



Invesco 2023 Semi-annual Financial Statements

for the period ended June 30, 2023

Invesco Balanced-Risk Allocation Pool[‡]

[‡] This fund is an alternative mutual fund as defined in National Instrument 81-102

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Commissions, trailing commissions, management fees and expenses may all be associated with mutual fund investments. Please read the simplified prospectus before investing. The indicated rates of return are the historical and annual compounded total returns, including changes in security value and reinvestment of all dividends/distributions, and do not take into account sales, redemption, dividends/distributions or optional charges, or income taxes payable by any investor, which would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Mutual funds are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There are no assurances that the money market funds will be able to maintain a constant net asset value per security or that the full amount of your investment will be returned to you.

This report may include statements that include information concerning possible or assumed future results of the Funds' operations, earnings, liquidity and cash flows, asset levels, merger activities and the effect of completed merger transactions, regulatory developments, demand for and pricing of the Funds, and general economic and securities market conditions. Such statements may be considered "forward-looking statements." When used in this report, words such as "believes," "expects," "anticipates," "intends," "plans," "estimates," "projects," and future or conditional verbs such as "will," "may," "could," "should" and "would," or any other statement that necessarily depends on future events, are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Although we make such statements based on assumptions that we believe to be reasonable, there can be no assurance that actual results will not differ materially from our expectations. We caution investors not to rely unduly on any forward-looking statements. In connection with any forward-looking statements, you should carefully consider the areas of risk described in the most recent simplified prospectus of the Funds. You may obtain these documents from the SEDAR website at **sedar.com**.

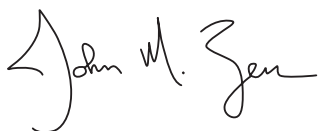
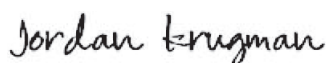
Invesco Balanced-Risk Allocation Pool

Statements of financial position

as at June 30, 2023 and December 31, 2022 (see note 1(b)) (unaudited)
(in thousands of dollars, except per Security amounts)

	June 30, 2023	December 31, 2022		June 30, 2023	December 31, 2022
Assets			Net assets attributable to Securityholders per series		
Current assets					
Portfolio investments - at fair value	\$ 9,706	\$ 8,743	Series F	\$ 706	\$ 220
Cash	62	25	Series I	\$ 9,690	\$ 9,370
Restricted cash	583	1,057			
Derivative assets - at fair value	144	133	Net assets attributable to Securityholders per Security		
Subscriptions receivable	7	-	Series F	\$ 9.40	\$ 9.28
Income receivable	14	11	Series I	\$ 9.79	\$ 9.60
	<u>10,516</u>	<u>9,969</u>			
Liabilities					
Current liabilities					
Derivative liabilities - at fair value	106	367			
Payable for portfolio investments purchased	14	12			
	<u>120</u>	<u>379</u>			
Net assets attributable to Securityholders ⁽¹⁾	\$ 10,396	\$ 9,590			

Approved on behalf of the Board of Directors of
Invesco, as Trustee

John M. Zerr
Director

Jordan Krugman
Director

⁽¹⁾ Manager's investment in the Fund (see note 1(g)) (\$'000):

	June 30, 2023	December 31, 2022
Series I	\$ 2,613	\$ 2,562

The accompanying notes to the financial statements are an integral part of these financial statements.

Invesco Balanced-Risk Allocation Pool

Statements of comprehensive income

for the periods ended June 30, 2023 and June 30, 2022 (see note 1(b)) (unaudited)

(in thousands of dollars, except per Security amounts)

	June 30, 2023	June 30, 2022		June 30, 2023	June 30, 2022
Income					
Net gain (loss) on investments:			Increase (decrease) in Net assets attributable to Securityholders from operations per series		
Interest for distribution purposes	\$ 204	\$ 101	Series F	\$ –	\$ (31)
Change in unrealized appreciation (depreciation) on portfolio investments	(11)	(178)	Series I	\$ 187	\$ (2,762)
Net gain (loss) on investments	193	(77)	Increase (decrease) in Net assets attributable to Securityholders from operations per Security		
Net gain (loss) on derivatives:			Series F	\$ –	\$ (1.07)
Net realized gain (loss) on sale of derivatives	(277)	(1,320)	Series I	\$ 0.19	\$ (1.04)
Change in unrealized appreciation (depreciation) on derivatives	272	(1,391)			
Net gain (loss) on derivatives	(5)	(2,711)			
Foreign exchange gain (loss)	7	23			
Change in unrealized foreign exchange gain (loss) on other net assets	(2)	(5)			
Total income (net)	193	(2,770)	(1) Management and advisory fee rate		
Expenses (see note 4)			Series F	1.00%	1.00%
Management and advisory fees ⁽¹⁾	2	2	Series I	(see note 4)	(see note 4)
Transfer agent and fund accounting	32	34			
Transaction costs	2	5			
Custody	3	5			
Filing fees	21	1			
Securityholder reporting	12	9			
Audit	5	4			
Legal	6	7			
Interest	–	–			
Directors fees	1	–			
Independent Review Committee fees	–	–			
Expenses incurred by Manager ⁺⁺	(78)	(29)			
Total expenses	6	38			
Deduct: Expenses absorbed by Manager	–	(15)			
Net expenses	6	23			
Increase (decrease) in Net assets attributable to Securityholders from operations	\$ 187	\$ (2,793)			

⁺⁺ Represents amounts in excess of operating expense caps.

The accompanying notes to the financial statements are an integral part of these financial statements.

Invesco Semi-annual Financial Statements

June 30, 2023

Invesco Balanced-Risk Allocation Pool

Statements of changes in financial position

for the periods ended June 30, 2023 and June 30, 2022 (see note 1(b)) (unaudited)
(in thousands)

	Series F	
	June 30, 2023	June 30, 2022
Increase (decrease) in Net assets attributable to Securityholders from operations	\$ –	\$ (31)
Distributions		
From net investment income	–	–
From net realized gains on portfolio investments	–	–
Return of capital	–	–
Total distributions	–	–
Securityholder transactions ⁽¹⁾		
Proceeds from Securities issued	495	4
Reinvested distributions	–	–
Payment for Securities redeemed	(9)	(11)
Total Securityholder transactions	486	(7)
Total increase (decrease) in Net assets attributable to Securityholders	486	(38)
Net assets attributable to Securityholders - beginning of period	220	319
Net assets attributable to Securityholders - end of period	\$ 706	\$ 281

⁽¹⁾ Fund Security transactions

Securities - beginning of period

	Number of Securities	
	24	30
Purchases during period	52	–
Reinvestments during period	–	–
Redemptions during period	(1)	(1)
Securities - end of period	75	29

	Series I	
	June 30, 2023	June 30, 2022
Increase (decrease) in Net assets attributable to Securityholders from operations	\$ 187	\$ (2,762)
Distributions		
From net investment income	–	–
From net realized gains on portfolio investments	–	–
Return of capital	–	–
Total distributions	–	–
Securityholder transactions ⁽¹⁾		
Proceeds from Securities issued	343	606
Reinvested distributions	–	–
Payment for Securities redeemed	(210)	(846)
Total Securityholder transactions	133	(240)
Total increase (decrease) in Net assets attributable to Securityholders	320	(3,002)
Net assets attributable to Securityholders - beginning of period	9,370	29,520
Net assets attributable to Securityholders - end of period	\$ 9,690	\$ 26,518

⁽¹⁾ Fund Security transactions

Securities - beginning of period

	Number of Securities	
	976	2,684
Purchases during period	35	57
Reinvestments during period	–	–
Redemptions during period	(21)	(79)
Securities - end of period	990	2,662

The accompanying notes to the financial statements are an integral part of these financial statements.

