Semiannual Report to Shareholders June 30, 2020

Invesco V.I. Government Securities Fund

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, the insurance company that offers your variable annuity or variable life insurance contract may no longer send you paper copies of the Fund's shareholder reports by mail, unless you specifically request paper copies of the reports from the insurance company or your financial intermediary. Instead of delivering paper copies of the report, the insurance company may choose to make the reports available on a website, and will notify you by mail each time a report is posted and provide you with a website link to access the report. Instructions for requesting paper copies will be provided by your insurance company.

If the insurance company offers electronic delivery, you may elect to receive shareholder reports and other communications about the Fund electronically by following the instructions provided by the insurance company or by contacting your financial intermediary. If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action.

You may elect to receive all future reports in paper free of charge from the insurance company. You can inform the insurance company or your financial intermediary that you wish to continue receiving paper copies of your shareholder reports by following the instructions provided by the insurance company or by contacting your financial intermediary. Your election to receive reports in paper will apply to all portfolio companies available under your contract with the insurance company.

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

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

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

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

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

Fund Performance

Performance summary

Fund vs. Indexes

Cumulative total returns, 12/31/19 to 6/30/20, excluding variable product issuer charges. If variable product issuer charges were included, returns would be lower.

Series I Shares	5.00%
Series II Shares	4.87
Bloomberg Barclays U.S. Aggregate Bond Index▼ (Broad Market Index)	6.14
Bloomberg Barclays U.S. Government Intermediate Index▼ (Style-Specific Index)	5.75
Lipper VUF Intermediate U.S. Government Funds Classification Average■ (Peer Group)	5.98

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

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

The **Bloomberg Barclays U.S. Government Intermediate Index** is comprised of the Intermediate U.S. Treasury and U.S. Agency Indices.

The **Lipper VUF Intermediate U.S. Government Funds Classification Average** represents an average of all variable insurance underlying funds in the Lipper Intermediate U.S. Government 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 6/30/20

Series I Shares	
Inception (5/5/93)	4.27%
10 Years	2.68
5 Years	2.99
1 Year	6.62
Series II Shares	
Inception (9/19/01)	3.39%
10 Years	2.42
5 Years	2.73
1 Year	6.31

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

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

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

Liquidity Risk Management Program

The Securities and Exchange Commission has adopted Rule 22e-4 under the Investment Company Act of 1940 (the "Liquidity Rule") in order to promote effective liquidity risk management throughout the open-end investment company industry, thereby reducing the risk that funds will be unable to meet their redemption obligations and mitigating dilution of the interests of fund shareholders. 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 30-April 1, 2020, 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 December 1, 2018 through December 31, 2019 (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

June 30, 2020
(Unaudited)

	Principal Amount	Value
U.S. Government Sponsored Agency Mortgage-Backed Securities-95.85%		
Collateralized Mortgage Obligations-17.89%		
Fannie Mae ACES, 2.76% (1 mo. USD LIBOR + 0.59%), 09/25/2023[(a)]	$ 515,248	$ 516,504
3.27%, 02/25/2029	5,000,000	5,786,963
Fannie Mae REMICs, 3.00%, 10/25/2025	12,099	12,129
2.50%, 03/25/2026	24,723	24,792
7.00%, 09/18/2027	142,895	158,857
1.50%, 01/25/2028	2,499,956	2,529,860
6.50%, 03/25/2032	483,233	569,083
5.75%, 10/25/2035	157,021	177,606
0.48% (1 mo. USD LIBOR + 0.30%), 05/25/2036[(a)]	1,642,681	1,637,778
4.25%, 02/25/2037	142,145	144,471
0.63% (1 mo. USD LIBOR + 0.45%), 03/25/2037[(a)]	819,966	821,894
0.58% (1 mo. USD LIBOR + 0.40%), 06/25/2038[(a)]	223,548	223,582
6.60%, 06/25/2039[(b)]	2,192,025	2,626,354
0.68%, 03/25/2040 to 05/25/2041	1,669,584	1,672,729
4.00%, 07/25/2040	1,426,829	1,574,316
0.73% (1 mo. USD LIBOR + 0.55%), 02/25/2041[(a)]	1,408,310	1,411,415
0.70% (1 mo. USD LIBOR + 0.52%), 11/25/2041[(a)]	1,482,506	1,487,001
0.69% (1 mo. USD LIBOR + 0.32%), 08/25/2044[(a)]	1,406,595	1,405,926
0.85% (1 mo. USD LIBOR + 0.48%), 02/25/2056[(a)]	2,662,568	2,670,811
0.79% (1 mo. USD LIBOR + 0.42%), 12/25/2056[(a)]	3,233,695	3,234,762
Freddie Mac Multifamily Structured Pass Through Ctfs., Series K714, Class A2, 3.03%, 10/25/2020[(b)]	3,978,316	3,982,804
Series KLU1, Class A2, 2.51%, 12/25/2025	5,000,000	5,345,457
Series KGO1, Class A7, 2.88%, 04/25/2026	5,000,000	5,531,000
Series KS11, Class AFX1, 2.15%, 12/25/2028	5,000,000	5,339,701
Series K093, Class A1, 2.76%, 12/25/2028	1,952,498	2,152,237
Series K092, Class AM, 3.02%, 04/25/2029	5,000,000	5,733,261

