


Invesco Select Trust plc UK Equity Share Portfolio

Seeking returns in an uncertain world

AJ Bell Retirement Money Show
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This marketing communication is for use in the UK only.
Investors should read the legal documents prior to investing.

For complete information on risks, refer to the legal documents

Investment risks

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.

Invesco Select Trust plc – UK Equity Share Portfolio

The use of borrowings may increase the volatility of the NAV and may reduce returns when asset values fall.

The product uses derivatives for efficient portfolio management which may result in increased volatility in the NAV.

The Invesco Select Trust plc UK Equity Share Portfolio invests in smaller companies which may result in a higher level of risk than a product that invests in larger companies. Securities of smaller companies may be subject to abrupt price movements and may be less liquid, which may mean they are not easy to buy or sell.

When making an investment in an investment trust you are buying shares in a company that is listed on a stock exchange. The price of the shares will be determined by supply and demand. Consequently, the share price of an investment trust may be higher or lower than the underlying net asset value of the investments in its portfolio and there can be no certainty that there will be liquidity in the shares.

As a result of COVID-19, markets have seen a noticeable increase in volatility as well as, in some cases, lower liquidity levels; this may continue and may increase these risks in the future. In addition, some companies are suspending, lowering or postponing their dividend payments, which may affect the income received by the Invesco Select Trust plc UK Equity Share Portfolio and the Invesco Select Trust plc Global Equity Income Share Portfolio during this period and in the future.

Invesco Select Trust plc

An investment trust for changing times

Structure Summary

This is a multi-asset class investment trust with four share classes with a range of objectives suited to investors looking for a long-term investment with the flexibility to react to changing investment conditions.

Four Share Classes

- Balanced Risk Allocation Share Portfolio
- Global Equity Income Share Portfolio
- Managed Liquidity Share Portfolio
- UK Equity Share Portfolio

Switching Between Share Classes

Shareholders are able to convert between the four share classes once per quarter allowing maximum flexibility to gain exposure to their preferred asset classes **without triggering a disposal for Capital Gains Tax purposes***.

Source: Invesco as at 30 November 2021.

*Shareholders should seek appropriate advice from their investment advisor on tax related questions relating to their investments.

Invesco Select Trust plc UK Equity Share Portfolio

An investment trust for changing times

Investment Objective

The investment objective of the UK Equity Share Class is to provide shareholders with an attractive real long-term total return, with an income that will grow over time, by investing primarily in quoted UK equities

Dividend

- Quarterly Dividend
- Board can supplement from capital and has in prior years done so. Aims to provide consistency of dividends for shareholders in uncertain market conditions and gives manager flexibility

