EMEA Standard RFP
Invesco Energy Transition Fund

December 2021

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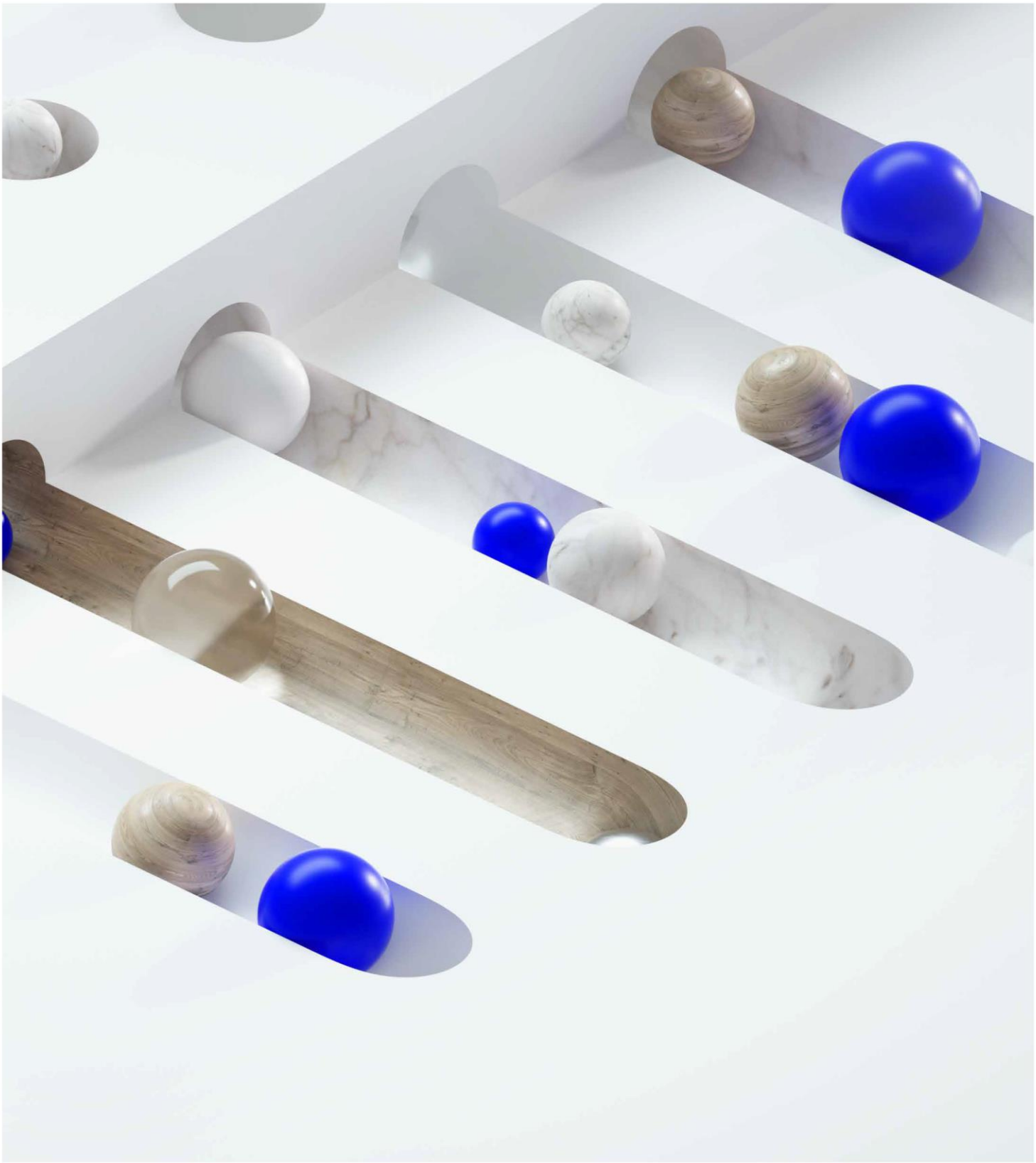


EMEA Standard RFP
Invesco Energy Transition Fund

01 Company overview

01.01 Invesco Ltd. (Invesco)

Invesco is one of the world's leading independent global investment firms, solely focused on investment management. With 8,463 employees worldwide as at 30 September 2021, the firm directs all of its intellectual capital, global strength and operational stability toward helping investors achieve their long-term financial objectives. By delivering the combined power of the firm's distinctive investment management capabilities, Invesco provides a wide range of investment strategies and vehicles to retail and institutional clients around the world. On the ground in 25 countries, the company is listed on the New York Stock Exchange under the symbol "IVZ".

Invesco offers diversified investment strategies spanning all major equity, fixed income, asset allocation and alternative asset classes. These strategies are managed across various worldwide investment centres, each of which focus on distinct asset classes, investment styles or regional expertise and adhere to clearly defined investment philosophies aligned with client expectations. Each team is able to operate independently, allowing them to follow and further their specific investment style and expertise.

Invesco encourages collaborations and communications amongst its investment professionals through its Global Investors' Forum (GIF) that fosters strong relationships amongst Invesco's diverse investment teams through meaningful opportunities to collaborate and advance the firm's purpose. The GIF has an agenda of activities to enable connectivity, networking, collaboration, discussion and debate on investment topics to build and nurture Invesco's global investor network.

Invesco's distinctive combination of independent thought within individual investment centres and collaboration across investment centres provides clients the reach and resources of a global organisation and the focus and attention of a boutique firm: Invesco's investment capabilities are both diverse and specialised; the firm is global in reach yet local in presence and its processes are disciplined yet can be delivered in customised ways. All of which distinctively positions Invesco to keep pace with clients' evolving investment needs worldwide.

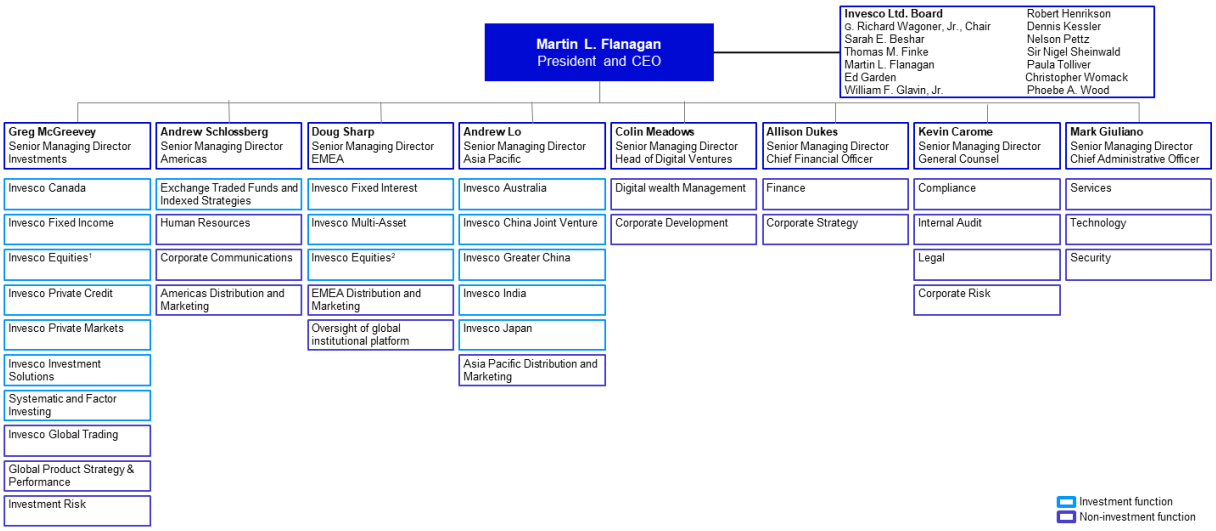
01.02 Senior leadership team

Invesco operates as a unified global organisation benefiting from both local presence and global strengths. The firm's management structure is designed to enable clients and the organisation to benefit from the local knowledge, expertise and execution capabilities of its local leadership while taking advantage of the organisation's global insights, resources and platform.

The senior leadership team has overall responsibility for the development and successful execution of the firm's comprehensive multi-year strategy. Key elements of this team's responsibilities include achieving investment excellence for the benefit of the firm's clients, talent management, capital allocation, risk management and product management. To maximise the benefits of local and global knowledge and expertise, a number of these responsibilities are supported by committees that span the firm, including investment oversight, risk management, product development and technology and operations. While benefiting from its global organisation, day-to-day responsibility and execution are placed at a local level.

The firm's senior leadership team comprises the Chief Executive Officer (CEO) and his direct reports. In addition to their overall Invesco leadership role, each member of the senior team is responsible for a core element of its global business. Invesco has a non-executive Board Chairman who interacts with the CEO on a regular basis. The Invesco Board of Directors is the firm's primary governing body, which comprises 11 independent directors and one management director (the CEO).

The structure is illustrated as follows:



[1] Includes Canadian, Developing Markets, Global, US Core, US Value, US Growth and International Equities.
[2] Includes Emerging, US, UK, European, Global, Asian and Japanese Equities.

Source: Invesco as at 13 October 2021.

A principal focus and responsibility of senior leadership is enabling the organisation to deliver investment excellence to the firm's clients consistently over the long-term. Each discrete investment team has a clearly articulated investment philosophy and process that is aligned with client expectations.

01.03 Shareholder structure

Invesco is a publicly owned company whose shares are listed on the New York Stock Exchange under the symbol "IVZ" and is a constituent of the S&P 500 index. Employees and employee trusts hold approximately 17%* of the shares in Invesco.

The top ten shareholders as at 30 September 2021 were as follows:

Institution	% of outstanding shares
Massachusetts Mutual Life Insurance Company	16.4
The Vanguard Group, Inc.	9.5
Trian Fund Management, L.P.	7.9
BlackRock Institutional Trust Company, N.A.	5.9
State Street Global Advisors (US)	3.6
Dimensional Fund Advisors, L.P.	1.9
Geode Capital Management, L.L.C.	1.4
MFS Investment Management	1.3
Invesco Capital Management, L.L.C.	1.2
Flanagan (Martin L.)	0.9

* Data is calculated annually. Detail is supplied as of 28 February 2021. Included in the calculations are shares held by non-executive members of the Invesco Board of Directors.

Note: Amounts are sourced from Nasdaq's IR Insight database, which sources and aggregates IVZ shareholdings based on the most currently publicly filed Forms 13F or 13D, as applicable. Nasdaq then calculates the percentage of shares outstanding. The Trian holding of 36,739,343 was reported on their most current Form 13F; however in Trian's Form 13D filed 2 October 2020, Trian reported a beneficial interest in 45,457,427 shares of IVZ. The percentage shares outstanding is calculated from the beneficial interest.

01.04 Business principles

Each of Invesco's investment centres has a distinctive culture that reflects the centre's investment focus, history, location and people. At the same time, employees across the organisation are united in a common mission of helping investors worldwide achieve their financial objectives.

Working together, Invesco is creating a unified culture across the company by acting on a set of shared business principles:

- Invesco is purely focused on delivering a superior investment experience for clients
- Invesco earns trust by acting with integrity
- Invesco values the firm's employees and their diverse perspectives
- When everyone works together across the office and around the globe, they achieve more
- Invesco believes in the continuous pursuit of performance excellence

These business principles support the benefits Invesco seeks to provide to its clients:

Disciplined investment philosophy and process
Invesco's clearly articulated investment disciplines are aligned with client expectations and governed by diligent oversight and rigorous quality-control processes.

Capabilities to meet client needs
A wide range of investment capabilities and delivery vehicles designed to support a variety of financial objectives.

Superior client experience
Service and support with an 'investors first' mindset and a goal of providing an exceptional experience for clients.

01.05 Assets under management (AUM)

A breakdown of Invesco's AUM has been provided below:

AUM Asset class	USD billion	EUR billion	GBP billion	%
Alternatives	191.45	165.20	142.01	12.52
Balanced	85.50	73.77	63.42	5.59
Equities	786.29	678.45	583.23	51.44
Fixed income	326.90	282.06	242.48	21.39
Money market/cash	138.48	119.49	102.72	9.06
Total	**1,528.62**	**1,318.97**	**1,133.87**	**100.00**

AUM Channel	USD billion	EUR billion	GBP billion	%
Institutional	486.30	419.60	360.71	31.81
Retail	1,042.33	899.37	773.15	68.19
Total	**1,528.62**	**1,318.97**	**1,133.87**	**100.00**

AUM Client domicile	USD billion	EUR billion	GBP billion	%
Asia ex Japan	179.35	154.76	133.04	11.73
Canada	32.83	28.33	24.35	2.15
Europe ex UK	152.91	131.94	113.43	10.00
Japan	51.01	44.02	37.84	3.34
Latin America	3.89	3.36	2.88	0.25
Middle East/Africa	17.03	14.70	12.63	1.11
UK	59.19	51.07	43.90	3.87
US	1,032.40	890.81	765.79	67.54
Total	**1,528.62**	**1,318.97**	**1,133.87**	**100.00**

Source: Invesco as at 30 September 2021. May not sum to totals due to rounding.

02 Environmental, social and governance (ESG) investing

02.01 Invesco’s commitment to ESG

Invesco's commitment to environmental, social and governance (ESG) investing is a key element of the firm's ambition to provide an investment experience that helps people get more out of life. Invesco recognises that ESG matters greatly to its clients, communities and stakeholders. It matters to us. Invesco is motivated by the belief that doing what’s right for the environment, its people and the communities it serves helps the firm deliver the best possible experience to clients.

Sustainable value creation and effective risk mitigation are fundamental to achieving that goal. Invesco's focus is on integrating ESG into the heart of its investment process, with the firm's investment teams taking decisions daily on how to manage this integration and how to use its leverage in important areas such as client engagement and proxy voting. Invesco also flexes this work around more specific client needs, using skills such as its self-indexing capabilities to provide the right ESG solutions. Invesco's dedicated Global ESG team act as a centre of excellence to guide, support and inform the firm's work in this area.

Our clients expect us to take the lead on how ESG will reshape the investment landscape. And for the next generation of investors, ESG will be a given. Invesco has achieved much so far, but is aware that there is always more to do.

ESG investing is a journey, not a destination. ESG will always evolve and Invesco is committed to continually reviewing and developing its approaches further.

Invesco’s ESG philosophy is achieved via three core principles

The firm's ESG philosophy is based on the belief that ESG aspects can have an impact on sustainable value creation and risk exposures, and that companies with ESG potential may present investment opportunities.

As one of the largest asset managers globally, Invesco is in a unique position to encourage change and have an impact through its engagement and dialogue with companies. The firm serves its clients in this space as a trusted partner by adopting and implementing ESG principles in a manner consistent with its fiduciary responsibilities to clients.

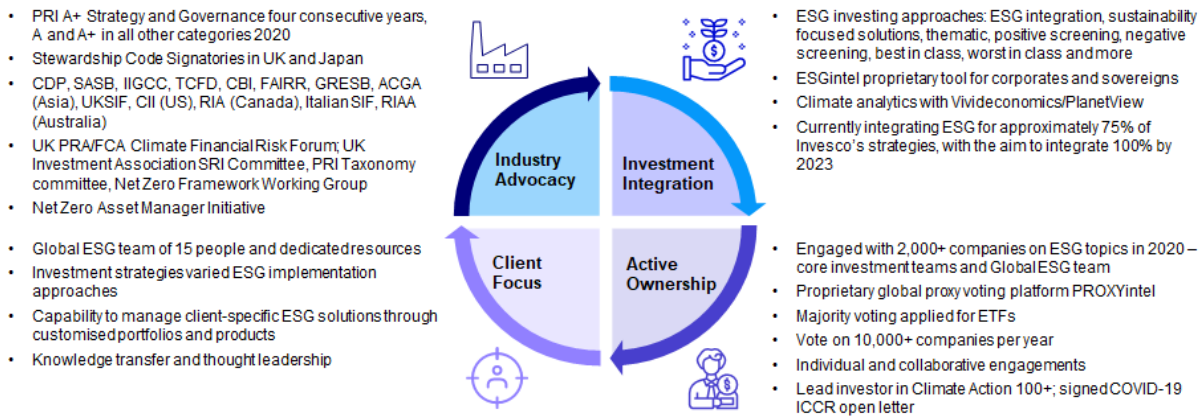
The core aspects to Invesco's ESG philosophy include:

- **Materiality:** The consideration of ESG issues on a risk-adjusted basis and in an economic context. Invesco does not view ESG aspects as constraints, aside from certain restrictions driven by legal obligations in certain territories, such as the firm's non-investment policy in controversial weapons in EMEA[1].

- **ESG momentum:** The concept of improving ESG performance over time, is particularly interesting in our view. Invesco finds that companies that are improving in terms of their ESG practices may enjoy favourable financial performance in the longer term.

- **Engagement:** Invesco takes its responsibility as active owners very seriously, seeing engagement as an opportunity to encourage continual improvement. Dialogue with portfolio companies is a core part of the investment process for the firm's fundamental teams. Taking advantage of Invesco's scale, we often participate in board-level dialogue and are instrumental in giving shareholder views on management, corporate strategy, transparency, and capital allocation as well as wider ESG aspects.

Delivering through a global team of ESG experts
Invesco's Global ESG team provides centralised support and analysis while its investment managers maintain discretion on portfolio decisions. ESG integration is an ongoing strategic effort, and investment teams will vary in the level of ESG integration. Invesco aspires to incorporate ESG considerations in all its investment capabilities and processes.



Source: Invesco as at 30 June 2021.

02.02 Link to responsible investing policy document/statement and reports

Invesco has adopted sound ESG practices and policies into its activities globally. A set of ESG policies, statements and reports describing the firm's efforts in that space are available at the following weblink:

[1] Europe, the Middle East and Africa.

http://www.invesco.com/corporate/about-us/esg

These documents include:

- Statement of ESG Investing Beliefs
- Policy Statement on Global Corporate Governance and Proxy Voting
- ESG Investment Stewardship Report
- Corporate Social Responsibility Report
- Climate Change Report in line with TCFD
- Global Sustainability Risk Policy
- Principle Adverse Impact Statement

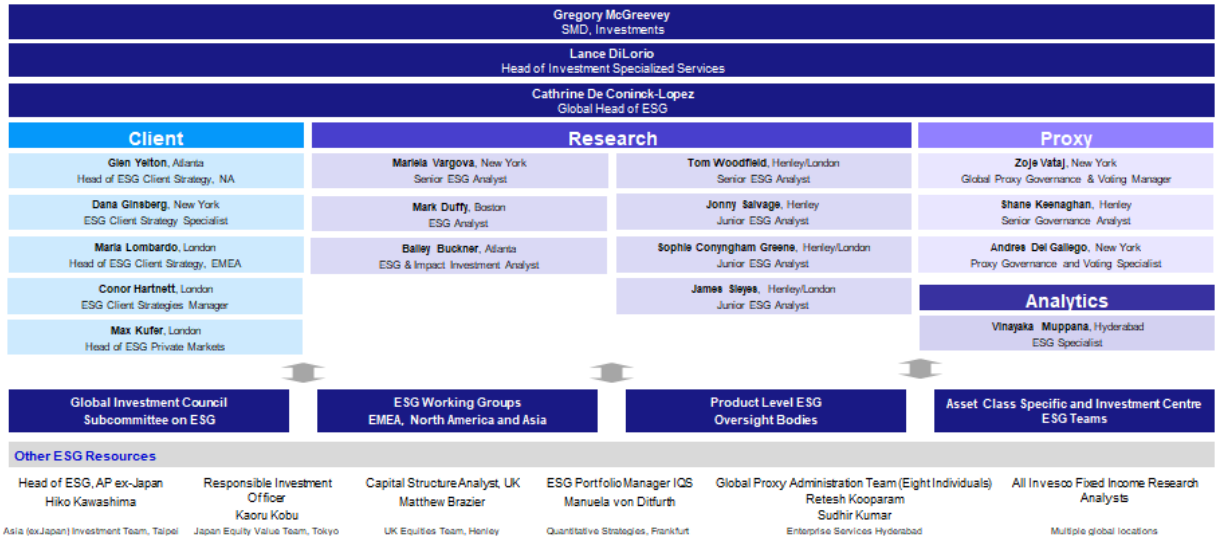
02.03 ESG resources and tools

02.03.01 Global ESG team

Invesco has a centralised team of ESG investment professionals located in three regions (North America, Asia and EMEA) led by Cathrine De Coninck-Lopez, Global Head of ESG.

The Global ESG team, created in 2013, is responsible for leveraging best practices in ESG capabilities across Invesco including ESG integration, voting and engagement, supporting the distribution teams with client engagement and advising product teams on ESG innovation.

This team of ESG professionals, as illustrated below, acts as a centre of excellence to guide, support and inform Invesco's investment teams on all work in this area.



Source: Invesco as at 31 July 2021.

The Global ESG team chairs regional ESG working groups in North America, EMEA and Asia to coordinate functions such as policy, distribution and operations.

The firm's ESG efforts are also supported by a Proxy Services team located in Hyderabad (India) that manages the day-to-day administrative functions around proxy voting.

The incorporation of ESG considerations is conducted by investment teams on a team-by-team basis. Invesco has dedicated ESG specialists, as well as ESG champions, within individual investment centres globally to support this effort, who are closely connected with the Global ESG team and formally collaborate via the Global Investment Council (GIC) ESG Sub-Committee.

Invesco also has multiple focused ESG groups that are broadly governed by the GIC ESG Sub-Committee at various sectors of the organisation to ensure there is a purposeful, holistic and impactful approach and integration towards responsible investing. These include the Invesco Real Estate Sustainability Focus Group, Fixed Income ESG Focus Group, Henley ESG Focus Group and Factor Investing ESG Focus Group.

02.03.02 Proprietary ESG resources

ESGintel
ESGintel is a proprietary tool built by Invesco's Global ESG research team in collaboration with the firm's Technology, Strategy, Innovation and Planning (SIP) team providing ESG insights, metrics, data points and direction of change. Available to all investment teams, this tool is used as an input to their investment processes in a variety of ways.

ESGintel, through an overlay of various data sources and metrics, provides users with an internal rating, a rating trend and a rank in Global Industry Classification Standard (GICS) sectors. By taking a sector materiality focus to select indicators, this ensures there is a targeted focus on the issues that matter most for sustainable value creation and risk management. ESGintel uses many indicators, as shown below, for various ESG topics to provide a holistic view on how various ESG topics impact companies' value chains in different ways.

For illustrative purposes only.

These data points are then classified by sector or regional relative performance at the indicator level. Additionally, machine learning algorithms and extrapolations are used to ensure broad coverage, in the absence of coverage data, using a process by which statistical proxies are created in place of missing data and an estimate ESG score is assigned to an indicator. Ratings on a scale of 1-5 are calculated at the overall company, topic and indicator levels to facilitate a focus on higher risk company-specific issues. In addition to the individual rating, the momentum (trend) highlights changes to the rating over time. ESGIntel is housed in a proprietary Invesco ESGIntel platform which is available to all Invesco investment teams.

Since launching, Invesco has continued to enhance the ESGintel platform bringing in more underlying data. This has led to coverage increases moving from approximately 8,000 companies to approximately 45,000 companies having data included in the system. Of these, approximately 16,500 companies have enough ESG data to create an overall ESG rating with more to come.

For companies where there is insufficient ESG data to create an overall rating, a suggested rating has been implemented, projected by reviewing the rating of similar companies i.e. the same GICS classification, region and market cap within +/- 20%.

Additionally, ESGintel has a built-in active feedback loop to encourage continuous improvements, gathering users' feedback including issues, observations and requests on sources, data and methodology.

Sovereign ESGintel
In March 2021, Invesco's proprietary Sovereign ESGintel tool was launched, built in collaboration between the firm's Global ESG team, Fixed Income and Multi Asset investment teams and the SIP team. This tool provides a set of ESG themes, indicators and data points that allow users to track a country's ESG momentum and direction of change. The tool currently covers 159 countries and has been developed with a focus on ESG materiality to sovereign credit spreads, allowing Invesco to compare countries on what it considers to be the most important ESG risks and outcome indicators drawn from a range of publicly available sources. Sovereign ESGintel will assist the firm in meeting its investment, client and regulatory needs.

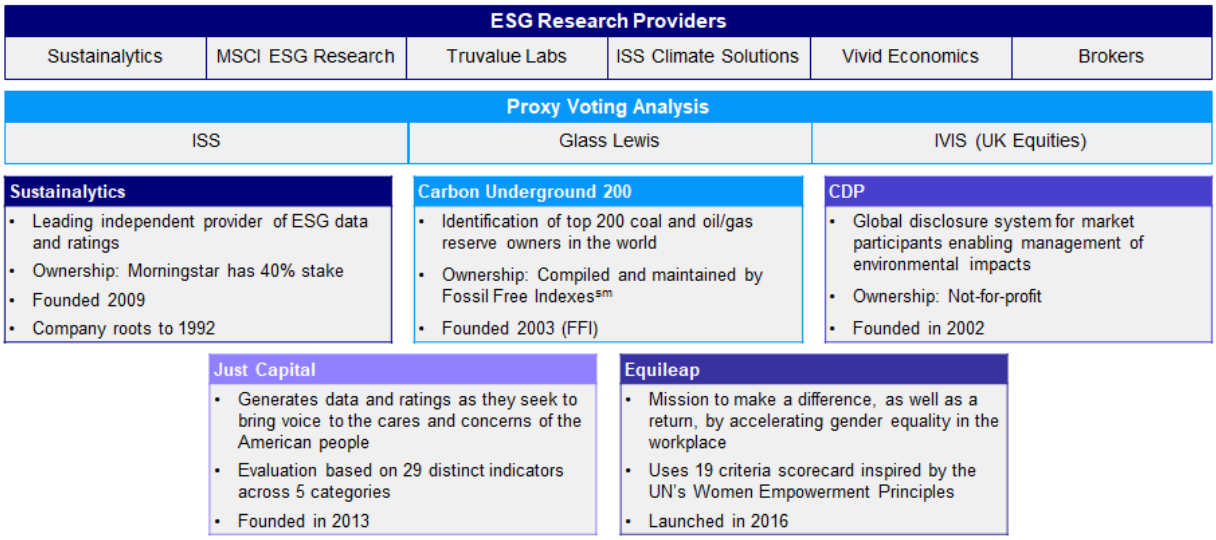
PROXYintel
PROXYintel is a proprietary proxy voting platform built to support the firm's investment teams exercise their voting rights and responsibilities and enable effective stewardship globally.

PROXYintel was launched in 2014 and is patented in the United States. This platform streamlines the proxy voting process by providing investment teams globally with direct access to meeting materials and proxies, external proxy research and ESG ratings, as well as related functions, such as management of conflicts of interest issues, significant votes, global reporting and record-keeping capabilities. Managing these processes internally, as opposed to relying on third parties, is designed to provide Invesco greater quality control, oversight and independence in the proxy administration process.

Users directly input proxy votes with the ability to view votes cast by shareholders within Invesco. PROXYintel tracks proxy votes and rationales real time. In 2020, Invesco submitted votes for over 10,000 company meetings in 74 markets across more than 100,000 ballots. Historical proxy voting information is stored to build institutional knowledge across the Invesco complex with respect to individual companies and proxy issues. Certain investment teams also use PROXYintel to access third-party proxy research and ESG ratings. This proprietary system facilitates internal control and oversight of the voting process.

02.03.03 External ESG resources

Invesco leverages a host of internal resources as well as external tools to enable ESG capabilities across asset classes. The firm's investment teams manage ESG strategies using a diverse range of approaches and may supplement internal research with information from third-party service providers such as proxy advisory firms, research providers and ESG analytical tools. Invesco ensures that data providers are providing the most up-to-date information prior to being integrated into the firm's investment decision-making framework. Due diligence monitoring is done to ensure data providers are providing on time deliverables such as ESG data, research and recommendations. Invesco is constantly evaluating vendors to ensure its investment teams and clients are provided the most current information. Invesco has been partnering with many of these ESG data industry leaders for over three years.



For illustrative purposes only.

02.04 Signatory of the UN sponsored PRI

Invesco became a signatory of the UN sponsored PRI on 12 July 2013 and is a strong advocate of responsible investing practices.

Invesco is proud to have been awarded an A+ rating in 2020 for its overall approach to responsible investment (Strategy and Governance) for the fourth consecutive year as well as achieving an A or A+ across all categories in the 2020 assessment period. The PRI carries out the annual assessment based on how a signatory has progressed year-on-year and relative to peers.

The investment categories are evaluated using six performance bands (A+, A, B, C, D, and E), where A+ distinguishes the top scoring signatories, representing a score of 95% or above. In all eight modules Invesco matched or outperformed the constituents of the PRI, reflecting the firm's global commitment to the PRI. This rating also demonstrates Invesco's extensive efforts in terms of ESG integration, active ownership, investor collaboration and transparency. Indeed, ESG activities and practices are not new for Invesco – the firm has been actively integrating ESG into its investment strategies for more than 30 years.

02.05 Membership of other ESG/RI associations

Invesco is an active member and supporter of several external organisations largely via the different investment centres, including:

- PRI Investor Signatory since 2013 - Invesco became a signatory of the UN-backed PRI in 2013 and has since achieved an A+ in Governance and Strategy for four consecutive years
- Task Force for Climate Related Disclosure (TCFD) (Supporter and Discloser)
- Carbon Disclosure Project (CDP) (Investor Member and Discloser)
- Sustainability Accounting Standards Board (SASB)
- Global Real Estate Sustainability Benchmark (GRESB)
- Climate Bonds Initiative (Partner)
- Confluence Philanthropy Associate Advisor Member
- Farm Animal Investment Risk & Return Initiative (FAIRR)
- UK Stewardship Code (Tier 1)
- Japanese Stewardship Code (Signatory)
- Quoted Companies Alliance (QCA)
- UK Sustainable Investment and Finance Association (UKSIF)

- Investment Association (UK)
- Asian Corporate Governance Association (ACGA)
- Italian Sustainable Forum (ItaSIF)
- Council of Institutional Investors (CII) (US)
- Responsible Investment Association (RIA) (Canada)
- Responsible Investment Association Australasia (RIAA) (Australia)
- Net Zero Asset Manager Initiative

Invesco serves in an advocacy role for the industry through participation in the following groups:

- Climate Action 100+ (Leader and Participant)
- Coalition for Climate Resilient Investment (CCRI) (Founding Member)
- World Economic Forum Financing the Transition to a Net-Zero Future Working Group
- Sustainability Accounting Standards Board (SASB) Standards Advisory Group
- One Planet Asset Managers Initiative (OPAM)
- Transition Pathway Initiative (TPI)
- UKSIF Board of Directors
- ICI Global ESG Task Force
- Climate Financial Risk Forum (CFRF) (UK)
- Climate Financial Risk Forum (CFRF) Risk Working Group (UK)
- Quoted Companies Alliance (QCA) Financial Reporting Expert Group (UK)
- Investor Forum (UK)
- Asia Investor Group on Climate Change (AIGCC)
- Institutional Investors Group on Climate Change (IIGCC)
- IIGCC Net Zero Framework Working Groups
- Active participation in PRI advisory committees and working groups (past and current):
  - PRI Taxonomy Consultation Group
  - PRI Fixed Income Advisory Committee
  - PRI Global Policy Reference Group
  - PRI Macroeconomic Risk Advisory Group
  - PRI Plastics Investor Working Group

Additionally, GRESB provides the basis for the reporting, scoring and peer ranking of Invesco Real Estate's (IRE's) ESG management and policies:

- IRE has submitted data to GRESB since 2012 and has been a GRESB member since 2014
- IRE submitted 13 funds – which accounts for 60% of IRE Global AUM – to GRESB in 2020
- Four IRE-managed funds received five out of five Green Stars, placing them in the top 20% of all global submissions in 2020, and six funds received four out five Green Stars

Source: Invesco as at 30 June 2021.

02.06 **Exclusion policies**

Invesco strives to ensure that all activity by or on behalf of the firm is in compliance with applicable laws and regulations in all jurisdictions in which it or its subsidiaries operate.

Invesco complies and will continue to comply with laws and regulations in jurisdictions to which it or its managed accounts and funds are subject. Laws that prohibit investments on behalf of its managed accounts and funds in companies that are or may be engaged in certain activities with respect to particular munitions and armour are included. Invesco also takes seriously the responsibility to act in the best interests of its managed accounts and funds. Invesco's controversial weapons policy covers the firm's Luxembourg domiciled Invesco Funds SICAV and Invesco Zodiac fund ranges and the UK domiciled ICVC fund range.

To help determine which companies may be engaged in controversial weapons covered by the regulations, Invesco has secured the support of a third-party, ISS-ESG, which provides, on an ongoing basis, advice and research on a list of companies that are:

- Verifiably in breach of the criteria (involved in defined activities by regulation)
- At risk of being in breach of the criteria
- Not in breach of criteria but often assumed to be

As a complement to the firm's controversial weapons policy, Invesco also has in place a policy to exclude investments in companies that are engaged in the cultivation, production or distribution of cannabis or cannabis derived products for the purposes of recreational use due to increased risk of money laundering in this sector.

02.07 **Voting and engagement practices**

Invesco’s Policy Statement on Global Corporate Governance and Proxy Voting (Global Proxy Policy) sets forth the framework of the firm's broad philosophy and guiding principles that inform the proxy voting practices of our investors around the world. Invesco's clients rely on the firm's expertise, as their fiduciary, and our commitment to active engagement and dialogue with investee companies to make voting decisions in the best interests of shareholders. Invesco takes its responsibility as active investors very seriously and views proxy voting as an integral part of its investment management responsibilities.

The firm's investment-led proxy voting approach focuses on protecting clients’ rights and promoting governance structures and practices that reinforce the accountability of corporate management and boards of directors to shareholders. Invesco’s good governance principles outlines the firm's views on best practice in corporate governance and long-term investment stewardship.

The voting decision lies with Invesco's portfolio managers and analysts with input and support from the firm's Global ESG team and Proxy Operations functions. This voting decision incorporates a number of factors and inputs including the unique circumstances affecting companies, public disclosures, regional best practices, third-party research and any dialogue Invesco has had with its portfolio companies. The firm's proprietary proxy voting platform, PROXYintel, facilitates implementation of voting decisions and rationales across global investment teams. Invesco believes its good governance principles, governance structure and processes are designed to ensure that proxy votes are cast in accordance with clients’ best interests.

To ensure that the firm's passive strategies benefit from the engagement and deep dialogue of its active investors, the passive strategies and certain other client accounts managed in accordance with fixed income, money market and index strategies, including exchange-traded funds (ETFs), will typically vote in line with the majority holder of the active equity shares held by Invesco outside of those strategies. As a result, the impact of Invesco's vote is amplified giving the firm's active equity managers even greater clout with their portfolio companies.

Engagement with company management and proxy voting plays a fundamental role in Invesco's efforts to help manage, bolster and enhance the value of Invesco’s clients’ investments. As such, Invesco may question or challenge a company about ESG issues that could have an impact on future value. Before and during investment in a company, many of our investment teams will engage with company management on a number of issues, including those that are ESG-related. Invesco has established a global process to ensure that its ESG targeted engagements are a collaboration between the Global ESG Research team and the investment teams across the firm who may have interest in the issuer.

Invesco believes the success of any engagement is dependent upon having clear and consistent objectives that are challenging for a company to meet but also provide demonstrable goals to measure individual performance and monitor wider trends. To make the most of limited time with management teams, Invesco prioritises ESG risk factors and key issue relevance per internal and external resources. ESG integration is evolving as companies are expanding ESG reporting and working to enhance the overall quality of their corporate disclosures.

03 Product information

03.01 Fund profile table

Invesco Energy Transition Fund	
Launch date:	8 April 2021. (managed with a different strategy since February 2001.
Reference index:	MSCI AC World Index (Net Total Return)
Currency:	USD
AUM:	USD 76.61 million as at 30 September 2021
Base share class/currency:	A (Accumulation USD)
ISIN code:	LU0123357419
Bloomberg code:	INVENFA LX
SFDR Categorisation	Article 8
Minimum initial subscription amount:	USD 1,500 / GBP 1,000 / EUR 1,000
Legal structure:	Sub-fund of Invesco Funds (the 'SICAV'), a Luxembourg investment company (UCITS) under Part I of the Law of 17 December 2010 on undertakings for collective investment as amended or supplemented from time to time
UCITS scheme:	Yes
Status (open/closed):	Open
Domicile:	Luxembourg
Regulator:	Commission de Surveillance du Secteur Financier, Luxembourg (CSSF)
Countries of registration:	Austria, Belgium, Denmark (professional clients only), Finland, France, Germany, Greece, Guernsey (professional clients only), Hong Kong, Italy, Jersey, Liechtenstein, Luxembourg, Macau, Malta, Netherlands, Norway, Singapore (The sale of the registered Funds is restricted to certain types of investors as defined under Singapore law), Spain, Sweden, Switzerland, Taiwan and the UK - as of 8 April 2021 Please note that not all share classes are necessarily registered for sale in each jurisdiction.
NAV calculation frequency:	Daily
Dealing cut-off time:	12.00 noon (Irish time) on each business day
Management Company:	Invesco Management S.A.
Investment Manager:	Invesco Asset Management Deutschland GmbH
Administration Agent:	The Bank of New York Mellon (International) Limited, Luxembourg Branch
Depositary:	The Bank of New York Mellon (International) Limited, Luxembourg Branch
Global Distributor:	Invesco Management S.A.
Registrar & Transfer Agent:	International Financial Data Services (Luxembourg) S.A. until 2 May 2021 - Bank of New York Mellon SA/NV, Luxembourg Branch, ("BNYM") from 3 May 2021
Auditor:	PricewaterhouseCoopers, Société cooperative, Luxembourg
Legal Adviser as to Luxembourg Law:	Arendt & Medernach S.A., Luxembourg

04 EU Sustainable Finance Disclosure Regulation (SFDR)

04.01 Please confirm the appropriate SFDR portfolio classification.

This fund is classified as an SFDR Article 8 portfolio.

The fund invests in companies which contribute positively to a transition to a low carbon economy or are developing solutions which enable the transition for the economy. Such “clean” or “enabling” companies are identified via a sophisticated Natural Language Process (NLP) technique which assesses the company’s exposure towards these themes based on unstructured news data. The identification of companies via NLP focuses on two areas:

1. **Clean energy theme**: Focus on the production and supply of clean energy including but not limited to renewable energy sources such as wind, solar, green hydrogen or tide. This includes companies providing the technology and the supply for clean energy production, sustainable energy storage as well as clean energy utilities and energy companies.

2. **Energy transition & efficiency theme**: While clean energy is an important enabler to transition to a low carbon economy, the fund additionally focuses on energy transition and efficiency management. This includes the areas such as low carbon technologies, smart grid and green mobility.

After the NLP process, further ESG criteria are applied to ensure that a company is not only positively exposed to transition themes in the news, but also fulfills defined ESG standards especially the “do not harm” principle. In a final portfolio construction step, the balance sheet quality and the price momentum of the companies is reviewed to create a financially sound portfolio. During this step, the process overweights companies that already have a positive contribution to low carbon transition based on a universal Energy Transition Score.
The investment team follows an integrated ESG approach. The team takes ESG factors into account at several levels of their management process:

- Explicit and implicit consideration of key ESG aspects in the portfolio construction

- Active dialogue with companies through engagement programs and investor-oriented proxy voting with Invesco's proprietary proxy voting platform

- Offering optionality to implement additional, customized ESG criteria

Ultimately, the fund is in line with the firm’s Sustainability Risk Policy available at Invesco Management S.A.’s website

04.02 **Please provide a summary of how sustainability risks are integrated into your investment decision-making process.**

The portfolio is positioned to provide exposures to companies active in clean energy and supporting energy transition – firms that by their nature have below-average exposure to sustainability risks. The Investment Manager integrates sustainability risks into investment decisions systematically as part of its core portfolio construction process by way of a dedicated ESG Overlay. Invesco and third-party research is continuously analysed to identify sustainability-related indicators which may drive better investment performance and/or reduce risk.

A detailed description of the fund's responsible investment policy is available at the management company's website

https://www.invescomanagementcompany.lu/dam/jcr:e04f2922-8c0d-47c1-9699-f031128344cc/Responsible-inv-policy-IQS-inv-energy-transition-fund.pdf

04.03 **Please describe the results of the assessment of the impacts of sustainability risks on the returns on the portfolio.**

While ESG is predominantly a risk factor today, due to the fund's objective to focus on energy transition and a strong ESG filter focussed on avoiding negative ESG companies and providing reduced greenhouse gas intensity in the portfolio, the expectation is to mitigate the impact from materialized ESG risks and hence improve risk-adjusted performance.

04.04 **Please provide details of the methods used to exclude non-ESG investments.**

Please refer to our answer to **Question 07.02.03**.where we provide details on the ESG criteria used to screen the investment universe of the fund.

04.05 **Will you consider the principle adverse impacts of your investment decisions on sustainability factors.**

Yes. For Invesco's SFDR Article 8 or Article 9 classified portfolios, the principal adverse impact indicators are being reviewed and developed to enable Invesco to meet the objectives of the regulations and its client's analysis needs.

Invesco will provide further clarity and confirmation of how the principal adverse sustainability influence its investment processes as soon as feasible and in advance of the regulation's deadline.

05 Investment team

05.01 Structure

05.01.01 Who is responsible for the fund?

The Invesco Energy Transition Fund (the fund) is managed by the Invesco Quantitative Strategies (IQS) team of Invesco Asset Management Deutschland GmbH (IAMD), based in Frankfurt. The fund was launched in April 2021. Manuela von Ditfurth and Erhard Radatz are lead portfolio managers on the fund. In their role as fund managers Manuela and Erhard are supported by additional members of the IQS team.

05.01.02 How is the fund management team organised?

The Invesco Quantitative Strategies team is functionally structured into two main operating groups, Portfolio Management and Research:

Portfolio Management:
Portfolio Management employs over 20 investment professionals whose tasks are focused on the accounts managed for their clients. The team is responsible for portfolio construction and implementation as well as investment communication.

Research:
Invesco Quantitative Strategies has over 25 research analysts, all dedicated to the maintenance and further development of the quantitative models that drive the decisions within the investment products. The research team is charged with driving the investment process forward as well as return and risk forecasts.

Investment process governance and accountability lies with a seven-person management team headed by Invesco Quantitative Strategies' Chief Investment Officer, Bernhard Langer.

The whole team contributes to the investment ideas and the strategy design and performs trade reviews as well as attribution and analysis. Please find below the organisational chart of the team:

Bernhard Langer, CFA, Chief Investment Officer			
Research	**Head** **Tarun Gupta, PhD** **Technology** **Dr. Gangolf Mittelhäußer** Bob D' Amore Dr. Bartholomäus Ende Dr. Stefan Holtmeier Jochen Jenkner Peter Secakusuma Artem Smirnov Weili Song	**Production** Stefan Freudenreich, CFA Anne-Marie Hofmann David Mischlich Zhanar Omarova **Multi Asset** **Dr. Harald Lohre** Alexandar Cherkezov, CFA David Happersberger	**Project Research** Nikunj Agarwal Angelica Dai Xihao Feng Satoshi Ikeda Edward Leung, PhD Sergey Protchenko Viorel Roscovan, PhD Carsten Rother Yifei Shea, PhD, CFA Margit Steiner, PhD Jerry Sun, PhD Hao Zou, PhD
Portfolio Management	**Portfolio Management** **Alexander Uhlmann, CFA** Dr. Bernhard Breloer Manuela von Ditfurth Georg Elsaesser Dr. Martin Kolrep Neil Lahy Ritchard Longmire	Thorsten Paarmann, CFA Erhard Radatz Andre Roberts, CFA Nicole Schnuderl Alexander Tavernaro, CFA Richard Tsai	**Portfolio Construction & Trading** **Nils Huter, CFA** Su-Jin Fabian, CFA Janina Kolle Robert Nakouzi Daniel Tsai, CFA Dr. Ahmadreza Vafaeimehr, CFA
Global Portfolio Analytics	**Julian Keuerleber, CFA** Jennifer An Carsten Becker	Moritz Brand, CFA John Gallop Tim Herzig	Tomohide Kawakami Joshua Kothe Michael Rosentritt

Source: Invesco as at 30 September 2021. For illustrative purposes only.

05.01.03 **Lead fund manager biography (detailing experience and education).**

Manuela von Ditfurth
Portfolio Management Team, IQS based in Frankfurt.
Manuela joined Invesco in 1998 and is expert in the field of responsible investing. She began her investment career in 1989 in the Portfolio Research Management at Metzler Investment GmbH in Frankfurt. From 1994 to 1998 she was responsible for Portfolio Indexation. She holds a “Bankfachwirt” degree from Bankakademie Frankfurt.

Erhard Radatz
Portfolio Management Team, IQS based in Frankfurt.
Erhard joined Invesco in August 2017 as a portfolio manager focusing on balanced accounts and capital protected products. He started his career as a portfolio manager in Deutsche Asset Management’s institutional Multi Asset and Risk Overlay team. Erhard holds a Master’s degree in Theoretical Physics from the Humboldt University Berlin.

06 Experience

06.01.01 **Has the fund been managed by the same manager(s)/investment team throughout its track record?**

Yes, the fund has been supported by the same investment team since its inception in April 2021.

06.01.02 **At what date did the current manager(s)/investment team start to manage the fund?**

The current team has managed the fund since its rebrand to the Invesco Energy Transition fund in April 2021.

06.02 **Responsibilities**

06.02.01 **How much money does the investment team manage in this strategy (including assets in mutual funds, separate accounts and other sub-advisory relationships)? What other products are managed?**

IQS manage USD 8 billion in assets in ESG strategies.

06.02.02 **In which other activities are the manager/investment team involved besides their responsibilities within the management of the fund?**

All portfolios managed by Invesco Quantitative Strategies are team-managed; the dedicated portfolio managers Manuela von Ditfurth and Erhard Raddatz are therefore also involved in the management of other Invesco Quantitative Equity Strategy portfolios.

06.03 **Turnover**

06.03.01 **What has been the turnover of the investment team in the past three years?**

The IQS team is highly experienced with an average 16 years investment experience and an average 11 years firm tenure, as at 30 September 2021.

The following professionals (fund managers and analysts only) have joined/left the team in the past three years:

Additions

Start Date	Name	Responsibility	Location (Country)
February 2021	Janina Kolle	Portfolio Management	Germany
January 2021	Nikunj Agarwal	Research	US
May 2020	Hao Zou, Ph.D.	Research	US
April 2020	David Happersberger	Research	Germany
January 2020	Angelica Dai	Research	US
November 2019	Bernhard Breloer, Ph.D.	Portfolio Management	Germany
September 2015	Jennifer Nerlich, CFA	Portfolio Management	Germany
May 2019	Tarun Gupta, Ph.D.	Research	US
April 2019	Artem Smirnov	Research	Germany
January 2019	Weili Song	Research	Germany
December 2018	Ahmadreza Vafaeimehr, CFA	Portfolio Management	Germany
May 2018	Maximilian Stroh, Ph.D.; CFA	Research	Germany
May 2018	Jerry Sun Ph.D.	Research	US
April 2018	Richard Tsai	Portfolio Management	Australia
March 2018	Yifie Shea Ph.D., CFA	Research	US
January 2018	Neil Lahy	Portfolio Management	Australia
January 2018	Ritchard Longmire	Portfolio Management	Australia
January 2018	Andre Roberts	Portfolio Management	Australia

Departures

Departure Date	Name	Responsibility	Location (Country)	Reason for departure
March 2021	Brian Morandi	Portfolio Management	US	Pursued another opportunity
March 2021	Francis Orlando	Portfolio Management	US	Pursued another opportunity
February 2021	Matthias Kerling	Research	Germany	Pursued another opportunity
November 2020	Anthony Munchak	Portfolio Management	US	Pursued another opportunity
September 2020	Jennifer Nerlich	Portfolio Management	Frankfurt	Pursued another opportunity
April 2020	Michael Abata	Research	US	Pursued another opportunity
February 2020	Maximilian Stroh	Research	Germany	Pursued another opportunity
October 2019	Anne Unflat	Portfolio Management	US	Retired
September 2019	Helene Korczok-Nestorov	Portfolio Management	Germany	Retired
June 2019	Sanne de Boer	Research	US	Pursued another opportunity
November 2018	Anna Gulko	Research	US	Retired
September 2018	Joo Hee Lee	Portfolio Management	Germany	Pursued another opportunity
June 2018	Donna Wilson	Director of Portfolio Management	US	Internal Transfer
March 2018	Ken Masse	Portfolio Management	US	Internal Transfer

Source: Invesco

06.03.02 **Back-up procedures in the event of the fund manager for this product would leave the firm (key man risk).**

All portfolios managed by IQS are team-managed; the dedicated portfolio managers are therefore also involved in the management of other IQS portfolios.

06.04 **Remuneration policy**

06.04.01 **What is the firm's remuneration policy? How does the firm make sure it is able to hire and keep the best fund managers?**

Invesco has an overall compensation philosophy that seeks to align individual awards with client and shareholder success. This philosophy serves as the basis for the firm's compensation decisions and the design of compensation plans for the firm's investment professionals. While all compensation plans adhere to Invesco's compensation philosophy, each investment team's plan is tailored to ensure consistency with its stated investment philosophy and client objectives. The firm routinely measures its practices against industry benchmarks. The plans are competitively positioned with a meaningful mix of cash and deferred compensation vehicles to attract, motivate, and retain high-calibre investment professionals and appropriately align with long-term client and shareholder success.

Compensation for investment professionals includes base salary and incentive compensation. A description of the key components of Invesco's investment professionals' total compensation is as follows:

Base salary
Salary is based upon an individual's experience and responsibilities. Invesco routinely benchmarks salaries against independent surveys of the investment management industry.

Incentive compensation

Incentive compensation is comprised of annual cash bonuses, annual deferral awards and long-term equity awards. Incentive compensation is a significant portion of each professional's total pay and is linked to delivering strong, long-term investment performance consistent with client objectives. In addition to the annual cash component, a substantial portion of incentive compensation is deferred in the form of Invesco stock and fund deferrals. Invesco believes this mix of incentive compensation aligns with client and shareholder success, the firm's strategic objectives, and promotes an appropriate short and a long-term view of risk and return.

Specific details of forms of incentive compensation include:

- **Current year awards** are annual awards structured as a mix of cash and deferrals into Invesco stock and Invesco investment portfolios, as applicable. These awards reflect investment results consistent with stated client investment objectives and non-quantitative factors (such as, individual performance, risk management and teamwork). The majority of the award is investment performance-driven, based on the success of the team's overall investment results, as measured against client and firm benchmarks. A portion of the award is discretionary. Deferred awards vest pro-rata over a four-year term.

- **Long-term awards** are annual awards of Invesco stock which are 100% deferred. These awards recognise long-term potential for future contributions to Invesco's long-term strategic objectives. The awards encourage retention and align the interests of the investment professional with those of shareholders. These awards vest pro-rata over a four-year term.

Each investment team's leadership group is responsible for making individual compensation decisions that are consistent with Invesco overall compensation philosophy and the respective investment team's plan design. Decisions are reviewed and approved collectively by Invesco's senior leadership. The Invesco Board of Directors has ultimate oversight and approval to ensure the compensation philosophy is executed in a manner consistent with its stated objectives.

06.04.02 **Would losses in assets under management have a negative impact on a fund manager's remuneration**

Annual incentive awards are performance driven, based on the success of the team's overall investment and business results as well as individual conduct. Target compensation for investment professionals is typically based on a qualitative assessment of multiple factors including franchise value, long-term track record, team dynamics and market competitiveness.

06.05 **Ownership in the company/fund**

06.05.01 **Does the fund manager/team have a stake in the ownership of the company?**

Investment professionals are eligible for an annual incentive award, which may include cash, equity or both. Employees and employee trusts hold approximately 17% of the shares in Invesco (as of 28 February 2021). Additionally, to foster a culture of ownership, investment professionals are required to invest a portion of their deferred compensation award in Invesco stock.

06.05.02 **Does the fund manager/team invest in the funds under their management?**

Apart from Invesco stocks, investment professionals can also invest a portion of their deferred compensation award in Invesco funds as well. As such, it is not uncommon for fund managers to invest in funds managed by themselves.

Fund managers are typically permitted to invest in the funds they manage, as long as they strictly adhere to personal share dealing rules (pre-clearance and reporting obligations monitored by Compliance). All fund managers are subject to a prior 60 days rule i.e. they cannot benefit from short-term trading in securities and instruments and must therefore disgorge profits made on the sale of any funds held for less than 60 days. Appropriate training is given to employees to make them aware of such rules and the negative consequences of breaching them. In addition, Invesco has strict allocation procedures to ensure the fair allocation of stocks and a dilution policy with the ability to swing the price where necessary. Each of these controls is subject to compliance review.

The firm does not disclose the amount of capital invested, as it considers this to be proprietary information. Please note some regional restrictions may apply as dictated in the fund's Prospectus.

07	**Investment philosophy and process**
07.01	**Investment objective and philosophy**
07.01.01	**What is the fund's investment objective?**

The Fund aims to achieve long-term capital growth. The Fund integrates a thematic and an environmental, social and governance (ESG) approach with a particular focus on environmental criteria.

The Fund seeks to achieve its objective by investing primarily in equity and equity related securities of companies globally which contribute positively to a transition to alternative energies (energy transition) and more efficient and sustainable energy usage across the economy. For the full objectives and investment policy please consult the current prospectus.

07.01.02 Does the fund have any specific performance and risk/volatility targets?

The strategy does not have a specific performance or risk target.

07.01.03 What is the team's investment philosophy?

The team is committed to providing sustainable systematic investment solutions.

The fund provides exposure to companies in the area of energy transition. By running a proprietary Natural Language Processing approach, companies which contribute positively to a transition to alternative energies and more efficient and sustainable energy usage across the economy are identified using word scraping techniques against a self-developed energy transition dictionary. The relevant themes the fund has exposure to are alternative energy, energy utilization and green mobility. An ESG overlay serves as a safeguard to ensure a compliance with broader ESG goals. A sound portfolio construction focusing on controlling for financial criteria and diversification is applied.

07.01.04 What is the team's investment management style?

The IQS investment process is quantitative in nature and uses innovative quantitative tools based on Natural Language Processing to identify companies for portfolio inclusion.

07.01.05 Since its launch, has the fund's investment objective, management style or approach changed?

There were no changes since the inception in April 2021.

07.02 Investment process

07.02.01 How is the investment universe defined? How does it differ from the benchmark universe?

The investment team's global universe consists of close to 10,000 global companies, which represents close to 100% of the market capitalization of the major regional large cap indices. For portfolio selection, minimum liquidity and capitalization requirements are applied.

Using the Datalab provided by V.E. (Vigeo Eiris), the investment team defines a set of ESG criteria. Exclusion criteria and negative criteria can be used to eliminate companies that fail to meet certain ESG requirements. Thanks to positive criteria, companies can be identified, which are particularly characterised by sustainable economic development, positive products or processes.

With the integrated best-in-class approach, the investment team focuses on better performing companies in their respective sectors with respect to the company's ability to transition into a low carbon economy.

The Invesco Energy Transition Fund uses the following exclusion criteria:

	Controversial Activities	Excluded if
Coal	Turnover derived from thermal coal mining	**>=10%**
	Turnover derived from burning coal for power generation	**>=10%**
	Proportion in electricity generation fuel mix from coal	**>=10%**
Unconventional oil & gas	Revenues that comes from projects or the extraction of tar sands and oil shale, as well as the proportion of reserves in tar sands or oil shale	**0%**
	Involvement in fracking activities	**yes**
	Involvement in arctic drilling activities	**yes**
Fossil fuel industry	Revenues are derived from fossil fuel industries	**>=10%**
Environmental strategy	Company's commitment to define clear objectives and appropriate measures to ensure management of the environmental impacts of products and services	**insufficient environmenal strategy**
Chemicals of concern	Production of restricted chemicals	**0%**
Bio-diversity	Controversies in the field of endangering biodiversity	**Yes**
Pollution	Controversies in the field of preventing and managing of accidental pollution or soil pollution	**Yes**
Water	Controversies in the field of protecting water resources	**Yes**
Waste Mana-gement	Controversies in the field of waste management	**Yes**

Community involvement	Controversies in the field of community involvement (including e.g. impact of operations on the local economy, responsible tax strategy, transfer of technology and skills)	**Yes**
Nuclear power	Turnover from nuclear power	**>=5%**
	Proportion in electricity generation fuel mix from nuclear power	**>=5%**
Civilian Firearms	Manufacture or sale of civilian firearms or related products	**>=10%**
	Manufacture of civilian firearms or related products	**>=5%**
Military	Sales that are related to military sales including key parts or services for conventional weapons	**>= 5%**
	Controversial weapons & financing of cluster munition or anti-personnel landmines	**0%**
Tobacco	Turnover from production and distribution	**>=10%**
	Turnover from production	**>=5%**
UN Global Compact	Fail to pass the global compact screening	**Yes**

Source: Invesco

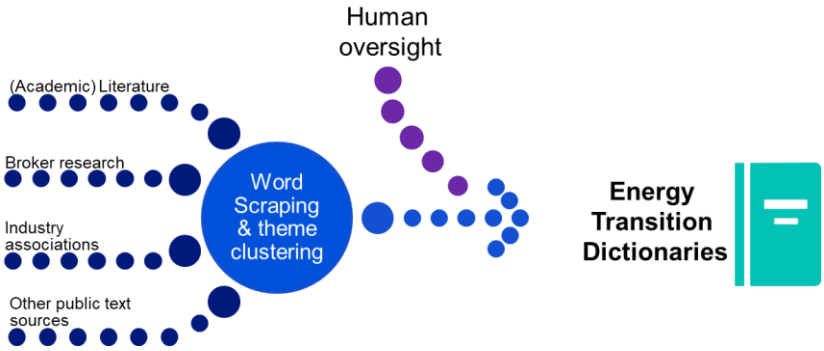
07.02.02 **Provide a description of the investment process. Is the investment team's approach bottom-up, top-down or both?**

The fund enables the investor to build exposure to the **Energy Transition** theme. The fund invests in the thematic areas of "Clean Energy" as well as "Energy Transition & Efficiency". These topics are subject to constant development and undergo enormous progress driven by research from academia and companies.

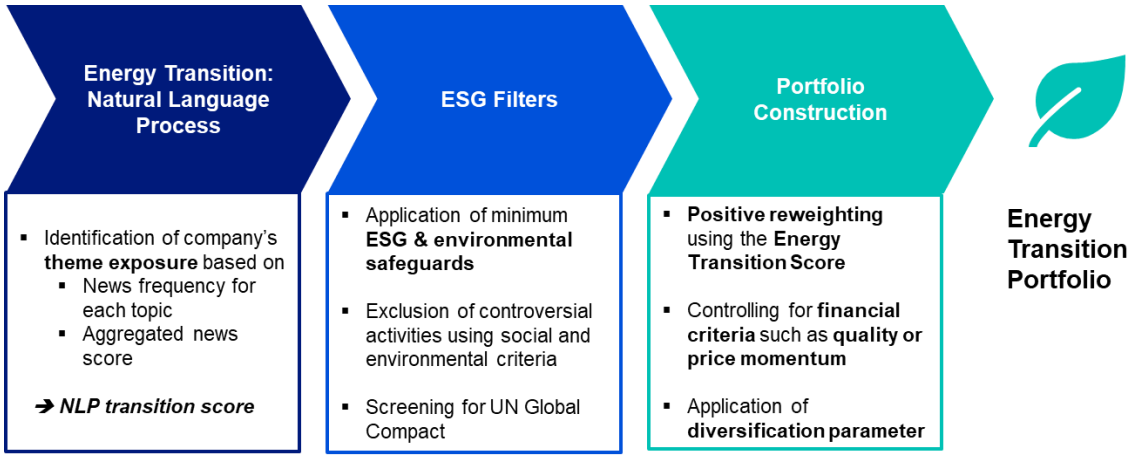
1. Theme identification & dictionary creation

A major challenge is the creation of up-to-date dictionaries which capture developments in science and technology as well as the market on energy transition. In order to identify new trends and technologies early on, the IQS team regularly updates the fund's dictionaries. The team uses word scraping techniques, which read various sources such as (academic) literature, broker research, or other professional articles coming from industry associations and identifies relevant, new terms for various topics in the area of energy transition. Once the dictionaries are updated, they are checked by the research and portfolio management team before they are released for the NLP process.

The advantage of this process is that huge amounts of data can be easily processed and new developments and resulting terms can be systemically found and integrated into the fund management process without human biases.



2. Systematic investment process to build up the theme exposure in a responsible manner



After the creation of the thematic dictionaries, the IQS team uses NLP tools to analyze the Ravenpack news data package. The NLP identifies companies which show news exposure to the defined transition themes. These themes include among others energy efficiency, energy transition, green mobility, clean energy production (solar, wind, other renewable sources) as well as energy storage. The news hits are set in relation to the overall news volume of a company to identify the importance of the theme for a firm. Subsequently, the team creates a proprietary aggregated thematic score, the *NLP transition score*. Companies with sufficient thematic exposure and characteristics are eligible for inclusion and this score serves as a starting point for the portfolio construction in the final step.

In the second step, the team reviews the compliance with the ESG criteria of the fund. Companies which show a low environmental score and ESG score or show business involvements in defined controversial activities and adverse impacts/ do not meet minimum ESG and environmental safeguards (as listed in the appendix) will be excluded from the theme portfolio independent of their *NLP transition score*. Furthermore, the team applies an UN Global Compact screening to avoid investment in companies which fail to adhere to the norm's 10 principles.

Finally, the IQS team constructs the portfolio using their proprietary *NLP transition score* as anchor for the portfolio weighting process. Additionally, the holdings are reweighted using an Energy Transition Score. The Energy Transition Score is a measure for a company's ability to transition to a low carbon economy based on current results and the corporate strategy. The process is designed to overweight companies which show a higher Energy Transition Score, while it reduces the weight of firms which score low on this metric. Within this step the team is also controlling for factor criteria such as quality

and price momentum to avoid being the investment in very low quality and strongly declining companies.

Furthermore, the portfolio construction process is subject to diversification constraints to limit the exposure to a single issuer. Derivatives, which are utilized to gain exposure to capital markets have to fulfill the ESG criteria on a constituent's level. This includes derivatives used for efficient portfolio management.

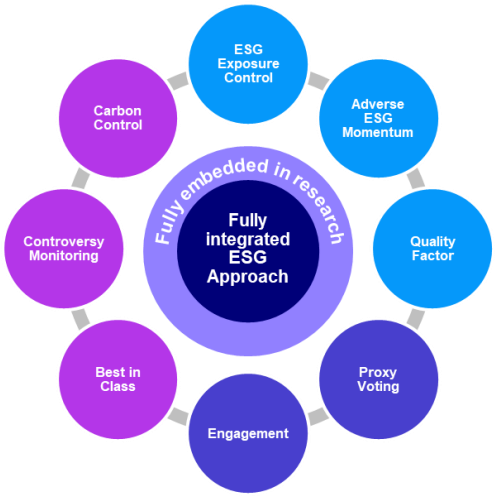
07.02.03 **How do you integrate ESG considerations into your investment process?**

The Invesco Quantitative Strategies (IQS) team applies an integrated ESG (environmental, social, governance) investment approach and has been managing customised sustainable investment solutions for more than 30 years. With many years of experience, the team offers different approaches to integrate ESG criteria into the portfolio at different stages of the investment process across all asset classes.

The investment team follows an integrated ESG approach. The team takes ESG factors into account at several levels of their management process:

- Explicit and implicit consideration of key ESG aspects in the portfolio construction
- Active dialogue with companies through engagement programs and investor-oriented proxy voting with Invesco's proprietary proxy voting platform
- Offering optionality to implement additional, customized ESG criteria

Holistic ESG consideration in our investment process
Integrating key aspects of ESG



We **consider ESG at several layers** in our investment process:

- Standardized explicit and implicit incorporation of ESG key aspects into our investment process
- Active dialog with companies and investor-driven proxy voting using Invesco's proprietary Proxy Voting Platform
- Offering optionality to implement additional, customized ESG criteria tailored towards the client's needs
- ESG fully embedded in research processes and analytics and documented in every research note

Source: Invesco. For illustrative purposes only.

The IQS team's investment process is controlling for financial criteria such as the quality of a firm. The team has identified that some signals within the Quality factor show positive correlation to governance factors. These Quality signals prefer companies with a high balance sheet quality which, for example, buy back shares and do not show disproportionate balance sheet growth. Governance factors also prefer companies in which management acts in the interests of shareholders and does not pursue unprofitable business projects.

Besides the implicit integration via the Quality factor, the team also explicitly uses its measures Adverse ESG momentum and ESG exposure control. The team uses these measures to manage the risks which are associated with weakly scoring companies or portfolios.

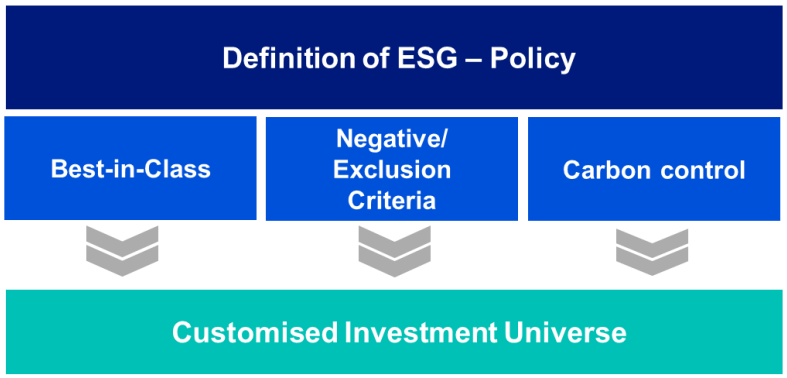
For the Adverse ESG Momentum, the investment universe is daily screened for significant ESG downgrades. The team's research has shown, that companies that experienced severe downgrades tend to underperform their peers in the following months. Therefore, the investment in companies which suffered severe downgrades would be restricted.

Additionally, the team uses the ESG Exposure Control. During the regular rebalancing the ESG exposure of the equity portfolio is managed against the exposure of the fund's equity benchmark, hence the MSCI All Country World. The team targets an exposure that is approximately at or above benchmark level. The key point is guarding against a risk that historically has been small but is expected to be material in the future.

Customised ESG

In addition to the standard ESG integration, IQS implements further individual ESG requirements in numerous respects:

ESG screening for equities
Environmental, social and governance focus



- Flexible use through an individual client specific definition of over 250 ESG criteria
- Global universe of over 6,000 companies

Source: Invesco. For illustrative purposes only.

Exclusion and negative criteria: By applying these criteria, companies, sectors or countries are excluded from the investment universe which fail to fulfil certain ESG criteria or that violate international norms and standards according to the definitions of the International Labour Organisation (ILO), the OECD or the United Nations.

Using the data provided by Vigeo Eiris and MSCI, the investment team is able to define a set of ESG criteria. Exclusion criteria and negative criteria can be used to eliminate companies that fail to meet certain ESG criteria, with positive criteria, companies can be identified, which are particularly characterised by sustainable economic development, positive products or processes.

The Invesco Energy Transition Fund uses the following exclusion criteria:

	Controversial Activities	Excluded if
Coal	Turnover derived from thermal coal mining	**>=5%**
	Turnover derived from burning coal for power generation	**>=5%**
	Proportion in electricity generation fuel mix from coal	**>=10%**
	Structural increase of thermal coal activities over 3 years	**yes**
Unconventional oil & gas	Revenues that comes from projects or the extraction of tar sands and oil shale, as well as the proportion of reserves in tar sands or oil shale	**0%**
	Involvement in fracking activities	**yes**
	Involvement in arctic drilling activities	**yes**
Fossil fuel industry	Revenues are derived from fossil fuel industries including upstream (exploration and production), midstream (processing and transport) and power generation from fossil sources	**>=5%**
	Structural increase of fossil activities over 3 years	**yes**
Environ-mental strategy	Company's commitment to define clear objectives and appropriate measures to ensure management of the environmental impacts of products and services	**insufficient environmenal strategy**
Chemicals of concern	Production of restricted chemicals	**0%**
Bio-diversity	Controversies in the field of endangering biodiversity	**Yes**
Pollution	Controversies in the field of preventing and managing of accidental pollution or soil pollution	**Yes**
Water	Controversies in the field of protecting water resources	**Yes**

Waste Mana-gement	Controversies in the field of waste management	**Yes**
Commu-nity involve-ment	Controversies in the field of community involvement (including e.g. impact of operations on the local economy, responsible tax strategy, transfer of technology and skills)	**Yes**
Nuclear power	Turnover from nuclear power	**>=5%**
	Proportion in electricity generation fuel mix from nuclear power	**>=5%**
	Structural increase of fossil activities over 3 years	**yes**
Civilian Firearms	Manufacture or sale of civilian firearms or related products	**>=10%**
	Manufacture of civilian firearms or related products	**>=5%**
Military	Sales that are related to military sales including key parts or services for conventional weapons	**>= 5%**
	Controversial weapons & financing of cluster munition or anti-personnel landmines	**0%**
Tobacco	Turnover from production and distribution	**>=10%**
	Turnover from production	**>=5%**
UN Global Compact	Fail to pass the global compact screening	**Yes**
Human Rights	Controversies in Labour Rights including the supply chain, forced or child labour and discrimination	**Yes**
Recrea-tional Cannabis	Involvement in recreational cannabis	**Yes**

Proxy Voting

Invesco's Proxy Voting approach is governed by the Global Proxy Voting Policy[2], which is premised on respecting the fund manager's freedom to vote in what they believe is the best interests of the investors in the relevant fund or portfolio in order to achieve positive outcomes for clients.

To this effect, Invesco maintains a proprietary global proxy administration platform, known as the "fund manager portal". The platform streamlines the proxy voting and ballot reconciliation processes, as well as related functions, such as share blocking and managing conflicts of interest issuers. This enables fund managers to vote in an efficient manner, increase transparency, share knowledge and effectively influence corporate practices and behaviours.

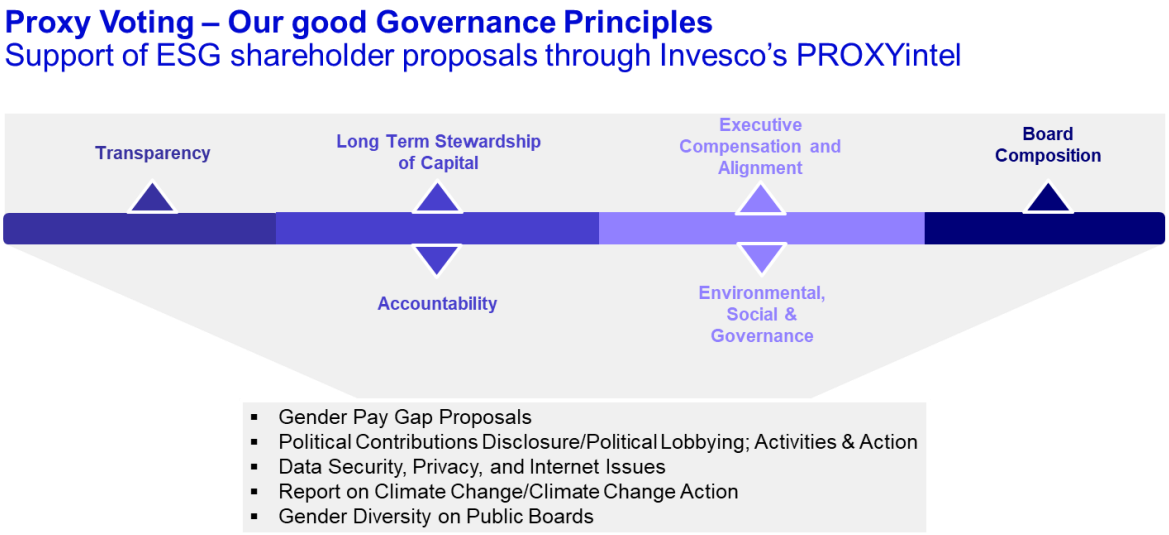
IQS adopts and applies a dedicated ESG voting policy across managed funds, portfolios and mandates. Besides the support of shareholder proposals through Invesco's proprietary Fund Manager Portal, specific voting decisions on the following ESG topics are taken if applicable:

– Gender Pay Gap Proposals,
– Political contribution disclosure/political lobbying
– Disclosure/political activities and action data security
– Privacy and internet issues
– Report on Climate Change/climate change action and
– Gender Diversity on public boards.

Where none of the ESG topics listed above are affected, IQS will generally follow the voting decision taken by the biggest active equity holder ("Majority Voting") in the Invesco Group as this reflects the relationship and dialogue that active managers within the group have with investee companies. In this manner, we also seek to leverage the active-equity expertise and comprehensive proxy voting reviews conducted by teams employing active-equity strategies, which typically incorporate analysis of proxy issues as a core component of the investment process.

Where there is no active equity holder in the Invesco group, IQS will usually follow the ISS recommendation, subject to the engagement approach outlined below.

The IQS team furthermore reviews proxy votes from their strategy and actively supports the Climate Action 100+ initiative with their voting.



Source: Invesco. For illustrative purposes only.

[2] https://www.invesco.com/corporate/dam/jcr:472ccfeb-b3cc-411e-9996-afd238caa7ad/Invesco-Global-Proxy-Policy-Statement-June-2019.pdf

Engagement

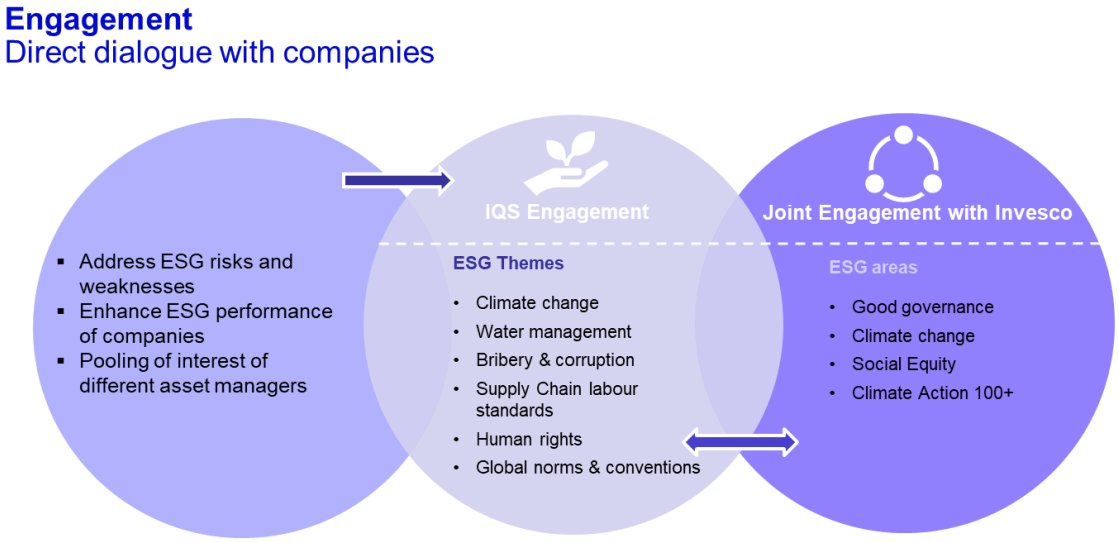
IQS enters regularly into dialogue with carefully selected target companies via the Global Engagement Service of Vigeo Eiris. The potential target companies are selected by IQS and a final selection of the companies to be engaged with is then agreed with Vigeo Eiris. In general, the team look to engage on topics related to the IQS Priority ESG Themes, which are Climate Change, Human Rights, Supply Chain Management, Water and Bribery/Corruption.

IQS selects investee companies which are at a size and stage making them likely to be influenceable. The objective is to identify weaknesses in the company's sustainability management and discuss these with management to enable the companies to achieve a better ESG performance in the medium to long term. Discussions can take place via telephone calls, personal meetings and written communication. Engagements are followed through over a period of years where necessary.

IQS' engagement priorities can follow two methods:

Theme-based engagement, which aims to encourage companies to expose and reduce systemic risks in areas such as bribery reporting; climate change; human rights management systems; supply chain labour policy and water scarcity.

Controversy-led engagement, which aims to prompt companies to observe internationally-recognised standards and conventions and correspondingly improve their company guidelines.



Source: Invesco Quantitative Strategies, Vigeo Eiris. For illustrative purposes only.

Vigeo Eiris undertakes a detailed assessment of the themes for each company that the IQS team has selected. This is based upon a long established and rigorous methodology and involves assessing the level of risk that a company is exposed to in any one area and then analysing how the company mitigates these risks. In case engagement targets are not met after repeated escalation the investment team may divest from a company and/or vote against board members or management compensation.

07.02.04 **What are the main sources of added value? (i.e. company selection, sector selection and market timing)**

The investment process focusses on an innovative stock selection method based on Natural Language Processing using proprietary self-developed dictionaries. The investment team is convinced to provide added value by providing investors with exposure to companies active in energy transition.

In addition, the fund provides value by strong ESG criteria to ensure that all companies invested in follow sound ESG procedures are not involved in any controversial activities, spanning over integrating ESG aspects in the portfolio construction with an emphasize on managing ESG risks using the adverse ESG momentum as well as the ESG exposure control. IQS is continuously researching the seamless integration of ESG measures. Furthermore, IQS is actively engaging with companies on ESG matters as well as performing active proxy voting.

The fund's unique characteristics include:

- Evolving theme identification with NLP-based dictionaries
- Dynamic relevance weighting scheme based on news-hits
- Strict ESG characteristics
- Systematic portfolio construction

07.02.05 **Do fund managers conduct their own research, or is there a separate research team? If a separate research team, how are the responsibilities split? Describe the research process.**

The IQS research and portfolio management efforts are based on a team approach. All team members are encouraged to contribute to the further enhancement and continuous improvement to the quantitative methods and models used.

07.02.06 **To what extent do the investment team use external analysis? What sources of external information are used?**

As part of the research team's efforts, we continually monitor information sources such as academic literature for advancements in the field of quantitative investing. However, IQS does not make use of external analysis in the management of portfolios.

The team's research is conducted in-house with a self-developed infrastructure, although the team utilises external data sources as an input to the process.

ESG information is sourced from MSCI ESG to perform the Adverse ESG momentum and the ESG exposure control. Furthermore, MSCI ESG, Sustainalytics and Vigeo Eiris are used to identify companies of significant ESG controversies, which are potential targets for engagement. We utilize the Controversial Activity Screening of Vigeo Eiris to generate an exclusion list. Furthermore, Vigeo Eiris Energy Transition Score serves as a safeguard in the portfolio construction step. The Carbon data used in the portfolio construction process is based on the research of ISS ESG. Being a research driven investment team, IQS is actively searching for new ESG data sources including alternative data sources.

For our Proxy Voting activities, we rely on ISS and Glass Lewis to form our opinion about the votes.

07.02.07 **Describe the investment team's discipline for company visits. How many times do the team visit a company before making an investment?**

The fund's management is solely based on a quantitative investment process. Company visits are not undertaken by the team.

07.02.08 **In the current portfolio, how many companies were not visited? Please explain on what basis these have been included.**

Not applicable as company visits are not undertaken by the team.

07.02.09 **Provide a description of the portfolio construction process, including buy/sell disciplines.**

The fund provides exposures to companies which 1) contribute positively to a transition to alternative energies and more efficient and sustainable energy usage across the economy or 2) are developing solutions which enable this transition for the economy. Such “clean” or “enabling” companies are combined in the fund using an innovative approach.

The core of the approach is a sophisticated Natural Language Process (NLP) technique. With the application of systematic word scraping on documents covering energy transition in academic research and publications from think tanks and non-profit organizations (like the International Energy Agency and the World Energy Council), relevant keywords are extracted and grouped to build the dictionary. Based on the dictionary, over 2.5 million news articles every month from more than 4,500 sources are screened to identify those companies that show high exposure to the following sub-themes that are represented in the portfolio.

Alternative Energy	Green Mobility	Energy Utilization
Solar Energy	Green mobility	Energy management & storage
Wind Energy		Green building infrastructure
Hydrogen		Energy transition
Other Renewables		
Energy efficiency		

Stocks with the most significant matches are eligible for portfolio inclusion and are weighted according to their relevance for the themes and the theme relevance for the company.

In addition, strong Environmental, Social and Governance (ESG) filters focusing on environmental issues and the exclusion of controversial areas serve as a safeguard. Controlling for the overall ESG profile of the ESG Ratings Momentum for each stock sets the basis. A Best-In-Class approach on an energy transition measure sourced from an external ESG data provider serves as a safeguard to only invest in the top scoring companies in the field of energy transition. Combined with the NLP approach, only well-placed companies that are able to mitigate the risks associated with the transition to a low carbon economy form the portfolio. Additionally, the carbon footprint of the portfolio is managed with the goal to achieve a reduction in the CO2 profile. A dedicated focus on a firm’s environmental policy is incorporated as well as a filter on controversial activities (e.g. waste management).

Lastly, in the final portfolio construction step, eligible stocks with significant news hits against the theme dictionaries are included in the portfolio after being screened for financial criteria such as the quality or the price momentum. On top, minimum liquidity and diversification parameters are applied. The intended result is focused exposure to the desired themes with company idiosyncratic components diversified away. During this step, the portfolio construction process overweights companies that already have a positive contribution to low carbon transition based on a universal Energy Transition Score.

07.02.10 **What is, on average, the investment time horizon for financial instruments held by the fund?**

Buy and sell decisions related to equities are an outcome of the portfolio optimization process. IQS trade on average 5-7% of the portfolio per month. This results in an average holding period on a stock level of about 1 to 1.5 years.

07.02.11 **In which market environment is the fund expected to perform particularly well/poorly?**

The fund provides exposure to companies active in energy transition and clean energy. While the systematic portfolio construction helps to construct a diversified portfolio, the focus on a single investment theme will result in particularly strong returns when the market favours “green” companies, and vice versa. Adverse market environments may be characterised by strongly rising oil prices and commodity prices, which tend to benefit more traditional industries. Also, the clean energy area is dependent on a smooth supply chain with disriptions potentially triggering performance volatility. The fund is expected to generate superior returns over broad equity markets in the long term given its focus on one of the most important areas of the coming decades in a highly innovative process.

07.02.12 **What distinguishes the fund's investment strategy from its peers?**

The Invesco Energy Transition Fund provides investors with an innovative way to gain exposure to the leaders in energy transition and clean energy. With an investment process based on Natural Language Process using vast amounts of data and proprietary dictionaries, the fund can systematically identify and invest in companies early in their development and those that are not traditionally captured by solely relying too reported numbers like revenue etc. Additionally, the Natural Language Process dynamically identifies new and emerging themes within Energy Transition. The stock weighting process itself is dynamic as well and based on news hits. Lastly, very strict ESG characteristics set the fund apart.

In summary, we believe the Invesco Energy Transition Fund and its innovative approach to clean energy is compelling to investors for the following reasons:

For illustrative purposes

07.03 **Execution**

07.03.01 **How does the trading process work, and who is responsible for it?**

IQS seeks to trade the fund in the most cost-effective manner. Since transaction cost management helps preserve stock selection alpha, expected transaction costs are modelled within the investment process and considered in portfolio optimisation and construction. As a result, a trade will only occur if it has a net positive impact on expected return.

IQS' executes all equity and derivative orders through the firm's global trading operation, which consists of equity trading desks in Asia, Europe and North America that work together as a single team. Combined, the global desk includes 69 trading professionals with an average of 20 years' industry experience as at 30 September 2021.

Invesco's trading model links its traders in different countries through a common order management system, Charles River Development (CRD), harmonised policies and procedures, and robust technology. This trading model gives the portfolio managers real-time, efficient and effective local market access and global liquidity

Within each regional desk, the traders specialise in local market dynamics, develop and maintain deep trading relationships, and focus exclusively on providing best execution. This regional model provides traders and fund managers with a unique and valuable perspective on both local and global supply and

demand. This perspective and information is critical in a world of fragmented markets and hidden liquidity.

07.03.02 **How do you ensure best execution? How are brokers selected? What criteria are used to rank/evaluate individual brokers?**

Invesco has processes in place to ensure that orders are executed to achieve the best possible result in the relevant market for the type and size of the relevant funds. Further, an objective is to ensure that securities transactions are carried out at a price and rate which are not disadvantageous to the funds.

The order execution process will consider the best execution factors which must be considered and subsequently prioritised by the trading desks to achieve Best Execution. These are:
- Price;
- Costs;
- Speed of execution and settlement;
- Likelihood of execution and settlement;
- Size of the order;
- Nature of the order;
- Any other consideration relevant to the execution of the order.

Counterparties are selected and approved based on criteria, which include but are not limited to, competitiveness of commission rates or spreads, execution capabilities, creditworthiness, financial stability, reputation, clearance and settlement capabilities.

Our equity trades are executed by our internal trading system with custom built algorithms. These algorithms avoid information leakage and substantially reduce market impact. We use arrival benchmark to trade and try to minimize our impact to implementation shortfall. Our traders are incentivised to trade at minimal transaction cost, and they are benchmarked accordingly. We have seen a significant reduction in trading costs by trading internally over recent years.

07.03.03 **What procedures are employed to ensure best execution?**
Invesco always strives to obtain best execution when a trade is executed on behalf of a fund. Best execution factors set out, considered and subsequently prioritised are price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.

The lowest possible commission is not the sole determinative factor for best execution. Invesco's execution process is designed to give traders the latitude to execute their trades with a broker, ECN (Electronic Communication Network), ATS (Alternative Trading System) or other available venue that they believe will provide best execution. At times this may include the use of client commission arrangements, where such are permitted by local regulations.

Commissions are the most readily identifiable and quantifiable component of total transaction costs, but they are only one of the component costs that Invesco seeks to minimise in its best execution process. Total transaction costs are comprised of the sum of both explicit and implicit costs. Explicit costs are primarily the commissions on the transactions. Implicit costs include market impact, opportunity cost and timing cost. Invesco believes that the vast majority of total transaction costs are attributed to implicit costs such as market impact and opportunity or "implementation shortfall" costs which are much more difficult to measure than explicit costs given the lack of industry standards and their somewhat subjective nature.

Invesco's trading process is centred on containing total transaction costs; Invesco closely monitors and adjusts commission rates as part of this process. The firm employs a third party vendor, Virtu (ITG), to provide it with daily, weekly and monthly analyses of its transactions using a number of different benchmarks including implementation shortfall and volume weighted average price (VWAP) models. Invesco has also developed an internal transaction cost analysis (TCA) system to provide traders and fund managers' greater transparency into the context of the trades. This system, Cassiopeia, provides

the traders with next day intelligence on the context of the trading decisions they made with respect to the subsequent performance of the security traded. This context includes a number of different benchmarks such as implementation shortfall, VWAP, T-1 (momentum), T+1 (alpha capture) and a host of other benchmarks designed to help the trader and the fund manager gauge the value of the transaction. The cornerstone of this analysis is the determination of how much alpha was in the trade and how much the firm was able to capture using the various strategies at the traders' disposal. Traders review this transaction analysis daily and the head traders review high and low cost trades frequently. A TCA sub-committee then reviews all TCA data by region and investment centre and reports any outliers or items for discussion at the next Global Trading Oversight Committee (GTOC) meeting.

Trades executed through Invesco's affiliate broker are reviewed by the Head of Invesco's Americas equity trading desk, and by Will Geyer, the Global Head of Trading. Their reviews include an examination of the reasons for sending the trade through the affiliate broker and an analysis of the commission charged and the quality of the execution. In addition, GTOC receives and reviews best execution reports that include trades executed through the affiliate broker. The GTOC reports are also reviewed by the compliance departments for Invesco and the affiliate broker.

08	**Fund constraints/structural characteristics**
08.01	**Construction parameters**
08.01.01	**What constraints are placed on the fund?** In addition to the legal constraints which are described in the Prospectus, single stock weights are limited to absolute 5% maximum and based on the amount of significant news hits based on Natural Language Processing.
08.01.02	**Can the fund use cash for portfolio management purposes or is it fully invested?** As per the current prospectus, the fund may hold up to 30% of the NAV of the Fund in cash, cash equivalents, Money Market Instruments and other Transferable Securities, which will also meet the Fund's ESG criteria. IQS will, however, aim for the fund to be fully invested in equities.
08.01.03	**What is the average expected annual portfolio turnover?** IQS typically trades 5-7% of the portfolio per month.
08.01.04	**What has been the portfolio turnover over the last three calendar years?** Turnover is not available as the fund was launched in April 2021.
08.01.05	**What are the asset capacity/liquidity constraints or size limitations in place on the portfolio?** The current assets under management remains well below capacity based on the size of its investable universe and the historical full-cycle liquidity of its holdings universe. IQS monitors investment capacity based on the impact of market conditions on transaction costs for the investable universe across full market cycles, including periods of extreme market stress. With a mid- to large-capitalisation global orientation, the strategy addresses one of the largest and most liquid segments available in global capital markets.
08.01.06	**Is leverage used as part of the fund's investment strategy? What is the maximum leverage allowed in the fund?** Leverage is not used by IQS as part of the investment strategy.
08.01.07	**Are currency exposures hedged? How?** No. Euro-hedged share classes are available.
08.02	**Securities lending**
08.02.01	**Are securities lending transactions allowed for this fund?** As detailed in **Section 7.3** of the Prospectus, repurchase/reverse purchase and securities lending transactions may only be effected in accordance with normal market practice and may be used for efficient portfolio management purposes. Please refer to the Prospectus for full details.

08.02.02 **Who receives the revenue for any securities lending carried out?**

As detailed in the Prospectus, all of the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs (which do not include hidden revenue), will be returned to the SICAV.

To the extent that the SICAV engages in securities lending in respect of a fund it may appoint a securities lending agent which may receive a fee in relation to its securities lending activities. Any such securities lending agent is not expected to be an affiliate of the Depositary or the Management Company. Any operational costs arising from such securities lending activities shall be borne by the securities lending agent out of its fee.

The SICAV will ensure, at all times, that the terms of efficient portfolio management techniques, including any investment of cash collateral, will not impact on its ability to meet with its redemption obligations.

Fixed term repurchase contracts or reverse repurchase contracts which do not exceed seven days shall be regarded as arrangements on terms which allow the assets to be recalled at any time by the SICAV.

Any interest or dividends paid on securities which are the subject of such stock lending arrangements shall accrue to the benefit of the fund.

09 Risk management

09.01 Who is responsible for risk management? Is there a specific department – describe its organisation, autonomy and independence from the investment management team?

Managing risk is an integral part of Invesco's investment culture, and it starts with the recognition that everyone plays a role in risk management. Built with multiple lines of defence, the firm's risk management approach seeks to assure that Invesco's managers adhere to best practices. The goal is for portfolios to perform as expected and for clients to feel confident in their investment.

The investment teams
Invesco believes the best outcomes are achieved through distinct investment teams across the globe, with discrete investment perspectives, operating under a disciplined philosophy and process. To support the unique needs of each investment team, each one deploys a robust risk management framework that is tailored to its investment process and is owned by its CIO. Each team uses its framework to thoroughly assess the risk and return characteristics of each individual security and carefully calibrate the overall risk level of the portfolio when these investments are combined.

Multiple groups within Invesco
At every step in the process, the investment teams are provided with global expertise and support that enhances their risk management efforts. The following groups monitor the investment teams to make sure they are operating within best practices as well as their stated objectives:

- **Investment Risk Management** identifies the appropriate risks to monitor for each portfolio to ensure that each portfolio is managed in the intended manner, including the concentration of holdings by issue and issuer, counterparty risk, liquidity risk, performance dispersion and other factors.
- **Global Performance** delivers customised portfolio performance analysis and attribution reporting that facilitates the Investment Risk evaluation of whether ex-post performance results are aligned with ex-ante risk expectations.
- **Global Compliance** monitors pre- and post-trade compliance and performs other fiduciary assurance functions.
- **Other governance structures** that assure best practices including the Global Trade Operations Committee, the New Instrument Committee, the Pricing Committee and the Proxy Committee.

Senior leaders, independent boards and audit teams
Oversight is critical. The following groups provide a high-level review of the entire process:

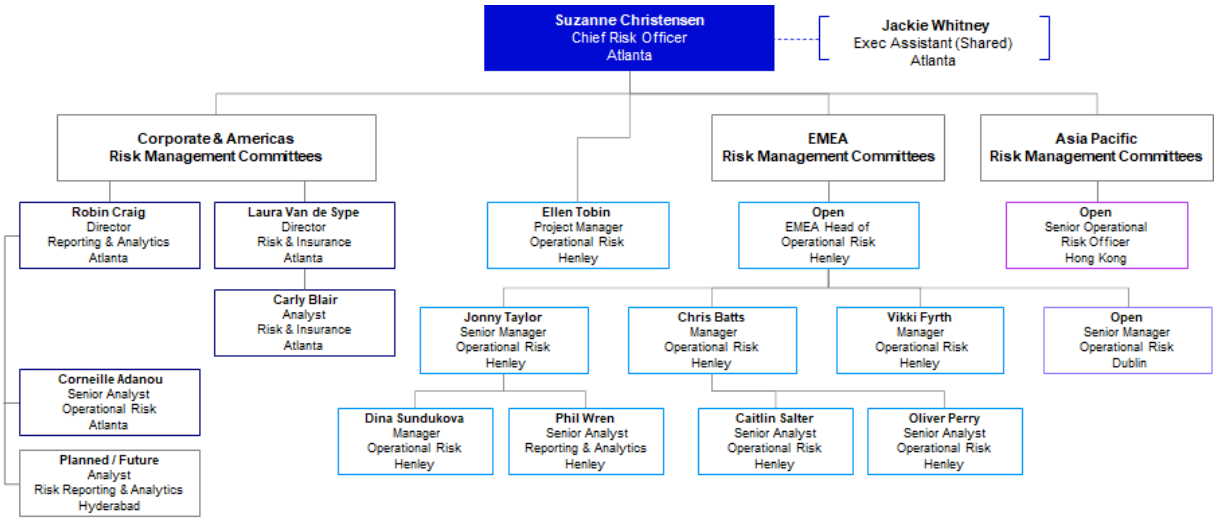
- The **Invesco Performance and Risk Committee** is composed of senior leaders who review risk and performance issues and monitor progress against the firm-wide strategic priority of achieving strong investment performance.
- **Internal Audit** provides end-to-end process review to identify any control gaps and execution challenges.

Independent risk management process in EMEA
Risk management for Invesco's EMEA region[3] is separated between independent Operational and Investment Risk teams who monitor operational and investment (portfolio) risk for funds and mandates that are domiciled, managed or contracted in the region.

[3] The EMEA region includes funds managed by Invesco Fund Managers Limited, Invesco Pensions Limited, Invesco Management S.A. and mandates contracted by Invesco Asset Management Limited and Invesco Asset Management Deutschland GmbH.

Both teams maintain objectivity and avoid conflicts of interest by being separated from the firm's portfolio and business management functions, and are responsible for the risk management framework, policies and processes to meet client expectations and ensure compliance with regulatory standards across the region. The teams are also responsible for risk reporting and escalations to senior management, various EMEA risk management committees, relevant boards as well as external shareholders.

Operational Risk team
The Operational Risk team for the EMEA region reports to Suzanne Christensen, Invesco's Chief Risk Officer. Suzanne leads the firm's Enterprise Risk function, as illustrated below:

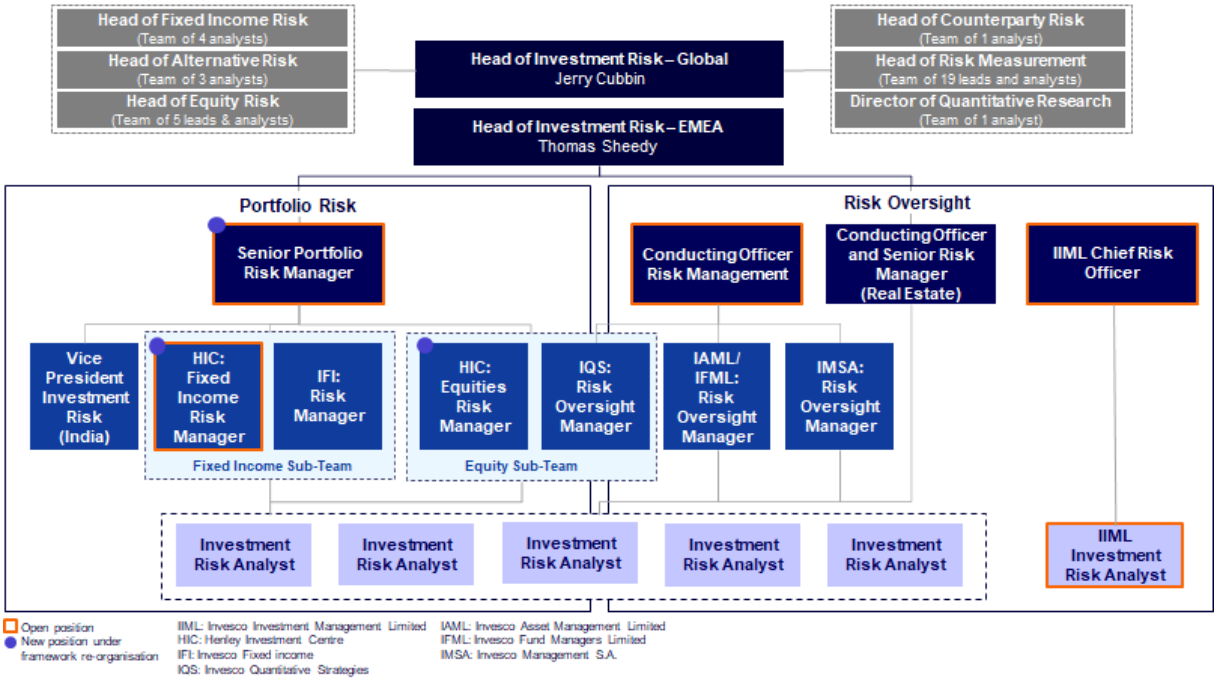


Source: Invesco as at 30 June 2021.

The team's core activities include:

- Facilitating, coordinating and challenging the quarterly Risk and Control Self-Assessment (RCSA) completed by each business function
- Actively managing the incident management process and BWise system, including independently following up on and ensuring effective mitigation of incidents and investigation of systemic and thematic issues.
- Providing operational risk information for capital requirements directive purposes e.g. for the ICAAP (Internal Capital Adequacy Assessment Process), Solvency ii, ORSA (Own Risk and Solvency Assessment) and MaRisk; including quantified aggregated inherent impact exposures and viable stress-test scenarios
- Aggregation and reporting of key risk indicators to monitor business adherence to our risk appetite

Investment Risk team
The Investment Risk team in the EMEA region reports to Thomas Sheedy, Head of Investment Risk - EMEA, as illustrated overleaf. Thomas has responsibility for investment risk monitoring across Invesco for the EMEA region and reports into Jerry Cubin who is Head of Investment Risk globally.



Source: Invesco as at 30 June 2021.

The team's core activities include:

- Supporting the management of investment risks including market, liquidity, counterparty, leverage and derivatives risk
- Independently identifying, monitoring, quantifying and assessing all investment-related risks within and across products during the new product development phase and within the life of a product
- Monitoring of portfolio risk limits (regulatory, contractual and internal) with the ability to escalate if required
- Communicating/heightening awareness and escalating investment-related risks in the business, on an ad hoc basis as warranted, through periodic 'risk challenge' sessions with fund managers
- Derivatives risk management oversight
- Oversight of outsourced risk systems, models and analytics

As part of the risk management process, the Investment Risk team interacts with investment teams in relation to the following:

- Definition of a portfolio's risk profile prior to its launch
- Attendance at risk challenge sessions on at least a semi-annual basis during which risk profiles are discussed and reviewed if needed
- As per the firm's escalation process in the case of an internal or regulatory limit breach of a portfolio's risk profile

All analytics monitored by the Investment Risk team are available to investment teams who are also able to request additional analytics that may help them manage their portfolio risk more effectively.

The Investment Risk team also collaborates closely with other risk experts in the firm, in particular Invesco's Risk Measurement team, who also report to Jerry Cubbin. For the EMEA region, the Risk Measurement team produces risk metrics such as Value-at-Risk (VaR), portfolio stress-testing and liquidity risk analysis which is leveraged by the Investment Risk team.

09.02 How does the firm define investment risk?

Investment management success is dependent upon prudent risk taking. Invesco views its risk factor exposures in the following areas: investment, credit/asset/liability, financial, operational and business. The definition of investment risk depends on the investment portfolio. Invesco approaches risk from a client-perspective. Depending on the mandate and client guidelines, risk may be deviation from a stated benchmark, client specified guidelines or performance objectives. Each investment team's portfolio construction is validated against client mandates. The performance implication of this construction could be the risk of capital loss or the risk of underperforming benchmark or both. The firm's approach attempts to take both into consideration.

09.03 What is the team's approach to managing investment risks?

Risk management is integrated into the portfolio optimisation component of the investment process and thus incorporated into the investment process rather than being residual to it.

Risk is evaluated and managed in several key ways:

Factor-based risk
The IQS proprietary risk model measures and allocates risk exposures associated with the four major factors (Earnings Momentum, Price Momentum, Quality and Value) and their associated signals. The risk model also manages exposure to risks sourced from style factors, sector exposures, and idiosyncratic security risk.

Liquidity risk
The team establishes exposure limits for stocks with limited liquidity, measured in terms of average daily trading volume and market capitalisation. Portfolio construction rules then prevent IQS from taking position sizes above the liquidity limit for that stock even if the intended position would otherwise fall below the maximum size for an individual holding.

Other risks
Before every rebalance, the research and portfolio management teams review all securities on the trade list for other sources of risk. When these additional sources of risk arise they typically reflect specific event risks that hold the potential to deliver substantive impact on the fundamentals of a company. Typically, these risks cannot be detected by the IQS multi-factor model. The investment team has defined procedures how to deal with these events and aims to take a risk neutral position (=zero weight) to companies where the stock price could be significantly impacted by specific effects that increase the likelihood of a negative outcome for the firm (e.g., fraud allegations).

09.04 What risk measurement models/tools are used?

A variety of systems and tools are used during risk management and monitoring for IQS' investment portfolios and takes place at multiple levels.

- Each investment team is responsible for managing risk within its portfolios. The team's CIO oversees risk management and monitoring using a process tailored to the strategy's philosophy and objectives. The IQS investment team uses a customised risk factor-based model for managing its global low volatility portfolios.

- Invesco's risk teams are independent from the investment team, and is responsible for providing comprehensive reporting that facilitates better understanding of performance quality and risk. This reporting is shared with the investment teams and as needed, with senior management of Invesco. Portfolios are monitored to determine if the risk positioning is consistent with the goals and objectives of the fund:

Many different systems are used in the risk oversight process. These include third-party systems as well as proprietary systems. These allow for VaR analysis, tracking error decomposition, portfolio activity relative to process and mandate, as well as performance attribution separating environmental factors and noise from skill.

Among third party systems that are used for such analysis by Invesco are: Northfield, FactSet, BARRA, StatPro, Zephyr StyleADVISOR, Morningstar and Lipper. Further, PMA and CAPER are two proprietary systems. PMA which integrates portfolio and market data, helps provide detailed analysis of absolute and relative exposures at fund, groups of funds and business units. CAPER is a trade-based attribution system that provides exceptional accuracy of portfolio returns.

In addition, regulatory offering material and client-set exposure limits are monitored on a pre- and post-trade basis by Invesco's compliance department using integrated systems.

A summary of the main IT systems used by the risk teams for risk management oversight is provided below:

Risks covered	IT system	Service provider	Use
Market	RiskMetrics	MSCI	Daily VaR and stress-testing
Liquidity	Internal database	Risk teams (Internal)	Weekly liquidity reports including percentage of liquid assets, time-to-liquidate and liquidation cost
Counterparty	Risk teams' internal database	Risk teams (Internal)	Daily monitoring of each portfolio's counterparty exposure
Operational	BWise	NASDAQ OMX	Incident reporting and operational risk management

Development of in-house tools is a joint responsibility of the Risk teams and Invesco's IT department.

09.05 What control systems assure that fund manager/investment team is not breaching guidelines?

The following control systems assure that investment guidelines are not breached:

Pre-trade monitoring
The firm employs the Charles River Development (CRD) order management system which streamlines, automates and enhances its investment management operations from decision support through to settlement. CRD provides the comprehensive control tools fund managers, dealers, operations and compliance personnel require on one scalable platform. Regulatory investment guidelines and fund specific restrictions are coded into CRD that, subject to certain limitations, is designed to prevent non-compliant trades and to issue warnings to the investment team if a trade is likely to result in a parameter breach. Compliance will review any hard block alerts and review/validate the rationale provided by the investment team and approve/disapprove the trade accordingly.

Post-execution compliance monitoring
Compliance will review any alerts on the system to check any changes from the pre-trade stage and review/validate and approve/disapprove the trade accordingly. The investment team is notified by Compliance of the decision.

Post-trade investment compliance monitoring

Post-trade compliance monitoring for regulatory investment guidelines and fund specific restrictions are completed from the official daily positions of the fund, which are fed into a separate environment within CRD known as 'As Of Compliance'. The compliance rules within this environment are controlled by Compliance. Compliance will review/investigate any potential breaches and liaise with the investment team for immediate rectification.

BWise incident recording system
BWise is a governance, risk and compliance system that is used for operational risk management, SOX control certifications and incident reporting. This allows for the creation of a link between risks, controls and incidents, supporting better trend analysis to control weaknesses and a more effective incident management process. As well as continuing to ensure that the firm's clients are treated fairly, the focus is also on avoiding the recurrence of incidents. BWise helps to reduce incidents, strengthen the control environment and protects the firm's clients and its business.

The EMEA Operational Risk team is responsible for the end-to-end management of incident reporting, including assisting the business to find effective mitigation of their incidents as well as seeking to identify systemic and thematic issues.

All incidents/breaches must be logged onto BWise as soon as reasonably possible. The 'incident owner' is the individual responsible for updating full details of the incident including what occurred, any control/process failures and what action has been taken to correct the incident as well as preventing reoccurrence. Any profit or loss caused by the incident is disclosed in the incident details. Once completed, this is forwarded to the 'incident approver' who is responsible for signing-off on behalf of their department that the incident details are complete, correct and all necessary action has been taken. This includes checking that any reoccurring incidents are being managed, and if necessary a separate preventative action plan has been established. Once approved, the incident is routed to the Operational Risk team who will then review the information for completeness. From a regulatory perspective, Compliance, where applicable, also reviews it for completeness and accuracy and will perform any breach rule classification where appropriate.

09.06 **Are the risk control processes audited? If yes, who conducts this and how regularly?**

Each of the firm's investment centres' risk control processes are audited at regular intervals by Invesco's Internal Audit function.

Invesco's external auditor, PricewaterhouseCoopers, performs an audit of the firm's operational controls to assess the effectiveness of control activities in key areas on an annual basis and reports its findings in the Service Organisation Control 1 (SOC1) Report, where such control audits are conducted for the relevant Investment Manager/Adviser.

SOC1 reports are issued for the following Invesco entities:

- Invesco Asset Management Limited, Invesco Fund Managers Limited and Invesco Asset Management Deutschland GmbH
- Invesco Adviser, Inc.
- Invesco Hong Kong Limited

A SOC1 report is also produced for Invesco's information technology control system for the firm's Houston (USA) and Henley (UK) data centres.

09.07 **How does the firm define operational risk?**

Risk is defined in the context of Invesco's business as "the possibility of an event occurring that may cause business objectives not to be met". In essence, it is an estimation of the likelihood of an event occurring and the degree of impact it may have on the business. Whilst there are a number of different sub-sets of risk, the predominant category applicable to Invesco's business is operational risk.

Operational risk is defined as "the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events". This definition includes all risks, such as legal, strategic and reputational, but with the exception of financial risk, portfolio risk and investment related credit and counterparty risk.

09.08 **What is the firm's approach to managing operational risks such as counterparty risk?**

The Operational Risk team facilitates a robust enterprise risk management framework throughout Invesco to ensure that key risks are adequately and effectively identified, monitored and mitigated by the business on a regular and timely basis. In doing so, Invesco seeks not to eliminate risk but to increase awareness, understanding and effective management. Operational risk is mainly managed by Risk and Control Self-Assessments and incident reporting, as described below.

Quarterly RCSAs
These quarterly assessments are performed to identify and qualitatively assess risks and mitigate controls. Business functions conduct a quarterly review of their risk profile and reassess the risks. Key to a successful common approach to allow consolidation across all functions is that each head of function understands the risk methodology and overall framework. Also, a strong risk awareness culture is of particular importance. The Operational Risk team participates in RCSA meetings to re-assess and challenge the risks assessment of business functions. An additional controlling mechanism of this function is the completion of an on-line RCSA certification by the business functional head. This certifies that controls covering the key risks identified by the business in the risk profile were documented and in place throughout the quarter, and that to the best of their knowledge any breakdown of controls have been raised and recorded on the incident reporting system.

Incident reporting
An incident reporting system, BWise, is used to record and manage all incidents. Incidents are recorded on the same system as is used for the RCSAs which allows for the creation of a link between risks, controls and incidents, to support better trend analysis of control weaknesses and more effective overall incident management. As well as ensuring that clients are treated fairly, the focus is on avoiding the recurrence of incidents. Thus, this process assists in helping to reduce incidents, strengthen the control environment and protect the firm's business and its clients. The Operational Risk team are responsible for the end-to-end management of incident reporting, including assisting the business to find effective mitigation of its incidents as well as seeking to identify systemic and thematic issues.

Invesco Japan
The counterparty risk is the risk that trading partners such as broker-dealers will default and will not live up to their obligations. Pursuant to its policies, Invesco Japan makes trading with approved broker-dealers which meet its selection criteria. Below is detailed the Broker Evaluation Process.

Criteria for approval
In order to be an authorised broker, it must clear at least two of the following criteria;

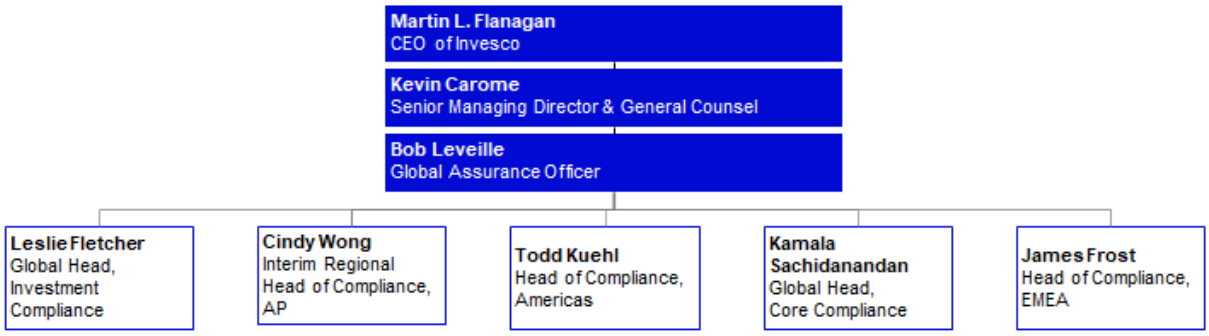
- The capital adequacy ratio of the broker should be no less than 250%;
- Credit rating should be above A (inclusive) if the broker is given rating by rating agencies;
- The broker should be a member of the Japan Exchange Group, Inc.;
- Broker's research and execution capabilities should meet the internal standard and its operational platform is well established.

10 Compliance

10.01 How is the firm's compliance department structured (including organisation chart)?

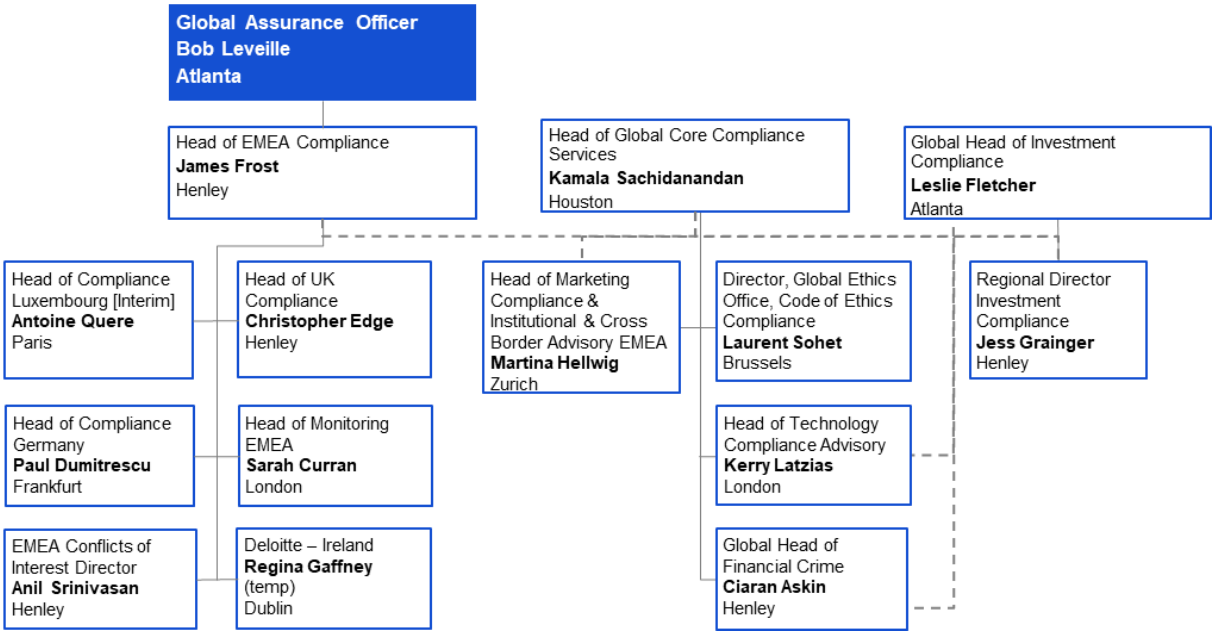
Invesco has a global Compliance department which prepares monitors and implements policies and procedures that are reasonably designed to prevent violations of securities laws or regulations. The Compliance department supports the culture of compliance by disseminating informative and explanatory memoranda, reports, manuals etc. for employee education and adherence to applicable regulations. The Compliance department also conducts and creates educational and informative seminars and programs for general refreshers and new or revised issues and requirements. Most importantly, on a routine basis it monitors existing practices, policies and procedures and reviews periodically written, practices, policies and procedures. The Compliance department provides senior management and appropriate Boards of Trustees/Directors with reports on significant exceptions, abuses, misunderstandings, errors and other actions.

The reporting structure of the global Compliance department is clear and documented. Invesco's Global Assurance Officer, Bob Leveille, reports directly to the General Counsel, Kevin Carome, who in turn reports to Invesco's President and CEO, Martin L. Flanagan. The Global Assurance Officer has a series of regional and functional compliance heads. The regional compliance heads in turn manage country compliance officers within their regions, whilst the functional heads manage specific compliance functions at a global level to ensure consistency of its application and interpretation as illustrated in the organisation chart below:



Source: Invesco as at 1 July 2021.

EMEA Compliance team
James Frost is Head of Compliance for Invesco's business in EMEA. In this role, he leads the firm's ongoing work to enhance and better align its compliance capabilities across the EMEA region, while ensuring local and country specific coverage, partnering with the region's CEO Doug Sharp and his team. This role leverages James' professional strength as a leader, as well as his vast knowledge of Invesco's unique operating environment. His direct reports are illustrated in the chart overleaf:



Source: Invesco as at 1 August 2021.

10.02 Is there an internal audit department? How often does it carry out internal audits?

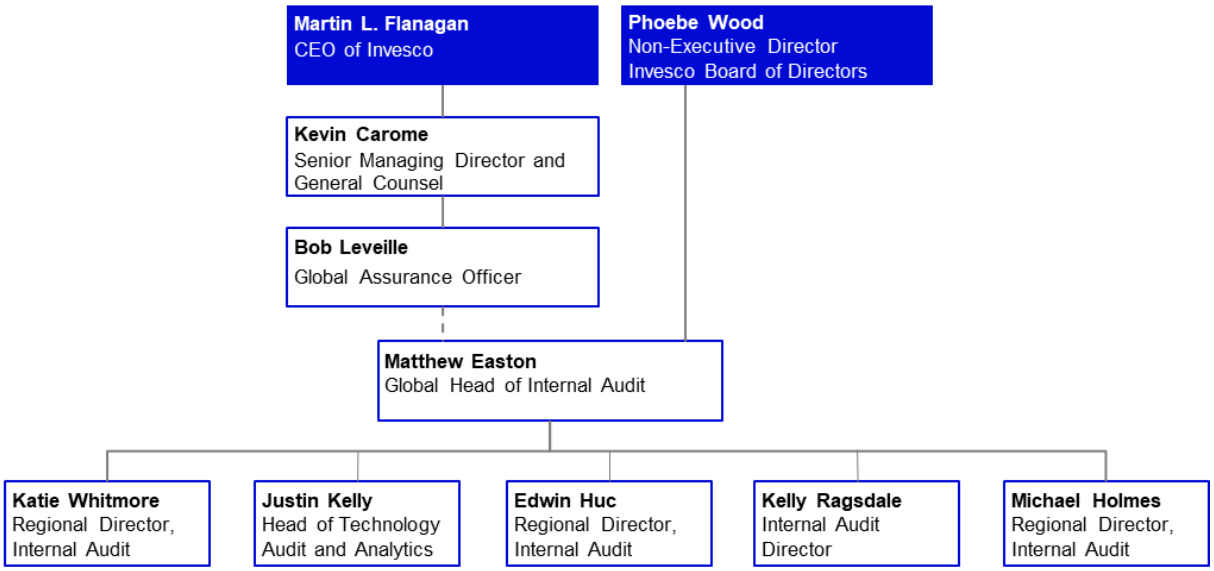
Invesco's business owners are responsible for the design and operating effectiveness of internal controls. Invesco's Internal Audit department (Internal Audit or the department) is responsible for providing independent, objective assurance and consulting services which are designed to add value and improve the firm's operations. These services are provided on an ongoing basis through a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

All business units are subject to Internal Audit oversight, and the department's role is to:

- Design and lead audits of investments and supporting processes, operations, products, systems, compliance and financial reporting processes, with the primary focus of such audits being to evaluate the design and operating effectiveness of internal controls
- Determine whether policies and procedures are properly interpreted and carried out as established
- Assess the design and operating effectiveness of internal controls to satisfy legal and regulatory requirements, such as an assessment of internal controls over financial reporting required pursuant to the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder
- Work with business owners to provide counsel and guidance with the objective of improving the integrity, consistency and quality of internal controls across the functions of Invesco
- Monitor the company's Whistle-blower hotline and conduct investigations and special reviews as necessary or as directed by the Invesco Audit Committee

Internal Audit has 39 full-time professionals globally as at 30 June 2021, with audit teams organised by geographic region where Invesco has operations. This contributes to the building of robust working relationships with business owners while helping to ensure timely responses to a changing marketplace and control environment.

The group is led by a Global Head of Internal Audit who reports into the Chairman of Invesco's Audit Committee. Formal updates on Internal Audit activities are provided to the Audit Committee at least five times per year. There is also a day-to-day administrative reporting line to the Global Assurance Officer of Invesco, who also heads the firm's global Compliance department. This structure allows Internal Audit to retain its independence while gaining the advantages of greater collaboration with the Compliance department and improved opportunities to identify and focus in on the key risk areas of the firm.



Source: Invesco as at 30 June 2021.

Internal Audit includes a team that specialises in Information Technology audits and conducts periodic reviews of the applications and technical infrastructure that supports Invesco's critical business operations. In addition, this team participates in various business operations audits where the use of Information Technology is significant. In these "integrated audits," Internal Audit is able to provide business owners a more comprehensive understanding of risk in a given area.

Internal Audit follows a set of policies and procedures to ensure consistency in its audit approach and adherence to established industry practices and expectations, specifically the International Standards for the Professional Practice of Internal Auditing. This includes, but is not limited to, audit planning, audit execution, work paper standards, audit reporting and issue tracking.

Internal Audit develops Invesco's annual audit plan based on its assessment of the risks presented by various activities within the firm. The department begins by determining and closely examining the universe of auditable entities, engaging in discussions with business owners and various assurance functions, reviewing market and industry developments, collecting the top concerns of Risk Management Committees and considering regulatory expectations. In assessing the risk presented by each potential auditable area, the department considers the following key factors: materiality, reputational impact, regulatory impact, organisational structure and reporting lines, reliance upon manual processes, understanding of current internal control environment, changes in systems or processes, loss exposure, complexity of operations/products, transaction volumes, average value per transaction, employee turnover, liquidity, previous audit results and time since prior audit. Individual audits and projects are ranked in order of risk priority ranging from Critical to Minor.

While Internal Audit resources are considered while developing the audit plan, resourcing is not the sole factor that determines the eventual audit coverage. The level of risk, including probability and potential impact, is key, and the use of service providers is available to the audit team should it require specialised expertise or additional manpower in order to ensure that all key areas of review are covered. After vetting with local business owners, draft audit plans are reviewed with senior management, including Invesco's CEO. The final audit plan is presented to Invesco's Audit Committee.

The audit plan is continually assessed with particular regard to any changes, including, but not limited to, the existing or anticipated control environment, marketplace, regulation, product line and organisational structure. Internal Audit management remains in close contact with business owners, all other assurance functions, external auditors, industry experts and others to ensure that the plan remains focused on the Invesco's key risks. Written and time-bound action plans are provided by the management team in response to each audit comment raised by Internal Audit. The status of each action plan is tracked by Internal Audit until corrective action has been implemented.

Invesco Japan internal Audit:
Invesco Japan also has an independent internal auditor, co-operating with the Global Internal Audit Team. Internal audit is conducted in accordance with Internal Audit procedure of Invesco group based on the annual audit plan which is developed using an appropriate risk-based methodology and approved by Invesco Japan Board of Directors and the Audit Committee of Invesco Ltd. The audit results are reported to Invesco Japan's management and the Audit Committee of Invesco Ltd.

10.03 **When did the last audit of the company take place? What is the name of the audit company? Has it changed over the last three years? Were there any relevant comments on the latest auditors' report?**

Current and previous auditors:
PricewaterhouseCoopers LLP were hired as Invesco's external auditors effective 1 March 2013. Prior to this, Ernst & Young LLP were Invesco's independent auditors.

Auditor's comments on financial reporting:
In their report dated 19 February 2021, PricewaterhouseCoopers LLP expressed their opinion that the consolidated balance sheets and the related consolidated statements of income, comprehensive income, changes in equity and cashflows present fairly, in all material respects, the financial position of Invesco and its subsidiaries at 31 December 2020 and the results of their operations and their cashflows for each of the three years in the period ended 31 December 2020 were in conformity with accounting principles generally accepted in the USA. Also, PricewaterhouseCoopers LLP expressed their opinion that Invesco maintained, in all material respects, effective internal control over financial reporting as of 31 December 2020, based on criteria established in Internal Control - Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Auditor's comments on Service Organisation Control 1 (SOC1) report:
With reference to Invesco's business in EMEA, the firm has a process in place to have a SOC1 prepared for Invesco Asset Management Limited, Invesco Fund Managers Limited and Invesco Asset Management Deutschland GmbH (collectively known as the service organisation). The period for this reporting runs annually from 1 October to 30 September. As the service auditor, PricewaterhouseCoopers LLP is responsible for expressing their opinion on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the service organisation's description of its procedures. PricewaterhouseCoopers conducts its engagement in accordance with the International Standard on Assurance Engagements 3402 'Assurance Reports on Controls at a Service Organization' issued by the International Auditing and Assurance Standards Board (ISAE 3402). In their latest report dated 15 February 2021, PricewaterhouseCoopers LLP expressed an unqualified opinion.

10.04 **What process does the firm use for the "Know Your Client" (KYC), Anti-Money Laundering (AML) or due diligence checks on underlying clients?**

IMSA (the Management Company of the fund), or its delegate, identify and verify all of its clients and records this information in line with regulatory requirements.

All clients are subject to customer due diligence procedures and ongoing monitoring in accordance with a hybrid model that covers both Irish and Luxembourg regulations and associated guidelines. As appropriate, clients are subject to daily screening to identify any relationships with Politically Exposed Persons or entities/individuals on the Sanctions list that include, but are not limited to, those of the UN, EU, and OFAC (Office of Foreign Assets Control (United States)).

The AML verification process uses a combination of methods. This includes verification by documents, or via a third-party intermediary assurance confirming that the intermediary firm has verified the identity of the individual.

For non-personal entities (that is clients that are not private individuals) verification is by documentation that varies in accordance with the type of entity.

Firms that are authorised and regulated for AML in EU-equivalent jurisdictions by their regulator normally qualify for so-called simplified due diligence. Checks are made to ensure the qualification for such treatment is valid.

10.05 **What rules does the firm have in place to prevent money laundering? What procedures and controls are in place to prevent money laundering?**

IMSA (the fund's Management Company), or its delegate, identifies and verifies all of its clients and records this information in line with regulatory requirements. In some instances, reliance may be placed on regulated entities in equivalent jurisdictions. Procedures are also in place for identifying, assessing, managing and reporting AML risks and suspicious transactions, operating in accordance with AML laws and associated Guidance Notes.

IMSA's Money Laundering Reporting Officer (MLRO) is Gerard Green.

The following high level detailed controls are in place:

- Client documentation is reviewed to ensure that all the customer due diligence information has been received prior to any money being accepted
- Reviews of transactions are carried out to monitor unusual account patterns
- Distribution agreements (where appropriate) are reviewed for appropriate AML clauses
- Procedures are in place to identify, approve and monitor relationships involving Politically Exposed Persons

Furthermore, the Compliance team provides regular training to staff on processes and procedures to prevent money laundering.

10.06 **What procedures are in place to prevent the practices of "market timing" and "late trading"?**

Invesco does not knowingly permit investments which are associated with market timing and late trading activities, as these may adversely affect the interests of its shareholders.

In general, market timing and late trading refers to the investment behaviour of a person or group of persons buying, selling or switching shares on the basis of predetermined market indicators. Market timing may also be characterised by transactions that seem to follow a timing pattern or by frequent or large transactions in shares.

Accordingly, the Management Company reserves the right to reject any application for switching and/or subscription of shares from investors whom it considers to be associated with market timing activity. In this connection shares may be combined which are under common ownership or control for the purposes of ascertaining whether investors can be deemed to be involved in such activities.

As funds are managed for longer-term investment, excessive short-term trading (which may be detrimental to a fund and its shareholders) is discouraged. Frequent purchases and redemptions of shares may present certain risks for other shareholders in a fund. This includes the risk of diluting the value of shares held by long-term shareholders, interfering with efficient management of a fund's portfolio and increasing brokerage and administrative costs. Funds investing in securities that require special valuation processes (such as below investment-grade securities), also may have increased exposure to these risks. Therefore, at its discretion, the Management Company may refuse to accept applications for purchase of, or requests for exchange of, shares where it believes such detriments to a fund may arise.

10.07 **Are there any lawsuits pending against the company?**

From time to time, Invesco and its subsidiaries may be involved in civil legal proceedings in the ordinary course of business. No such legal proceedings currently pending or threatened are expected to have a material impact on Invesco's business or operations or result in a finding of fraud, negligence or breach of fiduciary duty. There are no pending criminal proceedings against Invesco or any of its subsidiaries, and Invesco is not aware of any threatened criminal proceedings against it or its subsidiaries.

10.08 **Has the company been involved in any regulatory enforcements during the past five years?**

Invesco conducts investment management business only through its subsidiary companies. Those entities are regulated in jurisdictions where, by the nature of their activities, they are required to be regulated.

From time to time, Invesco's regulated investment advisers, all of whom have and maintain robust compliance programs and practices, may receive formal or informal requests from governmental or regulatory bodies about their activities. No requests currently pending are expected to result in any matter that could have a material adverse impact on the business or operations of any such advisers.

On 31 May 2021, Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) imposed an administrative fine and a sanction of EUR 260,000 on Invesco, related to a delay in the reporting of voting rights that occurred in 2019 shortly after the acquisition of OppenheimerFunds. The reporting error occurred at the Invesco parent company level (Invesco Ltd.) and was related to the delayed filing of voting rights in thirteen companies listed on the German stock exchange. The voting rights were correctly reported at the parent company level but were incorrectly attributed to a Trust domiciled in the US. As a result, the correct reporting was delayed, leading to the administrative fine. Invesco has taken the appropriate measures to improve systems and controls in order to prevent future reporting issues. Please note that client assets were not impacted and at no point was Invesco's authority to execute those voting rights impacted or limited due to this issue.

11 Reporting and client service

11.01 What kind of periodical reports are available to investors (including access to fund managers)?

The documents listed below are produced at the corresponding frequencies for the fund, and are available on the Invesco Europe website, www.invesco.eu:

Document	Frequency
Factsheet	Monthly
Interim and annual reports	Semi-annually/Annually

Further briefings/fund updates may also be provided to keep clients further informed of the fund's status.

Your sales representative will also keep you fully informed on matters concerning both the fund and the company and will be able to arrange ad hoc meetings with the investment team's Product Director (where available) should this be required.

Additionally, the firm is able to provide periodic conference calls or webcasts as part of its marketing and investment communication support activities to its clients.

11.02 What kind of periodical risk report is there on the fund? What is its frequency?

Daily, weekly, monthly and quarterly risk reports are produced that are issued for internal use only. Such reports are not available for external use.

11.03 Is performance attribution available? Under which circumstances?

Performance attribution analysis is available upon request.

11.04 At what frequency can the firm provide portfolio holdings for the fund?

Full portfolio information can be made available on a monthly basis with a three-month time lag for most funds (fund specific). Additionally, an end of month holding report can be issued upon demand, without the time-lag, conditional upon a client signing a portfolio confidentiality agreement and approval of the request by the EMEA Domiciled Funds Portfolio Disclosure Committee. Such portfolio information can only be issued with a specified time lag approved by the fund manager.

11.05 Who is responsible for client servicing?

Invesco has organised its sales and client services efforts along regional lines. The firm feels it is of utmost importance to be close to its clients and hence have local sales professionals in each important market.

Investment teams are supported by teams of client portfolio managers/product specialists. They are responsible for providing support on marketing and client service to the investment professionals, to allow the fund managers and analysts to focus on portfolio management and research. Client portfolio managers/product specialists work to minimise distraction for fund managers and analysts in terms of marketing, client service and administration.

12	**Operations**
12.01	**Description of the custodial, transfer agency, clearing and shareholder record-keeping process.**
12.02	**Description of the valuation process: pricing sources, valuation and mark-to-market practices and valuation practices.**

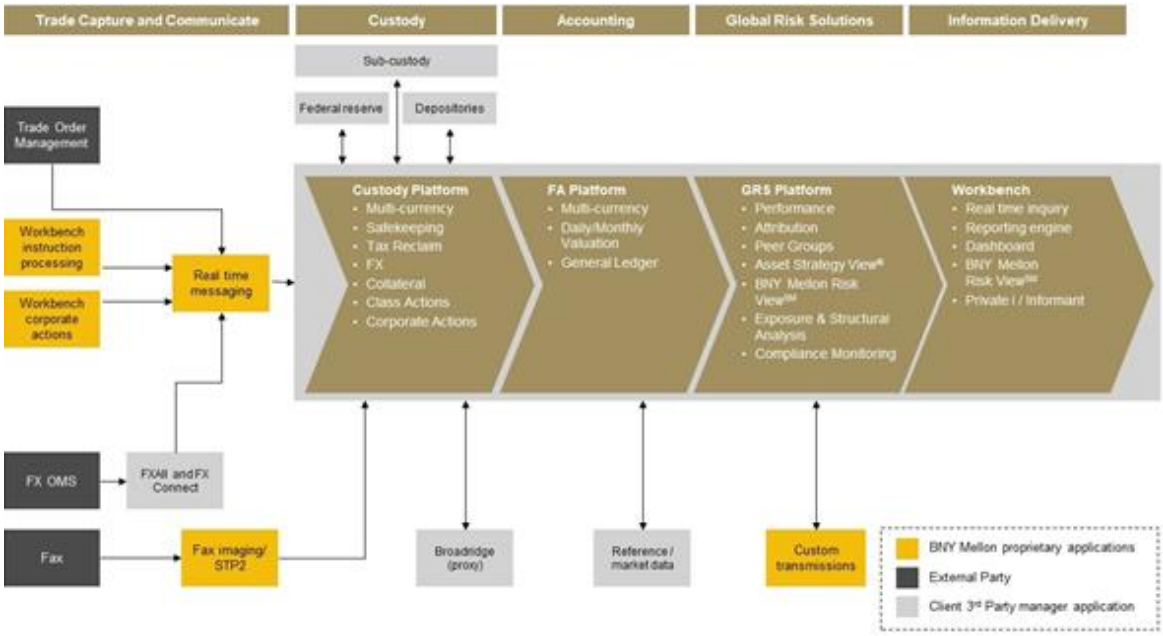
Fund accounting has been outsourced to BNYM. A description of their security valuation process is provided below.

The BNYM valuation process is centred on using the very best technology, maximising automation and the most rigorous internal controls. Procedures and controls at each stage of the valuation process are managed centrally through a standing Procedures Committee which forms part of the Global Best Practices Forum and procedures are reviewed internally on a continuous basis and are subject to an annual SOC1 audit. The constituents of the NAV process are as follows:

Security trade receipt/trade capture
BNYM's Trade Capture Management (TCM) team is a centre of excellence responsible for the trade processing of client instructed trade notifications to the fund accounting platform. The TCM team is also responsible for organising the set-up of new security types and will book the new trades following the creation of a new security master. The team also confirms that all trades processed to an account during the valuation period are reconciled/reviewed to a blotter, re-cap file or trade source document. This review confirms accuracy and completeness of the trade processing prior to NAV generation.

Trade processing review
As soon as a trade instruction is transmitted to BNYM, the transaction will be collected via its front-end systems and routed to custody and accounting. Transaction completeness is verified by the use of trade blotters and subsequent reconciliations on settlement date. Cut-off times and procedures for dealing with potential processing delays and late trade reporting would be agreed as part of the implementation process. For third-party managed accounts such as Invesco, Investment Managers typically send instructions via industry-standard electronic communication media. While SWIFT is the most commonly used method for electronic communication, BNYM has the capability to enable trade receipt direct from the client's Investment Manager platform, which is a Fund Accounting Only (FAO) trade flow. BNYM looks to maximise straight-through processing where possible.

An illustration of the trade life cycle used by BNYM is captured below:



Source: BNYM as at 31 March 2021.

Automated cash and stock reconciliation
BNYM operates a fully automated reconciliation process with a dedicated Reconciliation department that reconciles all securities and cash activity with all agents on a daily basis to ensure that securities positions and cash balances are reconciled and updated through every movement so the BNYM system is accurate. The Reconciliation department uses Smartstream TLM for all securities and cash reconciliations with external agents (sub-custodians, CSDs and nostro agents). Smartstream TLM is a complete end-to-end reconciliation system from loading statements, break detection as well as aging, statuses and reporting. Smartstream TLM has a complete audit trail of activity throughout the process.

For all internal account reconcilements, various systems/approaches are used to ensure daily, weekly and monthly reconcilements are completed in accordance with corporate policy.

For securities, BNYM receives MT535 and MT536 securities position statements, which are automatically routed into Smartstream TLM. For cash, MT950/940 cash statements are received from all agents, which are automatically routed into Smartstream TLM and reconciled. Depository Trust Company (DTC)/Federal Reserve Board (FRB), Euroclear and CREST send flat file extracts that get formatted into the TLM layout from GSP (not SWIFT).

Resolution of reconciliation exception is actioned by the various operational departments. Any reconciliation exception not resolved same day are aged and reported. A dedicated reporting team reports on the aged reconciliation exceptions to management.

Senior management receive unresolved aged reconciliation breaks each month as well as formal monthly reporting including risk exposure data.

Units in issue reconciliation (Transfer Agency)
Daily subscription and redemption files are received electronically from the Transfer Agent, which allows straight-through processing bookings at share class level in BNYM's fund accounting system. These unit holder deals are then reviewed to confirm that the creation or cancellation price used for the transactions correspond to the latest NAV release and consequently that proceeds/ price = units redeemed/issued. The file received from the Transfer Agent includes, at class level and per currency, when applicable:

- Opening share balances;
- Subscriptions, redemptions, cancellations, reversal of deals, special activities (i.e. dividend reinvestments) at class level and per currency;
- Ending share balance.

The outstanding share balances in the accounting records are also reconciled back to the information sent by the Transfer Agent. Any discrepancy between the accounting records and the transfer agency files would always be investigated immediately and resolved prior to the release of the NAV.

Security pricing
BNYM operates a centralised pricing utility, Data Solutions - Data Operations, which performs all pricing functions on behalf of the fund administration teams. BNYM's Data Solutions - Data Operations team obtains prices for all funds' securities via automatic data feeds from external pricing vendors and brokers on a daily or intra-day basis as required. For securities whose prices are not provided by vendors, BNYM obtains manual prices from brokers/market makers identified by the investment manager. Currently, BNYM verifies prices in 11 different timing slots. BNYM subscribes to the industry-standard pricing sources for all securities. Its vendor sources include:

- Intercontinental Exchange (ICE): Fixed income, equity and exchange-traded derivatives (ETDs)
- Refinitiv, formerly Thomson Reuters: Fixed income, equity, ETDs and funds
- SIXFinancial: Fixed income, equity, ETDs and funds
- Markit:Fixed income
- Bloomberg (BGN and BVAL): Fixed income and over-the-counter (OTC)
- WM Company: FX rates
- Markit Partners: OTC
- SuperDerivatives: OTC
- PricingDirect: Fixed income
- StatPro: Fixed income
- Financial Express: Funds

12.03 **Is there a pricing committee and how often does it meet?**

Yes. The Invesco European Pricing Committee reviews changes in pricing methodologies and approves fair value prices when necessary. This Committee is chaired by the EMEA Pricing Manager and its membership consists of Invesco officials from various areas including Middle Office, Compliance, etc. and has representation for the Fund Boards involved. Investment professionals may be invited to attend to provide market and company background, but they are not allowed to vote on the outcome. The Committee meets on an ad hoc basis as required and formally each quarter to review the decisions of the previous three months. The Invesco Unquoted European Pricing Committee was formed in addition to the European Pricing Committee. This committee meets regularly and is tasked with the oversight, review and pricing of unquoted securities specifically.

12.04 **Is swing pricing applied?**

As detailed in the Prospectus, if on any valuation day, the aggregate net investor(s) transactions in shares of a fund exceed a pre-determined threshold agreed from time to time by the Directors, the NAV per share may be adjusted upwards or downwards to mitigate the effect of transaction costs attributable to net inflows and net outflows respectively, in order to reduce the effect of dilution on the fund.

The net inflows and net outflows will be determined by the SICAV based on the latest available information at the time of calculation of the NAV. Dilution occurs when the actual cost of purchasing or selling the underlying assets of a fund, deviates from the carrying value of these assets in the fund's valuation due to dealing charges, taxes and any spread between the buying and selling prices of the underlying assets. Dilution may have an adverse effect on the value of a fund and therefore impact shareholders.

Typically, such adjustment will increase the NAV per share when there are net inflows into the fund and decrease the NAV per share when there are net outflows. As this adjustment is related to the inflows and outflows of money from the fund, it is not possible to accurately predict whether dilution will occur at any future point in time. Consequently, it is also not possible to accurately predict how frequently the SICAV will need to make such adjustments.

The swing pricing mechanism may be applied across all funds of the SICAV. The Directors have delegated to an internal committee of experts the ongoing swing pricing process (including the application of the swing factor). This committee will reassess on a periodic basis the extent of the price adjustment to be applied to reflect an approximation of current dealing and other costs. Notwithstanding such delegation, the Directors remain ultimately responsible for the swing factor applied to the funds.

In addition, the Directors may agree to include anticipated fiscal charges in the amount of the adjustment. Under normal circumstances, such adjustment may vary from fund to fund and will not exceed 2% of the original NAV per share. However, under exceptional market conditions (such as high market volatility), the adjustment applicable to a specific fund may, on a temporary basis and at the discretion of the Directors (taking into account the best interest of the investors) and upon prior investors notification on the website of the Management Company, exceed 2% of the original NAV per share. The adjustment of the NAV per share will apply equally to each class of shares in a specific fund.

The swing pricing mechanism is based on a daily subscription/redemption threshold per fund. However, where trends are identified or anticipated, a non-threshold based approach may be used in order to protect existing investors against any adverse cumulative impact whereby the swing pricing mechanism would be applied over a period of time even though the daily threshold may not be exceeded every single day.

For the avoidance of doubt, the swing pricing mechanism is applied on the capital activity at the level of the fund and does not address the specific circumstances of each individual investor transaction.

Investors are advised that the volatility of the fund's NAV might not reflect the true portfolio performance as a consequence of the application of swing pricing. Further information in relation to swing pricing is available upon request.

12.05 **Describe the NAV reconciliation process.**

Automated cash and securities reconciliation
BNYM operates a fully automated reconciliation process with a dedicated Reconciliation department that reconciles all securities and cash activity with all agents on a daily basis to ensure that securities positions and cash balances are reconciled and updated through every movement so the BNYM system is accurate. The Reconciliation department uses Smartstream TLM for all securities and cash reconciliations with external agents (sub-custodians, CSDs and nostro agents). Smartstream TLM is a complete end-to-end reconciliation system from loading statements, break detection as well as aging, statuses and reporting. Smartstream TLM has a complete audit trail of activity throughout the process.

For all internal account reconcilements, various systems/approaches are used to ensure daily, weekly and monthly reconcilements are completed in accordance with corporate policy.

For securities, BNYM receives MT535 and MT536 securities position statements, which are automatically routed into Smartstream TLM. For cash, MT950/940 cash statements are received from all agents, which are automatically routed into Smartstream TLM and reconciled. Depository Trust Company (DTC)/Federal Reserve Board (FRB), Euroclear and CREST send flat file extracts that get formatted into the TLM layout from GSP (not SWIFT).

Resolution of reconciliation exception is actioned by the various operational departments. Any reconciliation exception not resolved same day are aged and reported. A dedicated reporting team reports on the aged reconciliation exceptions to management.

Senior management receive unresolved aged reconciliation breaks each month as well as formal monthly reporting including risk exposure data.

Derivative reconciliations
Reconciliations are centralised within BNYM's Reconciliation and Control team and also the BNYM Derivative Services Group. Both teams are responsible for the daily automated reconciliations and also the research and investigation required to resolve any resulting exceptions.

BNYM has extensive experience in the servicing of derivative instruments. The responsibility of the Derivatives Support team is the full accounting lifecycle management of all OTC derivatives including: interest rate swaps, credit default swaps, equity index options, inflation swaps, variance swaps, total return swaps and contract for difference.

Derivatives positions held within funds are reconciled on a T+1 basis to broker/counterparty/client summary reports to confirm that all transactions have been correctly reported in fund accounting records. Detail and summary reporting of all exception items by client are sent to senior management daily. Weekly meetings with the Reconciliation, Valuations and Custody teams address all aged items.

Units in issue reconciliation (Transfer Agency)
Daily subscription and redemption files are received electronically from the Transfer Agent, which allows straight-through processing bookings at share class level in BNYM's fund accounting system. These unit holder deals are then reviewed to confirm that the creation or cancellation price used for the transactions correspond to the latest NAV release and consequently that proceeds/ price = units redeemed/issued. The file received from the Transfer Agent includes, at class level and per currency, when applicable:

- Opening share balances;
- Subscriptions, redemptions, cancellations, reversal of deals, special activities (i.e. dividend reinvestments) at class level and per currency;
- Ending share balance.

The outstanding share balances in the accounting records are also reconciled back to the information sent by the Transfer Agent. Any discrepancy between the accounting records and the transfer agency files would always be investigated immediately and resolved prior to the release of the NAV.

12.06 Fund dealing procedures: including cut-off time, standard turnaround for confirmation, settlement etc.

Applications for subscription, switch, transfer or redemption may be made on any business day to the Registrar & Transfer Agent or the Data Processing Agent or to the relevant Invesco Sub-Distributor in Hong Kong. Invesco Sub-Distributors or Local Sub-Distributors in Hong Kong in turn will forward details of all such applications to the Registrar & Transfer Agent or the Data Processing Agent to effect the subscription, switch, transfer or redemption of shares.

Applications which are received by the Registrar & Transfer Agent or the Data Processing Agent prior to the dealing cut-off point will, if accepted, be dealt with on the basis of the NAV per share of the relevant class calculated at the next valuation point. Applications received after the dealing cut-off point will, if accepted, be dealt with at the valuation point following the next dealing cut-off point. Applications taken in a dealing location on a day which is not a business day will, if accepted, be processed on the next business day.

Cut-off time
12.00 noon (Irish time) on each business day, or such other time, or times, as the Directors shall determine and notify in advance to shareholders.

Subscriptions

Prior to placing their initial subscription, applicants must request a Shareholder Identification Number from the Registrar & Transfer Agent or the Data Processing Agent by using the application form of the SICAV and completing and submitting it to the Registrar & Transfer Agent or the Data Processing Agent.

Applicants must provide the original application form and the relevant documentation required under the AML/CTF Laws and Regulations and other applicable regulations. Information required pursuant to tax legislation which might be applicable because the country of domicile, residence or citizenship may also be required. For further information regarding this directive, please see **Section 11 (Taxation)** and for more information regarding the AML/CTF Laws and Regulations, please see **Section 5.5.11 (Anti-Money Laundering and Counter-Terrorist Financing)** in the **Prospectus**.

Applicants are required to complete all relevant sections of the application form, including all applicable declarations and indemnities to the applicant. Applicants may, in addition, authorise an agent or attorney to conduct dealings for their account and on their behalf. Applicants should note that failure to complete all relevant sections of the application form in full may cause the Registrar & Transfer Agent and/or the Data Processing Agent to reject the application.

In case of failure or refusal by an applicant to provide the original application form and supporting documentation required the application shall not be accepted. Any proposed transactions may, as a result, be delayed or rejected pending receipt of all documentation as requested, at the discretion of the Registrar & Transfer Agent and/or the Data Processing Agent.

The SICAV reserves the right to reject any application for shares or to accept any application in part only in circumstances which the SICAV deems to be in the best interest of the shareholders or the funds. In addition, for the purpose of adherence to the AML/CTF Laws and Regulations, the Registrar & Transfer Agent and/or the Data Processing Agent reserve the right at any time during the course of the relationship with an applicant or shareholder, to suspend the execution of applications for subscription, switching, transfer or redemption, in whole or in part and to request the applicant or shareholder to submit additional information and documentation, from time to time.

Settlement for subscriptions is due in cleared funds for receipt by the SICAV on the settlement date. Payment must be made by electronic funds transfer (please see the application form for details).

Redemptions
Applications for redemption of shares may be placed by fax, telephone, in writing, or in accordance with the shareholder's instructions on the application form. The term "in writing" in relation to redemption orders shall include orders submitted by way of SWIFT or other electronic means (excluding e-mail) in accordance with the shareholder's instructions. All shareholders who have not previously elected to receive redemption payments by electronic fund transfer will be required to submit a signed original instruction with their bank details in order to release redemption proceeds. Applications for redemption of shares will only be accepted for shares which have been fully paid as at the dealing cut-off point on the proposed date of redemption. Shareholders should note that while pending receipt of verification documents required under the AML/CTF Laws and Regulations, transactions may be rejected or delayed.

Settlement for redemptions will be made by electronic fund transfer normally on the settlement date after receipt by the Registrar & Transfer Agent and/or the Data Processing Agent of all relevant documentation. It should take no longer than 10 business days for the Paying Agent to effect settlement of redemptions after receipt of all documentation requested by and to the satisfaction of the Registrar & Transfer Agent and/or the Data Processing Agent; and/or authorised agents, including but not limited to the bank(s) where the collection accounts are opened.

13 Costs

13.01 Fee overview (% per annum)

Share class	Management fee	Service Agents' fee	Custodian fee	Ongoing charges
A-Acc USD	1.00%	Max. 0.40%	See below	1.29%

Other share classes, with different fee structures, are available. Please see the prospectus for further information.

Service Agents' fee
The Management Company will be paid by the SICAV an additional fee for each Fund as set out in Appendix A of the Invesco Funds, SICAV Prospectus. Out of this, the Management Company shall pay the fees of the Administration Agent, Domiciliary and Corporate Agent and the Registrar & Transfer Agent as well as fees of Service Providers and fees incurred in places where the SICAV is registered. Each of these fees shall be calculated on each business day on the net asset value of each Fund at a rate which shall be agreed from time to time with the Management Company and paid monthly. Service Agents' fees will not exceed 0.40% of the net assets of each fund (please see Appendix A of the current prospectus for further details). The amounts actually charged shall be disclosed in the Reports.

Custodian fee
The Custodian will be paid by the SICAV a fee calculated on a monthly basis at a rate of up to a maximum of 0.0075% per annum of the net asset value of each fund on the last business day of each calendar month (or at such higher rate as the Custodian and the SICAV may at any time agree and except for I Shares as further disclosed in Section 4.1. (Types of Shares)), plus VAT (if any) and will be paid monthly. In addition, the Custodian will charge each fund safekeeping and servicing fees at varying rates, depending on the country in which the assets of a fund are held and currently ranging from 0.001% to 0.45% of the net asset value of the assets invested in such country, plus VAT (if any), together with charges at normal commercial rates in respect of investment transactions, as agreed with the SICAV from time to time. Sub-custodian fees are paid out of these safekeeping and servicing fees. The amounts actually charged shall be disclosed in the Reports.

Ongoing charges
The ongoing charges figure is based on annualised expenses for the period ending August 2020 This figure may vary from year to year. It excludes portfolio transaction costs except in the case of an entry or exit charge paid by the fund when buying or selling shares/units in another fund.

13.02 Is there a performance fee? If yes, is a high water mark and/or a hurdle rate implied?

There is no performance fee, high-water mark or hurdle rate.

13.03 Subscription fee

The entry charge for the purchase of A shares will not exceed 5% of the gross investment amount.

13.04 Redemption fee

There is no redemption charge payable for the fund.

13.05 Are there any transaction commissions charged to the fund?

The Administrator does not charge any transaction commissions on top of the brokerage fees. Please note that the Custodian charges a transaction handling charge.

13.06 **Minimum amount and pricing for the management of a segregated mandate.**

Invesco would be pleased to discuss the management of a segregated mandate upon request. Factors taken into consideration include asset size, the requested servicing level, if the client is an existing investor and the firm's overall relationship with the client.

14 Appendices

14.01 Investment team biographies

Bernhard Langer, CFA
Chief Investment Officer, Invesco Quantitative Strategies

Bernhard Langer started his investment career in 1989 with Bayerische Vereinsbank, moving to their Asset Management function where he led the strategy team from 1992 on. He joined Invesco in 1994 as portfolio manager for equities and became head of equities in 1996 and Chief Investment Officer in 2000 for Germany. In 2002 he took over the responsibility for the Quantitative Strategies Group (International). In January 2009 Bernhard became CIO, Global Quantitative Equity and is responsible for the quantitative equity investment approach, related products and clients with team members in New York, Boston, Frankfurt, Melbourne and Tokyo. Bernhard holds a M.A. in Business Administration, Economics and Banking from University of Munich and is a CFA charterholder.

Nikunj Agarwal
Research Team, Invesco Quantitative Strategies based in New York
Nikunj is a Research Analyst developing quantitative models to forecast risk and return in the management of global equities. Prior to joining Invesco in January 2021, Nikunj has worked as a Quantitative Research Analyst at Wolfe Research LLC and as a Data Scientist at an Indian tech startup. Nikunj received his Bachelors of Technology degree from Indian Institute of Technology Roorkee in 2017, and a Masters in Financial Engineering from Cornell University.

Jennifer An
Global Portfolio Analytics Team, Invesco Quantitative Strategies based in Boston.
Jennifer joined Invesco in February 2000 and began her career with Strong Capital Management. She received a B.A. in Economics and a minor in Business from the University of Wisconsin in Milwaukee and has passed the Series 6, 7 and 63 examinations.

Carsten Becker
Global Portfolio Analytics Team, Invesco Quantitative Strategies based in Frankfurt.
Carsten joined the team in May 2018 as a Portfolio Management Associate. Parallel to his work at Invesco, he studies Business Administration at Frankfurt School of Finance & Management.

Moritz Brand, CFA
Global Portfolio Analytics Team, Invesco Quantitative Strategies based in Frankfurt.
Moritz joined Invesco Quantitative Strategies in 2018. He received his B.Sc. in Financial Mathematics from the Technical University of Braunschweig and his M.Sc. in Investment Management from the Hong Kong University of Science and Technology. He is a CFA charterholder and member of the German CFA Society.

Dr. Bernhard Breloer
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Bernhard joined IQS PM team in November 2019. He started his career as a client portfolio manager at Robeco Quant Equities. Bernhard holds a doctorate in Finance from University of Nuremberg. His research was published in the Journal of Finance and Banking and the Journal of Asset Management. He received also a Diploma degree in Business Administration from the University of Eichstaett-Ingolstadt.

Alexandar Cherkezov, CFA
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Alexandar started his career at Invesco Quantitative Strategies Portfolio Management team in July 2012 where he stayed until August 2013. In August 2014 he rejoined the team after studying for his MSc degree in International Finance at the HEC Paris. He earned a Bachelor of Science in Business Administration from the University of Mannheim and is also a CFA charterholder.

Robert M. D'Amore
Research Team, Invesco Quantitative Strategies based in Boston.
Prior to joining Invesco in July of 1997, Robert was a Database Administrator for Epsilon Data Management. He received a B.A. in Computer Science from Boston University in 1989.

Yuxiao (Angelica) Dai
Research Team, Invesco Quantitative Strategies based in New YorkAngelica joined Invesco in January 2020. She received her Bachelor of Economics and Finance in 2018 from the University of Hong Kong and her M.E. in Financial Engineering from Cornell University in 2019. During her master studies she worked as a Quantitative Research Analyst Intern on the Invesco Quantitative Strategies team.

Manuela von Ditfurth
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Manuela joined Invesco in 1998 and is expert in the field of responsible investing. She began her investment career in 1989 in the Portfolio Research Management at Metzler Investment GmbH in Frankfurt. From 1994 to 1998 she was responsible for Portfolio Indexation. She holds a "Bankfachwirt" degree from Bankakademie Frankfurt.

Georg Elsaesser
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Georg is a Senior Portfolio Manager in the Invesco Quantitative Strategies team based in Frankfurt. He has long-standing experience in the area of factor investing and assumes responsibility for a broad range of factor-based investment strategies. Georg has 21 years of business experience and joined the Invesco team in 2016. Before he held senior positions at Allianz Global Investors, WestLB, CologneRe and HSBC. He received a "Diplom" degree in Financial Mathematics from the University of Dortmund, Germany, in 1999.

Dr. Bartholomäus Ende
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Bart joined Invesco in 2005 part time in parallel to his studies of computer science with a minor in business administration for which he received a "Diplom Informatiker" degree from Goethe University, Frankfurt. In 2006 he began a doctoral program at the House of Finance, Goethe University, Frankfurt, where he investigated innovative trading technologies. Bart became a full time analyst at Invesco in July 2011 and received his doctorate in 2012.

Su-Jin Fabian, CFA
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Su-Jin joined Invesco in 2007. She worked for the Client Services Team prior to joining the Portfolio Management Team in May 2012 as an Associate and was promoted to Portfolio Manager in 2015. Before joining Invesco she worked as an RFP Specialist at Fidelity Investments in Kronberg where she started her career as a customer service representative in 2003. Su-Jin received a "Diplom Kauffrau" degree from the Goethe University, Frankfurt in 2002. She is a CFA charterholder and member of the German CFA Society.

Xihao Feng
Research Team, Invesco Quantitative Strategies based in Boston
Prior to joining Invesco in May 2017, Xihao worked as a Quantitative Research Analyst Intern at Macro Analytics for Professionals. Xihao received his B.S. degree in Actuarial Science, Economics and

Applied statistics from Purdue University in 2015, and a Masters of Engineering in Financial Engineering from Cornell University School of Operations Research and Information Engineering.

Michael Fraikin
Global Head of Research, Invesco Quantitative Strategies based in Frankfurt.
Michael joined Invesco in 1997 as portfolio manager for European equities and was since the formation of the global quantitative investment team in 2003 a director of portfolio management. Michael was appointed Head of Research in 2015. He also serves as a member of IQS's management team responsible for strategic planning and direction. He began his investment career in 1991 with Commerzbank as analyst in the buy side research for European equities and became deputy head of the quantitative research team in Commerzbank Asset Management. He received a Bachelor of Arts (Hons) from the University of Reutlingen and Middlesex University, London in 1990 within the Combined European Study Program and a M.S. Accounting & Finance from the London School of Economics, London in 1991.

Stefan Freudenreich, CFA
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Stefan began his career as research fellow at the University of Würzburg in 2006. Before joining Invesco, he held a position as equity research analyst at ESN/Equinet in Frankfurt. He earned a Diplom-Kaufmann degree from the University of Würzburg and a M.Sc. in Accounting Information Systems from SUNY Albany. He is also a CFA charterholder and a member of the German CFA Society.

John Gallop
Global Portfolio AnalyticsTeam, Invesco Quantitative Strategies based in New York.
John joined IQS in October 2014 after working for the team the previous two years as a consultant data analyst. Previously, he worked for Mutual of Omaha Investor Services in 2004 in marketing support and ended his time there as a senior business systems analyst and registered principal in 2010. He received a B.S. in Computer Science in 2002 and a B.A. in Applied Music in 2007 from Wayne State College in Nebraska.

Andrew Gardner
Chief Administrative Officer, Invesco Quantitative Strategies
Andrew remains focused largely on further enhancing engagement with Invesco's global business partners. He has also been supporting and coordinating the firm's global initiatives on factor investing and, more recently, the opportunities with Invesco Fixed Income in multi-asset factors. Prior to joining the Invesco Quantitative Strategies team in Frankfurt, he was a Regional Sales Manager for Invesco Middle East, responsible for supporting Invesco's global approach with sovereigns and business development in the region. Andrew has been with Invesco for 16 years and has worked across all three regions. Previously, Mr. Gardner served Invesco Asia Pacific in Tokyo, Hong Kong, Melbourne, Singapore and Taiwan. He coordinated strategic business development of the Asia Pacific Institutional business while exploring other market and potential opportunities within the region. In Tokyo, he served on the team that assisted in the joint venture of Religare Asset Management, and he previously led the global international client transition during the Morgan Stanley acquisition in Japan. Initially, he began his career at Invesco in Dublin working in Corporate on the Global Financial Planning team in London. In addition, he has served on the Strategic Business Development team in Atlanta. Andrew is member of the Association of Chartered Certified Accountants obtained through Dublin Business School.

Xavier Gerard, Ph.D., CFA
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Xavier joined Invesco in 2014 as a Senior Research Analyst from Syntrus Achmea, in the Netherlands, where he was working as Senior Portfolio Manager responsible for the firm's Quantitative Equity Strategies. Prior to that Xavier held Senior Research positions at The Royal Bank of Scotland and in the Active Equity Department of State Street Global Advisors in London. Xavier has a PhD in Finance from Cass Business School in London. His research into corporate finance, market anomalies and portfolio construction has been published and presented at international conferences. He is a CFA charterholder and a member of the UK CFA Society.

Tarun Gupta, Ph.D.
Managing Director of Research and Global Head of Investment Technology, Invesco Quantitative Strategies based in New York
Tarun joined the IQS team in 2019 to focus on innovative research to enhance quantitative research strategies and spearhead development of investment technology. He also serves as a member of IQS' management team responsible for strategic planning and direction. Prior to joining Invesco, Tarun was a Managing Director at AQR Capital Management where he led a global research team that focused on alpha research, including the development and ongoing management of global trading strategies. Prior to AQR, he worked at Goldman Sachs as a Vice President and lead portfolio manager for Global Equity portfolios, among other funds. In addition, he has contributed and reviewed academic articles for top finance journals, including the best paper award for the Journal of Portfolio Management in 2019. Tarun earned his Ph.D. and M.A. degrees in economics with specializations in asset pricing and macroeconomics from the University of Chicago. He also holds undergraduate degrees in mathematics and economics.

David Happersberger
Research Team, Invesco Quantitative Strategies based in Frankfurt.
David is a Research Analyst developing quantitative models to forecast risk and return in the management of multi-asset strategies. He joined Invesco in 2016 as part of his Doctoral Studies in Finance at Lancaster University. He graduated with an M.Sc. in Economics from the University of Konstanz and an M.Sc. in Economics and Econometrics from the University of Essex.

Tim Herzig
Global Portfolio Analytics Team, Invesco Quantitative Strategies based in Frankfurt.
Tim joined the IQS team in 2017 with a focus on factor analytics and performance attribution. He received his B.S. in Business Administration from the University of Rostock and his M.S. in Finance from the Stockholm School of Economics.

Anne-Marie Hofmann
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Anne-Marie joined Invesco in 2002. She was working for Performance Measurement and Reporting first and joined the GQE Research Team in April 2011. She began her investment career in 1999 at Activest in Munich as Performance Measurement Analyst. Previously she was working as software developer. Anne-Marie received a "Diploma" in Mathematics from the Technical University of Darmstadt in 1994.

Dr. Stefan Holtmeier
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Stefan joined Invesco in February 2007. Previously, since 2000, he developed CRM-web-applications for German saving banks for the software-company "1822-S-iNFORM". Stefan started his career in software engineering in 1997 at the asset department of the "Hessische Landesbank" as a consultant of the software-company sd&m. He received a doctorate in physics in 1994 from the University of Grenoble followed by a postdoc at the low-temperature physics institute in Frankfurt.

Nils Huter, CFA
Director Portfolio Management, Invesco Quantitative Strategies based in Frankfurt.
Nils joined Invesco as a portfolio manager in 2007 and was promoted to lead the Frankfurt based Portfolio Construction and Trading Team in 2018. Before joining Invesco, Nils worked as a portfolio manager at Universal Investment GmbH in Frankfurt responsible for front end compliance and trading. He received his business administration degree “Diplom Kaufmann (FH)” from the University of Applied Sciences and Arts in Hildesheim in 2006. Nils is a CFA charterholder and a member of the CFA Society Germany.

Satoshi Ikeda
Research Team, Invesco Quantitative Strategies based in Tokyo.
Satoshi joined Invesco Japan in 2010. Prior to joining the firm, he was a portfolio manager of the global equity quants/passive portfolios at Morgan Stanley and a portfolio manager of quants strategy at Nissay Asset Management. Previously, he worked at DIAM Asset Management. He received a M.E. from Osaka University in Manufacturing Engineering and MBA from Hitotsubashi University in Financial Strategy. He is a Chartered Member of the Securities Analysts Association of Japan.

Jochen Jenkner
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Jochen joined Invesco in 2005 as software developer. He started his career as software developer with vps GmbH, Ettlingen in 2004. Jochen received a “Diplom Informatiker” degree from the University of Darmstadt in 2004.

Tomohide Kawakami
Global Portfolio AnalyticsTeam, Invesco Quantitative Strategies based in Tokyo.
Tomohide joined Invesco Japan in 2014. He commenced his career in Equity Capital Market of Mizuho Securities. He earned a bachelor degree in Economics in Keio University (Japan) in 2012.

Julian Keuerleber, CFA
Global Portfolio Analytics Team, Invesco Quantitative Strategies based in Frankfurt.
Julian joined the IQS team in 2010 and is heading the Global Portfolio Analytics team since 2016. His focus is on factor analytics and performance attribution. He received his B.S. in Business Administration from the Frankfurt School of Finance & Management. Julian is a CFA charterholder and a member of the CFA Society Germany.

Dr. Martin Kolrep
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Martin joined Invesco Quantitative Strategies in the year 2000. He started as a quantitative analyst and later moved to the Portfolio Management Team. At the beginning of 2003, he was promoted to Senior Portfolio Manager with an emphasis on balanced and multi-asset strategies. Apart from portfolio management his current activities are centred around risk management, asset allocation, product development and investment communication. Within the team he is now leading all activities in the area of Multi Asset strategies. On top of that he is involved in the development of client solutions especially in the area of Multi Asset strategies. Before joining Invesco, he received a degree in physics from University of Freiburg in 1996. Subsequently, he worked as a research associate at the Institute for Experimental Particle Physics of the University of Freiburg and at the European Organisation for Nuclear Research (CERN) in Geneva, Switzerland. He was awarded a doctorate in Physics from Freiburg University in 2000.

Janina Kolle
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Janina joined the team in July 2017 as a Portfolio Management Associate and was promoted to Portfolio Manager in 2021. She received his B.S. in Business Administration from the University of Ljubljana and her M.S. in Finance from University of Ljubljana and Frankfurt School of Finance & Management. Janina is a Certified Financial Risk Manager (FRM).

Joshua Kothe
Global Portfolio Analytics Team, Invesco Quantitative Strategies based in Frankfurt.
Joshua joined the team in July 2015 as a Portfolio Management Associate. He received his B.S. in Business Administration from the Frankfurt School of Finance & Management.

Neil Lahy
Portfolio Management Team, Invesco Quantitative Strategies based in Melbourne.
He is responsible for managing Australian equity portfolios (Core, 130/30 long/short, and Smaller Companies). Neil has more than 25 years' experience in Australian financial markets, working as a portfolio manager, senior risk manager, and equity research analyst in a variety of quantitative and fundamental equity teams including BlackRock. Neil has extensive experience establishing investment teams, including building a new quantitative capability at National Mutual Life Association and setting up investment operations for Agora Asset Management. He holds a Bachelor of Science (Honours) and a Master of Science from Monash University.

Edward Leung, Ph.D.
Research Team, Invesco Quantitative Strategies based in New York.
Edward joined Invesco in 2007. His current research focuses on alternative data, Machine Learning, and factor timing. Prior to joining the firm, he was an associate director at
Bear Stearns Asset Management focusing on hedge fund due diligence. Before that, he was a director at Standard & Poor's (S&P) focusing on the S&P hedge fund indexes. Mr. Leung also taught at Columbia University from 2002 to 2005 and at New York University in the fall of 2009 as an adjunct assistant professor. He began his investment career in 1999 with Knight Trading Group as a quantitative analyst. He earned a BA degree from Northwestern University and a PhD in economics from the University of Pennsylvania.

Dr. Harald Lohre
Director of Research, Invesco Quantitative Strategies based in Frankfurt
Harald joined Invesco in April 2016 as a Senior Research Analyst and was promoted to his current role in 2020. He is a member of IQS's management team responsible for strategic planning and direction. Previously, he was the Head of Quantitative Research and Portfolio Manager on the Quantitative Asset Allocation Team of Deka Investment GmbH. Before joining Deka, he had completed his Doctoral Studies in Finance summa cum laude at the University of Zurich while working as an Analyst in the Quantitative Strategies Team of Union Investment. Harald holds a Diploma in Mathematical Finance from the University of Konstanz. His work has been published in the Journal of Empirical Finance, Financial Analysts Journal, European Financial Management, Applied Financial Economics, and the Journal of Risk, among others. Harald has been awarded several research grants, and he is the winner of The Sir Clive Granger Memorial Best Paper Prize. Harald is a Fellow of the Centre for Endowment Asset Management (CEAM), Cambridge Judge Business School and a Visiting Research Fellow at the Centre of Financial Econometrics, Asset Markets and Macroeconomic Policy (EMP) at Lancaster University Management School. He serves on the research committee of Inquire Europe and on the editorial board of the Journal of Systematic Investing.

Ritchard Longmire
Portfolio Management Team, Invesco Quantitative Strategies based in Melbourne.
He is responsible for managing Australian equity portfolios (Core, 130/30 long/short, and Smaller Companies). Ritchard has over 19 years' experience in Australian equity and capital markets, working

in quantitative portfolio management, research and analysis, and economics. Prior to joining Invesco in February 2018, Ritchard was with BlackRock, Barclays Global Investors, and Tactical Global Management. Ritchard holds a Bachelor of Economics (honours) from Monash University.

David Mischlich
Research Team, Invesco Quantitative Strategies based in Frankfurt.
David joined Invesco in May 2017. He received his BSc. in Economics and Business Administration in 2014 and his MSc. in Finance in 2016 both from Goethe University Frankfurt. During his master studies he was working part-time within the Quantitative Asset Allocation Team of Deka Investment.

Dr. Gangolf Mittelhaeusser
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Gangolf began his investment career with Invesco in 1999 as software developer for the research group. He received an M.S. in Physics in 1989 and a doctorate in Computer Science from the University of Kaiserslautern in 1998.

Glen E. Murphy, CFA
Global Head of Portfolio Management Team, Invesco Quantitative Strategies based in Boston.
Glen joined Invesco in 1995 and was promoted to portfolio manager in 1998. In 2010 he was promoted to lead the US portfolio construction and trading team and in 2016 promoted to lead the team globally. He also serves as a member of IQS's management team responsible for strategic planning and direction. Glen earned a BA degree from the University of Massachusetts at Amherst and an MS degree in finance from Boston College. He is a CFA charterholder and a member of the Boston Security Analysts Society. He is also registered with the National Futures Association (NFA) as an associated person of Invesco and as a branch manager.

Robert Nakouzi
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Robert joined Invesco in October 2004. Previously he worked for the Equity Research and Sales Team at Bankhaus Metzler in Frankfurt, as Account Manager, responsible for institutional accounts in the Middle East, Belgium, Italy and France, specializing in German and Swiss equity products. He received a "Licence en Gestion des Entreprises" from the University of Beirut in 1989 and a Bachelors Degree in Finance and Marketing from the University of applied sciences in Frankfurt, Germany in 1998.

Zhanar Omarova
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Zhanar started her investment career with Invesco in February 2005 after graduating from Goethe University, Frankfurt in 2004, where she studied Economics and Business Administration.

Thorsten Paarmann, CFA
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Thorsten joined Invesco in 2004 as portfolio manager, responsible for European and Global equity funds as well as multi asset portfolios. Before joining Invesco, Thorsten was a product manager for the range of institutional pooled funds at Cominvest Asset Management . He received a "Diplom Kaufmann (FH)" degree from Berlin School of Economics and Anglia Business School, Cambridge within the Combined European Study Program in 2000. Thorsten is a CFA charterholder and member of the CFA Society Germany.

Sergey A. Protchenko
Research Team, Invesco Quantitative Strategies based in Boston.
Prior to joining Invesco in August 2005, Sergey worked as a System and Network Analyst at Bio-Rad New England. Sergey received a B.S.B.A. in Finance and M.I.S. from Northeastern University in 2004, and an M.S. in Finance as well as an M.B.A. from the McCallum Graduate School of Business at Bentley University.

Erhard Radatz
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Erhard joined Invesco in August 2017 as a portfolio manager focusing on balanced accounts and capital protected products. He started his career as a portfolio manager in Deutsche Asset Management's institutional Multi Asset and Risk Overlay team. Erhard holds a Master's degree in Theoretical Physics from the Humboldt University Berlin.

Andre Roberts
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
He is responsible for managing Australian equity portfolios (Core, 130/30 long/short, and Smaller Companies). Andre has over 24 years' experience in Australian equities markets (fundamental, active quant and index), working in quantitative portfolio management, research, investment solutions and systems development .Prior to joining Invesco in February 2018, Andre was with IFM Investors, BlackRock and County Investment Management. Andre is a CFA charterholder and board member of the CFA Society of Melbourne, of which he is a past president. He holds a Bachelor of Science in statistics and a post-graduate diploma in econometrics from Monash University.

Michael Rosentritt
Global Portfolio Analytics Team, Invesco Quantitative Strategies based in Frankfurt.
Michael joined the team in July 2013. He received his B.Sc. in Business Administration from the Frankfurt School of Finance & Management in 2017 and his M.Sc. in Finance also from the Frankfurt School of Finance and Management in 2018. Michael is responsible for model and performance analysis of quantitative equity strategies and investment communication.

Carsten Rother
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Carsten is a Research Analyst developing quantitative multi-factor models in equities and across asset classes. He joined Invesco in 2014 as a Portfolio Management Associate and he received a Bachelor degree in Economics from University of Erfurt in 2012 as well as a Master of Science in Finance from the Frankfurt School of Finance & Management in 2014. In September 2017, Carsten started pursuing his Doctoral Studies at the University of Hamburg.

Nicole Schnuderl
Portfolio Management Team, Invesco Quantitative Strategies based in Melbourne.
Since October 2009 Nicole works as a portfolio manager. She started her investment career in October 2005 with Invesco Frankfurt in the Research team. She received degrees in Business Administration and Economics from Vienna University of Business Administration and Economics and Richmond University respectively in 2005.

Peter Secakusuma
Research Team, Invesco Quantitative Strategies based in Boston.
Prior to joining Invesco in February 2001, Peter was a Financial Engineering Specialist at The MathWorks, Inc. where he designed, developed and maintained two of their software products for investment quantitative research. Peter received a M.S. in Finance in 2001 from Boston College, M.S. in Electrical Engineering in 1994, and a B.S. in Electrical Engineering in 1990 from Tufts University.

Yifei Shea, Ph.D., CFA
Research Team, Invesco Quantitative Strategies based in Boston.
Yifei joined the IQS team in 2018 as a senior quantitative equity researcher. Her current research focuses on fundamental equity factors, Machine Learning and Natural Language Processing. Prior to joining Invesco, she was a Vice President on the investment team at Blackstone Alternative Asset Management. Previously, she was a quantitative analyst for GMO's Global Equity team. Prior to that, she held various roles at State Street Bank most recently as a quantitative researcher at State Street Associates, focusing on cross-asset research. Yifei earned her B.A. in Applied Mathematics from Tsinghua University in Beijing, China, and her Ph.D. in Mathematics from Boston University. She also served as an adjunct faculty at Sawyer Business School, Suffolk University.

Artem Smirnov
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Artem received a Master's degree in Computer Science from Bauman Moscow State Technical University in 2017 and a Bachelor's degree in Computer Science in 2015 from the same university. He worked as a Software Developer at Raiffeisenbank Russia in Moscow before joining Invesco in April 2019.

Weili Song
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Weili holds a Master's degree in Computer Science from University of Karlsruhe and a Bachelor's degree in German and English language from the East China Normal University in Shanghai. Before joining Invesco in January 2019, Weili worked as a Software Developer and Research Analyst at Quoniam Asset Management in Frankfurt.

Margit Steiner, Ph.D.
Research Team, Invesco Quantitative Strategies based in Frankfurt.
Margit started her investment career in November 2000 and joined Invesco in October 2003. Previously she worked as an equity analyst with FOR Securities in London. She received a PhD in mathematical physics from Imperial College, London in 1999, and a diploma in physics from the University of Hamburg in 1996.

Jerry Sun, Ph.D.
Research Team, Invesco Quantitative Strategies based in Boston
Jerry joined Invesco in 2018 as a Quantitative Research Analyst and is a member of the Research Coordination Committee responsible for all aspect of research. Previously he developed and managed a broad range of systematic strategies in equities, currencies and multi-assets at State Street Global Advisors, AllianceBernstein LP, Deutsche Bank, and Goldman Sachs Asset Management. He served as an Adjunct Professor at the University of Connecticut. He holds B.S. in Applied Mathematics from Shanghai Jiao Tong University, M.S. in both Statistics and Mathematics from the University of Washington, M.S. and ABD in Finance from the University of Rochester, and Ph.D. in Finance from the University of Connecticut. He has published in leading finance journals such as the Review of Financial Studies and the Journal of Portfolio Management. He is a recipient of the Bernstein Fabozzi/Jacobs Levy Award and runner-up for Barclays Global Investors Award for the Best Conference Paper.

Alexander Tavernaro, CFA
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Alexander joined Invesco in October 2004 as portfolio manager. He started his investment career in 1994 at ABN AMRO in Frankfurt. He received a "Diplom Kaufmann" degree from Fernuniversitaet Hagen in 1997. Alexander is a CFA charterholder and a member of the German CFA Society. He also holds the Chartered Alternative Investment Analyst (CAIA) designation.

Daniel Tsai, CFA
Portfolio Management Team, Invesco Quantitative Strategies based in New York.
Daniel joined Invesco in 2000. His primary responsibility is developing, maintaining and supporting the IQS proprietary portfolio management system globally, in additional to the daily portfolio management tasks and regular rebalances. He was previously with Ford Motor Company as a senior software developer and project leader. Prior to that, he was a project manager/system manager at Optimal CAE, Inc., a consulting firm serving the auto industry. Daniel received a B.S. in Mechanical Engineering from National Taiwan University, a M.S. in Mechanical Engineering from the University of Michigan, Ann Arbor and a M.S. in Computer Science at Wayne State University, Detroit. He is a CFA charterholder and a member of the CFA Society New York.

Richard CJ Tsai
Portfolio Management Team, Invesco Quantitative Strategies based in Melbourne.
He is responsible for supporting the management of Australian equity portfolios (Core, 130/30 long/short, and Smaller Companies). CJ has over 18 years' experience in Australian financial markets, working in quantitative systems, research and analysis, and actuarial consulting. Prior to joining Invesco

in April 2018, CJ was with BlackRock, Russell Investment Group, and Towers Perrin. CJ is an Associate of the Institute of Actuaries of Australia. He holds a Bachelor of Commerce (Actuarial Studies) and Bachelor of Science (Computer Science) from the University of Melbourne.

Alexander Uhlmann, CFA
Global Head of Portfolio Management, Invesco Quantitative Strategies based in Frankfurt.
Alexander was appointed Global Head of Portfolio Management in 2018. He also serves as a member of IQS's management team responsible for strategic planning and direction. He began his investment career as an analyst with Invesco in 1997 and became a portfolio manager in 2001. He received a "Diplom Betriebswirt (FH)" degree from Frankfurt School of Finance & Management, Frankfurt in 2001. Alexander is a CFA charterholder and a member of the CFA Society Germany.

Dr. Ahmadreza Vafaeimehr, CFA
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Ahmadreza joined Invesco as a portfolio manager in 2018. Before joining Invesco, he worked as a quant specialist at Factset in London and Frankfurt. Ahmadreza holds a doctorate in Finance from EBS Business School, a Master's degree in Finance from EBS Business School in Germany and a Bachelor's degree in Electrical Engineering. Ahmadreza is a CFA charterholder and Certified Financial Risk Manager (FRM).

Hao Zou, Ph.D.
Research Team, Invesco Quantitative Strategies based in New York
Hao joined Invesco in May 2020 as a Quantitative Research Analyst from Freddie Mac where he previously worked on the Model and Data Analytics team. He holds B.A. degrees in Economics and Mathematics from Macalester College and M.S. and Ph.D. degrees in Finance from the University of Rochester. Hao has published in journals such as Applied Financial Economics and Review of Financial Economics and is a certified Financial Risk Manager (FRM).

14.02 Company history

The parent firm, now called Invesco, was originally established in December 1935 under the laws of England and Wales. Although several of the firm's constituent corporate entities are significantly older, Invesco in its modern form was created by the 1997 combination of two asset management businesses: Invesco and AIM, both of which had been founded in the 1970s.

The broader organisation history has been summarised below:

Year	Description
1935	Established under the laws of England and Wales as H. Lotery & Company Limited
Late 1950s	Channing Corp (later American Capital/Van Kampen) launched its first mutual funds in North America
1962	Invesco Asia-Pacific investment began
1964	Acquired by Slater Walker Unit Trust Managers Limited
1965	Name changed to Slater Walker Securities Limited
1973	Perpetual PLC founded in the UK
1974	Insured unit investment trusts pioneered by Robert Van Kampen
1976	A I M Management Group Inc. (AIM) was founded in the US
1978	INVESCO (formerly Citizens and Southern National Bank's Investment Counselling Co) was founded in the US
1981	Trimark founded in Canada
1988	INVESCO merged with Britannia Arrow in the UK; listed on the London Stock Exchange
1990	INVESCO acquired PRIMCO Capital Management, a Louisville-based fixed income manager that would become the foundation of Invesco Worldwide Fixed Income
1991	INVESCO entered the real estate sector with the acquisition of a Dallas-based company that would become Invesco Realty Advisors
1992	AIM acquired CIGNA Funds Group
1994	Van Kampen Merritt and American Capital (formerly Channing Corp.) merged; became Van Kampen Investments
1995	INVESCO US-investor base expanded via American Depositary Receipt listing on the New York Stock Exchange
1996	INVESCO expanded globally with the addition of Hong Kong and Canadian businesses
1997	INVESCO PLC merged with AIM and changed the company name to AMVESCAP PLC (AMVESCAP)
1998	AMVESCAP purchased LGT Asset Management which added structured products, private equity, bank loan and Asian investment strategies
2000	AMVESCAP expanded its global reach with the purchase of Trimark Financial Corp. in Canada and Perpetual PLC in the UK, creating leading asset managers in both countries
2001	AMVESCAP added County Investment Management in Australia and top-10 manager Grand Pacific in Taiwan
2001	Acquired Pell Rudman Trust Company
2002	AMVESCAP expanded its real estate business globally with the purchase of London-based Parkes & Co. and Hypo-Vereinsbank's real estate unit headquartered in Munich
2002	Acquired high-net-worth manager Whitehall Asset Management
2003	AMVESCAP becomes the first Sino-American fund company to set up in China, forming a joint venture partnership with Great Wall Securities

Year	Description
2004	AMVESCAP acquired Stein Roe Investment Counsel LLC, which was merged with AMVESCAP's earlier acquisitions of Pell Rudman Trust Company (in 2001) and Whitehall Asset Management (in 2002) to create Atlantic Trust Private Wealth Management
2005	AMVESCAP became the first foreign firm allowed to expand stake in China joint venture to 49%
2006	AMVESCAP acquired PowerShares Capital Management, expanding its business into ETFs
2006	AMVESCAP direct private equity firm WL Ross & Co.
2007	In May, AMVESCAP changed its name to Invesco Plc. In December, Invesco Plc moved its listing from the London Stock Exchange to the New York Stock Exchange and as part of this process formed a new parent holding company, domiciled in Bermuda, Invesco
2008	Invesco common shares added as a component to the S&P 500® stock index
2009	On 31 December 2009, Invesco combined the businesses of certain of its US retail and institutional investment advisers into one consolidated entity, now known as Invesco Advisers, Inc. This internal reorganisation did not result in a change of management or control and did not have a material adverse effect on Invesco's financial condition
2010	In June 2010, Invesco completed its acquisition of Morgan Stanley's retail asset management business, including Van Kampen Investments On 31 December 2010, Invesco acquired the Asia and Japan fund and asset management business of AIG Global Real Estate Investment Corp. (AIGGRE). The acquisition of AIGGRE enabled Invesco Real Estate to accelerate the growth of the firm's Asian initiatives
2013	In March 2013, Invesco acquired a 49% shareholding in Religare Asset Management Company Private Limited and Religare Trustee Company Private Limited and now acts as the co-sponsor of Religare Mutual Fund. Religare Mutual Fund is now known as Religare Invesco Mutual Fund. The mutual fund schemes were also renamed accordingly On 31 December 2013, CIBC completed its acquisition of Invesco's private wealth management business, Atlantic Trust. This transaction was originally announced on 11 April 2013 and was subject to regulatory approval prior to completion
2016	In January 2016, Invesco acquired Jemstep, a provider of advisor-focused digital solutions On 8 April 2016, Invesco completed the acquisition of Religare Invesco Asset Management Company Private Limited, increasing its shareholding to 100%. Effective 3 May 2016, Religare was renamed Invesco Asset Management (India) Private Limited
2017	Invesco announced on 27 April 2017 that it had entered into a definitive agreement to acquire Source, a leading, independent specialist provider of ETFs based in Europe. The transaction was funded with available cash and was completed on 18 August 2017
2018	Invesco acquired Intelliflo, a market-leading UK provider of advisor-focused digital solutions, on 6 June 2018 On 18 May 2018, Invesco acquired Guggenheim Investments' ETF business
2019	On 24 May 2019, Invesco and Massachusetts Mutual Life Insurance Company announced the successful completion of Invesco's acquisition of MassMutual's asset management affiliate OppenheimerFunds. Per the terms of the transaction, MassMutual became a significant shareholder of Invesco, with an approximate 15.7% stake in the common stock of the combined firm. The strategic transaction brings Invesco's total assets under management to USD1.2 trillion, making it the sixth-largest US retail investment manager and the thirteenth-largest global investment manager, further enhancing the firm's ability to help meet client needs through its comprehensive range of high-conviction active, passive and alternative capabilities On 11 December 2019, Invesco announced the expansion of its digital wealth business supporting advisors, end-investors and financial institutions with industry-leading tools, resources and investment capabilities. RedBlack, a market-leader in portfolio rebalancing and trading technology, joins Invesco, bringing more than 150 clients and USD350 billion of platform assets

Source: Invesco as at 30 September 2021.

14.03 Invesco's investment capabilities overview

Invesco is an independent investment management firm dedicated to delivering an investment experience that helps people get more out of life.

With offices worldwide, capabilities in virtually every asset class, investment style and geographies, a disciplined approach to investment management and a commitment to the highest standards of performance and client service, Invesco is well positioned to compete in the evolving world.

One of Invesco's greatest competitive advantages is the combined power of its distinctive worldwide investment management capabilities. The firm offers a wide range of single-country, regional and global capabilities across major equity, fixed income and alternative asset classes, delivered through a diverse set of investment vehicles.

High-quality results begin with specialised insight and disciplined oversight. These strategies are managed by specialised teams across various worldwide investment centres, each of which focus on distinct asset classes, investment styles or regional expertise and adhere to clearly defined investment philosophies aligned with client expectations. Each team is able to operate independently, allowing them to follow and further their specific investment style and expertise.

The tables below outline the depth of Invesco's investment capabilities:

A wide range of investment capabilities		
Equity	• Market cap • Investment style • Global/regional/single country • Developed/emerging	• Sector • Quantitative • Directional long/short (130/30)
Fixed income and money market	• Cash management • Duration • Sector • Investment grade/high yield	• Global/regional • Developed/emerging • Tax-free bonds
Balanced	• Active balanced • Risk parity (risk premia capture) • Target maturity	• Target risk • Traditional balanced
Alternative	• Absolute return − Market neutral − Multi strategy • Global macro • Private equity − Fund of funds − Buyout, emerging • Commodities	• Financial structures − Bank loans − Credit arbitrage − Opportunistic • Real estate − Public real estate securities − Private direct − US, Asian, European, global

Delivered to investors through diverse investment vehicles:				
• Institutional separate accounts	• Collective trusts	• Funds (open/closed end, on/offshore)	• ETFs	• Unit investment trusts (UITs)
• Private placements	• Sub-advised	• Separately managed accounts/unified managed accounts	• Variable insurance funds	• Customised solutions

With specialised investment teams located across the globe:

UK and Ireland

Continental Europe

US and Canada

Middle East

Asia

Australia

Source: Invesco as at 30 September 2021. Vehicles listed are available via indirect, wholly owned subsidiaries of Invesco. Not all investors are eligible to invest in each investment vehicle. Specific residency restrictions apply to offshore funds. Invesco's variable insurance funds are used solely as investment vehicles by insurance company separate accounts to fund variable insurance products. Invesco Distributors, Inc. does not offer any variable products. For more information, please contact your Invesco representative. Locations shown indicate Invesco offices hosting fund manager, analyst, trader, economists and/or distribution staff.

14.04 Invesco's investment professionals

Provided below is a breakdown of investment professionals across Invesco's investment centres and capabilities:

Investment centre	Fund manager	Analyst	Trader[1]	Economist	Total
Invesco Asia-Pacific	84	49	24		157
Invesco Equities	64	58			122
Invesco ETFs	23	1			24
Invesco Fixed Income	84	88	4		176
Invesco Henley Investment Centre	45	22			67
Invesco Investment Solutions	7	10			17
Invesco Private Capital Partners[2]	8				8
Invesco Private Credit[3]	13	30	4		47
Invesco Private Markets[4]	58	36			94
Invesco Systematic and Factor Investing[5]	24	36	3		63
Invesco Unit Investment Trusts	7		1		8
Supports multiple investment centres	1	3	69	2	75
Total	**418**	**333**	**105**	**2**	**858**

[1] All equity and alternative (and some fixed income) orders are executed by Invesco's global trading desk which is comprised of 69 traders.
[2] Fund of funds.
[3] Bank loans, distressed credit and direct lending.
[4] Direct private equity including Invesco Real Estate.
[5] Formerly Invesco Global Asset Allocation & Fundamental Alternatives. Invesco Quantitative Strategies is now included.

Source: Invesco as at 30 September 2021.

Risk warnings and Important information

Risk Warnings
The value of investments and any income will fluctuate (this may partly be the result of exchange-rate fluctuations) and investors may not get back the full amount invested. The Fund intends to invest in securities of issuers that manage their Environmental, Social and Governance (ESG) exposures better relative to their peers. This may affect the Fund's exposure to certain issuers and cause the Fund to forego certain investment opportunities. The Fund may perform differently to other funds, including underperforming other funds that do not seek to invest in securities of issuers based on their ESG ratings.

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