	Principal Amount	Value
Collateralized Mortgage Obligations-(continued)		
Freddie Mac REMICs, 3.00%, 04/15/2026	$ 13,976	$ 14,025
0.68%, 12/15/2035 to 03/15/2040	3,013,167	3,020,434
0.48%, 03/15/2036 to 09/15/2044	6,666,782	6,632,749
0.72% (1 mo. USD LIBOR + 0.35%), 11/15/2036[(a)]	1,970,711	1,939,819
0.55% (1 mo. USD LIBOR + 0.37%), 03/15/2037[(a)]	877,772	877,796
0.58%, 05/15/2037 to 06/15/2037	1,466,136	1,466,514
1.04% (1 mo. USD LIBOR + 0.86%), 11/15/2039[(a)]	472,303	481,635
0.63%, 03/15/2040 to 02/15/2042	4,919,629	4,925,724
Freddie Mac STRIPS, 0.72% (1 mo. USD LIBOR + 0.35%), 10/15/2037[(a)]	1,574,166	1,555,067
Freddie Mac Whole Loan Securities Trust, Series 2017-SC02, Class 2A1, 3.50%, 05/25/2047	570,964	576,463
		78,261,519
Federal Home Loan Mortgage Corp. (FHLMC)-15.70%		
6.50%, 02/01/2021 to 12/01/2035	1,478,212	1,707,036
6.00%, 03/01/2021 to 07/01/2038	164,852	184,238
10.00%, 03/01/2021	2	2
7.00%, 12/01/2021 to 11/01/2035	1,920,493	2,232,954
8.00%, 12/01/2021 to 02/01/2035	328,759	350,201
7.50%, 09/01/2022 to 06/01/2035	608,317	703,303
8.50%, 11/17/2022 to 08/01/2031	114,765	122,645
5.50%, 12/01/2022	2,618	2,637
3.50%, 08/01/2026 to 12/01/2049	6,208,543	6,666,162
3.00%, 05/01/2027 to 01/01/2050	18,945,859	20,174,314
7.05%, 05/20/2027	56,795	61,794
6.03%, 10/20/2030	555,836	648,553
2.50%, 09/01/2034 to 10/01/2034	16,167,522	16,984,395
5.00%, 01/01/2037 to 01/01/2040	783,700	900,740
4.50%, 01/01/2040 to 08/01/2041	5,278,598	5,936,378
ARM, 4.12% (1 yr. USD LIBOR + 1.88%), 09/01/2035[(a)]	2,016,688	2,132,827
3.68% (1 yr. USD LIBOR + 1.88%), 07/01/2036[(a)]	1,780,525	1,882,640
3.96% (1 yr. USD LIBOR + 1.91%), 10/01/2036[(a)]	73,012	77,513

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

	Principal Amount	Value
Federal Home Loan Mortgage Corp. (FHLMC)-(continued)		
3.97% (1 yr. USD LIBOR + 1.55%), 10/01/2036[(a)]	$ 1,053,537	$ 1,102,097
3.88% (1 yr. USD LIBOR + 1.97%), 11/01/2037[(a)]	515,009	547,521
4.08% (1 yr. USD LIBOR + 2.01%), 01/01/2038[(a)]	19,913	20,091
3.31% (1 yr. USD LIBOR + 1.84%), 07/01/2038[(a)]	593,485	628,624
3.84% (1 yr. USD LIBOR + 1.79%), 06/01/2043[(a)]	700,514	735,912
2.90% (1 yr. USD LIBOR + 1.64%), 01/01/2048[(a)]	4,675,817	4,900,796
		68,703,373
Federal National Mortgage Association (FNMA)-41.10%		
7.00%, 08/01/2020 to 04/01/2036	1,495,057	1,646,862
8.00%, 02/01/2021 to 10/01/2037	1,765,493	2,114,362
8.50%, 02/01/2021 to 08/01/2037	432,607	497,020
5.50%, 03/01/2021 to 05/01/2035	888,156	1,014,001
6.00%, 08/01/2021 to 10/01/2038	981,474	1,127,687
7.50%, 11/01/2022 to 08/01/2037	2,738,584	3,179,917
6.50%, 06/01/2023 to 11/01/2037	1,510,280	1,731,914
6.75%, 07/01/2024	107,939	120,112
4.50%, 11/01/2024 to 12/01/2048	9,529,183	10,429,532
6.95%, 10/01/2025	11,614	11,781
3.50%, 03/01/2027 to 08/01/2027	4,537,590	4,809,132
3.00%, 05/01/2027 to 03/01/2050	17,565,809	18,632,535
3.59%, 10/01/2028	4,000,000	4,666,236
3.79%, 11/01/2028	4,000,000	4,683,171
5.00%, 08/01/2033 to 12/01/2033	146,791	158,390
2.50%, 12/01/2034 to 03/01/2035	11,178,730	11,763,902
4.00%, 09/01/2043 to 12/01/2048	15,650,756	17,322,387
ARM, 4.05% (1 yr. U.S. Treasury Yield Curve Rate + 2.36%), 10/01/2034[(a)]	1,307,145	1,376,689
3.53% (1 yr. U.S. Treasury Yield Curve Rate + 2.21%), 05/01/2035[(a)]	133,727	139,887
3.70% (1 yr. USD LIBOR + 1.72%), 03/01/2038[(a)]	32,494	34,303
3.74% (1 yr. USD LIBOR + 1.75%), 02/01/2042[(a)]	299,948	301,613
2.18% (1 yr. USD LIBOR + 1.52%), 08/01/2043[(a)]	952,919	981,763
2.68% (1 yr. U.S. Treasury Yield Curve Rate + 1.88%), 05/01/2044[(a)]	1,392,984	1,438,257

