



Invesco Funds

Société d'Investissement à Capital Variable

Registered Office:

Vertigo Building- Polaris

2-4, rue Eugène Ruppert

L-2453 Luxembourg

R.C.S. Luxembourg B34 457

11 March 2019

Shareholder circular: Invesco European Growth Equity Fund

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 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 of the SICAV (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 (Irish), Douglas Sharp (Canadian), Timothy Caverly (American), Graeme Proudfoot (British) and Bernhard Langer (German)

Incorporated in Luxembourg No B-34457
VAT No. LU21722969

Dear Shareholder,

We are writing to you as a Shareholder of the Invesco European Growth Equity Fund in relation to some changes to Appendix A of the Prospectus.

The Directors have decided to change the investment objective and policy of the Invesco European Growth Equity Fund, as well as make other amendments, as further described below from 11 April 2019 (the "Effective Date").

A. Terms of the amendments

The Directors have decided to reposition the Invesco European Growth Equity Fund to provide exposure to Pan European equities, systematically taking into account Environmental, Social and Governance (ESG) constraints, factors and implementing multiple exclusions to achieve a responsible investment approach, with a particular focus on environmental criteria.

The Directors believe that the enhancement planned should provide investors with a strategy equipped to better succeed in the reference sector over the long term, managed by a committed investment team with a strong track record in the category.

The Directors have also decided to change the name of the Invesco European Growth Equity Fund in order to align with the new investment objective and policy.

All costs incurred in connection with the proposed changes will be borne by the Management Company. The costs associated with any rebalancing of the underlying investments of the portfolio will be borne by the Invesco European Growth Equity Fund.

A.1 Change of investment objective and policy, as well as the expected level of leverage, of the Invesco European Growth Equity Fund

The investment objective and policy of the Invesco European Growth Equity Fund will be amended as further detailed below:

Current investment objective and policy	New investment objective and policy as of the Effective Date
<p>The Fund's investment objective is long-term capital growth.</p> <p>The Fund seeks to meet its objective by investing primarily in equity and equity related securities of European companies.</p> <p>The following are considered European companies: (i) companies having their registered office in a European country, (ii) companies with their registered office outside Europe carrying out their business activities predominantly in Europe, or (iii) holding companies, the interests of which are predominantly invested in companies with their registered office in a European country.</p> <p>Up to 30% of the NAV of the Fund may be invested in aggregate in cash and cash</p>	<p>The Fund aims to achieve long-term capital growth integrating an Environmental, Social and Governance (ESG) approach with a particular focus on environmental criteria.</p> <p>The Fund seeks to achieve its objective by investing primarily in equity and equity related securities of companies which meet the Fund's ESG criteria and with their registered office in a European country or exercising their business activities predominantly in European countries which are listed on recognised European stock exchanges.</p> <p>The stock selection follows a highly structured and clearly defined investment process. Quantitative indicators that are available for each stock in the</p>



<p>equivalents, Money Market Instruments, equity and equity related securities issued by companies and other entities not meeting the above requirements or in debt securities (including convertible bonds) of issuers worldwide.</p> <p>The Fund may also invest on an ancillary basis in securities and Money Market Instruments listed on the Moscow Exchange. Any investment in securities and Money Market Instruments listed on Russian stock exchanges and dealt on Russian markets not qualifying as Regulated Markets will (together with other assets qualifying under 7.1 (General Restrictions) I. (2) of the Prospectus) not exceed 10% of the NAV of the Fund.</p> <p>The Investment Manager focuses on companies that have experienced above-average long-term growth in earnings and have strong prospects for future growth. In selecting countries in which the Fund will invest, the Investment Manager also considers such factors as the prospect for relative economic growth among countries or regions, economic or political conditions, currency exchange fluctuations, tax considerations and the liquidity of a particular security. The Investment Manager considers whether to sell a particular security when any of these factors materially changes. The Fund will invest without regard to market capitalization.</p>	<p>investment universe are analysed and used by the Investment Manager to evaluate the relative attractiveness of each stock. The portfolio is constructed using an optimisation process that takes into account the calculated expected returns of each stock as well as risk control parameters.</p> <p>The Fund’s ESG criteria will be reviewed and applied on an ongoing basis by the Investment Manager, with a particular focus on environmental issues.</p> <p>ESG criteria will be integrated as part of the quantitative investment process for stock selection and portfolio construction. Screening will be employed to exclude companies and/or issuers that do not meet the Fund’s criteria, including but not limited to level of involvement in certain environmental issues such as coal, fossil fuels and nuclear energy, as well as in tobacco and weapons.</p> <p>Up to 30% of the NAV of the Fund may be invested in aggregate in cash and cash equivalents, Money Market Instruments and other Transferable Securities, which will also meet the Fund’s ESG criteria.</p>
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Further to the above change of the investment objective and policy, the level of leverage under normal market circumstances is expected to amount to 10% of the NAV of the Invesco European Growth Equity Fund (instead of 0% as currently stated in the Appendix A). Such level might be exceeded or might be subject to change in the future.