Ordinary Shares

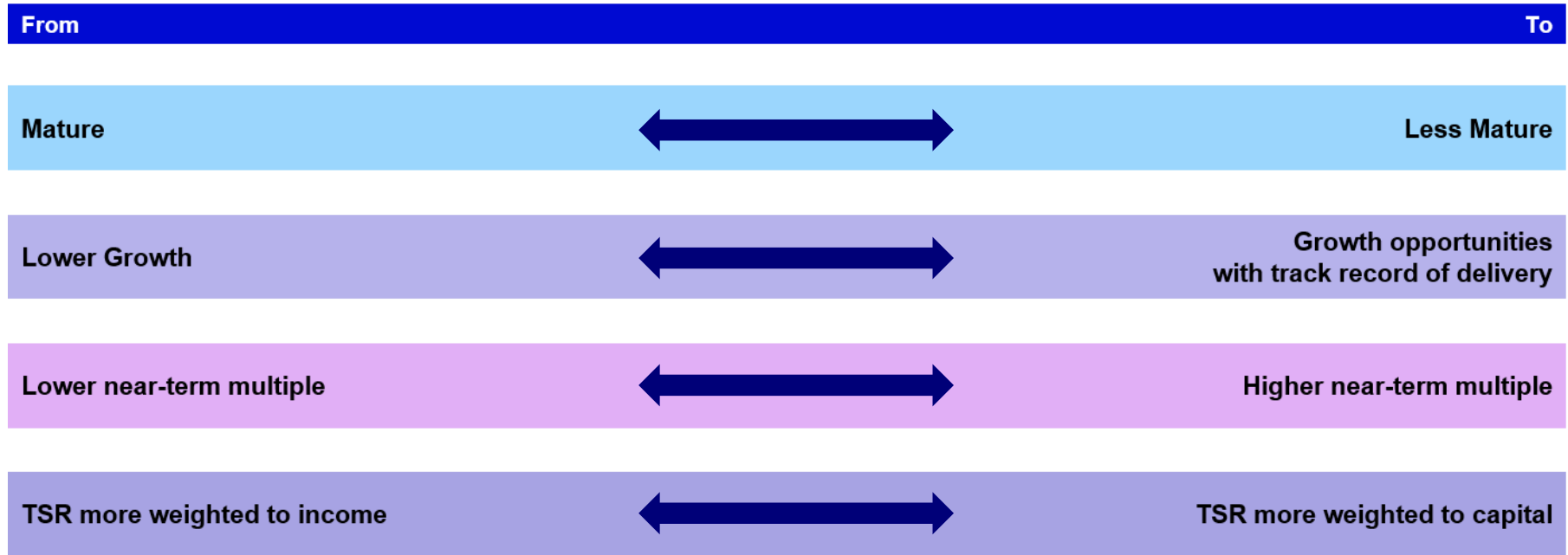
- Gearing – 10.7% at end October
- Discount to Net Asset Value (NAV) – 4.0% at end October
- Yield: 3.5%
- Active Share 73%
- Size: £173.6m

Source: Invesco as at 30 November 2021.

Gearing (or leverage) refers to the Trust's ability to borrow cash for investment so as to potentially enhance returns. Discount to net asset value (NAV) is when the market price of the investment trust is trading below its net asset value. Liquidity refers to the ability to buy and sell shares of the underlying companies. Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

A balanced portfolio

Across a spectrum of attributes



Source: Invesco as at 30 September 2021. For illustrative purposes only. TSR = Total Shareholder Return.
Multiple refers to a valuation ratio that is calculated by dividing the market or estimated value of an asset by a specific item on the financial statements.

Invesco Select Trust plc UK Equity Share Portfolio

What we are trying to achieve? What, how, and why?

What

- Long term total returns in excess of benchmark balanced between income & capital, with desire for growing dividend
- High conviction (typically 40-50 stocks), unconstrained, best ideas, all-cap portfolio.

How

- We seek companies with:
 - ✓ strong or improving returns
 - ✓ great management teams
 - ✓ rational capital allocation
 - ✓ strong balance sheet
 - ✓ attractive valuation

... and construct a diversified portfolio that we believe can perform in different economic and market conditions.

Why

- We believe that the biggest determinants of long-term performance are:
 - company fundamentals,
 - the strategic choices companies make,
 - disciplined portfolio management.

