Real Assets & Inflation

April 7, 2022

Invesco Distributors, Inc.

Panelists

Chase Bolding, CFA
CIO & Portfolio Manager, REITs

Chase Bolding is a Managing Director at Invesco Real Estate. His primary responsibilities entail acting as Chief Investment Officer and Portfolio Manager for one of Invesco's publicly registered non-traded REITs. His secondary responsibilities include sourcing and structuring value-add and opportunistic investments throughout the US. His investment capabilities include equity and equity joint ventures, debt and hybrid structures.

Chase began his investment career in 2007 and joined Invesco Real Estate in 2010. Prior to joining Invesco, he worked for Greenfield Partners, a real estate private equity fund headquartered in Connecticut.

Chase earned a Bachelor of Arts in Economics from The University of Texas at Austin and is a Chartered Financial Analyst® (CFA) charterholder.

Brian Watson, CFA
Senior Portfolio Manager, Energy Infrastructure

Brian Watson is a Managing Director and Senior Portfolio Manager for the SteelPath team at Invesco. In this role, he is focused on the SteelPath strategies.

Mr. Watson joined Invesco when the firm combined with Oppenheimer Funds in 2019. At Oppenheimer Funds, he was a director of research and portfolio manager for the SteelPath strategies. Prior to that, he was a portfolio manager and led the MLP research effort at Swank Capital LLC. in Dallas, Texas. Mr. Watson also covered the MLP and diversified energy sectors for RBC Capital Markets in the firm's equity research division. Before that, he worked for Prudential Capital Group, helping to analyze, structure, and invest in private debt placements issued primarily by companies involved in the energy industry, including those involved in oilfield services, midstream services, and oil and gas exploration and production.

Mr. Watson earned a BBA degree from the University of Texas at Austin and an MBA from the McCombs School of Business at the University of Texas at Austin. He is a Chartered Financial Analyst® (CFA) charterholder

Kathy Kriskey
Product Strategist, Commodities & Alternatives ETFs

Kathy Kriskey is a Product Strategist of Commodities and Alternatives for Invesco's family of exchange-traded funds (ETFs). In this role, she provides industry color and thought leadership around the commodity and alternatives industry, helps launch new, innovative products, and builds out the coverage of this asset class.

Ms. Kriskey joined Invesco in 2021. Prior to joining the firm, she initiated the commodity investor businesses at UBS, CIBC, and RBC. She also managed commodity sales at Bankers Trust in London, New York, Houston, and JP Morgan in New York. Ms. Kriskey has been in the financial industry since 1987.

Ms. Kriskey earned a BS degree in economics, with a concentration in finance, from the Wharton School of the University of Pennsylvania. She holds the Series 7 and 63 registrations.