A.2 Change of Investment Manager of the Invesco European Growth Equity Fund

From the Effective Date, the Investment Manager will become Invesco Asset Management Deutschland GmbH (to replace Invesco Advisers, Inc.). Invesco Asset Management Deutschland GmbH already have expertise on several ESG products.

A.3 Change of name of the Invesco European Growth Equity Fund

In addition, the Invesco European Growth Equity Fund will be renamed **Invesco Pan European Structured Responsible Equity Fund** to better reflect the updated investment objective and policy.

A.4 Reduction of the management fee of the Invesco European Growth Equity Fund

Finally, the management fee of some of the share classes of the Invesco European Growth Equity Fund will be reduced as follows. Kindly note that the management fee of the E and I Share classes will remain the same:

Share class	Previous Management Fee	New Management Fee
A	1.50%	1.30%
B	1.50%	1.30%
C	1.00%	0.80%
E	2.25%	2.25%
I	0.00%	0.00%
J	1.50%	1.30%
P/PI	0.75%	0.65%
R	1.50%	1.30%
S	0.75%	0.65%
Z	0.75%	0.65%

Do any of the above amendments not suit your investment requirements? In this case, you may, at any time prior to the Effective Date, redeem your Shares in the Fund without any redemption charges. Redemptions will be carried out in accordance with the terms of the prospectus of the SICAV.

Furthermore, Shareholders may also avail of a switch out of the Invesco European Growth Equity Fund, provided such requests are received at any time prior to the Effective Date, into another Fund in the SICAV (subject to minimum investment amounts as set out in the Prospectus and authorisation of the particular Fund for sale in your relevant jurisdiction). The switch will be carried out in accordance with the normal terms applicable to Shareholders in the Fund for switches, but no switching fee will be imposed on any such switch. Before taking any decision to invest in another Fund, you must first refer to the Prospectus and the risks involved in relation to the same.

B. Availability of documents and additional information

Do you require additional information?

The updated Prospectus, its Appendix A and the updated Key Investor Information Documents will be available free of charge at the registered office of the SICAV. These will also be available from the website of the Management Company of the SICAV (Invesco Management S.A.) as of the Effective Date:
<http://www.invescomanagementcompany.lu>.

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 2000,
- Ireland: Invesco Global Asset Management DAC at (+353) 1 439 8000,
- Hong Kong: Invesco Asset Management Asia Limited at (+852) 3191 8282,
- Spain: Invesco Asset Management S.A. Sucursal en España at (+34) 91 781 3020,
- Jersey: Invesco International Limited Jersey at (+44) 1534 607600,
- Belgium: Invesco Asset Management S.A. Belgian Branch at (+32) 2 641 01 70,
- France: Invesco Asset Management S.A. at (+33) 1 56 62 43 00,



- Italy: Invesco Asset Management S.A. Sede Secondaria,
- Switzerland: Invesco Asset Management (Schweiz) AG at (+41) 44 287 9000,
- Netherlands: Invesco Asset Management SA Dutch Branch at (+31) 205 61 62 61,
- Sweden: Invesco Asset Management S.A (France) Swedish Filial at (+46) 8 463 11 06,
- United Kingdom: Invesco Global Investment Funds Limited at (+44) 0 1491 417 000.

C. 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, IFDS, 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,

A handwritten signature in blue ink, appearing to read "Peter Carroll".

Peter Carroll

By order of the Board of Directors

Acknowledged by Invesco Management S.A.