

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

No

- It made sustainable investments with an environmental objective: ___%**
 - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
 - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

- It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments**
 - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
 - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
 - with a social objective

- It made sustainable investments with a social objective: ___%**

- It promoted E/S characteristics, but did not make any sustainable investments**



To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Invesco Global Equity Income Fund (the "Fund") aimed to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promoted social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

The environmental and social characteristics of the Fund were achieved by applying the exclusions criteria described above.

● **How did the sustainability indicators perform?**

The Fund used a variety of indicators to measure the attainment of the environmental and social characteristics. This included:

Sustainability Indicator	Indicator Performance
UN Global Compact, excluded if non-compliant	During the reference period, there were no active breaches of the Fund's exclusion criteria.
International sanctions, sanctioned investments are prohibited	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial weapons, excluded if 0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the NPT.	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Coal, excluded if Thermal Coal extraction >=5% of revenue, Thermal Coal Power generation >=10% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Unconventional oil & gas, excluded if >=5% of revenue on each of the following: - Arctic oil & gas exploration; - Oil sands extraction; - Shale energy extraction;	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Tobacco excluded if Tobacco Products production >=5% of revenue, Tobacco-related products and services >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Recreational cannabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● *...and compared to previous periods?*

Not applicable.

● *What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?*

Not applicable.

● *How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?*

Not applicable.

How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Not applicable.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative review included a review of Invesco's Article 8 and 9 product holdings and the relevant PAI data. Through this initial review an absolute threshold was set that flagged issuers that failed to meet minimum standards, as well as companies that flagged on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers were flagged for the quantitative review, an assessment was completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team assigned the issuer a qualitative score as to how well they were addressing the poor performance. Those issuers that received the lowest qualitative scores were then identified as engagement targets and were primarily engaged through methods such as letters, meetings, proxy voting. If no improvement was established through such corporate engagement, then the Fund could consider divesting and/or excluding investments.

The below table shows the PAI data for the Fund:

Adverse sustainability indicator	PAI	Data	Metric		
Greenhouse gas emissions	1. GHG Emissions	1,217.24	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)		
		1,222.05	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)		
		176,713.80	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)		
		179,153.09	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)		
	2. Carbon footprint	3,926.09	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)		
	3. GHG intensity of investee companies	10248.65	Fund level Total Emission Intensity- Scope 1+2+3 (Per Million EUR Revenue)		
	4. Exposure to companies active in the fossil fuel sector	0	% of the fund exposed to any fossil fuels revenue		
	5. Share of non-renewable energy consumption	8.16	Adjusted Weighted Average of all issuers in the fund's share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)		
	5. Share of non-renewable energy production	72.69			
	Greenhouse gas emissions	6. Energy consumption intensity per high impact climate sector		Adjusted weighted average energy consumption of issuers in the fund in GWh per million EUR of revenue of investee companies, per high impact climate sector	
			Agriculture, Forestry & Fishing		0
			Construction		0
			Electricity, Gas, Steam & Air Conditioning Supply		0.52
			Manufacturing		3.39
Mining & Quarrying			1.23		
Real Estate Activities			0		
Transportation & Storage			0		
Water Supply, Sewerage, Waste Management & Remediation Activities			0		
Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles			0.04		
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	1.59	Share of investments in the fund of investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas		
Water	8. Emissions to water	0.48	Adjusted weighted average per issuer in the fund's emissions to water generated by investee companies per million EUR invested (Tonnes)		
Waste	9. Hazardous waste and radioactive waste ratio	0.69	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average		
Social and employee matters	10. Violations to UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises		Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		
		0			
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	49.98	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises		
		8.00			
12. Unadjusted gender pay gap	8.00	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies			
13. Board gender diversity	26.33	Weighted Average of all issuers in the portfolio ratio of female to male board members in investee companies, expressed as a percentage of all board members			
Optional Indicators	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Share of investments in investee companies involved in the manufacture or selling of controversial weapons		
	Optional Indicator: 4. Investments in companies without carbon emission reduction initiative	64.55	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement		
	Optional Indicator: 9. Lack of a human rights policy	18.23	Share of investments in entities without a human rights policy		

Notes:

Although Scope 3 emissions are included in the above table showing the PAI scores for the Fund, they were not included in the quantitative review process to consider PAIs during the reporting period.

The data presented in the above table is calculated using information provided by a third-party data vendor. The accuracy, completeness, and relevance of the calculated data are contingent upon the accuracy and completeness of the data provided by this third-party vendor. The numbers reported represent our best effort to provide the most accurate calculations in light of the data available. However, there are no warranties or representations, express or implied, regarding the completeness, accuracy, or suitability of this data for any particular purpose.



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: 28 February 2023

Large Investments	Sector	% Assets	Country
3i Group Plc	Financials	6.24%	United Kingdom
Verallia SA 144A	Materials	5.85%	France
AIA Group Ltd	Financials	4.52%	Hong Kong
Microsoft Corp	Information Technology	4.22%	United States
Broadcom Inc	Information Technology	4.08%	United States
American Tower Corp	Real Estate	3.94%	United States
Standard Chartered Plc	Financials	3.64%	United Kingdom
Coca-Cola Co/The	Consumer Staples	3.31%	United States
Union Pacific Corp	Industrials	3.24%	United States
Zurich Insurance Group AG	Financials	2.99%	Switzerland
Universal Music Group NV	Communication Services	2.80%	Netherlands
Progressive Corp/The	Financials	2.62%	United States
KKR & Co Inc	Financials	2.60%	United States
Herc Holdings Inc	Industrials	2.43%	United States
Royal Unibrew A/S	Consumer Staples	2.37%	Denmark



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

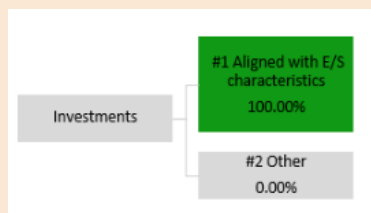
The exclusions were screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which were held for cash management/liquidity purposes may not have been assessed for compliance with the above exclusion framework (#2 Other).

● What was the asset allocation?

100.00% of the Fund's NAV was selected according to the binding elements of the investment strategy, on the basis that they aligned with the environmental and social characteristics of the Fund.

0.00% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investments in other funds not subject to the same restrictions

All the above data is provided as of 28 February 2023.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives

- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

The below table shows the GICS sector breakdown as at 28 February 2023

Sector (GICS)	Weight %
Financials	26.88
Information Technology	17.91
Industrials	14.83
Consumer Staples	8.17
Materials	7.46
Real Estate	6.37
Health Care	6.02
Communication Services	5.33
Consumer Discretionary	3.82
Energy	2.10
Utilities	0.00
Sovereign	0.00
Cash	1.11
Total	100.00

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	0.00
10101020	Oil & Gas Equipment & Services	0.00
10102010	Integrated Oil & Gas	0.00
10102020	Oil & Gas Exploration & Production	2.10
10102030	Oil & Gas Refining & Marketing	0.00
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
Total		2.10

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- operational expenditure (OpEx) reflects the green operational activities of investee companies.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Whilst the Fund did not commit to a minimum of sustainable investments with an environmental objective aligned with EU Taxonomy, 0.00% (Turnover) of the Fund's portfolio was aligned with the EU Taxonomy.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

Yes

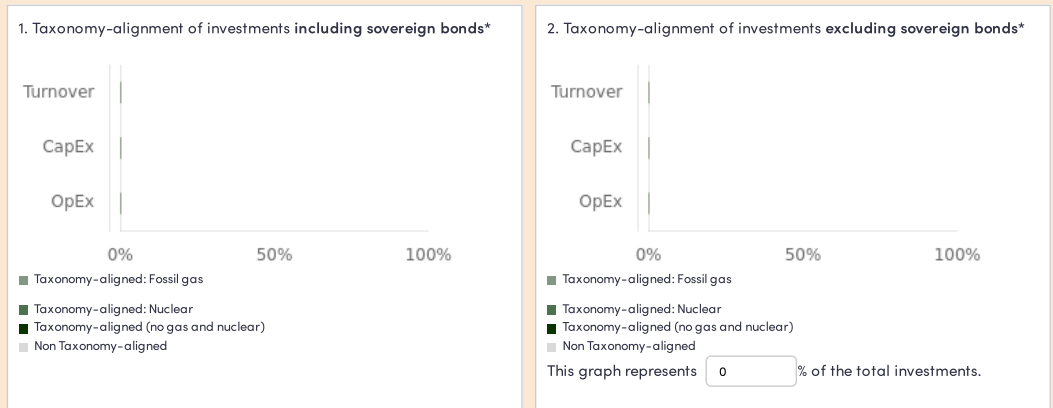
In fossil gas

In nuclear energy

No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

The below table shows the share of investments in transitional and enabling activities as at 28th February 2023.

	Eligible	Potentially eligible	Aligned	Potentially aligned
Enabling	0%	< 1 %	0%	0%
Transition	0%	0%	0%	0%

'Aligned' means % of revenues of the investments of the Fund that are aligned to the EU Taxonomy.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.



What was the share of socially sustainable investments?

Not applicable.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

0.00% of the Fund's asset allocation was included under "Other". As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes. The Fund held ancillary liquid assets or money market instruments for cash management/liquidity purposes which were not assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards were in place.

Index derivatives were not assessed on a look-through basis, unless such an index had a significant allocation to prohibited activities.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund achieved the environmental and social characteristics by complying with the exclusion framework, which was consistent with attaining the environmental and social characteristics promoted by the Fund.

Please refer to the section "How did the sustainability indicators perform" above for further information.

In addition, as part of the Fund's consideration of principal adverse impacts on sustainability factors, the ESG team monitored the investments against PAI indicators. Invesco conducted research into certain issuers in the Fund's portfolio that were deemed to flag against PAI indicators. Please see below examples of researched issuers during the reference period:

Holding	Principal Adverse Impact	Action Taken
An APAC Information Technology Issuer	PAI 1,2,3: GHG Emissions	Research conducted. The issuer initially flagged on PAI 1,2,3 (GHG Emissions). Through additional research, Invesco has determined that the issuer has committed to address the issue and is developing a strategy. The issuer has plans to achieve net zero direct and indirect carbon emissions by 2050, with one division achieving its goal by 2030. By reaching net zero direct and indirect carbon emissions, the issuer expects to reduce the equivalent of about 17 million tons of carbon dioxide-equivalent (CO ₂ e) emissions based on 2021 figures.
An EMEA Consumer Staples Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	Research conducted. Invesco reviewed the third-party data which indicated the issuer had flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas) and determined through additional research that the issuer has set a credible strategy to address the PAI and has set targets to address the issue within a reasonable timeframe. According to third-party data, the issuer flagged on PAI 7 for two reasons: (1) a specific incident in their own operations in France where a 3-hour spill from their powdered milk plant polluted the Aisne River and allegedly killed 3 tons of fish; (2) in their supply chain based on deforestation. The first incident appears to have been a one-off event where a French fishing federation lodged a complaint against the company regarding "several thousand euros" of damage. While the event was clearly an unfortunate one, it appears to have been a one-off situation and there is no evidence of systematic disregard for the local environment from the company. Indeed there is very little press coverage beyond the issuer's factory director stating that the spill was a one-off that lasted three hours. The second reflects a much wider concern around deforestation. The issuer has a section on their investor relations website dedicated to biodiversity and has consistently raised the stakes in its biodiversity goals. Some of the action that the company has taken is outlined below. The issuer is one of the world's largest consumer goods companies and as such there are unfortunately going to be one-off events. We believe it is important to focus on the company's overall approach to biodiversity and to monitor whether events repeat. We believe that the issuer has a good track record in biodiversity and has set admirable targets. We believe these justify an appeal on the biodiversity fall. If we were to see repeated events (e.g. a second incident in the French plant) then we would agree that the issuer should be subject to further scrutiny, however we have been unable to find evidence to suggest that this was anything other than a one-off event. Data points regarding the issuer's biodiversity efforts: <ul style="list-style-type: none"> • In June 2021, the issuer published its Forest Positive Strategy. This moves the strategy beyond protecting forests to "restoring them and helping them thrive". The issuer has an external advisory council of independent experts to advise on the implementation of this strategy. As part of this strategy, the issuer is aiming to achieve and maintain 100% deforestation free supply chains in 2022 for palm oil, sugar, soy, meat and pulp & paper and in 2025 for coffee and cocoa. The company is involved with long-term forest restoration and has committed to growing 200 million trees by 2030, supporting 15 sustainable landscape initiatives by 2023. • In 2021, the issuer was 97.2% deforestation free in its primary meat, palm oil, pulp and paper, soya and sugar supply chains. • In 2018, the issuer announced it was to become the first global food company to implement a satellite-based service to monitor 100% of its global palm oil supply chains by December of that year. The company was committed to achieving 100% RSPO certified sustainable palm oil by 2023. • By 2019, 77% of agricultural commodities were verified as deforestation free. • By 2017, 63% of the issuer's global supply chain was deforestation free. • In 2010, started its No Deforestation journey with TFT (formerly, Tropical Forest Trust).



How did this financial product perform compared to the reference benchmark?

Not applicable.

● How does the reference benchmark differ from a broad market index?

Not applicable.

● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Not applicable.

- *How did this financial product perform compared with the reference benchmark?*

Not applicable.

- *How did this financial product perform compared with the broad market index?*

Not applicable.