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**Invesco Global Asset Management DAC**

Central Quay, Riverside IV, Sir John Rogerson's  
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Ireland

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**Scheme changes related to the amendments/updates to the prospectus, Appendix A of the prospectus and Hong Kong Supplement (for Hong Kong investors only) of Invesco Funds Series, Invesco Funds Series 1, Invesco Funds Series 2, Invesco Funds Series 3, Invesco Funds Series 4, Invesco Funds Series 5 or Invesco Funds Series 6<sup>#</sup> (each a "Series" and collectively the "Series") are principally relating to the following changes:**

- **change of reference benchmark to calculate the global exposure of the Invesco Global Technology Fund;**
- **clarification of the investment policy and change of benchmark to calculate the global exposure of the Invesco Global High Income Fund;**
- **clarification of the investment policy of the Invesco Emerging Markets Bond Fund;**
- **clarification of the investment objective and policy and appointment of a sub-investment manager of the Invesco Global Real Estate Securities Fund;**
- **clarification of the investment policy of the Invesco Sterling Bond Fund#;**
- **clarification of the investment policy of the Invesco Bond Fund#;**
- **change relating to switches;**
- **update of provisions related to the Investment Restrictions further to new Central Bank Regulations;**
- **clarification on the restrictions on redemptions further to the new Central Bank Regulations;**
- **additional information related to the segregation of assets;**
- **shortening of the distribution cycle for quarterly, semi-annual and annual distribution share classes;**
- **update of the boards of Directors of the Manager;**
- **restructure and updates of Section 8 (Risk Warnings);**
- **restructure of Section 11 (Taxation); and**
- **miscellaneous/ general amendments.**

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<sup>#</sup> Invesco Funds Series 6 and its sub-fund Invesco Sterling Bond, Invesco Global Select Equity Fund of Invesco Funds Series and Invesco Bond Fund of Invesco Funds Series 2 are not authorised by the Hong Kong Securities and Futures Commission ("the SFC") and therefore are not available for sale to the public in Hong Kong.

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Invesco Global Asset Management DAC  
Is regulated by the Central Bank of Ireland

Directors: Cormac O'Sullivan (Irish), Leslie Schmidt (American), Douglas Sharp (Canadian), Sybille Hofmann (German) and William Manahan (Irish)

Incorporated in Ireland No 183551  
VAT No IE 6583551 V

**Invesco Global Asset Management DAC (formerly Invesco Global Asset Management Limited), the manager of the Series (the "Manager") is responsible for the information contained in this letter. To the best of the knowledge and belief of the Directors of the Manager (the "Directors") (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. Unless otherwise specified, all capitalised terms used herein bear the same meaning as defined in the prospectus of the relevant Series, Appendix A of the prospectus and (for Hong Kong investors only) the Hong Kong Supplement (together the "Prospectus").**

**This letter is sent to you as a shareholder ("Shareholder") in the relevant below listed sub-funds of the Series (each a "Fund" and collectively the "Funds"). It is important and requires your immediate attention. If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker, bank manager, legal or other professional adviser. If you have sold or otherwise transferred your holding in a Fund of the Series, please send this letter to the stockbroker, bank manager or other agent through whom the sale was effected for transmission to the purchaser or transferee.**

**If the amendments mentioned below do not suit your investment requirement, you are advised that you may, at any time prior to the Effective Date (as defined hereafter) redeem your share classes in a Fund of the Series without any redemption charges. Redemptions will be carried out in accordance with the terms of the prospectus of the Series.**

**Invesco Funds Series**

Invesco Global Select Equity Fund<sup>#</sup>  
Invesco Continental European Equity Fund  
Invesco Japanese Equity Core Fund  
Invesco Asian Equity Fund  
Invesco UK Equity Fund  
Invesco Global Real Estate Securities Fund

**Invesco Funds Series 1**

Invesco Japanese Equity Fund  
Invesco ASEAN Equity Fund  
Invesco Pacific Equity Fund

**Invesco Funds Series 2**

Invesco Bond Fund<sup>#</sup>  
Invesco Emerging Markets Bond Fund  
Invesco Global High Income Fund  
Invesco Gilt Fund

**Invesco Funds Series 3**

Invesco Global Health Care Fund  
Invesco Global Technology Fund

**Invesco Funds Series 4**

Invesco Global Small Cap Equity Fund  
Invesco Continental European Small Cap Equity Fund

**Invesco Funds Series 5**

Invesco Korean Equity Fund  
Invesco PRC Equity Fund  
Invesco Emerging Markets Equity Fund

**Invesco Funds Series 6<sup>#</sup>**

Invesco Sterling Bond Fund

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29 June 2016

Dear Shareholder,

We are writing to you as a Shareholder in the relevant Fund(s) of the Series, in relation to amendments/updates to the Prospectus which are summarised below. For Hong Kong Shareholders, the product key facts statements of the affected Funds will also be updated, as necessary.