	Principal Amount	Value
Federal National Mortgage Association (FNMA)-(continued)		
TBA, 2.00%, 07/01/2035[(c)]	$21,050,000	$ 21,772,772
2.50%, 07/01/2035 to 07/01/2050[(c)]	67,000,000	69,870,961
		179,825,186
Government National Mortgage Association (GNMA)-21.16%		
6.50%, 07/15/2020 to 09/15/2034	2,070,971	2,309,041
7.50%, 09/15/2022 to 10/15/2035	1,330,335	1,508,359
8.00%, 01/15/2023 to 01/15/2037	776,452	891,138
7.00%, 04/15/2023 to 12/15/2036	613,985	690,700
6.00%, 01/16/2025 to 08/15/2033	415,420	460,919
5.00%, 02/15/2025	109,047	119,329
8.50%, 02/15/2025 to 01/15/2037	122,886	129,748
6.95%, 08/20/2025 to 08/20/2027	115,059	115,494
6.38%, 10/20/2027 to 02/20/2028	147,283	158,252
6.10%, 12/20/2033	2,880,424	3,276,249
5.71%, 08/20/2034[(b)]	799,140	927,347
5.88%, 01/20/2039[(b)]	2,855,424	3,345,512
1.00% (1 mo. USD LIBOR + 0.80%), 09/16/2039[(a)]	838,063	851,035
0.89% (1 mo. USD LIBOR + 0.70%), 05/20/2040[(a)]	1,977,105	1,993,067
4.50%, 07/20/2041[(b)]	548,683	615,901
3.29%, 09/20/2041[(b)]	1,898,098	1,948,710
0.44% (1 mo. USD LIBOR + 0.25%), 01/20/2042[(a)]	280,554	280,078
3.50%, 10/20/2042 to 06/20/2050	12,121,364	12,944,964
0.47% (1 mo. USD LIBOR + 0.30%), 08/20/2047[(a)]	4,560,527	4,546,243
2.50%, 07/20/2049	5,895,258	6,122,433
3.00%, 10/20/2049 to 11/20/2049	10,147,604	10,770,408
Series 2019-29, Class PE, 3.00%, 10/20/2048	4,362,017	4,608,737
Series 2019-52, Class JL, 3.00%, 11/20/2048	4,686,705	4,942,125
Series 2019-30, Class MA, 3.50%, 03/20/2049	1,107,229	1,171,003
TBA, 2.50%, 07/01/2050[(c)]	26,500,000	27,886,074
		92,612,866
Total U.S. Government Sponsored Agency Mortgage-Backed Securities (Cost $408,186,613)		419,402,944
U.S. Treasury Securities-15.88%		
U.S. Treasury Bills-0.33%[(d)]		
0.01% - 0.12%, 09/03/2020[(e)]	1,465,000	1,464,665
U.S. Treasury Bonds-1.29%		
5.38%, 02/15/2031	3,800,000	5,648,269

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

	Principal Amount	Value
U.S. Treasury Inflation – Indexed Bonds–0.99%		
0.13%, 04/15/2021[f]	$ 2,164,040	$ 2,176,429
0.50%, 04/15/2024[f]	2,033,600	2,139,876
		4,316,305
U.S. Treasury Inflation – Indexed Notes–0.64%		
0.63%, 04/15/2023[f]	2,684,318	2,794,205
U.S. Treasury Notes–12.63%		
1.50%, 09/15/2022	2,700,000	2,780,314
2.00%, 11/30/2022	2,700,000	2,819,285
2.38%, 01/31/2023	2,000,000	2,113,555
1.63%, 04/30/2023	4,000,000	4,163,906
2.75%, 05/31/2023	6,300,000	6,771,516
1.63%, 10/31/2023	625,000	654,919
2.63%, 12/31/2023	4,000,000	4,338,984
2.13%, 03/31/2024	4,000,000	4,286,406
2.00%, 05/31/2024	2,500,000	2,673,975
2.25%, 11/15/2024	3,000,000	3,262,148
2.88%, 05/31/2025	4,000,000	4,504,766
2.88%, 11/30/2025	2,500,000	2,840,527
1.50%, 08/15/2026	4,250,000	4,528,908
1.13%, 02/28/2027	4,759,000	4,965,998
2.38%, 05/15/2027	1,000,000	1,128,848
2.38%, 05/15/2029	2,600,000	3,000,918
1.63%, 08/15/2029	400,000	436,469
		55,271,442
Total U.S. Treasury Securities (Cost $63,522,074)		69,494,886
Asset-Backed Securities–10.36%[g]		
Banc of America Commercial Mortgage Trust, Series 2015-UBS7, Class XA, IO, 0.94%, 09/15/2048[b]	15,758,183	517,135
Bear Stearns Adjustable Rate Mortgage Trust, Series 2004-10, Class 12A1, 3.83%, 01/25/2035[b]	360,792	342,162
Chase Mortgage Finance Corp., Series 2016-SH1, Class M3, 3.75%, 04/25/2045[b][h]	1,646,684	1,639,684
Series 2016-SH2, Class M3, 3.75%, 12/25/2045[b][h]	1,955,789	1,947,043
COLT Mortgage Loan Trust, Series 2020-1, Class A3, 2.90%, 02/25/2050[b][h]	4,464,917	4,489,698
Series 2020-2, Class A1, 1.85%, 03/25/2065[b][h]	3,866,120	3,879,733
Commercial Mortgage Trust, Series 2015-CR24, Class B, 4.52%, 08/10/2048[b]	6,200,000	6,469,232
FRESB Mortgage Trust, Series 2019-SB63, Class A5, 2.55% (1 mo. USD LIBOR + 2.55%), 02/25/2039[a]	3,730,708	3,879,293
Galton Funding Mortgage Trust, Series 2018-2, Series A41, 4.50%, 10/25/2058[b][h]	1,844,140	1,895,183

