
Invesco Global Equity Income Advantage Fund

(the “Fund”)

Sustainability-related disclosures

Contents

-
- | | |
|----|---------|
| 02 | Summary |
|----|---------|
-
- | | |
|----|-------------------------------------|
| 04 | No sustainable investment objective |
|----|-------------------------------------|
-
- | | |
|----|--|
| 05 | Environmental or social characteristics of the financial product |
|----|--|
-
- | | |
|----|---------------------|
| 06 | Investment strategy |
|----|---------------------|
-
- | | |
|----|---|
| 08 | Proportion of investments |
| | Monitoring of environmental or social characteristics |
| | Methodologies for environmental or social characteristics |
-
- | | |
|----|-----------------------------|
| 09 | Data sources and processing |
|----|-----------------------------|
-
- | | |
|----|---------------------------------------|
| 10 | Limitations to methodologies and data |
|----|---------------------------------------|
-
- | | |
|----|---------------------|
| 11 | Due diligence |
| | Engagement policies |
-

Summary

The Fund meets the Article 8 requirements of the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR). It promotes, among other things, environmental and/or social characteristics while also ensuring that investee companies follow good governance practices.

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

However, the Fund has 50% minimum allocated to sustainable investments.

The Fund uses 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 is determined to cause such significant harm, such company will be excluded from investment in the Fund.

Environmental or social characteristics of the financial product

The Fund aims to promote environmental characteristics related to natural resource utilization and pollution (for example by exclusion of companies involved in fossil fuel, thermal coal, oil and gas production and generation).

The Fund also promotes 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 intends to make 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) for at least 50% of its portfolio.

Investment strategy

The Fund applies, in addition to the regulatory mandated exclusions with regards to controversial weapons (please also refer to Section 7.5 I. (5) of the Prospectus) and sovereign debt sanctions, additional exclusions based on the following factors, which may be periodically updated:

- Level of involvement in Coal extraction and production;
- Level of involvement in conventional and unconventional Oil and Gas such as Arctic oil and gas exploration, oil sands extraction and Shale energy extraction;
- Level of involvement in Tobacco production and tobacco-related products;
- Level of involvement with recreational cannabis;
- Companies involved in the manufacture or sales of military or civil firearms;
- Countries with fails at fundamental rights and principles at work conventions;
- Countries which are not member of international treatments like the Paris Agreement, the UN Convention on Biological Diversity and the Nuclear Non-Proliferation Treaty;
- Countries with elevated levels of military expenditure;
- Countries with weak scores in anti Money Laundering efforts, anti-corruption campaigns or weak freedom scores.

In addition, companies will be excluded if they are assessed as being in violation of any of the UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research. Exclusions apply on a continuous basis during the life of the Fund.

A best-in-class approach is also implemented and measured based on a holistic ESG score (selecting the companies in the top 85% based on the MSCI ESG scoring from both a region and sector perspective).

Proportion of investments

The exclusions will be applied to the entire investment universe, with at least 70% of investments aligned with the Fund's environmental or social characteristics. However, currencies and money market instruments held for cash management or liquidity may not be assessed for compliance within the exclusion framework.

50% minimum of the Fund's net asset value will be invested in sustainable investments contributing to environmental and/ or social objectives.

Monitoring of environmental or social characteristics

Data provided by third-parties is used to place trade restrictions on non-compliant issuers. Since no single system covers the entire investment universe, investment teams assess companies lacking data, supervised by investment compliance and ESG teams. Invesco also has a challenge process where portfolio managers can request a review if they disagree with a data vendor's analysis. The ESG research team independently reviews and can lift trade restrictions if deemed appropriate.

Methodologies

Best-in-Class criteria: By applying best-in-class criteria, issuers that do not score in the top 85%, based on MSCI ESG scoring.

Exclusion and negative criteria: By applying these criteria, companies, sectors or countries are excluded from the investment universe which fail to fulfil certain ESG criteria or that violate international norms and standards according to the definitions of the International Labour Organisation (ILO), the OECD or the United Nations.

