

Invesco Diversified Dividend SMA

Third quarter

Fact Sheet: Separately Managed Accounts
Sept. 30, 2020



Portfolio management team

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Senior Portfolio Manager
Industry since 1987
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M.B.A., Loyola University

Robert Botard, CFA

Portfolio Manager
Industry since 1991
B.B.A., University of Texas
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Portfolio Manager
Industry since 2006
University of Virginia, B.S.
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Portfolio Manager
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Senior Client Portfolio Manager
Industry since 1989
B.B.A., Baylor University
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A foundation for investors' portfolios, focused on dividend-paying stocks. Using fundamental research, the team employs a total return approach that seeks to deliver appreciation, income and preservation over a full market cycle.

Current portfolio positioning

Despite a September sell-off, US equity markets posted gains in the third quarter as the US Federal Reserve extended its emergency stimulus programs and changed its inflation target policy, both of which provided support to equities. Economic activity was better than expected across many areas of the economy. The unemployment rate dropped to 7.9% in September, down from 11.1% in June, indicating that the job market was rebounding more quickly than anticipated. Data for both manufacturing and services indicated expansion, recovering from significant declines earlier in the year. Corporate earnings were also better than anticipated, while a gradual decline in new COVID-19 infections in many areas and optimism about progress on a coronavirus vaccine further boosted stocks. The S&P 500 Index posted a return of 8.93% for the quarter. The consumer discretionary sector led the way while energy lagged, and growth stocks again outperformed value. Though we are cognizant of the macroeconomic environment, the economic cycle is distinct from the bottom-up profit cycle, so we do not apply macroeconomic forecasts to our stock selection.

The portfolio posted a gain for the quarter but underperformed the Russell 1000 Value Index. The industrials and consumer staples sectors made the largest contributions to absolute performance, while holdings within energy and financials were the largest detractors during the quarter. Stock selection in

industrials, real estate and energy contributed to performance relative to the Russell 1000 Value Index during the quarter, as did an underweight position in information technology. Stock selection in financials and health care hurt relative performance the most. Stock selection combined with an underweight in communication services and an overweight position in utilities also detracted from relative performance.

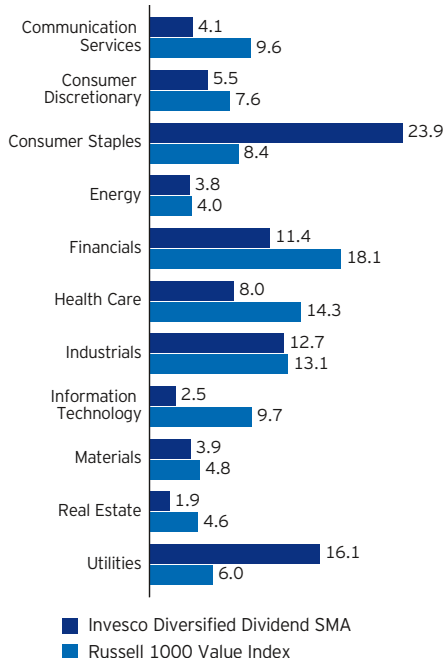
At quarter-end, the portfolio's largest overweight positions compared to the Russell 1000 Value Index were in the consumer staples and utilities sectors, while the primary underweights were in information technology, financials and health care. The goal of our strategy has always been to provide capital appreciation with better downside preservation. This full-cycle mindset has been embedded in our investment process since the strategy's inception. Prior to the coronavirus pandemic, our bottom-up research indicated earnings estimates were optimistic and that elevated corporate balance sheet leverage reduced operational flexibility. We remain focused on full-cycle earnings power. For the past several years, we have placed particular emphasis on analyzing downside risk through sensitivity analysis of our modeled assumptions. We have experienced multiple market inflection points during the portfolio's 17-plus-year history and expect our focus on strong balance sheets, free cash flow generation and full-cycle earnings power to benefit investors.