Invesco Real Estate
Global Reach, Local Expertise

$91.8bn
Assets under management

$47.4bn
North America direct

$20.8bn
Listed Real Assets

$14.7bn
European direct

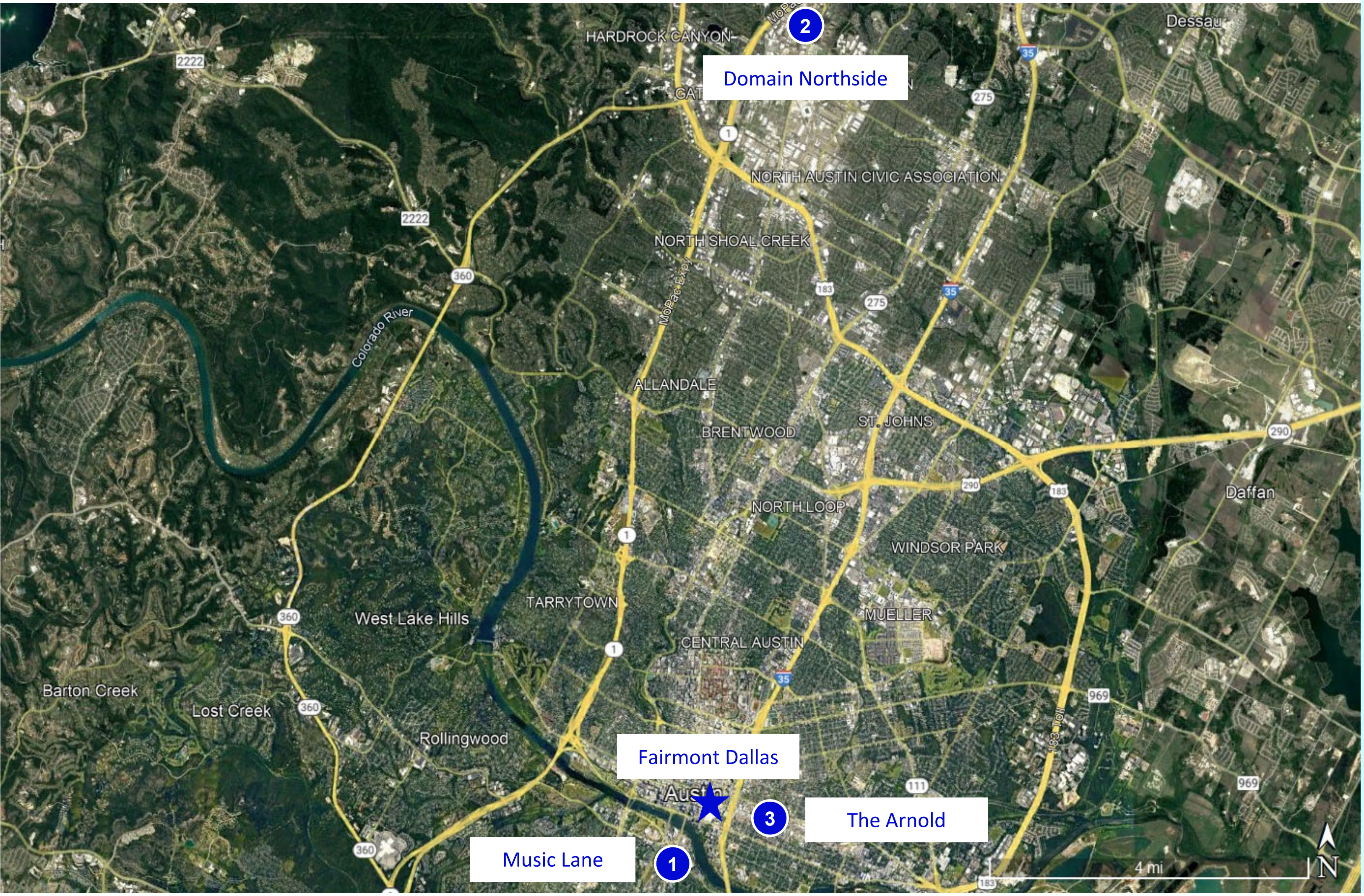
$8.9bn
Asia direct

582	21	16
Employees	Offices	Countries

North America	Europe	Asia
253 employees	**173** employees	**156** employees

Source: Invesco Real Estate (IRE) as of December 31, 2021. $=USD. Figures represent to Gross Asset Values of the invested assets under management.

Invesco Real Estate in Austin, Texas



10

Total assets including apartments, retail, office, self-storage, and mixed-use

$1,401.7M

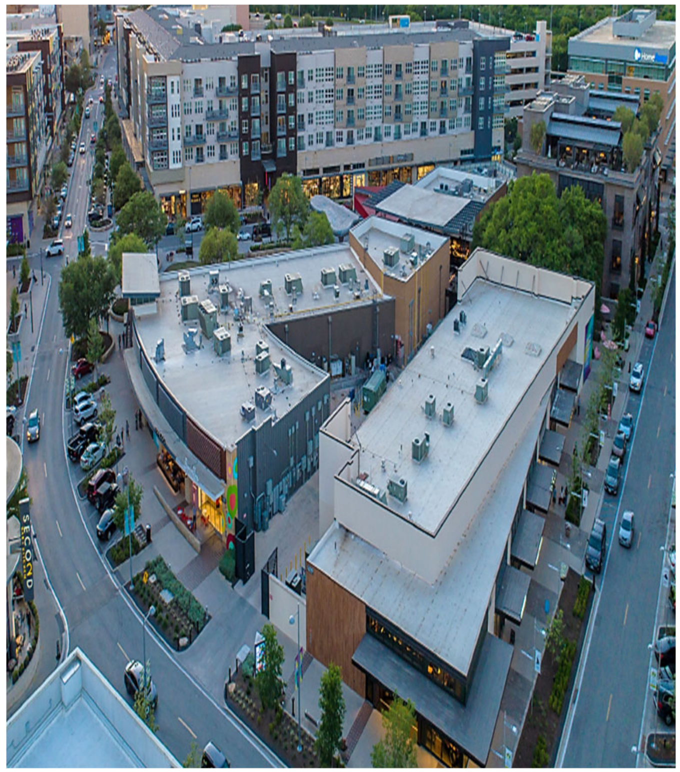
Gross asset value by ownership share

Source: Invesco Real Estate based on Invesco Real Estate's underwriting at time of acquisition. Current market value by ownership share as of December 31, 2021. Provided for illustrative purposes only and does not constitute investment advice or a recommendation.