Invesco Balanced-Risk Allocation Pool

Statements of changes in financial position

for the periods ended June 30, 2023 and June 30, 2022 (see note 1(b)) (unaudited)

(in thousands)

	Total	
	June 30, 2023	June 30, 2022
Increase (decrease) in Net assets attributable to Securityholders from operations	\$ 187	\$ (2,793)
Distributions ⁽²⁾		
From net investment income	–	–
From net realized gains on portfolio investments	–	–
Return of capital	–	–
Total distributions	–	–
Securityholder transactions		
Proceeds from Securities issued	838	610
Reinvested distributions	–	–
Payment for Securities redeemed	(219)	(857)
Total Securityholder transactions	619	(247)
Total increase (decrease) in Net assets attributable to Securityholders	806	(3,040)
Net assets attributable to Securityholders - beginning of period	9,590	29,839
Net assets attributable to Securityholders - end of period	\$ 10,396	\$ 26,799

⁽²⁾ Tax loss carryforwards - Fund level:
as at December 15, 2022 (see note 5) (\$'000)

Capital losses	\$ 274
Non-capital losses expiring December 2042	\$ 2,623

The accompanying notes to the financial statements are an integral part of these financial statements.

Invesco Balanced-Risk Allocation Pool

Statements of cash flows

for the periods ended June 30, 2023 and June 30, 2022 (see note 1(b)) (unaudited)
(in thousands of dollars)

	June 30, 2023	June 30, 2022
Cash flows from operating activities		
Increase (decrease) in Net assets attributable to Securityholders from operations	\$ 187	\$ (2,793)
Adjustments for:		
Accretion of discount	(117)	(75)
Foreign exchange (gain) loss on cash	2	5
Change in unrealized (appreciation) depreciation of portfolio investments	11	178
Cost of purchases of investments	(11,946)	(32,493)
Proceeds from sales and maturity of investments	11,161	35,133
Non-cash distributions from underlying portfolio investments reinvested	(70)	(21)
Change in unrealized (appreciation) depreciation of derivatives	(272)	1,391
(Increase) decrease in income receivables and other assets	(3)	(6)
Net cash inflows (outflows) from operating activities	(1,047)	1,319
Cash flows from financing activities		
Proceeds from subscriptions by Securityholders	831	608
Payments for redemptions by Securityholders	(219)	(857)
Distributions paid to Securityholders	–	–
Net cash inflows (outflows) from financing activities	612	(249)
Net increase (decrease) in cash	(435)	1,070
Foreign exchange gain (loss) on cash	(2)	(5)
Cash (bank indebtedness) at beginning of period *	1,082	1,991
Cash (bank indebtedness) at end of period *	\$ 645	\$ 3,056
Interest received for distribution purposes, net of withholding taxes ⁽¹⁾	\$ 14	\$ –

* Includes amount pertaining to restricted cash (\$'000):

	June 30, 2023	June 30, 2022
Beginning of period	\$ 1,057	\$ 1,958
End of period	\$ 583	\$ 3,030

⁽¹⁾ Classified as part of operating activities.

The accompanying notes to the financial statements are an integral part of these financial statements.

Invesco Balanced-Risk Allocation Pool

Schedule of portfolio investments as at June 30, 2023 (unaudited)

Currency	Principal amount		Average cost (\$)	Fair value (\$)	Notional amount		Average cost (\$)	Fair value (\$)
				Short-term investments (58.36%)				
				Canada (58.36%)				
CAD	6,250,000	Canadian Treasury bills, 4.49%, due February 1, 2024	6,091,079	6,067,375	210,529	Soybean Meal futures, 4 contracts, expiring December 2023, at an average contracted price of USD 372.15		13,329
	Number of units				140,617	Soybean Oil futures, 3 contracts, expiring December 2023, at an average contracted price of USD 50.23		20,841
				Money market funds (35.00%)				
	3,638,467	Canadian Dollar Cash Management Fund, Series I	3,638,467	3,638,467	135,849	Sugar #11 futures, 4 contracts, expiring March 2024, at an average contracted price of USD 19.26		21,558
Transaction costs (see note 2(b))			-	-	Equity futures contracts			
Total portfolio of investments (93.36%)			9,729,546	9,705,842	447,967	Dow Jones Eurostoxx 50 futures, 7 contracts, expiring September 2023, at an average contracted price of EUR 4,340.88		8,715
	Notional amount				378,289	E-Mini Russell 2000 Index futures, 3 contracts, expiring September 2023, at an average contracted price of USD 1,895.14		1,701
				Open long futures contracts (0.37%) (see note 2(c))				
				Commodity futures contracts				
	99,237	Brent Crude Oil futures, 1 contract, expiring December 2023, at an average contracted price of USD 74.59		430	297,290	E-Mini S&P 500 Index futures, 1 contract, expiring September 2023, at an average contracted price of USD 4,388.60		6,600
	250,543	COMEX Copper futures, 2 contracts, expiring July 2024, at an average contracted price of USD 379.38		(751)	507,523	FTSE 100 Index futures, 4 contracts, expiring September 2023, at an average contracted price of GBP 7,593.96		(3,530)
	98,313	Corn futures, 3 contracts, expiring December 2023, at an average contracted price of USD 528.87		(6,779)	396,590	Micro E-mini S&P 500 Index futures, 6 contracts, expiring September 2023, at an average contracted price of USD 1,019.80		(8,704)
	159,705	Cotton No. 2 futures, 3 contracts, expiring December 2023, at an average contracted price of USD 83.89		(7,003)	840,231	Tokyo Stock Price Index futures, 4 contracts, expiring September 2023, at an average contracted price of JPY 2,203.50		31,031
	212,101	LME Primary Aluminum futures, 3 contracts, expiring August 2023, at an average contracted price of USD 2,247.84		(11,236)	Fixed-income futures contracts			
	183,147	Low Sulphur Gas Oil futures, 2 contracts, expiring December 2023, at an average contracted price of USD 652.14		10,362	1,772,123	10-Year Mini Japanese Government Bond futures, 13 contracts, expiring September 2023, at an average contracted price of JPY 147.93		6,536
	47,982	Natural Gas futures, 1 contract, expiring December 2023, at an average contracted price of USD 5.68		(27,285)	1,640,320	Australian 10 Year Bonds futures, 16 contracts, expiring September 2023, at an average contracted price of AUD 116.97		(11,260)
	134,698	NY Harbour ULSD futures, 1 contract, expiring December 2023, at an average contracted price of USD 240.38		954	857,710	Canada 10 Year Bonds futures, 7 contracts, expiring September 2023, at an average contracted price of CAD 123.21		(4,785)
	141,597	RBOB Gasoline futures, 1 contract, expiring August 2023, at an average contracted price of USD 251.65		1,579	1,353,312	Euro-BUND futures, 7 contracts, expiring September 2023, at an average contracted price of EUR 134.54		(8,085)
	152,479	Silver futures, 1 contract, expiring September 2023, at an average contracted price of USD 23.43		(2,695)	962,016	Long Gilt futures, 6 contracts, expiring September 2023, at an average contracted price of GBP 96.37		(10,841)
	177,947	Soybean futures, 2 contracts, expiring November 2023, at an average contracted price of USD 1,189.30		20,395	168,119	U.S. Treasury Long Bond futures, 1 contract, expiring September 2023, at an average contracted price of USD 128.96		(2,715)
				Unrealized gains/(losses) from derivatives (0.37%)				