Data sources and processing

Invesco relies on third-party data providers, and whilst there is broad coverage, no single system covers the entire investment universe. Companies lacking data are assessed by the investment teams, supervised by investment compliance and ESG teams.

The portion of equities of the Fund will be covered and assessed against the exclusion framework with the only exception of asset classes (including cash management, transferable securities such as equity-linked notes and index derivatives) that are not aligned with the environmental or social characteristics promoted by the Fund.

Limitations to methodologies and data

Except for cash management and index derivatives, the Fund's investment universe will be assessed against the exclusion framework. Currencies, cash, and money market instruments held for liquidity may not be assessed, but cash equivalents held for investment will comply with the framework.

There may be some limitations due to standardization concerns, data integrity, data availability, timeliness of data, subjectivity in the interpretation, scope of data and reliance on estimates.

Due diligence

There are multiple levels of controls in place to ensure that the Fund meets its environmental and social characteristics and maintains a minimum of 50% of holdings allocated to sustainable investments. The ESG data from vendors are reviewed before being integrated into internal systems. Issuers breaching criteria are restricted from purchase by the compliance team.

Engagement policies

Please click [here](#) to access our engagement and proxy voting policy.

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

However, the Fund has 50% minimum allocated to sustainable investments (as further explained under “Environmental and social characteristics of the product”).

The Fund uses 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 is determined to cause such significant harm, it can still be held within the Fund but will not count toward the “sustainable investments” within the Fund. Please find below the table and metrics used to assess the DNSH.

PAI Indicator Thresholds used

PAI No.	PAI Indicator	Portfolio Rollups
1,2,3	ISS Scope 1 Emissions	1. Total Emissions (Financed) Scope 1+2
	ISS Scope 2 Emissions	2. Carbon Footprint Scope 1+2
	ISS Scope 3 Emissions	3. Total Emissions Scope 1+2+3
	ISS Scope 1 Emissions (EUR)	4. Carbon Footprint Scope 1+2+3
	ISS Scope 2 Emissions (EUR)	5. WACI 1+2
	ISS Scope 3 Emissions (USD)	6. WACI 1+2+3
4	SA Carbon – Fossil Fuel-Level of Involvement Range-SFDR	% of the Fund exposed to any fossil fuels revenue
5	SA Share of Non-Renewable Energy Production_Percentage-SFDR	Adjusted Weighted Average
	SA Share of Non-Renewable Energy Consumption_Percentage-SFDR	Adjusted Weighted Average
6	SA Energy Consumption Intensity _Agriculture, Forestry & Fishing-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Construction-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Electricity, Gas, Steam & Air Conditioning Supply-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Manufacturing-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Mining & Quarrying-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Real Estate Activities-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Transportation & Storage-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Water Supply, Sewerage, Waste Management & Remediation Activities-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Wholesale & Retail Trade & Repair of Motor Vehicles & Motorcycles-SFDR	Adjusted Weighted Average
	SA Energy Consumption Intensity _Other Activities-SFDR	Adjusted Weighted Average
7	SA Activities Negatively Affecting Biodiversity Areas-SFDR	% Weight of Portfolio
8	SA Emissions to Water _Tonnes-SFDR	((Market Value/EVIC)*(Tonnes of Emissions to water))/Million EUR Invested; Same as Carbon footprint calculation
9	SA Hazardous Waste Production _Tonnes-SFDR	((Market Value/EVIC)*(Tonnes of Hazardous Waste))/Million EUR Invested; Same as Carbon footprint calculation
10	SA Breach of UN Global Compact Principles & OECD Guidelines for Multinational Enterprises-SFDR	% Weight of Portfolio

