Invesco Charter Fund

Q1 2025

Key takeaways

1 The fund outperformed its benchmark
Outperformance mainly resulted from stock selection in the consumer discretionary, health care and energy sectors. Weaker stock selection in information technology (IT), real estate and materials partially offset these results.

2 Portfolio activity
There was no significant change to the fund's overall positioning during the quarter as we sought to keep most sector, factor and other macro-related exposures similar to the Russell 1000 Index.

3 US equities declined
The S&P 500 Index returned -4.27% during the quarter with mixed sector results. Energy led sector returns in the index. Defensive sectors such as health care and consumer staples also had positive returns, while consumer discretionary and IT saw double-digit losses.

Investment objective
The fund seeks long-term growth of capital.

Fund facts

Fund AUM ($M)	3,266.20

Portfolio managers
Belinda Cavazos, Benjamin Ram, Magnus Krantz

Manager perspective and outlook

- US equities declined in the first quarter amid considerable volatility and economic concerns.
- The year started with positive expectations for the US economy, but sentiment appeared to reverse by mid-February. Concerns about the Trump administration's tariff policies appeared to spark fears of a prolonged trade war and potential recession. The annualized growth rate for the US Gross Domestic Product (GDP) for 2024 was 2.8%, but forecasts for 2025 dimmed due to tariff uncertainty.
- Inflation appeared to stabilize somewhat but remained higher than the US Federal Reserve's (Fed) 2% target. US unemployment stayed low, but employment data showed signs of softening. Against this backdrop, the Fed held benchmark interest rates steady.
- The S&P 500 Index ended the first quarter with a return of -4.27%, driven by a full 10% correction in March. Energy led sector returns in the S&P 500. Defensive sectors such as health care and consumer staples had positive returns, while consumer discretionary and IT saw double-digit losses.
- Regardless of market sentiment and near-term economic trends, our investment process favors better-managed companies with strong balance sheets and competitive positioning. We seek to outperform through stock selection while keeping top-down macro, factor and sector exposures similar to the index.

For more information, including prospectus and factsheet, please visit Invesco.com/CHTRX

Top issuers

(% of total net assets)

	Fund	Index
Microsoft Corp	6.77	5.42
Apple Inc	6.01	6.36
NVIDIA Corp	5.37	4.93
Amazon.com Inc	4.30	3.47
JPMorgan Chase & Co	2.93	1.34
Meta Platforms Inc	2.62	2.45
Alphabet Inc	2.26	3.24
UnitedHealth Group Inc	2.15	0.94
Procter & Gamble Co/The	2.07	0.78
Eli Lilly & Co	1.97	1.28

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

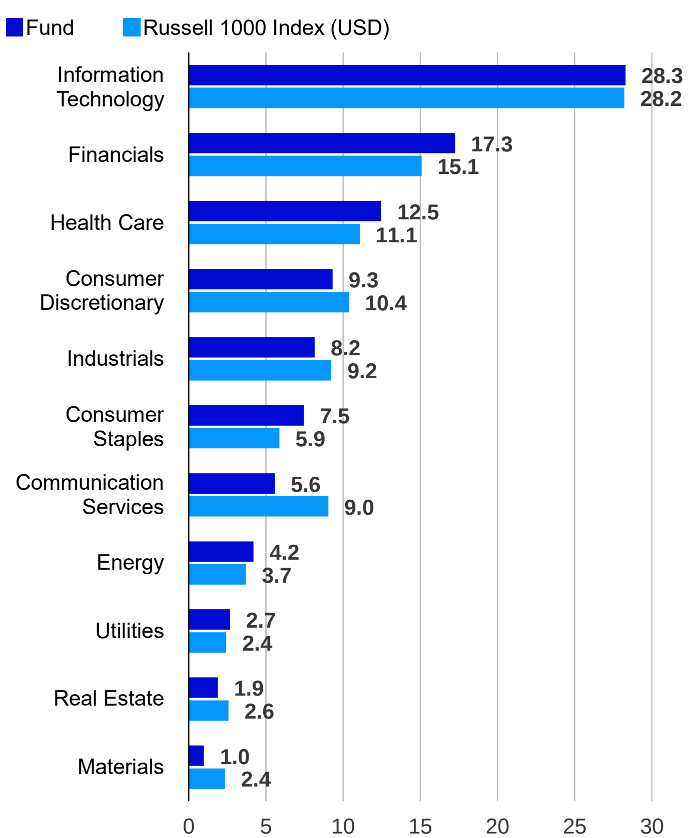
Portfolio positioning

We maintain our valuation discipline and focus on companies with competitive advantages and skilled management teams that are executing better than peers. These companies tend to have higher profit margins and returns on invested capital (ROIC), rising market shares and consistently strong pricing power. As of quarter end, all sector weights were within +/- 4% of the Russell 1000 Index.