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Sector weightings (% of total net assets)

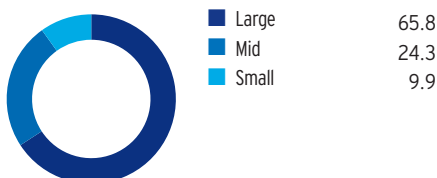


Portfolio characteristics

	Portfolio	Russell 1000 Value Index
Number of Holdings	66	850
Weighted Average 12-Month Forward EPS Growth	0.11	0.1
Weighted Average Long-Term EPS Growth	2.91	4.93
Weighted Average Return on Equity	18.58	16.16
Weighted Average Long-Term Debt to Capital	51.47	48.87
Weighted Harmonic Average 12-Month Forward P/E	12.36	17.23
Weighted Harmonic Average 12-Month Trailing P/E	16.76	20.15
Weighted Average Price/Book	1.81	2.17
Weighted Average Dividend Yield (Trailing 12 Months)	3.63	2.45
Weighted Average Market Cap (\$M)	\$73,046	\$122,161
Median Market Cap (\$M)	\$40,539	\$9,334
Turnover (TTM)	5.40%	N/A

Portfolio characteristics are subject to change.

Market capitalization breakdown (%)



Asset allocation

	9/30/20	6/30/20	3/31/20
Stocks	93.84%	93.90%	93.36%
Cash/Other	6.16	6.10	6.64

Quarterly returns

Period	"Pure" gross return* (%)	Net return (%)	Russell 1000® Value Index Total Return (%)
3Q20	3.36	2.60	5.59
2Q20	12.60	11.79	14.29
1Q20	-23.84	-24.46	-26.73

Annualized compound returns

Period	"Pure" gross return* (%)	Net return (%)	Russell 1000® Value Index Total Return (%)
1 Year	-6.73	-9.51	-5.03
3 Year	1.95	-1.06	2.63
Since Inception (1/1/16)	5.86	2.74	6.84

Returns less than one year are not annualized.

* "Pure" gross of fees returns do not reflect the deduction of trading costs or any other expenses, and are supplemental to net returns. See note 5 on page 4.

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All data as of Sept. 30, 2020

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Sample portfolio
Top 10 holdings

Ticker	Security	Sector	% of total net assets
1. GIS	General Mills Inc.	Consumer Staples	3.51
2. CPB	Campbell Soup Co.	Consumer Staples	3.11
3. PG	Procter & Gamble Co.	Consumer Staples	2.88
4. D	Dominion Energy Inc.	Utilities	2.56
5. KO	Coca-Cola Co.	Consumer Staples	2.48
6. KMB	Kimberly-Clark Corp.	Consumer Staples	2.43
7. PPL	PPL Corp.	Utilities	2.39
8. HIG	Hartford Financial Services Group Inc.	Financials	2.31
9. TGT	Target Corp.	Consumer Discretionary	2.22
10. ETR	Entergy Corp.	Utilities	2.17

Other sample holdings

T	AT&T Inc.	Communication Services
DTEGY	Deutsche Telekom AG	Communication Services
DIS	Walt Disney Co.	Communication Services
COLM	Columbia Sportswear Co.	Consumer Discretionary
HOG	Harley-Davidson Inc.	Consumer Discretionary
TJX	TJX Companies Inc.	Consumer Discretionary
BUD	Anheuser-Busch InBev SA/NV	Consumer Staples
HEINY	Heineken NV	Consumer Staples
KHC	Kraft Heinz Co.	Consumer Staples
LRLCY	L'Oreal SA	Consumer Staples
MDLZ	Mondelez International Inc.	Consumer Staples
NSRGY	Nestle SA	Consumer Staples
SYT	Sysco Corp.	Consumer Staples
BKR	Baker Hughes Co.	Energy
COP	ConocoPhillips	Energy
SU	Suncor Energy Inc.	Energy
TOT	Total SA	Energy
AXP	American Express Co.	Financials
CMA	Comerica Inc.	Financials
CFR	Cullen/Frost Bankers Inc.	Financials
FHI	Federated Hermes Inc.	Financials
FITB	Fifth Third Bancorp	Financials
KEY	KeyCorp	Financials

Other sample holdings (continued)

