Invesco Responsible Japanese Equity Value Discovery Fund

A (EUR Hgd)-Acc Shares

31 March 2024

This marketing communication is directed at retail clients in the UK. Investors should read the legal documents prior to investing.

Summary of fund objective

The Fund aims to achieve long-term capital growth. The Fund seeks to achieve its objective by investing primarily in the securities of companies listed in Japan which meet the Fund's environmental, social and governance (ESG) criteria. For the full objectives and investment policy please consult the current prospectus.

Key facts

Daiji Ozawa
Managed fund since
March 2007

Fumichika Tanemoto
Managed fund since
March 2024

Share class launch
30 September 2011

Original fund launch [1]
25 May 1993

Legal status
Luxembourg SICAV with UCITS status

Share class currency
EUR

Share class type
Accumulation

Fund size
JPY 18.81 bn

Bloomberg code
IJPAEAE LX

ISIN code
LU0607515524

Settlement date
Trade Date + 3 Days

Investment risks

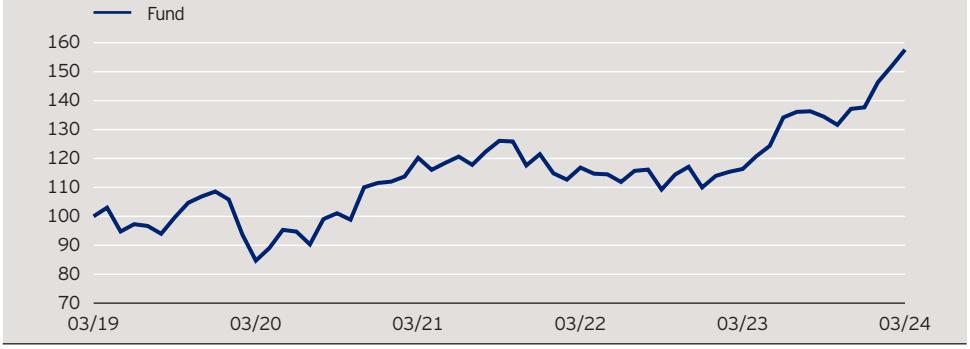
For complete information on risks, refer to the legal documents. The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested. Investments in small and medium sized companies involve greater risks than those customarily associated with larger companies. The lack of common standards may result in different approaches to setting and achieving ESG objectives. In addition, the respect of the ESG criteria may cause the Fund to forego certain investment opportunities.

Fund Strategy

The fund manager focuses on businesses, which can adapt to structural changes and generate sustainable corporate value. The team also favours companies with sound management and ESG credentials, which are attractively valued compared to their historical long-term valuation levels. In searching for investment opportunities, the fund manager does not seek economically sensitive companies but those that can achieve sustainable improvements in profits and capital efficiency. The consideration of ESG issues is an integral part of the investment process, from positive and negative screening, fundamental research, to portfolio construction and engagement. It is this approach that distinguishes the strategy from other typical value funds.

Past performance does not predict future returns. Data points are as at month end.

Indexed performance*



Cumulative performance*

in %	YTD	YTQ	1 month	1 year	3 years	5 years
Fund	14.48	14.48	3.78	35.42	31.07	57.59

Calendar year performance*

in %	2019	2020	2021	2022	2023
Fund	17.97	2.71	8.93	-9.46	25.16

Standardised rolling 12 month performance*

in %	03.14 03.15	03.15 03.16	03.16 03.17	03.17 03.18	03.18 03.19	03.19 03.20	03.20 03.21	03.21 03.22	03.22 03.23	03.23 03.24
Fund	29.08	-6.78	10.64	23.32	-13.53	-15.32	41.99	-2.82	-0.40	35.42

The performance data shown does not take account of the commissions and costs incurred on the issue and redemption of units. Returns may increase or decrease as a result of currency fluctuations. The investment concerns the acquisition of units in an actively managed fund and not in a given underlying asset.

*Source: © 2024 Morningstar. Gross income re-invested to 31 March 2024 unless otherwise stated. All performance data on this factsheet is in the currency of the share class. Please refer to Page 3 for Important Information.

