**Invesco Funds**
2-4 Rue Eugène Ruppert, L-2453 Luxembourg
Luxembourg

www.invesco.com

17 December 2021

# Shareholder circular

**IMPORTANT: This circular is important and requires your immediate attention. If you are in any doubt as to the action you should take you should seek advice from your professional adviser/consultant.**

Unless otherwise defined, all capitalised terms used herein bear the same meaning as defined in the prospectus of Invesco Funds (the "SICAV") and Appendix A (together the "Prospectus").

**About the information in this circular:**

The directors of the SICAV (the "Directors") and the management company of the SICAV (the "Management Company") are the persons responsible for the accuracy of the information contained in this letter. To the best of the knowledge and belief of the Directors and the Management Company (having taken all reasonable care to ensure that such is the case), the information contained in this letter is, at the date hereof, in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Invesco Funds is regulated by the
Commission de Surveillance du Secteur Financier
Directors: Peter Carroll, Timothy Caverly, Andrea Mornato,
Rene Marston, Fergal Dempsey and Bernhard Langer

Incorporated in Luxembourg No B-34457
VAT No. LU21722969

**Dear Shareholder,**

We are writing to you as a Shareholder of the SICAV due to several amendments, as further described below, to be included in the Prospectus dated 17 December 2021. If any of the below mentioned amendments do not suit your investment requirements, you are advised that you may, at any time redeem your shares in the Funds without any redemption charges. Redemptions will be carried out in accordance with the terms of the Prospectus.

Unless otherwise stated below, all costs associated with the proposed below changes will be borne by the Management Company.

## A. Reduction of the Management Fee of the "E" Share class for the Invesco Responsible Japanese Equity Value Discovery Fund

Effective from 1 January 2022, the management fee of the "E" Share class of the Invesco Responsible Japanese Equity Value Discovery Fund will be reduced from 2.00% to 1.80%.

For the avoidance of doubt, the management fee of the other Share classes will remain unchanged.

## B. Change of name for the Invesco Developing Markets Select Equity Fund

Effective from 16 February 2022, please note that the Invesco Developing Markets Select Equity Fund will be renamed the **Invesco Developing Markets Equity (Customised) Fund** in order to better reflect the investment strategy, where a constrained investment universe is applied as more fully described in the investment strategy.

The above change will have no impact on how the Invesco Developing Markets Select Equity Fund is managed and does not alter its risk profile.

## C. Change of investment strategy for the Invesco Belt and Road Debt Fund

From 16 February 2022, the investment objective and policy of the Invesco Belt and Road Debt Fund will be enhanced in order to allow the Invesco Belt and Road Debt Fund to access China onshore bonds in the China Interbank Bond Market (CIBM) via Bond Connect for less than 20% of its NAV.

As a result of the changes, Bond Connect risks will also be applicable to the Invesco Belt and Road Debt Fund and highlighted in the risk matrix disclosed in Section 8 (Risks Warnings) of the Prospectus.
Otherwise, the changes will have no material impact on the way the Invesco Belt and Road Debt Fund is managed, and does not alter its risk profile.

## D. Miscellaneous

The below updates will be effective as of the date of the prospectus on 17 December 2021:

- The Definition of "Business Day" has been updated in order to return the interpretation of business days as it was previously defined, prior to the change of Registrar and Transfer Agent which became effective on 03 May 2021. The definition of Business Day has been updated as follows: "Any bank business day in Luxembourg. However, in the event the 25th and/or the 26th December and/or the 1st January in each given year fall on a weekend, then the one or two Business Day(s) immediately following such a weekend will not be deemed Business Days. For the avoidance of doubt, unless otherwise decided by the Directors, Good Friday and 24th December of each year, or such other dates determined by the Directors and notified to Shareholders, are not Business Days."

  This update has no impact on how the SICAV has operated over the last years.

- Further to the ongoing review of the expected level of leverage of the Funds, kindly note the following updates:

  - Invesco Emerging Market Flexible Bond Fund: The expected level of leverage has been increased from 200% to 300% of the NAV of the Invesco Emerging Market Flexible Bond Fund;

  - Invesco Emerging Markets Local Debt Fund: The expected level of leverage has been increased from 250% to 300% of the NAV of the Invesco Emerging Markets Local Debt Fund.

