Invesco

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

Invesco V.I. Conservative Balanced Fund

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

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

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

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

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

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

Fund Performance

Performance summary

Fund vs. Indexes

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

Series I Shares	7.97%
Series II Shares	7.82
Russell 3000 Index▼	16.17
Bloomberg U.S. Aggregate Bond Index▼	2.09
Custom Invesco V.I. Conservative Balanced Index■	7.00

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

The **Russell 3000® Index** is an unmanaged index considered representative of the US stock market. The Russell 3000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co.

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

The **Custom Invesco V.I. Conservative Balanced Index** is composed of 65% Bloomberg U.S. Aggregate Bond Index and 35% Russell 3000® Index.

The Fund is not managed to track the performance of any particular index, including the index(es) described here, and consequently, the performance of the Fund may deviate significantly from the performance of the index(es).

A direct investment cannot be made in an index. Unless otherwise indicated, index results include reinvested dividends, and they do not reflect sales charges. Performance of the peer group, if applicable, reflects fund expenses; performance of a market index does not.

Average Annual Total Returns

As of 6/30/23

Series I Shares	
Inception (2/9/87)	6.67%
10 Years	5.49
5 Years	5.09
1 Year	6.90
Series II Shares	
Inception (5/1/02)	3.91%
10 Years	5.21
5 Years	4.83
1 Year	6.58

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

The performance data quoted represent past performance and cannot guarantee future results; current performance may be lower or higher. Please contact your variable product issuer or financial adviser for the most recent month-end variable product performance. Performance figures reflect Fund expenses, reinvested distributions and changes in net asset value. Performance figures do not reflect 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. Conservative Balanced Fund, a series portfolio of AIM Variable Insurance Funds (Invesco Variable Insurance Funds), is currently offered through insurance companies issuing variable products. You cannot purchase shares of the Fund directly. Performance figures given represent the Fund and are not intended to reflect actual variable product values. They do not reflect sales charges, expenses and fees assessed in connection with a variable product. Sales charges, expenses and fees, which are determined by the variable product issuers, will vary and will lower the total return.

The most recent month-end performance at the Fund level, excluding variable product charges, is available by visiting invesco.com/us. As mentioned above, for the most recent month-end performance including variable product charges, please contact your variable product issuer or financial adviser.

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

Liquidity Risk Management Program

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

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

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

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

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

Schedule of Investments[a]

June 30, 2023
(Unaudited)

	Shares	Value
Common Stocks & Other Equity Interests–39.65%		
Advertising–0.22%		
Interpublic Group of Cos., Inc. (The)	10,142	$ 391,278
Aerospace & Defense–0.86%		
Boeing Co. (The)[b][c]	3,574	754,686
Howmet Aerospace, Inc.	15,298	758,169
		1,512,855
Agricultural & Farm Machinery–0.33%		
Deere & Co.	1,430	579,422
Air Freight & Logistics–0.48%		
United Parcel Service, Inc., Class B	4,756	852,513
Application Software–0.48%		
Manhattan Associates, Inc.[b]	1,972	394,163
Synopsys, Inc.[b]	1,040	452,827
		846,990
Automobile Manufacturers–0.27%		
Tesla, Inc.[b]	1,809	473,542
Automotive Parts & Equipment–0.24%		
Aptiv PLC[b]	4,159	424,592
Automotive Retail–0.43%		
AutoZone, Inc.[b]	305	760,475
Biotechnology–0.50%		
Gilead Sciences, Inc.	11,357	875,284
Broadline Retail–2.01%		
Amazon.com, Inc.[b]	27,254	3,552,831
Casinos & Gaming–0.21%		
Boyd Gaming Corp.	5,370	372,517
Communications Equipment–0.50%		
Motorola Solutions, Inc.	3,025	887,172
Construction Materials–0.56%		
Vulcan Materials Co.	4,430	998,699
Consumer Finance–0.37%		
Capital One Financial Corp.	5,945	650,205
Distillers & Vintners–0.58%		
Constellation Brands, Inc., Class A	4,147	1,020,701
Distributors–0.33%		
LKQ Corp.	10,011	583,341
Diversified Banks–1.15%		
JPMorgan Chase & Co.	14,006	2,037,033
Diversified Financial Services–0.32%		
Equitable Holdings, Inc.	20,648	560,800
Electric Utilities–0.25%		
American Electric Power Co., Inc.	5,313	447,355
Electrical Components & Equipment–0.79%		
Generac Holdings, Inc.[b][c]	2,785	$ 415,327
Hubbell, Inc.	1,663	551,384
Rockwell Automation, Inc.	1,317	433,886
		1,400,597
Electronic Equipment & Instruments–0.31%		
Keysight Technologies, Inc.[b]	3,286	550,241
Environmental & Facilities Services–0.20%		
Casella Waste Systems, Inc., Class A[b]	3,847	347,961
Fertilizers & Agricultural Chemicals–0.21%		
Mosaic Co. (The)	10,526	368,410
Financial Exchanges & Data–0.48%		
Intercontinental Exchange, Inc.	7,481	845,951
Gas Utilities–0.25%		
ONE Gas, Inc.	5,663	434,975
Health Care Equipment–1.39%		
Baxter International, Inc.	9,339	425,485
Boston Scientific Corp.[b]	15,138	818,814
DexCom, Inc.[b]	3,334	428,452
Zimmer Biomet Holdings, Inc.	5,436	791,482
		2,464,233
Health Care Facilities–0.56%		
HCA Healthcare, Inc.	1,757	533,214
Tenet Healthcare Corp.[b]	5,651	459,879
		993,093
Homebuilding–0.24%		
D.R. Horton, Inc.	3,494	425,185
Hotels, Resorts & Cruise Lines–0.47%		
Airbnb, Inc., Class A[b]	3,296	422,415
Wyndham Hotels & Resorts, Inc.	5,899	404,495
		826,910
Household Products–0.75%		
Procter & Gamble Co. (The)	8,714	1,322,262
Industrial Conglomerates–0.32%		
Honeywell International, Inc.	2,719	564,192
Industrial Machinery & Supplies & Components–0.24%		
Lincoln Electric Holdings, Inc.[c]	2,132	423,479
Insurance Brokers–0.46%		
Arthur J. Gallagher & Co.	3,683	808,676
Integrated Oil & Gas–0.94%		
Chevron Corp.	10,556	1,660,986
Integrated Telecommunication Services–0.81%		
Deutsche Telekom AG (Germany)	32,795	714,859
Verizon Communications, Inc.	19,271	716,689
		1,431,548

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

	Shares	Value
Interactive Home Entertainment–0.21%		
Electronic Arts, Inc.	2,899	$ 376,000
Interactive Media & Services–2.84%		
Alphabet, Inc., Class A[(b)]	24,497	2,932,291
Meta Platforms, Inc., Class A[(b)]	7,288	2,091,510
		5,023,801
Internet Services & Infrastructure–0.37%		
Snowflake, Inc., Class A[(b)]	3,766	662,741
Investment Banking & Brokerage–0.85%		
Charles Schwab Corp. (The)	12,825	726,921
Raymond James Financial, Inc.	7,427	770,700
		1,497,621
IT Consulting & Other Services–0.44%		
Amdocs Ltd.	7,907	781,607
Managed Health Care–0.98%		
Molina Healthcare, Inc.[(b)]	1,134	341,606
UnitedHealth Group, Inc.	2,895	1,391,453
		1,733,059
Metal, Glass & Plastic Containers–0.31%		
Silgan Holdings, Inc.	11,700	548,613
Multi-line Insurance–0.43%		
Hartford Financial Services Group, Inc. (The)	10,592	762,836
Multi-Utilities–0.45%		
WEC Energy Group, Inc.	9,066	799,984
Oil & Gas Exploration & Production–0.63%		
APA Corp.	9,900	338,283
Chesapeake Energy Corp.[(c)]	4,585	383,673
Marathon Oil Corp.	17,265	397,440
		1,119,396
Other Specialty Retail–0.14%		
Bath & Body Works, Inc.	6,619	248,212
Personal Care Products–0.19%		
BellRing Brands, Inc.[(b)]	9,335	341,661
Pharmaceuticals–2.04%		
AstraZeneca PLC, ADR (United Kingdom)	12,114	866,999
Eli Lilly and Co.	3,044	1,427,575
Merck & Co., Inc.	11,394	1,314,754
		3,609,328
Rail Transportation–0.29%		
Canadian Pacific Kansas City Ltd. (Canada)[(c)]	6,348	512,728
Regional Banks–0.22%		
M&T Bank Corp.	3,139	388,483
Restaurants–0.32%		
Starbucks Corp.	5,747	569,298
Self-Storage REITs–0.75%		
Prologis, Inc.	10,801	1,324,527
Semiconductor Materials & Equipment–0.56%		
Applied Materials, Inc.	6,797	982,438
Semiconductors–1.94%		
Advanced Micro Devices, Inc.[(b)]	7,605	$ 866,286
NVIDIA Corp.	6,067	2,566,462
		3,432,748
Soft Drinks & Non-alcoholic Beverages–0.86%		
Coca-Cola Consolidated, Inc.	792	503,728
PepsiCo, Inc.	5,453	1,010,004
		1,513,732
Systems Software–3.20%		
Microsoft Corp.	16,606	5,655,007
Technology Hardware, Storage & Peripherals–2.30%		
Apple, Inc.	20,975	4,068,521
Transaction & Payment Processing Services–0.82%		
Mastercard, Inc., Class A	3,709	1,458,750
Total Common Stocks & Other Equity Interests (Cost $47,072,538)		70,107,395

	Principal Amount	
U.S. Dollar Denominated Bonds & Notes–24.30%		
Advertising–0.01%		
Interpublic Group of Cos., Inc. (The), 4.20%, 04/15/2024	$ 6,000	5,905
WPP Finance 2010 (United Kingdom), 3.75%, 09/19/2024	7,000	6,789
		12,694
Aerospace & Defense–0.38%		
BAE Systems Holdings, Inc. (United Kingdom), 3.85%, 12/15/2025[(d)]	5,000	4,798
Huntington Ingalls Industries, Inc., 3.84%, 05/01/2025	52,000	50,035
Lockheed Martin Corp., 4.95%, 10/15/2025	25,000	24,958
5.10%, 11/15/2027	24,000	24,424
4.45%, 05/15/2028	62,000	61,165
4.75%, 02/15/2034	111,000	110,797
5.70%, 11/15/2054	15,000	16,667
5.20%, 02/15/2055	143,000	147,696
5.90%, 11/15/2063	15,000	17,091
Northrop Grumman Corp., 4.95%, 03/15/2053	36,000	35,106
Raytheon Technologies Corp., 5.00%, 02/27/2026	30,000	29,975
5.15%, 02/27/2033	150,000	152,116
		674,828
Agricultural & Farm Machinery–0.18%		
CNH Industrial Capital LLC, 5.45%, 10/14/2025	42,000	41,736
John Deere Capital Corp., 4.55%, 10/11/2024	41,000	40,618
4.70%, 06/10/2030	237,000	235,602
		317,956
Agricultural Products & Services–0.13%		
Archer-Daniels-Midland Co., 4.50%, 08/15/2033	58,000	56,627

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

	Principal Amount	Value
Agricultural Products & Services–(continued)		
Cargill, Inc., 4.88%, 10/10/2025[(d)]	$ 35,000	$ 34,669
4.50%, 06/24/2026[(d)]	91,000	89,791
4.75%, 04/24/2033[(d)]	57,000	56,216
		237,303
Air Freight & Logistics–0.19%		
United Parcel Service, Inc., 4.88%, 03/03/2033	107,000	108,178
5.05%, 03/03/2053	227,000	231,092
		339,270
Apparel Retail–0.00%		
Ross Stores, Inc., 3.38%, 09/15/2024	5,000	4,860
Application Software–0.01%		
Workday, Inc., 3.70%, 04/01/2029	13,000	12,063
Asset Management & Custody Banks–0.58%		
Ameriprise Financial, Inc., 4.50%, 05/13/2032	6,000	5,752
5.15%, 05/15/2033	183,000	181,830
Bank of New York Mellon Corp. (The), 4.41%, 07/24/2026[(e)]	28,000	27,415
4.54%, 02/01/2029[(e)]	81,000	78,900
5.83%, 10/25/2033[(e)]	26,000	27,119
4.71%, 02/01/2034[(e)]	53,000	50,946
Series J, 4.97%, 04/26/2034[(e)]	103,000	100,628
Series I, 3.75%[(e)(f)]	34,000	28,007
BlackRock, Inc., 4.75%, 05/25/2033	200,000	196,683
Blackstone Secured Lending Fund, 2.13%, 02/15/2027	89,000	75,229
Brookfield Corp. (Canada), 4.00%, 01/15/2025	5,000	4,852
Northern Trust Corp., 6.13%, 11/02/2032	35,000	36,302
State Street Corp., 4.82%, 01/26/2034[(e)]	29,000	28,171
5.16%, 05/18/2034[(e)]	183,000	181,987
		1,023,821
Automobile Manufacturers–0.42%		
American Honda Finance Corp., 4.70%, 01/12/2028	85,000	84,388
4.60%, 04/17/2030	55,000	53,766
Daimler Truck Finance North America LLC (Germany), 5.15%, 01/16/2026[(d)]	150,000	149,366
Hyundai Capital America, 5.50%, 03/30/2026[(d)]	79,000	78,325
5.65%, 06/26/2026[(d)]	95,000	94,461
5.60%, 03/30/2028[(d)]	135,000	134,397
5.80%, 04/01/2030[(d)]	25,000	25,190
Nissan Motor Acceptance Co. LLC, 1.85%, 09/16/2026[(d)]	8,000	6,791
PACCAR Financial Corp., 4.95%, 10/03/2025	45,000	44,751
4.60%, 01/10/2028	28,000	28,125
Toyota Motor Credit Corp., 4.63%, 01/12/2028	49,000	48,607
		748,167
Automotive Parts & Equipment–0.25%		
ERAC USA Finance LLC, 4.60%, 05/01/2028[(d)]	$ 107,000	$ 104,034
4.90%, 05/01/2033[(d)]	166,000	162,344
5.40%, 05/01/2053[(d)]	167,000	166,856
		433,234
Automotive Retail–0.03%		
Advance Auto Parts, Inc., 5.95%, 03/09/2028	57,000	56,285
Biotechnology–0.44%		
AbbVie, Inc., 3.20%, 05/14/2026	43,000	40,770
Amgen, Inc., 5.25%, 03/02/2025	172,000	171,175
5.15%, 03/02/2028	130,000	129,976
5.25%, 03/02/2030	59,000	59,163
5.25%, 03/02/2033	134,000	134,235
5.60%, 03/02/2043	116,000	116,430
5.65%, 03/02/2053	130,000	131,746
		783,495
Brewers–0.00%		
Anheuser-Busch InBev Worldwide, Inc. (Belgium), 8.20%, 01/15/2039	6,000	7,847
Building Products–0.01%		
Johnson Controls International PLC/Tyco Fire & Security Finance S.C.A., 2.00%, 09/16/2031	6,000	4,801
Masco Corp., 1.50%, 02/15/2028	5,000	4,261
		9,062
Cable & Satellite–0.10%		
Charter Communications Operating LLC/ Charter Communications Operating Capital Corp., 6.95% (3 mo. USD LIBOR + 1.65%), 02/01/2024[(g)]	11,000	11,047
4.91%, 07/23/2025	59,000	57,876
Comcast Corp., 5.50%, 11/15/2032	50,000	51,974
2.65%, 08/15/2062	5,000	2,978
Cox Communications, Inc., 5.70%, 06/15/2033[(d)]	58,000	58,529
		182,404
Cargo Ground Transportation–0.19%		
Penske Truck Leasing Co. L.P./PTL Finance Corp., 5.75%, 05/24/2026[(d)]	41,000	40,631
5.70%, 02/01/2028[(d)]	48,000	47,410
5.55%, 05/01/2028[(d)]	117,000	115,269
6.20%, 06/15/2030[(d)]	51,000	51,315
Ryder System, Inc., 4.63%, 06/01/2025	71,000	69,377
4.30%, 06/15/2027	7,000	6,711
		330,713
Commercial & Residential Mortgage Finance–0.22%		
Aviation Capital Group LLC, 6.25%, 04/15/2028[(d)]	91,000	90,875
6.38%, 07/15/2030[(d)]	164,000	162,776