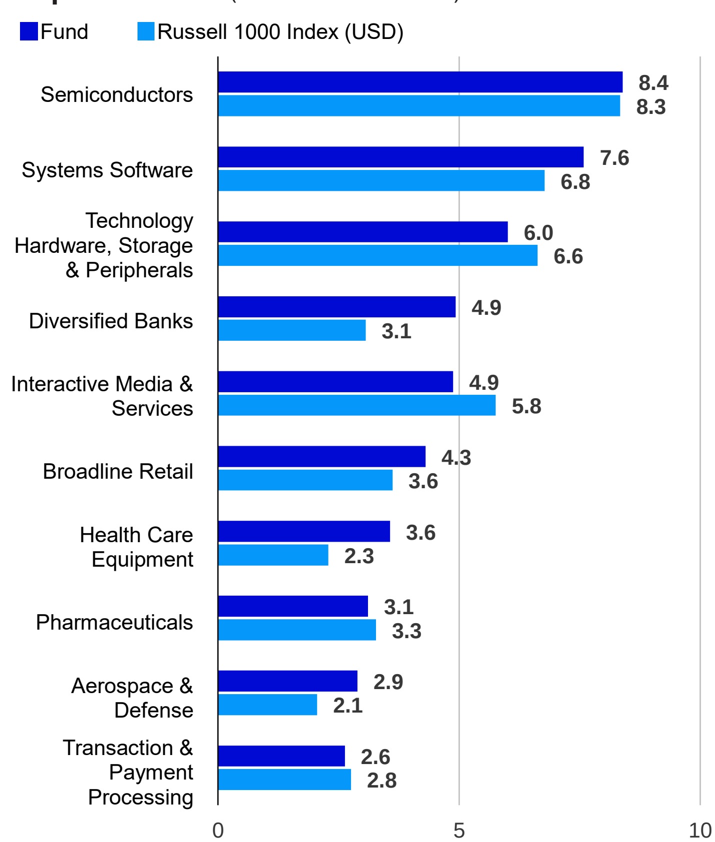
The largest additions during the quarter included the following:
Wells Fargo has in our view a healthy balance sheet and an attractive valuation. We believe the company is better positioned for growth given the ongoing removal of long-running regulatory restrictions stemming from historic business practices.
Mastercard boasts a strong competitive moat and should in our view benefit from secular growth in electronic payments. The company has a global presence and has delivered long-term market share gains.
Cboe Global is one of the largest US equity market exchanges. The company is a direct beneficiary of volatility due to increased option trading and revenue from its ownership of the Volatility Index (VIX), the most commonly used measure of US equity market volatility.
Cisco Systems is a global leader in networking solutions. Its stock has a reasonable valuation, in our view, especially should there be a cyclical recovery in enterprise networking spending. We believe its recent acquisition of Splunk should strengthen its security offerings.
Intuit offers financial management solutions for individuals and businesses. This is in our view a stable business with a strong competitive moat via its Quick Books offering. Artificial intelligence (AI) enhancements could reinforce its competitive position.

The largest positions sold during the quarter included the following companies:
Morgan Stanley was sold because we saw better alternatives in the financials sector. The company's business mix could be disproportionately affected by heightened market uncertainty.
Equitable was sold into strength due to its good stock performance.
MongoDB was sold because irregular trends in its next-generation database business have in our view made it difficult to produce a fundamental forecast with sufficient conviction.
Applied Materials was sold because increased trade restrictions could affect its sales to Chinese customers, which drive a meaningful portion of company revenues.
PPG was sold due to underwhelming execution and weakening end markets, especially in auto and industrial. This led us to redirect the capital to what we consider better alternatives.

Sector breakdown (% of total net assets)



Top industries (% of total net assets)



Top contributors (%)

Issuer	Return	Total effect
Tesla, Inc.	-35.83	0.56
Philip Morris International Inc.	33.06	0.30
American International Group, Inc.	19.99	0.25
Arthur J. Gallagher & Co.	21.87	0.24
Chevron Corporation	16.77	0.22

Top detractors (%)

Issuer	Return	Total effect
Berkshire Hathaway Inc.	0.00	-0.34
Salesforce, Inc.	-19.73	-0.18
ServiceNow, Inc.	-24.90	-0.15
Visa Inc.	0.00	-0.15
Hubbell Incorporated	-20.72	-0.14

Performance highlights

The fund's Class A shares at net asset value (NAV) returned -4.45% for the quarter, outperforming the Russell 1000 Index, which returned -4.49%. Outperformance mainly resulted from stock selection in the consumer discretionary, health care and energy sectors. Weaker stock selection in IT, real estate and materials partially offset these results.

Contributors to performance

Philip Morris International reported strong sales in its cigarette business, driven by larger volumes and higher pricing, as well as growth in smoke-free products, including its IQOS and Zyn brands, which have higher profit margins and now make up a meaningful portion of company sales.