Invesco Balanced-Risk Allocation Pool

Schedule of portfolio investments as at June 30, 2023 (unaudited)

	Fair value (\$)
Cash (6.21%)	
Cash - Canadian	61,446
Cash - Foreign	748
Restricted cash	582,954
Total Cash	645,148
Other assets, net of other liabilities (0.06%)	6,707
Net assets attributable to Securityholders (100.00%)	10,396,059

Invesco Balanced-Risk Allocation Pool

Financial instrument risk and Fund-specific notes (see note 2(a)) (unaudited)

Risk management

Invesco Balanced-Risk Allocation Pool (the "Fund") seeks to provide total return with a low to moderate correlation to traditional financial market indices by investing, directly or indirectly, in a diversified portfolio of equity securities, fixed income securities and commodities located anywhere in the world. The Fund will strive to achieve this objective with a proprietary risk premium capture strategy that seeks to generate returns and minimize the risk of losses with a risk-balanced investment process.

The Fund is considered an "alternative mutual fund" under *National Instrument 81-102 - Investment Funds* ("NI 81-102") and is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or non-hedging derivatives. The Fund intends to use leverage through the use of derivatives. Please refer to the *Leverage risk* section for leverage activities discussion.

Invesco maintains a robust risk management process to ensure the risks of the Fund are managed within the scope of its investment objectives and strategies. This process includes supervision and monitoring by senior management within Invesco's Investment Management Department or their delegate, product and investment risk specialists, and the Compliance Department. The Compliance Department conducts ongoing monitoring to ensure the Fund adheres to its investment objectives, strategies and securities regulations, and reports its findings to the Manager's Executive Committee.

The Fund's activities expose it to a variety of financial risks as detailed below.

Credit risk

Credit risk is the risk that a security issuer or counterparty to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Generally, the greater the credit rating of a security, the lower the probability of the issuer defaulting on its obligations. As at June 30, 2023 and December 31, 2022, the Fund was invested in short-term debt securities with the following credit ratings:

Short-term debt securities by credit rating	% of short-term investments	
	June 30, 2023	December 31, 2022
R-1 (high)	100.0	100.0

Credit ratings are obtained from Standard & Poor's, Moody's Investors Service and/or Dominion Bond Rating Service. A rating of R-1 (high) is of the highest quality and indicates an entity possessing strong liquidity positions and profitability that is stable and above average. A rating of R-1 (middle) is of superior credit quality and in most cases differs from R-1 (high) by only a small degree. A rating of R-1 (low) is of satisfactory credit quality.

The Fund uses futures contracts and maintains cash collateral which may be subject to credit risk. The credit risk related to futures contracts and cash collateral is considered minimal since the exchange's clearinghouse, as counterparty to all exchange-traded futures, guarantees the futures against default. The Manager monitors credit risk on a monthly basis. For the unrealized gains/(losses) of these derivatives, please refer to the *Schedule of portfolio investments*.

Credit risk arising from securities lending activities are discussed in the *Notes to the financial statements* (see note 6).

As at June 30, 2023, the Fund had 35.00% (December 31, 2022: 31.33%) of Net Asset Value invested in money market funds as disclosed in the *Schedule of portfolio investments*. These funds are managed by the Invesco Global Liquidity team and provide a cash-holding alternative. The underlying holdings of these funds are short-term money market instruments, which are exposed to some credit risk.

Liquidity risk

Liquidity risk is the risk that a fund may encounter difficulty meeting obligations associated with financial liabilities. The Fund is exposed to daily redemptions and therefore invests the majority of its assets in portfolio investments that are traded in an active market and can be readily disposed of. The Fund may be subject to liquidity risk associated with futures contracts if there is an absence of a liquid secondary market. The Fund maintains a margin balance in order to trade futures, which is included in "Restricted cash" in the *Statements of financial position*. The Fund may borrow up to 5% of its Net Asset Value for the purpose of funding redemptions. As at June 30, 2023 and December 31, 2022, all of the Fund's financial liabilities were current liabilities maturing within one year, and no borrowings outside the scope of normal business transactions occurred during the period. The Fund's investments are subject to a monthly liquidity test by the portfolio management team's (the "team") Compliance department.

Market risks

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The Fund invests in money market funds. The underlying holdings of these Funds are short-term money market instruments, which are exposed to some interest rate risk. However, there is minimal sensitivity to changes in interest rates, since these securities are usually held to maturity and tend to be short-term in nature. There is also minimal sensitivity to interest-rate fluctuations on any cash and cash equivalents invested at short-term market interest rates. The Fund is exposed to interest rate risk through its investment in fixed-income futures contracts that are affected by movements in interest rates. Risk from fixed income securities is diversified by the inclusion of additional asset classes (equities and commodities) futures in the Fund; therefore, this risk is not representative of how all asset classes of the Fund would respond to changes in interest rates.

Invesco Balanced-Risk Allocation Pool

Financial instrument risk and Fund-specific notes (see note 2(a)) (unaudited)

Effective duration is a statistical approximation of the sensitivity of the price of fixed-income investments to a parallel shift in interest rates. As at June 30, 2023, effective duration of the fixed income sleeve of the Fund which represents fixed income investments, including fixed-income futures was 5.59 (December 31, 2022: 5.27). The possible impact on Net Asset Value (in '000s) of the Fund would be +/- \$1,075 (December 31, 2022: +/- \$904) as determined using the Fund's effective duration and had the yield curve shifted in parallel by +/- 1.5% (December 31, 2022: +/- 1.5%), with all other variables held constant. In practice, the actual trading results may differ from this sensitivity analysis, and the difference could be material.