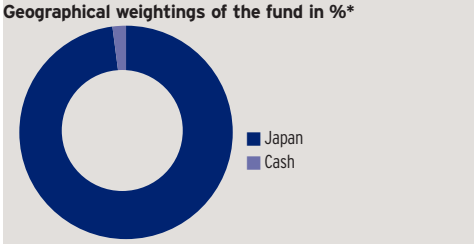
Invesco Responsible Japanese Equity Value Discovery Fund
A (EUR Hgd)-Acc Shares
31 March 2024

Top 10 holdings*

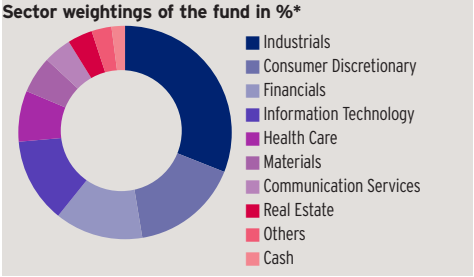
(total holdings: 39)

Holding	Sector	%
Hitachi	Industrials	5.0
Mitsubishi	Industrials	5.0
Mitsubishi UFJ Financial	Financials	4.7
Fujitsu	Information Technology	4.5
Sompo	Financials	3.8
Daiwa House Industry	Real Estate	3.8
Yamaha Motor	Consumer Discretionary	3.7
ORIX	Financials	3.6
Recruit	Industrials	3.6
Suzuki Motor	Consumer Discretionary	3.5

Geographical weightings of the fund in %*



Sector weightings of the fund in %*



Geographical weightings*

	in %
Japan	98.0
Cash	2.0

Sector weightings*

	in %
Industrials	31.0
Consumer Discretionary	16.4
Financials	13.4
Information Technology	12.8
Health Care	7.7
Materials	5.6
Communication Services	4.2
Real Estate	3.8
Others	3.0
Cash	2.0

Financial characteristics*

Average weighted market capitalisation	EUR 30.37 bn
Median market capitalisation	EUR 11.28 bn

NAV and fees

Current NAV
EUR 56.78

12 month price high
EUR 57.48 (22/03/2024)

12 month price low
EUR 41.00 (06/04/2023)

Minimum investment [2]
EUR 1,000

Entry charge
Up to 5.00%

Annual management fee
1.4%

Ongoing charges [3]
1.74%

Source: *Invesco. Costs may increase or decrease as result of currency and exchange rate fluctuations. Consult the legal documents for further information on costs. Portfolio weightings and allocations are subject to change. The weightings for each breakdown are rounded to the nearest tenth or hundredth of a percent; therefore, the aggregate weights for each breakdown may not equal 100%. **A discretionary cap on multiple components of the total costs is maintained. This discretionary cap may positively impact the performance of the Share Class.**

Invesco Responsible Japanese Equity Value Discovery Fund

A (EUR Hgd)-Acc Shares

31 March 2024

Important Information

[1]The Original Fund Launch date relates to the previous fund named: Invesco Japanese Value Equity Fund, which was renamed to Invesco Japanese Equity Value Discovery Fund as of 6 December 2018 and Invesco Responsible Japanese Equity Value Discovery Fund as of 8 April 2021. On 9 July 2021, a Luxembourg-domiciled SICAV named Invesco Japanese Equity Core Fund was merged into the Invesco Responsible Japanese Equity Value Discovery Fund, a sub-fund within the same fund umbrella. On 27 May 2022, a Luxembourg-domiciled SICAV named Invesco Japanese Equity Dividend Growth Fund was merged into the Invesco Responsible Japanese Equity Value Discovery Fund, a sub-fund within the same fund umbrella.
[2]The minimum investment amounts are: USD 1,500 / EUR 1,000 / GBP 1,000 / CHF 1,500 / SEK 10,000. Please contact us or refer to the most up to date Prospectus for details of minimum investment amounts in other currencies.
[3]The Ongoing Charges figure includes the annual management fee and other administrative or operating costs. It is a percentage of the value of your investment per year. This is an estimate based on actual costs over the last year. It excludes portfolio transaction costs except in the case of an entry or exit charge paid by the Fund when buying or selling shares/units in another fund.

This marketing communication is directed at retail clients in the UK. Investors should read the legal documents prior to investing. Data as at 31 March 2024, unless otherwise stated.

This is marketing material and not financial advice. It is not intended as a recommendation to buy or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication. Views and opinions are based on current market conditions and are subject to change. For information on our funds and the relevant risks, refer to the Key Information Documents/Key Investor Information Documents (local languages) and Prospectus (English, French, German, Spanish, Italian), and the financial reports, available from www.invesco.eu. A summary of investor rights is available in English from www.invescomanagementcompany.lu. The management company may terminate marketing arrangements. Not all share classes of this fund may be available for public sale in all jurisdictions and not all share classes are the same nor do they necessarily suit every investor. If investors are unsure if this product is suitable for them, they should seek advice from a financial adviser. **Any investment decision should take into account all the characteristics of the fund as described in the legal documents. For sustainability related aspects, please refer to: https://www.invescomanagementcompany.lu/lux-manco/literature.**

© 2024 Morningstar. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Issued by Invesco Management S.A., President Building, 37A Avenue JF Kennedy, L-1855 Luxembourg, regulated by the Commission de Surveillance du Secteur Financier, Luxembourg.

