquisition, over 15% of the Fund's net assets would consist of "Illiquid Investments" that are assets (an investment that cannot reasonably be expected to be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment). The Liquidity Rule and the Program also require reporting to the Board and the SEC (on a non-public basis) if a Fund's holdings of Illiquid Investments exceed 15% of the Fund's assets.

At a meeting held on March 17, 2023, the Committee presented a report to the Board that addressed the operation of the Program and assessed the Program's adequacy and effectiveness of implementation (the "Report"). The Report covered the period from January 1, 2022 through December 31, 2022 (the "Program Reporting Period"). The Report discussed notable events affecting liquidity over the Program Reporting Period, including the impact of the Russia-Ukraine War, and resulting sanctions, inflation concerns and the overall market. The Report noted that there were no material changes to the Program during the Program Reporting Period.

The Report stated, in relevant part, that during the Program Reporting Period:

- The Program, as adopted and implemented, remained reasonably designed to assess and manage the Fund's liquidity risk and was operated effectively to achieve that goal;
- The Fund's investment strategy remained appropriate for an open-end fund;
- The Fund was able to meet requests for redemption without significant dilution of remaining investors' interests in the Fund;
- The Fund did not breach the 15% limit on Illiquid Investments; and
- The Fund primarily held Highly Liquid Investments and therefore has not adopted an HLIM.

Schedule of Investments[(a)]

June 30, 2023
(Unaudited)

	Principal Amount	Value
U.S. Dollar Denominated Bonds & Notes-86.69%		
Advertising-0.48%		
Lamar Media Corp., 4.00%, 02/15/2030	$ 13,000	$ 11,388
3.63%, 01/15/2031	751,000	633,393
		644,781
Aerospace & Defense-1.18%		
TransDigm UK Holdings PLC, 6.88%, 05/15/2026	1,269,000	1,258,752
TransDigm, Inc., 6.75%, 08/15/2028[(b)]	305,000	306,537
		1,565,289
Aluminum-0.62%		
Novelis Corp., 3.25%, 11/15/2026[(b)]	905,000	820,182
Apparel Retail-0.74%		
Gap, Inc. (The), 3.63%, 10/01/2029[(b)]	1,402,000	992,122
Application Software-0.99%		
NCR Corp., 5.75%, 09/01/2027[(b)]	639,000	639,639
SS&C Technologies, Inc., 5.50%, 09/30/2027[(b)]	707,000	677,771
		1,317,410
Asset Management & Custody Banks-0.20%		
Bank of New York Mellon Corp. (The), Series I, 3.75%[(c)(d)]	325,000	267,719
Automobile Manufacturers-3.77%		
Allison Transmission, Inc., 4.75%, 10/01/2027[(b)]	1,456,000	1,373,357
3.75%, 01/30/2031[(b)]	1,051,000	888,801
Ford Motor Co., 3.25%, 02/12/2032	1,285,000	1,012,072
Ford Motor Credit Co. LLC, 4.13%, 08/04/2025	455,000	431,932
4.39%, 01/08/2026	1,032,000	977,627
4.00%, 11/13/2030	402,000	343,904
		5,027,693
Automotive Parts & Equipment-1.67%		
Clarios Global L.P./Clarios US Finance Co., 8.50%, 05/15/2027[(b)]	628,000	630,205
NESCO Holdings II, Inc., 5.50%, 04/15/2029[(b)]	699,000	626,465
ZF North America Capital, Inc. (Germany), 6.88%, 04/14/2028[(b)]	954,000	967,054
		2,223,724
Automotive Retail-3.53%		
Group 1 Automotive, Inc., 4.00%, 08/15/2028[(b)]	1,493,000	1,316,100
LCM Investments Holdings II LLC, 4.88%, 05/01/2029[(b)]	1,919,000	1,644,288
Lithia Motors, Inc., 3.88%, 06/01/2029[(b)]	1,197,000	1,041,354
Automotive Retail-(continued)		
Sonic Automotive, Inc., 4.63%, 11/15/2029[(b)]	$ 829,000	$ 695,161
		4,696,903
Broadline Retail-0.06%		
B2W Digital Lux S.a.r.l. (Brazil), 4.38%, 12/31/2049[(b)(e)]	429,000	74,110
Building Products-0.16%		
New Enterprise Stone & Lime Co., Inc., 5.25%, 07/15/2028[(b)]	239,000	217,833
Cable & Satellite-3.52%		
CCO Holdings LLC/CCO Holdings Capital Corp., 5.50%, 05/01/2026[(b)]	134,000	130,775
5.13%, 05/01/2027[(b)]	1,177,000	1,097,282
4.75%, 03/01/2030[(b)]	447,000	382,625
7.38%, 03/01/2031[(b)]	698,000	680,589
4.25%, 01/15/2034[(b)]	13,000	9,838
CSC Holdings LLC, 4.63%, 12/01/2030[(b)]	500,000	222,989
4.50%, 11/15/2031[(b)]	1,292,000	902,179
5.00%, 11/15/2031[(b)]	1,279,000	596,913
DISH Network Corp., Conv., 3.38%, 08/15/2026	1,294,000	663,175
		4,686,365
Casinos & Gaming-3.28%		
CCM Merger, Inc., 6.38%, 05/01/2026[(b)]	774,000	751,701
Codere Finance 2 (Luxembourg) S.A. (Spain), 11.63% PIK Rate, 2.00% Cash Rate, 11/30/2027 (Acquired 11/30/2021; Cost $51,959)[(b)(f)(g)]	51,959	23,868
Everi Holdings, Inc., 5.00%, 07/15/2029[(b)]	439,000	384,854
Melco Resorts Finance Ltd. (Hong Kong), 5.38%, 12/04/2029[(b)]	1,557,000	1,293,598
Studio City Finance Ltd. (Macau), 5.00%, 01/15/2029[(b)]	1,657,000	1,229,510
Wynn Macau Ltd. (Macau), 5.63%, 08/26/2028[(b)]	785,000	685,831
		4,369,362
Commodity Chemicals-0.82%		
Mativ Holdings, Inc., 6.88%, 10/01/2026[(b)]	1,251,000	1,096,389
Construction & Engineering-0.98%		
Howard Midstream Energy Partners LLC, 6.75%, 01/15/2027[(b)]	851,000	811,386
8.88%, 07/15/2028[(b)]	493,000	496,081
		1,307,467
Consumer Finance-1.43%		
FirstCash, Inc., 5.63%, 01/01/2030[(b)]	711,000	643,259

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

	Principal Amount	Value
Consumer Finance-(continued)		
Navient Corp., 6.13%, 03/25/2024	$ 671,000	$ 666,355
OneMain Finance Corp., 7.13%, 03/15/2026	287,000	282,235
3.88%, 09/15/2028	381,000	311,810
		1,903,659
Copper-0.53%		
First Quantum Minerals Ltd. (Zambia), 8.63%, 06/01/2031[(b)]	684,000	701,873
Diversified Banks-0.58%		
Citigroup, Inc., 3.88%[(c)(d)]	153,000	128,520
7.38%[(c)(d)]	137,000	136,336
JPMorgan Chase & Co., Series FF, 5.00%[(c)(d)]	264,000	258,060
PNC Financial Services Group, Inc. (The), Series W, 6.25%[(c)(d)]	276,000	248,469
		771,385
Diversified Financial Services-2.67%		
AerCap Ireland Capital DAC/AerCap Global Aviation Trust (Ireland), 5.75%, 06/06/2028	666,000	661,235
Jane Street Group/JSG Finance, Inc., 4.50%, 11/15/2029[(b)]	669,000	576,342
Jefferies Finance LLC/JFIN Co-Issuer Corp., 5.00%, 08/15/2028[(b)]	862,000	707,645
Pactiv Evergreen Group Issuer, Inc./Pactiv Evergreen Group Issuer LLC, 4.00%, 10/15/2027[(b)]	724,000	641,096
Scientific Games Holdings L.P./Scientific Games US FinCo, Inc., 6.63%, 03/01/2030[(b)]	1,099,000	968,137
		3,554,455
Diversified Metals & Mining-0.48%		
Hudbay Minerals, Inc. (Canada), 4.50%, 04/01/2026[(b)]	337,000	314,133
6.13%, 04/01/2029[(b)]	358,000	330,033
		644,166
Diversified Support Services-0.73%		
Ritchie Bros. Holdings, Inc. (Canada), 6.75%, 03/15/2028[(b)]	970,000	978,894
Electric Utilities-2.93%		
Electricite de France S.A. (France), 9.13%[(b)(c)(d)]	661,000	679,495
NRG Energy, Inc., 4.45%, 06/15/2029[(b)]	708,000	626,448
Talen Energy Supply LLC, 8.63%, 06/01/2030[(b)]	654,000	677,498
Vistra Operations Co. LLC, 5.13%, 05/13/2025[(b)]	968,000	944,764
5.63%, 02/15/2027[(b)]	347,000	332,904
5.00%, 07/31/2027[(b)]	679,000	636,167
		3,897,276
Electrical Components & Equipment-0.96%		
EnerSys, 4.38%, 12/15/2027[(b)]	683,000	629,660
Sensata Technologies B.V., 4.00%, 04/15/2029[(b)]	729,000	649,673
		1,279,333