Currency risk

Currency risk is the risk that changes in the fair value or cash flows of a financial instrument will occur due to foreign exchange-rate fluctuations. Since the local price for each applicable portfolio investment is converted to Canadian dollars to determine its fair value, the exposure to foreign securities will impact Canadian investors in the case of any currency changes.

The following table summarizes the foreign currencies to which the Fund had exposure as at June 30, 2023 and December 31, 2022, adjusting for any currency hedges, if applicable. It also illustrates the possible impact on the Net Asset Value of the Fund if Canadian dollar had strengthened or weakened by 7.5% (December 31, 2022: +/- 7.5%), in relation to all currencies, with all other variables held constant.

Currency	Fair value of investments and cash (C\$ '000)	Foreign exchange contracts (C\$ '000)	Net currency exposure (C\$ '000)		Possible impact on Net Asset Value			
			June 30, 2023	December 31, 2022	June 30, 2023		December 31, 2022	
					(C\$ '000)	% of Net Asset Value	(C\$ '000)	% of Net Asset Value
Japanese yen	30	–	30	(35)	2	0.02	(3)	(0.03)
Euro	7	–	7	(42)	–	–	(3)	(0.03)
U.S. dollar	5	–	5	47	–	–	3	0.04
Australian dollar	(9)	–	(9)	(52)	(1)	(0.01)	(4)	(0.04)
British pound sterling	(13)	–	(13)	(21)	(1)	(0.01)	(2)	(0.02)
Total	20	–	20	(103)	-/+ –	–	+/- 9	(0.08)

The team currently does not employ currency hedges in order to neutralize the impact of currency fluctuations; however, the team may potentially do so in the future if deemed appropriate. In practice, the actual trading results may differ from this sensitivity analysis, and the difference could be material.

Other price risk

Other price risk is the risk that the value of portfolio investments will fluctuate as a result of changes in market prices, other than those arising from interest rate or currency risk, whether caused by factors specific to an individual portfolio investment or all factors affecting all investments traded in a market or market segment. All portfolio investments and futures contracts present a risk of loss of capital. If the Fund was unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Fund would continue to be subject to other price risk. Except for certain derivatives contracts, the maximum risk resulting from financial instruments is equivalent to their fair value as presented in the *Schedule of portfolio investments*. The maximum risk of loss on long futures contracts is equal to their notional values.

The Fund's benchmark is the 60% MSCI World Index (local currency)/40% Bloomberg Global Aggregate Bond Index (CAD Hedged). However, the team selects the appropriate assets, weighs the asset classes so that each contributes a similar amount of risk to the overall Fund, and applies an active positioning process to match the Fund to the prevailing economic environment. Historical beta, a measure of the sensitivity of the Fund's returns to market returns, is derived from comparing 36 months of returns between the benchmark and the Fund. As such, beta may inherently include effects previously reflected in the interest rate and currency risks.

The following table illustrates the possible impact on the Net Asset Value of the Fund, as at June 30, 2023 and December 31, 2022, assuming a +/- 10% (December 31, 2022: +/- 10%) change in the benchmark while holding all other variables constant.

Benchmark	Historical beta ¹	Total Net Asset Value (\$ '000)	Possible impact on Net Asset Value			
			June 30, 2023		December 31, 2022	
			(\$ '000)	% of Net Asset Value	(\$ '000)	% of Net Asset Value
60% MSCI World Index (local currency)/40% Bloomberg Global Aggregate Bond Index (CAD Hedged)	0.95	10,396	+/- 988	9.5	+/- 854	8.9

¹ For the three-year period ended June 30, 2023.

Beta between the benchmark and the Fund is dynamic and, as such, historical beta may not be representative of future correlation. In practice, the actual trading results may differ from this sensitivity analysis, and the difference could be material.

Invesco Balanced-Risk Allocation Pool

Financial instrument risk and Fund-specific notes (see note 2(a)) (unaudited)

Portfolio concentration risk

Portfolio concentration risk is the risk of loss in the total value of the portfolio investments and futures contracts of the Fund due to an over-concentration of investments in a particular instrument or sector. Including cash and futures contracts, as at June 30, 2023, the Fund held 29 (December 31, 2022: 33) investments. Please refer to the Fund's *Schedule of portfolio investments* for a listing of the holdings. The following table summarizes the exposure top asset class allocations based on the securities' unrealized gains or losses within the portfolio as at June 30, 2023 and December 31, 2022.

June 30, 2023		December 31, 2022	
Asset class allocation	% of Net Asset Value	Asset class allocation	% of Net Asset Value
Short-term investments	58.36	Short-term investments	59.84
Cash and cash equivalents	41.21	Cash and cash equivalents	42.61
Commodity futures contracts	0.32	Commodity futures contracts	0.93
Equity futures contracts	0.34	Equity futures contracts	(0.88)
Fixed-income futures contracts	(0.30)	Fixed-income futures contracts	(2.49)

Using notional amounts which represent the economic exposure of the futures contracts, the breakdown for commodity futures contracts, equity futures contracts and fixed-income futures contracts are 20.63%, 27.58% and 64.97% (December 31, 2022: 33.67%, 32.90% and 59.38%), respectively.

The team mitigates this risk through diversification in equity, bond and commodity markets by using a long-only, risk-balanced investment processes. The team is cognizant of the risk associated with each futures contract and other potential risks that may be caused by common links between the different investments within the portfolio.

Fair value measurements

The following table shows financial instruments recognized at fair value and tiered based on inputs used to value the investments of the Fund as at June 30, 2023 and December 31, 2022. The hierarchy of inputs is as follows:

- Level 1 - quoted unadjusted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are based on observable market data for assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Investments in cash, if any, meet the criteria for level 2 but are excluded from the following table;
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	June 30, 2023				December 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investments in Funds (\$ '000)	3,638	–	–	3,638	3,005	–	–	3,005
Short term notes (\$ '000)	–	6,068	–	6,068	–	5,738	–	5,738
Derivative assets (\$ '000)	144	–	–	144	133	–	–	133
Derivative liabilities (\$ '000)	(106)	–	–	(106)	(367)	–	–	(367)
Total (\$ '000)	3,676	6,068	–	9,744	2,771	5,738	–	8,509

All fair value measurements above are recurring. During the periods ended June 30, 2023 and December 31, 2022, there were no transfers between Levels 1, 2 and 3.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported on the *Statements of financial position* where, in accordance with IFRS, the Fund has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In all other situations they are presented on a gross basis. In the normal course of business, the Fund enters into various master netting arrangements or other similar agreements that do not meet the criteria for offsetting in the *Statements of financial position* but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts.

