

Invesco Global Responsibility Equity Fund

Quarterly Performance Commentary

Mutual Fund Retirement Share Classes
Data as of March 31, 2020



Investment objective

The fund seeks long-term growth of capital.

Portfolio management

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Fund facts

| | |
|----------------------------------|-------------|
| Total Net Assets | \$6,854,241 |
| Total Number of Holdings | 161 |
| Annual Turnover (as of 10/31/19) | 116% |

Top holdings

| | % of total net assets |
|---------------------|-----------------------|
| Microsoft | 4.43 |
| Apple | 3.24 |
| Procter & Gamble | 2.09 |
| JPMorgan Chase | 2.02 |
| Biogen | 1.57 |
| Hydro One 'H' | 1.57 |
| Alphabet 'C' | 1.54 |
| Dai Nippon Printing | 1.49 |
| Oracle | 1.45 |
| Toppan Printing | 1.45 |

Top contributors

| | % of total net assets |
|-----------------------|-----------------------|
| 1. Gilead Sciences | 1.04 |
| 2. CRH | 0.55 |
| 3. NTT Docomo | 0.69 |
| 4. Santander Consumer | 0.00 |
| 5. SBA Communications | 1.00 |

Top detractors

| | % of total net assets |
|--------------------------------|-----------------------|
| 1. JPMorgan Chase | 2.02 |
| 2. Xerox | 0.97 |
| 3. Ally Financial | 0.68 |
| 4. Discover Financial Services | 0.44 |
| 5. Fifth Third Bancorp | 0.74 |

Market overview

+ Global equities ended the quarter with their worst decline since the 2008 global financial crisis as exponential spread of the COVID-19 virus sparked fear and uncertainty. Governments imposed drastic measures, including enforced lockdowns, and initiated stimulus efforts to combat negative economic effects. Though the S&P 500 Index's quarterly decline was not its largest ever, it was the fastest descent into a bear market. As capital markets feared that the economy could contract at a pace last seen during the Great Depression,

value stocks underperformed growth stocks by the widest margin in over 25 years, as measured by the Russell 1000 Growth and Value Indexes. Global developed markets had similar price moves, while many emerging market regions had even greater losses. Compounding market uncertainty and diminished energy demand, Saudi Arabia and Russia entered a price war that brought crude oil prices to their lowest levels in over 20 years. For the quarter, the MSCI World Index declined 21.1%.

Positioning and outlook

+ The fund currently has overweights in the technology, industrials, consumer staples and health care sectors. Relative to its index, the fund is equal weight in materials, has no allocation to energy and is underweight financials, consumer discretionary and communication services. The fund is also underweight utilities due to the restriction on fossil fuels and nuclear power.

+ Geographically, the largest overweights are in Canada and Japan. The fund is underweight the US and the UK.

+ Invesco Global Responsibility Equity Portfolio is a globally conscious portfolio designed to provide exposure to global developed equity markets while excluding companies that have negative social and environmental impacts. Excluded stock groups include, but are not limited to, companies involved in fossil fuels, nuclear power, firearms and armaments, alcohol, cluster munitions, pornography, tobacco and genetic engineering of crops and animals.

Performance highlights

+ The fund's Class A shares at net asset value (NAV) underperformed its index in the first quarter. (Please see the investment results table on page 2 for fund and index performance.)

+ The portfolio's exposure to Value was the largest detractor and was only partially offset by exposures to Momentum and Quality. Owning smaller capitalization stocks within the universe hampered results as investors sought safety in large- and mega-cap stocks.

+ Stock selection in the information technology (IT), industrials, consumer discretionary and real estate sectors detracted from absolute and relative returns.

+ The fund's mandate to exclude holdings that do not fit its globally conscious guidelines, including most energy stocks, benefited results as these companies performed worse than the broader equity market.

+ Stock selection in the consumer staples and health care sectors added to relative return.

+ Geographically, key detractors included stock selection in the US and Japan.

Contributors to performance

+ The fund's leading contributor was **Gilead Sciences** whose stock price rose on optimism that it would provide a drug to combat COVID-19.

+ **Santander Consumer** announced an acceleration of its \$1 billion stock buyback and shares rose over 13%. The fund no longer holds the security. Similarly, **CRH** completed its share buyback program and indicated further buybacks were under consideration.

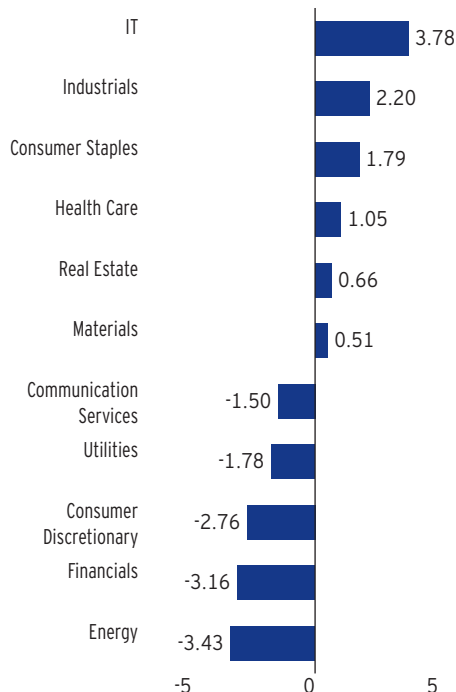
+ Japanese wireless telephone company **NTT Docomo's** shares rebounded strongly in March following an agreement to partner with Toyota Motor (not a fund holding) on development of a high-tech urban space.