Unless otherwise stated herein the changes to the Prospectus detailed below shall become effective on 29 July 2016 (the "**Effective Date**") or such later date as the Directors may at their absolute discretion decide, in the event of which, such other date will be communicated to Shareholders in advance.

The Prospectus will be amended to reflect the following updates:

**1. For Shareholders of the Invesco Global Technology Fund (the "Global Technology Fund") only- Change to the reference benchmark to calculate the global exposure**

From 31 July 2016, the reference benchmark to measure the global exposure of the Global Technology Fund will change from MSCI World IT Index to NASDAQ Composite Index. The NASDAQ Composite Index will represent a better risk proxy for the portfolio.

The change in reference benchmark will not change the way the Global Technology Fund is managed nor will it result in any change to the risk profile of the Global Technology Fund.

**2. For Shareholders of the Invesco Global High Income Fund (the "Global High Income Fund") only- Clarification of the investment policy and change of reference benchmark to calculate the global exposure**

The investment policy of the Global High Income Fund will be clarified with regard to the investment that may be made in distressed securities (up to 20% of its net asset value) and contingent convertibles (up to 10% of its net asset value). The risks associated with such investments will be identified in Section 8 (Risk Warnings).

In addition, the reference to structured notes typically having terms of less than 2 years will be removed in order to ensure that the maturity schedule of the structured note is aligned to the underlying reference bond. This will provide greater flexibility to the investment team in identifying counterparties to trade such instruments without altering the risk profile.

The definition of emerging markets has also been clarified and will read as follows (new provisions are underlined): "For the purposes of the Fund, the Investment Manager has defined the emerging countries as all the countries in the world other than (i) members of the European Union that the Investment Manager regards as developed countries, (ii) United States of America, (iii) Canada, (iv) Japan, (v) Australia, (vi) New Zealand, (vii) Norway, (viii) Switzerland, (ix) Hong Kong and (x) Singapore."

Specific disclosures on Russia have also been removed as we believe that the definition of emerging markets is already clear enough that it does incorporate Russia. In addition, the anticipated exposures in Russia that were previously included were not limits and have therefore also been removed.

Finally, from 31 July 2016, the reference benchmark to measure the global exposure of the Global High Income Fund will change from 50% Barclays Capital US High Yield 2% Issuer Cap, 50% JP Morgan EMBI Global Diversified Index to Barclays Global High Yield Index. The Barclays Global High Yield Index will represent a better risk proxy for the portfolio.

The changes described above will not change the way the Global High Income Fund is managed nor will it result in any change to the risk profile of the Global High Income Fund.

### **3. For Shareholders of the Invesco Emerging Markets Bond Fund (the "Emerging Markets Bond Fund") only- Clarification of the investment policy**

The investment policy of the Emerging Markets Bond Fund will be clarified with regard to the investment that may be made in distressed securities (up to 20% of its net asset value) and contingent convertibles (up to 10% of its net asset value). The risks associated with such investments will be identified in Section 8 (Risk Warnings).

In addition, the reference to structured notes typically having terms of less than 2 years will be removed in order to ensure that the maturity schedule of the structured note is aligned to the underlying reference bond. This will provide greater flexibility to the investment team in identifying counterparties to trade such instruments without altering the risk profile.

The definition of emerging markets has also been clarified and will read as follows (new provisions are underlined): "For the purposes of the Fund, the Investment Manager has defined the emerging countries as all the countries in the world other than (i) members of the European Union that the Investment Manager regards as developed countries, (ii) United States of America, (iii) Canada, (iv) Japan, (v) Australia, (vi) New Zealand, (vii) Norway, (viii) Switzerland, (ix) Hong Kong and (x) Singapore."

Specific disclosures on Russia have also been removed as we believe that the definition of emerging markets is already clear enough that it does incorporate Russia. In addition, the anticipated exposures in Russia that were previously included were not limits and have therefore also been removed.

The changes described above will not change the way the Emerging Markets Bond Fund is managed nor will it result in any change to the risk profile of the Emerging Markets Bond Fund.

