Product name:Invesco Sustainable US Structured Equity Fund

Legal entity identifier: 549300DCILTDQFMY8A94

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	☒ 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 80 % 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**

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 Sustainable US Structured Equity Fund (the "Fund") aimed to promote environmental characteristics related to climate change mitigation (such as carbon emissions) as well as natural resource utilization and pollution (for example by exclusion of companies involved in fossil fuel, coal, nuclear power or activities generating pollution).

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 controversial activities issuers involved in (but not limited to) manufacturing or sale of conventional weapons or production and distribution of tobacco. The Fund aimed to select companies and issuers that display superior sustainable management and sustainable products or processes, fulfilling ecological and social requirements particularly well, ranging from climate efficiency and low water consumption to labour safety and satisfaction. Ecological characteristics were assessed using an energy transition score. Social features were considered by excluding companies with controversial business behaviours.

The Fund achieved its environmental and social characteristics by applying its exclusion and best-in class approach on an on-going basis.

The Fund is managed systematically. In every rebalancing, it is ensured that the Fund meets the environmental and social characteristics.

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
Turnover derived from thermal coal mining, excluded if >=5% Turnover derived from burning coal for power generation, excluded if >=5% Proportion in electricity generation fuel mix from coal, excluded if >=5% Structural increase of thermal coal activities over 3 years, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Revenues that comes from projects or the extraction of tar sands, excluded if 0% and oil shale, as well as the proportion of reserves in tar sands or oil shale Involvement in fracking activities, excluded if Yes Involvement in arctic drilling activities, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Revenues are derived from fossil fuel industries, excluded if >=5% Structural increase of fossil activities over 3 year, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Company's commitment to define clear objectives and appropriate measures to ensure management of the environmental impacts of products and services, excluded if insufficient environmental strategy	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Production of restricted chemicals, excluded if 0%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of endangering biodiversity, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in the field of preventing and managing of accidental pollution or soil pollution, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
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), excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from nuclear power, excluded if >=5% Proportion in electricity generation fuel mix from nuclear power, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Manufacture or sale of civilian firearms or related products, excluded if >=5% Manufacture of civilian firearms or related products, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Sales that are related to military sales including key parts or services, for conventional weapons, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversial Weapons, excluded if >0%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from production and distribution of tobacco, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Turnover from production of tobacco, excluded if >=5%	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Fail to pass the global compact screening, excluded if Yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controverises in labour rights including the supply chain, forced or child labour and discrimination, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in pollution or lack of protection of water resources, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Involvement in recreational cannabis, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Controversies in corruption, excluded if yes	During the reference period, there were no active breaches of the Fund's exclusion criteria.
Energy Transition Score	40
% of issuers that are in the Top 75% of universe based on the energy transition score	100%
The Fund's Scope 1 and 2 GHG emission intensity vs the market cap weighted (S&P 500 Index) GHG Scope 1 and 2 GHG emission intensity	86.5 vs 125.6

...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?

The Fund made sustainable investments by contributing to environmental objectives (such as climate change, water management, pollution prevention) and to social objectives (such as good health, well-being and gender equality).

The Fund sought to achieve those objectives by investing in (i) issuers which contribute positively to selected UN Sustainable Development Goals (SDGs) (generating at least 25% of the issuer's revenue) that relate to the above objectives, or (ii) companies which generate a material part of the revenue from environmental impact themes such as energy transition (by selecting companies in the top 25% based on the energy transition score within its region and sector), healthcare (by selecting companies part of the GICS Sector 35) and food (by selecting companies part of the GICS Industry 302020). The Fund also used a best-in-class approach, utilizing the investment manager's proprietary scoring methodology and selecting companies in the top 75% within the respective peer group for either score eligible. It should be noted that the full weight in the portfolio counted as sustainable investments when meeting the above 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.

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

The Fund primarily used the mandatory principal adverse impacts (PAI) indicators defined in Table 1 of Annex I of the regulatory technical standards for Regulation 2019/2088, combined with qualitative research and/or engagement, to assess whether the sustainable investments of the Fund cause significant harm (DNSH) to a relevant environmental or social investment objective. Where a company was determined to cause such significant harm, it could still be held within the Fund but did not count toward the "sustainable investments" within the Fund. For the avoidance of doubt, the assessment was done prior to investment and on the full holding.

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

Please see above on how the indicators for adverse impacts on sustainability factors were taken into account.