As at June 30, 2023 and December 31, 2022, no financial instruments were eligible for offset.

Invesco Balanced-Risk Allocation Pool

Financial instrument risk and Fund-specific notes (see note 2(a)) (unaudited)

Investments in underlying Funds

Disclosure of some of the key characteristics of the underlying Funds is included in the following table:

Underlying Fund/ETF	Country of domicile	June 30, 2023		December 31, 2022	
		Ownership % in the underlying Fund/ETF	Fair Value of Fund's Investment in underlying Fund/ETF (\$ '000)	Ownership % in the underlying Fund/ETF	Fair Value of Fund's Investment in underlying Fund/ETF (\$ '000)
Canadian Dollar Cash Management Fund	Canada	0.8	3,638	0.6	3,005

Securities lending

The table below sets out a reconciliation of the gross amounts generated from securities lending transactions to the securities lending income disclosed in the *Statements of comprehensive income* for the periods ended June 30, 2023 and June 30, 2022, as applicable.

	June 30, 2023		June 30, 2022	
	(\$ '000)	% of gross income	(\$ '000)	% of gross income
Gross security lending income	—*	100.0	—*	100.0
Agent fees paid to The Bank of New York Mellon Corp.	—*	(20.0)	—*	(20.0)
Withholding tax	—	—	—	—
Securities lending income	—*	80.0	—*	80.0

* Values appear as nil when rounded to thousands.

Leverage risk

When a fund makes investments in derivatives for non-hedging purposes, borrows cash for investment purposes, or sells short equity securities, fixed income securities or other portfolio assets, leverage may be introduced into the fund. Leverage occurs when a fund's notional exposure to underlying assets is greater than the amount invested. Leverage can magnify gains and losses in a fund. Any adverse change in the value or level of the underlying asset or interest may amplify losses compared to those that would have been incurred if the underlying asset or interest had been directly held by the fund, and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the funds' liquidity and may cause the fund to have to liquidate positions at unfavourable times. Many leveraged transactions involve the posting of collateral. Increases in the amount of margin or similar collateral could result in the need for trading at times or prices that are disadvantageous to the fund and which could result in a loss for the fund.

The Fund's aggregate exposure, calculated as the sum of the following, is not expected to exceed 250% the Fund's net asset value: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. The Fund's aggregate exposure to its sources of leverage is monitored daily.

For the period ended June 30, 2023, the Fund's lowest and highest aggregate exposure were 109.5% and 145.1% (December 31, 2022: 113.9% and 185.9%) of the Fund's net asset value, respectively. The low end and high end of the range is due to the investment team's monthly strategic and tactical asset allocation process. The primary source of leverage is long positions in future contracts.

Other market risk

Unforeseeable events such as inflation, rapid interest rate changes, military action, terrorism, natural disasters and pandemics may adversely impact global commercial activity and contribute to significant market volatility and liquidity concerns in various markets. These events may create significant disruption in supply chains, specific sectors, including the financial services sector, global trading markets and issuers in which the Fund invests. For details on the potential quantitative impact of such market volatility, if applicable, please refer to the *Market risks* section above. These events increase estimation uncertainty and may require management to apply significant judgment in determining the fair value of certain investments in the preparation of these financial statements.

Notes to the financial statements

as at and for the periods ended as disclosed in the financial statements (see note 1(b)) (unaudited)

1. General information

These notes are an integral part of these financial statements, and contain important information about Invesco Balanced-Risk Allocation Pool, also referred to as the "Pool" or "Fund."

(a) Terms and definitions

Throughout the financial statements and the notes thereto, the following terms, if applicable, are used and defined as outlined below:

Manager: Invesco Canada Ltd., doing business as "Invesco," the manager (the "Manager") and the trustee (the "Trustee") of the Fund;

Net assets attributable to Securityholders (Net Asset Value or NAV): refers to the value of net assets calculated in accordance with International Financial Reporting Standards (IFRS) as presented in the financial statements which is equal to the value of net assets for purposes of Securityholder transactions (i.e., purchases, switches, redemptions);

Securities: refers to the units offered by the Fund;

Securityholder(s): refers to the unitholder(s) of the Fund; and

Start Date: refers to the date on which the Securities of a particular series of the Fund first became available to the public.

(b) Financial reporting dates

The *Statements of financial position* for the Fund are as at June 30, 2023 and December 31, 2022. The *Statements of comprehensive income*, *Statements of changes in financial position* and *Statements of cash flows* for the Fund are for the six-month periods ended June 30, 2023 and June 30, 2022. The *Schedule of portfolio investments* for the Fund is as at June 30, 2023. These financial statements were authorized by Invesco for issue on August 22, 2023.

(c) Series of Securities and sales charges

Each series of Securities is intended for different types of investors. Series F Securities are available only to investors who have fee-based accounts with their dealer and whose dealer has signed the appropriate agreement with the Manager. Series I Securities are special-purpose Securities available only to other Invesco Canada Funds, to eligible institutional investors or other permitted investors and are not sold to the general public.

Series F and Series I Securities have no sales charges and no fees payable on redemption.

(d) Transactions affecting the Fund during the six-month period ended June 30, 2023

There were no transactions affecting the Funds during this period.

(e) Transactions affecting the Fund during the year ended December 31, 2022

(i) Transition to a reporting issuer

Effective November 4, 2022, the Fund became prospectus qualified as an alternative mutual fund under NI 81-102. The Fund's investment objectives were updated to meet certain regulatory requirements applicable to alternative mutual funds. There was no change to the actual investment process of the Fund.

(f) The Fund

(i) Legal structure

The Fund is formed as an open-end trust created under the laws of the Province of Ontario pursuant to the Amended and Restated Declaration of Trusts, as may be further amended and restated from time to time. The registered office of the Fund is located at 120 Bloor Street East, Suite 700, Toronto, Ontario, M4W 1B7.

(ii) Valuation of the Fund

A separate Net Asset Value is calculated daily for the Fund. The Fund derives its value from the portfolio investments purchased by the Fund for the investment objectives attributable to such Fund.

A separate Net Asset Value is calculated daily for each series of Securities of the Fund (the "series Net Asset Value"). The series Net Asset Value is based on the value of the proportionate share of the assets of the Fund attributable to the particular series, less the liabilities of the Fund attributed only to that series and the proportionate share of the common liabilities of the Fund allocated to that series. A series' proportionate share of the Fund's assets and common liabilities is generally determined by comparing that series' Net Asset Value to the aggregate Net Asset Value of the Fund as of the close of business on the previous business day. That amount is further adjusted for applicable transactions attributable to that series. The per Security Net Asset Value is determined by dividing the Net Asset Value by the total number of Securities outstanding at the time. As at the period-end dates described in note 1 (b), there are no differences between Net Asset Value per Security, as calculated for transactional purposes, and Net assets attributable to Securityholders per Security.