### **4. For Shareholders of the Invesco Global Real Estate Securities Fund (the "Global Real Estate Securities Fund") only- Clarification of the investment objective and policy and appointment of a sub-investment manager**

The investment objective and policy of the Global Real Estate Securities Fund will be updated to make it clearer what the existing investment universe is intended to include.

- The investment objective and policy have been split with the objective simplified.
- The investment policy has been made clearer with respect to how the Global Real Estate Securities Fund accesses Real Estate Investment Trusts ("REITs"). It is now clarified that the Global Real Estate Securities Fund's exposure to REITs can be global in nature but where the Global Real Estate Securities Fund holds US REITs that this exposure is primarily to US commercial real estate.
- Outdated language with respect to how the Global Real Estate Securities Fund may access ETFs has been removed.
- General tidy up of the wording to make it shorter and clearer to understand how the Global Real Estate Securities Fund will be invested.



This is a clarification of existing practice only and does not change the way the Global Real Estate Securities Fund is managed nor result in any change to the risk profile of the Global Real Estate Securities Fund. In particular, there is no change in the extent of the Global Real Estate Securities Fund's investment in real estate investment trusts.

In addition, Invesco Advisers, Inc. in its capacity of Investment Manager may be supported by Invesco Asset Management Limited as discretionary investment sub-manager in order to use its expertise. This appointment will have no impact on the way the Global Real Estate Securities Fund is being managed nor result in an increase of any fees or charges payable by the Global Real Estate Securities Fund or its Shareholders. All relevant costs and/or expenses incurred in connection with the aforesaid appointment will be borne by the Manager. In addition, this appointment of a new investment sub-manager does not materially prejudice existing rights or interests of Shareholders. For the avoidance of doubt, Invesco Asset Management Limited is currently acting as Investment Manager of other Funds that are authorised by the Central Bank of Ireland and/or the SFC.

#### **5. For Shareholders of the Invesco Sterling Bond Fund (the "Sterling Bond Fund")<sup>#</sup> only- Clarification of the investment policy**

The investment policy of the Sterling Bond Fund will be clarified with regard to the investment that may be made in distressed securities (up to 10% of its net asset value), contingent convertible bonds which may be used extensively, and asset-backed securities/ mortgage-backed securities (ABS and MBS). The risks associated with such investments will be identified in Section 8 (Risk Warnings).

The clarification described above will not change the way the Sterling Bond Fund is managed nor will it result in any change to the risk profile of the Sterling Bond Fund.

#### **6. For Shareholders of the Invesco Bond Fund (the "Bond Fund")<sup>#</sup> only- Clarification of the investment policy**

The investment policy of the Bond Fund will be clarified with regard to the investment that may be made in distressed securities (up to 5% of its net asset value), contingent convertible bonds (up to 20% of its net asset value), and asset-backed securities/ mortgage-backed securities (ABS and MBS). The risks associated with such investments will be identified in Section 8 (Risk Warnings).

The clarification described above will not change the way the Bond Fund is managed nor will it result in any change to the risk profile of the Bond Fund.

#### **7. Change relating to the switches**

Section 5.3 (Switches) of the Prospectus will be amended in accordance with the relevant trust deed of the Series which has been updated and, accordingly to state that by subscribing in a share class with eligibility requirements, Shareholders irrevocably instruct the Manager, at its discretion, to switch Shareholders into the most appropriate share class of the same Fund should they cease to satisfy the eligibility requirements applicable to the classes of shares as described in Section 4.1 (Types of Shares) of the Prospectus. This includes, but is not limited to, the situation where a Shareholder's holding of Shares reserved to institutional investors ceases to qualify as such or if a Shareholder's holding does not comply with the applicable Minimum Shareholding. Shareholders will, in such case, be switched into a share class of the same Fund which is the

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most similar to the initial share class in terms of its dividend policy, denomination, hedging policy (provided that such share class is available), after prior written notification (which will be at least 30 calendar days in advance).

For the avoidance of doubt, if upon receipt of such written notification, the switch proposed does not suit the investment requirements of the relevant Shareholder, the relevant Shareholder will be advised that he may redeem at any time his shares held in the relevant Fund (without redemption fees) or switch out prior to the effective date of the proposed switch, free of charge, into another Fund in the Series or into another fund in the Invesco range of funds in Dublin and/or Luxembourg (subject to satisfying applicable eligibility requirements as set out in the relevant fund prospectus and authorisation of the particular fund for sale in the Shareholder's relevant jurisdiction).