Invesco Real Estate in Austin, Texas

Music Lane

Domain Northside



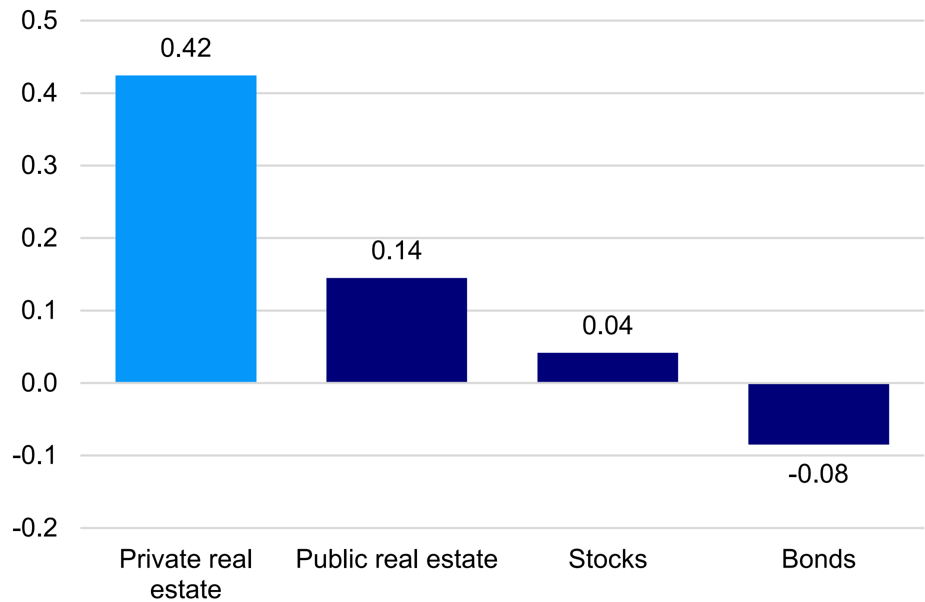
The Arnold

Provided for illustrative purposes only and does not constitute investment advice or a recommendation.

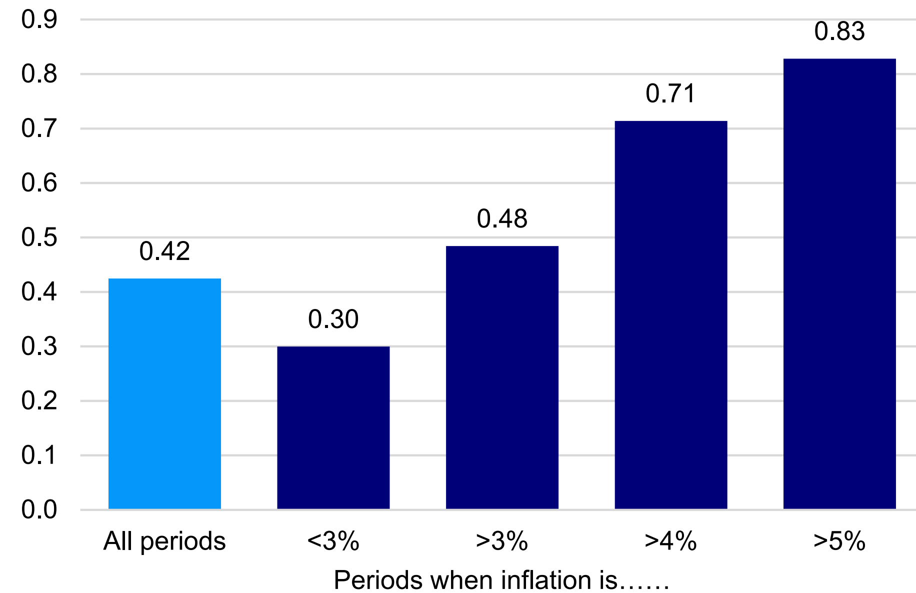
How does real estate perform in a higher inflationary economy?