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

	Principal Amount	Value
Commercial & Residential Mortgage Finance–(continued)		
Nationwide Building Society (United Kingdom), 3.96%, 07/18/2030[(d)(e)]	$ 150,000	$ 133,256
		386,907
Communications Equipment–0.00%		
Motorola Solutions, Inc., 4.60%, 02/23/2028	5,000	4,852
Computer & Electronics Retail–0.04%		
Leidos, Inc., 2.30%, 02/15/2031	6,000	4,732
5.75%, 03/15/2033	72,000	71,564
		76,296
Construction Machinery & Heavy Transportation Equipment–0.12%		
Komatsu Finance America, Inc., 5.50%, 10/06/2027[(d)]	200,000	203,890
Consumer Finance–0.24%		
Capital One Financial Corp., 6.31%, 06/08/2029[(e)]	167,000	166,011
6.38%, 06/08/2034[(e)]	148,000	147,022
General Motors Financial Co., Inc., 6.05%, 10/10/2025	66,000	66,142
5.40%, 04/06/2026	26,000	25,710
5.00%, 04/09/2027	17,000	16,552
Synchrony Financial, 4.25%, 08/15/2024	5,000	4,822
		426,259
Consumer Staples Merchandise Retail–0.37%		
Dollar General Corp., 5.50%, 11/01/2052	21,000	20,117
Target Corp., 4.50%, 09/15/2032	35,000	34,178
4.40%, 01/15/2033	59,000	57,383
4.80%, 01/15/2053	61,000	58,438
Walmart, Inc., 3.90%, 04/15/2028	97,000	94,736
4.00%, 04/15/2030	79,000	76,874
4.10%, 04/15/2033	102,000	99,092
4.50%, 09/09/2052	24,000	23,483
4.50%, 04/15/2053	197,000	192,284
		656,585
Distillers & Vintners–0.04%		
Brown-Forman Corp., 4.75%, 04/15/2033	39,000	39,164
Constellation Brands, Inc., 4.90%, 05/01/2033	30,000	29,488
		68,652
Diversified Banks–7.80%		
Australia and New Zealand Banking Group Ltd. (Australia), 5.09%, 12/08/2025	250,000	248,943
6.75%[(d)(e)(f)]	425,000	415,949

	Principal Amount	Value
Diversified Banks–(continued)		
Bank of America Corp., 2.46%, 10/22/2025[(e)]	$ 79,000	$ 75,462
3.37%, 01/23/2026[(e)]	5,000	4,793
4.38%, 04/27/2028[(e)]	30,000	28,823
4.95%, 07/22/2028[(e)]	23,000	22,607
5.20%, 04/25/2029[(e)]	275,000	272,166
4.27%, 07/23/2029[(e)]	4,000	3,798
4.57%, 04/27/2033[(e)]	26,000	24,459
5.02%, 07/22/2033[(e)]	33,000	32,300
5.29%, 04/25/2034[(e)]	264,000	261,665
2.48%, 09/21/2036[(e)]	9,000	6,889
7.75%, 05/14/2038	115,000	136,641
Bank of Montreal (Canada), 5.30%, 06/05/2026	99,000	98,783
Bank of Nova Scotia (The) (Canada), 8.63%, 10/27/2082[(e)]	246,000	256,366
Barclays PLC (United Kingdom), 7.12%, 06/27/2034[(e)]	205,000	205,034
BPCE S.A. (France), 5.60% (SOFR + 0.57%), 01/14/2025[(d)(g)]	250,000	249,580
4.50%, 03/15/2025[(d)]	184,000	176,673
Citigroup, Inc., 5.61%, 09/29/2026[(e)]	71,000	70,941
4.08%, 04/23/2029[(e)]	7,000	6,596
3.79%, 03/17/2033[(e)]	26,000	22,985
6.17%, 05/25/2034[(c)(e)]	306,000	308,832
7.38%[(c)(e)(f)]	348,000	346,314
Series V, 4.70%[(e)(f)]	160,000	137,824
Citizens Bank N.A., 6.06%, 10/24/2025[(e)]	358,000	339,436
Commonwealth Bank of Australia (Australia), 3.31%, 03/11/2041[(d)]	200,000	139,732
Credit Agricole S.A. (France), 4.38%, 03/17/2025[(d)]	304,000	292,981
Danske Bank A/S (Denmark), 1.55%, 09/10/2027[(d)(e)]	200,000	173,880
Discover Bank, 4.65%, 09/13/2028	122,000	113,353
Federation des caisses Desjardins du Quebec (Canada), 4.55%, 08/23/2027[(d)]	280,000	269,489
Fifth Third Bancorp, 2.38%, 01/28/2025	53,000	49,628
1.71%, 11/01/2027[(e)]	56,000	47,872
4.77%, 07/28/2030[(e)]	101,000	94,474
HSBC Holdings PLC (United Kingdom), 4.60%[(e)(f)]	225,000	171,844
2.25%, 11/22/2027[(e)]	200,000	177,615
4.04%, 03/13/2028[(e)]	135,000	126,535
5.21%, 08/11/2028[(e)]	205,000	200,623
4.58%, 06/19/2029[(e)]	183,000	172,390
8.11%, 11/03/2033[(e)]	275,000	305,457
6.55%, 06/20/2034[(c)(e)]	505,000	503,349
6.33%, 03/09/2044[(e)]	256,000	265,626
Huntington National Bank (The), 5.70%, 11/18/2025[(e)]	700,000	680,904

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	Principal Amount	Value
Diversified Banks–(continued)		
JPMorgan Chase & Co., 3.78%, 02/01/2028[e]	$ 5,000	$ 4,760
4.32%, 04/26/2028[e]	25,000	24,146
3.54%, 05/01/2028[e]	6,000	5,613
4.85%, 07/25/2028[e]	24,000	23,694
4.59%, 04/26/2033[e]	16,000	15,259
5.72%, 09/14/2033[e]	68,000	69,019
5.35%, 06/01/2034[e]	258,000	260,162
KeyCorp, 3.88%, 05/23/2025[e]	79,000	73,081
Manufacturers & Traders Trust Co., 5.40%, 11/21/2025	359,000	348,031
4.70%, 01/27/2028	189,000	176,895
Mitsubishi UFJ Financial Group, Inc. (Japan), 4.79%, 07/18/2025[e]	593,000	584,702
5.02%, 07/20/2028[e]	200,000	196,180
1.80%, 07/20/2033[e]	200,000	196,240
Mizuho Financial Group, Inc. (Japan), 5.78%, 07/06/2029[e]	200,000	200,623
5.67%, 09/13/2033[e]	209,000	210,692
5.75%, 07/06/2034[e]	327,000	328,344
National Securities Clearing Corp., 5.10%, 11/21/2027[d]	250,000	248,759
PNC Bank N.A., 2.50%, 08/27/2024	252,000	241,557
PNC Financial Services Group, Inc. (The), 5.67%, 10/28/2025[e]	43,000	42,663
5.58%, 06/12/2029[e]	291,000	289,841
4.63%, 06/06/2033[e]	45,000	41,425
6.04%, 10/28/2033[e]	36,000	36,859
5.07%, 01/24/2034[e]	74,000	70,989
Series O, 8.98% (3 mo. USD LIBOR + 3.68%)[f][g]	41,000	41,091
Royal Bank of Canada (Canada), 3.70%, 10/05/2023	6,000	5,972
5.00%, 02/01/2033	89,000	87,287
Standard Chartered PLC (United Kingdom), 2.68%, 06/29/2032[d][e]	200,000	156,871
6.30%, 07/06/2034[d][e]	200,000	200,427
Sumitomo Mitsui Financial Group, Inc. (Japan), 2.14%, 09/23/2030	7,000	5,612
5.77%, 01/13/2033[c]	458,000	471,510
Synovus Bank, 5.63%, 02/15/2028	250,000	226,077
Toronto-Dominion Bank (The) (Canada), 8.13%, 10/31/2082[e]	200,000	203,676
Truist Bank, 2.64%, 09/17/2029[e]	376,000	347,233
U.S. Bancorp, Series W, 3.10%, 04/27/2026	6,000	5,610
4.55%, 07/22/2028[e]	26,000	24,884
5.78%, 06/12/2029[e]	222,000	222,082
4.97%, 07/22/2033[e]	21,000	19,037
5.85%, 10/21/2033[e]	48,000	48,086
4.84%, 02/01/2034[e]	171,000	159,808
5.84%, 06/12/2034[e]	202,000	203,554
2.49%, 11/03/2036[e]	27,000	19,768
Wells Fargo & Co., 3.58%, 05/22/2028[e]	7,000	6,524
5.39%, 04/24/2034[e]	85,000	84,497
4.61%, 04/25/2053[e]	25,000	21,946
		13,790,697
Diversified Capital Markets–0.54%		
Credit Suisse AG (Switzerland), 3.63%, 09/09/2024	$ 197,000	$ 189,797
Macquarie Group Ltd. (Australia), 5.89%, 06/15/2034[d][e]	279,000	274,296
UBS Group AG (Switzerland), 4.38%[d][e][f]	200,000	141,388
4.55%, 04/17/2026	154,000	148,118
4.75%, 05/12/2028[d][e]	205,000	194,439
		948,038
Diversified Chemicals–0.04%		
Celanese US Holdings LLC, 5.90%, 07/05/2024	34,000	33,939
6.05%, 03/15/2025	37,000	36,867
		70,806
Diversified Financial Services–0.11%		
AerCap Ireland Capital DAC/AerCap Global Aviation Trust (Ireland), 5.75%, 06/06/2028	204,000	202,541
Diversified Metals & Mining–0.09%		
Rio Tinto Finance (USA) PLC (Australia), 5.13%, 03/09/2053	150,000	151,377
Diversified REITs–0.04%		
CubeSmart L.P., 2.25%, 12/15/2028	5,000	4,219
2.50%, 02/15/2032	7,000	5,547
VICI Properties L.P./VICI Note Co., Inc., 5.63%, 05/01/2024[d]	67,000	66,647
		76,413
Education Services–0.02%		
Johns Hopkins University (The), Series A, 4.71%, 07/01/2032	41,000	40,935
Electric Utilities–1.13%		
AEP Texas, Inc., 3.95%, 06/01/2028[d]	172,000	161,636
American Electric Power Co., Inc., 5.75%, 11/01/2027	24,000	24,535
Connecticut Light and Power Co. (The), 5.25%, 01/15/2053	35,000	35,584
Duke Energy Carolinas LLC, 5.35%, 01/15/2053	63,000	63,915
Duke Energy Corp., 5.00%, 12/08/2025	61,000	60,596
5.00%, 08/15/2052	26,000	23,792
3.25%, 01/15/2082[e]	7,000	5,233
Duke Energy Indiana LLC, 5.40%, 04/01/2053	95,000	95,909
Enel Finance America LLC (Italy), 2.88%, 07/12/2041[d]	200,000	131,788
Enel Finance International N.V. (Italy), 6.80%, 10/14/2025[d]	200,000	203,804
Evergy Metro, Inc., 4.95%, 04/15/2033	47,000	46,266
Exelon Corp., 5.60%, 03/15/2053	81,000	81,763
Florida Power & Light Co., 4.80%, 05/15/2033	53,000	52,647
Georgia Power Co., 4.65%, 05/16/2028	114,000	111,786
4.95%, 05/17/2033	141,000	139,254