(iii) Income taxes

The Fund qualifies as a mutual fund trust under the provisions of the *Income Tax Act (Canada)* and has elected to have a taxation year-end of December 15. The Fund is not subject to income tax on the portion of its net investment income that is distributed to Securityholders. Such distributed income is taxable in the hands of the Securityholders. Similarly, the Fund is not required to pay income taxes on net realized capital gains that are distributed to Securityholders. Sufficient amounts of the Fund's net investment income and net realized capital gains are distributed to Securityholders during each fiscal period such that the Fund is not subject to income tax.

Notes to the financial statements

as at and for the periods ended as disclosed in the financial statements (see note 1(b)) (unaudited)

As permitted by the Fund's Declarations of Trust, the Trustee may determine to allocate net capital gains to Securityholders who redeemed their Securities at any time during the taxation year of a Fund. The amount of any such allocation shall be determined by the Trustee and shall reasonably reflect the redeeming Securityholder's share of the net capital gains accrued or realized by the Fund while such redeeming Securityholder was a Securityholder, to the extent that such net capital gains have not been allocated in any previous taxation year of the Fund.

Income tax on net realized capital gains not paid or payable by the Fund to their Securityholders is generally recoverable by virtue of refunding provisions contained in the *Income Tax Act (Canada)* and provincial income tax acts.

(g) Manager's investments in the Fund

The Manager's investment in the Fund is reported at fair value in a footnote to the *Statements of financial position* as at the dates described in note 1(b).

2. Summary of significant accounting policies

These financial statements have been prepared in accordance with IFRS, including IAS 34 "Interim Financial Reporting", as issued by the International Accounting Standards Board (IASB).

In applying IFRS, management may make estimates and judgements that affect the reported amounts of assets, liabilities, investment income and expenses during the reporting period. Actual results could differ from these estimates. The following is a summary of significant accounting policies consistently followed by the Fund:

(a) Valuation and recording of financial instruments

Portfolio investments, including equity investments, debt investments, cash, short-term investments and derivatives are recognized at fair value upon initial recognition. Cash is comprised of deposits with financial institutions. The Fund's portfolio investments, including derivatives, are measured at fair value through profit and loss (FVPTL) based on its business model.

Other assets and liabilities are recognized at fair value upon initial recognition. Other assets such as subscriptions receivable, receivables for portfolio investments sold, amounts due from Manager and other receivables are measured at amortized cost. Other liabilities such as payables for portfolio investments purchased, redemptions, distributions and accrued expenses are measured at amortized cost.

The excess/shortfall of the sum of the fair value of portfolio investments over/below the sum of the total average cost of portfolio investments represents the unrealized appreciation (depreciation) in the value of portfolio investments.

Portfolio investment transactions are accounted for on the business day the order to buy or sell is executed. Realized gains and losses from the sale of portfolio investments are calculated with reference to the average cost of the related portfolio investments.

Portfolio investments listed on recognized public securities exchanges are valued using the last trade price on the securities exchange on which they are principally traded, where the last trade price falls within the day's bid-ask spread. Certain securities that are not valued using the last trade price within the day's bid-ask spread on the securities exchange can be valued based on other observable market data at the discretion of the Manager. If no trade volume is reported to have taken place, closing bid quotations for long positions and closing ask quotations for short positions from the primary exchange or market makers will be used. Portfolio investments not listed on recognized public securities exchanges, or for which reliable quotations are not readily available, are valued using valuation techniques, as determined pursuant to procedures established by the Manager. Investments in Canadian Dollar Cash Management Fund and other Underlying Funds are valued at fair value, which is generally considered to be their Net Asset Value. For Invesco ETFs, if 1) the closing price is not available, 2) the ETF does not trade on the Valuation Date or 3) the closing price is deemed unreliable due to lack of trading in the last hour before the closing of the exchange, the closing mean quotation (i.e. the average of the bid and ask quotes) from the primary exchange shall be used.

IFRS 13, "Fair Value Measurement" requires a "fair value hierarchy" for disclosure of the inputs used in the valuation of each financial asset and liability reported by the Fund. The hierarchy of inputs is as follows:

- a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- b) inputs other than quoted prices included in Level 1 that are based on observable market data for assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and
- c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Changes in valuation methods may result in transfers into or out of the assets' or liabilities' assigned levels. The level summary based on the hierarchy of inputs, as at the dates described in note 1 (b), is disclosed in the *Financial instrument risk and Fund-specific notes* section of the Fund. All transfers are deemed to occur at the end of each reporting period.

Certain equity securities and exchange-traded futures contracts use quoted market prices (unadjusted), and they are included in Level 1. Investments in the Canadian Dollar Cash Management Fund and other Underlying Funds valued at their Net Asset Value are included in Level 1.

For all other financial instruments, fair value is determined using valuation techniques.

Level 2 securities include:

- I. Certain equity securities valued using quoted market prices, adjusted by a market factor to take into account movements that take place after the local market close
- II. Fixed-income securities valued at an evaluated bid price (a price supplied by a third-party pricing vendor based on a

Notes to the financial statements

as at and for the periods ended as disclosed in the financial statements (see note 1(b)) (unaudited)

variety of factors including broker input, financial information on the issuer and relevant market movements) as reported by the primary valuation source on the valuation date

III. Floating-rate loans valued at an average of bid quotes (a price supplied by a third-party pricing vendor based on a variety of factors, including broker input, financial information on the issuer and relevant market movements) as reported by the primary valuation source on the valuation date

IV. Derivative assets and liabilities are classified as Level 2 securities, except for exchange-traded option and futures contracts which are classified as Level 1 securities. The price of these derivatives are dependent upon or derived from one or more underlying assets

Level 3 securities include:

- I. Certain financial instruments which are reviewed by the Fund's valuation committee
- II. Portfolio investments not listed on recognized public securities exchanges or for which reliable quotations are not readily available are valued using valuation techniques as determined pursuant to procedures established by the Manager. The valuation committee considers the appropriateness of the valuation model inputs, as well as the valuation result, using various valuation methods and techniques generally recognized as standard within the industry

III. Floating-rate loans valued based on one bid quote

Quantitative information about unobservable inputs, narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs and interrelationships between those inputs are disclosed in the *Financial instrument risk and Fund-specific notes* section of the Fund under "Fair value measurement," if significant unobservable inputs are used when valuing Level 3 financial instruments.

Additional disclosures relating to transfers between levels and a reconciliation of the beginning and ending balances in Level 3 are provided in the *Financial instrument risk and Fund-specific notes*, if applicable.

(b) Securityholder transactions and income recognition

Securityholder transactions are accounted for on the date transacted.

The number of Securities issued and redeemed at Net Asset Value per Security during the periods described in note 1 (b), as appropriate, are reported in a footnote to the *Statements of changes in financial position*.