	Principal Amount	Value
GCAT Trust, Series 2020-NQM1, Class A3, 2.55%, 01/25/2060[h][i]	$ 3,940,217	$ 3,950,389
JP Morgan Mortgage Trust, Series 2018-8, Class A15, 4.00%, 01/25/2049[b][h]	279,583	280,590
New Residential Mortgage Loan Trust, Series 2018-4A, Class A1S, 0.93% (1 mo. USD LIBOR + 0.75%), 01/25/2048[a][h]	2,774,044	2,752,527
Series 2020-NQM1, Class A3, 2.77%, 01/26/2060[b][h]	4,714,454	4,639,887
Towd Point Mortgage Trust, Series 2015-1, Class AES, 3.00%, 10/25/2053[b][h]	355,264	356,962
Verus Securitization Trust, Series 2018-3, Class A-2, 4.18%, 10/25/2058[b][h]	2,215,173	2,221,856
Wells Fargo Commercial Mortgage Trust, Series 2015-C28, Class B, 4.24%, 05/15/2048[b]	5,900,000	6,076,908
Total Asset-Backed Securities (Cost $44,994,948)		45,338,282
U.S. Dollar Denominated Bonds & Notes–1.41%		
Other Diversified Financial Services–0.37%		
Private Export Funding Corp., Series BB, 4.30%, 12/15/2021	1,540,000	1,625,246
Sovereign Debt–1.04%		
Israel Government AID Bond, 5.13%, 11/01/2024	3,800,000	4,540,850
Total U.S. Dollar Denominated Bonds & Notes (Cost $5,348,008)		6,166,096
Agency Credit Risk Transfer Notes–0.65%		
Fannie Mae Connecticut Avenue SecuritiesSeries 2015-C02, Class 1M2, 4.18%, (1 mo. USD LIBOR + 4.00%), 05/25/2025 (Cost $2,599,383)[a]	2,785,835	2,836,415
U.S. Government Sponsored Agency Securities–0.47%		
Tennessee Valley Authority (TVA)–0.47%		
Tennessee Valley Authority, 1.88%, 08/15/2022 (Cost $1,992,202)	2,000,000	2,061,601
	Shares	
Money Market Funds–2.29%		
Invesco Government & Agency Portfolio,Institutional Class, 0.09% (Cost $10,029,511)[j][k]	10,029,511	10,029,511
TOTAL INVESTMENTS IN SECURITIES–126.91% (Cost $536,672,739)		555,329,735
OTHER ASSETS LESS LIABILITIES–(26.91)%		(117,746,190)
NET ASSETS–100.00%		$ 437,583,545

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

Investment Abbreviations:

ACES – Automatically Convertible Extendable Security
ARM – Adjustable Rate Mortgage
Ctfs. – Certificates
IO – Interest Only
LIBOR – London Interbank Offered Rate
REMICs – Real Estate Mortgage Investment Conduits
STRIPS – Separately Traded Registered Interest and Principal Security
TBA – To Be Announced
USD – U.S. Dollar

Notes to Schedule of Investments:

(a) Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on June 30, 2020.
(b) Interest rate is redetermined periodically based on the cash flows generated by the pool of assets backing the security, less any applicable fees. The rate shown is the rate in effect on June 30, 2020.
(c) Security purchased on a forward commitment basis. This security is subject to dollar roll transactions. See Note 1M.
(d) All or a portion of the value was pledged as collateral to cover margin requirements for open futures contracts. See Note 1J.
(e) Security traded on a discount basis. The interest rate shown represents the discount rate at the time of purchase by the Fund.
(f) Principal amount of security and interest payments are adjusted for inflation. See Note 1I.
(g) Non-U.S. government sponsored securities.
(h) 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, 2020 was $28,053,552, which represented 6.41% of the Fund's Net Assets.
(i) Step coupon bond. The interest rate represents the coupon rate at which the bond will accrue at a specified future date.
(j) 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, 2020.

	Value December 31, 2019	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation	Realized Gain	Value June 30, 2020	Dividend Income
Investments in Affiliated Money Market Funds:							
Invesco Government & Agency Portfolio, Institutional Class	$8,520,491	$129,672,042	$(128,163,022)	$-	$-	$10,029,511	$28,205

(k) The rate shown is the 7-day SEC standardized yield as of June 30, 2020.