ESG Supplement
31 March 2024

ESG Characteristics

The Invesco Responsible Japanese Equity Value Discovery Fund (the fund) adopts a high-conviction active and ESG conscious approach to take advantage of overlooked transformations leading to sustainable corporate value creation underpinned by sound management and ESG initiatives among stocks that are attractively valued compared to their long-term potential. In other words, their price is attractive relative to their "normalised" earnings. In search of portfolio companies, the investment team seeks not cyclical but sustainable improvements in profit margins and capital efficiency where the portfolio manager and research analysts, who make an investment decision, undertake ESG risk and opportunity assessment. This approach distinguishes the strategy from other typical value funds. The consideration of sustainability characteristics is an integral part of every step of our investment process. The investment process of the fund is based on three building blocks: Bottom-up Stock Selection, ESG Approach and Proxy Voting and Engagement.

SFDR (see Glossary)

The fund complies with article 8 of SFDR (the EU's Sustainable Finance Disclosure Regulation) in that it promotes environmental or social characteristics, and in that the companies in which investments are made follow good governance practices. More information is available at www.invescomanagementcompany.lu

Invesco's Commitment to ESG

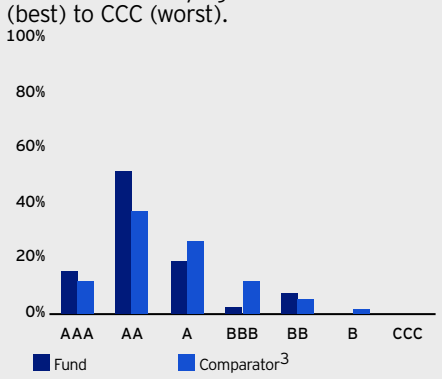
Invesco has an investment-led ESG approach. We provide a comprehensive range of ESG focused capabilities that enable clients to express their values through investing. We also integrate financially material ESG considerations across our investment platform, taking into account critical factors that help us deliver strong outcomes to clients.

ESG Characteristics[1]	Fund	Comparator[3]
ESG Fund Rating (AAA-CCC)	AA	A
ESG Quality Score (0-10)	7.5	7.0
Environmental Pillar Score	6.0	5.7
Social Pillar Score	5.7	5.5
Governance Pillar Score	5.8	5.5
ESG % Coverage	98.7	98.1

Carbon Characteristics[2]	Fund	Comparator[3]
Financed Emissions Scope 1 + 2 (tCO_2e)	3,741.6	9,149.3
Financed Emissions Scope 1 + 2 + 3 (tCO_2e)	111,550.5	151,071.9
Relative Carbon Footprint (tCO_2e/JPY M invested)	0.2	0.5
Wtd Avg Carbon Intensity (tCO_2e/USD M sales)	42.4	83.5
% Carbon Coverage (excluding cash)	96.8	99.6

MSCI ESG Rating Distribution[1]

This shows the distribution of ESG ratings across the underlying funds from AAA (best) to CCC (worst).



ESG Trend Momentum[1]

The percentage of holdings held by the Fund that have improved their ESG Rating, (positive), have no change (stable) or worsened (negative) since the previous rating.

Trend	Fund	Comparator[3]
Positive	12.1%	19.7%
Stable	83.6%	75.7%
Negative	4.3%	3.8%
Unrated	-	0.8%

ESG Rating Distribution by Sector[1, 4]	AAA	AA	A	BBB	BB	B	CCC	NR
Communication Services	-	1.4%	-	1.2%	1.7%	-	-	-
Consumer Discretionary	7.9%	3.3%	-	1.8%	3.5%	-	-	-
Consumer Staples	-	3.0%	-	-	-	-	-	-
Energy	-	-	-	-	-	-	-	-
Financials	3.8%	5.0%	4.7%	-	-	-	-	-
Health Care	-	5.1%	2.6%	-	-	-	-	-
Industrials	-	23.5%	5.0%	< 0.1%	2.7%	-	-	-
Information Technology	4.6%	1.5%	6.8%	-	-	-	-	-
Materials	-	5.6%	-	-	-	-	-	-
Real Estate	-	3.8%	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-

[1] ESG data is sourced from MSCI at the security level and ESG metrics are calculated by FE FundInfo, replicating the MSCI methodology, using the underlying holdings of the portfolio. For more details, please see MSCI's methodology www.msci.com

[2] Carbon Characteristics are calculated by Invesco using ISS classifications at the security level. Latest climate dataset available is as of 2022.