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	Principal Amount	Value
Electric Utilities–(continued)		
Metropolitan Edison Co., 5.20%, 04/01/2028[(d)]	$ 28,000	$ 27,740
National Rural Utilities Cooperative Finance Corp., 5.80%, 01/15/2033	14,000	14,651
NextEra Energy Capital Holdings, Inc., 6.05%, 03/01/2025	82,000	82,345
4.63%, 07/15/2027	36,000	35,226
Oklahoma Gas and Electric Co., 5.60%, 04/01/2053	45,000	45,710
PECO Energy Co., 4.90%, 06/15/2033	101,000	100,868
Pennsylvania Electric Co., 5.15%, 03/30/2026[(d)]	9,000	8,868
Public Service Co. of Colorado, 5.25%, 04/01/2053	73,000	70,205
Public Service Electric and Gas Co., 5.13%, 03/15/2053	45,000	45,436
San Diego Gas & Electric Co., 5.35%, 04/01/2053	178,000	176,737
Southern Co. (The), 5.70%, 10/15/2032	18,000	18,643
Southwestern Electric Power Co., 5.30%, 04/01/2033	64,000	63,230
Virginia Electric and Power Co., 5.00%, 04/01/2033	69,000	68,235
Xcel Energy, Inc., 4.60%, 06/01/2032	7,000	6,615
		2,003,017
Electrical Components & Equipment–0.05%		
CenterPoint Energy Houston Electric LLC, Series AI, 4.45%, 10/01/2032	41,000	39,441
Regal Rexnord Corp., 6.30%, 02/15/2030[(d)]	40,000	39,910
		79,351
Environmental & Facilities Services–0.04%		
Republic Services, Inc., 4.88%, 04/01/2029	21,000	20,983
5.00%, 04/01/2034	42,000	41,936
		62,919
Financial Exchanges & Data–0.26%		
Cboe Global Markets, Inc., 3.00%, 03/16/2032	40,000	34,201
Intercontinental Exchange, Inc., 4.00%, 09/15/2027	16,000	15,593
4.35%, 06/15/2029	12,000	11,752
4.60%, 03/15/2033	12,000	11,653
4.95%, 06/15/2052	19,000	18,092
5.20%, 06/15/2062	77,000	76,397
Moody's Corp., 3.10%, 11/29/2061	24,000	15,822
Nasdaq, Inc., 5.35%, 06/28/2028	60,000	60,128
5.55%, 02/15/2034	90,000	90,395
5.95%, 08/15/2053	42,000	43,033
6.10%, 06/28/2063	71,000	72,668
S&P Global, Inc., 2.90%, 03/01/2032	6,000	5,203
3.90%, 03/01/2062	10,000	8,277
		463,214
Gas Utilities–0.09%		
Piedmont Natural Gas Co., Inc., 5.40%, 06/15/2033	$ 114,000	$ 113,816
Southwest Gas Corp., 5.45%, 03/23/2028	44,000	43,905
		157,721
Health Care Distributors–0.04%		
McKesson Corp., 5.10%, 07/15/2033	75,000	75,302
Health Care Equipment–0.14%		
Alcon Finance Corp. (Switzerland), 5.38%, 12/06/2032[(d)]	200,000	202,803
Becton, Dickinson and Co., 4.69%, 02/13/2028	49,000	48,362
		251,165
Health Care Facilities–0.18%		
HCA, Inc., 5.90%, 06/01/2053	153,000	151,714
UPMC, 5.04%, 05/15/2033	133,000	129,891
5.38%, 05/15/2043	44,000	43,178
		324,783
Health Care REITs–0.01%		
Healthcare Realty Holdings L.P., 3.50%, 08/01/2026	6,000	5,525
2.00%, 03/15/2031	6,000	4,612
		10,137
Health Care Services–0.59%		
CVS Health Corp., 5.00%, 01/30/2029	113,000	111,972
5.25%, 01/30/2031	33,000	32,907
5.30%, 06/01/2033	132,000	131,860
5.88%, 06/01/2053	62,000	63,624
6.00%, 06/01/2063	65,000	66,939
Fresenius Medical Care US Finance III, Inc. (Germany), 1.88%, 12/01/2026[(d)]	150,000	129,471
Piedmont Healthcare, Inc., Series 2032, 2.04%, 01/01/2032	58,000	45,812
Series 2042, 2.72%, 01/01/2042	56,000	38,928
2.86%, 01/01/2052	65,000	42,034
Providence St. Joseph Health Obligated Group, Series 21-A, 2.70%, 10/01/2051	171,000	102,616
Roche Holdings, Inc., 2.31%, 03/10/2027[(d)]	297,000	273,049
		1,039,212
Health Care Supplies–0.20%		
Medtronic Global Holdings S.C.A., 4.25%, 03/30/2028	182,000	177,753
4.50%, 03/30/2033	183,000	179,434
		357,187

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	Principal Amount	Value
Home Improvement Retail–0.25%		
Lowe's Cos., Inc., 3.35%, 04/01/2027	$ 6,000	$ 5,670
5.00%, 04/15/2033	22,000	21,773
5.15%, 07/01/2033	124,000	124,016
5.75%, 07/01/2053	37,000	37,732
5.80%, 09/15/2062	39,000	38,600
5.85%, 04/01/2063	216,000	215,540
		443,331
Hotels, Resorts & Cruise Lines–0.13%		
Expedia Group, Inc., 3.25%, 02/15/2030	153,000	133,283
Marriott International, Inc., 4.90%, 04/15/2029	98,000	95,391
		228,674
Industrial Conglomerates–0.18%		
Honeywell International, Inc., 4.25%, 01/15/2029	120,000	116,869
5.00%, 02/15/2033	79,000	80,603
4.50%, 01/15/2034	130,000	127,242
		324,714
Industrial Machinery & Supplies & Components–0.07%		
nVent Finance S.a.r.l. (United Kingdom), 5.65%, 05/15/2033	120,000	118,076
Industrial REITs–0.00%		
LXP Industrial Trust, 2.38%, 10/01/2031	6,000	4,573
Insurance Brokers–0.03%		
Marsh & McLennan Cos., Inc., 5.45%, 03/15/2053	44,000	44,839
Integrated Oil & Gas–0.21%		
BP Capital Markets America, Inc., 4.81%, 02/13/2033	157,000	154,792
4.89%, 09/11/2033	90,000	89,115
BP Capital Markets PLC (United Kingdom), 4.88%[e][f]	26,000	23,715
Gray Oak Pipeline LLC, 2.60%, 10/15/2025[d]	7,000	6,433
Occidental Petroleum Corp., 4.63%, 06/15/2045	119,000	92,250
Shell International Finance B.V. (Netherlands), 2.88%, 11/26/2041	16,000	11,975
		378,280
Integrated Telecommunication Services–0.10%		
AT&T, Inc., 2.55%, 12/01/2033	13,000	10,216
5.40%, 02/15/2034	145,000	145,321
Verizon Communications, Inc., 2.36%, 03/15/2032	34,000	27,357
		182,894
Interactive Home Entertainment–0.00%		
Electronic Arts, Inc., 1.85%, 02/15/2031	7,000	5,673
Interactive Media & Services–0.13%		
Meta Platforms, Inc., 3.85%, 08/15/2032	$ 16,000	$ 14,869
4.45%, 08/15/2052	37,000	32,198
4.65%, 08/15/2062	30,000	26,375
5.75%, 05/15/2063	156,000	161,576
		235,018
Investment Banking & Brokerage–0.72%		
Charles Schwab Corp. (The), 5.64%, 05/19/2029[e]	153,000	153,003
5.85%, 05/19/2034[e]	153,000	155,384
Series K, 5.00%[e][f]	27,000	22,693
Goldman Sachs Group, Inc. (The), 5.70%, 11/01/2024	38,000	37,957
5.75% (SOFR + 0.70%), 01/24/2025[g]	21,000	20,970
5.88% (SOFR + 0.79%), 12/09/2026[g]	73,000	72,443
5.90% (SOFR + 0.81%), 03/09/2027[g]	48,000	47,051
5.97% (SOFR + 0.92%), 10/21/2027[g]	50,000	48,980
4.48%, 08/23/2028[e]	18,000	17,414
Morgan Stanley, 5.69% (SOFR + 0.63%), 01/24/2025[g]	11,000	10,981
5.12%, 02/01/2029[e]	44,000	43,421
5.16%, 04/20/2029[e]	308,000	304,470
5.25%, 04/21/2034[c][e]	298,000	294,400
5.95%, 01/19/2038[e]	37,000	36,541
		1,265,708
Life & Health Insurance–0.68%		
American Equity Investment Life Holding Co., 5.00%, 06/15/2027	7,000	6,760
F&G Annuities & Life, Inc., 7.40%, 01/13/2028[d]	81,000	80,977
MAG Mutual Holding Co., 4.75%, 04/30/2041[d][h]	509,000	416,139
Manulife Financial Corp. (Canada), 4.06%, 02/24/2032[e]	5,000	4,659
MetLife, Inc., 5.00%, 07/15/2052	6,000	5,645
5.25%, 01/15/2054	114,000	110,447
New York Life Global Funding, 4.55%, 01/28/2033[d]	95,000	91,593
Northwestern Mutual Global Funding, 4.35%, 09/15/2027[d]	41,000	40,011
Pacific Life Global Funding II, 5.89% (SOFR + 0.80%), 03/30/2025[d][g]	186,000	185,804
5.71% (SOFR + 0.62%), 06/04/2026[d][g]	36,000	35,458
Principal Financial Group, Inc., 5.38%, 03/15/2033	92,000	91,257
5.50%, 03/15/2053	122,000	115,949
Prudential Financial, Inc., 5.20%, 03/15/2044[e]	7,000	6,931
Reliance Standard Life Global Funding II, 2.75%, 01/21/2027[d]	9,000	8,051
		1,199,681

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	Principal Amount	Value
Managed Health Care–0.37%		
Kaiser Foundation Hospitals, Series 2021, 2.81%, 06/01/2041	$ 135,000	$ 99,293
3.00%, 06/01/2051	140,000	98,145
UnitedHealth Group, Inc., 5.00%, 10/15/2024	42,000	41,861
5.15%, 10/15/2025	28,000	28,087
5.25%, 02/15/2028	37,000	37,747
4.25%, 01/15/2029	70,000	68,051
5.30%, 02/15/2030	63,000	64,586
5.35%, 02/15/2033	54,000	56,146
4.50%, 04/15/2033	31,000	30,211
5.05%, 04/15/2053	67,000	66,645
5.20%, 04/15/2063	56,000	56,075
		646,847
Movies & Entertainment–0.06%		
Warnermedia Holdings, Inc., 5.05%, 03/15/2042	46,000	38,797
5.14%, 03/15/2052	35,000	28,522
5.39%, 03/15/2062	50,000	40,782
		108,101
Multi-line Insurance–0.13%		
Aon Corp./Aon Global Holdings PLC, 5.35%, 02/28/2033	43,000	43,349
Metropolitan Life Global Funding I, 5.15%, 03/28/2033[(d)]	196,000	193,996
		237,345
Multi-Utilities–0.21%		
Ameren Corp., 2.50%, 09/15/2024	5,000	4,794
Ameren Illinois Co., 4.95%, 06/01/2033	90,000	89,341
Dominion Energy, Inc., 5.38%, 11/15/2032	95,000	95,386
NiSource, Inc., 5.25%, 03/30/2028	30,000	30,006
5.40%, 06/30/2033	29,000	29,048
WEC Energy Group, Inc., 5.00%, 09/27/2025	50,000	49,555
5.15%, 10/01/2027	29,000	28,977
4.75%, 01/15/2028	37,000	36,190
1.80%, 10/15/2030	6,000	4,776
		368,073
Office REITs–0.16%		
Alexandria Real Estate Equities, Inc., 2.95%, 03/15/2034	7,000	5,528
Boston Properties L.P., 2.90%, 03/15/2030	36,000	28,962
3.25%, 01/30/2031	26,000	21,213
2.55%, 04/01/2032	53,000	40,002
2.45%, 10/01/2033	58,000	41,853
Office Properties Income Trust, 4.25%, 05/15/2024	88,000	83,076
4.50%, 02/01/2025	36,000	31,139
2.65%, 06/15/2026	9,000	6,642
2.40%, 02/01/2027	39,000	26,260
		284,675
Oil & Gas Exploration & Production–0.03%		
Canadian Natural Resources Ltd. (Canada), 2.05%, 07/15/2025	$ 6,000	$ 5,591
Pioneer Natural Resources Co., 5.10%, 03/29/2026	40,000	39,773
		45,364
Oil & Gas Refining & Marketing–0.07%		
Phillips 66, 5.30%, 06/30/2033	118,000	117,722
Oil & Gas Storage & Transportation–0.57%		
Cheniere Energy Partners L.P., 5.95%, 06/30/2033[(d)]	111,000	111,462
Enbridge, Inc. (Canada), 5.70%, 03/08/2033	117,000	118,660
Energy Transfer L.P., 5.75%, 02/15/2033	27,000	27,214
GreenSaif Pipelines Bidco S.a.r.l. (Saudi Arabia), 6.51%, 02/23/2042[(d)]	200,000	208,141
Kinder Morgan, Inc., 4.80%, 02/01/2033	16,000	15,100
5.20%, 06/01/2033	111,000	107,620
5.45%, 08/01/2052	44,000	40,223
MPLX L.P., 5.00%, 03/01/2033	69,000	66,121
4.95%, 03/14/2052	30,000	25,516
ONEOK, Inc., 6.10%, 11/15/2032	19,000	19,337
Sabine Pass Liquefaction LLC, 5.90%, 09/15/2037[(d)]	37,000	37,590
Targa Resources Corp., 5.20%, 07/01/2027	17,000	16,700
Western Midstream Operating L.P., 6.15%, 04/01/2033	96,000	96,890
Williams Cos., Inc. (The), 5.65%, 03/15/2033	121,000	122,653
		1,013,227
Other Specialty Retail–0.02%		
Tractor Supply Co., 5.25%, 05/15/2033	44,000	43,678
Packaged Foods & Meats–0.23%		
Conagra Brands, Inc., 4.60%, 11/01/2025	6,000	5,867
General Mills, Inc., 2.25%, 10/14/2031	5,000	4,104
JDE Peet's N.V. (Netherlands), 1.38%, 01/15/2027[(d)]	150,000	130,223
Mars, Inc., 4.55%, 04/20/2028[(d)]	156,000	153,604
4.65%, 04/20/2031[(d)]	79,000	78,476
McCormick & Co., Inc., 4.95%, 04/15/2033	40,000	39,278
		411,552
Paper & Plastic Packaging Products & Materials–0.01%		
Berry Global, Inc., 1.65%, 01/15/2027	20,000	17,267
Sealed Air Corp., 1.57%, 10/15/2026[(d)]	8,000	6,965
		24,232

