

Invesco EQV International Equity Fund

Q1 2025

Key takeaways

- 1 The fund underperformed its benchmark**

Class A shares underperformed the MSCI ACWI ex USA Index. In a market environment where value stocks led, the fund's long-term, conservative growth strategy faced headwinds.
- 2 Bottom-up stock selection focused on EQV (Earnings, Quality, Valuation) characteristics**

During the quarter, we initiated eight new positions and exited five stocks based on our EQV fundamentals. Our actively managed, bottom-up stock selection drives the fund's sector, country and regional allocations.
- 3 We remain focused on a long-term investment horizon**

Regardless of the macroeconomic environment, we remain focused on applying our well-established, long-term, bottom-up EQV investment process that seeks to identify attractively valued, high quality growth companies.

Investment objective

The fund seeks long-term growth of capital.

Fund facts

Fund AUM (\$M)	2,380.21
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Portfolio managers

Brently Bates, Mark Jason, Mark McDonnell, Michael Shaman, Richard Nield

Manager perspective and outlook

- The first quarter of 2025 was marked by volatility and shifts in market leadership. Developed markets in Europe as well as emerging markets outperformed US equities. In Europe, German equities had robust gains, driven by increased deficit spending aimed at supporting economic growth and defense. Among emerging markets, China was one of the best performers as the country's stocks benefited from stimulus measures, including wage increases and expanded trade-in programs for consumer goods. Conversely, US equities declined, affected by apparent uncertainty about US trade policy and the rise of Chinese artificial intelligence (AI) company DeepSeek, which put downward pressure on US technology and consumer discretionary sectors. In this market environment, commodities, especially gold, had robust returns. Value stocks outperformed, while small-cap stocks lagged.
- Our team remains focused on applying our long-term, bottom-up EQV investment process that seeks to identify attractively valued, high quality growth companies. We expect geopolitical and macro concerns to remain elevated, which has historically favored our traditional fundamental approach. We remain optimistic that our conservative quality growth style is well-positioned for the current environment.



Top issuers

(% of total net assets)

	Fund	Index
Investor AB	3.61	0.19
Taiwan Semiconductor Manufacturing Co Ltd	3.21	2.51
RELX PLC	2.91	0.35
RB Global Inc	2.24	0.07
HDFC Bank Ltd	2.17	0.45
Sony Group Corp	2.14	0.58
FinecoBank Banca Fineco SpA	1.95	0.04
BAE Systems PLC	1.82	0.23
Aristocrat Leisure Ltd	1.79	0.08
Schneider Electric SE	1.75	0.46

As of 03/31/25. Holdings are subject to change and are not buy/sell recommendations.

Portfolio positioning

During the quarter, we initiated positions in the following stocks:

Barclays is a UK-based multinational bank with retail and commercial banking in the UK, a global investment bank and a specialist US consumer bank. We have seen improving visibility for earnings and quality after a challenging period. The company has been taking action to simplify the organization, cut costs, improve accountability and enhance capital allocation. We believe Barclays is attractively valued.

AstraZeneca is a UK-based multinational pharmaceutical and biotech company focused on discovery and development of innovative medicines in areas including cardiovascular, oncology and respiratory. The company faced temporary setbacks due to employee investigations in China and issues with its oncology drug. Despite these challenges, we believe AstraZeneca's strong product pipeline and undervalued shares present a promising investment opportunity.