Portfolio Composition

By security type, based on Total Investments as of June 30, 2020

U.S. Government Sponsored Agency Mortgage-Backed Securities	75.52%
U.S. Treasury Securities	12.51
Asset-Backed Securities	8.17
U.S. Dollar Denominated Bonds & Notes	1.11
Security types each less than 1% portfolio	0.88
Money Market Funds	1.81

Open Futures Contracts

Long Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)[a]
Interest Rate Risk					
U.S. Treasury 2 Year Notes	117	September-2020	$ 25,836,891	$ 12,038	$ 12,038
U.S. Treasury 5 Year Notes	403	September-2020	50,674,102	98,759	98,759
U.S. Treasury 10 Year Notes	183	September-2020	25,468,453	76,956	76,956
Subtotal–Long Futures Contracts				187,753	187,753
Short Futures Contracts					
Interest Rate Risk					
U.S. Treasury Bond	72	September-2020	(15,707,250)	(118,285)	(118,285)
Total Futures Contracts				$ 69,468	$ 69,468

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

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

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

Statement of Assets and Liabilities

June 30, 2020

(Unaudited)

Assets:	
Investments in securities, at value (Cost $526,643,228)	$545,300,224
Investments in affiliated money market funds, at value (Cost $10,029,511)	10,029,511
Other investments:	
Variation margin receivable – futures contracts	45,634
Cash	140,240
Receivable for:	
Investments sold	21,766,807
Fund shares sold	138,572
Dividends	674
Interest	1,198,796
Principal paydowns	234,881
Investment for trustee deferred compensation and retirement plans	224,529
Other assets	381
Total assets	579,080,249
Liabilities:	
Payable for:	
Investments purchased	140,862,413
Fund shares reacquired	101,572
Accrued fees to affiliates	213,416
Accrued trustees' and officers' fees and benefits	2,224
Accrued other operating expenses	75,394
Trustee deferred compensation and retirement plans	241,685
Total liabilities	141,496,704
Net assets applicable to shares outstanding	$437,583,545
Net assets consist of:	
Shares of beneficial interest	$411,070,843
Distributable earnings	26,512,702
	$437,583,545
Net Assets:	
Series I	$257,408,508
Series II	$180,175,037
Shares outstanding, no par value, with an unlimited number of shares authorized:	
Series I	21,112,413
Series II	14,933,925
Series I:	
Net asset value per share	$ 12.19
Series II:	
Net asset value per share	$ 12.06

Statement of Operations

For the six months ended June 30, 2020

(Unaudited)

Investment income:	
Interest	$ 5,591,589
Dividends from affiliated money market funds	28,205
Total investment income	5,619,794
Expenses:	
Advisory fees	1,059,049
Administrative services fees	357,123
Custodian fees	16,536
Distribution fees - Series II	229,900
Transfer agent fees	15,538
Trustees' and officers' fees and benefits	9,494
Reports to shareholders	6,005
Professional services fees	17,573
Other	(1,406)
Total expenses	1,709,812
Less: Fees waived	(4,067)
Net expenses	1,705,745
Net investment income	3,914,049
Realized and unrealized gain (loss) from:	
Net realized gain (loss) from:	
Investment securities	13,514,520
Futures contracts	(2,668,090)
	10,846,430
Change in net unrealized appreciation (depreciation) of:	
Investment securities	7,314,456
Futures contracts	(146,289)
	7,168,167
Net realized and unrealized gain	18,014,597
Net increase in net assets resulting from operations	$21,928,646

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, 2020 and the year ended December 31, 2019

(Unaudited)

	June 30, 2020	December 31, 2019
Operations:		
Net investment income	$ 3,914,049	$ 9,424,865
Net realized gain	10,846,430	3,838,737
Change in net unrealized appreciation	7,168,167	13,152,012
Net increase in net assets resulting from operations	21,928,646	26,415,614
Distributions to shareholders from distributable earnings:		
Series I	–	(6,666,815)
Series II	–	(4,034,804)
Total distributions from distributable earnings	–	(10,701,619)
Share transactions–net:		
Series I	(7,007,320)	(37,212,596)
Series II	(3,606,200)	(23,434,778)
Net increase (decrease) in net assets resulting from share transactions	(10,613,520)	(60,647,374)
Net increase (decrease) in net assets	11,315,126	(44,933,379)
Net assets:		
Beginning of period	426,268,419	471,201,798
End of period	$437,583,545	$426,268,419