	Principal Amount	Value
Electronic Components-0.25%		
Sensata Technologies, Inc., 4.38%, 02/15/2030[(b)]	$ 105,000	$ 93,991
3.75%, 02/15/2031[(b)]	282,000	241,502
		335,493
Electronic Manufacturing Services-0.74%		
Emerald Debt Merger Sub LLC, 6.63%, 12/15/2030[(b)]	988,000	980,590
Environmental & Facilities Services-0.49%		
GFL Environmental, Inc. (Canada), 4.38%, 08/15/2029[(b)]	726,000	647,176
Food Distributors-0.49%		
United Natural Foods, Inc., 6.75%, 10/15/2028[(b)]	786,000	652,478
Gold-0.52%		
New Gold, Inc. (Canada), 7.50%, 07/15/2027[(b)]	739,000	691,009
Health Care Facilities-1.79%		
Encompass Health Corp., 4.50%, 02/01/2028	795,000	740,748
Tenet Healthcare Corp., 4.88%, 01/01/2026	1,681,000	1,638,966
		2,379,714
Health Care REITs-2.36%		
CTR Partnership L.P./CareTrust Capital Corp., 3.88%, 06/30/2028[(b)]	717,000	617,366
Diversified Healthcare Trust, 4.75%, 05/01/2024	351,000	327,272
4.38%, 03/01/2031	1,251,000	912,742
MPT Operating Partnership L.P./MPT Finance Corp., 3.50%, 03/15/2031	1,864,000	1,286,212
		3,143,592
Health Care Services-2.02%		
Catalent Pharma Solutions, Inc., 3.50%, 04/01/2030[(b)]	154,000	124,890
Community Health Systems, Inc., 8.00%, 03/15/2026[(b)]	938,000	914,557
5.25%, 05/15/2030[(b)]	509,000	401,480
4.75%, 02/15/2031[(b)]	338,000	255,832
DaVita, Inc., 3.75%, 02/15/2031[(b)]	409,000	327,530
Select Medical Corp., 6.25%, 08/15/2026[(b)]	674,000	663,222
		2,687,511
Health Care Supplies-0.74%		
Medline Borrower L.P., 3.88%, 04/01/2029[(b)]	835,000	726,457
5.25%, 10/01/2029[(b)]	305,000	264,962
		991,419
Hotel & Resort REITs-1.73%		
Service Properties Trust, 7.50%, 09/15/2025	345,000	339,100
5.50%, 12/15/2027	1,090,000	959,395
4.95%, 10/01/2029	550,000	427,555
4.38%, 02/15/2030	769,000	576,315
		2,302,365

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

	Principal Amount	Value
Hotels, Resorts & Cruise Lines-1.76%		
Carnival Corp., 4.00%, 08/01/2028[(b)]	$ 791,000	$ 701,949
6.00%, 05/01/2029[(b)]	392,000	350,358
Hilton Domestic Operating Co., Inc., 5.75%, 05/01/2028[(b)]	150,000	147,842
Hilton Worldwide Finance LLC/Hilton Worldwide Finance Corp., 4.88%, 04/01/2027	508,000	493,259
Royal Caribbean Cruises Ltd., 4.25%, 07/01/2026[(b)]	702,000	645,033
		2,338,441
Household Products-0.74%		
Prestige Brands, Inc., 3.75%, 04/01/2031[(b)]	1,190,000	986,789
Independent Power Producers & Energy Traders-0.94%		
Clearway Energy Operating LLC, 4.75%, 03/15/2028[(b)]	653,000	603,092
TransAlta Corp. (Canada), 7.75%, 11/15/2029	636,000	655,401
		1,258,493
Industrial Conglomerates-0.55%		
Icahn Enterprises L.P./Icahn Enterprises Finance Corp., 4.38%, 02/01/2029	932,000	733,232
Industrial Machinery & Supplies & Components-1.20%		
EnPro Industries, Inc., 5.75%, 10/15/2026	1,013,000	983,522
Roller Bearing Co. of America, Inc., 4.38%, 10/15/2029[(b)]	681,000	610,964
		1,594,486
Integrated Telecommunication Services-3.39%		
Altice France S.A. (France), 8.13%, 02/01/2027[(b)]	727,000	630,328
Iliad Holding S.A.S. (France), 6.50%, 10/15/2026[(b)]	337,000	318,372
Iliad Holding S.A.S.U. (France), 7.00%, 10/15/2028[(b)]	1,056,000	974,328
Level 3 Financing, Inc., 3.63%, 01/15/2029[(b)]	149,000	89,542
3.75%, 07/15/2029[(b)]	2,008,000	1,211,491
Telecom Italia S.p.A. (Italy), 5.30%, 05/30/2024[(b)]	1,325,000	1,289,235
		4,513,296
Interactive Media & Services-0.47%		
Match Group Holdings II LLC, 4.63%, 06/01/2028[(b)]	678,000	623,482
Investment Banking & Brokerage-0.48%		
Charles Schwab Corp. (The), Series G, 5.38%[(c)(d)]	670,000	643,682
IT Consulting & Other Services-0.86%		
Gartner, Inc., 4.50%, 07/01/2028[(b)]	689,000	644,291
3.63%, 06/15/2029[(b)]	341,000	300,498
3.75%, 10/01/2030[(b)]	225,000	196,179
		1,140,968

	Principal Amount	Value
Leisure Facilities-2.72%		
Carnival Holdings Bermuda Ltd., 10.38%, 05/01/2028[(b)]	$ 852,000	$ 932,662
NCL Corp. Ltd., 5.88%, 03/15/2026[(b)]	735,000	688,301
5.88%, 02/15/2027[(b)]	343,000	334,212
NCL Finance Ltd., 6.13%, 03/15/2028[(b)]	389,000	350,457
Viking Cruises Ltd., 5.88%, 09/15/2027[(b)]	374,000	344,181
7.00%, 02/15/2029[(b)]	252,000	234,587
Viking Ocean Cruises Ship VII Ltd., 5.63%, 02/15/2029[(b)]	768,000	703,411
VOC Escrow Ltd., 5.00%, 02/15/2028[(b)]	38,000	34,900
		3,622,711
Life Sciences Tools & Services-0.15%		
Syneos Health, Inc., 3.63%, 01/15/2029[(b)]	203,000	198,694
Mortgage REITs-0.48%		
Ladder Capital Finance Holdings LLLP/ Ladder Capital Finance Corp., 4.75%, 06/15/2029[(b)]	786,000	640,438
Oil & Gas Drilling-3.94%		
Delek Logistics Partners L.P./Delek Logistics Finance Corp., 7.13%, 06/01/2028[(b)]	706,000	654,810
Noble Finance II LLC, 8.00%, 04/15/2030[(b)]	652,000	663,550
Rockies Express Pipeline LLC, 4.95%, 07/15/2029[(b)]	29,000	26,562
4.80%, 05/15/2030[(b)]	228,000	199,475
6.88%, 04/15/2040[(b)]	486,000	439,380
Transocean, Inc., 7.25%, 11/01/2025[(b)]	392,000	376,773
7.50%, 01/15/2026[(b)]	1,025,000	974,862
8.75%, 02/15/2030[(b)]	374,000	380,020
7.50%, 04/15/2031	700,000	552,510
Valaris Ltd., 8.38%, 04/30/2030[(b)]	979,000	983,239
		5,251,181
Oil & Gas Equipment & Services-0.48%		
Enerflex Ltd. (Canada), 9.00%, 10/15/2027[(b)]	656,000	638,901
Oil & Gas Exploration & Production-6.93%		
Aethon United BR L.P./Aethon United Finance Corp., 8.25%, 02/15/2026[(b)]	2,602,000	2,558,833
Apache Corp., 7.75%, 12/15/2029	548,000	565,395
Ascent Resources Utica Holdings LLC/ARU Finance Corp., 7.00%, 11/01/2026[(b)]	575,000	557,083
Baytex Energy Corp. (Canada), 8.50%, 04/30/2030[(b)]	660,000	645,216
Callon Petroleum Co., 6.38%, 07/01/2026	338,000	329,764
8.00%, 08/01/2028[(b)]	353,000	349,440
7.50%, 06/15/2030[(b)]	306,000	289,119
Civitas Resources, Inc., 8.38%, 07/01/2028[(b)]	691,000	699,672
8.75%, 07/01/2031[(b)]	346,000	351,207

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

	Principal Amount	Value
Oil & Gas Exploration & Production-(continued)		
Hilcorp Energy I L.P./Hilcorp Finance Co., 6.00%, 04/15/2030[b]	$ 212,000	$ 193,261
6.00%, 02/01/2031[b]	260,000	232,733
6.25%, 04/15/2032[b]	198,000	176,789
SM Energy Co., 6.75%, 09/15/2026	496,000	483,902
6.63%, 01/15/2027	193,000	187,625
Strathcona Resources Ltd. (Canada), 6.88%, 08/01/2026[b]	1,070,000	937,655
Venture Global LNG, Inc., 8.13%, 06/01/2028[b]	656,000	666,991
		9,224,685
Oil & Gas Refining & Marketing-0.52%		
Parkland Corp. (Canada), 4.50%, 10/01/2029[b]	799,000	693,928
Oil & Gas Storage & Transportation-3.28%		
Crestwood Midstream Partners L.P./Crestwood Midstream Finance Corp., 8.00%, 04/01/2029[b]	946,000	959,761
Genesis Energy L.P./Genesis Energy Finance Corp., 6.25%, 05/15/2026	621,000	590,567
8.00%, 01/15/2027	272,000	265,502
7.75%, 02/01/2028	107,000	101,897
Global Partners L.P./GLP Finance Corp., 7.00%, 08/01/2027	689,000	669,502
Martin Midstream Partners L.P./Martin Midstream Finance Corp., 11.50%, 02/15/2028[b]	646,000	623,849
New Fortress Energy, Inc., 6.50%, 09/30/2026[b]	540,000	483,714
Summit Midstream Holdings LLC/Summit Midstream Finance Corp., 5.75%, 04/15/2025	338,000	307,462
9.00%, 10/15/2026[b][h]	382,000	371,428
		4,373,682
Passenger Airlines-1.00%		
American Airlines, Inc./AAdvantage Loyalty IP Ltd., 5.50%, 04/20/2026[b]	1,338,000	1,326,747
Pharmaceuticals-1.46%		
Bausch Health Cos., Inc., 4.88%, 06/01/2028[b]	2,083,000	1,242,385
Par Pharmaceutical, Inc., 7.50%, 12/31/2049[b]	950,000	703,392
		1,945,777
Research & Consulting Services-1.22%		
Clarivate Science Holdings Corp., 4.88%, 07/01/2029[b]	1,098,000	975,167
Dun & Bradstreet Corp. (The), 5.00%, 12/15/2029[b]	740,000	653,272
		1,628,439
Restaurants-1.22%		
1011778 BC ULC/New Red Finance, Inc. (Canada), 3.50%, 02/15/2029[b]	749,000	657,566