Correlations are higher than other asset classes and strengthen in periods of higher inflation

**Correlation of annual returns and inflation
1Q-1978 to 4Q-2021**



**Correlation between inflation and private real estate
1Q-1978 to 4Q-2021**

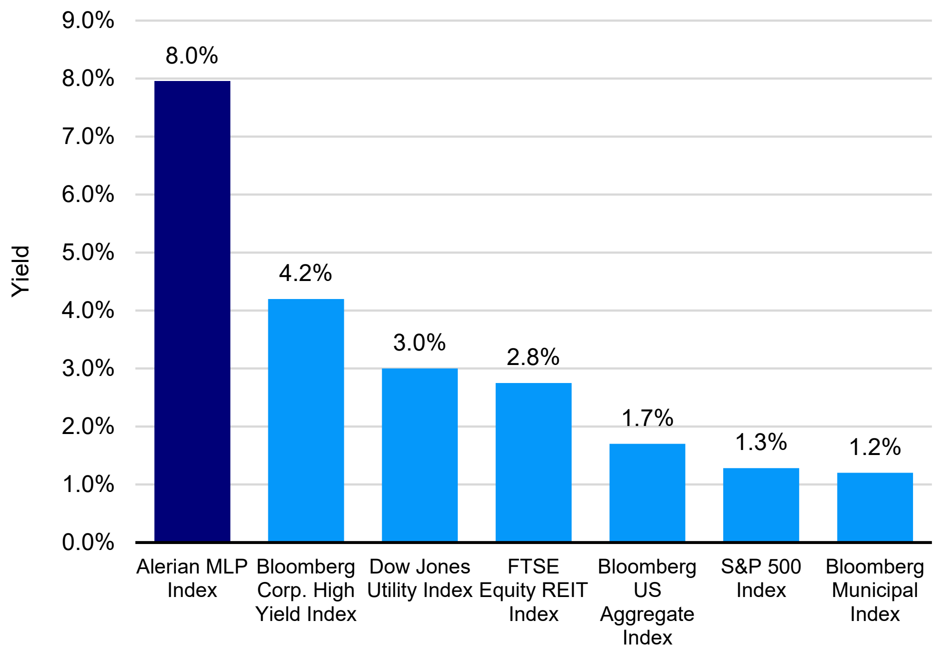


Private real estate is represented by NCREIF Property Index (NPI); Public Real Estate by NAREIT All Equity REIT Index; Stocks by S&P 500 Index; and Bonds by Bloomberg US Aggregate Bond Index. Since inception returns for NPI are from 1Q-1978 to 4Q-2021. You cannot directly invest in an index.
Source: Invesco Real Estate using data from NCREIF and Moody's Analytics as of February 2, 2022.

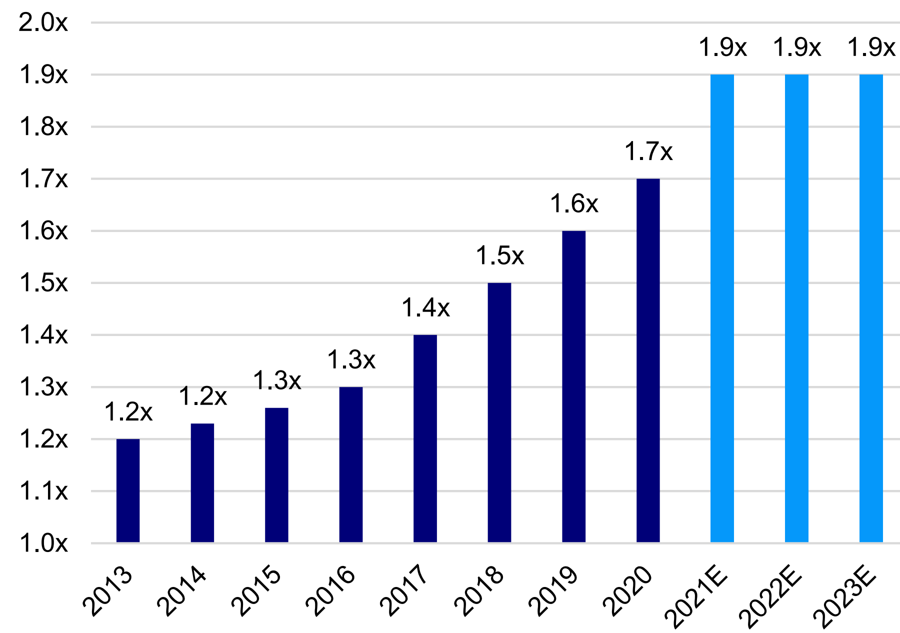
Midstream sector yields have remained attractive

- Midstream sector yields remain substantially higher than competing asset class yields
- Midstream distributions are supported by the most robust coverage ratios in the sector's history

