

Invesco Pan European Small Cap Equity Fund

A (USD)-AD Shares

28 February 2022

This marketing communication is for Professional investors in Cyprus and Continental European countries as defined in the important information section. Investors should read the legal documents prior to investing. This document may also be used by financial intermediaries in the United States as defined in the important information section.

Summary of fund objective

The Fund is actively managed. The Fund aims to provide long-term capital growth primarily from a portfolio of investments in smaller companies of any European stock market. For the full objectives and investment policy please consult the current prospectus.

Key facts



Erik Esselink
London
Managed fund since
May 2020



James Matthews
Henley-on-Thames
Managed fund since
December 2020

Share class launch

28 April 2008

Original fund launch

02 January 1991

Legal status

Luxembourg SICAV with UCITS status

Share class currency

USD

Share class type

Income

Fund size

EUR 90.14 mn

Reference Benchmark

EMIX Smaller European Companies Index-NR

Bloomberg code

INVPESC LX

ISIN code

LU0334858676

Settlement date

Trade Date + 3 Days

Morningstar Rating™

★ ★

Risk Warnings

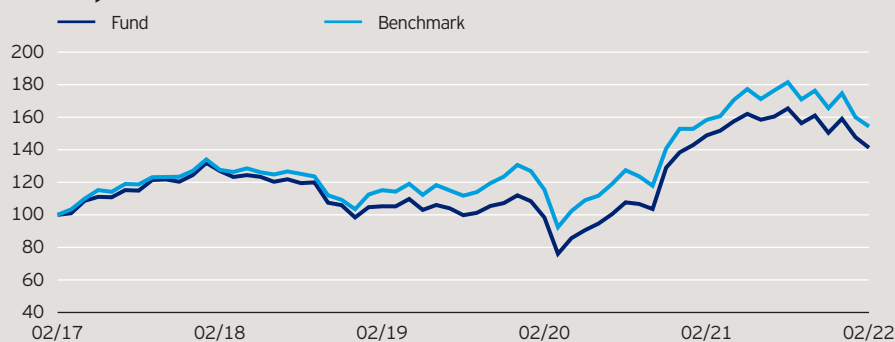
For complete information on risks, refer to the legal documents. The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested. This is a small companies fund, you should be prepared to accept a higher degree of risk than a fund that invests in larger companies.

Fund Strategy

At the core of the team's investment philosophy is a belief in valuation-driven, active management. The European equities team firmly believes that investors are best served by a focus on long-term investing, avoiding an over-emphasis on current trends and consensus. Companies operate in long-term cycles and so does the focus of the investment team's research. The team's approach is to take advantage of inefficiencies in the market and buy stocks at below what they believe to be their intrinsic value. The investment process is driven by fundamental stock-picking, combining both top-down and bottom-up analysis, and with a focus on valuation.

Past performance does not predict future returns. The performance period shown here starts on the last day of the first indicated month and ends on the last day of the last indicated month.

Indexed performance*



Cumulative performance*

in %	YTD	1 month	1 year	3 years	5 years
Fund	-11.17	-4.39	-5.12	34.20	41.24
Benchmark	-11.66	-3.56	-2.60	33.97	54.28

Calendar year performance*

in %	2017	2018	2019	2020	2021
Fund	31.22	-20.93	13.79	23.58	14.90
Benchmark	33.38	-18.57	26.32	16.98	14.25

Standardised rolling 12 month performance*

in %	02.12	02.13	02.14	02.15	02.16	02.17	02.18	02.19	02.20	02.21	02.22
Fund	10.69	42.94	-12.86	-5.39	8.96	26.95	-17.10	-6.54	51.34	-5.12	
Benchmark	12.54	39.96	-8.97	-7.53	14.80	27.63	-9.77	0.24	37.22	-2.60	

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 a fund and not in a given underlying asset.

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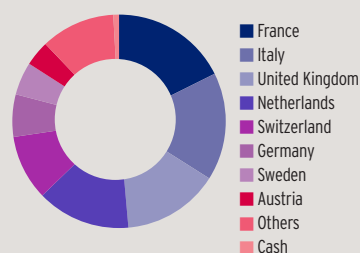
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Top 10 holdings*

(total holdings: 65)

Holding	Sector	%
Ariston	Consumer Discretionary	3.3
Drax	Utilities	3.3
ALSO	Information Technology	3.0
TKH DR	Industrials	2.9
Coface	Financials	2.8
Peugeot Invest	Financials	2.7
Tate & Lyle	Consumer Staples	2.7
SkiStar	Consumer Discretionary	2.6
Signify	Industrials	2.6
De Longhi	Consumer Discretionary	2.4