[3] Comparator: We are comparing to TOPIX Index (Net Total Return).

[4] The ESG rating distribution table does not include cash positions and therefore may not total 100%.

Climate-Based Exclusions[5]	Fund
Thermal Coal Extraction	Yes
Thermal Coal Power Generation	Yes
Unconventional Oil and Gas	Yes
Oil and Gas (Conventional)	Yes
Chemicals of Concern	No
Nuclear Power	No

Non-Climate-Based Exclusions[5]	Fund
Controversial Weapons	Yes
Tobacco	Yes
UN Global Compact Status	Non-Compliant
Nuclear weapons outside the Non-Proliferation Treaty	Yes
Recreational Cannabis	Yes
Military Contracting	Yes
Civilian Firearms	No
Adult Entertainment	Yes
Gambling	Yes
Alcohol	No

Responsible Investment Approach	Yes	No	N/A
ESG Integration	✓		
Negative Screen / Positive Allocation	✓		
Sustainable Investments	✓		
Impact Fund		✓	
Engagement	✓		
Voting (Equities only)	✓		

[5] Exclusion Criteria

The exclusion criteria may vary depending on the activity from zero tolerance to exclusions based on % of revenue. For further details on the revenue threshold applied to specific exclusions please refer to the Sustainability-related disclosures on the website of the Management Company. www.invescomanagementcompany.lu

Exclusion criteria definitions are as follows:

Thermal Coal Extraction: The company extracts thermal coal.

Thermal Coal Power Generation: The company generates electricity from thermal coal.

Unconventional Oil and Gas: The company is involved in oil and gas exploration in the Arctic and/or extracts oil sands and/or is involved in shale energy exploration/production.

Oil and Gas (Conventional): The company is involved in oil and gas exploration and production.

Chemicals of Concern: The company produces chemicals which are banned by the three international conventions: UNEP Stockholm Convention, OSPAR Convention, the Montreal Protocol on Substances that Deplete the Ozone Layer.

Nuclear Power: The company generates power from nuclear sources or derives revenue from developing products or services that support the nuclear power industry.

Controversial Weapons: Companies that have been identified as having ties to controversial weapons, including cluster munitions, landmines, biological weapons, depleted uranium weapons, blinding laser weapons, incendiary weapons and/or not detectable fragments.

Tobacco: The company manufactures tobacco products and/or supplies tobacco-related products/services.

UN Global Compact Status: Companies that have been identified as "non-compliant" under the United Nations Global Compact by Sustainalytics.

Nuclear Weapons Outside the Non-Proliferation Treaty: The company is involved in the manufacture of nuclear weapons or their taylor made components AND these weapons are distributed to a country that is not a declared nuclear power under the Treaty on the Non-Proliferation of Nuclear Weapons.

Recreational Cannabis: The company is involved in or has ties to revenue from recreational cannabis.

Military Contracting: The company derives revenue from the manufacturing of weapons / weapon components or from providing tailor-made products or services to the army or the defense industry.

Civilian Firearms: The company derives revenue from the manufacturing of small arms designed and marketed for the civilian market. This includes the manufacturing and retail of civilian firearms.

Adult Entertainment: The company derives revenue from adult entertainment. This includes sex shops, producers of adult movies, cinemas that show adult movies, adult entertainment magazines, and the broadcasting of adult entertainment.

Gambling: The company derives revenue from gambling. This includes companies that own casinos, offer bookmaking or online gambling, or manufacture gambling products (e.g. slot machines), etc.

Alcohol: The company derives revenue from alcoholic beverages. This includes producers as well as distributors or owners of retail stores that sell alcoholic beverages.

Responsible Investment Approach definitions are as follows:

ESG Integration: The process of including ESG factors in the fundamental financial analysis of companies and investments.

Negative Screen / Positive Allocation: A process that either excludes a portion of the investment universe that score badly on ESG criteria, focuses upon companies engaged in positive activities for the community or natural world, such as recycling, education or public transport or a combination of both.

Sustainable Investments: An investment in an economic activity that meets the definition of a Sustainable Investment per Article 2 (17) of the SFDR.

Impact Fund: Funds managed with the intention of generating positive, measurable social and environmental impacts, where impact has priority over financial performance.

