

## Dividends: A foundation for investors' portfolios

Dividend-paying stocks may serve as a foundation for investors' portfolios by providing appreciation, income, and preservation. In addition, companies consistently growing dividends often have strong free cash flow generation, healthy balance sheets, and good capital allocation.

### Focusing on dividend "growers"<sup>1</sup>

A portfolio of dividend-paying stocks can potentially improve the investor experience by helping to manage market risk while also providing a higher level of total return.

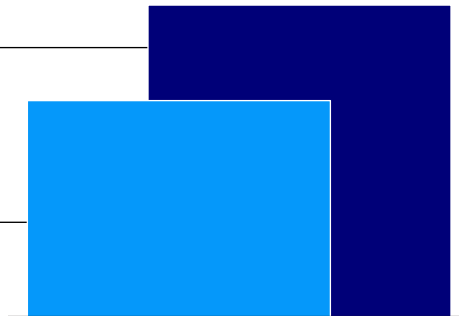
Managing market risk  
Historical beta by dividend policy

1.10

Non-Dividend  
"Payers"

0.94

Dividend "Growers"



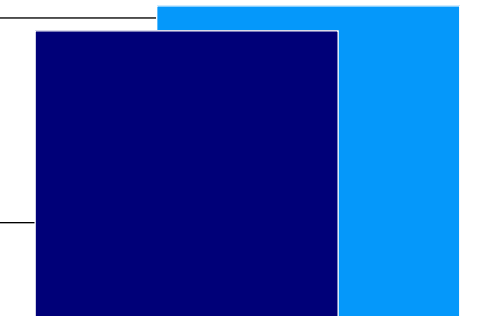
Providing total return  
Annualized returns (1973-2024)

12.71%

Dividend "Payers"

11.75%

Non-Dividend  
"Payers"



1. Sources: Ned Davis Research Inc., S&P Capital IQ, Compustat, Invesco. Beta is a measure of the volatility or systematic risk, of a security or a portfolio in comparison to the market as a whole. Beta for dividend growers and non-dividend payers is based on the S&P 500® Index for rolling ten-year periods using monthly data with the first ten-year time period beginning 1/31/1983 to 12/31/2024. Returns based on monthly equal-weighted geometric average of total returns of S&P 500® component stocks, with components categorized monthly. Annualized returns are shown from 1/31/1973–12/31/2024. Non-Dividend Paying Stocks represents non-dividend paying stocks of the S&P 500® Index and Dividend Growers represents all dividend-paying stocks of the S&P 500® Index that raised their existing dividend or initiated a new dividend recategorized monthly. An investment cannot be made directly into an index. Past performance is not a guarantee of future results.

# Invesco Diversified Dividend Fund

EQUITY: US EQUITY  
A: LCEAX R6: LCEFX Y: LCEYX

**A total return approach emphasizing appreciation, income, and preservation.** The fund seeks to serve as a cornerstone of investors’ equity portfolios by implementing a total return approach that emphasizes price appreciation, income from dividends, and capital preservation over a full market cycle. This focus on high-quality, dividend-paying stocks is designed to help buffer market volatility.

## Reasons to consider this fund

- 1 Upside participation; risk mitigation**  
Our team seeks to participate in up markets and mitigate risk in down markets.
- 2 Focus on quality**  
We seek companies with strong free cash flows and healthy balance sheets that drive price appreciation and sustainable dividend growth.
- 3 Income generators**  
Every stock we buy is required to pay a dividend when the investment is added to the portfolio.

## Total return approach emphasizes appreciation, income and preservation

### Appreciation

Cumulative return in most recent full market cycle<sup>2</sup>

138%

Invesco Diversified Dividend Fund Class A Shares at NAV

114%

Russell 1000 Value Index

### Income

Annualized dividend growth rate<sup>3</sup>

6.71%

Invesco Diversified Dividend Fund Class A Shares at NAV

7.10%

S&P 500® Index

### Preservation

Outperformance<sup>4</sup>

9.95%

outperformance of Class A shares at NAV vs. Russell 1000 Value Index during Great Recession bear market

## Competitive long-term performance with less risk versus peers

Invesco Diversified Dividend Fund has less risk than 89% of all Large-Cap Value funds tracked by Morningstar since investment strategy inception<sup>5</sup>