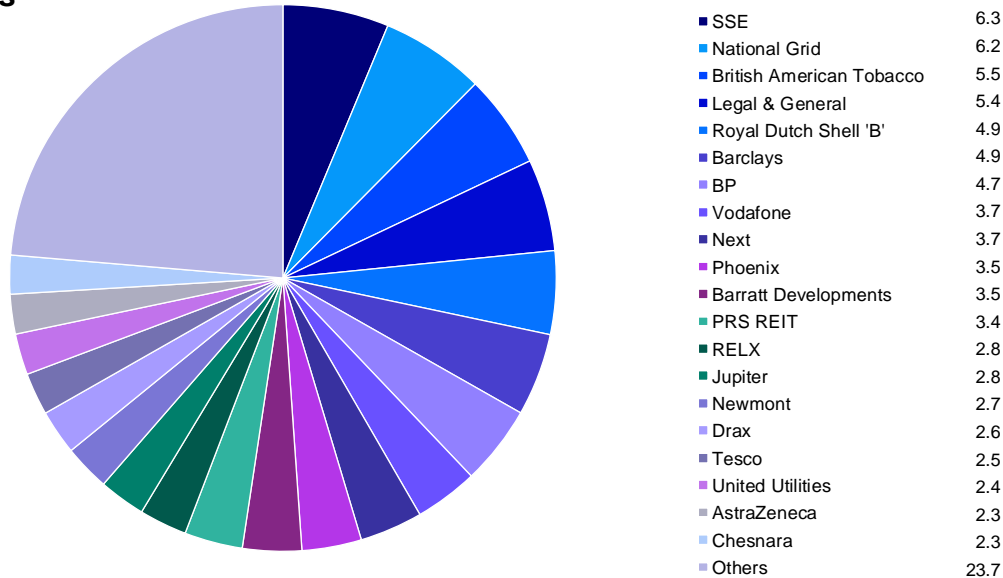
Experience tells us that is where our strengths lie.

Source: Invesco as at 30 November 2021. Leverage (or gearing) refers to the trust's ability to borrow cash for investment so as to potentially enhance returns. All-cap refers to 'all capitalisation' meaning that the fund managers may invest across the market capitalisation spectrum from smaller companies to large.

Invesco Select Trust plc UK Equity Share Portfolio

Highly diverse and well covered income stream

Top 20 holdings



Dividend Yield NTM 3.29%

Dividend Cover* 2.1 x

The yield referred to here is the yield on the portfolio and not the yield on the shares of the investment trust.

Source: Factset consensus estimates Next 12 Months (NTM) as at 31 October 2021. Unlevered portfolio data.

*Weighted by contribution to portfolio dividends. Dividend Cover = the ratio of company's earnings (net income) over the dividend paid to shareholders.

Invesco Select Trust plc UK Equity Share Portfolio

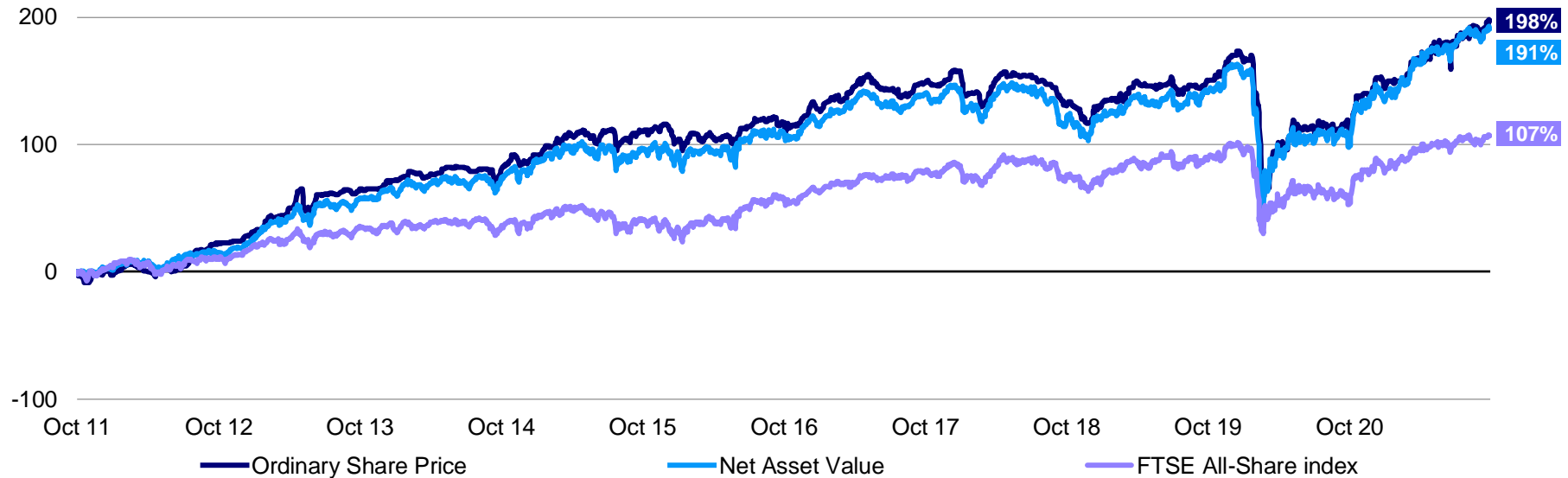
Key portfolio themes – major positions include:

UK Domestic	International Value	International Growth	Recovery	Transformers
Barclays National Grid PRS REIT Legal & General Tesco United Utilities Barratt Phoenix Group Jupiter CVS Group Babcock Nichols XPS Pensions Chesnara	Royal Dutch Shell BP AstraZeneca Barrick Gold Newmont British American Tobacco Vodafone Coats Sirius Real Estate Hays Essentra Hiscox Lancashire	RELX Experian Ferguson Bunzl Croda Ashtead JD Sports Future Smith & Nephew Chemring JTC Ultra Electronics Treatt	Young & Co. Whitbread Compass DFS Furniture Johnson Service Group Restaurant Group	Next SSE Drax PureTech Health
27%*	26%*	27%*	7%*	12%*
Cash & Other 0.4%				

Source: Invesco as at 31 October 2021. May not sum due to rounding. *Total includes stocks not listed above.

Invesco Select Trust plc UK Equity Share Portfolio

10 year performance history on a total return basis (%)



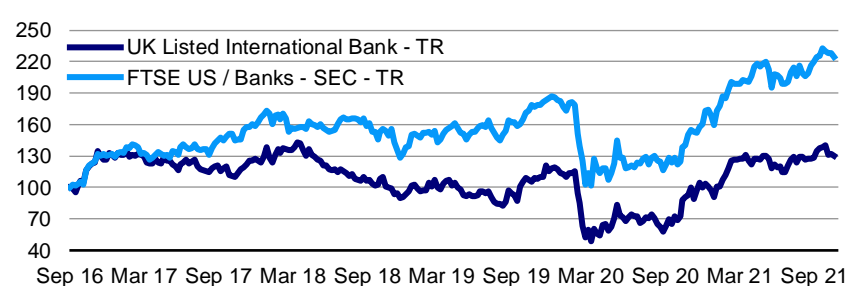
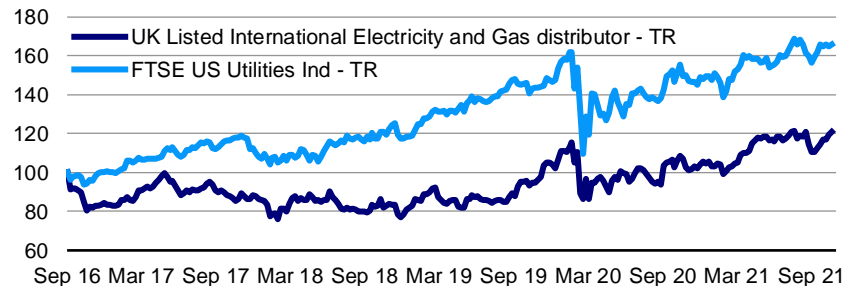
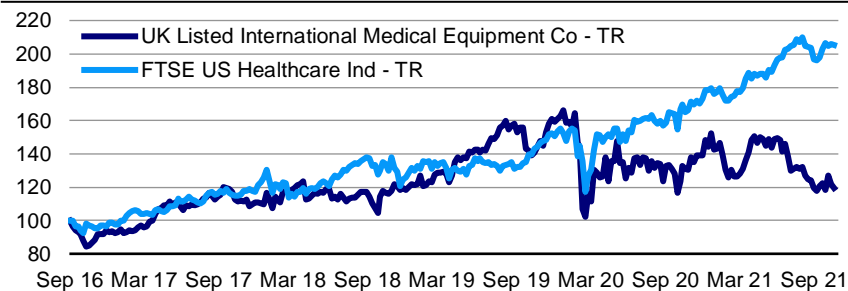
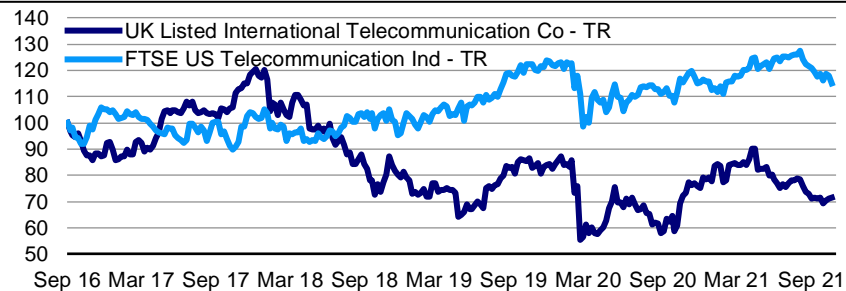
Past performance does not predict future returns.