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	Principal Amount	Value
Passenger Airlines–0.27%		
American Airlines Pass-Through Trust, Series 2021-1, Class B, 3.95%, 07/11/2030	$ 101,230	$ 88,352
Series 2021-1, Class A, 2.88%, 07/11/2034	12,651	10,602
British Airways Pass-Through Trust (United Kingdom), Series 2021-1, Class A, 2.90%, 03/15/2035[(d)]	41,055	33,936
Delta Air Lines, Inc./SkyMiles IP Ltd., 4.50%, 10/20/2025[(d)]	22,102	21,630
4.75%, 10/20/2028[(d)]	40,633	39,475
United Airlines Pass-Through Trust, Series 2020-1, Class A, 5.88%, 10/15/2027	16,530	16,408
5.80%, 07/15/2037	254,000	258,540
		468,943
Personal Care Products–0.30%		
Kenvue, Inc., 5.05%, 03/22/2028[(d)]	64,000	64,559
5.00%, 03/22/2030[(d)]	118,000	119,209
4.90%, 03/22/2033[(d)]	144,000	145,791
5.10%, 03/22/2043[(d)]	62,000	63,074
5.05%, 03/22/2053[(d)]	70,000	71,515
5.20%, 03/22/2063[(d)]	61,000	62,504
		526,652
Pharmaceuticals–1.46%		
Bayer US Finance II LLC (Germany), 3.88%, 12/15/2023[(d)]	335,000	331,816
Eli Lilly and Co., 4.70%, 02/27/2033	94,000	95,268
4.88%, 02/27/2053	91,000	93,540
4.95%, 02/27/2063	53,000	54,135
Mayo Clinic, Series 2021, 3.20%, 11/15/2061	80,000	54,270
Merck & Co., Inc., 4.05%, 05/17/2028	128,000	125,871
4.30%, 05/17/2030[(c)]	302,000	295,765
4.50%, 05/17/2033	89,000	88,320
4.90%, 05/17/2044	244,000	244,787
5.00%, 05/17/2053	61,000	61,843
5.15%, 05/17/2063	80,000	81,783
Pfizer Investment Enterprises Pte. Ltd., 4.45%, 05/19/2026	292,000	288,567
4.45%, 05/19/2028	192,000	188,805
4.75%, 05/19/2033	148,000	147,500
5.30%, 05/19/2053	259,000	269,481
Takeda Pharmaceutical Co. Ltd. (Japan), 5.00%, 11/26/2028	160,000	159,142
		2,580,893
Precious Metals & Minerals–0.05%		
Anglo American Capital PLC (South Africa), 3.63%, 09/11/2024[(d)]	86,000	83,618
Property & Casualty Insurance–0.04%		
Travelers Cos., Inc. (The), 5.45%, 05/25/2053	69,000	72,277
Rail Transportation–0.18%		
Burlington Northern Santa Fe LLC, 5.20%, 04/15/2054	177,000	180,718
Rail Transportation–(continued)		
CSX Corp., 4.50%, 11/15/2052	$ 36,000	$ 32,560
Union Pacific Corp., 2.15%, 02/05/2027	6,000	5,486
4.50%, 01/20/2033	47,000	46,247
5.15%, 01/20/2063	48,000	48,226
		313,237
Real Estate Development–0.00%		
Essential Properties L.P., 2.95%, 07/15/2031	6,000	4,503
Regional Banks–0.51%		
Citizens Financial Group, Inc., 3.25%, 04/30/2030	3,000	2,455
2.64%, 09/30/2032	21,000	14,857
5.64%, 05/21/2037[(e)]	44,000	37,930
M&T Bank Corp., 5.05%, 01/27/2034[(e)]	70,000	63,975
Santander Holdings USA, Inc., 3.50%, 06/07/2024	5,000	4,857
Santander UK Group Holdings PLC (United Kingdom), 6.83%, 11/21/2026[(e)]	221,000	221,630
Truist Financial Corp., 6.05%, 06/08/2027[(e)]	154,000	154,133
4.87%, 01/26/2029[(e)]	77,000	74,060
4.92%, 07/28/2033[(e)]	56,000	51,212
6.12%, 10/28/2033[(e)]	35,000	35,539
5.12%, 01/26/2034[(e)]	77,000	72,997
5.87%, 06/08/2034[(e)]	166,000	166,144
		899,789
Reinsurance–0.17%		
Berkshire Hathaway Finance Corp., 2.85%, 10/15/2050	5,000	3,486
RenaissanceRe Holdings Ltd. (Bermuda), 5.75%, 06/05/2033	295,000	289,177
		292,663
Renewable Electricity–0.00%		
NSTAR Electric Co., 4.55%, 06/01/2052	8,000	7,204
Restaurants–0.02%		
McDonald's Corp., 5.15%, 09/09/2052	42,000	41,897
Retail REITs–0.03%		
Agree L.P., 2.00%, 06/15/2028	5,000	4,166
NNN REIT, Inc., 3.50%, 04/15/2051	6,000	4,043
Realty Income Corp., 5.63%, 10/13/2032	23,000	23,264
2.85%, 12/15/2032	5,000	4,074
Regency Centers L.P., 2.95%, 09/15/2029	5,000	4,294
Spirit Realty L.P., 3.20%, 01/15/2027	6,000	5,406
		45,247
Self-Storage REITs–0.43%		
Extra Space Storage L.P., 5.70%, 04/01/2028	43,000	42,997

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

	Principal Amount	Value
Self-Storage REITs–(continued)		
Prologis L.P., 4.63%, 01/15/2033	$ 46,000	$ 44,975
4.75%, 06/15/2033	184,000	179,913
5.25%, 06/15/2053	253,000	248,870
Prologis, L.P., 4.88%, 06/15/2028	124,000	122,981
5.13%, 01/15/2034	120,000	119,216
		758,952
Semiconductors–0.19%		
Broadcom, Inc., 3.46%, 09/15/2026	52,000	49,155
3.14%, 11/15/2035[d]	16,000	12,279
Foundry JV Holdco LLC, 5.88%, 01/25/2034[d]	272,000	271,241
Skyworks Solutions, Inc., 1.80%, 06/01/2026	4,000	3,575
3.00%, 06/01/2031	5,000	4,042
		340,292
Single-Family Residential REITs–0.00%		
Sun Communities Operating L.P., 2.70%, 07/15/2031	3,000	2,374
Specialized Finance–0.00%		
Blackstone Holdings Finance Co. LLC, 1.60%, 03/30/2031[d]	10,000	7,429
Steel–0.05%		
ArcelorMittal S.A. (Luxembourg), 6.55%, 11/29/2027	92,000	94,419
Systems Software–0.20%		
Oracle Corp., 6.25%, 11/09/2032	110,000	116,811
4.90%, 02/06/2033	114,000	110,702
6.90%, 11/09/2052	47,000	52,800
5.55%, 02/06/2053	63,000	61,051
VMware, Inc., 3.90%, 08/21/2027	4,000	3,795
		345,159
Technology Hardware, Storage & Peripherals–0.00%		
Apple, Inc., 2.55%, 08/20/2060	12,000	7,928
Telecom Tower REITs–0.05%		
American Tower Corp., 3.38%, 10/15/2026	43,000	40,159
Crown Castle, Inc., 4.45%, 02/15/2026	43,000	41,871
		82,030
Tobacco–0.36%		
Altria Group, Inc., 3.70%, 02/04/2051	5,000	3,354
Philip Morris International, Inc., 5.13%, 11/17/2027	41,000	41,155
4.88%, 02/15/2028	279,000	274,974
5.13%, 02/15/2030[c]	311,000	307,778
		627,261
Trading Companies & Distributors–0.05%		
Triton Container International Ltd. (Bermuda), 2.05%, 04/15/2026[d]	91,000	79,486
Transaction & Payment Processing Services–0.11%		
Mastercard, Inc., 4.85%, 03/09/2033	$ 179,000	$ 182,131
PayPal Holdings, Inc., 5.05%, 06/01/2052	15,000	14,699
		196,830
Wireless Telecommunication Services–0.15%		
T-Mobile USA, Inc., 3.50%, 04/15/2025	43,000	41,364
5.05%, 07/15/2033	94,000	92,338
3.40%, 10/15/2052	27,000	19,295
5.65%, 01/15/2053	108,000	109,742
		262,739
Total U.S. Dollar Denominated Bonds & Notes (Cost $44,206,220)		42,976,357
U.S. Government Sponsored Agency Mortgage-Backed Securities–16.52%		
Collateralized Mortgage Obligations–0.36%		
Fannie Mae Interest STRIPS, IO, 7.50%, 11/25/2023[i]	529	3
6.50%, 02/25/2032 to 02/25/2033[i][j]	83,247	12,571
7.00%, 04/25/2032[i]	2,945	560
6.00%, 06/25/2033 to 09/25/2035[i][j]	70,589	10,818
5.50%, 09/25/2033 to 06/25/2035[i]	139,658	21,848
Fannie Mae REMICs, PO, 0.00%, 09/25/2023[k]	131	131
5.50%, 12/25/2025 to 07/25/2046[i]	166,709	118,515
4.00%, 08/25/2026 to 08/25/2047[i]	98,058	16,474
6.00%, 11/25/2028	10,768	10,789
5.40% (1 mo. USD LIBOR + 0.25%), 08/25/2035[g]	10,746	10,614
5.68% (24.57% - (3.67 x 1 mo. USD LIBOR)), 03/25/2036[g]	21,053	24,017
5.32% (24.20% - (3.67 x 1 mo. USD LIBOR)), 06/25/2036[g]	13,079	14,378
6.09% (1 mo. USD LIBOR + 0.94%), 06/25/2037[g]	9,906	9,974
5.00%, 04/25/2040	10,311	10,123
IO, 3.00%, 11/25/2027[i]	46,018	1,784
1.95% (7.10% - (1.00 x 1 mo. USD LIBOR)), 11/25/2030[g][i]	19,496	1,005
2.75% (7.90% - (1.00 x 1 mo. USD LIBOR)), 11/25/2031[g][i]	30,704	2,481
2.80% (7.95% - (1.00 x 1 mo. USD LIBOR)), 01/25/2032[g][i]	6,638	538
2.95% (8.10% - (1.00 x 1 mo. USD LIBOR)), 03/25/2032[g][i]	8,018	819
2.85% (8.00% - (1.00 x 1 mo. USD LIBOR)), 04/25/2032 to 12/25/2032[g][i]	94,149	9,286
2.99% (8.10% - (1.00 x 1 mo. USD LIBOR)), 12/18/2032[g][i]	8,258	429
3.10% (8.25% - (1.00 x 1 mo. USD LIBOR)), 02/25/2033 to 05/25/2033[g][i]	44,578	5,526