## **8. Update of provisions related to the Investment Restrictions further to new Central Bank Regulations**

The Central Bank of Ireland has issued a new Regulation (the Supervision and Enforcement Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank Regulations"). As a result, Section 7.1 on Investment Restrictions has been updated as follows:

- Regulatory/tidy-up updates to the "General Restrictions under Section 7.1 I.
- Clarification of the conditions to allow cross investment between Funds disclosed under Section 7.1 VII.
- Regulatory/tidy-up updates to the "Financial Derivative Instruments Restrictions" under Section 7.2.
- Under Section 7.4 A) (iii), the following sentence has been added: "*The Manager shall ensure that:*
  - *where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and*
  - *where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to above, this shall result in a new credit assessment being conducted of the issuer by the Manager without delay.*"
- Under Section 7.4 A) (v), the following sentence has been added: "*When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.*" In addition, the paragraph named "Acceptable counterparties" has been updated as follows:

### **"Acceptable counterparties**

*The Manager on behalf of the Fund may only enter into repurchase contracts, stock lending arrangements and OTC derivatives with counterparties in accordance with the requirements of the Central Bank UCITS Regulations where a credit assessment has been undertaken. Where the counterparty is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay."*



These updates have no material impacts on the risk profile of the Funds nor on the way the Funds are being managed.

#### **9. Clarification on the restrictions on redemptions further to the new Central Bank Regulations**

Further to the new Central Bank Regulations, Section 5.4.2 (Possible restriction on redemptions) has been updated to add the following provisions in order to clarify that, if the Manager, with the approval of the Trustee, decides to apply the limitation of the redemptions on a particular business day, any deferred redemption requests will be treated pro-rata with other redemption requests on each subsequent dealing day without priority:

*"During this process, redemption requests that are carried forward will be aggregated with other redemption requests on each Business Day. Redemption requests carried forward will not be prioritised over other redemption requests received for a given Business Day and shall be treated with respect to the unsatisfied balance thereof as if a further redemption request had been made by the concerned Shareholder in respect of the next Business Day and, if necessary, subsequent Business Days."*

Furthermore, Section 5.4.3 (Compulsory Redemptions) has been updated by replacing the second paragraph with the following provisions in order to further clarify the position:

*"If it shall come to the attention of the Manager at any time that Shares are beneficially owned by a Prohibited Person, either alone or in conjunction with any other person, and the Prohibited Person fails to comply with the direction of the Manager to sell his Shares and to provide the Manager with evidence of such sale within 30 days of being so directed by the Manager, the Manager may, at its discretion compulsorily redeem such Shares at their redemption price."*

Please note that in case of any compulsory redemption, such compulsory redemption will be permitted by applicable law and regulations and the Manager will act in good faith and on reasonable grounds.

#### **10. Additional information related to the segregation of assets**

Section 9.2.3 (Segregation of Fund assets) of the Prospectus will be updated to clarify that it is the intention of the Manager that all gains/losses or expenses arising in respect of a particular Share class are borne separately by that Share class. Given that there is no legal segregation of liabilities between Share classes, there is a risk that, under certain circumstances, transactions in relation to one Share class could result in liabilities to, or which otherwise might affect the net asset value of, the other Share classes of the same Fund.

Further to this clarification the Section 9.2.3 will be renamed "Segregation of Assets".

For the avoidance of doubt, this additional information will not trigger any change in the nature/type of fees or fee levels for the existing Share classes of each Fund of the Manager.

#### **11. Shortening the distribution cycle for quarterly, semi-annual and annual distribution Share classes only**

- From the distribution in January 2017, the annual distribution cycle will be shortened for Funds of Invesco Funds Series. For annual distributions declared by a Fund in respect of a share class on the last Business Day of January; the distribution payments will be made on the 11th of February (instead of the 21st of February). If such days are not a Business Day, distribution payments will be made on the next Business Day.

- From the distribution in November 2016, the annual distribution cycle will be shortened for Funds of Invesco Funds Series 1-6. For annual distributions declared by a Fund in respect of a share class on the last Business Day of November, the distribution payments will be made on the 11th of December (instead of 21<sup>st</sup> of January (except for Invesco Funds Series 2 for which payments are currently made on 21<sup>st</sup> December)). If such days are not a Business Day, distribution payments will be made on the next Business Day.
- From the distributions in November 2016 (for Funds of Invesco Funds Series 1-5 and Invesco Funds Series 6) and from the distributions in July 2016 (for Funds of Invesco Funds Series), the semi-annual distribution cycle will be shortened; the distribution payments will be made on the 11th of the month following the distribution date (instead of the 21st of the month following the distribution date). If such days are not a Business Day, distribution payments will be made on the next Business Day.
- From the distributions in August 2016 (for Funds of Invesco Funds Series 1-5 and Invesco Funds Series 6) and from the distributions in July 2016 (for Funds of Invesco Funds Series), the quarterly distribution cycle will be shortened; the distribution payments will be made on the 11th of the month following the distribution date (instead of the 21st of the month following the distribution date). If such days are not a Business Day, distribution payments will be made on the next Business Day.

