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Performance (% growth)* Cumulative

Past performance does not predict future returns.

| | Fund | Peer Group Benchmark ¹ | Quartile Rank |
|------------|------|-----------------------------------|---------------|
| 3m | 1.4 | 0.1 | 1 |
| 6m | 1.3 | 0.5 | 2 |
| YTD | 1.4 | 0.1 | 1 |
| 1y | 5.5 | 3.2 | 1 |
| 3y | 11.9 | 4.4 | 1 |
| 5y | 35.0 | 14.3 | 1 |

Source: Invesco, as of 31 March 2025.
Returns may increase or decrease as a result of currency fluctuations.

The 10-year rolling performance figures, can be found on page three of the document.

More information on the peer groups can be found at www.morningstar.com

Quarterly Fund Update

Invesco Pan European High Income Fund

Covering Q1 2025

This marketing communication is for professional investors. Investors should read the legal documents prior to investing.

Risk Warnings

For complete information on risks, refer to the legal documents.

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. Debt instruments are exposed to credit risk which is the ability of the borrower to repay the interest and capital on the redemption date. Changes in interest rates will result in fluctuations in the value of the fund. The fund uses derivatives (complex instruments) for investment purposes, which may result in the fund being significantly leveraged and may result in large fluctuations in the value of the fund. Investments in debt instruments which are of lower credit quality may result in large fluctuations in the value of the fund. The fund may invest in distressed securities which carry a significant risk of capital loss. The fund may invest in contingent convertible bonds which may result in significant risk of capital loss based on certain trigger events. The fund may invest in a dynamic way across assets/asset classes, which may result in periodic changes in the risk profile, underperformance and/or higher transaction costs.

Executive summary

- Difficult quarter for government bonds but more upbeat for IG and high yield.
- ECB cut rates twice in the quarter.
- European equities start the year strong

Market review

An eventful quarter in which US tariff uncertainty ignited fears over a global trade war and Germany announced an overhaul of its borrowing costs in a seismic shift to revive economic growth.

With price pressures easing and economic growth in the eurozone weakening, the ECB cut interest rates in January and March, taking the deposit rate from 3% to 2.5%. Following the German election result which saw Friedrich Merz's conservatives emerge as the largest party, the new coalition government announced plans to create a €500 billion infrastructure fund and a move to lift the country's 'debt brake'. German bund yields rose sharply on the news. With the EU tweaking rules to enable members to significantly raise defence spending, government bonds in France, Spain and Italy also came under late pressure.

It was a mixed quarter for credit spreads with investment grade tightening from 101bps to 95bps whereas high yield widening from 311bps to 328bps.

European equity markets got off to a strong start, surging to new highs and outperforming all other regions. With US leadership in artificial intelligence being challenged by China's DeepSeek, European equities benefited from a rotation out of US technology stocks. Some of these gains were erased towards the end of March on growing concerns that US tariffs may lead to a global trade war, triggering a significant economic slowdown.

Bond market performance

| Sector | Yield | | Spread | | Total Return % |
|-------------------------------------|--------|----------------|--------|----------------|----------------|
| | Mar-25 | 3 Month Change | Mar-25 | 3 Month Change | |
| Governments | | | | | |
| Euro Government Index | 2.89 | 0.16 | - | - | -1.2% |
| Bunds | 2.44 | 0.22 | - | - | -1.8% |
| BTPs | 3.19 | 0.13 | - | - | -0.7% |
| € Investment Grade Corporate | 3.34 | 0.07 | 95 | -6 | 0.2% |
| € A | 3.23 | 0.07 | 86 | -6 | 0.0% |
| € BBB | 3.51 | 0.07 | 108 | -6 | 0.3% |
| € High Yield | 6.06 | 0.19 | 328 | 17 | 0.6% |
| € BB | 4.90 | 0.19 | 220 | 15 | 0.5% |
| € B | 6.40 | 0.27 | 386 | 40 | 0.5% |
| € CCC | 17.37 | -0.61 | 1281 | -80 | 2.8% |
| CoCos | 7.56 | -0.17 | 295 | 18 | 1.6% |
| MSCI Europe | 3.25 | -0.14 | - | - | 6.1% |

Source: Bloomberg LP, Merrill Lynch data (local currency returns).
Spread is the Option Adjusted Spread. Bps is basis points (each unit is 1/100th of a 1%).
Data as at 31 March 2025.