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

	Principal Amount	Value
Collateralized Mortgage Obligations–(continued)		
2.40% (7.55% - (1.00 x 1 mo. USD LIBOR)), 10/25/2033[g][i]	$ 5,947	$ 558
0.90% (6.05% - (1.00 x 1 mo. USD LIBOR)), 03/25/2035 to 07/25/2038[g][i]	20,338	780
1.60% (6.75% - (1.00 x 1 mo. USD LIBOR)), 03/25/2035[g][i]	2,991	175
1.45% (6.60% - (1.00 x 1 mo. USD LIBOR)), 05/25/2035[g][i]	155,731	7,694
1.55% (6.70% - (1.00 x 1 mo. USD LIBOR)), 05/25/2035[g][i]	60,382	3,865
3.50%, 08/25/2035[i]	193,610	23,181
0.95% (6.10% - (1.00 x 1 mo. USD LIBOR)), 10/25/2035[g][i]	16,667	1,168
1.39% (6.54% - (1.00 x 1 mo. USD LIBOR)), 06/25/2037[g][i]	29,480	1,927
1.40% (6.55% - (1.00 x 1 mo. USD LIBOR)), 10/25/2041[g][i]	37,537	2,622
1.00% (6.15% - (1.00 x 1 mo. USD LIBOR)), 12/25/2042[g][i]	124,130	12,098
0.75% (5.90% - (1.00 x 1 mo. USD LIBOR)), 09/25/2047[g][i]	316,547	21,046
Freddie Mac Multifamily Structured Pass-Through Ctfs., Series KC02, Class X1, IO, 1.91%, 03/25/2024[j]	4,116,286	11,295
Series KC03, Class X1, IO, 0.63%, 11/25/2024[j]	2,561,939	22,000
Series K734, Class X1, IO, 0.78%, 02/25/2026[j]	2,022,495	26,080
Series K735, Class X1, IO, 1.10%, 05/25/2026[j]	1,989,217	43,218
Series K093, Class X1, IO, 1.09%, 05/25/2029[j]	1,638,548	72,372
Freddie Mac REMICs, IO, 2.54% (7.65% - (1.00 x 1 mo. USD LIBOR)), 07/15/2026 to 03/15/2029[g][i]	22,340	582
3.00%, 06/15/2027 to 05/15/2040[i]	155,192	6,531
2.50%, 05/15/2028[i]	34,100	1,325
1.59% (6.70% - (1.00 x 1 mo. USD LIBOR)), 01/15/2035[g][i]	125,136	5,530
1.64% (6.75% - (1.00 x 1 mo. USD LIBOR)), 02/15/2035[g][i]	6,439	306
1.61% (6.72% - (1.00 x 1 mo. USD LIBOR)), 05/15/2035[g][i]	47,052	2,192
1.89% (7.00% - (1.00 x 1 mo. USD LIBOR)), 12/15/2037[g][i]	7,011	629
0.89% (6.00% - (1.00 x 1 mo. USD LIBOR)), 04/15/2038[g][i]	3,756	296
0.96% (6.07% - (1.00 x 1 mo. USD LIBOR)), 05/15/2038[g][i]	25,881	1,815
1.14% (6.25% - (1.00 x 1 mo. USD LIBOR)), 12/15/2039[g][i]	13,071	766
0.99% (6.10% - (1.00 x 1 mo. USD LIBOR)), 01/15/2044[g][i]	47,329	4,249
4.00%, 03/15/2045[i]	17,539	905
6.50%, 03/15/2032 to 06/15/2032	36,634	37,591
3.50%, 05/15/2032	8,803	8,311
6.02% (24.75% - (3.67 x 1 mo. USD LIBOR)), 08/15/2035[g]	4,230	4,889
5.51% (1 mo. USD LIBOR + 0.40%), 09/15/2035[g]	21,115	20,718
Freddie Mac STRIPS, IO, 7.00%, 04/01/2027[i]	12,463	1,033
3.00%, 12/15/2027[i]	58,808	2,834
3.27%, 12/15/2027[j]	14,911	637
6.50%, 02/01/2028[i]	2,849	273
6.00%, 12/15/2032[i]	12,500	1,532
PO, 0.00%, 06/01/2026[k]	2,498	2,349
		638,055
Federal Home Loan Mortgage Corp. (FHLMC)–0.27%		
9.00%, 01/01/2025 to 05/01/2025	122	123
6.50%, 07/01/2028 to 04/01/2034	6,731	6,887
7.00%, 10/01/2031 to 10/01/2037	19,637	20,208
5.00%, 12/01/2034	419	417
5.50%, 09/01/2039 to 06/01/2053	454,665	454,849
		482,484
Federal National Mortgage Association (FNMA)–11.51%		
7.50%, 01/01/2033	15,837	16,237
6.00%, 03/01/2037	41,153	42,756
4.00%, 05/01/2052	565,716	534,800
TBA, 2.00%, 07/01/2053[l]	7,935,458	6,473,288
3.50%, 07/01/2053[l]	2,800,000	2,551,828
4.00%, 07/01/2053[l]	1,039,000	975,158
4.50%, 07/01/2053[l]	1,039,000	998,982
5.00%, 07/01/2053[l]	5,082,000	4,979,963
5.50%, 07/01/2053[l]	3,800,000	3,781,891
		20,354,903
Government National Mortgage Association (GNMA)–4.38%		
7.50%, 10/15/2023 to 06/15/2024	361	360
IO, 2.34% (7.50% - (1.00 x 1 mo. USD LIBOR)), 02/16/2032[g][i]	4,346	1
1.39% (6.55% - (1.00 x 1 mo. USD LIBOR)), 04/16/2037[g][i]	107,026	6,808
1.49% (6.65% - (1.00 x 1 mo. USD LIBOR)), 04/16/2041[g][i]	49,401	2,535
4.50%, 09/16/2047[i]	138,518	21,671
1.04% (6.20% - (1.00 x 1 mo. USD LIBOR)), 10/16/2047[g][i]	117,054	9,571
TBA, 2.50%, 07/01/2053[l]	4,465,000	3,867,109
4.50%, 07/01/2053[l]	2,206,000	2,129,307
5.50%, 07/01/2053[l]	1,715,000	1,707,095
		7,744,457
Total U.S. Government Sponsored Agency Mortgage-Backed Securities (Cost $30,035,668)		29,219,899

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

	Principal Amount	Value
Asset-Backed Securities–13.07%		
Alternative Loan Trust, Series 2005-29CB, Class A4, 5.00%, 07/25/2035	$ 76,114	$ 45,643
AmeriCredit Automobile Receivables Trust, Series 2019-2, Class C, 2.74%, 04/18/2025	30,512	30,384
Series 2019-2, Class D, 2.99%, 06/18/2025	270,000	265,715
Series 2019-3, Class D, 2.58%, 09/18/2025	130,000	126,666
AMSR Trust, Series 2021-SFR3, Class B, 1.73%, 10/17/2038[d]	235,000	205,523
Angel Oak Mortgage Trust, Series 2020-1, Class A1, 2.16%, 12/25/2059[d][m]	27,024	24,993
Series 2020-3, Class A1, 1.69%, 04/25/2065[d][m]	92,866	84,315
Series 2021-3, Class A1, 1.07%, 05/25/2066[d][m]	51,525	42,075
Series 2021-7, Class A1, 1.98%, 10/25/2066[d][m]	125,505	103,804
Series 2022-1, Class A1, 2.88%, 12/25/2066[d][n]	226,761	197,669
Avis Budget Rental Car Funding (AESOP) LLC, Series 2022-1A, Class A, 3.83%, 08/21/2028[d]	415,000	385,603
Series 2023-1A, Class A, 5.25%, 04/20/2029[d]	100,000	97,698
Series 2023-4A, Class A, 5.49%, 06/20/2029[d]	291,000	286,934
Bain Capital Credit CLO Ltd., Series 2017-2A, Class AR2, 6.44% (3 mo. USD LIBOR + 1.18%), 07/25/2034[d][g]	424,000	416,204
Banc of America Funding Trust, Series 2007-1, Class 1A3, 6.00%, 01/25/2037	16,766	13,781
Series 2007-C, Class 1A4, 3.97%, 05/20/2036[m]	5,291	4,719
Banc of America Mortgage Trust, Series 2004-E, Class 2A6, 5.03%, 06/25/2034[m]	13,970	13,356
Bank, Series 2019-BNK16, Class XA, IO, 1.10%, 02/15/2052[j]	1,506,404	58,911
Bayview MSR Opportunity Master Fund Trust, Series 2021-4, Class A3, 3.00%, 10/25/2051[d][m]	188,215	158,915
Series 2021-4, Class A4, 2.50%, 10/25/2051[d][m]	188,215	151,987
Series 2021-4, Class A8, 2.50%, 10/25/2051[d][m]	176,287	151,321
Series 2021-5, Class A1, 3.00%, 11/25/2051[d][m]	198,921	167,955
Series 2021-5, Class A2, 2.50%, 11/25/2051[d][m]	242,724	196,004
Bear Stearns Adjustable Rate Mortgage Trust, Series 2005-9, Class A1, 0.76% (1 yr. U.S. Treasury Yield Curve Rate + 2.30%), 10/25/2035[g]	88,657	84,200
Series 2006-1, Class A1, 0.65% (1 yr. U.S. Treasury Yield Curve Rate + 2.25%), 02/25/2036[g]	28,388	27,278
Benchmark Mortgage Trust, Series 2018-B1, Class XA, IO, 0.68%, 01/15/2051[j]	$1,566,108	$ 28,758
BRAVO Residential Funding Trust, Series 2021-NQM2, Class A1, 0.97%, 03/25/2060[d][m]	43,673	40,614
BX Commercial Mortgage Trust, Series 2021-ACNT, Class A, 6.04% (1 mo. USD LIBOR + 0.85%), 11/15/2038[d][g]	110,000	107,376
Series 2021-VOLT, Class A, 5.89% (1 mo. USD LIBOR + 0.70%), 09/15/2036[d][g]	210,000	203,466
Series 2021-VOLT, Class B, 6.14% (1 mo. USD LIBOR + 0.95%), 09/15/2036[d][g]	190,000	182,208
BX Trust, Series 2022-CLS, Class A, 5.76%, 10/13/2027[d]	105,000	101,326
Series 2022-LBA6, Class A, 6.15% (1 mo. Term SOFR + 1.00%), 01/15/2039[d][g]	185,000	180,727
Series 2022-LBA6, Class B, 6.45% (1 mo. Term SOFR + 1.30%), 01/15/2039[d][g]	110,000	107,146
Series 2022-LBA6, Class C, 6.75% (1 mo. Term SOFR + 1.60%), 01/15/2039[d][g]	100,000	96,689
CarMax Auto Owner Trust, Series 2022-4, Class A4, 5.70%, 07/17/2028	450,000	453,569
CCG Receivables Trust, Series 2019-2, Class B, 2.55%, 03/15/2027[d]	57,956	57,874
Series 2019-2, Class C, 2.89%, 03/15/2027[d]	100,000	99,857
CD Mortgage Trust, Series 2017-CD6, Class XA, IO, 1.02%, 11/13/2050[j]	753,581	18,718
Cedar Funding IX CLO Ltd., Series 2018-9A, Class A1, 6.23% (3 mo. USD LIBOR + 0.98%), 04/20/2031[d][g]	250,000	248,134
Chase Home Lending Mortgage Trust, Series 2019-ATR1, Class A15, 4.00%, 04/25/2049[d][m]	4,034	3,724
Chase Mortgage Finance Trust, Series 2005-A2, Class 1A3, 3.95%, 01/25/2036[m]	38,024	33,473
Citigroup Commercial Mortgage Trust, Series 2013-GC17, Class XA, IO, 1.13%, 11/10/2046[j]	271,869	62
Series 2014-GC21, Class AA, 3.48%, 05/10/2047	15,054	14,918
Series 2017-C4, Class XA, IO, 1.17%, 10/12/2050[j]	1,961,728	60,784
Citigroup Mortgage Loan Trust, Series 2006-AR1, Class 1A1, 7.11% (1 yr. U.S. Treasury Yield Curve Rate + 2.40%), 10/25/2035[g]	73,990	71,978
Series 2021-INV3, Class A3, 2.50%, 05/25/2051[d][m]	189,844	153,302

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

	Principal Amount	Value
COLT Mortgage Loan Trust, Series 2020-2, Class A1, 1.85%, 03/25/2065[(d)(m)]	$ 3,245	$ 3,222
Series 2021-5, Class A1, 1.73%, 11/26/2066[(d)(m)]	95,400	79,407
Series 2022-1, Class A1, 2.28%, 12/27/2066[(d)(m)]	132,072	113,353
Series 2022-2, Class A1, 2.99%, 02/25/2067[(d)(n)]	134,625	119,339
Series 2022-3, Class A1, 3.90%, 02/25/2067[(d)(m)]	228,823	210,483
COMM Mortgage Trust, Series 2014-CR20, Class ASB, 3.31%, 11/10/2047	18,020	17,599
Series 2014-CR21, Class AM, 3.99%, 12/10/2047	865,000	823,013
Series 2014-LC15, Class AM, 4.20%, 04/10/2047	140,000	135,170
Series 2014-UBS6, Class AM, 4.05%, 12/10/2047	495,000	455,522
Countrywide Home Loans Mortgage Pass-Through Trust, Series 2005-26, Class 1A8, 5.50%, 11/25/2035	25,275	16,258
Series 2006-6, Class A3, 6.00%, 04/25/2036	17,319	9,370
Credit Suisse Mortgage Capital Trust, Series 2021-NQM1, Class A1, 0.81%, 05/25/2065[(d)(m)]	35,762	29,998
Series 2021-NQM2, Class A1, 1.18%, 02/25/2066[(d)(m)]	45,706	38,125
Series 2022-ATH1, Class A1A, 2.87%, 01/25/2067[(d)(m)]	165,019	151,385
Series 2022-ATH1, Class A1B, 3.35%, 01/25/2067[(d)(m)]	100,000	87,361
Series 2022-ATH2, Class A1, 4.55%, 05/25/2067[(d)(m)]	237,631	227,579
CSAIL Commercial Mortgage Trust, Series 2020-C19, Class A3, 2.56%, 03/15/2053	571,000	473,644
CSMC Mortgage-Backed Trust, Series 2006-6, Class 1A4, 6.00%, 07/25/2036	81,518	42,931
Dryden 93 CLO Ltd., Series 2021-93A, Class A1A, 6.34% (3 mo. USD LIBOR + 1.08%), 01/15/2034[(d)(g)]	100,056	98,461
Ellington Financial Mortgage Trust, Series 2020-1, Class A1, 2.01%, 05/25/2065[(d)(m)]	11,731	11,205
Series 2021-1, Class A1, 0.80%, 02/25/2066[(d)(m)]	31,649	26,361
Series 2022-1, Class A1, 2.21%, 01/25/2067[(d)(m)]	121,978	101,951
Series 2022-3, Class A1, 5.00%, 08/25/2067[(d)(n)]	225,200	217,325
Exeter Automobile Receivables Trust, Series 2019-4A, Class D, 2.58%, 09/15/2025[(d)]	116,393	114,582
Extended Stay America Trust, Series 2021-ESH, Class B, 6.57% (1 mo. USD LIBOR + 1.38%), 07/15/2038[(d)(g)]	101,193	98,867
First Horizon Alternative Mortgage Securities Trust, Series 2005-FA8, Class 1A6, 5.50% (1 mo. USD LIBOR + 0.65%), 11/25/2035[(g)]	36,173	15,984
Flagstar Mortgage Trust, Series 2021-11IN, Class A6, 3.70%, 11/25/2051[(d)(m)]	$ 302,753	$ 260,288
Series 2021-8INV, Class A6, 2.50%, 09/25/2051[(d)(m)]	79,827	68,630
Golub Capital Partners CLO 40(A) Ltd., Series 2019-40A, Class AR, 6.35% (3 mo. USD LIBOR + 1.09%), 01/25/2032[(d)(g)]	275,000	270,680
GS Mortgage Securities Corp. Trust, Series 2022-SHIP, Class A, 5.88% (1 mo. Term SOFR + 0.73%), 08/15/2036[(d)(g)]	100,000	99,361
GS Mortgage Securities Trust, Series 2013-GC16, Class AS, 4.65%, 11/10/2046	65,000	64,403
Series 2014-GC18, Class AAB, 3.65%, 01/10/2047	5,303	5,280
Series 2020-GC47, Class A5, 2.38%, 05/12/2053	225,000	183,424
GS Mortgage-Backed Securities Trust, Series 2021-INV1, Class A6, 2.50%, 12/25/2051[(d)(m)]	159,966	137,242
GSR Mortgage Loan Trust, Series 2005-AR4, Class 6A1, 4.66%, 07/25/2035[(m)]	3,743	3,494
Hertz Vehicle Financing III L.P., Series 2021-2A, Class A, 1.68%, 12/27/2027[(d)]	113,000	98,638
Hertz Vehicle Financing LLC, Series 2021-1A, Class A, 1.21%, 12/26/2025[(d)]	104,000	97,500
JP Morgan Chase Commercial Mortgage Securities Trust, Series 2013-C16, Class AS, 4.52%, 12/15/2046	330,000	326,483
Series 2013-LC11, Class AS, 3.22%, 04/15/2046	39,085	36,992
Series 2014-C20, Class AS, 4.04%, 07/15/2047	245,000	236,141
JP Morgan Mortgage Trust, Series 2007-A1, Class 5A1, 4.05%, 07/25/2035[(m)]	19,297	18,863
Series 2021-LTV2, Class A1, 2.52%, 05/25/2052[(d)(m)]	218,041	176,359
JPMBB Commercial Mortgage Securities Trust, Series 2014-C24, Class B, 4.12%, 11/15/2047[(m)]	270,000	244,035
Series 2014-C25, Class AS, 4.07%, 11/15/2047	105,000	100,100
Series 2015-C27, Class XA, IO, 1.28%, 02/15/2048[(j)]	1,903,702	25,431
KKR CLO 30 Ltd., Series 30A, Class A1R, 6.28% (3 mo. USD LIBOR + 1.02%), 10/17/2031[(d)(g)]	268,000	265,494
Life Mortgage Trust, Series 2021-BMR, Class A, 5.96% (1 mo. Term SOFR + 0.81%), 03/15/2038[(d)(g)]	127,786	124,638
Series 2021-BMR, Class B, 6.14% (1 mo. Term SOFR + 0.99%), 03/15/2038[(d)(g)]	211,339	205,246
Series 2021-BMR, Class C, 6.36% (1 mo. Term SOFR + 1.21%), 03/15/2038[(d)(g)]	103,212	99,519