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

The Fund excluded companies, sectors or countries from the investment universe when such companies violate international norms and standards according to the definitions of the International Labour Organisation (ILO), the OECD or the United Nations. All issuers considered for investment were screened for compliance with, and excluded if they did not meet UN Global Compact principles, based on third-party data and the Investment Manager's proprietary analysis and research.

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	1,011.55	Scope 1 fund financed emissions (Tonnes of CO2 equivalent)
		342.69	Scope 2 fund financed emissions (Tonnes of CO2 equivalent)
		9,437.34	Scope 3 fund financed emissions (Tonnes of CO2 equivalent)
		10,791.58	Total Financed emissions (Scope 1 + Scope 2 + Scope 3) (Tonnes of CO2 equivalent)
	2. Carbon footprint	315.44	Fund level Carbon footprint (Scope 1 + Scope 2 + Scope 3) (Per Million EUR Invested)
	3. GHG Intensity of investee companies	735.68	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	78.09	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	11.73	
	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	8.01	
	Construction	0	
	Electricity, Gas, Steam & Air Conditioning Supply	0	
	Manufacturing	1.36	
	Mining & Quarrying	2.06	
	Real Estate Activities	0.41	
	Transportation & Storage	0.82	
	Water Supply, Sewerage, Waste Management & Remediation Activities	0.83	
	Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles	3.55	
Biodiversity	7. Activites negatively affecting biodiversity-sensitive areas	2.95	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	0.33	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	0.39	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	9.58	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	10.06	Weighted Average of all issuers' in the portfolio unadjusted gender pay gap of investee companies
	13. Board gender diversity	33.43	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.

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

What were the top investments of this financial product?

Large Investments	Sector	% Assets	Country
Apple Inc	Information Technology	2.58%	United States
Microsoft Corp	Information Technology	1.93%	United States
Consolidated Edison Inc	Utilities	1.55%	United States
General Mills Inc	Consumer Staples	1.45%	United States
Cisco Systems Inc	Information Technology	1.42%	United States
Merck & Co Inc	Health Care	1.42%	United States
UnitedHealth Group Inc	Health Care	1.41%	United States
Cigna Group/The	Health Care	1.32%	United States
PepsiCo Inc	Consumer Staples	1.20%	United States
Humana Inc	Health Care	1.17%	United States
AT&T Inc	Communication Services	1.06%	United States
Visa Inc	Information Technology	1.05%	United States
Expeditors International of Washington Inc	Industrials	1.05%	United States
Bristol-Myers Squibb Co	Health Care	1.04%	United States
Hershey Co/The	Consumer Staples	1.03%	United States

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

The Fund made investments aligned with the E/S characteristics for a minimum of 90% of its portfolio (#1 Aligned with E/S characteristics) by virtue of binding elements of the Fund’s investment strategy. A maximum of 10% was invested in money market instruments or ancillary liquid assets for liquidity management purposes (#2 Other).

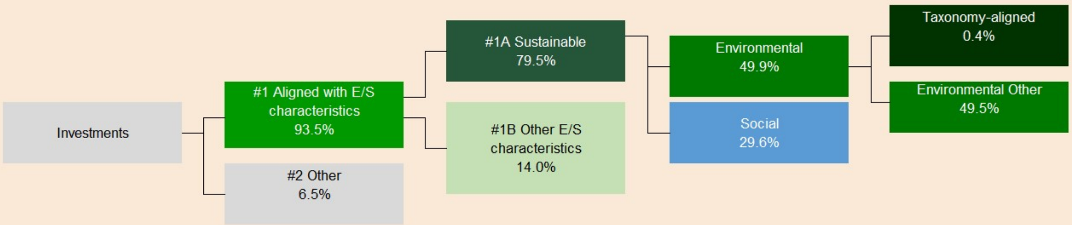
- **What was the asset allocation?**

93.5% 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.

6.5% of the Fund's NAV was invested in financial derivative instruments for investment and/or hedging and/or efficient portfolio management purposes, cash that was held for ancillary liquidity purposes, and investments in other funds that were not subject to the same restrictions.

79.5% of the Fund's NAV was invested in sustainable investments.