	Principal Amount	Value
Restaurants-(continued)		
Yum! Brands, Inc., 5.38%, 04/01/2032	$1,023,000	$ 973,539
		1,631,105
Retail REITs-1.00%		
NMG Holding Co., Inc./Neiman Marcus Group LLC, 7.13%, 04/01/2026[b]	1,432,000	1,334,432
Specialized Consumer Services-1.99%		
Allwyn Entertainment Financing (UK) PLC (Czech Republic), 7.88%, 04/30/2029[b]	983,000	999,229
Carriage Services, Inc., 4.25%, 05/15/2029[b]	1,911,000	1,646,556
		2,645,785
Specialty Chemicals-0.52%		
Braskem Idesa S.A.P.I. (Mexico), 7.45%, 11/15/2029[b]	609,000	409,370
6.99%, 02/20/2032[b]	446,000	289,314
		698,684
Steel-0.51%		
SunCoke Energy, Inc., 4.88%, 06/30/2029[b]	815,000	685,429
Systems Software-2.46%		
Black Knight InfoServ LLC, 3.63%, 09/01/2028[b]	1,100,000	987,250
Camelot Finance S.A., 4.50%, 11/01/2026[b]	1,765,000	1,664,289
Crowdstrike Holdings, Inc., 3.00%, 02/15/2029	717,000	618,940
		3,270,479
Telecom Tower REITs-0.49%		
SBA Communications Corp., 3.88%, 02/15/2027	709,000	653,773
Trading Companies & Distributors-1.49%		
Fortress Transportation and Infrastructure Investors LLC, 6.50%, 10/01/2025[b]	617,000	608,401
5.50%, 05/01/2028[b]	1,500,000	1,374,177
		1,982,578
Wireless Telecommunication Services-1.00%		
Vodafone Group PLC (United Kingdom), 4.13%, 06/04/2081[c]	1,670,000	1,326,732
Total U.S. Dollar Denominated Bonds & Notes (Cost $120,267,378)		115,456,786

Non-U.S. Dollar Denominated Bonds & Notes-6.30%[i]

		Principal Amount	Value
Airport Services-0.49%			
Gatwick Airport Finance PLC (United Kingdom), 4.38%, 04/07/2026[b]	GBP	566,000	655,556
Application Software-0.49%			
Boxer Parent Co., Inc., 6.50%, 10/02/2025[b]	EUR	600,000	647,898
Automobile Manufacturers-0.39%			
Ford Motor Credit Co. LLC, 4.87%, 08/03/2027	EUR	491,000	526,529

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

		Principal Amount	Value
Casinos & Gaming-0.17%			
Codere Finance 2 (Luxembourg) S.A. (Spain), 3.00% PIK Rate, 8.00% Cash Rate, 09/30/2026(Acquired 07/24/2020-04/28/2022; Cost $292,015)(b)(f)(g)	EUR	259,599	$ 226,804
Diversified Banks-1.01%			
Banco Bilbao Vizcaya Argentaria S.A. (Spain), 6.00%(b)(c)(d)	EUR	200,000	205,317
BNP Paribas S.A. (France), 6.88%(b)(c)(d)	EUR	200,000	209,762
CaixaBank S.A. (Spain), 6.75%(b)(c)(d)	EUR	200,000	211,844
Cooperatieve Rabobank U.A. (Netherlands), 4.38%(b)(c)(d)	EUR	200,000	191,061
Credit Agricole S.A. (France), 7.25%(b)(c)(d)	EUR	100,000	108,741
HSBC Holdings PLC (United Kingdom), 6.00%(b)(c)(d)	EUR	200,000	217,170
Lloyds Banking Group PLC (United Kingdom), 4.95%(b)(c)(d)	EUR	200,000	199,510
			1,343,405
Diversified Capital Markets-0.32%			
Deutsche Bank AG (Germany), 10.00%(b)(c)(d)	EUR	400,000	433,755
Food Retail-0.62%			
Bellis Acquisition Co. PLC (United Kingdom), 3.25%, 02/16/2026(b)	GBP	721,000	768,594
Casino Guichard Perrachon S.A. (France), 6.63%, 01/15/2026(b)	EUR	556,000	36,402
3.99%(b)(d)	EUR	1,400,000	24,107
			829,103
Integrated Telecommunication Services-0.48%			
Altice France S.A. (France), 3.38%, 01/15/2028(b)	EUR	800,000	639,308
Passenger Airlines-0.93%			
Air France-KLM (France), 3.88%, 07/01/2026(b)	EUR	600,000	614,442
Deutsche Lufthansa AG (Germany), 3.75%, 02/11/2028(b)	EUR	600,000	619,348
			1,233,790
Pharmaceuticals-0.64%			
Nidda Healthcare Holding GmbH (Germany), 7.50%, 08/21/2026(b)	EUR	779,000	847,882
Wireless Telecommunication Services-0.76%			
VMED 02 UK Financing I PLC (United Kingdom), 3.25%, 01/31/2031(b)	EUR	1,125,000	1,011,358
Total Non-U.S. Dollar Denominated Bonds & Notes (Cost $8,723,684)			8,395,388

	Principal Amount	Value
Variable Rate Senior Loan Interests-3.10%(j)(k)		
Advertising-0.50%		
Clear Channel Worldwide Holdings, Inc., Term Loan B, 8.81% (1 mo. USD LIBOR + 3.50%), 08/21/2026	$ 695,514	665,579
Application Software-0.13%		
NCR Corp., Term Loan B, 0.00% (3 mo. USD LIBOR + 2.50%), 08/28/2026	181,867	181,639
Commodity Chemicals-0.60%		
Mativ Holdings, Inc., Term Loan B, 9.00% (1 mo. USD LIBOR + 3.75%), 04/20/2028	$ 829,049	$ 799,514
Environmental & Facilities Services-0.31%		
GFL Environmental, Inc. (Canada), Term Loan B, 0.00% (1 mo. Term SOFR + 3.00%), 05/31/2027	408,936	409,750
Hotels, Resorts & Cruise Lines-1.15%		
Carnival Corp., Incremental Term Loan, 0.00%, 10/18/2028	265,150	263,271
IRB Holding Corp., Term Loan, 8.20% (1 mo. SOFR + 3.10%), 12/15/2027	987,533	981,978
Scientific Games Lottery, Term Loan B, 0.00%, 04/04/2029	287,200	284,149
		1,529,398
Pharmaceuticals-0.41%		
Endo Luxembourg Finance Co. I S.a.r.l., Term Loan, 14.25% (1 mo. PRIME + 6.00%), 03/27/2028	720,875	547,325
Total Variable Rate Senior Loan Interests (Cost $4,325,664)		4,133,205

	Shares	Value
Exchange-Traded Funds-0.25%		
Invesco AT1 Capital Bond UCITS ETF (Cost $323,380)(l)	15,000	329,035
Preferred Stocks-0.10%		
Diversified Banks-0.10%		
Bank of America Corp., 6.50%, Series Z, Pfd.(c)	133,000	132,963
Regional Banks-0.00%		
First Republic Bank, Series N, Pfd.(h)	3,000	39
Total Preferred Stocks (Cost $157,064)		133,002
Common Stocks & Other Equity Interests-0.09%		
Cable & Satellite-0.09%		
Altice USA, Inc., Class A (Cost $431,863)	39,000	117,780
Money Market Funds-2.56%		
Invesco Government & Agency Portfolio, Institutional Class, 5.05%(l)(m)	1,180,407	1,180,407
Invesco Liquid Assets Portfolio, Institutional Class, 5.15%(l)(m)	877,730	877,818
Invesco Treasury Portfolio, Institutional Class, 5.03%(l)(m)	1,349,037	1,349,037
Total Money Market Funds (Cost $3,407,260)		3,407,262
TOTAL INVESTMENTS IN SECURITIES-99.09% (Cost $137,636,293)		131,972,458
OTHER ASSETS LESS LIABILITIES-0.91%		1,215,531
NET ASSETS-100.00%		$133,187,989

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

Investment Abbreviations:

Conv. – Convertible
ETF – Exchange-Traded Fund
EUR – Euro
GBP – British Pound Sterling
LIBOR – London Interbank Offered Rate
Pfd. – Preferred
PIK – Pay-in-Kind
REIT – Real Estate Investment Trust
SOFR – Secured Overnight Financing Rate
USD – U.S. Dollar