Fund performance

The Invesco Pan European High Income Fund returned 1.36% over the first quarter of 2025 compared to a return of 0.14% for its peer group, the EAA Fund EUR Cautious Allocation sector. This placed the fund in the third quartile of the peer group. The fund's benchmark, 45% ICE BofA Euro High Yield Index (Total Return), 35% Bloomberg Pan European Aggregate Corp EUR Hedged Index (Total Return) & 20% MSCI Europe ex UK Index (Net Total Return), returned 1.55%. The fund remains first quartile and top decile in the peer group over 3,5 and 10 years.

The biggest contribution towards performance came from the fund's allocation to equities. This was supported by the strong outperformance of European equity markets during the quarter. Banks were among the top attributors as strong earnings momentum helped Spanish banking holdings Caixabank, and BBVA. E.ON was the biggest winner within the utilities space as increased visibility on the future of German energy policy was instrumental in pushing their shares higher, while German insurer Allianz also benefitted from a rally in German assets.

Supported by the likelihood of further interest rate cuts this year (both in Europe and the US), amid fallout from an escalating global tariff war, duration made a positive contribution. By contrast, credit risk had a negative, albeit modest, impact on returns. Within credit, emerging markets and high yield bonds detracted, offsetting small gains from subordinated financials and corporate hybrids. Hedging non-euro currency exposure had a negative effect on returns.

| Top contributors (before fees return in bps) | | Top 5 contributors | Coupon | *Maturity | BPS |
|--|-----|-----------------------|--------|-----------|-------|
| Equity | 130 | Caixabank | | | 20.4 |
| Duration & Yield Curve | 75 | E.ON | | | 17.0 |
| Credit | 6 | Allianz | | | 13.4 |
| Subordinated Financials | 8 | BBVA | | | 12.8 |
| Emerging Market | 4 | Roche | | | 12.8 |
| Corporate Hybrids | 3 | | | | |
| Banks - Senior | 1 | Bottom 5 contributors | Coupon | *Maturity | BPS |
| Investment Grade | -1 | Novo Nordisk | | | -13.0 |
| High Yield | -10 | Soitec | | | -10.8 |
| Currency | -30 | Stellantis | | | -10.2 |
| | | ASM | | | -9.6 |
| | | Smurfit | | | -9.0 |

Past performance does not predict future returns.

Contribution returns are gross.

*Lack of maturity date represents perpetual bond. The contribution figures are estimates and should be used for indicative purposes only. Data cleansing and retrospective information availability may cause changes.

Positioning

| Current investment themes % | Dec 24 | Jan 25 | Feb 25 | Mar 25 |
|--------------------------------|-------------|-------------|-------------|-------------|
| Liquidity | 8.0 | 8.4 | 8.4 | 8.9 |
| Cash | 3.5 | 3.9 | 3.6 | 4.3 |
| Bonds maturing within 1 year* | 2.4 | 2.3 | 2.6 | 2.6 |
| Government** | 2.1 | 2.1 | 2.1 | 2.0 |
| Defensive | 14.3 | 14.1 | 13.8 | 13.2 |
| Investment grade | 12.1 | 12.2 | 11.9 | 11.3 |
| Senior banks | 2.1 | 2.0 | 2.0 | 1.9 |
| Credit risk | 58.7 | 57.8 | 57.9 | 57.5 |
| Subordinated banks | 18.3 | 17.8 | 18.3 | 17.4 |
| Subordinated insurers | 4.5 | 4.5 | 4.4 | 3.8 |
| Corporate high yield (inc. EM) | 30.4 | 30.2 | 29.9 | 31.1 |
| Hybrids | 5.4 | 5.4 | 5.3 | 5.3 |
| Equities | 19.1 | 19.7 | 19.8 | 20.4 |

Source: Invesco as of 31 March 2025.

Excludes derivatives and therefore may add to more or less than 100%.