MTB	M&T Bank Corp.	Financials
TRV	Travelers Companies Inc.	Financials
ZION	Zions Bancorp	Financials
BAYRY	Bayer AG	Health Care
BMJ	Bristol-Myers Squibb Co.	Health Care
LLY	Eli Lilly and Co.	Health Care
JNJ	Johnson & Johnson	Health Care
MRK	Merck & Co Inc.	Health Care
MMM	3M Co.	Industrials
ABB	ABB Ltd.	Industrials
CMI	Cummins Inc.	Industrials
DE	Deere & Co.	Industrials
EMR	Emerson Electric Co.	Industrials
FLS	Flowserve Corp.	Industrials
GD	General Dynamics Corp.	Industrials
PNR	Pentair PLC	Industrials
RTX	Raytheon Technologies Corp.	Industrials
SIEGY	Siemens AG	Industrials
UPS	United Parcel Service Inc.	Industrials
ADP	Automatic Data Processing Inc.	Information Technology
IBM	International Business Machines Corp.	Information Technology
BASFY	BASF SE	Materials
DD	DuPont de Nemours Inc.	Materials
IP	International Paper Co.	Materials
SON	Sonoco Products Co.	Materials
WY	Weyerhaeuser Co.	Real Estate
AEP	American Electric Power Co. Inc.	Utilities
ED	Consolidated Edison Inc.	Utilities
DUK	Duke Energy Corp.	Utilities
EXC	Exelon Corp.	Utilities
SSEZY	Scottish & Southern Energy	Utilities
SRE	Sempra Energy	Utilities

This table illustrates the composition of a model portfolio as of the date listed and should not be considered as a recommendation to purchase or sell a particular security; additionally, there is no assurance that the securities purchased remain in the portfolio or that securities sold have not been repurchased. Past performance does not guarantee future results. Holdings may vary depending on program sponsor restrictions or specific client guidelines. Top 10 holdings and percentages are listed above and represent 27% of total holdings. For additional holdings disclosure, see the Global Industry Classification Standard disclosure on page 4. **To obtain a list of all recommendations made by Invesco Advisers, Inc. in this investment style during the last year, please contact Invesco Advisers, Inc. at 800 349 0953.**

Top quarterly contributors to /detractors from performance

Top 5 contributors	Average weight (%)	Contribution (%)	Top 5 detractors	Average weight (%)	Contribution (%)
United Parcel Service Inc.	1.37	0.55	ConocoPhillips	1.28	-0.30
Target Corp.	1.91	0.53	Bayer AG	1.48	-0.25
Weyerhaeuser Co.	1.85	0.42	Suncor Energy Inc.	0.78	-0.22
Procter & Gamble	2.72	0.42	M&T Bank	1.76	-0.19
Deere & Co.	0.88	0.30	Total SE	1.91	-0.18

For more information on the calculation methodology and a complete list of each holding's contribution to the overall account's performance during this time period, please contact Invesco Advisers, Inc. at 800 349 0953. The holdings identified do not represent all of the securities purchased, sold or recommended for advisory clients. Past performance is not a guarantee of future results.

Invesco Diversified Dividend SMA Wrap composite as of Dec. 31, 2019

Year	"Pure" gross return* (%)	Net return (%)	Russell 1000® Value Index total return (%)	Composite dispersion (%)	Composite 3-year annualized standard deviation (%)	Benchmark 3-year annualized standard deviation (%)	Number of accounts	Composite assets (\$ millions)	Total firm assets (\$ billions)	% wrap assets
2019	24.48	20.86	26.54	0.28	9.35	12.02	106	80	826	99.81
2018	-6.91	-9.68	-8.27	0.26	8.72	10.98	83	49	579	99.76
2017	9.07	5.86	13.66	0.18	N/A	N/A	69	53	660	99.76
2016	17.00	13.58	17.34	N/A	N/A	N/A	33	30	599	99.61

Annualized compound returns as of Dec. 31, 2019

Period	"Pure" gross return* (%)	Net return (%)	Russell 1000® Value Index Total Return (%)
1 Year	24.48	20.86	26.54
3 Year	8.12	4.94	9.68
Since Inception (1/1/16)	10.27	7.03	11.55

Returns less than one year are not annualized.

* "Pure" gross of fees returns do not reflect the deduction of trading costs or any other expenses, and are supplemental to net returns. See note 5.