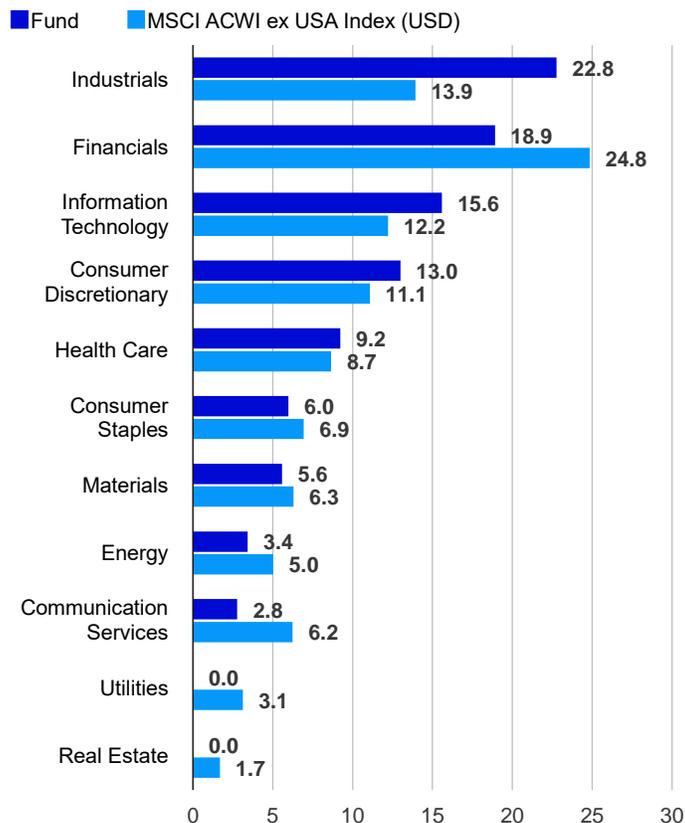
MediaTek, a Taiwan-based fabless semiconductor company, has been improving business quality through tech advancements, market share gains and winning new customers. Its new flagship smartphone chipset, featuring leading artificial intelligence (AI) capabilities, has been driving strong demand and market share gains in premium segments. MediaTek's application-specific integrated circuit business has also gained share, recently securing pivotal business with Google (not a fund holding). The company has partnered with NVIDIA (not a fund holding) across several business lines, and tech advancements have enabled price increases.

We also initiated positions in Australia-based maker of pooled pallets and plastic crates **Brambles**, China-based shopping platform **Meituan**, France-based electrical and digital building infrastructures company **Legrand**, Canada-based financial services company **Royal Bank of Canada**, and India-based conglomerate **Reliance Industries**.

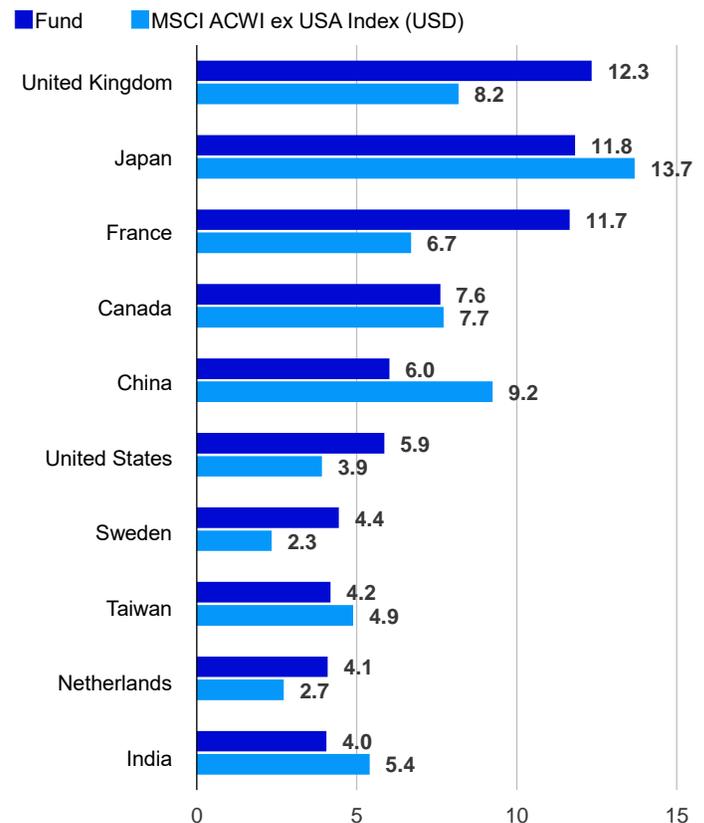
We sold Denmark-based health care company **Coloplast** due to deteriorating earnings and quality trends. The stock's valuation had continued to trade at a premium relative to its sector, so we sold to make way for better EQV ideas. We sold UK-based pest-control company **Rentokil Initial** due to questions about cost and timing for a turnaround of poor performance in its North American business.