Source: Refinitiv as at 29 October 2021. Data is rebased to "0" from 31 October 2011.

Ordinary share price performance figures are Total Return and have been calculated using daily closing prices with dividends reinvested.

NAV performance figures are Total Return and have been calculated using daily NAV with dividends reinvested. The NAV used includes current period revenue and values debt at fair.

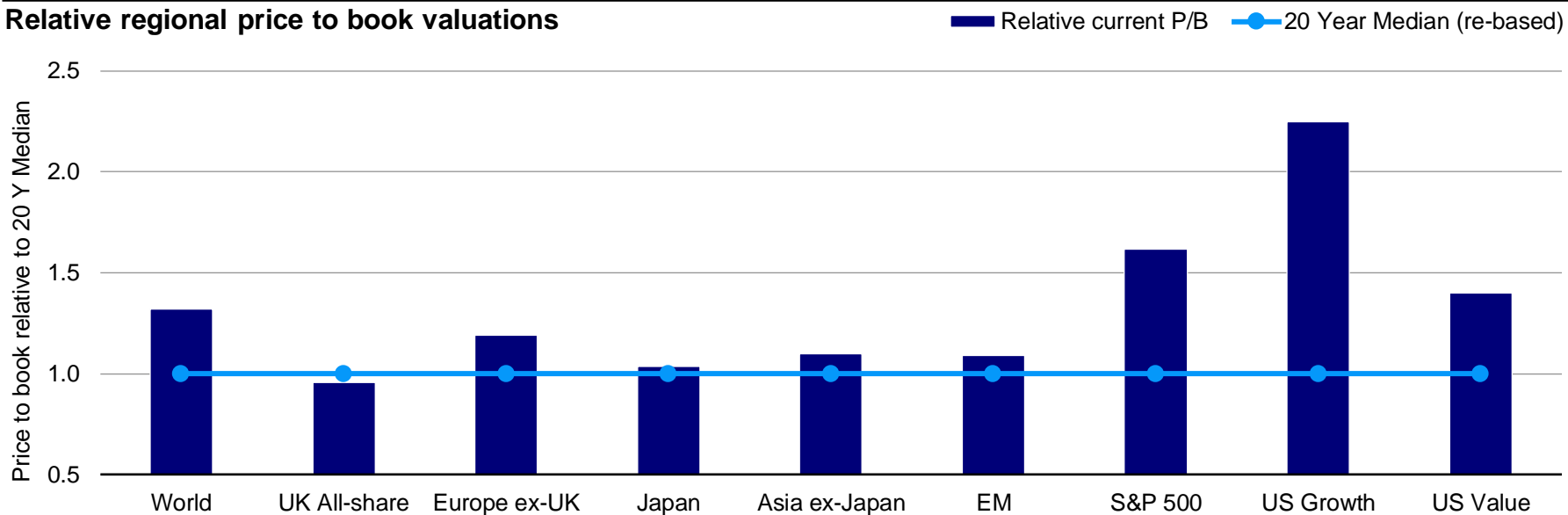
UK listed companies have underperformed the corresponding US sector over 5 years, post Brexit referendum



Past performance does not predict future returns. Source: Factset as at 19 November 2021. Figures are Total Return in US Dollars. Indexed to 30 September 2016 = 100. TR = Total Return. Companies shown above (at 30 October 2021) held in the Invesco Select Trust plc UK Equity Share Portfolio.