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

	Principal Amount	Value
Madison Park Funding XLVIII Ltd., Series 2021-48A, Class A, 6.42% (3 mo. USD LIBOR + 1.15%), 04/19/2033[d][g]	$ 618,000	$ 613,427
MASTR Adjustable Rate Mortgages Trust, Series 2004-13, Class 2A2, 4.58%, 04/21/2034[m]	8,217	7,929
Med Trust, Series 2021-MDLN, Class A, 6.14% (1 mo. USD LIBOR + 0.95%), 11/15/2038[d][g]	139,331	135,264
Series 2021-MDLN, Class B, 6.64% (1 mo. USD LIBOR + 1.45%), 11/15/2038[d][g]	116,441	112,567
Mello Mortgage Capital Acceptance Trust, Series 2021-INV2, Class A4, 2.50%, 08/25/2051[d][m]	124,003	106,375
Series 2021-INV3, Class A4, 2.50%, 10/25/2051[d][m]	121,932	104,402
MFA Trust, Series 2021-AEI1, Class A3, 2.50%, 08/25/2051[d][m]	134,764	108,825
Series 2021-AEI1, Class A4, 2.50%, 08/25/2051[d][m]	165,186	141,472
Series 2021-INV2, Class A1, 1.91%, 11/25/2056[d][m]	156,187	131,630
MHP Commercial Mortgage Trust, Series 2021-STOR, Class A, 5.89% (1 mo. USD LIBOR + 0.70%), 07/15/2038[d][g]	105,000	102,348
Series 2021-STOR, Class B, 6.09% (1 mo. USD LIBOR + 0.90%), 07/15/2038[d][g]	105,000	101,783
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2013-C9, Class AS, 3.46%, 05/15/2046	47,054	46,025
Series 2014-C19, Class AS, 3.83%, 12/15/2047	720,000	684,350
Morgan Stanley Capital I Trust, Series 2017-HR2, Class XA, IO, 0.99%, 12/15/2050[j]	617,301	19,293
Morgan Stanley Re-REMIC Trust, Series 2012-R3, Class 1B, 6.00%, 11/26/2036[d][m]	116,016	92,708
Neuberger Berman Loan Advisers CLO 24 Ltd., Series 2017-24A, Class AR, 6.29% (3 mo. USD LIBOR + 1.02%), 04/19/2030[d][g]	263,959	263,004
Neuberger Berman Loan Advisers CLO 40 Ltd., Series 2021-40A, Class A, 6.32% (3 mo. USD LIBOR + 1.06%), 04/16/2033[d][g]	250,000	247,749
New Residential Mortgage Loan Trust, Series 2022-NQM2, Class A1, 3.08%, 03/27/2062[d][m]	147,751	130,646
OBX Trust, Series 2022-NQM1, Class A1, 2.31%, 11/25/2061[d][m]	159,337	134,078
Series 2022-NQM2, Class A1, 2.95%, 01/25/2062[d][m]	192,053	171,361
Series 2022-NQM2, Class A1A, 2.78%, 01/25/2062[d][n]	117,504	106,219
Series 2022-NQM2, Class A1B, 3.38%, 01/25/2062[d][n]	110,000	93,468
Series 2022-NQM8, Class A1, 6.10%, 09/25/2062[d][n]	325,254	323,195
Oceanview Mortgage Trust, Series 2021-3, Class A5, 2.50%, 07/25/2051[d][m]	$ 138,299	$ 118,918
OCP CLO Ltd. (Cayman Islands), Series 2017-13A, Class A1AR, 6.22% (3 mo. USD LIBOR + 0.96%), 07/15/2030[d][g]	250,000	247,797
Series 2020-8RA, Class A1, 6.48% (3 mo. USD LIBOR + 1.22%), 01/17/2032[d][g]	366,000	362,593
Octagon Investment Partners 31 Ltd., Series 2017-1A, Class AR, 6.30% (3 mo. USD LIBOR + 1.05%), 07/20/2030[d][g]	232,819	231,327
Octagon Investment Partners 49 Ltd., Series 2020-5A, Class A1, 6.48% (3 mo. USD LIBOR + 1.22%), 01/15/2033[d][g]	339,000	336,959
OHA Loan Funding Ltd., Series 2016-1A, Class AR, 6.51% (3 mo. USD LIBOR + 1.26%), 01/20/2033[d][g]	272,907	270,529
Onslow Bay Mortgage Loan Trust, Series 2021-NQM4, Class A1, 1.96%, 10/25/2061[d][m]	189,235	154,464
Prestige Auto Receivables Trust, Series 2019-1A, Class C, 2.70%, 10/15/2024[d]	3,503	3,498
Progress Residential Trust, Series 2020-SFR1, Class A, 1.73%, 04/17/2037[d]	358,396	332,773
Series 2021-SFR10, Class A, 2.39%, 12/17/2040[d]	114,453	97,414
Series 2022-SFR5, Class A, 4.45%, 06/17/2039[d]	207,966	197,956
Race Point VIII CLO Ltd., Series 2013-8A, Class AR2, 6.42% (3 mo. USD LIBOR + 1.04%), 02/20/2030[d][g]	215,215	213,791
Residential Accredit Loans, Inc. Trust, Series 2006-QS13, Class 1A8, 6.00%, 09/25/2036	3,239	2,448
Residential Mortgage Loan Trust, Series 2020-1, Class A1, 2.38%, 01/26/2060[d][m]	20,919	19,810
RUN Trust, Series 2022-NQM1, Class A1, 4.00%, 03/25/2067[d]	132,229	124,513
Santander Drive Auto Receivables Trust, Series 2019-2, Class D, 3.22%, 07/15/2025	29,040	28,963
Series 2019-3, Class D, 2.68%, 10/15/2025	12,960	12,937
SG Residential Mortgage Trust, Series 2022-1, Class A1, 3.17%, 03/27/2062[d][m]	272,179	240,281
Series 2022-1, Class A2, 3.58%, 03/27/2062[d][m]	119,943	104,799
Sonic Capital LLC, Series 2021-1A, Class A2I, 2.19%, 08/20/2051[d]	98,250	79,101
Series 2021-1A, Class A2II, 2.64%, 08/20/2051[d]	98,250	73,725
STAR Trust, Series 2021-1, Class A1, 1.22%, 05/25/2065[d][m]	99,859	85,532

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

	Principal Amount	Value
Starwood Mortgage Residential Trust, Series 2020-1, Class A1, 2.28%, 02/25/2050[d][m]	$ 6,527	$ 6,043
Series 2021-6, Class A1, 1.92%, 11/25/2066[d][m]	228,144	185,641
Series 2022-1, Class A1, 2.45%, 12/25/2066[d][m]	166,417	140,737
Symphony CLO XXII Ltd., Series 2020-22A, Class A1A, 6.55% (3 mo. USD LIBOR + 1.29%), 04/18/2033[d][g]	250,000	247,533
Synchrony Card Funding LLC, Series 2022-A2, Class A, 3.86%, 07/15/2028	354,000	343,524
Textainer Marine Containers VII Ltd., Series 2021-2A, Class A, 2.23%, 04/20/2046[d]	239,733	205,961
TICP CLO XV Ltd., Series 2020-15A, Class A, 6.53% (3 mo. USD LIBOR + 1.28%), 04/20/2033[d][g]	256,000	253,803
Tricon American Homes Trust, Series 2020-SFR2, Class A, 1.48%, 11/17/2039[d]	251,908	212,594
UBS Commercial Mortgage Trust, Series 2017-C5, Class XA, IO, 1.22%, 11/15/2050[j]	1,175,612	34,444
Verus Securitization Trust, Series 2020-1, Class A1, 2.42%, 01/25/2060[d][n]	41,332	38,787
Series 2020-1, Class A2, 2.64%, 01/25/2060[d][n]	55,203	51,955
Series 2020-INV1, Class A1, 0.33%, 03/25/2060[d][m]	10,450	10,184
Series 2021-1, Class A1B, 1.32%, 01/25/2066[d][m]	46,432	38,853
Series 2021-7, Class A1, 1.83%, 10/25/2066[d][m]	183,777	156,501
Series 2021-R1, Class A1, 0.82%, 10/25/2063[d][m]	66,376	59,183
Series 2022-1, Class A1, 2.72%, 01/25/2067[d][n]	126,924	110,865
Series 2022-3, Class A1, 4.13%, 02/25/2067[d][n]	174,448	160,076
Series 2022-7, Class A1, 5.15%, 07/25/2067[d][n]	91,540	88,366
Series 2022-INV2, Class A1, 6.79%, 10/25/2067[d][n]	118,469	118,594
Visio Trust, Series 2020-1R, Class A1, 1.31%, 11/25/2055[d]	46,978	41,563
WaMu Mortgage Pass-Through Ctfs. Trust, Series 2003-AR10, Class A7, 4.23%, 10/25/2033[m]	23,213	21,959
Series 2005-AR14, Class 1A4, 3.90%, 12/25/2035[m]	25,698	24,324
Series 2005-AR16, Class 1A1, 3.88%, 12/25/2035[m]	27,894	25,489
Wells Fargo Commercial Mortgage Trust, Series 2015-NXS1, Class ASB, 2.93%, 05/15/2048	64,883	63,981
Series 2017-C42, Class XA, IO, 1.01%, 12/15/2050[j]	1,033,279	31,881
WFRBS Commercial Mortgage Trust, Series 2013-C14, Class AS, 3.49%, 06/15/2046	$ 55,043	$ 51,832
Series 2014-C20, Class AS, 4.18%, 05/15/2047	150,000	145,081
Series 2014-LC14, Class AS, 4.35%, 03/15/2047[m]	165,000	161,577
Zaxby's Funding LLC, Series 2021-1A, Class A2, 3.24%, 07/30/2051[d]	343,875	287,684
Total Asset-Backed Securities (Cost $25,303,592)		23,110,353
U.S. Treasury Securities–5.73%		
U.S. Treasury Bonds–1.45%		
3.88%, 05/15/2043	191,100	186,501
3.63%, 02/15/2053	2,479,400	2,380,224
		2,566,725
U.S. Treasury Notes–4.28%		
4.25%, 05/31/2025	3,579,900	3,535,081
4.13%, 06/15/2026	426,000	421,740
3.63%, 05/31/2028	932,500	912,175
3.75%, 05/31/2030	386,300	380,958
3.38%, 05/15/2033	2,408,800	2,323,363
		7,573,317
Total U.S. Treasury Securities (Cost $10,171,888)		10,140,042
Agency Credit Risk Transfer Notes–0.44%		
Fannie Mae Connecticut Avenue Securities, Series 2014-C04, Class 2M2, 10.15% (1 mo. USD LIBOR + 5.00%), 11/25/2024[g]	6,405	6,449
Series 2022-R03, Class 1M1, 7.17% (30 Day Average SOFR + 2.10%), 03/25/2042[d][g]	225,289	226,255
Series 2022-R04, Class 1M1, 7.07% (30 Day Average SOFR + 2.00%), 03/25/2042[d][g]	123,438	123,772
Series 2023-R02, Class 1M1, 7.37% (30 Day Average SOFR + 2.30%), 01/25/2043[d][g]	80,535	80,892
Freddie Mac, Series 2014-DN3, Class M3, STACR®, 9.15% (1 mo. USD LIBOR + 4.00%), 08/25/2024[g]	29,619	29,958
Series 2022-DNA3, Class M1A, STACR®, 7.07% (30 Day Average SOFR + 2.00%), 04/25/2042[d][g]	164,537	165,069
Series 2022-DNA6, Class M1, STACR®, 7.22% (30 Day Average SOFR + 2.15%), 09/25/2042[d][g]	81,531	82,052
Series 2023-DNA1, Class M1, STACR®, 7.17% (30 Day Average SOFR + 2.10%), 03/25/2043[d][g]	65,955	66,126
Total Agency Credit Risk Transfer Notes (Cost $777,974)		780,573
Municipal Obligations–0.29%		
California (State of) Health Facilities Financing Authority (Social Bonds), Series 2022, RB, 4.19%, 06/01/2037	100,000	93,566
Series 2022, RB, 4.35%, 06/01/2041	75,000	69,197

