

Invesco Charter Fund

Quarterly Performance Commentary

Mutual Fund Retail Share Classes
Data as of March 31, 2022



Investment objective

The fund seeks long-term growth of capital.

Portfolio management

Manind Govil, Paul Larson, Benjamin Ram

Fund facts

Nasdaq	A: CHTRX	C: CHTCX
	Y: CHTYX	S: CHR SX
Total Net Assets	\$3,535,241,799	
Total Number of Holdings	74	

Top holdings

	% of total net assets
Microsoft	6.75
Amazon	5.60
Apple	4.40
United Parcel Service 'B'	3.08
Alphabet 'A'	2.89
Prologis	2.78
Procter & Gamble	2.71
UnitedHealth	2.63
Qualcomm	2.54
HCA Healthcare	2.43

Top contributors

	% of total net assets
1. AstraZeneca	1.84
2. Raytheon Technologies	1.93
3. Allstate	1.45
4. FirstEnergy	1.82
5. Valero	0.00

Top detractors

	% of total net assets
1. Netflix	1.01
2. Qualcomm	2.54
3. First Citizens BancShares	1.03
4. D.R. Horton	0.71
5. General Motors	1.02

Not a deposit; Not FDIC insured; Not guaranteed by the bank; May lose value; Not insured by any federal agency

Market overview

- + Equity markets declined in the first quarter amid volatility sparked by Russia's invasion of Ukraine, rising commodity prices, rampant global inflation and the US Federal Reserve's shift toward tighter monetary policy.
- + To combat inflation, the Fed raised the federal funds rate by one-quarter percentage point in

March, with several more rate increases expected in 2022. The Fed also indicated it would "taper" its asset purchase program more quickly.

- + In this environment, the S&P 500 Index posted a -4.60% return for the quarter. Only the energy and utilities sectors had positive returns for the period.

Positioning and outlook

- + The economy continues to experience a sustained recovery from the COVID-induced recession and the disease appears to be moving from a costly pandemic to a less-severe endemic disease.
- + Inflation rates recently hit a multi-decade high as copious monetary and fiscal stimulus to fight the pandemic caused large inflationary tailwinds and the Russia/Ukraine crisis added fuel to the inflationary fire. Ukraine is known as the "breadbasket of Europe," and is facing disruptions to exports and planting. With Russia also a major exporter of energy, agriculture commodities and fertilizer, sanctions have crimped global supplies and raised commodity prices.

- + There may be significant room for further interest rate increases given substantial inflation concerns and a labor market essentially back to pre-pandemic levels. That said, the war and its effects may change the dynamics of consumer demand, which could pause rising rates.
- + We maintain our valuation discipline and our focus on companies with competitive advantages and skilled management teams that are executing better than their peers. These companies tend to have higher profit margins and returns on invested capital, rising market shares and consistently strong pricing power (important in an inflationary environment).

Performance highlights

- + The fund's Class A shares at net asset value (NAV) returned -6.17% for the quarter, underperforming the Russell 1000 Index, which returned -5.13%. (Please see the investment results table on page 2 for fund and index performance.)
- + The fund's underperformance was mainly driven by stock selection in the information technology, financials and energy sectors. Stronger stock selection in the health care, industrials and communication services sectors partially offset these results.

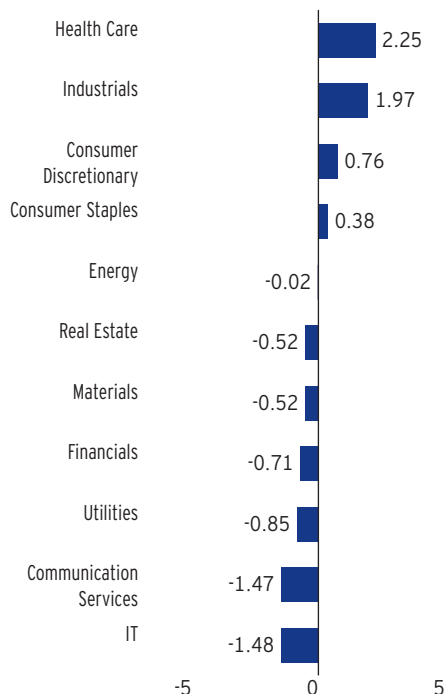
Contributors to performance

- + **AstraZeneca** reported better-than-expected quarterly earnings and management provided well-received guidance for 2022 revenue and earnings-per-share (EPS) growth. The company also modestly raised its dividend for the first time in 10 years.
- + **Raytheon Technologies** reported better-than-expected quarterly results. Additionally, the company's defense business is expected to benefit from the Russia-Ukraine conflict as the US defense budget request released in March was larger than many investors had expected. This could potentially boost the company's sales and earnings in 2023.
- + **Allstate** has done well, along with other auto insurers, as policy rates have risen more than claims. The stock also benefited from investors considering it a "value" stock, as the value segment of the market outperformed during the first quarter.