Notes to Schedule of Investments:

(a) Industry and/or sector classifications used in this report are generally according to the Global Industry Classification Standard, which was developed by and is the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.
(b) 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 June 30, 2023 was $96,688,152, which represented 72.60% of the Fund's Net Assets.
(c) Security issued at a fixed rate for a specific period of time, after which it will convert to a variable rate.
(d) Perpetual bond with no specified maturity date.
(e) Defaulted security. Currently, the issuer is in default with respect to principal and/or interest payments. The value of this security at June 30, 2023 represented less than 1% of the Fund's Net Assets.
(f) All or a portion of this security is Pay-in-Kind. Pay-in-Kind securities pay interest income in the form of securities.
(g) Restricted security. The aggregate value of these securities at June 30, 2023 was $250,672, which represented less than 1% of the Fund's Net Assets.
(h) Step coupon bond. The interest rate represents the coupon rate at which the bond will accrue at a specified future date.
(i) Foreign denominated security. Principal amount is denominated in the currency indicated.
(j) Variable rate senior loan interests often require prepayments from excess cash flow or permit the borrower to repay at its election. The degree to which borrowers repay, whether as a contractual requirement or at their election, cannot be predicted with any accuracy. As a result, the actual remaining maturity may be substantially less than the stated maturities shown. However, it is anticipated that the variable rate senior loan interests will have an expected average life of three to five years.
(k) Variable rate senior loan interests are, at present, not readily marketable, not registered under the 1933 Act and may be subject to contractual and legal restrictions on sale. Variable rate senior loan interests in the Fund's portfolio generally have variable rates which adjust to a base, such as the London Interbank Offered Rate ("LIBOR"), on set dates, typically every 30 days, but not greater than one year, and/or have interest rates that float at margin above a widely recognized base lending rate such as the Prime Rate of a designated U.S. bank.
(l) 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 six months ended June 30, 2023.

	Value December 31, 2022	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)	Value June 30, 2023	Dividend Income
Invesco AT1 Capital Bond UCITS ETF	$ -	$ 323,380	$ -	$5,655	$ -	$ 329,035	$ -
Investments in Affiliated Money Market Funds:							
Invesco Government & Agency Portfolio, Institutional Class	574,301	12,968,501	(12,362,395)	-	-	1,180,407	34,971
Invesco Liquid Assets Portfolio, Institutional Class	445,083	9,263,214	(8,830,282)	(61)	(136)	877,818	22,201
Invesco Treasury Portfolio, Institutional Class	656,345	14,821,144	(14,128,452)	-	-	1,349,037	33,400
Investments Purchased with Cash Collateral from Securities on Loan:							
Invesco Private Government Fund	2,154,920	6,438,371	(8,593,291)	-	-	-	10,118*
Invesco Private Prime Fund	5,541,224	14,957,979	(20,499,539)	(182)	518	-	27,949
Total	$9,371,873	$58,772,589	$(64,413,959)	$5,412	$ 382	$3,736,297	$128,639

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

(m) The rate shown is the 7-day SEC standardized yield as of June 30, 2023.

Open Forward Foreign Currency Contracts

Settlement Date	Counterparty	Contract to Deliver	Contract to Receive	Unrealized Appreciation (Depreciation)
Currency Risk				
08/17/2023	Goldman Sachs International	EUR 2,830,000	USD 3,135,555	$ 40,927
Currency Risk				
08/17/2023	Canadian Imperial Bank of Commerce	EUR 800,000	USD 861,724	(13,082)
08/17/2023	Canadian Imperial Bank of Commerce	GBP 250,000	USD 313,202	(4,375)

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

Open Forward Foreign Currency Contracts—(continued)

Settlement Date	Counterparty	Contract to Deliver		Contract to Receive		Unrealized Appreciation (Depreciation)
08/17/2023	Citibank, N.A.	EUR	500,000	USD	543,125	$ (3,630)
08/17/2023	Goldman Sachs International	GBP	516,000	USD	653,437	(2,042)
08/17/2023	State Street Bank & Trust Co.	EUR	3,000,000	USD	3,278,625	(1,900)
08/17/2023	State Street Bank & Trust Co.	GBP	400,000	USD	501,298	(6,825)
Subtotal—Depreciation						(31,854)
Total Forward Foreign Currency Contracts						$ 9,073

Open Centrally Cleared Credit Default Swap Agreements[(a)]

Reference Entity	Buy/Sell Protection	(Pay)/ Receive Fixed Rate	Payment Frequency	Maturity Date	Implied Credit Spread[(b)]	Notional Value	Upfront Payments Paid (Received)	Value	Unrealized Appreciation (Depreciation)
Credit Risk									
Markit CDX North America High Yield Index, Series 40, Version 1	Buy	(5.00)%	Quarterly	06/20/2028	4.267%	USD 3,000,000	$(29,593)	$(86,156)	$(56,563)

(a) Centrally cleared swap agreements collateralized by $183,464 cash held with Bank of America.
(b) Implied credit spreads represent the current level, as of June 30, 2023, at which protection could be bought or sold given the terms of the existing credit default swap agreement and serve as an indicator of the current status of the payment/performance risk of the credit default swap agreement. An implied credit spread that has widened or increased since entry into the initial agreement may indicate a deteriorating credit profile and increased risk of default for the reference entity. A declining or narrowing spread may indicate an improving credit profile or decreased risk of default for the reference entity. Alternatively, credit spreads may increase or decrease reflecting the general tolerance for risk in the credit markets generally.

Abbreviations:

EUR —Euro
GBP —British Pound Sterling
USD —U.S. Dollar

Portfolio Composition*

By credit quality, based on total investments as of June 30, 2023

BBB	3.98%
BB	42.46
B	40.66
CCC and below	8.15
Cash	3.34
Not-rated	1.41

* Source: Standard & Poor's. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. "Non- Rated" indicates the debtor was not rated, and should not be interpreted as indicating low quality. For more information on Standard & Poor's rating methodology, please visit standardandpoors.com and select "Understanding Ratings" under Rating Resources on the homepage.

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

Statement of Assets and Liabilities

June 30, 2023

(Unaudited)

Assets:	
Investments in unaffiliated securities, at value (Cost $133,905,653)	$128,236,161
Investments in affiliates, at value (Cost $3,730,640)	3,736,297
Other investments:	
Variation margin receivable—centrally cleared swap agreements	2,632
Unrealized appreciation on forward foreign currency contracts outstanding	40,927
Deposits with brokers:	
Cash collateral – centrally cleared swap agreements	183,464
Foreign currencies, at value (Cost $891,883)	906,070
Receivable for:	
Investments sold	104,859
Fund shares sold	140,260
Dividends	16,710
Interest	2,007,080
Investment for trustee deferred compensation and retirement plans	29,769
Other assets	168
Total assets	135,404,397
Liabilities:	
Other investments:	
Unrealized depreciation on forward foreign currency contracts outstanding	31,854
Payable for:	
Investments purchased	2,003,076
Fund shares reacquired	16,551
Amount due custodian	17,002
Accrued fees to affiliates	83,915
Accrued other operating expenses	28,992
Trustee deferred compensation and retirement plans	35,018
Total liabilities	2,216,408
Net assets applicable to shares outstanding	$133,187,989
Net assets consist of:	
Shares of beneficial interest	$165,268,927
Distributable earnings (loss)	(32,080,938)
	$133,187,989
Net Assets:	
Series I	$ 31,081,159
Series II	$102,106,830
Shares outstanding, no par value, with an unlimited number of shares authorized:	
Series I	6,669,126
Series II	22,209,328
Series I:	
Net asset value per share	$ 4.66
Series II:	
Net asset value per share	$ 4.60

Statement of Operations

For the six months ended June 30, 2023

(Unaudited)

Investment income:	
Interest	$ 4,782,350
Dividends	59,722
Dividends from affiliated money market funds (includes net securities lending income of $3,683)	94,255
Total investment income	4,936,327
Expenses:	
Advisory fees	423,575
Administrative services fees	112,217
Custodian fees	2,995
Distribution fees - Series II	125,877
Transfer agent fees	3,566
Trustees' and officers' fees and benefits	6,899
Reports to shareholders	4,719
Professional services fees	39,141
Other	890
Total expenses	719,879
Less: Fees waived	(2,092)
Net expenses	717,787
Net investment income	4,218,540
Realized and unrealized gain (loss) from:	
Net realized gain (loss) from:	
Unaffiliated investment securities	(7,049,173)
Affiliated investment securities	382
Foreign currencies	12,995
Forward foreign currency contracts	(156,342)
Swap agreements	(59,490)
	(7,251,628)
Change in net unrealized appreciation (depreciation) of:	
Unaffiliated investment securities	7,549,387
Affiliated investment securities	5,412
Foreign currencies	10,638
Forward foreign currency contracts	79,621
Swap agreements	(134,255)
	7,510,803
Net realized and unrealized gain	259,175
Net increase in net assets resulting from operations	$ 4,477,715

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

Statement of Changes in Net Assets

For the six months ended June 30, 2023 and the year ended December 31, 2022

(Unaudited)

