



# Invesco MSCI World SRI Index Portfolio<sup>®</sup>

## Quarterly Performance Commentary

CUSIPS: A:76222X547 C:76222X539 I:76222X497

### Investment objective

The portfolio seeks to provide long-term growth of capital.

### Portfolio management

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 Management is that of the underlying fund.

### Portfolio information

Total net assets	\$5,063,472
Total number of holdings	353
Holdings shown are that of the underlying fund.	

Top equity holdings	% of total net assets
Microsoft	12.32
Procter & Gamble	2.79
Nvidia	2.71
Tesla Motors	2.59
Home Depot	2.43
Roche	1.96
Walt Disney	1.83
Salesforce	1.81
PepsiCo	1.58
SAP	1.35

Holdings are that of the underlying fund, subject to change and are not buy/sell recommendations.

Top contributors	% of total net assets
1. Tesla	2.59
2. Nvidia	2.71
3. Microsoft	12.32
4. Procter & Gamble	2.79
5. Salesforce.com	1.81

Data shown is that of the underlying fund.

Top detractors	% of total net assets
1. Gilead Sciences	0.65
2. Total	0.70
3. Phillips 66	0.20
4. ConocoPhillips	0.30
5. American Tower	0.89

Data shown is that of the underlying fund.

Portfolio commentary provided is based on the underlying fund.

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

### Market overview

- Despite a September selloff, 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 supported equities. Activity was better than expected across many areas of the economy. The unemployment rate fell to 7.9% in September, down from 11.1% in June, showing that the job market was rebounding more quickly than anticipated. Data for both manufacturing and services indicated expansion, a reversal from significant declines earlier in the year. Corporate earnings were also better than anticipated and a gradual decline in new COVID-19 infections in many regions, combined with optimism about progress on a coronavirus vaccine, further boosted stocks.

### Performance highlights

- The portfolio's Class A units at net asset value (NAV) performed in line with the MSCI World SRI Index, which became the portfolio's benchmark during the third quarter. (Please see the investment results table on page 2 for portfolio and index performance.)
- Key contributors to absolute return were in the consumer discretionary, information technology (IT) and industrials sectors. Key detractors were found within the energy, real estate and utility sectors.
- Geographically, key contributors were the US (which was also the largest exposure), Japan and Germany. Detracting from results were stocks in Spain, France and Belgium.

### Contributors to performance

- **Tesla** was the largest positive contributor to absolute return. The price of its shares almost doubled as higher-than-expected delivery of vehicles translated into better-than-expected earnings. The company also announced a stock split and there was speculation it would be added to the S&P 500 Index in the fourth quarter (it was not added), which also provided some technical support by boosting demand.
- **Nvidia's** stock price rose on better-than-expected earnings as demand for its chipsets, primarily used in gaming consoles and datacenters, rose. The company has benefited from social distancing trends and appears well positioned for a world where experiences are increasingly virtual.
- After rising by 33% in the second quarter, **Microsoft's** shares took a breather in the third quarter. **Microsoft** is the underlying fund's largest holding, which made it a top contributor even though its shares rose only modestly.
- Consumer staples company **Procter & Gamble** has benefited from COVID-19 lockdowns. Its product lineup includes laundry, paper goods and personal care products, which are largely recession resistant. The company met analyst earnings estimates, while exceeding sales estimates.

### Detractors from performance

- The largest individual detractor was **Gilead Sciences**, which declined due to some doubt about prospects for the use of its drug Remdesivir in treating COVID-19 as competitors' therapies showed promise. The shares had rallied sharply in the first and second quarters.
- Energy stocks were the worst performers during the quarter as the supply/demand for oil remained out of balance. Shares of **Total**, **Phillips 66** and **ConocoPhillips** were the largest individual detractors.

### Positioning and outlook

- The underlying fund is a passively managed portfolio seeking to closely track the MSCI World SRI Index.
- Country, sector and position weights will closely mirror those of the index.
- As of quarter end, the largest sector weights were in IT, health care and financials. The largest country weights were in the US, Japan and Germany.