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

	Principal Amount	Value
California State University, Series 2021 B, Ref. RB, 2.72%, 11/01/2052	$ 90,000	$ 63,085
Series 2021 B, Ref. RB, 2.94%, 11/01/2052	140,000	98,549
Texas (State of) Transportation Commission (Central Texas Turnpike System), Series 2020 C, Ref. RB, 3.03%, 08/15/2041	265,000	193,938
Total Municipal Obligations (Cost $670,000)		518,335

	Shares	Value
Preferred Stocks–0.13%		
Diversified Banks–0.13%		
Citigroup, Inc., 5.00%, Series U, Pfd. (Cost $240,000)[e]	240,000	224,626
TOTAL INVESTMENTS IN SECURITIES (excluding investments purchased with cash collateral from securities on loan)–100.13% (Cost $158,477,880)		177,077,580

Investment Abbreviations:

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

	Shares	Value
Investments Purchased with Cash Collateral from Securities on Loan		
Money Market Funds–2.40%		
Invesco Private Government Fund, 5.10%[o][p][q]	1,185,492	$ 1,185,492
Invesco Private Prime Fund, 5.23%[o][p][q]	3,048,683	3,048,379
Total Investments Purchased with Cash Collateral from Securities on Loan (Cost $4,233,926)		4,233,871
TOTAL INVESTMENTS IN SECURITIES–102.53% (Cost $162,711,806)		181,311,451
OTHER ASSETS LESS LIABILITIES–(2.53)%		(4,471,918)
NET ASSETS–100.00%		$176,839,533

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

Notes to Schedule of Investments:

[a] Industry and/or sector classifications used in this report are generally according to the Global Industry Classification Standard, which was developed by and is the exclusive property and a service mark of MSCI Inc. and Standard & Poor's.
[b] Non-income producing security.
[c] All or a portion of this security was out on loan at June 30, 2023.
[d] Security purchased or received in a transaction exempt from registration under the Securities Act of 1933, as amended (the "1933 Act"). The security may be resold pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The aggregate value of these securities at June 30, 2023 was $26,945,286, which represented 15.24% of the Fund's Net Assets.
[e] Security issued at a fixed rate for a specific period of time, after which it will convert to a variable rate.
[f] Perpetual bond with no specified maturity date.
[g] Interest or dividend rate is redetermined periodically. Rate shown is the rate in effect on June 30, 2023.
[h] Security valued using significant unobservable inputs (Level 3). See Note 3.
[i] Interest only security. Principal amount shown is the notional principal and does not reflect the maturity value of the security.
[j] Interest only security. Principal amount shown is the notional principal and does not reflect the maturity value of the security. Interest rate is redetermined periodically based on the cash flows generated by the pool of assets backing the security, less any applicable fees. The rate shown is the rate in effect on June 30, 2023.
[k] Zero coupon bond issued at a discount.
[l] Security purchased on a forward commitment basis. This security is subject to dollar roll transactions. See Note 1M.
[m] 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, 2023.
[n] Step coupon bond. The interest rate represents the coupon rate at which the bond will accrue at a specified future date.
[o] Affiliated issuer. The issuer and/or the Fund is a wholly-owned subsidiary of Invesco Ltd., or is affiliated by having an investment adviser that is under common control of Invesco Ltd. The table below shows the Fund's transactions in, and earnings from, its investments in affiliates for the six months ended June 30, 2023.

	Value December 31, 2022	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation (Depreciation)	Realized Gain (Loss)	Value June 30, 2023	Dividend Income
Investments Purchased with Cash Collateral from Securities on Loan:							
Invesco Private Government Fund	$2,488,103	$19,420,195	$(20,722,806)	$ -	$ -	$1,185,492	$33,922*
Invesco Private Prime Fund	6,397,352	36,719,226	(40,066,023)	(243)	(1,933)	3,048,379	92,271*
Total	$8,885,455	$56,139,421	$(60,788,829)	$(243)	$(1,933)	$4,233,871	$126,193

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

[p] The rate shown is the 7-day SEC standardized yield as of June 30, 2023.
[q] The security has been segregated to satisfy the commitment to return the cash collateral received in securities lending transactions upon the borrower's return of the securities loaned. See Note 1I.

Open Futures Contracts[a]

Long Futures Contracts	Number of Contracts	Expiration Month	Notional Value	Value	Unrealized Appreciation (Depreciation)
Interest Rate Risk					
U.S. Treasury 5 Year Notes	47	September-2023	$ 5,033,406	$ (69,407)	$ (69,407)
U.S. Treasury 10 Year Notes	112	September-2023	12,573,750	(142,644)	(142,644)
U.S. Treasury Long Bonds	23	September-2023	2,918,844	5,211	5,211
U.S. Treasury Ultra Bonds	25	September-2023	3,405,469	31,087	31,087
Subtotal–Long Futures Contracts				(175,753)	(175,753)
Short Futures Contracts					
Interest Rate Risk					
U.S. Treasury 2 Year Notes	4	September-2023	(813,375)	11,284	11,284
U.S. Treasury 10 Year Ultra Notes	74	September-2023	(8,764,375)	93,657	93,657
Subtotal–Short Futures Contracts				104,941	104,941
Total Futures Contracts				$ (70,812)	$ (70,812)

[a] Futures contracts collateralized by $452,309 cash held with Merrill Lynch International, the futures commission merchant.

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

Portfolio Composition

By security type, based on Net Assets
as of June 30, 2023

Common Stocks & Other Equity Interests	39.65%
U.S. Dollar Denominated Bonds & Notes	24.30
U.S. Government Sponsored Agency Mortgage-Backed Securities	16.52
Asset-Backed Securities	13.07
U.S. Treasury Securities	5.73
Security Types Each Less Than 1% of Portfolio	0.86
Money Market Funds Plus Other Assets Less Liabilities	(0.13)

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

Statement of Assets and Liabilities

June 30, 2023

(Unaudited)

Assets:	
Investments in unaffiliated securities, at value (Cost $158,477,880)*	$177,077,580
Investments in affiliated money market funds, at value (Cost $4,233,926)	4,233,871
Other investments:	
Variation margin receivable – futures contracts	6,566
Deposits with brokers:	
Cash collateral – exchange-traded futures contracts	452,309
Cash	26,492,509
Receivable for:	
Investments sold	1,930,736
Fund shares sold	122,669
Dividends	41,262
Interest	710,416
Investment for trustee deferred compensation and retirement plans	65,506
Other assets	196
Total assets	211,133,620
Liabilities:	
Payable for:	
Investments purchased	29,763,452
Fund shares reacquired	125,771
Collateral upon return of securities loaned	4,233,926
Accrued fees to affiliates	74,983
Accrued other operating expenses	30,449
Trustee deferred compensation and retirement plans	65,506
Total liabilities	34,294,087
Net assets applicable to shares outstanding	$176,839,533
Net assets consist of:	
Shares of beneficial interest	$160,995,174
Distributable earnings	15,844,359
	$176,839,533
Net Assets:	
Series I	$116,417,543
Series II	$ 60,421,990
Shares outstanding, no par value, with an unlimited number of shares authorized:	
Series I	7,748,159
Series II	4,094,176
Series I:	
Net asset value per share	$ 15.03
Series II:	
Net asset value per share	$ 14.76

* At June 30, 2023, securities with an aggregate value of $4,154,038 were on loan to brokers.

Statement of Operations

For the six months ended June 30, 2023

(Unaudited)

Investment income:	
Interest	$ 1,934,869
Dividends (net of foreign withholding taxes of $4,279)	530,467
Dividends from affiliated money market funds (includes net securities lending income of $7,211)	7,211
Total investment income	2,472,547
Expenses:	
Advisory fees	621,090
Administrative services fees	129,676
Custodian fees	7,703
Distribution fees - Series II	67,988
Transfer agent fees	4,069
Trustees' and officers' fees and benefits	6,986
Reports to shareholders	4,261
Professional services fees	26,799
Other	1,304
Total expenses	869,876
Less: Fees waived	(235,717)
Net expenses	634,159
Net investment income	1,838,388
Realized and unrealized gain (loss) from:	
Net realized gain (loss) from:	
Unaffiliated investment securities	(503,965)
Affiliated investment securities	(1,933)
Foreign currencies	77
Futures contracts	(292,702)
	(798,523)
Change in net unrealized appreciation (depreciation) of:	
Unaffiliated investment securities	11,931,919
Affiliated investment securities	(243)
Foreign currencies	(64)
Futures contracts	(66,816)
	11,864,796
Net realized and unrealized gain	11,066,273
Net increase in net assets resulting from operations	$12,904,661

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

Statement of Changes in Net Assets

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

(Unaudited)

	June 30, 2023	December 31, 2022
Operations:		
Net investment income	$ 1,838,388	$ 3,010,875
Net realized gain (loss)	(798,523)	(6,778,740)
Change in net unrealized appreciation (depreciation)	11,864,796	(30,216,916)
Net increase (decrease) in net assets resulting from operations	12,904,661	(33,984,781)
Distributions to shareholders from distributable earnings:		
Series I	–	(10,982,295)
Series II	–	(4,397,394)
Total distributions from distributable earnings	–	(15,379,689)
Share transactions–net:		
Series I	(6,075,978)	(2,014,542)
Series II	7,364,055	11,477,936
Net increase in net assets resulting from share transactions	1,288,077	9,463,394
Net increase (decrease) in net assets	14,192,738	(39,901,076)
Net assets:		
Beginning of period	162,646,795	202,547,871
End of period	$176,839,533	$162,646,795

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	Distributions from net realized gains	Total distributions	Net asset value, end of period	Total return[b]	Net assets, end of period (000's omitted)	Ratio of expenses to average net assets with fee waivers and/or expenses absorbed	Ratio of expenses to average net assets without fee waivers and/or expenses absorbed[c]	Ratio of net investment income to average net assets	Portfolio turnover[d][e]
Series I														
Six months ended 06/30/23	$13.92	$0.16	$ 0.95	$ 1.11	$ –	$ –	$ –	$15.03	7.97%	$116,418	0.67%[f]	0.95%[f]	2.26%[f]	195%
Year ended 12/31/22	18.54	0.29	(3.45)	(3.16)	(0.23)	(1.23)	(1.46)	13.92	(16.86)	113,671	0.67	0.94	1.79	297
Year ended 12/31/21	17.93	0.22	1.67	1.89	(0.29)	(0.99)	(1.28)	18.54	10.63	151,468	0.67	0.90	1.18	259
Year ended 12/31/20	16.31	0.27	2.11	2.38	(0.36)	(0.40)	(0.76)	17.93	14.86	150,983	0.67	0.99	1.60	311
Year ended 12/31/19	14.43	0.33	2.16	2.49	(0.36)	(0.25)	(0.61)	16.31	17.51	144,384	0.67	1.00	2.11	68
Year ended 12/31/18	15.92	0.32	(1.13)	(0.81)	(0.31)	(0.37)	(0.68)	14.43	(5.32)	140,290	0.67	0.98	2.05	60
Series II														
Six months ended 06/30/23	13.69	0.14	0.93	1.07	–	–	–	14.76	7.82	60,422	0.92[f]	1.20[f]	2.01[f]	195
Year ended 12/31/22	18.25	0.24	(3.38)	(3.14)	(0.19)	(1.23)	(1.42)	13.69	(17.02)	48,976	0.92	1.19	1.54	297
Year ended 12/31/21	17.68	0.17	1.64	1.81	(0.25)	(0.99)	(1.24)	18.25	10.30	51,080	0.92	1.15	0.93	259
Year ended 12/31/20	16.09	0.23	2.08	2.31	(0.32)	(0.40)	(0.72)	17.68	14.59	48,077	0.92	1.24	1.35	311
Year ended 12/31/19	14.24	0.29	2.13	2.42	(0.32)	(0.25)	(0.57)	16.09	17.22	45,853	0.92	1.25	1.86	68
Year ended 12/31/18	15.71	0.27	(1.10)	(0.83)	(0.27)	(0.37)	(0.64)	14.24	(5.53)	43,029	0.92	1.23	1.80	60

[a] Calculated using average shares outstanding.

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

[c] Does not include indirect expenses from affiliated fund fees and expenses of 0.00% for the years ended December 31, 2019 and 2018, respectively.

[d] The portfolio turnover rate excludes purchase and sale transactions of To Be Announced (TBA) mortgage-related securities of $489,567,330 and $509,769,207, $685,887,902 and $703,549,464 for the years ended December 31, 2019 and 2018, respectively.

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

[f] Annualized.

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

Notes to Financial Statements

June 30, 2023
(Unaudited)

NOTE 1—Significant Accounting Policies

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

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

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

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

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

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

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

A security listed or traded on an exchange is generally valued at its trade price or official closing price that day as of the close of the exchange where the security is principally traded, or lacking any trades or official closing price on a particular day, the security may be valued at the closing bid price on that day. Securities traded in the over-the-counter market are valued based on prices furnished by independent pricing services or market makers. When such securities are valued using prices provided by an independent pricing service they may be considered fair valued. Futures contracts are valued at the daily settlement price set by an exchange on which they are principally traded. U.S. exchange-traded options are valued at the mean between the last bid and asked prices from the exchange on which they are principally traded. Non-U.S. exchange-traded options are valued at the final settlement price set by the exchange on which they trade. Options not listed on an exchange and swaps generally are valued using pricing provided from independent pricing services.