Engagement: The process of communicating with representatives of a company as a shareholder with the aim of improving their behaviour and policies.

Voting (Equities only): Also known as Proxy Voting, it is a form of voting whereby the fund manager casts votes on behalf of their mutual fund shareholders on a variety of issues, that may include the election of board members, merger or acquisition approvals, or approving a stock compensation plan.

Glossary

ESG Characteristics: Environmental, social, and governance (ESG) information is a critical part of corporate and investment strategy and embedding material sustainability considerations into corporate and investment decisions is integral to long-term success from both financial and sustainability perspectives.

MSCI ESG Fund Rating: The Fund's ESG rating is designed to assess the resilience of the fund's aggregate holdings to long-term, financially relevant ESG risks and should facilitate the ability to rank or screen mutual funds and ETFs on a AAA to CCC ratings scale. This rating aims to provide fund level transparency and measures the ESG characteristics of the total portfolio. It is calculated as a direct mapping of MSCI ESG Quality Scores to letter rating categories. ESG Leaders are holdings with an ESG rating of AAA or AA (best in class), and ESG Laggards are holdings with an ESG rating of B or CCC.

MSCI ESG Quality Score: Calculated as the weighted average of the underlying holding's ESG scores, excluding any underlying holding where this information is not available. It is provided on a 0-10 scale, with 0 and 10 being the respective lowest and highest possible scores. MSCI scores underlying holdings according to their exposure to and management of key ESG issues, which are divided into three pillars: environmental, social and governance.

- **Environmental Pillar Score:** Provides an assessment of environmental factors including emissions, carbon footprint, fossil fuel usage and sustainable opportunities.
- **Social Pillar Score:** Relates to the operating environment of an underlying holding, including labour management, product liabilities, and health and safety.
- **Governance Pillar Score:** Provides an assessment of risk and management practices related to Corporate Governance and Corporate Behaviour.

ESG % Coverage: The percentage of the fund and comparator where MSCI ESG Research data is available.

Financed Emissions: Measure the greenhouse gas emissions associated with the investment. This figure represents the absolute overall exposure of the fund and is dependent on AUM, hence an increase in the AUM will cause the finance emissions to increase and vice versa. The fund AUM is used to calculate the Comparator's financed emissions which will also increase or decrease depending on the AUM size.

Scope 1: Covers direct emissions from owned or controlled sources.

Scope 2: Covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.

Scope 3: Includes all other indirect emissions that occur in a company's value chain.

Relative Carbon Footprint: The measure of the impact of activities on the amount of greenhouse gases produced, such as burning fossil fuels. Measured as Scope 1+ 2 Emissions per JPY 1M invested.

Wtd Avg (Weighted Average) Carbon Intensity: The underlying holdings exposure to carbon intensive holdings, calculated as the weighted average of the constituent's intensity metrics: Scope 1 + 2 emissions per USD 1M revenue for corporates and total country carbon emissions per USD 1M GDP for government bonds.

% Carbon Coverage (excluding cash): This represents the % weighting of the Fund/Benchmark for which carbon data is available.

References to Regulations

SFDR: Part of the EU's Sustainable Finance Action Plan, the Sustainable Finance Disclosure Regulation aims to promote transparency on sustainability by ensuring that participants in the financial services sector provide consistent information to clients in relation to the sustainability of the products and services they provide.

Important ESG Information

The above information is for illustrative purposes only. Providing this information is not indicative of how or whether ESG factors will be integrated into a fund. Unless otherwise stated in the legal offering documents, the ESG information provided in this document does not change a fund's investment objective or policy or constrain the fund's investable universe. The rating may vary from one rating agency to another. The rating may change over time and is not a guarantee of future performance of the fund.

Certain information © 2024 MSCI ESG Research LLC. Reproduced by permission, no further distribution. This report contains certain information (the "Information") sourced from MSCI ESG Research LLC, or its affiliates or information providers (the"ESG Parties"). The information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. Although they obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

The data as represented has in the main been sourced from MSCI and ISS for respective categories. It should be noted that the ratings represented here may not be representative of the rating applied by the investment team as they use their own proprietary rating methodologies to assess the ESG credentials of each issuer. In addition, there are certain asset classes where data coverage per provider is not uniform and does not cover every single issuer. To the extent that MSCI/ISS does not cover a security in the fund, this does not represent that the security is not covered and rated by the investment team. Any holding held by the fund is rated by each investment team using their proprietary rating methodology sourcing information from external sources and unique insight that the teams have into the individual issuers.