Invesco Floating Rate ESG Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of Dec. 31, 2022

Invesco

Investment objective

The fund seeks total return, comprised of current income and capital appreciation.

Portfolio management

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Fund facts

Total Net Assets	$3,197,110,482
Weighted Average Price	89.53
Weighted Average Time to Reset (days)	45.76
Total Number of Holdings	640

Top holdings	% of total net assets
MLN US HoldCo LLC (dba Mitel)	1.47
HotelBeds	1.19
Numericable-SFR S.A.	1.05
Virgin Media 02 - LG	1.03
QuarterNorth Energy, Inc (fka Fieldwood Energy)	0.99
Hunter Douglas Inc.	0.93
BASF Construction Chemicals	0.90
Crown Finance US, Inc.	0.90
Acrisure, LLC	0.85
Kantar (Summer BC Bidco)	0.83

Investment categories (%)	
Senior Secured Loans	90.47
Corporate Debt	6.30
Domestic Common Stock	1.60
Preferred Securities	0.19
Warrants	0.24
Senior Unsecured Loans	0.35
Structured Products	0.03
Int'l Common Stock	0.00
Cash and Cash equivalents	0.82

May not equal 100% due to rounding.

Market overview

+ Loans, as represented by the Credit Suisse Leveraged Loan Index, returned 2.33% in the fourth quarter.[2] The percentage of loans trading below $80 rose from 5.8% to 7.4%, reflecting a growing number of expected imminent restructurings.[3]
+ Despite a rare negative annual total return[2] for loans, the asset class outperformed traditional fixed income markets in 2022. Loans' resilience to market volatility stemmed in part from floating rate coupons, which let investors benefit from rising interest rates. Fundamentals held up during the quarter, with the default rate remaining below 1%[3] and issuer leverage, interest coverage and cash balances generally in good shape.[4] Supportive technicals (balance of supply/demand) contributed to low volatility as limited new loan supply and steady formation of CLOs (collateralized loan obligations) throughout the year kept supply and demand well balanced. CLOs own over half of all loans outstanding and remain a key source of stability for the loan market because these vehicles face limited pressure to forcibly liquidate their loan holdings.
+ Within the loan market, lower quality again underperformed as the lowest rated segment of the market declined in the fourth quarter while mid- and high-quality segments delivered positive returns. During the fourth quarter, BB-rated bonds (3.56% return for the quarter) outperformed B-rated bonds (2.67%) while bonds rated CCC (-3.88%)[2] drifted lower. This continued a theme that was evident throughout the year.
+ From a technical perspective, demand drivers were muted. Outflows from retail funds continued in the amount of $11.4 billion during the quarter. Meanwhile, CLO issuance was strong but decelerated to $22.6 billion. For the full year, retail outflows pulled $11.4 billion from the loan asset class, while on the demand side, CLOs originated $127.5 billion of new structures, the second highest annual total ever behind 2021.

Positioning and outlook

+ During the fourth quarter, the par-weighted loan default rate decreased from 0.90% to 0.72% as no new defaults occurred in the quarter.[3] Healthy balance sheets across the loan market and limited maturities resulted in minimal restructuring activity in the syndicated loan market. Heading into what will, in our view, likely be a period of higher default activity, it is worth noting the loan market's spotty track record in accurately discounting default risk. Historically, loans reliably discount higher likelihood of defaults during periods of market turbulence than what ultimately occurs. This is not intended to suggest that the market has found a bottom, but rather highlights one reason that loans, in our view, often provide compelling value for investors during periods of dislocation.

Performance highlights

+ The fund's Class A shares at net asset value returned returned 2.13% for the fourth quarter of 2022, underperforming the 2.47% return of the Lipper Loan Participation Funds Classification Average.

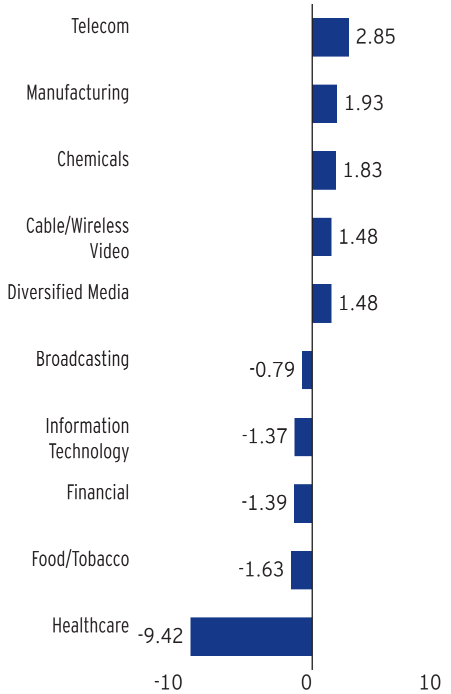
Contributors to performance

+ The fund's holdings of reorganized equities subtracted 0.04 percentage points of return relative to the benchmark.
+ rom an issuer standpoint, the top three contributors to relative return were MLN US (doing business as Mitel), Sigma and H-Food (1.47%, 0.63% and 0.60% of total net assets, respectively).
+ From an industry perspective, the fund's allocations to information technology, telecommunications and consumer durables were the top performers relative to the benchmark.

Detractors from performance

+ From an industry perspective, the fund's allocations to gaming/leisure, health care and manufacturing were the largest detractors from relative return.
+ From an issuer standpoint, holdings in Crown Finance US, Avaya and Vue International (0.90%, 0.31% and 0.44% of total net assets, respectively) were the largest detractors from performance relative to the benchmark.