PAI Indicator Thresholds used		
PAI No.	PAI Indicator	Portfolio Rollups
11	SA Lack of Processes & Compliance Mechanisms to Monitor Compliance with UN Global Compact Principles & OECD Guidelines for MNEs-SFDR	% Weight of Portfolio
12	SA Unadjusted Gender Pay Gap _Percentage of Male Employees Gross Hourly Earnings-SFDR	Adjusted Weighted Average
13	SA Board Gender Diversity _Percentage of Female Board Members-SFDR	Adjusted Weighted Average
14	Controversial Weapons - manufacturer or intended use involvement	% Weight of Portfolio
	Sovereign	
15	SA Carbon Emissions Intensity-SFDR	Weighted Average
16	SA Any Country Social Violations-SFDR	No. of Counties involved in Violations; % of countries involved in violations
	Optional Indicators	
E	Lack of Carbon Emission Reduction Initiatives-SFDR	% Weight of Portfolio
S	Lack of Human Rights Policy-SFDR	% Weight of Portfolio

The portion of sustainable investments will exclude 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 will be screened for compliance with, and excluded if they do not meet, UN Global Compact principles, based on third-party data and the investment manager's proprietary analysis and research.

Environmental or social characteristics of the financial product

The Fund aims to promote environmental characteristics related to natural resource utilization and pollution (for example by exclusion of companies involved in fossil fuel, thermal coal, oil and gas production and generation). The Fund also promotes 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 has 50% minimum allocated to sustainable investments. To determine if an investment should be considered a sustainable investment, there is a three-step process. First, several qualitative checks are performed for the Fund and the selection criteria includes:

- Alignment with the UN Sustainable Development Goals (SDGs): In scope are companies that at least derive 25% of their revenues from social goods & services.
- Such social goods and services can be linked to SDGs
- Current holding of existing Article 9 products
- Energy transition score & ESG score: Best in class approach. Companies that score in the top 25% within the respective peer group for either score eligible
- GICS: Issuer operates within the "Food Products Industry" or "Healthcare Sector"
- The issue is classified as a green bond under an appropriate framework (ICMA/CBI/ EU GBS) and is subject to independent review (Second Party Opinion)

Note that Invesco relies on third-party data providers to assess issuer's performance on the above criteria. In addition, it should be noted that the full weight in the portfolio will count as sustainable investments when meeting the above criteria.

Second and as disclosed in the section above, the Fund uses 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 or country is determined to cause such significant harm, it can still be held within the Fund but will not count toward the “sustainable investments” within the Fund. Please refer to section “No sustainable investment objective” for more information on the PAls and metrics used to assess the DNSH as well as how the Fund considers international norms and standards.

Social features are considered by excluding companies with controversial business behaviours.

The Fund also includes only issuers that score in the top 85% based on region and sector based on the MSCI ESG score.

The Fund applies, in addition to the regulatory mandated exclusions with regards to controversial weapons (please also refer to Section 7.5 I. (5) of the prospectus of the Fund) and sovereign debt sanctions, additional exclusions based on the following factors, which may be periodically updated:

- Level of involvement in Coal extraction and production;
- Level of involvement in conventional and unconventional Oil and Gas such as Arctic oil and gas exploration, oil sands extraction and Shale energy extraction;
- Level of involvement in Tobacco production and tobacco-related products;
- Level of involvement with recreational cannabis;
- Companies involved in the manufacture or sales of military or civil firearms
- Countries with fails at fundamental rights and principles at work conventions
- Countries with are not member of international treatments like the Paris Agreement, the UN Convention on Biological Diversity and the Nuclear Non-Proliferation Treaty
- Countries with elevated levels of military expenditure
- Countries with weak scores in anti Money Laundering efforts, anti-corruption campaigns or weak freedom scores.

Finally, the Fund considers principal adverse impacts on sustainability factors by carrying out a qualitative and quantitative review of 14 mandatory indicators as defined by the Sustainable Finance Disclosure Regulation (primarily the indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088 and subject to availability of data). Please refer to the pre-contractual disclosures embedded to the prospectus and the annual report of the Fund for more information.

Investment strategy

With regards to the ESG screening for the portion of equities in the Fund, exclusions depending on business involvement in controversial activities and controversies will be in place including exclusion of issuers in violations of the UN Global Compact or other social controversies based on third-party data.