We also sold UK-based **DCC**, Australia-based **CSL** and China-based **New Oriental Education & Technology**.

Sector breakdown (% of total net assets)



Top countries (% of total net assets)



Top contributors (%)

Issuer	Return	Contrib. to return
BAE Systems plc	39.94	0.53
Investor AB	12.12	0.36
TOTVS S.A.	35.11	0.33
RELX PLC	9.99	0.29
Sony Group Corporation	17.76	0.29

Top detractors (%)

Issuer	Return	Contrib. to return
Taiwan Semiconductor Manufacturing Company Limited	-16.03	-0.55
Broadcom Inc.	-27.56	-0.48
Teva Pharmaceutical Industries Limited	-30.26	-0.45
Novo Nordisk A/S	-20.21	-0.35
ICON plc	-16.56	-0.29

Performance highlights

Fund holdings in the energy sector outperformed those of the benchmark index, adding to relative performance. Having no exposure in real estate also added to relative results. Geographically, stock selection in India, Japan and Brazil contributed to relative results. Underweights in India and Japan were beneficial as well.

Stock selection in health care, information technology (IT) and industrials detracted the most from relative results. An overweight in IT also hampered relative return. Geographically, stock selection in France, the US (categorized by country of risk) and China detracted from relative return. An underweight in China also negatively affected relative results.

Contributors to performance

Below are some of the largest contributors to absolute return for the quarter:

BAE Systems is a UK-based aerospace, defense and information security company that has benefited from rising global defense spending, given increasing NATO budgets. The company's record backlog provides in our view good visibility for earnings and cash flow growth.

Investor is a Swedish investment holding company that has delivered strong underlying performance in its unlisted portfolio and robust performance across publicly listed holdings.

TOTVS is a leading middle-market provider of enterprise resource planning software, based in Brazil. The company has exhibited strong

top-line growth, with new ventures contributing more meaningfully, while its profit margin profile has been improving.

Detractors from performance

Below are the largest detractors from absolute return for the quarter:

Taiwan Semiconductor is a semiconductor and electronic components manufacturer. Apparent concerns about data center overexpansion associated with potentially weaker-than-expected AI growth led its share price to decline. We believe the longer term growth outlook for AI remains strong, with the company being the key supplier of semiconductors for AI data centers.

Broadcom is a leading designer of semiconductors that has benefited from strong growth in data center buildout to support AI applications. It has continued to diversify its customer base in the growing application-specific semiconductors business. The company's software business has also continued to exceed expectations. Broadcom's stock pulled back due to apparent concerns about near-term datacenter overexpansion.

Teva Pharmaceutical is a leading generics and pharmaceuticals company. The stock declined after a disappointing earnings update regarding profitability, which was affected by higher costs. Our thesis of improving earnings and quality as Teva's management focuses on building out its innovative pharma portfolio remains intact. Valuation relative to earnings potential remains attractive, in our view.