1. Invesco Worldwide ("The Firm") is defined as follows: For purposes of compliance with the Global Investment Performance Standards (GIPS®), the "Firm" (Invesco Worldwide) refers to: U.S.-based Invesco Advisers, Inc.; Invesco Managed Accounts, LLC; and wholly owned Invesco firms outside of North America. This definition excludes: unit investment trusts; Invesco India; Source Investment Management Ltd.; Invesco Asset Management Australia (Holdings) Ltd.'s investments in Asia; Invesco Asset Management Australia (Holdings) Ltd.; Invesco Real Estate Investment Asia Pacific Ltd.; Invesco Real Estate Investment (Asia) LLC's Singapore branch; Invesco Global Real Estate Asia Pacific, Inc.'s Japan branch; Invesco Real Estate (Cayman) Ltd.; Invesco Great Wall Fund Management Co. Ltd., a fund management company established under China Securities Regulatory Commission's approval; and Invesco Senior Secured Management, Inc., Invesco Private Capital, Inc., and Invesco Capital Management LLC, which are SEC-registered investment advisers and affiliates of the Firm marketed as separate entities. Invesco Canada Ltd. is also a GIPS-compliant firm whose assets are managed by a subsidiary of Invesco Ltd. All entities within the Firm are directly or indirectly owned by Invesco Ltd. On May 24, 2019 Invesco acquired Massachusetts Mutual Life Insurance Company's asset management affiliate OppenheimerFunds. As a result of this transaction, assets previously part of the OFI Global Asset Management (OFI Global) GIPS® firm will now be part of Invesco Worldwide (IWW) GIPS® firm. IWW and OFI Global firm assets were combined beginning December 31, 2019.
2. Invesco Worldwide claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Invesco Worldwide has been independently verified for the periods January 1, 2003 through December 31, 2019. The legacy firms that constitute Invesco Worldwide have been verified since 2001 or earlier. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
3. A complete list and description of Firm composites and performance results is available upon request. Additional information regarding policies for calculating and reporting returns is available upon request. All returns are expressed in U.S. dollars and are gross of nonreclaimable withholding tax, if applicable.
4. For periods beginning July 1, 2016, the Invesco Diversified Dividend SMA Wrap Composite includes all discretionary, fee-paying wrap and non-fee paying institutional accounts styled after the Invesco Diversified Dividend SMA Model Portfolio, which targets long term growth of capital and, secondarily, current income. For all periods prior to July 1, 2016, the Invesco Diversified Dividend SMA Wrap Composite was composed of 100% non-fee paying discretionary institutional accounts. The historical performance results are those of the Invesco Diversified Dividend SMA Institutional Composite. The composite is managed in comparison to, not duplication of, the benchmark. The composite was created in January 2016.
5. "Pure" gross of fees returns do not reflect the deduction of trading costs or any other expenses, and are supplemental to net returns. Performance results are presented both net and gross of total wrap fees. Net returns reflect the deduction of the maximum total wrap fee, which is currently 3.00% per annum or 0.25% monthly, from the "pure" gross return. A model fee is the highest wrap fee a client could pay (3.00% annually as charged by the program sponsor, inclusive up to a maximum investment advisory fee of 0.75%). The total wrap fee includes all charges for trading costs, portfolio management, custody and other administrative fees. The standard wrap fee schedule currently in effect is as follows: 3.00% on total assets. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.
6. The Russell 1000® Value Index Total Return (TR) measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 1000® Value Index TR is a trademark/service mark of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company. The returns of the Russell 1000® Value Index TR are provided to represent the investment environment that existed during the time periods shown. The benchmark is used for comparative purposes only and generally reflects the risk or investment style of the product. For comparison purposes the index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs.
7. The dispersion of annual returns is measured by the equal-weighted standard deviation of account returns included in the composite for the full year.
8. The three-year annualized ex-post standard deviation measures the variability of the monthly returns of the composite and the benchmark over the preceding 36 months. The standard deviation is not presented where there is less than 36 months of performance history.

Past performance is not indicative of future results. As with any investment vehicle there is always the potential for gains as well as the possibility of losses.

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All data as of Sept. 30, 2020

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