**Less risk (as measured by standard deviation)<sup>6</sup> relative to Morningstar peers**

89%



2. Performance shown is for Class A shares at NAV from 10/10/2007 through 2/19/2020. 3. The dividend growth rate reflected assumes an initial investment of \$10,000 into the fund’s class A shares on 12/31/2002 through 12/31/2023 with no reinvestment of dividends over time. Please note the dividend growth rate is not a yield or a measure of fund performance but is based on the annualized growth rate of the fund’s actual dividend payments. Please also note that quarterly dividend payouts varied and decreased during some time periods since the strategy inception period. 4. Bear market cumulative performance is from 10/10/2007, through 3/9/2009. During the bear market, the fund’s return was -49.95% and the Russell 1000 Value Index return was -59.90%. 5. Investment strategy inception date range is 12/31/2002– 06/30/25. Investment strategy inception date is Dec. 31, 2002. Prior to Dec. 31, 2002, the fund was managed using a different investment strategy and process. Class A shares inception date is Dec. 31, 2001. 6. Standard Deviation is a measure of the dispersion of a set of data from its mean. It is applied to the annual rate of return of an investment to measure the investment’s volatility. Past performance is not a guarantee of future results.

# Invesco Diversified Dividend Fund

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## Standardized performance (%) as of 06/30/25

	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception <sup>1</sup>
Class A Shares at NAV	6.33	13.53	11.80	12.52	8.12	7.96
<b>Class A Shares with max 5.50% load</b>	0.47	7.27	9.71	11.25	7.51	7.70
Class R6 Shares	6.59	13.95	12.20	12.93	8.53	10.08
Class Y Shares	6.46	13.81	12.09	12.80	8.39	9.62
Russell 1000 Value Index	6.00	13.70	12.76	13.93	9.19	–
Total Return Ranking vs. Morningstar Large Value Category (Class A shares at NAV)		39% (444/1,140)	65% (708/1,088)	77% (792/1,023)	82% (672/821)	

Annual total expense ratios: A Shares 0.82%, R6 Shares 0.47%, Y Shares 0.57%  
1. Class A inception date: 12/31/02, Class R6 inception date: 9/24/12, Class Y inception date: 10/3/08.

## Calendar year total returns (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Class A Shares at NAV	1.78	14.33	8.20	-7.77	25.02	0.12	18.93	-1.62	8.76	13.14
Russell 1000 Value Index	-3.83	17.34	13.66	-8.27	26.54	2.80	25.16	-7.54	11.46	14.37

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com](https://www.invesco.com) 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 so that you may have a gain or a loss when you sell shares. Returns less than one year are cumulative; all others are annualized. Index source: RIMES Technologies Corp. Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower. Performance shown at NAV does not include the applicable front-end sales charge, which would have reduced the performance.

Class Y and R6 shares have no sales charge; therefore performance is at NAV. Class Y shares are available only to certain investors. Class R6 shares are closed to most investors. Please see the prospectus for more details.

Morningstar Rankings are based on total return, excluding sales charges and including fees and expenses versus all funds in the Morningstar category. Open-end mutual funds and exchange-traded funds are considered a single population for comparison purposes. Had fees not been waived and/or expenses reimbursed currently or in the past, the ranking would have been lower.

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**About risk:**

The Fund's value may be affected by changes in the stock markets. Stock markets may experience significant short-term volatility and may fall or rise sharply at times. Adverse events in any part of the equity or fixed income markets may have unexpected negative effects on other market segments. Different stock markets may behave differently from each other and U.S. stock markets may move in the opposite direction from one or more foreign stock markets. Securities that pay high dividends as a group can fall out of favor with the market, causing such companies to underperform companies that do not pay high dividends. Also changes in the dividend policies of the companies and the capital resources available for such companies' dividend payments may affect the Fund. The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues. A value style of investing is subject to the risk that the valuations never improve or that the returns will trail other styles of investing or the overall stock markets. The investment techniques and risk analysis used by the portfolio managers may not produce the desired results. 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.

Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their financial professionals for a prospectus/summary prospectus or visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus).

The **S&P 500® Index** is an unmanaged index considered representative of the US stock market. The **Russell 1000® Value Index** is an unmanaged index considered representative of large-cap value stocks. The Russell 1000 Value 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 in an index.

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making investment decisions.

Diversification does not guarantee a profit or eliminate the risk of loss.

The opinions expressed are those of the author, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals.