Product name: Invesco US High Yield Bond Fund

Legal entity identifier: 549300JKQJETQ34ZFZ22

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.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**

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

☒ **No**

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

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

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

The Invesco US High Yield Bond 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: - Artic 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 canabis, excluded if >=5% of revenue	During the reference period, there were no active breaches of the Fund's exclusion criteria.

...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.

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.

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	2,211.01	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		267.96	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		16,894.27	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		19,373.25	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	1,087.72	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	3352.95	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	86.66	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	14.33	
	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	29.19	
	Manufacturing	3.48	
	Mining & Quarrying	1.76	
	Real Estate Activities	0.3	
	Transportation & Storage	3.9	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	0.05	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	3.99	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
Water	8. Emissions to water	0	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	2.24	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 fo UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of proceses and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	8.31	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
	12. Unadjusted gender pay gap	9.60	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	26.31	Waited 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
	14. Exposure to controversial weap-ons (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

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
Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp 144A 8% USD 01/04/2029	Energy	1.76%	United States
Ritchie Bros Auctioneers Inc 144A 5.375% USD 15/01/2025	Industrials	1.52%	Canada
Tenet Healthcare Corp 4.875% USD 01/01/2026	Health Care	1.52%	United States
Group 1 Automotive Inc 144A 4% USD 15/08/2028	Consumer Discretionary	1.50%	United States
Invesco Liquidity Funds plc - Invesco US Dollar Liquidity Portfolio	Cash	1.45%	Ireland
Camelot Finance SA 144A 4.5% USD 01/11/2026	Information Technology	1.43%	Luxembourg
LCM Investments Holdings II LLC 144A 4.875% USD 01/05/2029	Consumer Discretionary	1.41%	United States
EnPro Industries Inc 5.75% USD 15/10/2026	Industrials	1.31%	United States
American Airlines Inc/AAdvantage Loyalty IP Ltd 144A 5.5% USD 20/04/2026	Industrials	1.23%	United States
Sensata Technologies Inc 144A 3.75% USD 15/02/2031	Information Technology	1.22%	United States
Papa John's International Inc 144A 3.875% USD 15/09/2029	Consumer Discretionary	1.21%	United States
Altice France SA/France 144A 5.125% USD 15/07/2029	Communication Services	1.17%	France
Delek Logistics Partners LP / Delek Logistics Finance Corp 144A 7.125% USD 01/06/2028	Energy	1.15%	United States
Vodafone Group Plc FRN 4.125% USD 04/06/2081	Communication Services	1.08%	United Kingdom
EnerSys 144A 4.375% USD 15/12/2027	Industrials	1.07%	United States

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).

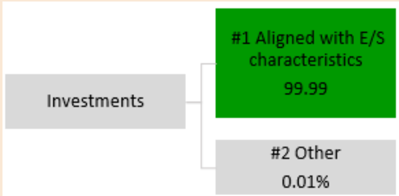
Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

99.99% 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.

0.01% of the Fund's NAV was invested in financial derivative instruments for hedging and/or efficient portfolio management purposes; and investment in 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 %
Consumer Discretionary	24.76
Communication Services	15.41
Energy	13.60
Industrials	10.00
Health Care	7.72
Information Technology	7.34
Real Estate	5.83
Utilities	3.20
Financials	3.18
Materials	2.81
Consumer Staples	2.38
Sovereign	0.00
Cash	3.76
Others/Derivatives	0.01
Total	**100.00**

GICS Level 4 breakdown for Energy Sector

Sub-Industry Code	Sub-Industry Name	Weight
10101010	Oil & Gas Drilling	4.06
10101020	Oil & Gas Equipment & Services	1.39
10102010	Integrated Oil & Gas	0.50
10102020	Oil & Gas Exploration & Production	1.87
10102030	Oil & Gas Refining & Marketing	0.50
10102040	Oil & Gas Storage & Transportation	5.28
10102050	Coal & Consumable Fuels	0.00
	Total	**13.60**

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

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, **0.25**% (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 Taxonomy[1]?

☐ **Yes**

☐ **In fossil gas** ☐ **In nuclear energy**

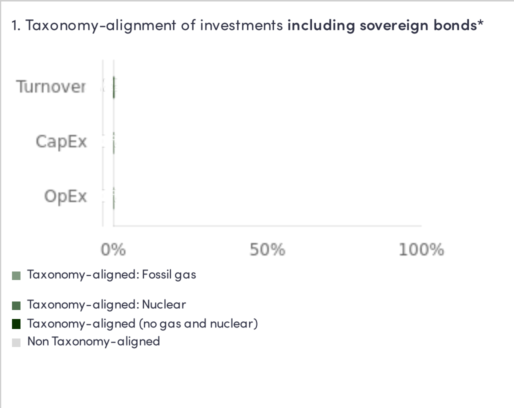
☒ **No**

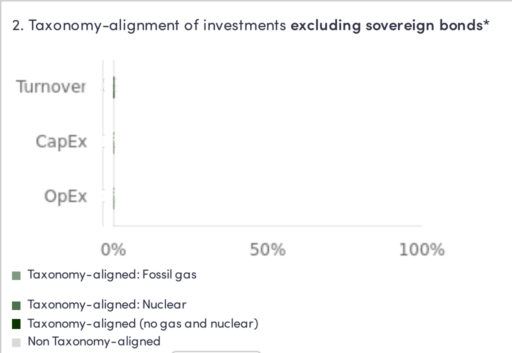
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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.

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.*





This graph represents 0 % of the total investments.

**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.

	Aligned
Enabling	0.00%
Transition	0.18%

'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?

0.01% 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
A North American Energy Issuer	PAI 5: Share of non-renewable energy	**Research conducted.** The issuer initially flagged on PAI 5 (Exposure to fossil fuels). Through additional research, Invesco has determined that the entity has committed to address the issue and is developing a strategy. The issuer releases an annual ESG report, following SASB and GRI frameworks, which highlights its ongoing initiatives and accomplishments. In 2021, the issuer reported a reduction in Scope 1 GHG emissions for the drilling entity by approximately 10% over 2020, nearly doubling their target of 5%. The company also reduced their Scope 2 GHG emissions by 5% in the U.S. vs. 2020. The issuer also started utilizing the Task Force for Climate-Related Financial Disclosure (TCFD) framework for reporting. The issuer has invested in new energy solution opportunities, specifically focused on the reduction of carbon emissions, geothermal technologies and energy storage. The issuer also continues to invest in technologies that will support the energy transition. For example, in the US, the issuer has introduced technologies that should result in a step-up in emissions reductions. A wholly owned subsidiary of the issuer has developed a highline power transformer module, which gives the ability to quickly connect rigs directly to the grid (instead of burning fuel) for its drilling rigs. The issuer is also testing a new concept for battery storage on drilling rigs. The battery storage technology results in faster charging times and reduced the risk of explosion and fire. In addition, the issuer is testing a hydrogen injection system, which reduces fuel consumption and emissions when installed on diesel engines. The issuer recently announced the formation of a special purpose acquisition company with the intention of raising funds, merging with a firm in the energy transition space, and eventually gaining an NYSE listing, The issuer has also invested in several geothermal firms, a sodium-based battery venture, emissions monitoring and ultra-capacitor technology.
A North American Energy Issuer	PAI 4: Exposure to fossil fuels	**Research conducted.** The issuer initially flagged on PAI 4 (Exposure to fossil fuels). Through additional research, Invesco has determined that the entity has committed to address the issue and is developing a strategy. Through its detailed emissions tracking, the issuer is able to identify the most impactful opportunities, including the implementation of additional low energy lighting systems, expanded utilization of its remote support capabilities, and a transition to lower GHG emission energy sources. Together these efforts have resulted in a 7% reduction in Scope 1 and 2 GHG emissions intensity year-over-year. The issuer will continue to develop short and long term goals consistent with the availability of applicable technologies and utility capabilities. Specific technology implementation goals have also been set for the organization to help customers achieve additional emissions reductions in 2022, and these are tied to the company's executive compensation plan. Specific to climate, the issuer's strategy is to minimize and eliminate the GHG emissions from its business by utilizing and investing in all available proven technologies to improve the operating efficiency of the company's drilling rigs, while leveraging its expertise and high-spec drilling rig fleet for lower-emission energy opportunities such as geothermal, CO_2 storage, and natural gas storage drilling. The issuer has stated that it will continue to explore lower GHG energy sources for its drilling rigs, support facilities, offices, and equipment. The issuer's mission is to strive to be the lowest GHG emitting land drilling rig provider for all drilling applications. The issuer has committed to drive toward net zero emissions, and as a result it frequently reviews options to reduce the emissions intensity associated with its directly controlled operations. The issuer believes that its position as a technology leader in the drilling sector presents an opportunity for them to offer lower GHG emission power systems and equipment that will help customers quantify and reduce their operationally controlled upstream emissions. By understanding their priorities and targets, the issuer can provide significant gains through its suite of environmental solutions and technologies. Goals around these technologies were set and achieved in 2021 including the testing, field hardening, and implementation of two lower GHG emission rig power systems and three real-time fuel and emissions monitoring systems. The issuer continues to provide enhanced efficiency through the suite of automation, apps, and analytics. The suite of automation, apps, and analytics has proliferated the foundation for lower emissions through reduced well construction times and power solutions. The addition of the issuer's suite of environmental solutions has proven lowered GHG emissions for well construction operations. When paired with its lower-emission power systems and fuel emissions monitoring systems, the efficiency gains provided result in some of the lowest emission options for onshore well drilling services available today.

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

Not applicable.

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

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?

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.