AIG outperformed as management reported growth in its insurance operations, while investors seemed to favor the insurance segment amid shaky markets. AIG also benefited from its strategic initiatives to streamline its business through divestitures and efficiency improvements.

Arthur J. Gallagher rose as the insurance broker reported strong organic revenue growth. The company has recently acquired several smaller insurance brokers. A recent agreement to take over Assured Partners (not a fund holding) appeared well received by the market.

Detractors from performance

Salesforce reported solid results during the quarter but underperformed due to increased macroeconomic concerns adversely affecting software-related stocks. The company maintains a dominant role in front office functions and has leading capabilities in growth areas like AI agent solutions.

ServiceNow is a cloud-based provider of enterprise workflow solutions. It reported strong earnings, but the stock fell along with the broader software sector and was also hampered by concerns about the company's federal government segment as federal spending has come under scrutiny.

Hubbell is a leading manufacturer of utility and electrical solutions. The stock fell during the quarter as earnings in the company's sizeable utility segment missed expectations, mainly due to conservative customer orders in the face of an uncertain economic environment.

Standardized performance (%) as of March 31, 2025

		Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Class A shares inception: 11/26/68	NAV	-4.45	-4.45	7.66	7.56	16.28	8.67	10.53
	Max. Load 5.5%	-9.71	-9.71	1.73	5.56	14.97	8.06	10.42
Class R6 shares inception: 09/24/12	NAV	-4.39	-4.39	7.99	7.92	16.69	9.07	10.15
Class Y shares inception: 10/03/08	NAV	-4.43	-4.43	7.85	7.81	16.57	8.94	9.47
Russell 1000 Index (USD)		-4.49	-4.49	7.82	8.65	18.47	12.18	-
Total return ranking vs. Morningstar Large Blend category (Class A shares at NAV)		-	-	31% (390 of 1375)	62% (791 of 1274)	74% (860 of 1173)	94% (845 of 894)	-

Expense ratios per the current prospectus: Class A: Net: 1.01%, Total: 1.01%; Class R6: Net: 0.68%, Total: 0.68%; Class Y: Net: 0.76%, Total: 0.76%.

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit 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. Performance includes litigation proceeds. Had these proceeds not been received, total return would have been lower 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.

Calendar year total returns (%)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Class A shares at NAV	-6.40	10.32	13.25	-9.65	29.01	13.50	27.40	-20.72	23.04	25.29
Class R6 shares at NAV	-6.00	10.81	13.70	-9.35	29.57	13.91	27.80	-20.44	23.51	25.66
Class Y shares at NAV	-6.15	10.56	13.57	-9.47	29.37	13.78	27.69	-20.50	23.36	25.54
Russell 1000 Index (USD)	0.92	12.05	21.69	-4.78	31.43	20.96	26.45	-19.13	26.53	24.51

Portfolio characteristics*

	Fund	Index
No. of holdings	69	1,007
Top 10 issuers (% of AUM)	36.45	30.66
Wtd. avg. mkt. cap ($M)	867,665	828,749
Price/earnings	24.43	23.63
Price to book	4.45	4.33
Est. 3 – 5 year EPS growth (%)	14.27	12.69
ROE (%)	19.77	21.96
Long-term debt to capital (%)	40.13	38.29
Operating margin (%)	26.63	25.62

Risk statistics (5 year)*

	Fund	Index
Alpha (%)	-0.96	0.00
Beta	0.93	1.00
Sharpe ratio	0.84	0.92
Information ratio	-0.79	0.00
Standard dev. (%)	16.31	17.27
Tracking error (%)	2.75	0.00
Up capture (%)	83.44	100.00
Down capture (%)	96.04	100.00
Max. drawdown (%)	26.07	24.59

Quarterly performance attribution

Sector performance analysis (%)

Sector	Allocation effect	Selection effect	Total effect
Communication Services	0.07	-0.16	-0.09
Consumer Discretionary	0.14	0.36	0.50
Consumer Staples	0.13	-0.20	-0.06
Energy	0.07	0.05	0.12
Financials	0.11	-0.02	0.10
Health Care	0.04	0.18	0.22
Industrials	-0.01	0.07	0.06
Information Technology	0.01	-0.44	-0.43
Materials	-0.04	-0.07	-0.11
Real Estate	-0.04	-0.15	-0.19
Utilities	0.01	0.06	0.08
Cash	0.11	0.00	0.11
Total	**0.59**	**-0.31**	**0.29**

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.**

Unless otherwise specified, all information is as of 03/31/25. Unless stated otherwise, Index refers to Russell 1000 Index (USD).

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

The Russell 1000® Index is an unmanaged index considered representative of large-cap stocks. The Russell 1000 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 directly in an index.

About Risk

Holding cash or cash equivalents may negatively affect performance.

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 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.

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

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.

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 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

 Past performance is no guarantee of future results. 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. Rankings for other share classes may differ due to different performance characteristics.

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