Detractors from performance

+ The largest individual detractors were in the banking and financial services sector as investors worried about liquidity and increased loan defaults. **JPMorgan Chase**, **Ally Financial** and **Discover Financial Services** had significant declines.

+ **Xerox's** continued efforts to acquire **Hewlett Packard Enterprise** (0.85% of total net assets) compounded its losses as investors feared the company would overpay and be saddled with substantial debt. **Xerox** withdrew its offer at quarter end.

The fund's positioning versus the MSCI World Index
(% underweight/overweight)



| Valuation statistics | fund | index |
|---|---------|---------|
| 12-Month Forward P/E | 11.58 | 14.73 |
| 12-Month Trailing P/E | 11.55 | 14.81 |
| Price/Book (Wtd. Avg.) | 4.51 | 5.42 |
| 1-Year ROE (Wtd. Avg.) | 21.31 | 20.10 |
| 12-Month Fwd. Growth Rate (Median) (%) | 3.38 | 2.99 |
| 3-Year EPS Growth Rate (Wtd. Avg.) (%) | 13.78 | 17.36 |
| 5-Year Dividend Growth Rate (Wtd. Avg.) (%) | 9.06 | 9.61 |
| Weighted Average Market Cap (\$MM) | 155,586 | 193,855 |
| Weighted Median Market Cap (\$MM) | 19,942 | 61,985 |

Source: FactSet Research Systems Inc.

Investment results

Average annual total returns (%) as of March 31, 2020

| | Class A Shares | Class Y Shares | Class R Shares | Class R6 Shares | Class R5 Shares | Style-Specific Index |
|---------------|----------------|----------------|----------------|-----------------|-----------------|-------------------------|
| Inception: | 07/01/16 | 07/01/16 | 07/01/16 | 07/01/16 | 07/01/16 | MSCI World Index |
| Period | NAV | NAV | NAV | NAV | NAV | MSCI World Index |
| Inception | 0.60 | 0.85 | 0.34 | 0.85 | 0.85 | - |
| 3 Years | -3.37 | -3.13 | -3.61 | -3.13 | -3.13 | 1.92 |
| 1 Year | -15.93 | -15.70 | -16.07 | -15.70 | -15.70 | -10.39 |
| Quarter | -21.64 | -21.59 | -21.67 | -21.59 | -21.59 | -21.05 |

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](https://www.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. Class A shares at NAV are available only to certain investors and have no sales charge; therefore, performance is at NAV. Class Y shares have no sales charge; therefore, performance is at NAV. Class R shares have no sales charge; therefore, performance is at NAV. Class R6 shares have no sales charge; therefore, performance is at NAV. Class R5 shares have no sales charge; therefore, performance is at NAV. 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: FactSet Research Systems Inc.

| Expense ratios | % net | % total | Asset mix (%) |
|-----------------|-------|---------|-------------------------|
| Class A Shares | 0.85 | 3.47 | Dom Common Stock 56.70 |
| Class Y Shares | 0.60 | 3.22 | Intl Common Stock 40.62 |
| Class R Shares | 1.10 | 3.72 | Cash 2.00 |
| Class R6 Shares | 0.60 | 2.81 | Other 0.68 |
| Class R5 Shares | 0.60 | 2.85 | |

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 Feb. 28, 2021 and contractual management fee waivers in effect through at least June 30, 2021. See current prospectus for more information.

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Class A shares at NAV and Class Y shares are available only to certain investors. Class R shares are generally available only to employee benefit plans. Class R6 shares and Class R5 shares are primarily intended for retirement plans that meet certain standards and for institutional investors. See the prospectus for more information.

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.

The MSCI World IndexSM is an unmanaged index considered representative of stocks of developed countries. 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.

12-month forward and trailing P/E are calculated using weighted harmonic averaging, which helps avoid extreme results that may occur due to small relative numbers in the denominator. It doesn't exclude extreme values; instead, it reduces the effect of outliers on the aggregate calculation. The **price/book ratio** is the market price of a stock divided by the book value per share. **Return on equity (ROE)** is net income divided by net worth. The **median 12-Month Fwd. Growth Rate** is the percent change between the next twelve months' mean EPS estimate and the previous twelve months' actuals. The **three-year EPS growth rate** is a weighted average of each stock's growth rate in earnings per share (EPS). EPS is total earnings divided by the number of shares outstanding. The **five-year dividend growth rate** is the weighted average of each stock's annualized percentage rate of growth in dividend yield over five years. The three-year EPS and five-year dividend growth rates are not forecasts of fund performance.

About risk

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 fund uses environmental and social factors to exclude certain investments for non-financial reasons, which may limit market opportunities available to funds not using these criteria. Further, information used by the fund to evaluate environmental and social factors may not be readily available, complete or accurate, which could negatively impact the fund's ability to apply its environmental and social standards.

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

Preferred securities may include provisions that permit the issuer to defer or omit distributions for a certain period of time, and reporting the distribution for tax purposes may be required, even though the income may not have been received. Further, preferred securities may lose substantial value due to the omission or deferment of dividend payments.

Stocks of small and medium-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

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.

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

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 advisors for a prospectus/summary prospectus or visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus).

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

Note: Not all products available at all firms. Advisors, please contact your home office.

The opinions expressed are those of the fund's portfolio management, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals. Holdings are subject to change and are not buy/sell recommendations.

All data provided by Invesco unless otherwise noted.