The exclusions are based on the following parameters:

	Controversial Activities	Excluded If
Coal	Revenue derived from thermal coal extraction	>=5%
	Revenue derived from thermal coal power generation	>=5%
	Thermal coal power generation capacity as a % of total production capacity	>=5%
Oil & gas	Revenue derived from oil and gas production	>=5%
	Revenue derived from oil and gas supporting products and services	>=5%
	Revenue derived from oil and gas generation	>=5%
Unconventional oil and gas	Revenue derived from projects or the extraction of Arctic oil and gas	>=0%
	Revenue derived from the extraction of oil sands	>=0%
	Oil sands extraction capacity as a % of total	>=0%
	Revenue Shale energy extraction	>=0%
Military	Military contracting weapons	>= 5%
	Military contracting weapons- related product and services	>= 5%
	Military contracting – non weapon related products and services	>= 5%
	Controversial weapons (including nuclear weapons)	0%

	Controversial Activities	Excluded If
Tobacco	Revenue from products related to products and services	>=5%
	Revenue from products retail	>=5%
	Revenue from production	>=5%
UN Global Compact	UN Global Compact	Non-Compliant
Recreational Cannabis	Involvement in recreational cannabis	>=5%
Labour Relations	Controversies in the field of labour relations	Yes
Social Supply Chain	Controversies in the field of social supply chain	Yes
Forced child labour	Controversies in the field of forced child labour	Yes
Biodiversity	Controversies in the field of endangering biodiversity	Yes
Pollution	Controversies in the field of preventing and managing of accidental pollution or soil pollution	Yes
Community involvement	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)	Yes
Human Rights	Controversies in Labour Rights including the supply chain, forced or child labour and discrimination	Yes
Corruption	Corruption Related Controversies	Yes

Definition of Controversial Weapons: Military weapons that have potential to cause excessive or indiscriminate harm, violate international norms, or mass destruction. These weapons are often subject to international treaties and agreements designed to limit their use, promote disarmament, and protect civilians from their effects. Exclusion screening includes anti-personnel mines, cluster weapons, chemical weapons, biological weapons, white phosphorus, and depleted uranium.

Definition of nuclear weapons: Weapons that use nuclear energy and reactions to cause an explosion.

A best-in-class approach is also implemented and measured based on a holistic ESG score (selecting the companies in the top 85% based on the MSCI ESG scoring from both a region and sector perspective).

There is no commitment with regard to a minimum reduction of the investments considered prior to the application of the exclusions. However, it is expected that between 20%-30% of the issuers will be excluded from the initial investment universe.

Policy to assess good governance practices of the investee companies

To ensure good governance of the investee companies, the investment teams first identify the companies which violate this principle by systematically screening for controversies within the investable universe. To achieve this, the investment teams evaluate an extensive volume of news data for violations of good governance. These violations are aligned with the UN Global Compact and severe controversies in the area of human rights, labour relations and labour rights and community involvement and also covers tax compliance. Violations of these controversies and an inability to resolve in a timely manner, lead to a company being excluded from the investable universe and disinvested in case of a holding.

Invesco Global Equity Income Advantage Fund (the "Fund")

Proportion of investments

The Fund will make equity investments aligned with the E/S characteristics for minimum 70% of its portfolio by virtue of binding elements of the Fund's investment strategy.

The Fund may hold up to 30% maximum in currencies, cash, money market funds or money market instruments for cash management/liquidity purposes or be exposed to other transferable securities such as equity-linked notes which will not be assessed for compliance with the above ESG framework.

50% minimum of the Fund's net asset value will be invested in sustainable investments contributing to environmental and/or social objectives. For the avoidance of doubt, any derivatives used by the Fund (regardless of purpose) will not be taken into consideration in this calculation. As a result, the calculation is therefore intended to represent the physical investments and holdings of the Fund.

For the avoidance of doubt, any derivatives used by the Fund (regardless of purpose) will not be taken into consideration in this calculation. As a result, the calculation is therefore intended to represent the physical investments and holdings of the Fund.

In addition, if a security has become illiquid to the point where there is no willing buyer or the issuer has for example defaulted/undergoing a restructure or filed for bankruptcy protection after the point of purchase, these assets may still be held in the Fund until they can be sold/removed.