	June 30, 2023	December 31, 2022
Operations:		
Net investment income	$ 4,218,540	$ 6,525,356
Net realized gain (loss)	(7,251,628)	(5,650,517)
Change in net unrealized appreciation (depreciation)	7,510,803	(15,492,544)
Net increase (decrease) in net assets resulting from operations	4,477,715	(14,617,705)
Distributions to shareholders from distributable earnings:		
Series I	–	(1,444,687)
Series II	–	(4,579,519)
Total distributions from distributable earnings	–	(6,024,206)
Share transactions–net:		
Series I	(16,546,863)	10,604,240
Series II	(844,896)	1,281,907
Net increase (decrease) in net assets resulting from share transactions	(17,391,759)	11,886,147
Net increase (decrease) in net assets	(12,914,044)	(8,755,764)
Net assets:		
Beginning of period	146,102,033	154,857,797
End of period	$133,187,989	$146,102,033

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

Financial Highlights

(Unaudited)

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

	Net asset value, beginning of period	Net investment income[a]	Net gains (losses) on securities (both realized and unrealized)	Total from investment operations	Dividends from net investment income	Net asset value, end of period	Total return [b]	Net assets, end of period (000's omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed	Ratio of net investment income to average net assets	Portfolio turnover [c]
Series I												
Six months ended 06/30/23	$4.50	$0.15	$ 0.01	$ 0.16	$ –	$4.66	3.56%	$ 31,081	0.88%[d]	0.88%[d]	6.40%[d]	68%
Year ended 12/31/22	5.23	0.23	(0.73)	(0.50)	(0.23)	4.50	(9.55)	46,466	0.86	0.86	4.92	89
Year ended 12/31/21	5.26	0.20	0.03	0.23	(0.26)	5.23	4.38	40,989	0.94	0.94	3.83	103
Year ended 12/31/20	5.41	0.28	(0.12)	0.16	(0.31)	5.26	3.32	44,543	0.93	0.94	5.39	89
Year ended 12/31/19	5.06	0.29	0.39	0.68	(0.33)	5.41	13.51	50,190	0.88	0.89	5.45	54
Year ended 12/31/18	5.51	0.26	(0.43)	(0.17)	(0.28)	5.06	(3.35)	55,703	1.17	1.17	4.84	66
Series II												
Six months ended 06/30/23	4.45	0.14	0.01	0.15	–	4.60	3.37	102,107	1.13[d]	1.13[d]	6.15[d]	68
Year ended 12/31/22	5.16	0.22	(0.72)	(0.50)	(0.21)	4.45	(9.55)	99,637	1.11	1.11	4.67	89
Year ended 12/31/21	5.20	0.19	0.02	0.21	(0.25)	5.16	4.00	113,869	1.19	1.19	3.58	103
Year ended 12/31/20	5.36	0.26	(0.12)	0.14	(0.30)	5.20	2.90	103,568	1.18	1.19	5.14	89
Year ended 12/31/19	5.02	0.28	0.37	0.65	(0.31)	5.36	13.16	104,929	1.13	1.14	5.20	54
Year ended 12/31/18	5.46	0.25	(0.42)	(0.17)	(0.27)	5.02	(3.43)	86,236	1.42	1.42	4.59	66

[a] Calculated using average shares outstanding.

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

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

[d] Annualized.

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

Notes to Financial Statements

June 30, 2023
(Unaudited)

NOTE 1—Significant Accounting Policies

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

The Fund's investment objective is total return, comprised of current income and capital appreciation.

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

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

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

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

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

Variable rate senior loan interests are fair valued using quotes provided by an independent pricing service. Quotes provided by the pricing service may reflect appropriate factors such as ratings, tranche type, industry, company performance, spread, individual trading characteristics, institution-size trading in similar groups of securities and other market data.

A security listed or traded on an exchange is generally valued at its trade price or official closing price that day as of the close of the exchange where the security is principally traded, or lacking any trades or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued using prices provided by an independent pricing service they may be considered fair valued.

Futures contracts are valued at the daily settlement price set by an exchange on which they are principally traded. U.S. exchange-traded options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Non-U.S. exchange-traded options are valued at the final settlement price set by the exchange on which they trade. Options not listed on an exchange and swaps generally are valued using pricing provided from independent pricing services.

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

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

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 New York Stock Exchange ("NYSE"). If market quotations are available and reliable for foreign exchange-traded equity securities, the securities will be valued at the market quotations. Invesco Advisers, Inc. (the "Adviser" or "Invesco") may use various pricing services to obtain market quotations as well as fair value prices. Because trading hours for certain foreign securities end before the close of the NYSE, closing market quotations may become not representative of market value in the Adviser's judgment ("unreliable"). If, between the time trading ends on a particular security and the close of the customary trading session on the NYSE, a significant event occurs that makes the closing price of the security unreliable, the Adviser may fair value the security. If the event is likely to have affected the closing price of the security, the security will be valued at fair value in good faith in accordance with Board- approved policies and related Adviser procedures ("Valuation Procedures"). Adjustments to closing prices to reflect fair value may also be based on a screening process of an independent pricing service to indicate the degree of certainty, based on historical data, that the closing price in the principal market where a foreign security trades is not the current value as of the close of the NYSE. Foreign securities' prices meeting the degree of certainty that the price is not reflective of current value will be priced at the indication of fair value from the independent pricing service. Multiple factors may be considered by the independent pricing service in determining adjustments to reflect fair value and may include information relating to sector indices, American Depositary Receipts and domestic and foreign index futures. Foreign securities may have additional risks including exchange rate changes, potential for sharply devalued currencies and high inflation, political and economic upheaval, the relative lack of issuer information, relatively low market liquidity and the potential lack of strict financial and accounting controls and standards.

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

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

Securities for which market quotations are not readily available are fair valued by the Adviser in accordance with the Valuation Procedures. If a fair value price provided by a pricing service is unreliable, the Adviser will fair value the security using the Valuation Procedures. Issuer specific events, market trends, bid/asked quotes of brokers and information providers and other market data may be reviewed in the course of making a good faith determination of a security's fair value.

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

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

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

B. Securities Transactions and Investment Income – Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is recorded on an accrual basis from settlement date and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. Pay-in-kind interest income and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

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

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

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

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

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

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

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

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

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

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

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

I. Securities Purchased on a When-Issued and Delayed Delivery Basis – The Fund may purchase and sell interests in corporate loans and corporate debt securities and other portfolio securities on a when-issued and delayed delivery basis, with payment and delivery scheduled for a future date. No income accrues to the Fund on such interests or securities in connection with such transactions prior to the date the Fund actually takes delivery of such interests or securities. These transactions are subject to market fluctuations and are subject to the risk that the value at delivery may be more or less than the trade date purchase price. Although the Fund will generally purchase these securities with the intention of acquiring such securities, they may sell such securities prior to the settlement date.

J. Lower-Rated Securities – The Fund normally invests at least 80% of its net assets in lower-quality debt securities, i.e., "junk bonds". Investments in lower-rated securities or unrated securities of comparable quality tend to be more sensitive to economic conditions than higher rated securities. Junk bonds involve a greater risk of default by the issuer because such securities are generally unsecured and are often subordinated to other creditors' claims.

K. Securities Lending – The Fund may lend portfolio securities having a market value up to one-third of the Fund's total assets. Such loans are secured by collateral equal to no less than the market value of the loaned securities determined daily by the securities lending provider. Such collateral will be cash or debt securities issued or guaranteed by the U.S. Government or any of its sponsored agencies. Cash collateral received in connection with these loans is invested in short-term money market instruments or affiliated, unregistered investment companies that comply with Rule 2a-7 under the 1940 Act and money market funds (collectively, "affiliated money market funds") and is shown as such on the Schedule of Investments. The Fund bears the risk of loss with respect to the investment of collateral. It is the Fund's policy to obtain additional collateral from or return excess collateral to the borrower by the end of the next business day, following the valuation date of the securities loaned. Therefore, the value of the collateral held may be temporarily less than the value of the securities on loan. When loaning securities, the Fund retains certain benefits of owning the securities, including the economic equivalent of dividends or interest generated by the security. Lending securities entails a risk of loss to the Fund if, and to the extent that, the market value of the securities loaned were to increase and the borrower did not increase the collateral accordingly, and the borrower failed to return the securities. The securities loaned are subject to termination at the option of the borrower or the Fund. Upon termination, the borrower will return to the Fund the securities loaned and the Fund will return the collateral. Upon the failure of the borrower to return the securities, collateral may be liquidated and the securities may be purchased on the open market to replace the loaned securities. The Fund could experience delays and costs in gaining access to the collateral and the securities may lose value during the delay which could result in potential losses to the Fund. Some of these losses may be indemnified by the lending agent. The Fund bears the risk of any deficiency in the amount of the collateral available for return to the borrower due to any loss on the collateral invested. Dividends received on cash collateral investments for securities lending transactions, which are net of compensation to counterparties, are included in *Dividends from affiliates* on the Statement of Operations. The aggregate value of securities out on loan, if any, is shown as a footnote on the Statement of Assets and Liabilities.

The Adviser serves as an affiliated securities lending agent for the Fund. The Bank of New York Mellon also serves as a securities lending agent. To the extent the Fund utilizes the Adviser as an affiliated securities lending agent, the Fund conducts its securities lending in accordance with, and in reliance upon, no-action letters issued by the SEC staff that provide guidance on how an affiliate may act as a direct agent lender and receive compensation for those services in a manner consistent with the federal securities laws. For the six months ended June 30, 2023, fees paid to the Adviser were less than $500. Fees paid to the Adviser for securities lending agent services, if any, are included in *Dividends from affiliates* on the Statement of Operations.