The fund's positioning versus the Credit Suisse Leveraged Loan Index
(% underweight/overweight)



Portfolio composition	% of total net assets[1]
BBB	1.71
BB	17.78
B	60.27
CCC	8.95
CC	0.40
D	0.87
Not Rated	7.97

Investment results

Average annual total returns (%) as of Dec. 31, 2022

	Class A Shares		Class C Shares		Class Y Shares	
	Inception: 05/01/97		Inception: 03/31/00		Inception: 10/03/08	Style-Specific Index
Period	**Max Load 2.50%**	**NAV**	**Max CDSC 1.00%**	**NAV**	**NAV**	**Credit Suisse Leveraged Loan Index**
Inception	3.71	3.81	3.41	3.41	4.57	-
10 Years	2.78	3.04	2.64	2.64	3.29	3.78
5 Years	1.88	2.39	1.87	1.87	2.64	3.24
3 Years	0.83	1.69	1.17	1.17	1.94	2.34
1 Year	-4.96	-2.49	-3.80	-2.88	-2.26	-1.06
Quarter	-0.37	2.13	1.01	2.00	2.19	2.33

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. On April 13, 2006, the fund reorganized from a closed-end fund to an open-end fund. Class A and C share returns prior to that date are the historical performance of the closed-end fund's Class B and C shares, respectively, and include the management and 12b-1 fees applicable to B and C 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 source: Bloomberg L.P.

30-day SEC yields	
Class A Shares	7.98
Class C Shares	7.67
Class Y Shares	8.46

Had fees not been waived and/or expenses reimbursed, the SEC yields would have been 7.97% for Class A shares, 7.66% for Class C shares and 8.45% for Class Y shares.

Expense ratios	% net	% total
Class A Shares	1.06	1.07
Class C Shares	1.56	1.57
Class Y Shares	0.81	0.82

Per the current prospectus
Net = Total annual operating expenses less any contractual fee waivers and/or expense reimbursements by the adviser in effect through at least June 30, 2024. See current prospectus for more information.

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

1 Ratings source: Standard & Poor's. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations, including specific securities, money market instruments or other debts. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. Not Rated indicates the debtor was not rated and should not be interpreted as indicating low quality. A negative in Cash indicates fund activity that has accrued or is pending settlement. For more information on Standard and Poor's rating methodology, please visit www.standardandpoors.com and select 'Understanding Ratings' under Rating Resources on the homepage.
2 Credit Suisse Leveraged Loan Index, total returns in USD, as of December 31, 2022.
3 Pitchbook LCD as of December 31, 2022.
4 JP Morgan as of December 31, 2022.
Class Y shares are available only to certain investors. See the prospectus for more information.
The fund may invest all its assets in securities that are determined to be below investment grade quality.
Lipper Loan Participation Funds Classification Average represents an average of all of the funds in the Lipper Loan Participation Funds classification.
Duration is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. As interest rates rise, the price of bonds fall, conversely as interest rates fall bond prices rise.
Correlation indicates the degree to which two investments have historically moved in the same direction and magnitude.
The Credit Suisse Leveraged Loan Index represents tradable, senior-secured, U.S.-dollar-denominated non-investment-grade loans. An investment cannot be made directly in an index.
Weighted average time to reset is the amount of time required for the base interest rate (usually LIBOR) of all loans in the portfolio to reset or adjust to a new base interest rate. **Weighted average price** is the average of prices of all loan and bond holdings in the portfolio weighted by par value.

About risk

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.

ESG considerations may vary across investments and issuers, and not every ESG factor may be identified or evaluated for investment. The Fund will not be solely based on ESG considerations; therefore, issuers may not be considered ESG-focused companies. ESG factors may affect the Fund's exposure to certain companies or industries and may not work as intended. The Fund may underperform other funds that do not assess ESG factors or that use a different methodology to identify and/or incorporate ESG factors. ESG is not a uniformly defined characteristic and as a result, information used by the Fund to evaluate such factors may not be readily available, complete or accurate, and may vary across providers and issuers. There is no guarantee that ESG considerations will enhance Fund performance.

There is a risk that the value of the collateral required on investments in senior secured floating rate loans and debt securities may not be sufficient to cover the amount owed, may be found invalid, may be used to pay other outstanding obligations of the borrower or may be difficult to liquidate.

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

Junk bonds have greater risk of default or price changes due to changes in the issuer's credit quality. Junk bond values fluctuate more than high quality bonds and can decline significantly over a short time.

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

Leverage created from borrowing or certain types of transactions or instruments may impair the fund's liquidity, cause it to liquidate positions at an unfavorable time or lose more than it invested, increase volatility or otherwise not achieve its intended objective.

The fund invests in financial instruments that use the London Interbank Offered Rate ("LIBOR") as a reference or benchmark rate for variable interest rate calculations. LIBOR will be phased out by the end of 2021, and it's anticipated that LIBOR will cease to be published after that time. To assist with the transition, US dollar LIBOR rates will continue to be published until June 2023. There is uncertainty on the effects of the LIBOR transition process, therefore any impact of the LIBOR transition on the fund or its investments cannot yet be determined. There is no assurance an alternative rate will be similar to, produce the same value or economic equivalence or instruments using the rate will have the same volume or liquidity as LIBOR. Any effects of LIBOR transition and the adoption of alternative rates could result in losses to the fund.

An issuer's ability to prepay principal on a loan or debt security prior to maturity can limit the fund's potential gains. Prepayments may require the fund to replace the loan or debt security with a lower yielding security, adversely affecting the fund's yield.

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.