Monitoring of environmental or social characteristics

In order to assess companies around the controversial activities mentioned above, the IQS team uses a combination of MSCI, Sustainalytics and ISS (Institutional Shareholder Services) to assess compliance. However, this can be supplemented with other service providers where appropriate.

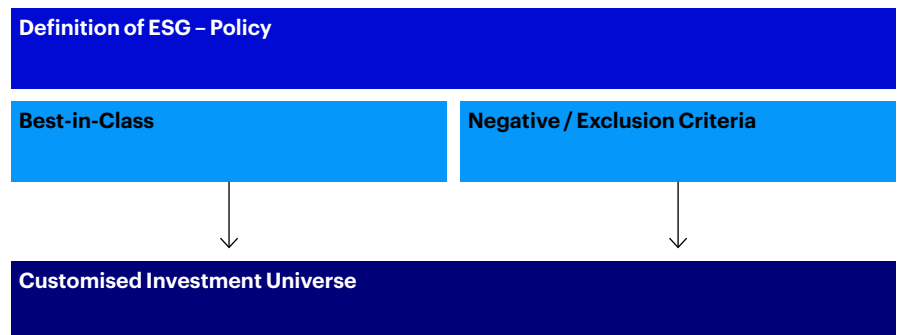
This data is used in order to place trade restrictions on issuers that breach the defined thresholds.

When there are proposed changes to the ESG metrics used, a formal sign-off procedure takes place that includes members of the global ESG team, investment team, product and legal team.

Methodologies for environmental or social characteristics

As further detailed in section "Investment strategy", the Fund excludes certain sectors and stocks being considered not aligned with the environmental and social characteristics of the Fund.

ESG screening for equities



Source: Invesco. For illustrative purposes only.

Best-in-Class criteria

By applying best-in-class criteria, issuers that do not score in the top 85%, based on MSCI ESG score within both region and sector will be excluded from the Fund's universe.

Exclusion and negative criteria

By applying these criteria, companies, sectors or countries are excluded from the investment universe which fail to fulfil certain ESG criteria or that violate international norms and standards according to the definitions of the International Labour Organisation (ILO), the OECD or the United Nations. Using a wide range of data fields provided by MSCI, the IQS team is able to define a set of ESG criteria. Exclusion criteria and negative criteria can be used to eliminate companies that fail to meet certain ESG criteria, while with positive criteria, companies can be identified, which are particularly characterised by sustainable economic development, positive products or processes.

Counterparty Selection

While some counterparties may be excluded as investable entities under the above exclusion framework due to failure on one or more screens, it is felt that restricting their use as counterparties would impose an undue burden on the Fund and would impair our ability to ensure best execution.

Securities Lending

To the extent the Fund engages in securities lending, the Fund will reserve the right to recall securities in advance of an important vote. In addition, the investment manager will ensure that any collateral received is aligned with these sustainability-related disclosures.

Data sources and processing

In order to assess companies around the above activities, Invesco uses a combination of MSCI, Sustainalytics and ISS (Institutional Shareholder Services) to assess compliance, however, this can be supplemented with other service providers.

The portion of equities of the Fund will be covered and assessed against the exclusion framework with the only exception of asset classes (including cash management, transferable securities such as equity-linked notes and index derivatives) that are not aligned with the environmental or social characteristics promoted by the Fund and are further explained below.

Below we provide a list of the data inputs used, as well as where the data is sourced from and if they are actuals or estimates.

Source	Data	Actual or estimate
MSCI	UN Global Compact Screening	Actual
Sustainalytics	UN Global Compact Screening	Actual
Sustainalytics	Business Involvement	Estimate
MSCI	ESG Score	Estimate
MSCI	Controversy screening	Actual

In the event any of the third party data providers significantly changes their methodology, or the data is no longer available, we reserve the right to change to another provider, subject to approval from Invesco's Global ESG team.