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

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

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

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

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

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

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

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

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

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

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

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

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

Notional amounts of each individual credit default swap agreement outstanding as of June 30, 2023, if any, for which the Fund is the seller of protection are disclosed in the open swap agreements table. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Fund for the same referenced entity or entities.

O. Bank Loan Risk – Although the resale, or secondary market for floating rate loans has grown substantially over the past decade, both in overall size and number of market participants, there is no organized exchange or board of trade on which floating rate loans are traded. Instead, the secondary market for floating rate loans is a private, unregulated interdealer or interbank resale market. Such a market may therefore be subject to irregular trading activity, wide bid/ask spreads, and extended trade settlement periods, which may impair the Fund's ability to sell bank loans within its desired time frame or at an acceptable price and its ability to accurately value existing and prospective investments. Extended trade settlement periods may result in cash not being immediately available to the Fund. As a result, the Fund may have to sell other investments or engage in borrowing transactions to raise cash to meet its obligations. Similar to other asset classes, bank loan funds may be exposed to counterparty credit risk, or the risk than an entity with which the Fund has unsettled or open transactions may fail to or be unable to perform on its commitments. The Fund seeks to manage counterparty credit risk by entering into transactions only with counterparties that it believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties.

P. LIBOR Transition Risk - The Fund may have investments in financial instruments that utilize the London Interbank Offered Rate ("LIBOR") as the reference or benchmark rate for variable interest rate calculations. LIBOR is intended to measure the rate generally at which banks can lend and borrow from one another in the relevant currency on an unsecured basis. The UK Financial Conduct Authority ("FCA"), the regulator that oversees LIBOR, announced that the majority of LIBOR rates would cease to be published or would no longer be representative on January 1, 2022. The publication of most LIBOR rates ceased at the end of 2021, and the remaining USD LIBOR rates will no longer be published after June 2023.

There remains uncertainty and risks relating to the continuing LIBOR transition and its effects on the Fund and the instruments in which the Fund invests. There can be no assurance that the composition or characteristics of any alternative reference rates ("ARRs") or financial instruments in which the Fund invests that utilize ARRs will be similar to or produce the same value or economic equivalence as LIBOR or that these instruments will have the same volume or liquidity. Additionally, there remains uncertainty and risks relating to certain "legacy" USD LIBOR instruments that were issued or entered into before December 31, 2021 and the process by which a replacement interest rate will be identified and implemented into these instruments when USD LIBOR is ultimately discontinued. On December 16, 2022, the Federal Reserve Board adopted regulations implementing the Adjustable Interest Rate Act. The regulations provide a statutory fallback mechanism to replace LIBOR, by identifying benchmark rates based on the Secured Overnight Financing Rate ("SOFR") that will replace LIBOR in certain financial contracts after June 30, 2023. These regulations apply only to contracts governed by U.S. law, among other limitations. The Funds may have instruments linked to other interbank offered rates that may also cease to be published in the future. The effects of such uncertainty and risks in "legacy" USD LIBOR instruments held by the Fund could result in losses to the Fund.

Q. Other Risks - The Fund invests in corporate loans from U.S. or non-U.S. companies (the "Borrowers"). The investment of the Fund in a corporate loan may take the form of participation interests or assignments. If the Fund purchases a participation interest from a syndicate of lenders ("Lenders") or one of the participants in the syndicate ("Participant"), one or more of which administers the loan on behalf of all the Lenders (the "Agent Bank"), the Fund would be required to rely on the Lender that sold the participation interest not only for the enforcement of the Fund's rights against the Borrower but also for the receipt and processing of payments due to the Fund under the corporate loans. As such, the Fund is subject to the credit risk of the Borrower and the Participant. Lenders and Participants interposed between the Fund and a Borrower, together with Agent Banks, are referred to as "Intermediate Participants".

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

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

Average Daily Net Assets	Rate
First $200 million	0.625%
Next $300 million	0.550%
Next $500 million	0.500%
Over $1 billion	0.450%

For the six months ended June 30, 2023, the effective advisory fee rate incurred by the Fund was 0.62%.

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

The Adviser has contractually agreed, through at least June 30, 2023, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement (excluding certain items discussed below) of Series I shares to 1.50% and Series II shares to 1.75% of the Fund's average daily net assets (the "expense limits"). In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. The Adviser did not waive fees and/or reimburse expenses during the period under these expense limits. Effective July 1, 2023, the fee waiver agreement has been extended for an indefinite period. Invesco may amend and/or terminate this expense limit at any time in its sole discretion and will inform the Board of Trustees of any such changes.

Further, the Adviser has contractually agreed, through at least June 30, 2025, to waive the advisory fee payable by the Fund in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Fund of uninvested cash (excluding investments of cash collateral from securities lending) in such affiliated money market funds.

For the six months ended June 30, 2023, the Adviser waived advisory fees of $2,092.

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 six months ended June 30, 2023, Invesco was paid $10,572 for accounting and fund administrative services and was reimbursed $101,645 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 six months ended June 30, 2023, expenses incurred under the agreement are shown in the Statement of Operations as *Transfer agent fees*.

The Trust has entered into a master distribution agreement with Invesco Distributors, Inc. ("IDI") to serve as the distributor for the Fund. The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Series II shares (the "Plan"). The Fund, pursuant to the Plan, pays IDI compensation at the annual rate of 0.25% of the Fund's average daily net assets of Series II shares. The fees are accrued daily and paid monthly. Of the Plan payments, up to 0.25% of the average daily net assets of the Series II shares may be paid to insurance companies who furnish continuing personal shareholder services to customers who purchase and own Series II shares of the Fund. For the six months ended June 30, 2023, expenses incurred under the Plan are detailed in the 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. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

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

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

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

The following is a summary of the tiered valuation input levels, as of June 30, 2023. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

	Level 1	Level 2	Level 3	Total
Investments in Securities				
U.S. Dollar Denominated Bonds & Notes	$ –	$115,456,786	$–	$115,456,786
Non-U.S. Dollar Denominated Bonds & Notes	–	8,395,388	–	8,395,388
Variable Rate Senior Loan Interests	–	4,133,205	–	4,133,205
Exchange-Traded Funds	–	329,035	–	329,035
Preferred Stocks	39	132,963	–	133,002
Common Stocks & Other Equity Interests	117,780	–	–	117,780
Money Market Funds	3,407,262	–	–	3,407,262
Total Investments in Securities	3,525,081	128,447,377	–	131,972,458
Other Investments - Assets*				
Forward Foreign Currency Contracts	–	40,927	–	40,927
Other Investments - Liabilities*				
Forward Foreign Currency Contracts	–	(31,854)	–	(31,854)
Swap Agreements	–	(56,563)	–	(56,563)
	–	(88,417)	–	(88,417)
Total Other Investments	–	(47,490)	–	(47,490)
Total Investments	$3,525,081	$128,399,887	$–	$131,924,968

* Unrealized appreciation (depreciation).

NOTE 4—Derivative Investments

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

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

Value of Derivative Investments at Period-End

The table below summarizes the value of the Fund's derivative investments, detailed by primary risk exposure, held as of June 30, 2023:

	Value
Derivative Assets	**Currency Risk**
Unrealized appreciation on forward foreign currency contracts outstanding	$40,927
Derivatives not subject to master netting agreements	–
Total Derivative Assets subject to master netting agreements	$40,927

	Value		
Derivative Liabilities	**Credit Risk**	**Currency Risk**	**Total**
Unrealized depreciation on swap agreements – Centrally Cleared[a]	$(56,563)	$ –	$(56,563)
Unrealized depreciation on forward foreign currency contracts outstanding	–	(31,854)	(31,854)
Total Derivative Liabilities	(56,563)	(31,854)	(88,417)
Derivatives not subject to master netting agreements	56,563	–	56,563
Total Derivative Liabilities subject to master netting agreements	$ –	$(31,854)	$(31,854)

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

Offsetting Assets and Liabilities

The table below reflects the Fund's exposure to Counterparties subject to either an ISDA Master Agreement or other agreement for OTC derivative transactions as of June 30, 2023.

	Financial Derivative Assets	Financial Derivative Liabilities		Collateral (Received)/Pledged		
Counterparty	Forward Foreign Currency Contracts	Forward Foreign Currency Contracts	Net Value of Derivatives	Non-Cash	Cash	Net Amount
Canadian Imperial Bank of Commerce	$ –	$(17,457)	$(17,457)	$–	$–	$(17,457)
Citibank, N.A.	–	(3,630)	(3,630)	–	–	(3,630)
Goldman Sachs International	40,927	(2,042)	38,885	–	–	38,885
State Street Bank & Trust Co.	–	(8,725)	(8,725)	–	–	(8,725)
Total	$40,927	$(31,854)	$ 9,073	$–	$–	$ 9,073

Effect of Derivative Investments for the six months ended June 30, 2023

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

	Location of Gain (Loss) on Statement of Operations		
	Credit Risk	Currency Risk	Total
Realized Gain (Loss):			
Forward foreign currency contracts	$ -	$(156,342)	$(156,342)
Swap agreements	(59,490)	-	(59,490)
Change in Net Unrealized Appreciation (Depreciation):			
Forward foreign currency contracts	-	79,621	79,621
Swap agreements	(134,255)	-	(134,255)
Total	$(193,745)	$ (76,721)	$(270,466)

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

	Forward Foreign Currency Contracts	Swap Agreements
Average notional value	$4,994,802	$4,916,667

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 may borrow for leveraging in an amount up to 5% of the Fund's total assets (excluding the amount borrowed) at the time the borrowing is made. In doing so, the Fund is permitted to temporarily carry a negative or overdrawn balance in its account with SSB, the custodian bank. Such balances, if any at period end, are shown in the Statement of Assets and Liabilities under the payable caption *Amount due custodian*. To compensate the custodian bank for such overdrafts, the overdrawn Fund may either (1) leave funds as a compensating balance in the account so the custodian bank can be compensated by earning the additional interest; or (2) compensate by paying the custodian bank at a rate agreed upon by the custodian bank and Invesco, not to exceed the contractually agreed upon rate.