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

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

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

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

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

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

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

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

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

The price the Fund could receive upon the sale of any investment may differ from the Adviser's valuation of the investment, particularly for securities that are valued using a fair valuation technique. When fair valuation techniques are applied, the Adviser uses available information, including both observable and unobservable inputs and assumptions, to determine a methodology that will result in a valuation that the Adviser believes approximates market value. Fund

securities that are fair valued may be subject to greater fluctuation in their value from one day to the next than would be the case if market quotations were used. Because of the inherent uncertainties of valuation, and the degree of subjectivity in such decisions, the Fund could realize a greater or lesser than expected gain or loss upon the sale of the investment.

B. Securities Transactions and Investment Income – Securities transactions are accounted for on a trade date basis. Realized gains or losses on sales are computed on the basis of specific identification of the securities sold. Interest income (net of withholding tax, if any) is recorded on an accrual basis from settlement date and includes coupon interest and amortization of premium and accretion of discount on debt securities as applicable. Pay-in-kind interest income and non-cash dividend income received in the form of securities in-lieu of cash are recorded at the fair value of the securities received. 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, the country that has the primary market for the issuer's securities and its "country of risk" as determined by a third party service provider, as well as other criteria. Among the other criteria that may be evaluated for making this determination are the country in which the issuer maintains 50% or more of its assets, the type of security, financial guarantees and enhancements, the nature of the collateral and the sponsor organization. Country of issuer and/or credit risk exposure has been determined to be the United States of America, unless otherwise noted.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

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.

N. 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.

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

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

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

NOTE 2—Advisory Fees and Other Fees Paid to Affiliates

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

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

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

For the six months ended June 30, 2023, the effective advisory fee rate incurred by the Fund was 0.74%.

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

The Adviser has contractually agreed, through at least April 30, 2024, to waive advisory fees and/or reimburse expenses of all shares to the extent necessary to limit total annual fund operating expenses after fee waiver and/or expense reimbursement (excluding certain items discussed below) of Series I shares to 0.67% and Series II shares to 0.92% of the Fund's average daily net assets (the "expense limits"). In determining the Adviser's obligation to waive advisory fees and/or reimburse expenses, the following expenses are not taken into account, and could cause the total annual fund operating expenses after fee waiver and/or expense reimbursement to exceed the numbers reflected above: (1) interest; (2) taxes; (3) dividend expense on short sales; (4) extraordinary or non-routine items, including litigation expenses; and (5) expenses that the Fund has incurred but did not actually pay because of an expense offset arrangement. Unless Invesco continues the fee waiver agreement, it will terminate on April 30, 2024. 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. To the extent that the annualized expense ratio does not exceed the expense limits, the Adviser will retain its ability to be reimbursed for such fee waivers or reimbursements prior to the end of each fiscal year.

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

For the six months ended June 30, 2023, the Adviser waived advisory fees of $235,717.

The Trust has entered into a master administrative services agreement with Invesco pursuant to which the Fund has agreed to pay Invesco a fee for costs incurred in providing accounting services and fund administrative services to the Fund and to reimburse Invesco for fees paid to insurance companies that have agreed to provide certain administrative services to the Fund. These administrative services provided by the insurance companies may include, among other things: maintenance of master accounts with the Fund; tracking, recording and transmitting net purchase and redemption orders for Fund shares; maintaining and preserving records related to the purchase, redemption and other account activity of variable product owners; distributing copies of Fund documents such as prospectuses, proxy materials and periodic reports, to variable product owners, and responding to inquiries from variable product owners about the Fund. Pursuant to such agreement, for the six months ended June 30, 2023, Invesco was paid $12,118 for accounting and fund administrative services and was reimbursed $117,558 for fees paid to insurance companies. Invesco has entered into a sub-administration agreement whereby State Street Bank and Trust Company ("SSB") serves as fund accountant and provides certain administrative services to the Fund. Pursuant to a custody agreement with the Trust on behalf of the Fund, SSB also serves as the Fund's custodian.

The Trust has entered into a transfer agency and service agreement with Invesco Investment Services, Inc. ("IIS") pursuant to which the Fund has agreed to pay IIS a fee for providing transfer agency and shareholder services to the Fund and reimburse IIS for certain expenses incurred by IIS in the course of providing such services. For the six months ended June 30, 2023, expenses incurred under the agreement are shown in the Statement of Operations as *Transfer agent fees*.

The Trust has entered into a master distribution agreement with Invesco Distributors, Inc. ("IDI") to serve as the distributor for the Fund. The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act with respect to the Fund's Series II shares (the "Plan"). The Fund, pursuant to the Plan, pays IDI compensation at the annual rate of 0.25% of the Fund's average daily net assets of Series II shares. The fees are accrued daily and paid monthly. Of the Plan payments, up to 0.25% of the average daily net assets of the Series II shares may be paid to insurance companies who furnish continuing personal shareholder services to customers who purchase and own Series II shares of the Fund. For the six months ended June 30, 2023, expenses incurred under the Plan are detailed in the Statement of Operations as *Distribution fees*.

For the six months ended June 30, 2023, the Fund incurred $4,518 in brokerage commissions with Invesco Capital Markets, Inc., an affiliate of the Adviser and IDI, for portfolio transactions executed on behalf of the Fund.

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

NOTE 3—Additional Valuation Information

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

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

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

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

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

	Level 1	Level 2	Level 3	Total
Investments in Securities				
Common Stocks & Other Equity Interests	$69,392,536	$ 714,859	$ –	$ 70,107,395
U.S. Dollar Denominated Bonds & Notes	–	42,560,218	416,139	42,976,357
U.S. Government Sponsored Agency Mortgage-Backed Securities	–	29,219,899	–	29,219,899
Asset-Backed Securities	–	23,110,353	–	23,110,353
U.S. Treasury Securities	–	10,140,042	–	10,140,042
Agency Credit Risk Transfer Notes	–	780,573	–	780,573
Municipal Obligations	–	518,335	–	518,335
Preferred Stocks	–	224,626	–	224,626
Money Market Funds	–	4,233,871	–	4,233,871
Total Investments in Securities	69,392,536	111,502,776	416,139	181,311,451
Other Investments - Assets*				
Futures Contracts	141,239	–	–	141,239
Other Investments - Liabilities*				
Futures Contracts	(212,051)	–	–	(212,051)
Total Other Investments	(70,812)	–	–	(70,812)
Total Investments	$69,321,724	$111,502,776	$416,139	$181,240,639

* Unrealized appreciation (depreciation).

NOTE 4—Derivative Investments

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

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

Value of Derivative Investments at Period-End

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

	Value
Derivative Assets	**Interest Rate Risk**
Unrealized appreciation on futures contracts –Exchange-Traded[(a)]	$ 141,239
Derivatives not subject to master netting agreements	(141,239)
Total Derivative Assets subject to master netting agreements	$ –

	Value
Derivative Liabilities	**Interest Rate Risk**
Unrealized depreciation on futures contracts –Exchange-Traded[(a)]	$(212,051)
Derivatives not subject to master netting agreements	212,051
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, 2023

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

	Location of Gain (Loss) on Statement of Operations
	Interest Rate Risk
Realized Gain (Loss):	
Futures contracts	$(292,702)
Change in Net Unrealized Appreciation (Depreciation):	
Futures contracts	(66,816)
Total	$(359,518)

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

	Futures Contracts
Average notional value	$21,673,764

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.

NOTE 7—Tax Information

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

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

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

Capital Loss Carryforward*

Expiration	Short-Term	Long-Term	Total
Not subject to expiration	$5,892,742	$–	$5,892,742

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

NOTE 8—Investment Transactions

The aggregate amount of investment securities (other than short-term securities, U.S. Government obligations and money market funds, if any) purchased and sold by the Fund during the six months ended June 30, 2023 was $70,643,392 and $77,612,570, 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	$23,835,967
Aggregate unrealized (depreciation) of investments	(5,656,715)
Net unrealized appreciation of investments	$18,179,252

Cost of investments for tax purposes is $163,061,386.

NOTE 9—Share Information

Summary of Share Activity

	Six months ended June 30, 2023[a]		Year ended December 31, 2022	
	Shares	Amount	Shares	Amount
Sold:				
Series I	75,111	$ 1,094,526	1,479,730	$ 24,073,588
Series II	812,187	11,606,315	1,116,723	17,274,034
Issued as reinvestment of dividends:				
Series I	-	-	809,307	10,982,295
Series II	-	-	329,393	4,397,394

Summary of Share Activity

	Six months ended June 30, 2023[a]		Year ended December 31, 2022	
	Shares	Amount	Shares	Amount
Reacquired:				
Series I	(494,803)	$ (7,170,504)	(2,292,799)	$(37,070,425)
Series II	(296,514)	(4,242,260)	(665,855)	(10,193,492)
Net increase in share activity	95,981	$ 1,288,077	776,499	$ 9,463,394

[a] There are entities that are record owners of more than 5% of the outstanding shares of the Fund and in the aggregate own 64% of the outstanding shares of the Fund. The Fund and the Fund's principal underwriter or adviser, are parties to participation agreements with these entities whereby these entities sell units of interest in separate accounts funding variable products that are invested in the Fund. The Fund, Invesco and/or Invesco affiliates may make payments to these entities, which are considered to be related to the Fund, for providing services to the Fund, Invesco and/or Invesco affiliates including but not limited to services such as, securities brokerage, third party record keeping and account servicing and administrative services. The Fund has no knowledge as to whether all or any portion of the shares owned of record by these entities are also owned beneficially.

Calculating your ongoing Fund expenses

Example

As a shareholder of the Fund, you incur ongoing costs, including management fees; distribution and/or service fees (12b-1); and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with ongoing costs of investing in other mutual funds. The example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period January 1, 2023 through June 30, 2023.

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

Actual expenses

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

Hypothetical example for comparison purposes

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

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

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

		ACTUAL		HYPOTHETICAL (5% annual return before expenses)		
	Beginning Account Value (01/01/23)	Ending Account Value (06/30/23)[1]	Expenses Paid During Period[2]	Ending Account Value (06/30/23)	Expenses Paid During Period[2]	Annualized Expense Ratio
Series I	$1,000.00	$1,079.70	$3.45	$1,021.47	$3.36	0.67%
Series II	1,000.00	1,078.20	4.74	1,020.23	4.61	0.92

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

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

Approval of Investment Advisory and Sub-Advisory Contracts

At meetings held on June 13, 2023, the Board of Trustees (the Board or the Trustees) of AIM Variable Insurance Funds (Invesco Variable Insurance Funds) as a whole, and the independent Trustees, who comprise over 75% of the Board, voting separately, approved the continuance of the Invesco V.I. Conservative Balanced 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 and OppenheimerFunds, Inc. (collectively, the Affiliated Sub-Advisers and the sub-advisory contracts) for another year, effective July 1, 2023. After evaluating the factors discussed below, among others, the Board approved the renewal of the Fund's investment advisory agreement and the sub-advisory contracts and determined that the compensation payable thereunder by the Fund to Invesco Advisers and by Invesco Advisers to the Affiliated Sub-Advisers is fair and reasonable.

The Board's Evaluation Process

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

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

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

Factors and Conclusions and Summary of Independent Written Fee Evaluation

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

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

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

B. Fund Investment Performance

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

The Board compared the Fund's investment performance over multiple time periods ending December 31, 2022 to the performance of funds in the Broadridge performance universe and against the Custom Invesco V.I. Conservative Balanced Index (Index). The Board noted that performance of Series II shares of the Fund was in the fourth quintile of its performance universe for the one year period and the third quintile for the three and five year periods (the first quintile being the best performing funds and the fifth quintile being the worst performing funds). The

Board noted that performance of Series II shares of the Fund was below the performance of the Index for the one and five year periods and above the performance of the Index for the three year period. The Board considered that the Fund was created in connection with Invesco Ltd.'s acquisition of OppenheimerFunds, Inc. and its subsidiaries (the "Transaction") and that the Fund's performance prior to the closing of the Transaction on May 24, 2019 is that of its predecessor fund. The Board recognized that the performance data reflects a snapshot in time as of a particular date and that selecting a different performance period could produce different results. The Board also reviewed more recent Fund performance as well as other performance metrics, which did not change its conclusions.

C. Advisory and Sub-Advisory Fees and Fund Expenses

The Board compared the Fund's contractual management fee rate to the contractual management fee rates of funds in the Fund's Broadridge expense group. The Board noted that the contractual management fee rate for Series II shares of the Fund was above the median contractual management fee rate of funds in its expense group. The Board noted that the term "contractual management fee" for funds in the expense group may include both advisory and certain non-portfolio management administrative services fees, but that Broadridge is not able to provide information on a fund-by-fund basis as to what is included. The Board also reviewed the methodology used by Broadridge in calculating expense group information, which includes using each fund's contractual management fee schedule (including any applicable breakpoints) as reported in the most recent prospectus or statement of additional information for each fund in the expense group. The Board also considered comparative information regarding the Fund's total expense ratio and its various components.

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

E. Profitability and Financial Resources

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

F. Collateral Benefits to Invesco Advisers and its Affiliates

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

The Board considered the benefits realized by Invesco Advisers and the Affiliated Sub-Advisers as a result of portfolio brokerage transactions executed through "soft dollar" arrangements. The Board noted that soft dollar arrangements may result in the Fund bearing costs to purchase research that may be used by Invesco Advisers or the Affiliated Sub-Advisers with other clients and may reduce Invesco Advisers' or the Affiliated Sub-Advisers' expenses. The Board also considered that it receives from Invesco Advisers periodic reports that include a representation to the effect that these arrangements are consistent with regulatory requirements. The Board did not deem the soft dollar arrangements to be inappropriate.

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

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

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