Dividend/distribution income and withholding taxes, if any, are recognized on the ex-dividend date and are reported in the *Statements of comprehensive income*. "Interest for distribution purposes" is recognized daily on an accrual basis and is reported in the *Statements of comprehensive income*. "Interest for distribution purposes," in accordance with tax requirements, is calculated based on coupon interest accrued or received by

the Fund and includes any distributions received from investments in the Canadian Dollar Cash Management Fund, if applicable. Also included in "Interest for distribution purposes" is the daily accretion of discount on zero coupon bonds, if applicable.

Transaction costs are excluded from the total average cost of investments in the Fund's *Schedule of portfolio investments* and reported in the Fund's *Statements of comprehensive income*. Equity transaction costs include total commissions (brokerage commissions and soft-dollar commissions) and other portfolio transaction costs, including any GST and HST applicable to such costs. A portion of the brokerage commissions charged by dealers, generally "full-service" dealers, represents fees for goods and services, primarily proprietary research, provided to the Fund by the dealers which are in addition to order execution services. Any soft-dollar commissions are identified in the referenced footnote to the *Statements of comprehensive income* and refer to amounts paid to dealers to purchase third-party research, market data and other investment decision-making services used in the management of the Fund's portfolio. Other portfolio transaction costs, if applicable, include other trade-execution costs paid to external third parties, such as stamp duty and exchange fees. Fixed-income transactions are conducted in an over-the-counter market where participants are dealing as principals. Such portfolio investments are generally traded on a net basis and their cost normally includes embedded transaction costs.

(c) Futures

Futures contracts are financial agreements between two parties to purchase or sell a financial instrument at a contracted price on a specified future date. Upon entering into a futures contract, the Fund is required to maintain a margin account with the broker. Pursuant to the contract, the Fund agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the fair value of the contracts held. While the futures contracts are open, changes in the fair value of the contracts are recognized as unrealized gains or losses by recalculating the fair value of the contracts on a daily basis, and are included in "Change in unrealized appreciation (depreciation) on derivatives" as reported in the *Statements of comprehensive income*. When the contracts are closed or expire, the Fund recognizes a realized gain or loss, which is included in "Net realized gain (loss) on derivatives" in the *Statements of comprehensive income*. Any gains on open future contracts are included in "Derivative assets - at fair value" and any losses on open future contracts are included in "Derivative liabilities - at fair value" in the *Statements of financial position*.

The Fund maintains a margin balance at the broker in order to trade futures, which is included in "Restricted cash" in the *Statements of financial position*.

Notes to the financial statements

as at and for the periods ended as disclosed in the financial statements (see note 1(b)) (unaudited)

(d) Foreign currency translation

The Canadian dollar is the Fund's functional and reporting currency. It is the currency of the primary economic environment in which the Fund operates or, where mixed indicators exist in the primary environment, the Canadian dollar is the currency in which it raises capital.

The fair value of foreign-currency-denominated portfolio investments, foreign currency holdings and other assets and liabilities denominated in a foreign currency are translated into the Fund's reporting currency using the prevailing rate of exchange on each valuation date. Income, expenses and investment transactions in foreign currencies are translated into the Fund's reporting currency at the rate of exchange prevailing on the respective dates of such transactions.

The portion of the results of operations arising from changes in foreign exchange rates on portfolio investments is not isolated from the fluctuations arising from changes in market prices. The combined effects of changes in foreign exchange rates and changes in market prices on portfolio investments sold are included in "Net realized gain (loss) on sale of portfolio investments" in the *Statements of comprehensive income*. Fluctuations arising from changes in market prices and foreign exchange rates on portfolio investments are included in "Change in unrealized appreciation (depreciation) on portfolio investments."

The portion of the results of operations arising from changes in foreign exchange rates on foreign currency and other net assets and liabilities denominated in a foreign currency is included in "Foreign exchange gain (loss)" or "Change in unrealized foreign exchange gain (loss) on other net assets" in the *Statements of comprehensive income*.

The portion of the results of operations arising from changes in foreign exchange rates on investment income is included in "Foreign exchange gain (loss)" in the *Statements of comprehensive income*.

3. Significant accounting judgements and estimates

The preparation of financial statements requires management to use judgement in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgements and estimates made in preparation of the financial statements:

IAS 32 "Financial Instruments: Presentation" requires that Securities of the Fund, which are considered puttable instruments, be classified as either financial liabilities or equity instruments and presented at the redemption amount. The Fund has multiple series with features such as management fees and distribution policies that are not identical. The puttable instruments of the Fund does not meet the identical features criteria to be classified as equity and therefore must be classified as financial liabilities.

In determining whether the Fund exhibits instances of control or significant influence, IFRS 10, "Consolidated Financial Statements" provides an exception to any financial statement consolidation requirements for entities that meet the definition of an "investment entity." Amongst other factors, the Fund

generally meets the definition of investment entity as the Fund obtains funds from one or more investors for the purpose of providing those investor(s) with professional investment management services and commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both. The Fund measures and evaluates the performance of substantially all of its investments on a fair value basis.

Portfolio investments not listed on recognized public securities exchanges or for which reliable quotations are not readily available are valued using valuation techniques as determined pursuant to procedures established by the Manager. The valuation committee considers the appropriateness of the valuation model inputs, as well as the valuation result, using various valuation methods and techniques generally recognized as standard within the industry.

4. Management fees, advisory fees and operating expenses

The Manager is responsible for the day-to-day operations of the Fund. The Manager provides management services to the Fund, including the marketing and promotion of the Fund, and Securityholder reporting and servicing.

Also, the Manager acts as the investment advisor itself or hires an affiliate of the Manager to provide investment advisory services to the Fund. The investment advisory services include investment analysis and making investment decisions.

The Fund pays a management and advisory fee to the Manager. Where applicable, the management and advisory fee includes any sub-advisory fee that the Manager pays directly to a sub-advisor.

The Fund may invest in other investment funds, including ETFs, that are managed by the Manager, an affiliate, or a third party (Underlying Funds). In accordance with applicable laws, the Manager does not charge management and advisory fees to both a Fund and any Underlying Funds where, to a reasonable person, that would result in duplication of a fee for the same service.