NOTE 7—Tax Information

The amount and character of income and gains to be distributed are determined in accordance with income tax regulations, which may differ from GAAP. Reclassifications are made to the Fund's capital accounts to reflect income and gains available for distribution (or available capital loss carryforward) under income tax regulations. The tax character of distributions paid during the year and the tax components of net assets will be reported at the Fund's fiscal year-end.

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

Capital Loss Carryforward*

Expiration	Short-Term	Long-Term	Total
Not subject to expiration	$8,881,417	$20,875,940	$29,757,357

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

NOTE 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 six months ended June 30, 2023 was $88,753,566 and $103,389,651, 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	$ 1,522,418
Aggregate unrealized (depreciation) of investments	(7,436,772)
Net unrealized appreciation (depreciation) of investments	$(5,914,354)

Cost of investments for tax purposes is $137,839,322.

NOTE 9—Share Information

Summary of Share Activity

	Six months ended June 30, 2023[(a)]		Year ended December 31, 2022	
	Shares	Amount	Shares	Amount
Sold:				
Series I	2,371,829	$ 10,972,850	11,040,834	$ 51,972,034
Series II	887,764	4,044,396	1,527,673	7,263,410
Issued as reinvestment of dividends:				
Series I	-	-	326,114	1,444,687
Series II	-	-	1,045,552	4,579,519
Reacquired:				
Series I	(6,018,187)	(27,519,713)	(8,895,958)	(42,812,481)
Series II	(1,074,371)	(4,889,292)	(2,226,426)	(10,561,022)
Net increase (decrease) in share activity	(3,832,965)	$(17,391,759)	2,817,789	$ 11,886,147

(a) There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 70% 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.

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 January 1, 2023 through June 30, 2023.

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.

		ACTUAL		HYPOTHETICAL (5% annual return before expenses)		
	Beginning Account Value (01/01/23)	Ending Account Value (06/30/23)[1]	Expenses Paid During Period[2]	Ending Account Value (06/30/23)	Expenses Paid During Period[2]	Annualized Expense Ratio
Series I	$1,000.00	$1,035.60	$4.44	$1,020.43	$4.41	0.88%
Series II	1,000.00	1,033.70	5.70	1,019.19	5.66	1.13

[1] The actual ending account value is based on the actual total return of the Fund for the period January 1, 2023 through June 30, 2023, after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's expense ratio and a hypothetical annual return of 5% before expenses.

[2] Expenses are equal to the Fund's annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 181/365 to reflect the most recent fiscal half year.

Approval of Investment Advisory and Sub-Advisory Contracts

At meetings held on June 13, 2023, the Board of Trustees (the Board or the Trustees) of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) as a whole, and the independent Trustees, who comprise over 75% of the Board, voting separately, approved the continuance of the Invesco V.I. High Yield Fund's (the Fund) Master Investment Advisory Agreement with Invesco Advisers, Inc. (Invesco Advisers and the investment advisory agreement) and the Master Intergroup Sub-Advisory Contract for Mutual Funds with 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 contracts with Invesco Capital Management LLC and Invesco Asset Management (India) Private Limited (collectively, the Affiliated Sub-Advisers and the sub-advisory contracts) for another year, effective July 1, 2023. After evaluating the factors discussed below, among others, the Board approved the renewal of the Fund's investment advisory agreement and the sub-advisory contracts and determined that the compensation payable thereunder by the Fund to Invesco Advisers and by Invesco Advisers to the Affiliated Sub-Advisers is fair and reasonable.

The Board's Evaluation Process

The Board has established an Investments Committee, which in turn has established Sub-Committees that meet throughout the year to review the performance of funds advised by Invesco Advisers (the Invesco Funds). The Sub-Committees meet regularly with portfolio managers for their assigned Invesco Funds and other members of management to review information about investment performance and portfolio attributes of these funds. The Board has established additional standing and ad hoc committees that meet regularly throughout the year to review matters within their purview, including a working group focused on opportunities to make ongoing and continuous improvements to the annual review process for the Invesco Funds' investment advisory and sub-advisory contracts. The Board took into account evaluations and reports that it received from its committees and sub-committees, as well as the information provided to the Board and its committees and sub-committees throughout the year, in considering whether to approve each Invesco Fund's investment advisory agreement and sub-advisory contracts.

As part of the contract renewal process, the Board reviews and considers information provided in response to requests for information submitted to management by the independent Trustees with assistance from legal counsel to the independent Trustees and the Senior Officer, an officer of the Invesco Funds who reports directly to the independent Trustees. The Board receives comparative investment performance and fee and expense data regarding the Invesco Funds prepared by Broadridge Financial Solutions, Inc. (Broadridge), an independent mutual fund data provider, as well as information on the composition of the peer groups provided by Broadridge and its methodology for determining peer groups. The Board also receives an independent written evaluation from the Senior Officer. The Senior Officer's evaluation is prepared as part of his responsibility to manage the process by which the Invesco Funds' proposed management fees are negotiated during the annual contract renewal process to ensure they are negotiated in a manner that is at arms' length and reasonable in accordance with certain negotiated regulatory requirements. In addition to meetings with Invesco Advisers and fund counsel throughout the year and as part of meetings convened on May 2, 2023 and June 13, 2023, the independent Trustees also discussed the continuance of the investment advisory agreement and sub-advisory contracts in separate sessions with the Senior Officer and with independent legal counsel. Also, as part of the contract renewal process, the independent Trustees reviewed and considered information provided in response to follow-up requests for information submitted by the independent Trustees to management. The independent Trustees met and discussed those follow-up responses with legal counsel to the independent Trustees and the Senior Officer.

The discussion below is a summary of the Senior Officer's independent written evaluation with respect to the Fund's investment advisory agreement and sub-advisory contracts, as well as a discussion of the material factors and related conclusions that formed the basis for the Board's approval of the Fund's investment advisory agreement and sub-advisory contracts. The Trustees' review and conclusions are based on the comprehensive consideration of all information presented to them during the course of the year and in prior years and are not the result of any single determinative factor. Moreover, one Trustee may have weighed a particular piece of information or factor differently than another Trustee. The information received and considered by the Board was current as of various dates prior to the Board's approval on June 13, 2023.

Factors and Conclusions and Summary of Independent Written Fee Evaluation

A. Nature, Extent and Quality of Services Provided by Invesco Advisers and the Affiliated Sub-Advisers

The Board reviewed the nature, extent and quality of the advisory services provided to the Fund by Invesco Advisers under the Fund's investment advisory agreement, and the credentials and experience of the officers and employees of Invesco Advisers who provide these services, including the Fund's portfolio manager(s). The Board considered recent senior management changes at Invesco and Invesco Advisers, including the appointment of new Co-Heads of Investments, that had been presented to and discussed with the Board. The Board's review included consideration of Invesco Advisers' investment process and oversight, credit analysis, and research capabilities. The Board considered information regarding Invesco Advisers' programs for and resources devoted to risk management, including management of investment, enterprise, operational, liquidity, derivatives, valuation and compliance risks, and technology used to manage such risks. The Board received information regarding Invesco's methodology for compensating its investment professionals and the incentives and accountability it creates, as well as how it impacts Invesco's ability to attract and retain talent. The Board received a description of, and reports related to, Invesco Advisers' global security program and business continuity plans and of its approach to data privacy and cybersecurity, including related testing. The Board also considered non-advisory services that Invesco Advisers and its affiliates provide to the Invesco Funds, such as various middle office and back office support functions, third party oversight, internal audit, valuation, portfolio trading and legal and compliance. The Board observed that Invesco Advisers' systems preparedness and ongoing investment enabled Invesco Advisers to manage, operate and oversee the Invesco Funds with minimal impact or disruption through challenging environments. The Board reviewed and considered the benefits to shareholders of investing in a Fund that is part of the family of funds under the umbrella of Invesco Ltd., Invesco Advisers' parent company, and noted Invesco Ltd.'s depth and experience in running an investment management business, as well as its commitment of financial and other resources to such business. The Board concluded that the nature, extent and quality of the services provided to the Fund by Invesco Advisers are appropriate and satisfactory.

The Board reviewed the services that may be provided to the Fund by the Affiliated Sub-Advisers under the sub-advisory contracts and the credentials and experience of the officers and employees of the Affiliated Sub-Advisers who provide these services. The Board noted the Affiliated Sub-Advisers' expertise with respect to certain asset classes and that the Affiliated Sub-Advisers have offices and personnel that are located in financial centers around the world. As a result, the Board noted that the Affiliated Sub-Advisers can provide research and investment analysis on the markets and economies of various countries and territories in which the Fund may invest, make recommendations regarding securities and assist with portfolio trading. The Board concluded that the sub-advisory contracts may benefit the Fund and its shareholders by permitting Invesco Advisers to use the resources and talents of the Affiliated Sub-Advisers in managing the Fund. The Board concluded that the nature, extent and quality of the services that may be provided to the Fund by the Affiliated Sub-Advisers are appropriate and satisfactory.

