Invesco Conservative Allocation Fund
Quarterly Performance Commentary

Data as of June 30, 2018

Investment Objective
The fund seeks total return consistent with a lower level of risk relative to the broad stock market.

Portfolio Management
Duy Nguyen, Jacob Borbidge

Portfolio Information

<table>
<thead>
<tr>
<th>Total Net Assets</th>
<th>$303,101,638</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Holdings</td>
<td>20</td>
</tr>
</tbody>
</table>

Top Contributors % of Total Net Assets

| 1. Invesco Russell Top 200 Pure Growth ETF | 3.56 |
| 2. Invesco American Franchise Fund | 2.45 |
| 3. Invesco Global Real Estate Income Fund | 3.00 |
| 4. Invesco Floating Rate Fund | 3.97 |
| 5. Invesco Quality Income Fund | 6.95 |

Market overview
- Despite ongoing volatility, the S&P 500 Index posted a 3.43% return. However, overseas stocks did not fare as well. US unemployment stayed strong, while first quarter GDP estimates were revised lower and May inflation was higher than expected. The Federal Reserve raised interest rates for the second time in 2018 and signaled the probability of two more rate hikes this year.
- Equities. International equities broadly declined during the volatile second quarter as investors worried that heightened global trade tensions would derail economic growth. Other negative influences on investor sentiment included geopolitical uncertainty and the potential impact of higher interest rates. In this environment, developed markets declined less than emerging markets. Emerging market equities fell sharply, hampered by trade tensions and a strengthening US dollar. Within international markets, value stocks again trailed large-/mid-cap stocks also lagged.
- In the US, small-cap value stocks posted the largest gain during the quarter, followed by large- and small-cap growth stocks. Within the S&P 500 Index, energy was the leading sector as crude oil prices continued to rise. The consumer discretionary and information technology (IT) sectors also performed well, while a rotation toward traditionally defensive sectors boosted utilities and real estate. Financials and consumer staples faced headwinds during the quarter and trailed other sectors.
- Fixed Income. Global bonds ended the quarter generally lower on concerns about escalating trade tensions between the US and China and the formation of a populist coalition government in Italy. Neither government nor corporate bond issuers could avoid the effects of rising interest rates, tariff conflicts and widening yield spreads between US Treasuries and non-Treasury sectors. High yield bonds resisted the downturn and posted a positive return, outperforming investment grade bonds. Meanwhile, bonds with shorter durations outperformed those with longer durations.

Performance highlights
- The fund’s Class A shares at net asset value (NAV) had a positive return but underperformed the fund’s custom style-specific benchmark. (Please see the investment results table on page 2 for fund and index performance.)
- The fund’s performance during the quarter is attributable to results of the underlying affiliated funds and strategies, which seek to provide access to a wide array of asset classes and styles including stocks, bonds and alternatives, through actively managed mutual funds and smart beta exchange-traded funds.

Contributors to performance
- The fund’s exposure to certain factors, such as growth, added to relative results, led by Invesco Russell Top 200 Pure Growth ETF
- Invesco American Franchise Fund, a large-cap growth fund, also added to relative performance. The fund benefited from exposures to the IT and consumer discretionary sectors.

Detractors from performance
- International markets faced several headwinds during the quarter and the fund’s holdings were not immune to the weak performance. Invesco Emerging Markets Flexible Bond Fund declined and was the leading detractor from relative return. Invesco International Growth Fund was another leading detractor from relative return as the fund’s overweight position in consumer staples stocks and an underweight in IT stocks hindered its results.
- Invesco Diversified Dividend Fund, Invesco FTSE RAFI Developed Markets ex-US ETF and Invesco Core Plus Bond Fund were also notable detractors during the quarter.

Positioning and outlook
- The fund represents a long-term strategic allocation across asset classes, seeking a total return consistent with a lower level of risk relative to the broad market. The fund targets an allocation of 20%-50% of its total assets in underlying funds that invest primarily in equities, 10%-25% in international equities, 50%-70% in underlying funds that invest primarily in fixed income, and approximately 5%-20% of its total assets in alternative asset classes.
**Investment Results**

<table>
<thead>
<tr>
<th>Period</th>
<th>Class A Shares</th>
<th>Class C Shares</th>
<th>Class Y Shares</th>
<th>Class S Shares</th>
<th>Style-Specific Index</th>
<th>Custom Invesco Conservative Allocation Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inception:</td>
<td>04/29/05</td>
<td>04/29/05</td>
<td>10/03/08</td>
<td>06/03/11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Max Load</td>
<td>5.50%</td>
<td>1.00%</td>
<td>NAV</td>
<td>NAV</td>
<td>NAV</td>
<td>NAV</td>
</tr>
<tr>
<td>NAV</td>
<td>3.92</td>
<td>4.37</td>
<td>3.61</td>
<td>4.39</td>
<td>4.24</td>
<td></td>
</tr>
<tr>
<td>NAV</td>
<td>3.57</td>
<td>4.15</td>
<td>3.41</td>
<td>3.49</td>
<td>4.28</td>
<td></td>
</tr>
<tr>
<td>NAV</td>
<td>3.54</td>
<td>4.15</td>
<td>3.39</td>
<td>4.44</td>
<td>4.28</td>
<td></td>
</tr>
<tr>
<td>NAV</td>
<td>3.54</td>
<td>2.60</td>
<td>1.91</td>
<td>2.86</td>
<td>2.79</td>
<td></td>
</tr>
<tr>
<td>NAV</td>
<td>-3.05</td>
<td>0.92</td>
<td>1.05</td>
<td>0.20</td>
<td>0.17</td>
<td>0.53</td>
</tr>
</tbody>
</table>

**Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit invesco.com/performance for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary, and you may have a gain or a loss when you sell shares. No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C shares following one year from the date shares were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class Y shares have no sales charge; therefore, performance is at NAV. Performance shown prior to the inception date of Class Y shares is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Class S shares have no sales charge; therefore, performance is at NAV. Performance shown prior to the inception date of Class S shares is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Returns less than one year are cumulative; all others are annualized. 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. Index returns do not reflect any fees, expenses, or sales charges.**

Index sources: Invesco, FactSet Research Systems Inc.

**Asset Allocation (%)**

- Fixed Income: 55.68
- Equity: 29.91
- Alternative: 13.97
- Cash: 0.63

Current allocations may differ

**Expense Ratios**

- Class A Shares: 1.06% Net, 1.06% Total
- Class C Shares: 1.81% Net, 1.81% Total
- Class Y Shares: 0.81% Net, 0.81% Total
- Class S Shares: 0.96% Net, 0.96% Total

Per the current prospectus Net and Total = The expense ratio includes acquired fund fees and expenses of 0.53% for the underlying funds.

**Fund Holdings**

- Invesco Core Plus Bond Fund: 17.86%
- Invesco High Yield Fund: 7.43%
- Invesco Diversified Dividend Fund: 6.98%
- Invesco Quality Income Fund: 6.95%
- Invesco Short Term Bond Fund: 5.95%
- Invesco Equally-Weighted S&P 500 Fund: 5.44%
- Invesco Short Duration Inflation Protected Fund: 5.21%
- Invesco Growth and Income Fund: 4.41%
- Invesco 1-30 Laddered Treasury ETF: 4.21%
- Invesco Floating Rate Fund: 3.97%
- Invesco Russell Top 200 Pure Growth ETF: 3.56%
- Invesco International Growth Fund: 3.52%
- Invesco FTSE RAFI Developed Markets ex-U.S. ETF: 3.52%
- Invesco Global Targeted Returns Fund: 3.50%
- Invesco Variable Rate Investment Grade ETF: 3.48%
- Invesco Balanced-Risk Allocation Fund: 3.47%
- Invesco Global Real Estate Income Fund: 3.00%
- Invesco Emerging Markets Flexible Bond Fund: 2.95%
- Invesco American Fund: 2.45%
- Invesco Emerging Markets Sovereign Debt ETF: 1.47%

Total may not equal 100% due to rounding.

For more information you can visit us at www.invesco.com/us

Class Y shares and Class S shares are available only to certain investors. See the prospectus for more information.

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

The equity sector breakdown doesn't account for holdings of Invesco Balanced-Risk Allocation Fund.

The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor’s.

Duration measures a bond fund's price sensitivity to changes in interest rates, taking into account mortgage prepayments, puts, adjustable coupons and potential call dates. Beta is a measure of risk representing how a security is expected to respond to general market movements. Smart Beta represents an alternative and selection index based methodology that seeks to outperform a benchmark or reduce portfolio risk, or both. Smart beta funds may underperform cap-weighted benchmarks and increase portfolio risk.

The Custom Invesco Conservative Allocation Index, created by Invesco to serve as a benchmark for the Invesco Conservative Allocation Fund, is composed of the following indexes: Russell 3000® Index, the MSCI EAFE® Index and the Bloomberg Barclays U.S. Aggregate Index. The index composition may change based on the fund's target asset allocation. Therefore, the current index composition does not reflect its historical composition and will likely be altered in the future to better reflect fund's objective. The Russell 3000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. An investment cannot be made directly in an index. The S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.
About risk

Commodities may subject an investor to greater volatility than traditional securities such as stocks and bonds and can fluctuate significantly based on weather, political, tax, and other regulatory and market developments.

An issuer may be unable to meet interest and/or principal payments, thereby causing its instruments to decrease in value and lowering the issuer’s credit rating.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty and management risks. An investment in a derivative could lose more than the cash amount invested.

The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

The fund is subject to the risks of the underlying funds. Market fluctuations may change the target weightings in the underlying funds and certain factors may cause the fund to withdraw its investments therein at a disadvantageous time.

Interest rate risk refers to the risk that bond prices generally fall as interest rates rise and vice versa.

The fund is subject to certain other risks. Please see the current prospectus for more information regarding the risks associated with an investment in the fund.