The expenses of the Fund, with respect to all matters relating to its operations and carrying on of its business, other than promotional expenses related to the sale of Securities of the Fund, which are the responsibility of the Manager, are the direct responsibility of the Fund, unless otherwise noted below. "Operating expenses" include transfer agency costs; fund accounting costs, custody and safekeeping costs; filing fees; Securityholder reporting costs, including the cost of holding meetings of Securityholders and the provision of information to Securityholders; expenses relating to the issue, redesignation, change or redemption of Securities; audit and legal fees; directors fees including fees related to the Independent Review Committee; GST/HST and other taxes applicable to the operating expenses; and interest and bank charges, as applicable. Except for interest, bank charges and income taxes, which are paid or payable directly by the Fund, the Manager incurs such expenses on behalf of the Fund and is then reimbursed by the Fund for such expenses. Except as set out below, each series of Securities of the Fund pays for its own

Notes to the financial statements

as at and for the periods ended as disclosed in the financial statements (see note 1(b)) (unaudited)

operating expenses; its own allocated transaction costs as described in note 2 (b); and withholding taxes; and for its proportionate share of any common operating expenses, if applicable. The allocation of operating expenses to the Fund is based on relevant cost drivers pursuant to the Manager's trading and operating expense allocation policy which is regularly reviewed by the Independent Review Committee.

Prior to becoming a reporting issuer on November 4, 2022, at its sole discretion, the Manager had absorbed some operating expenses for Series F. Amounts absorbed by the Manager for the Fund for the periods described in note 1 (b), as appropriate are reported in the *Statements of comprehensive income*.

The management and advisory fees and operating expenses are calculated and accrued daily by each series of a Fund, except as described below for Series I. The management and advisory fees for Series I are negotiated and paid directly by the Series I Securityholders. The Series I Securityholders of the Fund pays for its own allocated transaction costs and withholding taxes.

The operating expenses for Series F will not exceed 0.25% of its average daily NAV per year excluding HST and other applicable taxes. The operating expenses for Series I will not exceed 0.10% of its average daily NAV per year excluding HST and other applicable taxes.

"Expenses incurred by Manager" represents amounts in excess of operating expense caps outlined for each series above, as appropriate, for periods described in note 1(b) and is reported in the *Statements of comprehensive income*.

5. Taxation

As at the Fund's taxation year-end, the Fund may have capital and/or non-capital loss carryforwards for income tax purposes as reported in a footnote to the *Statements of changes in financial position* for the Fund, if applicable. The Fund does not record income taxes since all the Fund's net income for tax purposes and sufficient net capital gains realized in any period are distributed to Securityholders such that no income tax is payable by the Fund. Since the Fund does not record income taxes, no deferred income tax asset has been recorded in the *Statements of financial position* for the loss carryforwards, if any. Unused capital losses, if any, may be carried back three years and forward indefinitely to be applied against future capital gains. Non-capital losses, if any, may be carried back three years and forward up to 20 years to reduce future taxable income. The year(s) of expiry of non-capital loss carryforwards, if applicable, is/(are) reported in the same footnote to the *Statements of changes in financial position*.

The Fund may currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the *Statements of comprehensive income*, if applicable.

6. Securities lending

The Fund may engaged in securities-lending activities, through a lending agent, pursuant to the terms of a securities-lending agreement (SLA), which includes restrictions as set out in Canadian securities legislation.

The Bank of New York Mellon Corporation ("BNY Mellon") is the lending agent for the Funds.

Credit risk associated with securities-lending transactions is considered minimal. According to the terms of the SLA, a borrower must have an approved credit rating and must provide non-cash collateral of at least 105% (102% for cash collateral) of the value of the securities on loan. Collateral may comprise, but is not limited to, cash and qualified securities such as obligations of or guaranteed by the Government of Canada or a province thereof; by the United States government or its agencies; by some sovereign states; by permitted supranational agencies and short-term debt of corporations that have an approved credit rating. Collateral may also be comprised of convertible securities and irrevocable letters of credit. The fair value of the loaned securities is determined on the close of any valuation date and any additional required collateral is delivered to the Fund on the next business day. Securities lending transactions are entered into by the Fund under the SLA, which provide the right, in the event of default (including bankruptcy or insolvency), for the non-defaulting party to liquidate the collateral and calculate a net exposure to the defaulting party. In the event that a borrower defaults, the Fund, as lender, would offset the fair value of the collateral received against the fair value of the securities loaned. Although collateral is marked to market on each business day, the Fund may be exposed to the risk of loss should a borrower default on its obligations to return the borrowed securities and the collateral is insufficient to reconstitute the portfolio of loaned securities. To mitigate this risk, the Fund benefits from a borrower default indemnity provided by BNY Mellon. The indemnity allows for full replacement of securities lent in the event of a borrower default.

Securities on loan are not derecognized from the financial statements and non-cash collateral held by the Fund are not recognized as assets and corresponding liabilities. Income earned from securities lending, where applicable, is included in the *Statements of comprehensive income*, as it is earned.

7. Related party transactions

The Fund receives investment advisory services provided by the Manager. These services are in the normal course of operations and recorded at the amount of the consideration agreed to by the parties. The Fund may execute trades through Invesco Capital Markets Inc., an affiliated dealer of the Manager. Total commissions and other portfolio costs paid to the affiliated dealer are included in "Transaction costs" in the *Statements of comprehensive income* and are disclosed in the Financial instrument risk and Fund-specific notes, if applicable. The Manager has sub-advised all or a portion of the Fund's investment advisory services to Invesco Advisers, Inc., an affiliate of the Manager.

Notes to the financial statements

as at and for the periods ended as disclosed in the financial statements (see note 1(b)) (unaudited)

To assist in the discharge of its duties with respect to the Fund, the Manager has appointed the Invesco Canada Funds Advisory Board (the "Advisory Board"). The majority of Advisory Board members are independent of the Manager. The Advisory Board reviews the investment performance, investment policies, financial statements, trading policies and other similar matters related to the operations of the Fund, and reports its findings, makes recommendations and gives approvals, as appropriate, to the Manager with respect thereto. In addition, the Manager has appointed the Independent Review Committee (IRC) established under the CSA's National Instrument 81-107 Independent Review Committee for Investment Funds. The members of the IRC are the current independent members of the Advisory Board. The mandate of the IRC is to review, and provide input on, the Manager's written policies and procedures that deal with conflict of interest matters in respect of the Fund. The IRC may also approve certain mergers involving the Fund and any change in the auditor of the Fund. Additional information about the IRC is available in the Invesco Simplified Prospectus of the Fund. Independent members of the Advisory Board and members of the IRC receive fees for services rendered to the Fund, as reported in "Directors fees" and "Independent Review Committee fees" in the *Statements of comprehensive income* for the periods described in note 1(b).

The Fund may have participated in security trades with other Funds having the same investment advisor or sub-advisor. These trades were executed through market intermediaries and under prevailing market terms and conditions.

The Manager provided sufficient investment capital to the Fund to permit it to be valued effectively on a daily basis. The Manager's investment in the Fund, if any, is recorded at the Net Asset Value per Security, as applicable.

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About Invesco Ltd.

Invesco Ltd. (Ticker NYSE: IVZ) is a global independent investment management firm dedicated to delivering an investment experience that helps people get more out of life. Our distinctive investment teams deliver a comprehensive range of active, passive and alternative investment capabilities. For more information, visit **[invesco.com](https://www.invesco.com)**.



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