TRADE RATIONALE

Invesco International Diversification Portfolios

May 7, 2026

Investment Strategy

The Invesco International Diversification Portfolios aim to solve for the home country bias in a portfolio by providing broad international exposure across market capitalizations and styles, both in developed and emerging markets.

Key Takeaways

- After another impressive, yet turbulent, year for global equities, we are taking this annual opportunity to rebalance our portfolios and recalibrate underlying risk exposures to that of our benchmarks. These moves will maintain diversification within and across asset classes, while reinforcing alignment with investors' long-term goals as we look ahead in 2026.
    - Within the **equity** sleeve, we are removing the **Invesco S&P International Developed Low Volatility ETF (IDLV)** from our portfolios to neutralize factor risk and improve alignment with the benchmark. We are also increasing the allocation to **the Invesco International Developed Dynamic Multifactor ETF (IMFL)** based on manager research conviction and its balanced factor and regional exposure profile.
    - Within the **fixed income** sleeve, we are introducing the **Invesco Global ex-US High Yield Corp Bond ETF (PGHY)** to diversify duration and credit exposure.

- For full details, please see page 2**.**

Changes to holdings (%)

Underlying investment	Ticker	Blend	Equity
International Equity		-	-
Invesco Developing Markets Fund	ODVYX	3.0	4.7
Invesco International Developed Dynamic Multifactor ETF	IMFL	18.0	29.4
Invesco International Growth Fund	OIGYX	-7.0	-10.1
Invesco International Small-Mid Company Fund	OSMYX	1.7	-1.0
Invesco RAFI Developed Markets ex-U.S. ETF	PXF	2.2	4.9
Invesco S&P Emerging Markets Low Volatility ETF	EELV	-5.1	-8.3
Invesco S&P International Developed Low Volatility ETF	IDLV	-12.8	-19.6
Fixed Income		-	-
Invesco Global ex-US High Yield Corp Bond ETF	PGHY	5.7	-
Invesco International Bond Fund	OIBYX	-6.3	-
Invesco International Corporate Bond ETF	PICB	0.6	-
Cash		-	-

Source: Invesco as of May 7, 2026. A dash represents no allocation change.This table illustrates the composition of model portfolios 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. Holdings may vary depending on program sponsor restrictions or specific client guidelines. Holdings may not equal 100% due to rounding. Where cash is shown, it is for the model level. It does not include possible amounts held within each underlying fund. To obtain a list of all recommendations made by Invesco Advisers, Inc. in this investment model during the last year, please contact Invesco Advisers, Inc. at 800 349 0953.

Portfolio holdings (%)

Underlying investment	Ticker	Blend	Equity
International Equity		**60.1**	**98.1**
Invesco International Developed Dynamic Multifactor ETF	IMFL	18.0	29.4
Invesco RAFI Developed Markets ex-U.S. ETF	PXF	15.0	24.5
Invesco Developing Markets Fund	ODVYX	12.4	20.2
Invesco International Small-Mid Company Fund	OSMYX	8.9	14.5
Invesco International Growth Fund	OIGYX	5.8	9.5
Fixed Income		**38.0**	**0.0**
Invesco International Corporate Bond ETF	PICB	20.9	0.0
Invesco International Bond Fund	OIBYX	11.4	0.0
Invesco Global ex-US High Yield Corp Bond ETF	PGHY	5.7	0.0
Cash		**2.0**	**2.0**
Total		**100.0**	**100.0**

Source: Invesco as of May 7, 2026. This table illustrates the composition of model portfolios 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. Holdings may vary depending on program sponsor restrictions or specific client guidelines. Holdings may not equal 100% due to rounding. Where cash is shown, it is for the model level. It does not include possible amounts held within each underlying fund. To obtain a list of all recommendations made by Invesco Advisers, Inc. in this investment model during the last year, please contact Invesco Advisers, Inc. at 800 349 0953.

Glossary

Active Management – active funds are directly managed by a manager, or team of managers, seeking to beat market returns.
Alpha – the excess return of an investment relative to the return of a benchmark index.
Beta – a measure of the volatility—or systematic risk—of a security or portfolio compared to the market as a whole.
Collateralized Loan Obligations (CLOs) - securities backed primarily by a pool of bank loans.
Credit Rating – refers to the quality of a company's credit, as determined and assigned by a recognized credit ratings agency.
Duration – a bond's price sensitivity to changes in interest rates.
Exchange Traded Products – financial instruments traded on stock exchanges that provide investors with exposure to diverse asset classes such as stocks, bonds, commodities, and currencies. Exchange Traded Products (ETPs) can be Exchange Traded Funds (ETFs), Exchange Traded Notes (ETNs), Exchange Traded Commodities (ETCs), or other vehicles representing structured investment products.
Factor – investment approach in which securities are grouped into categories, and portfolio allocation is based on selection among "factors" rather than among individual securities. These targeted factors, such as low volatility, momentum, or quality, give investors a set of tools to tailor exposures.
Open Ended Mutual Funds – a diversified portfolio of pooled investor money that can issue an unlimited number of shares. The fund sponsor sells shares directly to investors and redeems them as well. These shares are priced daily based on their current net asset value (NAV).
Managed Futures – Managed futures are an investment in a portfolio of futures contracts managed by commodity trading advisors (CTAs)
Smart Beta – a long-only rules-based investment strategy that seeks to outperform a capitalization-weighted benchmark.
Spread – difference between the quoted rate of return on different debt instruments which often have varying maturities, credit ratings, and risk.
Spread Duration – a bond's price sensitivity to changes in spreads.
Strategic Asset Allocation – constructed based on long-term asset class forecasts with targets to maintain a set combination of asset classes.
Style – an investment approach in which securities are grouped into categories, and portfolio allocation is based on selection among "styles" rather than among individual securities.
Sub-Advised – an investment that is managed by another management team or firm than where the assets are held. A sub-advised portfolio may consist of specialty or niche investments that the main portfolio managers seek outside expertise for.
Tactical Asset Allocation – constructed on the basis of shorter-term asset class forecasts seeking to capitalize on changing market prices.
Tracking Error - the volatility of a portfolio's returns versus benchmark returns. Also known as active risk.

All investing involves risks. Understanding these risks is essential for making informed investment decisions. Equities may fluctuate in value due to company-specific events or broader market conditions, as well as economic, political, or social developments in the US or abroad. Bonds carry risks related to interest rates, inflation, and credit quality; high-yield bonds, in particular, may experience greater market fluctuations and a higher risk of loss of income and principal compared to higher-rated bonds. Investments in foreign securities, including American Depositary Receipts (ADRs), involve additional risks such as foreign currency fluctuations and potential volatility caused by adverse political, economic, or other developments, with these risks being more pronounced in emerging markets. Concentrating investments in a single industry or sector can increase risk due to lack of diversification. Real estate securities are subject to changes in the value of underlying properties, economic conditions, interest rate fluctuations, and risks associated with renting properties, such as tenant defaults. Commodities investments face risks from market price volatility, regulatory and interest rate changes, credit risk, economic shifts, and adverse political or financial factors. Managed futures are speculative and involve a high degree of risk. Exchange-Traded Funds (ETFs) carry risks that may affect their price, yield, total return, and ability to meet investment objectives; ETF shares may trade at a premium or discount to their net asset value (NAV) and may incur management fees, transaction costs, or other expenses. Mutual funds are also subject to investment risks, including the possible loss of principal, and their investment return and principal value will fluctuate, meaning that shares redeemed may be worth more or less than the original cost.