B. Fund Investment Performance

The Board considered Fund investment performance as a relevant factor in considering whether to approve the investment advisory agreement. The Board did not view Fund investment performance as a relevant factor in considering whether to approve the sub-advisory contracts for the Fund, as no Affiliated Sub-Adviser currently manages assets of the Fund.

The Board compared the Fund's investment performance over multiple time periods ending December 31, 2022 to the performance of funds in the Broadridge performance universe and against the Bloomberg U.S. Corporate High Yield 2% Issuer Cap Index (Index). The Board noted that performance of Series II shares of the Fund was in the second quintile of its performance universe for the one year period and the fifth quintile for the three and five year periods (the first quintile being the best performing funds and the fifth quintile being the worst performing funds). The Board noted that performance of Series II shares of the Fund was above the performance of the Index for the one year period and below the performance of the Index for the three and five year periods. The Board considered that the Fund underwent a change in portfolio management and investment process in 2020, and that performance results prior to such date were those of the prior portfolio management team and investment process. The Board also considered that performance relative to its performance universe and benchmark had improved since that time. The Board further considered that the Fund's underperformance during the March 2020 sell-off in the market continued to negatively impact the Fund's long-term performance rankings. The Board recognized that the performance data reflects a snapshot in time as of a particular date and that selecting a different performance period could produce different results. The Board also reviewed more recent Fund performance as well as other performance metrics, which did not change its conclusions.

C. Advisory and Sub-Advisory Fees and Fund Expenses

The Board compared the Fund's contractual management fee rate to the contractual management fee rates of funds in the Fund's Broadridge expense group. The Board noted that the contractual management fee rate for Series II shares of the Fund was below the median contractual management fee rate of funds in its expense group. The Board noted that the term "contractual management fee" for funds in the expense group may include both advisory and certain non-portfolio management administrative services fees, but that Broadridge is not able to provide information on a fund-by-fund basis as to what is included. The Board also reviewed the methodology used by Broadridge in calculating expense group information, which includes using each fund's contractual management fee schedule (including any applicable breakpoints) as reported in the most recent prospectus or statement of additional information for each fund in the expense group. The Board also considered comparative information regarding the Fund's total expense ratio and its various components. The Board noted that the Fund's total expense ratio was in the fifth quintile of its expense group and discussed with management reasons for such relative total expenses. The Board requested and considered additional information from management regarding such relative total expenses, including the differentiated client base associated with variable insurance products. As previously noted, the independent Trustees reviewed and considered information provided in response to follow-up requests for information submitted by the independent Trustees to management, including with respect to the Fund's total expense ratio relative to peer funds. The independent Trustees met and discussed those follow-up responses with legal counsel to the independent Trustees and the Senior Officer, and subsequently with representatives of management. The Board acknowledged limitations regarding the Broadridge data, in particular that differences may exist between a Fund's treatment of administrative services fees as compared to its peer funds.

The Board noted that Invesco Advisers has contractually agreed to waive fees and/or limit expenses of the Fund for the term disclosed in the Fund's registration statement in an amount necessary to limit total annual operating expenses to a specified percentage of average daily net assets for each class of the Fund.

The Board also considered the fees charged by Invesco Advisers and its affiliates to other client accounts that are similarly managed. Invesco Advisers reviewed with the Board differences in the scope of services it provides to the Invesco Funds relative to that provided by Invesco Advisers and its affiliates to certain other types of client accounts, including, among others: management of cash flows as a result of redemptions and purchases; necessary infrastructure such as officers, office space, technology, legal and distribution; oversight of service providers; costs and business risks associated with launching new funds and sponsoring and maintaining the product line; and compliance with federal and state laws and regulations. Invesco Advisers also advised the Board that many of the similarly managed client accounts have all-inclusive fee structures, which are not easily un-bundled.

The Board also considered the services that may be provided by the Affiliated Sub-Advisers pursuant to the sub-advisory contracts, as well as the fees payable by Invesco Advisers to the Affiliated Sub-Advisers pursuant to the sub-advisory contracts.

D. Economies of Scale and Breakpoints

The Board considered the extent to which there may be economies of scale in the provision of advisory services to the Fund and the Invesco Funds, and the extent to which such economies of scale are shared with the Fund and the Invesco Funds. The Board acknowledged the difficulty in calculating and measuring economies of scale at the individual fund level; noting that only indicative and estimated measures are available at the individual fund level and that such measures are subject to uncertainty. The Board considered that the Fund may benefit from economies of scale through contractual breakpoints in the Fund's advisory fee schedule, which generally operate to reduce the Fund's expense ratio as it grows in size. The Board noted that the Fund also shares in economies of scale through Invesco Advisers' ability to negotiate lower fee arrangements with third party service providers. The Board noted that the Fund may also benefit from economies of scale through initial fee setting, fee waivers and expense reimbursements, as well as Invesco Advisers' investment in its business, including investments in business infrastructure, technology and cybersecurity.

E. Profitability and Financial Resources

The Board reviewed information from Invesco Advisers concerning the costs of the advisory and other services that Invesco Advisers and its affiliates provide to the Fund and the Invesco Funds and the profitability of Invesco Advisers and its affiliates in providing these services in the aggregate and on an individual fund-by-fund basis. The Board considered the methodology used for calculating profitability and the periodic review and enhancement of such methodology. The Board noted that Invesco Advisers continues to operate at a net profit from services Invesco Advisers and its affiliates provide to the Invesco Funds in the aggregate and to most Invesco Funds individually. The Board considered that profits to Invesco Advisers can vary significantly depending on the particular Invesco Fund, with some Invesco Funds showing indicative losses to Invesco Advisers and others showing indicative profits at healthy levels, and that Invesco Advisers' support for and commitment to an Invesco Fund are not, however, solely dependent on the profits realized as to that Fund. The Board did not deem the level of profits realized by Invesco Advisers and its affiliates from providing such services to be excessive, given the nature, extent and quality of the services provided. The Board noted that Invesco Advisers provided information demonstrating that Invesco Advisers is financially sound and has the resources necessary to perform its obligations under the investment advisory agreement, and provided representations indicating that the Affiliated Sub-Advisers are financially sound and have the resources necessary to perform their obligations under the sub-advisory contracts. The Board noted the cyclical and competitive nature of the global asset management industry.

F. Collateral Benefits to Invesco Advisers and its Affiliates

The Board considered various other benefits received by Invesco Advisers and its affiliates from the relationship with the Fund, including the fees received for providing administrative, transfer agency and distribution services to the Fund. The Board received comparative information regarding fees charged for these services, including information provided by Broadridge and other independent sources. The Board reviewed the performance of Invesco Advisers and its affiliates in providing these services and the organizational structure employed to provide these services. The Board noted that these services are provided to the Fund pursuant to written contracts that are reviewed and subject to approval on an annual basis by the Board based on its determination that the services are required for the operation of the Fund.

The Board considered the benefits realized by Invesco Advisers and the Affiliated Sub-Advisers as a result of portfolio brokerage transactions executed through "soft dollar" arrangements. Invesco Advisers noted that the Fund does not execute brokerage transactions through "soft dollar" arrangements to any significant degree.

The Board considered that the Fund's uninvested cash and cash collateral from any securities lending arrangements may be invested in registered money market funds or, with regard to securities lending cash collateral, unregistered funds that comply with Rule 2a-7 (collectively referred to as "affiliated money market funds") advised by Invesco Advisers. The Board considered information regarding the returns of the affiliated money market funds relative to comparable overnight investments, as well as the fees paid by the affiliated money market funds to Invesco Advisers and its affiliates. In this regard, the Board noted that Invesco Advisers receives advisory fees from these affiliated money market funds attributable to the Fund's investments. The Board also noted that Invesco Advisers has contractually agreed to waive through varying periods an amount equal to 100% of the net advisory fee Invesco Advisers receives from the affiliated money market funds with respect to the Fund's investment in the affiliated money market funds of uninvested cash, but not cash collateral. The Board concluded that the advisory fees payable to Invesco Advisers from the Fund's investment of cash collateral from any securities lending arrangements in the affiliated money market funds are for services that are not duplicative of services provided by Invesco Advisers to the Fund.

The Board considered that Invesco Advisers may serve as the Fund's affiliated securities lending agent and evaluated the benefits realized by Invesco Advisers when serving in such role, including the compensation received. The Board considered Invesco Advisers' securities lending platform and corporate governance structure for securities lending, including Invesco Advisers' Securities Lending Governance Committee and its related responsibilities. The Board noted that to the extent the Fund utilizes Invesco Advisers as an affiliated securities lending agent, the Fund conducts its securities lending in accordance with, and in reliance upon, no-action letters issued by the SEC staff that provide guidance on how an affiliate may act as a direct agent lender and receive compensation for those services without obtaining exemptive relief. The Board considered information provided by Invesco Advisers related to the performance of Invesco Advisers as securities lending agent, including a summary of the securities lending services provided to the Fund by Invesco Advisers and the compensation paid to Invesco Advisers for such services, as well as any revenues generated for the Fund in connection with such securities lending activity and the allocation of such revenue between the Fund and Invesco Advisers.

The Board also received information about commissions that an affiliated broker may receive for executing certain trades for the Fund. Invesco Advisers and the Affiliated Sub-Advisers advised the Board of the benefits to the Fund of executing trades through the affiliated broker and that such trades were executed in compliance with rules under the federal securities laws and consistent with best execution obligations.