Standardized performance (%) as of March 31, 2025

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 04/07/92	NAV	1.17	1.17	-2.69	2.77	8.36	3.72	6.71
	Max. Load 5.5%	-4.39	-4.39	-8.06	0.86	7.14	3.14	6.53
Class R6 shares inception: 09/24/12	NAV	1.28	1.28	-2.31	3.20	8.80	4.15	5.31
Class Y shares inception: 10/03/08	NAV	1.26	1.26	-2.42	3.05	8.63	3.98	5.82
MSCI ACWI ex USA Index (USD)		5.23	5.23	6.09	4.48	10.92	4.98	-
Total return ranking vs. Morningstar Foreign Large Growth category (Class A shares at NAV)		-	-	72% (291 of 389)	54% (200 of 369)	67% (217 of 335)	91% (197 of 216)	-

Expense ratios per the current prospectus: Class A: Net: 1.27%, Total: 1.27%; Class R6: Net: 0.86%, Total: 0.86%; Class Y: Net: 1.02%, Total: 1.02%.

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.

Performance highlights (cont'd)

Calendar year total returns (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Class A shares at NAV	-2.60	-0.88	22.63	-15.34	27.95	13.36	5.52	-18.53	17.53	0.31
Class R6 shares at NAV	-2.21	-0.47	23.16	-14.99	28.54	13.85	5.93	-18.19	18.02	0.70
Class Y shares at NAV	-2.34	-0.63	22.94	-15.12	28.30	13.65	5.77	-18.33	17.87	0.53
MSCI ACWI ex USA Index (USD)	-5.66	4.50	27.19	-14.20	21.51	10.65	7.82	-16.00	15.62	5.53

Portfolio characteristics*

	Fund	Index
No. of holdings	75	1,982
Top 10 issuers (% of AUM)	23.59	11.33
Wtd. avg. mkt. cap (\$M)	106,897	105,157
Price/earnings	19.14	15.60
Price to book	2.74	1.95
Est. 3 – 5 year EPS growth (%)	11.02	10.66
ROE (%)	17.42	15.46
Long-term debt to capital (%)	27.88	28.44
Operating margin (%)	22.16	19.61

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	-2.22	0.00
Beta	1.00	1.00
Sharpe ratio	0.36	0.54
Information ratio	-0.53	0.00
Standard dev. (%)	16.12	15.40
Tracking error (%)	4.82	0.00
Up capture (%)	98.29	100.00
Down capture (%)	107.93	100.00
Max. drawdown (%)	29.23	27.87

Quarterly performance attribution

Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	-0.18	-0.33	-0.52
Consumer Discretionary	-0.03	-0.35	-0.38
Consumer Staples	-0.05	0.01	-0.04
Energy	-0.09	0.25	0.16
Financials	-0.34	-0.08	-0.42
Health Care	-0.02	-1.51	-1.53
Industrials	0.07	-0.74	-0.68
Information Technology	-0.35	-0.57	-0.91
Materials	0.00	-0.05	-0.06
Real Estate	0.08	0.00	0.08
Utilities	-0.11	0.00	-0.11
Cash	-0.04	0.00	-0.04
Total	-1.08	-3.37	-4.45

Holdings are subject to change and are not buy/sell recommendations. Attribution methodology notes: The attribution provides analysis of the effects of several portfolio management decisions, including allocation and security selection. Securities classified as "Other" may include non-equity securities, derivatives, and securities for which a sector classification may not be appropriate. The portfolio is actively managed and portfolio holdings are subject to change. The percentage weights represented for the portfolio are dollar weighted based on market value. **Market allocation effect** shows the excess contribution due to sector/market allocation. A positive allocation effect implies that the choice of sector weights in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Selection effect** shows the excess contribution due to security selection. A positive selection effect implies that the choice of stocks in the portfolio added value to the portfolio contribution with respect to the benchmark and vice versa. **Total effect** is the difference in contribution between the benchmark and portfolio. **Past performance does not guarantee future results.**

Region performance analysis (%)