Asset class yields



Median midstream distribution coverage ratio

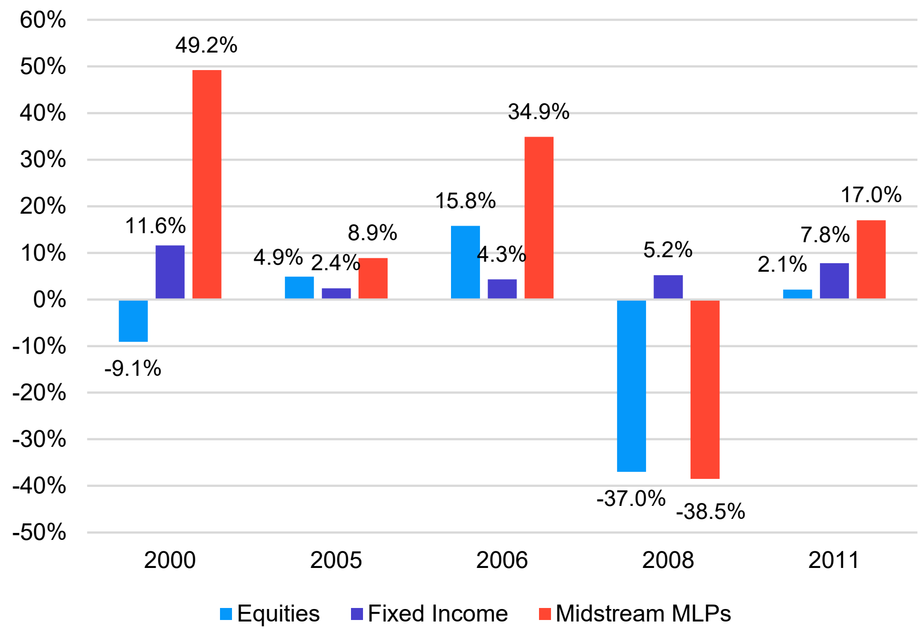


Source: Wells Fargo Securities and Bloomberg L.P. as of 12/31/2021. There is no guarantee estimates will come to pass. Past performance does not guarantee future results.

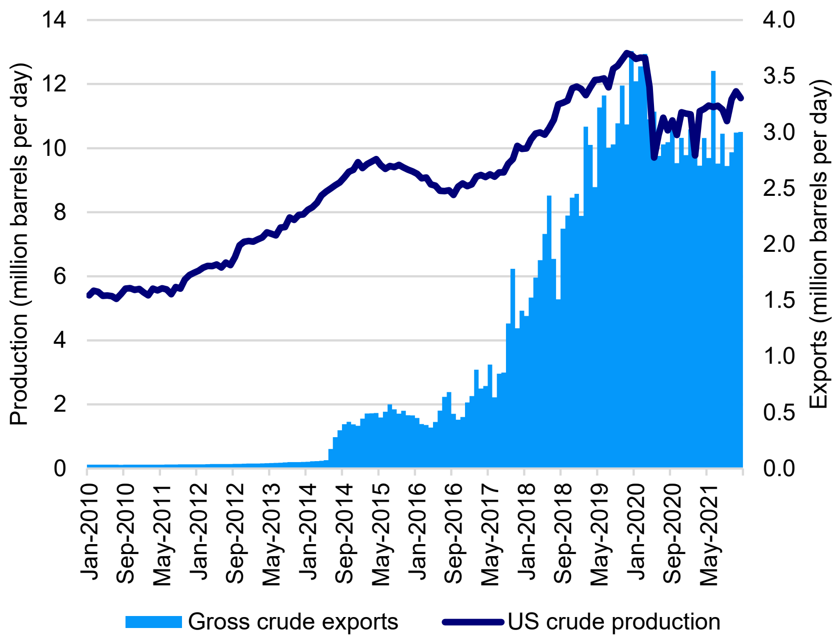
Midstream appears well positioned for today's challenges

- With built-in hedges to inflation, midstream has historically outperformed the broader market during periods of rising inflation
- US midstream may be integral to European efforts to become less dependent on Russian energy exports