*Bonds with less than a year to maturity are excluded from other categories to prevent double counting. **Government includes agency & supranational.
Figures may not sum due to rounding.

As the credit market has tightened over the last couple of years, we have de-risked the fund, which we believe gives us better protection now. While the fund is focused on higher yielding bonds, we have avoided companies that we think are likely to face significant challenges from an economic downturn.

The largest allocation by industry within the bond portion is financials. The biggest non-financial exposures are telecoms, utilities and food. The fund also has investment grade corporate bonds.

To broaden the opportunities for income and increase the opportunities for capital return, the fund holds an allocation of 20% in European equities. The focus here is on high-quality companies with strong balance sheets, healthy free cash flow generation and good management teams that are committed to and capable of returning that cash flow to shareholders where appropriate.

Modified duration remained relatively started at 2.7 and was modestly increased over the period to 2.7.

Outlook

Policy uncertainty on whether other countries will retaliate against US tariffs is likely to weigh on economic activity, putting pressure on central banks to cut interest rates further than previously expected. The longer these high tariffs are in force, the risk of recession increases. In the near term we expect market volatility to remain a feature.

Despite these uncertainties, we believe that it's still a good time to hold high-quality fixed income and equity assets. On the credit side, fundamentals remain relatively healthy. Issuance of corporate bonds has been strong and company balance sheets are robust. We are still finding some opportunities in the primary market. Although spreads have widened markedly in recent days, there is no evidence of widespread selling.

Standardised rolling 12-month performance (% growth) *

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| | 31.03.15 | 31.03.16 | 31.03.17 | 31.03.18 | 31.03.19 | 31.03.20 | 31.03.21 | 31.03.22 | 31.03.22 | 31.03.24 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | 31.03.16 | 31.03.17 | 31.03.18 | 31.03.19 | 31.03.20 | 31.03.21 | 31.03.22 | 31.03.23 | 31.03.24 | 31.03.25 |
| Invesco PEHI Fund | -5.6 | 9.8 | 2.1 | 1.0 | -7.3 | 21.3 | -0.4 | -4.1 | 10.5 | 5.5 |
| EAA Fund EUR Cautious Allocation ¹ | -3.8 | 3.6 | 0.3 | -0.4 | -5.4 | 11.2 | -1.6 | -5.0 | 6.5 | 3.2 |
| Benchmark ² | | | | | | | | | | 5.8 |

Calendar year performance

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|------|------|-------|------|------|
| Invesco PEHI Fund | 2.8 | 5.8 | -9.1 | 10.2 | 5.9 |
| EAA Fund EUR Cautious Allocation ¹ | 0.8 | 3.7 | -10.5 | 6.7 | 4.9 |
| Benchmark ² | 3.2 | 5.6 | -12.7 | 12.0 | 6.8 |

This information is updated on a calendar quarterly basis. Up-to-date information is available on our website www.invesco.lu

The performance data shown does not take account of the commissions and costs incurred on the issue and redemption of units. The investment concerns the acquisition of units in an actively managed fund and not in a given underlying asset. As at 2 August 2021, this is now the Primary share class for this fund. As this share class was launched on 22 November 2017, for the periods prior to that, performance figures are that of the A share class, without any adjustment for fees.

Data as of 31 March 2025. Sourced from Invesco unless otherwise stated.

¹ EAA Fund EUR Cautious Allocation. EUR Cautious Allocation funds have a mandate to invest in a range of asset types for an EUR-based investor. The equity component does not exceed 35% in the normal running of the fund. Morningstar Category Index: 75% Bond & 25% Equity.

² 45% ICE BofA Euro High Yield Index (Total Return), 35% Bloomberg Pan European Aggregate Corp EUR Hedged Index (Total Return) & 20% MSCI Europe ex UK Index (Net Total Return)

* Source: © 2024 Morningstar. Indexed performance: Performance of an investment of 100 in share class currency. Gross income re-invested to 31 March 2025 unless otherwise stated. All performance data is in the currency of the share class. Reference Benchmark Source: RIMES + Bloomberg. The benchmark index is shown for performance comparison purposes only. The fund does not track the index.

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