Detractors from performance

- + **Netflix** underperformed following weaker-than-expected subscriber growth and profit margin guidance. The profit margin headwinds were expected and are partially due to foreign currency exchange rates as the majority of the company's revenues come from outside the US.
- + **Qualcomm** underperformed as semiconductor stocks, and technology stocks more broadly, were out of favor with investors. The company was also affected by COVID-related headwinds in China, which caused weakness in the handset market that is critical to **Qualcomm's** growth plans.
- + **First Citizens** underperformed after disclosing disappointing merger synergies related to its purchase of CIT, which led to lower projected earnings growth.

The fund's positioning versus the Russell 1000 Index
(% underweight/overweight)



Investment results

Average annual total returns (%) as of March 31, 2022

	Class A Shares	Class C Shares	Class Y Shares	Class S Shares	Style-Specific Index		
	Inception: 11/26/68	Inception: 08/04/97	Inception: 10/03/08	Inception: 09/25/09			
	Max Load	Max CDSC			Russell 1000 Index		
Period	5.50%	1.00%					
Inception	10.59	10.70	6.31	6.31	9.85	10.15	-
10 Years	9.47	10.09	9.44	9.44	10.37	10.20	14.53
5 Years	10.14	11.40	10.57	10.57	11.68	11.51	15.82
3 Years	13.41	15.58	14.71	14.71	15.89	15.71	18.71
1 Year	4.66	10.76	9.01	9.94	11.08	10.87	13.27
Quarter	-11.32	-6.17	-7.23	-6.30	-6.09	-6.12	-5.13

Performance quoted is past performance and cannot guarantee comparable future results; current performance may be lower or higher. Visit [invesco.com/performance](https://www.invesco.com/performance) for the most recent month-end performance. Performance figures reflect reinvested distributions and changes in net asset value (NAV). Investment return and principal value will vary, and you may have a gain or a loss when you sell shares. No contingent deferred sales charge (CDSC) will be imposed on redemptions of Class C shares following one year from the date shares were purchased. Performance shown at NAV does not include applicable CDSC or front-end sales charges, which would have reduced the performance. Class Y shares have no sales charge; therefore, performance is at NAV. Performance includes litigation proceeds. Had these proceeds not been received, total return would have been lower. Returns less than one year are cumulative; all others are annualized. Class S shares have no sales charge; therefore, performance is at NAV. Fund performance reflects any applicable fee waivers and/or expense reimbursements. Had the adviser not waived fees and/or reimbursed expenses currently or in the past, returns would have been lower. See current prospectus for more information. Index returns do not reflect any fees, expenses, or sales charges.

Index source: FactSet Research Systems Inc.

Expense ratios	% net	% total	Asset mix (%)	
Class A Shares	1.03	1.03	Dom Common Stock	97.53
Class C Shares	1.78	1.78	Intl Common Stock	2.28
Class Y Shares	0.78	0.78	Cash	0.20
Class S Shares	0.93	0.93	Other	-0.01

Per the current prospectus

A negative in Cash or Other, as of the date shown, is normally due to fund activity that has accrued or is pending settlement.

For more information you can visit us at www.invesco.com/us

Class Y shares and Class S shares are available only to certain investors. See the prospectus for more information.

Asset allocation/diversification does not guarantee a profit or eliminate the risk of loss.

The fund holdings are organized according to the Global Industry Classification Standard, which was developed by and is the exclusive property and service mark of MSCI Inc. and Standard & Poor's.

The Russell 1000® Index is an unmanaged index considered representative of large-cap stocks. The Russell 1000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. An investment cannot be made directly in an index.

The S&P 500® Index is an unmanaged index considered representative of the US stock market. An investment cannot be made directly in an index.

About risk

Holding cash or cash equivalents may negatively affect performance.

Debt securities are affected by changing interest rates and changes in their effective maturities and credit quality.

Derivatives may be more volatile and less liquid than traditional investments and are subject to market, interest rate, credit, leverage, counterparty and management risks. An investment in a derivative could lose more than the cash amount invested.

The risks of investing in securities of foreign issuers can include fluctuations in foreign currencies, political and economic instability, and foreign taxation issues.

Stocks of small and mid-sized companies tend to be more vulnerable to adverse developments, may be more volatile, and may be illiquid or restricted as to resale.

The fund is subject to certain other risks. Please see the current prospectus for more information regarding the risks associated with an investment in the fund.

Before investing, investors should carefully read the prospectus and/or summary prospectus and carefully consider the investment objectives, risks, charges and expenses. For this and more complete information about the fund(s), investors should ask their advisors for a prospectus/summary prospectus or visit [invesco.com/fundprospectus](https://www.invesco.com/fundprospectus).

This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions.

Note: Not all products available at all firms. Financial professionals, please contact your home office.

The opinions expressed are those of the fund's portfolio management, are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals. Holdings are subject to change and are not buy/sell recommendations.

All data provided by Invesco unless otherwise noted.