UK equities trade at a significant discount to long-term average price to book valuation

Relative regional price to book valuations



Source: Invesco, Factset as at 30 September 2021.

Indices used: FTSE All-world, FTSE UK All-share, MSCI Europe ex-UK, FTSE Japan, MSCI Asia ex-Japan, S&P 500, MSCI US Growth, MSCI US Value.

Price to Book ratio = measures the market's valuation of a company relative to its book, or balance sheet value.

Market summary

- The pandemic continues to affect market volatility
- The companies in the portfolio are, operationally, performing well on the whole
- Living with the virus is the new normal, although the new variant might lead to further restrictions
- Recent inflation might not be transitory – clearly this is a risk. Exposure to some companies for whom this is good news
- Supply chain disruptions seem to be well managed by the companies in the portfolio
- China – we should be concerned – the economy is obviously slowing
- We believe the portfolio is well balanced, actively positioned in strong and attractively valued companies and will generate a good, well-diversified stream of income, that is well covered by earnings.

Source: Invesco /James Goldstone & Ciaran Mallon as at 30 November 2021.

Invesco Select Trust plc UK Equity Share Portfolio

Performance (%)

Ordinary share price, NAV and index cumulative performance (% growth) as at 31 October 2021

Period	6 months	1 year	3 years	5 years	10 years
Share price	12.6	42.4	28.7	36.9	197.6
Net Asset Value	10.4	46.8	33.5	39.8	191.2
FTSE All-Share Index	5.4	35.4	17.6	31.4	106.9

Standardised rolling 12 month performance (% growth)	30/09/2016 30/09/2017	30/09/2017 30/09/2018	30/09/2018 30/09/2019	30/09/2019 30/09/2020	30/09/2020 30/09/2021
Share price	9.8	1.4	0.7	-14.1	37.1
Net Asset Value	13.7	-0.1	1.8	-14.0	38.7
FTSE All-Share Index	11.9	5.9	2.7	-16.6	27.9

Past performance does not predict future returns.

Source: Invesco/Morningstar. Performance figures are in Sterling as at 31 October 2021 unless otherwise stated.

Ordinary share price performance figures have been calculated using daily closing prices, on a sterling basis with dividends reinvested.

NAV performance figures have been calculated using daily NAV, on a sterling basis with dividends reinvested. The NAV used includes current period revenue and values debt at fair.

The FTSE All Share performance is shown as total return.

Standardised rolling performance is on a sterling basis with net income reinvested. The standardised rolling past performance information is updated on a quarterly basis.

Important information

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Data as at 31 October 2021 unless otherwise stated.

Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice.

This document is marketing material and is not intended as a recommendation to invest in any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication.

The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market price of the fund, as at the date shown. It does not include any entry charge and investors may be subject to tax on their distributions. The fund's ongoing charge is charged to capital. This has the effect of increasing the distribution(s) for the year by the amount of the ongoing charge and constraining the fund's capital performance to an equivalent extent.

Further information

For more information on our investment trusts, please refer to the relevant Key Information Document (KID), Alternative Investment Fund Managers Directive document (AIFMD), and the latest Annual or Half-Yearly Financial Reports. This information is available using the contact details shown.

Further details of the Company's Investment Policy and Risk and Investment Limits can be found in the Report of the Directors contained within the Company's Annual Financial Report.

If investors are unsure if this product is suitable for them, they should seek advice from a financial adviser. For details of your nearest financial adviser, please contact IFA Promotion at www.unbiased.co.uk

Issued by: **Invesco Fund Managers Limited**.

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