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 06/30/20	$11.61	$0.11	$ 0.47	$0.58	$ –	$12.19	5.00%	$257,409	0.67%[d]	0.67%[d]	1.87%[d]	31%
Year ended 12/31/19	11.22	0.25	0.43	0.68	(0.29)	11.61	6.07	251,440	0.68	0.68	2.18	35
Year ended 12/31/18	11.41	0.25	(0.19)	0.06	(0.25)	11.22	0.56	279,476	0.69	0.69	2.25	25
Year ended 12/31/17	11.44	0.22	(0.01)	0.21	(0.24)	11.41	1.87	318,298	0.70	0.70	1.97	35
Year ended 12/31/16	11.52	0.23	(0.07)	0.16	(0.24)	11.44	1.32	353,614	0.73	0.73	1.93	31
Year ended 12/31/15	11.74	0.17	(0.13)	0.04	(0.26)	11.52	0.34	393,090	0.77	0.77	1.44	59
Series II												
Six months ended 06/30/20	11.50	0.10	0.46	0.56	–	12.06	4.87	180,175	0.92[d]	0.92[d]	1.62[d]	31
Year ended 12/31/19	11.12	0.22	0.42	0.64	(0.26)	11.50	5.75	174,828	0.93	0.93	1.93	35
Year ended 12/31/18	11.31	0.22	(0.19)	0.03	(0.22)	11.12	0.29	191,725	0.94	0.94	2.00	25
Year ended 12/31/17	11.33	0.19	(0.00)	0.19	(0.21)	11.31	1.72	207,086	0.95	0.95	1.72	35
Year ended 12/31/16	11.42	0.20	(0.08)	0.12	(0.21)	11.33	1.00	205,010	0.98	0.98	1.68	31
Year ended 12/31/15	11.64	0.14	(0.13)	0.01	(0.23)	11.42	0.06	195,392	1.02	1.02	1.19	59

[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] Ratios are annualized and based on average daily net assets (000's omitted) of $260,472 and $185,025 for Series I and Series II shares, respectively.

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

Notes to Financial Statements

June 30, 2020
(Unaudited)

NOTE 1—Significant Accounting Policies

Invesco V.I. Government Securities 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.

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

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

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

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

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

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

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

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

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

B. Securities Transactions and Investment Income – Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is recorded on an accrual basis from settlement date. Bond premiums and discounts are amortized and/or accreted over the lives of the respective securities. Pay-in-kind interest income and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. Paydown gains and losses on mortgage and asset-backed securities are recorded as adjustments to interest income. Dividend income (net of withholding tax, if any) is recorded on the ex-dividend date.

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

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

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

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

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

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

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

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

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

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

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

I. Treasury Inflation-Protected Securities – The Fund may invest in Treasury Inflation-Protected Securities ("TIPS"). TIPS are fixed income securities whose principal value is periodically adjusted to the rate of inflation. The principal value of TIPS will be adjusted upward or downward, and any increase or decrease in the principal amount of TIPS will be shown as *Treasury Inflation–Protected Securities inflation adjustments* in the Statement of Operations, even though investors do not receive their principal until maturity.

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

K. Put Options Purchased – The Fund may purchase put options including options on securities indexes, or foreign currency and/or futures contracts. By purchasing a put option, the Fund obtains the right (but not the obligation) to sell the option's underlying instrument at a fixed strike price. In return for this right, the Fund pays an option premium. The option's underlying instrument may be a security, securities index, or a futures contract.

Additionally, the Fund may enter into an option on a swap agreement, also called a "swaption". A swaption is an option that gives the buyer the right, but not the obligation, to enter into a swap on a future date in exchange for paying a market-based premium. A receiver swaption gives the owner the right to receive the total return of a specified asset, reference rate or index. Swaptions also include options that allow an existing swap to be terminated or extended by one of the Counterparties.

Put options may be used by the Fund to hedge securities it owns by locking in a minimum price at which the Fund can sell. If security prices fall, the put option could be exercised to offset all or a portion of the Fund's resulting losses. At the same time, because the maximum the Fund has at risk is the cost of the option, purchasing put options does not eliminate the potential for the Fund to profit from an increase in the value of the securities hedged. Realized and unrealized gains and losses on put options purchased are included in the Statement of Operations as Net realized gain (loss) from and Change in net unrealized appreciation (depreciation) of Investment securities. A risk in buying an option is that the Fund pays a premium whether or not the option is exercised. In addition, there can be no assurance that a liquid secondary market will exist for any option purchased.

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

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

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

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

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

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

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

Notional amounts of each individual credit default swap agreement outstanding as of June 30, 2020 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.

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

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

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

N. Other Risks - The Fund may invest in obligations issued by agencies and instrumentalities of the U.S. Government that may vary in the level of support they receive from the government. The government may choose not to provide financial support to government sponsored agencies or instrumentalities if it is not legally obligated to do so. In this case, if the issuer defaulted, the Fund may not be able to recover its investment in such issuer from the U.S. Government. Many securities purchased by the Fund are not guaranteed by the U.S. Government.

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

P. Collateral –To the extent the Fund has designated or segregated a security as collateral and that security is subsequently sold, it is the Fund's practice to replace such collateral no later than the next business day.

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

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

Average Daily Net Assets	Rate
First $250 million	0.500%
Over $250 million	0.450%

For the six months ended June 30, 2020, the effective advisory fee rate incurred by the Fund was 0.48%.

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, 2021, 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 average daily net assets (the "expense limits"). In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. Unless Invesco continues the fee waiver agreement, it will terminate on June 30, 2021. During its term, the fee waiver agreement cannot be terminated or amended to increase the expense limits or reduce the advisory fee waiver without approval of the Board of Trustees. The Adviser did not waive fees and/or reimburse expenses during the period under these expense limits.

Further, the Adviser has contractually agreed, through at least June 30, 2022, to waive the advisory fee payable by the Fund in an amount equal to 100% of the net advisory fees the Adviser receives from the affiliated money market funds on investments by the Fund of uninvested cash in such affiliated money market funds.