## Investment results

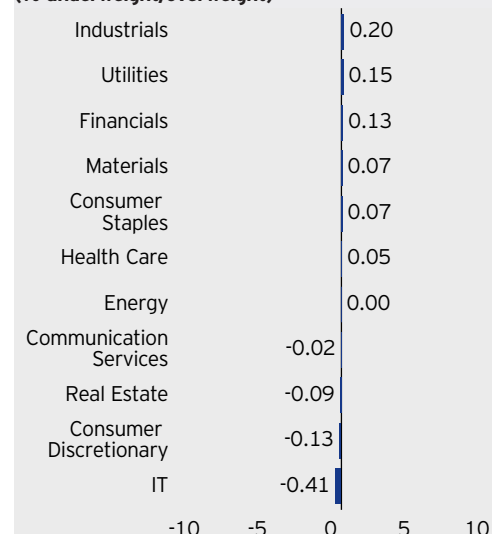
Average annual total returns (%) as of Sept. 30, 2020

Period	Class A units		Class C units		Class I units	Style-Specific Index
	Inception: 07/08/16 Max Load 4.00%	NAV	Inception: 07/08/16 Max CDSC 1.00%	NAV	Inception: 07/08/16 NAV	MSCI World SRI Index-NR
Inception	5.25	6.28	5.50	5.50	6.55	-
3 Years	0.31	1.68	0.92	0.92	1.96	11.11
1 Year	3.03	7.30	5.45	6.45	7.65	16.19
Quarter	4.19	8.56	7.38	8.38	8.64	8.57

The performance quoted is past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that an account owner's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data shown. For up-to-date month-end performance information please call 877 615 4116, or visit [collegebound529.com](http://collegebound529.com). Performance figures reflect reinvested distributions of the underlying security and changes in net asset value (NAV). No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C units following one year from the date units were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class I units have no sales charge; therefore, performance is at NAV. Returns less than one year are cumulative; all others are annualized. Index returns do not reflect any fees, expenses, or sales charges.

Index source: FactSet Research Systems Inc.

## The portfolio's positioning versus the MSCI World SRI Index-NR (% underweight/overweight)



Data shown is that of the underlying fund.

## Asset mix (%)

Dom Common Stock	62.10
Intl Common Stock	37.16
Cash	0.38
Other	0.36

Data shown is that of the underlying fund.

## Expense ratios (%)

Class A units	0.61
Class C units	1.36
Class I units	0.36

Total annual asset-based fee per the current Program Description.

For more information you can visit us at [collegebound529.com](http://collegebound529.com)

■ Effective June 29, 2020, the Invesco Global Sustainable Equity Portfolio was renamed Invesco MSCI World SRI Index Portfolio and also changed its investment strategy from an actively managed portfolio to an indexing strategy based on the MSCI World SRI Index. Results prior to June 29, 2020, reflect the portfolio's previous strategy. Please see the prospectus for additional information.

Class I units are available only to certain investors. See the Program Description for more information.

The underlying 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 Index<sup>SM</sup> is an unmanaged index considered representative of stocks of developed countries. An investment cannot be made directly in an index.

The S&P 500<sup>®</sup> Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

The MSCI World SRI Index<sup>SM</sup> includes large and mid-cap stocks across 23 Developed Markets (DM) countries. The index is a capitalization weighted index that provides exposure to companies with outstanding Environmental, Social and Governance (ESG) ratings and excludes companies whose products have negative social or environmental impacts. An investment cannot be made directly in an index.

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## About risk

### Risks of the Underlying Holding

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 underlying 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 underlying 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 mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

The portfolio is subject to certain other risks. Please see the current Program Description for more information regarding the risks associated with an investment in the portfolio.

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***Before you invest, consider whether your or the beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in that state's qualified tuition program.***

***For more information about CollegeBound 529, contact your financial advisor, call 877-615-4116, or visit [www.collegebound529.com](http://www.collegebound529.com) to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other important information; read and consider it carefully before investing. Invesco Distributors, Inc. is the distributor of CollegeBound 529.***

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

All data provided by Invesco unless otherwise noted.