Region	Allocation effect	Selection effect	Total effect
Developed	0.10	-4.30	-4.20
Africa/Mideast	-0.02	-0.50	-0.52
Asia/Pacific Ex Japan	0.04	-0.20	-0.16
Europe	0.29	-2.75	-2.46
Japan	0.13	0.22	0.35
North America	-0.18	-1.23	-1.41
Emerging	0.28	-0.49	-0.21
Africa/Mideast	-0.02	0.00	-0.02
Asia/Pacific Ex Japan	0.39	-0.76	-0.37
Europe	-0.08	0.00	-0.08
Latin America	0.12	0.14	0.26
Cash	-0.04	0.00	-0.04
Total	0.34	-4.79	-4.45

Performance attribution (cont'd)

Performance analysis by country — top 5 (%)

	Total effect	Avg. weight	Total return
India	0.50	3.45	4.23
Japan	0.35	11.28	2.10
Brazil	0.33	2.46	23.79
Sweden	0.20	4.24	14.23
Taiwan	0.13	4.19	-14.08

Performance analysis by country — bottom 5 (%)

	Total effect	Avg. weight	Total return
France	-1.34	12.18	-2.70
United States	-1.21	6.60	-10.88
China	-1.15	5.33	-1.12
Israel	-0.52	1.20	-30.26
Netherlands	-0.37	4.33	-5.36

Unless otherwise specified, all information is as of 03/31/25. Unless stated otherwise, Index refers to MSCI ACWI ex USA Index (USD).

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

• On February 28, 2022, Invesco International Growth Fund was renamed Invesco EQV International Equity Fund. Please see prospectus for more information.

The MSCI All Country (AC) World Ex-U.S. Index is an index considered representative of developed and emerging market stock markets, excluding the US. The index is computed using the net return, which withholds applicable taxes for non-resident investors. An investment cannot be made directly in an index.

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.

Environmental, Social and Governance (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.

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

Growth stocks tend to be more sensitive to changes in their earnings and can be more volatile.

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.

Stocks of 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 investment techniques and risk analysis used by the portfolio managers may not produce the desired results.

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.

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.

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.

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. Financial professionals, please contact your home office.

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.

* **Alpha** (cash adjusted) is a measure of performance on a risk-adjusted basis. **Beta** (cash adjusted) is a measure of relative risk and the slope of regression. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio indicates better risk-adjusted performance. **Information Ratio** is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared to the volatility of those returns. **Standard deviation** measures a fund's range of total returns and identifies the spread of a fund's short-term fluctuations. **Tracking Error** is defined as the expected standard deviation of a portfolio's excess return over the benchmark index return. The **up and down capture** measures how well a manager was able to replicate or improve on periods of positive benchmark returns and how severely the manager was affected by periods of negative benchmark returns. **Maximum Drawdown** is the maximum observed loss from a high to a low of a portfolio, before a new high is attained. Maximum drawdown is an indicator of downside risk over a specified time period. **Weighted Average Market Cap** is a measure of the average size of company held in a portfolio. The percentage of the portfolio invested each company, or its weight, is multiplied by its size (market capitalization). An average of the weighted size of all companies held is then calculated. **Price/earnings** measures the price per share relative to the earnings per share of the company while excluding extraordinary items. **Price to book** measures the firm's capitalization (market price) to book value. **Est. 3-5 year EPS (Earning per share) growth** measures the earning per share growth from FY3 to FY5. **ROE** is the Return on Equity that measures the fund's annual return relative to total shareholders' equity. This ratio evaluates how quickly investments can be turned into profits. **Long-term debt to capital** measures a fund's financial leverage by calculating the proportion of long-term debt used to finance its assets relative to the amount of equity used for the same purpose. A higher ratio indicates higher leverage. **Operating margin** measures the profit a fund makes for every dollar of sales after paying the variable expenses. **Contribution to Return** measures the performance impact from portfolio holdings over a defined time period. It takes into account both weight and performance of the portfolio holdings. Contribution to Return is calculated at security level.

Morningstar

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Before investing, consider the Fund's investment objectives, risks, charges and expenses. Visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus) for a prospectus/summary prospectus containing this information. Read it carefully before investing.