As much as possible we have incorporated data into our framework from reputable, well-regarded third parties. Due diligence monitoring is done to ensure data providers are providing on-time deliverables such as ESG data, research and recommendations. Invesco conduct these due diligence meetings with select service providers as necessary. Invesco is constantly evaluating vendors to ensure our investment teams/clients are provided with the current information and our expectations are met. When we identify an issue or our expectations are not met, our teams report the issue and follow up with the service provider to resolve it. By doing so we believe the quality of data is consistent with the best available external data available at the present time.

Exclusion and negative screening – Details

In order to assess companies around the controversial activities, Invesco uses a combination of Sustainalytics, MSCI and ISS (Institutional Shareholder Services) to assess compliance. However, this can be supplemented with other service providers where appropriate.

Sustainable Investments – Details

The process to determine if an investment should be considered a sustainable investment is described in “Environmental or social characteristics of the financial product”.

For the qualitative checks and the selection criteria, Invesco uses a combination of the data sources mentioned in the section “Environmental or social characteristics of the financial product”.

For the PAI indicators used to assess whether the sustainable investments cause significant harm (DNSH) to a relevant environment or social objective, Invesco uses a combination of Sustainalytics and ISS (Institutional Shareholder Services) as well as 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. It is recognised that data in certain instances is limited and as a result the team may where deemed appropriate use proxies or where the data set is so limited as to not be representative of the investment universe to prioritise other actions, such as engagement to help increase the pool of data available. Invesco uses multiple datasets from different sources and it is difficult to generate the proportion of ESG data that is estimated. Certain categories of ESG data are more likely to be estimated (such as scope 3 emissions, certain business involvement categories, etc) due to a lack of consistent disclosure among issuers. Because of this, ESG data that is directly disclosed by an issuer is given preference over data that is generated by a vendor using a proxy, estimation model, industry average, or other means. Invesco is committed to review the current ESG datasets that are used and will continue work with vendors to improve upon both the timeliness and accuracy of data that is used in construction of our ESG products. This data review is an ongoing process that involves members of our investment teams, ESG research team, ESG data analytics team, and our investment technology team.

Invesco uses multiple datasets from different sources and it is difficult to generate the proportion of ESG data that is estimated. Certain categories of ESG data are more likely to be estimated (such as scope 3 emissions, certain business involvement categories, etc) due to a lack of consistent disclosure among issuers. Because of this, ESG data that is directly disclosed by an issuer is given preference over data that is generated by a vendor using a proxy, estimation model, industry average, or other means. Invesco is committed to review the current ESG datasets that are used and will continue work with vendors to improve upon both the timeliness and accuracy of data that is used in construction of our ESG products. This data review is an ongoing process that involves members of our investment teams, ESG research team, ESG data analytics team, and our investment technology team.

Limitations to methodologies and data

ESG data and methodologies can present certain limitations:

1. **Standardization Concerns**
Varying ESG reporting methodologies across companies can impede comparative analytics and evaluations.
2. **Data Integrity**
ESG data accuracy is contingent on reliable company disclosures.
3. **Data Availability**
Selective ESG disclosure by entities can limit the insight into potential ESG-related risks and opportunities.
4. **Timeliness of Data**
The reporting lag in ESG data can impact the ability to react promptly to shifting scenarios.
5. **Subjectivity in Interpretation**
The inherent subjectivity of ESG factors can lead to varied interpretations, thereby posing challenges to maintaining consistent ESG-related investment strategies.
6. **Scope of Data**
ESG reporting is not standardized among issuers. This lack of standardization means that there can be a difference in available data between issuers.
7. **Reliance on Estimates**
Largely due to lack of standardization in disclosure and the potential data gaps found in certain ESG related datasets, many ratings and analyses often rely on estimates. This has the benefit of filling in missing information in a dataset, however the various methodologies behind these estimates introduce an additional level of complexity. Direct company disclosure is always preferred.

Despite these limitations, ESG data remains essential to our investment analysis and does not affect how the Fund meets its environmental or social characteristics. We incorporate ESG data as part of a comprehensive analysis process alongside key elements such as financial performance and market trends. In addition, we conduct multiple checks on the data prior to it being loaded into our proprietary ESG platform. Our investment analysts and portfolio managers have the ability to challenge the ESG data, overseen by a dedicated team of independent ESG analysts. This multifaceted approach diminishes the potential impact of data limitations.