Geographical weightings of the fund in %*

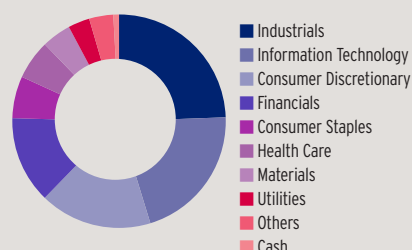


Geographical weightings*

	in %		in %
France	17.7	Industrials	24.4
Italy	16.3	Information Technology	20.8
United Kingdom	14.6	Consumer Discretionary	17.0
Netherlands	14.2	Financials	13.2
Switzerland	9.9	Consumer Staples	6.4
Germany	6.4	Health Care	6.0
Sweden	5.0	Materials	4.4
Austria	3.8	Utilities	3.3
Others	11.3	Others	3.7
Cash	0.9	Cash	0.9

Sector weightings*

Sector weightings of the fund in %*



Financial characteristics*

Average weighted market capitalisation	USD 2.70 bn
Median market capitalisation	USD 2.09 bn

3 year characteristics**

Alpha	-0.19
Beta	1.05
Correlation	0.97
Information ratio	0.01
Sharpe ratio	0.44
Tracking error in %	5.60
Volatility in %	25.63

For detailed information about the 3 year characteristics please see <http://assets.invescohub.com/invesco-eu/glossary.pdf>.

NAV and fees

Current NAV

USD 33.56

12 month price high

USD 39.80 (06/09/2021)

12 month price low

USD 32.22 (24/02/2022)

Minimum investment ¹

USD 1,500

Entry charge

Up to 5.00%

Annual management fee

1.5%

Ongoing charges ²

2.04%

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 weightings for each breakdown may not equal 100%. **Morningstar.

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Important Information

¹The 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.

²The ongoing charges figure is based on annualised expenses for the period ending August 2021. This figure may vary from year to 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.

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Invesco's Commitment to ESG Investing

At Invesco, we've been implementing ESG strategies for more than 30 years, with an approach that is both investor-led and investor-driven. We integrate ESG risk and opportunity factors directly into our investment decisions across asset classes. We believe that incorporating environmental, social and governance (ESG) practices into our investment activities can positively impact the value we provide clients - and help ensure a sustainable environment for future generations.

SFDR (Sustainable Finance Disclosure Regulation)

The Fund complies with Article 8 with respect to the EU's Sustainable Finance Disclosure Regulation*. As such, the fund promotes, among other characteristics, environmental or social characteristics or a combination of those characteristics. In addition, the companies in which the fund invests follow good governance practices. *Regulation (EU) 2019/2088 on sustainability - related disclosures in the financial services sector.

Exclusion Framework

The Fund embeds an exclusionary framework to specific activities based on UN Global Compact, severe governmental sanctions, revenue thresholds for certain activities linked to environmental and/or social criteria, as well as ensuring that companies follow good governance practices. The list of activities and their thresholds are listed below:

UN Global Compact	- Non-Compliant
Country sanctions	- Severe violations
Controversial weapons	- 0% of revenue including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the Non-Proliferation Treaty (NPT)
Coal	- Thermal Coal extraction: $\geq 5\%$ of revenue - Thermal Coal Power Generation: $\geq 10\%$ of revenue
Unconventional oil & gas	- $\geq 5\%$ of revenue on each of the following: Arctic oil & gas exploration; Oil sands extraction; Shale energy extraction;
Tobacco	- Tobacco Products production: $\geq 5\%$ of revenue - Tobacco related products and services: $\geq 5\%$ of revenue
Others	- Recreational cannabis: $\geq 5\%$ of revenue
Good governance	- Ensure that companies follow good governance practices in the areas of sound management structures, employee relations, remuneration and tax compliance

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>.

At Invesco we have looked to put in place minimum safeguards across multiple sub-funds of Invesco Funds (as listed above) to allow them to meet Article 8 requirements of the SFDR Regulation as of 2 November 2021. To be classified as a so-called Article 8 product, the sub-funds need to promote, among other things, environmental and/or social characteristics while also ensuring that investee companies follow good governance practices. In order to meet such requirements, it was determined that we would look to exclude certain activities based on certain thresholds, which may be updated from time to time. For further details please refer to the website of the management company at <https://www.invescomanagementcompany.lu>.

As noted above this is a proprietary framework developed by Invesco in line with Article 8 requirements of the Regulation (EU) 2019/2088 on sustainability. The framework is developed, maintained and monitored by Invesco. In order to assess companies against the noted criteria, Invesco uses a combination of Sustainalytics and ISS (Institutional Shareholder Services) to assess compliance, however, this can be supplemented with other service providers where appropriate. While there is a broad coverage across the various systems, there is no one system that has complete coverage of the entire investment universe. As a result, investment teams will be responsible for conducting an assessment of companies for which data is not available, under the appropriate supervision and oversight of our investment compliance and ESG teams.