MLPs have generally outperformed during periods of rising inflation



US crude oil production and exports

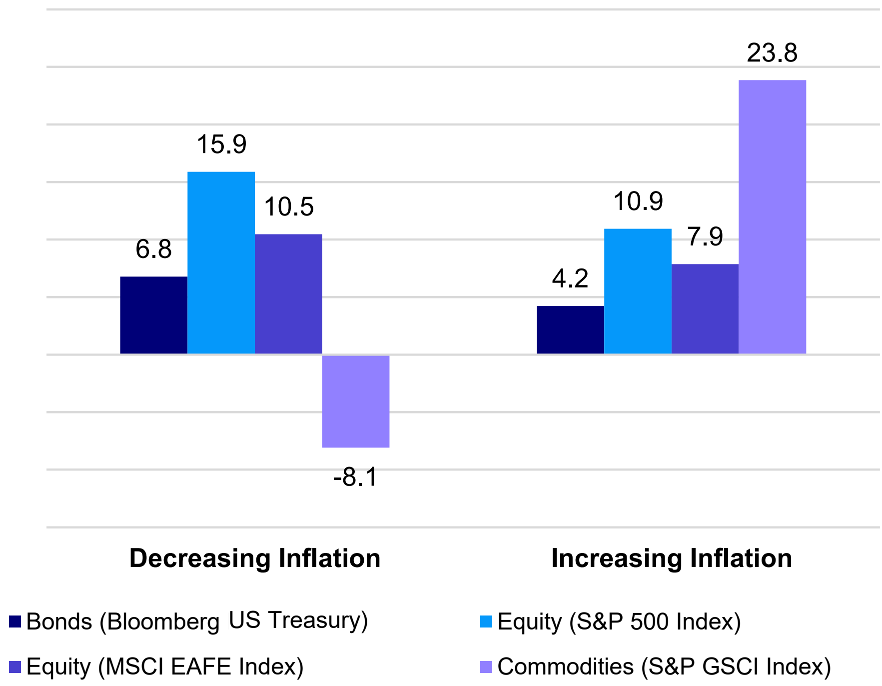


Source: US Energy Information Administration, Bloomberg L.P., United States Treasury and Invesco SteelPath as of 12/31/2021.
Annual performance shown for respective indexes when inflation was greater than 3.0%. Equities represented by S&P 500 Index, Fixed Income by Bloomberg US Aggregate Bond Index and Midstream MLPs by Alerian MLP Infrastructure Index.

The inflation / commodities relationship

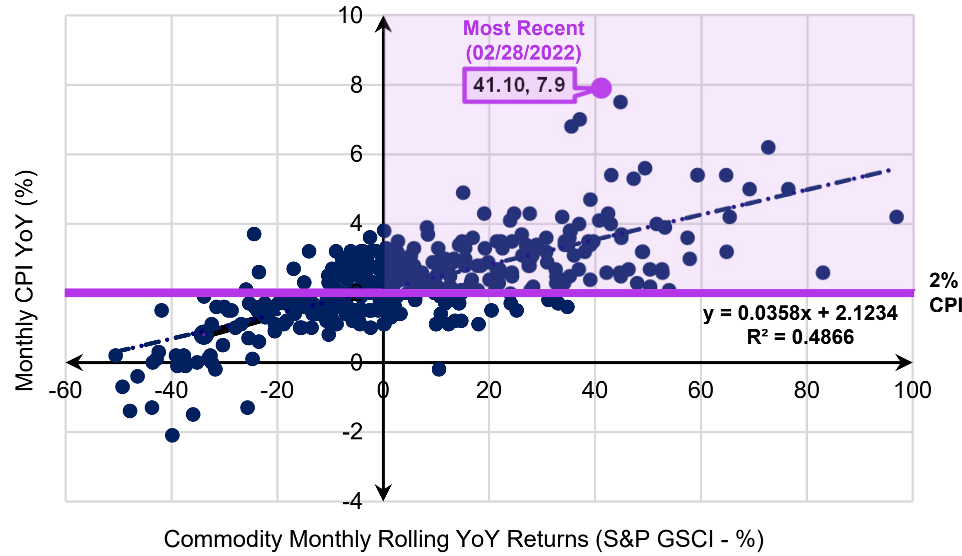
Commodities tended to provide greater returns than other asset classes during periods of rising inflation

Average Annualized Total Returns Across Inflation Regimes (1992 – 2021) - %



Commodity returns were largely positive when YoY CPI was greater than 2%

Monthly Rolling YoY Returns vs. CPI (Jan 1992 - Feb 2022)