Due diligence

All environmental and social characteristics are coded into the portfolio optimization used to construct the portfolio during the rebalance process. This ensures, that the optimizer adheres to the ESG policy. Portfolio managers review every trade to ensure the data consistency.

There are multiple levels of controls in place to ensure that the Fund meets its environmental and social characteristics and maintains a minimum of 50% of holdings allocated to sustainable investments. The first step in this due diligence process is a review of the data received from ESG data vendors to ensure that each update file is as complete as possible before ingestion into internal systems. This includes an analysis of the changes between the current data file and previous data files, highlighting significant changes and potentially requesting confirmation of these changes.

In addition to the data quality assurance process mentioned above, our internal investment compliance process checks each new transaction against a list of eligible securities and calculates if the transaction is not aligned with the environmental and social characteristics.

Any changes to the ESG criteria of the Fund must be reviewed and approved by Invesco's ESG client strategies team. This team is composed of ESG professionals with experience working with both clients and portfolio managers in the creation of ESG-labelled or related products. This process ensures that the criteria selected represent industry best practices for ESG-related products.

Engagement policies

The Fund

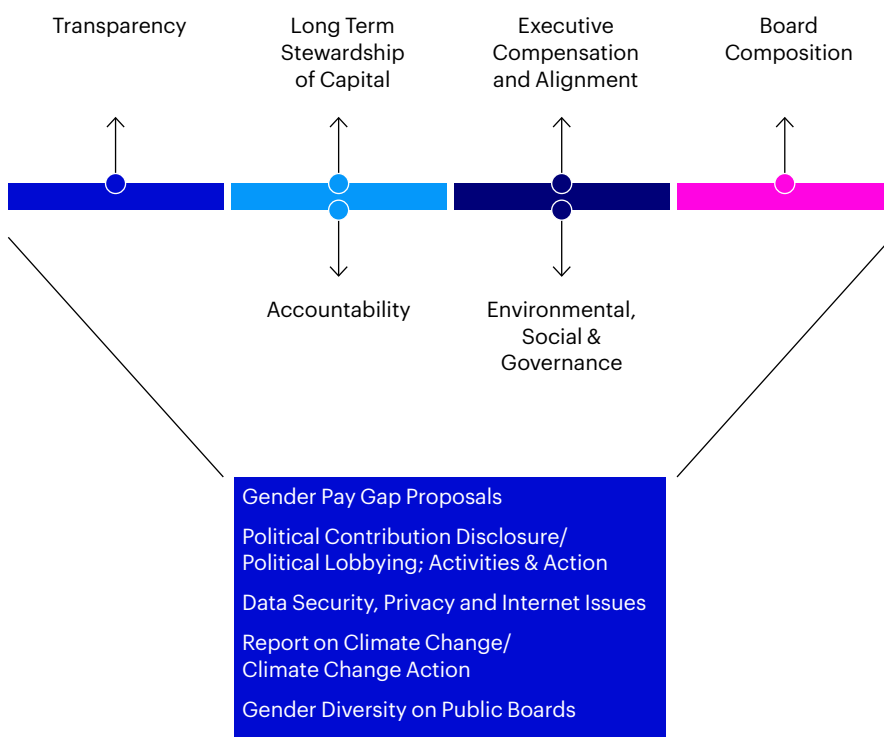
The Fund does not use engagement as a means of meeting its binding commitments to environmental or social Characteristics.

General

Invesco's Proxy Voting approach is governed by the Global Proxy Voting Policy, which is premised on respecting the fund manager's freedom to vote in what they believe is the best interests of the investors in the relevant fund or portfolio in order to achieve positive outcomes for clients. To this effect, Invesco maintains a proprietary global proxy administration platform, known as "PROXYintel". The platform streamlines the proxy voting and ballot reconciliation processes, as well as related functions, such as share blocking and managing conflicts of interest issues. This enables fund managers to vote in an efficient manner, increase transparency, share knowledge and effectively influence corporate practices and behaviours.