  These updates will have no material impact on how the above Funds are being managed and do not change their risk profile. Both Funds use derivatives for both hedging and investment purposes and there was an increase in derivatives usage noticed over the last months. This increase in derivatives allows the Investment Managers to implement a more flexible allocation between hard and local markets (for the Invesco Emerging Market Flexible Bond Fund) and their view on emerging market (for the Invesco Emerging Markets Local Debt Fund).

- Kindly note that Section 11 (Taxation) of the Prospectus has been updated in order to reflect the latest status of the various applicable regulations.

- Kindly note that Section 8 (Risk Warnings) of the Prospectus has been updated in order to tick the "ESG Investment Risk" in the risk matrix for all Article 8 products under SFDR. This update has no impact on how the impacted Funds are being managed.

- Bloomberg announced in August 2021 that the Bloomberg Barclays fixed income indices will be rebranded as the "Bloomberg fixed income Indices". The prospectus has therefore been updated to reflect this new branding for the relevant Funds using the Bloomberg fixed income indices for the calculation of the relative VaR and/or when used for performance comparison purposes only.

  This update does not constitute any change to the index itself.

## E. Availability of documents and additional information

**For the list of Share classes available in each Fund, please refer to the Website of the Management Company (http://invescomanagementcompany.lu).**

**Do you require additional information?**

The updated Prospectus, its Appendix A and the updated Key Investor Information Documents are available free of charge at the registered office of the SICAV. These are also available from the Website of the Management Company of the SICAV (Invesco Management S.A.).

**Do you have any queries in relation to the above?** Or would you like information on other products in the Invesco range of funds that are authorised for sale in your jurisdiction? Please contact your local Invesco office.

**You may contact**

- Germany: Invesco Asset Management Deutschland GmbH at (+49) 69 29807 0,
- Austria: Invesco Asset Management Österreich- Zweigniederlassung der Invesco Asset Management Deutschland GmbH at (+43) 1 316 20-0,
- Ireland: Invesco Investment Management Limited at (+353) 1 439 8000,
- Hong Kong: Invesco Asset Management Asia Limited at (+852) 3191 8282,
- Spain: Invesco Management S.A. Sucursal en España at (+34) 91 781 3020,
- Belgium: Invesco Management S.A. (Luxembourg) Belgian Branch at (+32) 2 641 01 70,
- France: Invesco Management S.A., Succursale en France at (+33) 1 56 62 43 00,
- Italy: Invesco Management S.A. Succursale Italia, at (+39) 02 88074.1,
- Switzerland: Invesco Asset Management (Schweiz) AG at (+41) 44 287 9000,
- Netherlands: Invesco Management S.A. Dutch Branch at (+31) (0) 20 888 0216,
- Sweden: Invesco Management S.A (Luxembourg) Swedish Filial at (+46) 8 463 11 06,
- United Kingdom: Invesco Global Investment Funds Limited at (+44) 0 1491 417 000.

## F. Further information

**The value of investments and the income generated from investment can fluctuate (this may partly be the result of exchange rate fluctuations). Investors may not get back the full amount invested.**

**For Shareholders in Germany**: If you are acting as a distributor for German clients, please be advised you are not required to forward this circular to your end clients by durable media.

**For Shareholders in Switzerland**: The Prospectus, the Key Investor Information Documents and the Articles, as well as the annual and interim reports of the Invesco Funds may be obtained free of charge from the Swiss representative. Invesco Asset Management (Switzerland) Ltd., Talacker 34, 8001 Zurich, is the Swiss representative and BNP Paribas Securities Services, Paris, Succursale de Zurich, Selnaustrasse 16, 8002 Zurich, is the Swiss paying agent.

**For Shareholders in Italy**: Redemptions requests will be carried out in accordance with the terms of the Prospectus. Shareholders will be able to redeem without any redemption charges other than the intermediation fee applied by the relevant paying agents in Italy, as disclosed in the Annex to the Italian application form in force and available on the website www.invesco.it.

A copy of this letter is available in various languages. For further information, please contact the Investor Services Team, Dublin on (+353) 1 439 8100 (option 2) or your local Invesco office.

Thank you for taking the time to read this communication.

Yours faithfully,

**By order of the Board of Directors**

Acknowledged by Invesco Management S.A