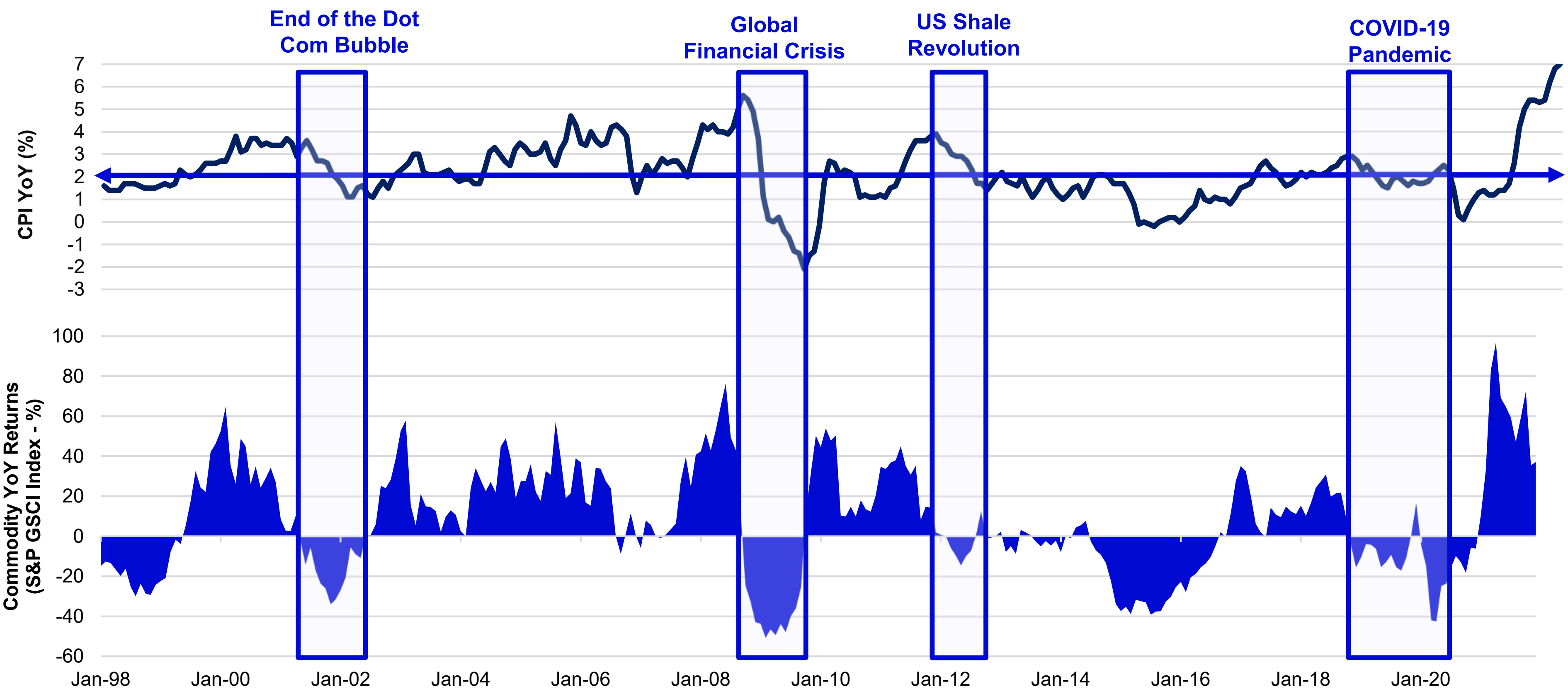
When CPI was greater than 2%:	
Positive Returns	75%
Negative Returns	25%

When CPI was less than 2%:	
Positive Returns	26%
Negative Returns	74%

Source: Bloomberg L.P., Jan 1992 - Feb 2022. Past performance is not a guarantee of future results. An investment cannot be made into an index.

What about the 27% – when did commodities not work when CPI > 2%?

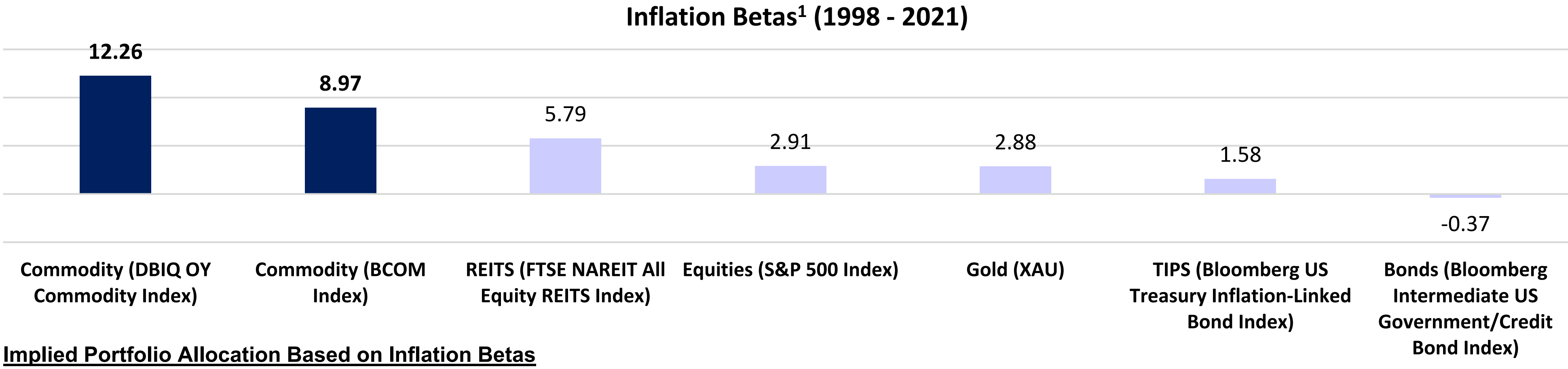
Most instances of negative commodity performance while CPI was >2% occurred during market corrections, when CPI crossed below the 2% threshold. See examples below:

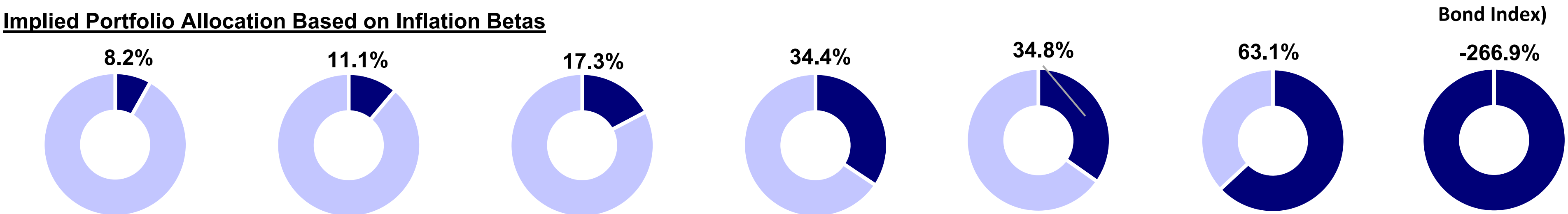


Source: Bloomberg L.P., Jan 1998 - Dec 2021. Past performance is not a guarantee of future results. An investment cannot be made into an index.

Inflation sensitivity to different asset classes

Commodities are historically the most efficient hedge for inflation





Reality Check: For FY 2021, the DBIQ OY Commodity Index returned ~70% while CPI was up 6.2% y/y, representing an inflation beta of **~11.27**

[1]**Inflation Beta** is a metric used to evaluate an asset class' ability to hedge inflation. It measures the change in inflation against the return of the asset class over a specific time period (1998 – 2021 in the chart above)
Inflation Beta = slope of the regression line between the asset's yearly returns and YoY CPI on the last day of each year (Ex: For 2021, use YoY CPI on Dec 31, 2021)

Source: Bloomberg L.P., US Bureau of Labor Statistics, as of December 2021
An investment cannot be made into an index. See page 24 for index definitions.

Thank you!

About risk and other important information

Forward-looking statements are not guarantees of future results. They involve risks, uncertainties and assumptions, there can be no assurance that actual results will not differ materially from expectations.

Most MLPs operate in the energy sector and are subject to the risks generally applicable to companies in that sector, including commodity pricing risk, supply anddemand risk, depletion risk and exploration risk. MLPs are also subject the risk that regulatory or legislative changes could eliminate the tax benefits enjoyed by MLPs which could have a negative impact on the after-tax income available for distribution by the MLPs and/or the value of the portfolio's investments. Although the characteristics of MLPs closely resemble a traditional limited partnership, a major difference is that MLPs may trade on a public exchange or in the over-the- counter market. Although this provides a certain amount of liquidity, MLP interests may be less liquid and subject to more abrupt or erratic price movements than conventional publicly traded securities. The risks of investing in an MLP are similar to those of investing in a partnership and include more flexible governance structures, which could result in less protection for investors than investments in a corporation. MLPs are generally considered interest-rate sensitiveinvestments. During periods of interest rate volatility, these investments may not provide attractive returns.

Energy infrastructure MLPs are subject to a variety of industry specific risk factors that may adversely affect their business or operations, including those dueto commodity production, volumes, commodity prices, weather conditions, terrorist attacks, etc. They are also subject to significant federal, state and local government regulation

Investments in real estate related instruments may be affected by economic, legal, or environmental factors that affect property values, rents or occupancies of real estate. Real estate companies, including REITs or similar structures, tend to be small- and mid-cap companies, and their shares may be more volatile and less liquid.

Commodities may subject an investor to greater volatility than traditional securities such as stocks and bonds and can fluctuate significantly based on weather, political, tax, and other regulatory and market developments.

In general, stock values fluctuate, sometimes widely, in response to activities specific to the company as well as general market, economic and political conditions.

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.

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

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