For the six months ended June 30, 2020, the Adviser waived advisory fees of $4,067.

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, 2020, Invesco was paid $32,619 for accounting and fund administrative services and was reimbursed $324,504 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, 2020, expenses incurred under the agreement are shown in the Statement of Operations as *Transfer agent fees*.

The Trust has entered into a master distribution agreement with Invesco Distributors, Inc. ("IDI") to serve as the distributor for the Fund. The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Series II shares (the "Plan"). The Fund, pursuant to the Plan, pays IDI compensation at the annual rate of 0.25% of the Fund's average daily net assets of Series II shares. The fees are accrued daily and paid monthly. Of the Plan payments, up to 0.25% of the average daily net assets of the Series II shares may be paid to insurance companies who furnish continuing personal shareholder services to customers who purchase and own Series II shares of the Fund. For the six months ended June 30, 2020, 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 or are unreliable. Based on the valuation inputs, the securities or other investments are tiered into one of three levels. Changes in valuation methods may result in transfers in or out of an investment's assigned level:

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

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

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

The following is a summary of the tiered valuation input levels, as of June 30, 2020. The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities. Because of the inherent uncertainties of valuation, the values reflected in the financial statements may materially differ from the value received upon actual sale of those investments.

	Level 1	Level 2	Level 3	Total
Investments in Securities				
U.S. Government Sponsored Agency Mortgage-Backed Securities	$ –	$419,402,944	$–	$419,402,944
U.S. Treasury Securities	–	69,494,886	–	69,494,886
Asset-Backed Securities	–	45,338,282	–	45,338,282
U.S. Dollar Denominated Bonds & Notes	–	6,166,096	–	6,166,096
Agency Credit Risk Transfer Notes	–	2,836,415	–	2,836,415
U.S. Government Sponsored Agency Securities	–	2,061,601	–	2,061,601
Money Market Funds	10,029,511	–	–	10,029,511
Total Investments in Securities	10,029,511	545,300,224	–	555,329,735
Other Investments - Assets*				
Futures Contracts	187,753	–	–	187,753
Other Investments - Liabilities*				
Futures Contracts	(118,285)	–	–	(118,285)
Total Other Investments	69,468	–	–	69,468
Total Investments	$10,098,979	$545,300,224	$–	$555,399,203

* 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, 2020:

	Value
Derivative Assets	**Interest Rate Risk**
Unrealized appreciation on futures contracts – Exchange-Traded[(a)]	$ 187,753
Derivatives not subject to master netting agreements	(187,753)
Total Derivative Assets subject to master netting agreements	$ -

	Value
Derivative Liabilities	**Interest Rate Risk**
Unrealized depreciation on futures contracts – Exchange-Traded[(a)]	$(118,285)
Derivatives not subject to master netting agreements	118,285
Total Derivative Liabilities subject to master netting agreements	$ -

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

Effect of Derivative Investments for the six months ended June 30, 2020

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

	Location of Gain (Loss) on Statement of Operations
	Interest Rate Risk
Realized Gain (Loss):	
Futures contracts	$(2,668,090)
Change in Net Unrealized Appreciation (Depreciation):	
Futures contracts	(146,289)
Total	$(2,814,379)

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

	Futures Contracts
Average notional value	$134,206,137

NOTE 5—Trustees' and Officers' Fees and Benefits

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

NOTE 6—Cash Balances

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

NOTE 7—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 carryforwards 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, 2019, as follows:

Capital Loss Carryforward*

Expiration	Short-Term	Long-Term	Total
Not subject to expiration	$7,872,584	$8,820,405	$16,692,989

* 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. Treasury obligations and money market funds, if any) purchased and sold by the Fund during the six months ended June 30, 2020 was $18,095,889 and $7,869,930, respectively. During the same period, purchases and sales of U.S. Treasury obligations were $119,043,785 and $142,927,653, 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	$18,777,086
Aggregate unrealized (depreciation) of investments	(492,152)
Net unrealized appreciation of investments	$18,284,934

Cost of investments for tax purposes is $537,114,269.

NOTE 9—Share Information

Summary of Share Activity

	Six months ended June 30, 2020[a]		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Sold:				
Series I	3,548,204	$ 42,266,754	3,053,546	$ 35,296,652
Series II	2,419,221	28,453,054	1,618,892	18,750,084
Issued as reinvestment of dividends:				
Series I	-	-	571,278	6,666,815
Series II	-	-	348,730	4,034,804

	Summary of Share Activity			
	Six months ended June 30, 2020[a]		Year ended December 31, 2019	
	Shares	Amount	Shares	Amount
Reacquired:				
Series I	(4,102,178)	$(49,274,074)	(6,860,415)	$(79,176,063)
Series II	(2,690,384)	(32,059,254)	(4,004,398)	(46,219,666)
Net increase (decrease) in share activity	(825,137)	$(10,613,520)	(5,272,367)	$(60,647,374)

[a] There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 78% of the outstanding shares of the Fund. The Fund and the Fund's principal underwriter or adviser, are parties to participation agreements with these entities whereby these entities sell units of interest in separate accounts funding variable products that are invested in the Fund. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as, securities brokerage, third party record keeping and account servicing and administrative services. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

NOTE 10—Coronavirus (COVID-19) Pandemic

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

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

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, 2020 through June 30, 2020.