Proxy Voting – Our good Governance Principles

Support of ESG shareholder proposals through Invesco's PROXYintel



Source: Invesco. For illustrative purposes only.

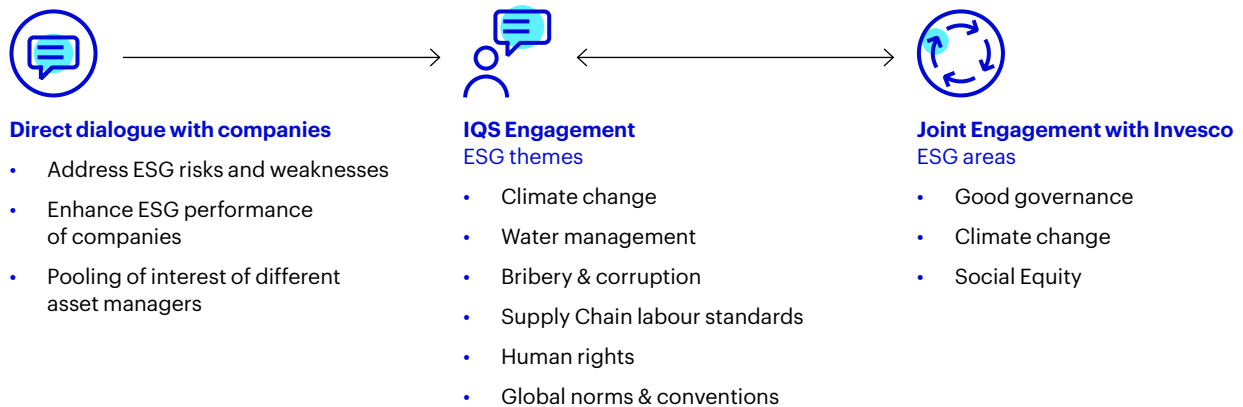
Invesco adopts and applies a dedicated ESG voting policy across managed funds, portfolios and mandates. Besides the support of shareholder proposals through Invesco's proprietary "PROXYintel" Fund Manager Portal, specific voting decisions on the following ESG topics are taken if applicable:

- Gender Pay Gap Proposals
- Political contribution disclosure/political lobbying
- Disclosure/political activities and action data security
- Privacy and internet issues
- Report on Climate Change/climate change action and
- Gender Diversity on public boards.

Engagement

IQS enters regularly into dialogue with carefully selected target companies. In general, the team look to engage on topics related to the IQS Priority ESG Themes, which are Climate Change, Human Rights, Supply Chain Management, Water and Bribery/ Corruption.

IQS selects investee companies which are at a size and stage making them likely to be influenceable. The objective is to identify weaknesses in the company's sustainability management and discuss these with management to enable the companies to achieve a better ESG performance in the medium to long term. Discussions can take place via telephone calls, personal meetings and written communication. Engagements are followed through over a period of years where necessary.



Source: Invesco Quantitative Strategies, For illustrative purposes only.

IQS' engagement priorities follow methods:

- Theme-based engagement, which aims to encourage companies to expose and reduce systemic risks in areas such as bribery reporting; climate change; human rights management systems; supply chain labour policy and water scarcity.
- Controversy-led engagement, which aims to prompt companies to observe internationally-recognized standards and conventions and correspondingly improve their company guidelines.

MSCI undertakes a detailed assessment of the themes for each company that the IQS team has selected. This is based upon a long established and rigorous methodology and involves assessing the level of risk that a company is exposed to in any one area and then analysing how the company mitigates these risks. IQS also leverages on the firm-level engagement.

Please click [here](#) to access our engagement and proxy voting policy.

Version	Date	Details of change
1.0	18 January 2024	Creation of the document
1.1	15 July 2024	Updated to include 50% minimum sustainable investments
1.2	1 December 2024	Enhancement of the “Summary” section
1.3	24 March 2025	Change of data source from Moody's to MSCI.