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 %
Information Technology	21.33
Health Care	18.16
Financials	13.42
Consumer Staples	11.58
Industrials	8.20
Consumer Discretionary	7.14
Communication Services	5.93
Materials	4.50
Real Estate	1.60
Utilities	1.53
Energy	0.12
Sovereign	0.00
Cash	6.49
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	0.12
10102010	Integrated Oil & Gas	0.00
10102020	Oil & Gas Exploration & Production	0.00
10102030	Oil & Gas Refining & Marketing	0.00
10102040	Oil & Gas Storage & Transportation	0.00
10102050	Coal & Consumable Fuels	0.00
	Total	**0.12**

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.

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, 0.4% (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**

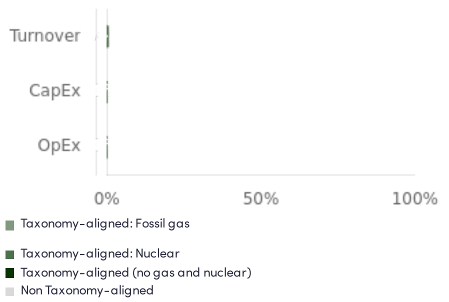
☒ **No**

[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.

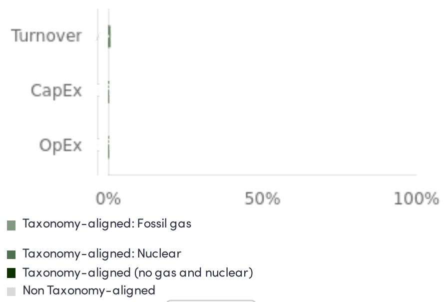
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational 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.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



This graph represents 100 % 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	0.26%
Transition	0.01%

'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?

49.5% of the Fund's NAV was invested in sustainable investments with an environmental objective not aligned with the EU Taxonomy. The Investment Manager monitored closely the evolution of the dataset and their reliance and increased the portion of sustainable investments aligned with EU Taxonomy as the case may be, which decreased the exposure to sustainable investments not aligned with EU Taxonomy in the Fund.

What was the share of socially sustainable investments?

29.6% of the Fund's NAV was invested in socially sustainable investments. The Fund had a minimum investment of 1% in socially sustainable investments. It should be noted that the Fund aimed to allocate 10% in sustainable investments with a social objective and/or an environmental objective.

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

As described above, the Fund could hold ancillary liquid assets or money market instruments for cash management/liquidity purposes which was not assessed for compliance with the above ESG framework. Due to the neutral nature of the assets, no minimum safeguards were put 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 exclusions and the best-in-class approach, 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 an example of a researched issuer during the reference period:

Holding	Principal Adverse Impact	Action Taken
A North American Consumer Staples Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted**. The issuer initially flagged for PAI 7 (Activities negatively affecting biodiversity sensitive areas), for two reasons: land use and biodiversity and human rights. The issuer has acknowledged both issues and has strategies and associated goals in place to deal with them. Land use and biodiversity predominantly relates to its involvement in deforestation due to its use of palm oil and procurement of cocoa. The issuer has a palm oil action plan and a 'Cocoa Life' plan which also focuses on human rights in the cocoa supply chain. They acknowledge the issue of deforestation and require their suppliers to adopt forest protection and sustainability policies for their entire supply base, not just for palm oil supplied to the company. They're working with global suppliers to ensure all oil used is sustainably sourced and fully traceable
A North American Consumer Staples Issuer	PAI 7: Activities negatively affecting biodiversity sensitive areas	**Research conducted.** The issuer initially flagged on PAI 7 (Activities negatively affecting biodiversity sensitive areas), for two reasons; Land use & biodiversity and human rights. The issuer has acknowledged both issues and has strategies and associated goals in place to deal with them. On human rights, it has been enrolling the support of the Fair Labour Association (FLA), an independent and respected expert in the field of labour rights to guide and work with FGV to accelerate action and implement change. On land use & biodiversity, the issuer says it is investing in innovation in non-wood fibres and FSC-certified fast-growing wood fibres. Last year, the issuer completed four concrete actions: 1) completed a landscape assessment to understand the ability to produce non-wood fibres at the scale required. 2) Partnered with leading experts to assess the ability to source various non-wood fibres responsibly. It's critical to consider child labour, political stability, corruption and modern slavery issues, which are concerns in countries that grow non-wood fibres. 3) Invested in studying a supply chain for non-wood fibres. We are now working to scale production and ensure the fibber can be sustainably sourced. 4) Developed a higher performing and consumer preferred paper towel made with 40% more FSC-certified plantation fibre.

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

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

The Fund was not compared to a reference benchmark.

- ***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.