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

Actual expenses

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

Hypothetical example for comparison purposes

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

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

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

		ACTUAL		HYPOTHETICAL (5% annual return before expenses)		
	Beginning Account Value (01/01/20)	Ending Account Value (06/30/20)[1]	Expenses Paid During Period[2]	Ending Account Value (06/30/20)	Expenses Paid During Period[2]	Annualized Expense Ratio
Series I	$1,000.00	$1,050.00	$3.41	$1,021.53	$3.37	0.67%
Series II	1,000.00	1,048.70	4.69	1,020.29	4.62	0.92

1 The actual ending account value is based on the actual total return of the Fund for the period January 1, 2020 through June 30, 2020, after actual expenses and will differ from the hypothetical ending account value which is based on the Fund's expense ratio and a hypothetical annual return of 5% before expenses.

2 Expenses are equal to the Fund's annualized expense ratio as indicated above multiplied by the average account value over the period, multiplied by 182/366 to reflect the most recent fiscal half year.

Approval of Investment Advisory and Sub-Advisory Contracts

At meetings held on June 3, 2020, 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. Government Securities 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, 2020. 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's Investments Committee has established Sub-Committees, which 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 detailed information about investment performance and portfolio attributes of these funds. The Board took into account evaluations and reports that it received from the Investments Committee and Sub-Committees, as well as the information provided to such committees and the Board 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 detailed requests for information submitted to management by the independent Trustees with assistance from legal counsel to the independent Trustees. The Board receives comparative investment performance and fee data regarding the Invesco Funds prepared by Invesco Advisers and 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, an officer of the Invesco Funds who reports directly to the independent Trustees. 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 addition to meetings with Invesco Advisers and fund counsel throughout the year, the independent Trustees also discuss the continuance of the investment advisory agreement and sub-advisory contracts in separate sessions with the Senior Officer and with independent legal counsel.

The discussion below is a summary of the Senior Officer's independent written evaluation with respect to the Fund's investment advisory agreement, 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. This information is current as of June 3, 2020.

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's review included consideration of Invesco Advisers' investment process oversight and structure, credit analysis, investment risk management and research capabilities. The Board also considered non-advisory services that Invesco Advisers and its affiliates provide to the Invesco Funds, such as various back office support functions, third party oversight, internal audit, valuation, portfolio trading and legal and compliance. The Board also received and reviewed information about Invesco Advisers' role as administrator of the Invesco Funds' liquidity risk management program. The Board reviewed and considered the benefits to shareholders of investing in a Fund that is part of the Invesco family of funds under the umbrella of Invesco Ltd., Invesco Advisers' parent company, and noted Invesco Ltd.'s depth and experience in conducting an investment management business, as well as its commitment of financial and other resources to such business. The Board also reviewed and considered information regarding the benefits to the Fund resulting from Invesco Ltd.'s acquisition of OppenheimerFunds, Inc. and its subsidiaries (the Transaction) and the resources that Invesco Advisers has committed to managing the Invesco family of funds following the Transaction. 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 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 in which the Fund may invest, make recommendations regarding securities and assist with security trades. 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 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, 2019 to the performance of funds in the Broadridge performance universe and against the Bloomberg Barclays U.S. Government Index. The Board noted that performance of Series I shares of the Fund was in the second quintile of its performance universe for the one and three year periods and the third quintile for the five year period (the first quintile being the best performing funds and the fifth quintile being the worst performing funds). The Board noted that performance of Series I shares of the Fund was below the performance of the Index for the one, three and five year periods. 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 and this review did not change their 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 I 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 does not provide information on a fund by fund basis as to what is included. The Board also reviewed the methodology used by Broadridge in providing 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 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 noted that Invesco Advisers and the Affiliated Sub-Advisers do not manage other similarly managed mutual funds or client accounts.

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. The Board also considered that the Fund benefits 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 shares directly in economies of scale through lower fees charged by third party service providers based on the combined size of the Invesco Funds. The Board noted that the Fund may also benefit from economies of scale through initial fee setting, fee waivers and expense reimbursements. The Board also considered Invesco's reinvestment 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 noted 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 certain Funds on an individual fund level. 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 received information from Invesco Advisers demonstrating that Invesco Advisers and the Affiliated Sub-Advisers are financially sound and have the resources necessary to perform their obligations under the investment advisory agreement and sub-advisory contracts.

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 considered comparative information regarding fees charged for these services, including information provided by Broadridge and other independent sources. The Board considered the performance of Invesco Advisers and its affiliates in providing these services and the organizational structure employed to provide these services. The Board also considered that these services are provided to the Fund pursuant to written contracts that are reviewed and approved on an annual basis by the Board; and 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 pursuant to procedures approved by the Board. The Board considered information regarding the returns of the affiliated money market funds relative to comparable overnight investments, as well as the costs to the Fund of such investments. The Board noted that Invesco Advisers receives advisory fees from these affiliated money market funds attributable to such investments, although Invesco Advisers has contractually agreed to waive through varying periods the advisory fees payable by the Invesco Funds with respect to certain investments in the affiliated money market funds. The waiver is in 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 amount of advisory fees received by Invesco Advisers from the Fund's investment of cash collateral from any securities lending arrangements in the affiliated money market funds is fair and reasonable.