## **12. Update of the boards of Directors of the Manager**

The details of the directors of the Manager have been updated in Section 9.2.1 (Directors) as follows: Douglas J. Sharp, Leslie Schmidt, Cormac O'Sullivan, Sybille Hofmann, and William Manahan.

For the avoidance of doubt, William Manahan has been appointed as a director and Oliver Carroll, Carsten Majer, Marie-Hélène Boulanger and Brian Collins have been removed as directors.

## **13. Restructure and updates of Section 8 (Risk Warnings)**

In order to clarify the risks that may apply to the Funds, the Manager has restructured Section 8 (Risks Warnings) in two parts:

- One part related to the risks linked to the investments. In that part, a chart has been included in order to address the main identified risks at the date of the Prospectus that may apply to each Fund. Please kindly note that it does not purport to provide a complete explanation of all the risks associated with acquiring and holding Shares in the relevant Fund, however all key risks are disclosed and shareholders are advised to refer to section 8 of the Prospectus in full for more detailed explanations of such risks so as to make an informed judgment of investment. The risks not indicated for a particular Fund may, however, still apply to some extent to that Fund at various times, and not every risk applicable to an investment in a Fund may be shown. Notwithstanding the risks displayed in the chart, each Fund will comply at all times with the Investment Restrictions detailed in Section 7 (including the Additional Restrictions in section 7.5) as well as with the further restrictions in Appendix A of the Prospectus.
- Below the chart, each risk is explained in more detail. To that extent, please note that the Manager has added some additional risks that may apply, such as a risk on distressed securities, a portfolio turnover risk, a commodities risk, risks related to the use of Asset Backed Securities and Mortgage Backed Securities (ABS and MBS), risk on Indian debt Market, risk of investing in China via Stock Connect and risk on private and unlisted securities.



- A second part related to risks associated to specific Share classes, such as Hedged Share classes, Fixed Distribution Share classes, Gross income share classes, etc.
- The risk associated with "International Investing" has been renamed to "General Investment Risks".
- The risk associated with "Investing in Sector Based/ Concentrated Funds" has been renamed to "Sector Based/Single Country and Concentrated Funds Risk" and the relevant disclosure has been enhanced.
- A new "Currency Exchange Risk" has been included by rewording the existing disclosure under the heading "International Investing".
- The risk associated with "Investment in Russia and Ukraine", "Credit Risk", "Investment in China" and "Counterparty Risk" have been updated.
- The risk associated with "Convertible Bond Risk" has been renamed to "Contingent Convertibles and Convertibles Risk" and the relevant disclosure has been enhanced.
- The risk associated with "Market Suspension Risk" has been renamed to "Market and Fund Suspension Risk" and the relevant disclosure has been enhanced.
- The risk associated with "Custody Risk" has been updated and include the requirements of the Directive 2014/91/EU (the "UCITS V Directive").
- The risk associated with "Securities Lending and Repurchase/Reverse Repurchase transactions" has been updated by including additional disclosure on repurchase transactions and reverse repurchase transactions.

#### **14. Restructure of Section 11 (Taxation)**

In order to clarify the tax aspects related to the Fund or the Shareholders, it has been decided to restructure Section 11 (Taxation).

One part will cover the Irish Taxation (the Irish taxation impacting the Series and the Irish taxation impacting the Shareholders). There are no specific changes in relation to the Irish taxation.

A second part named "Taxation in other Jurisdictions" will cover the financial transaction tax which was already covered under Section 11 (Taxation).

A third part has been added (Automatic Reporting and Exchange of Account Information) to cover FATCA provisions (which was previously disclosed under section 5.1.2 (Restrictions on Ownership of Shares) and the Common Reporting Standard (CRS) and the Directive on administrative cooperation in the field of taxation (DAC Directive).

#### **15. Miscellaneous/General amendments**

- Section 2 (Definition) has been updated.
- The registered office of the Registrar and Transfer Agent has changed. The new address is:  
International Financial Data Services (Ireland) Limited  
Bishop's Square

Redmond's Hill,  
Dublin 2  
Ireland

- The correspondence address for Shareholders queries has changed. The new address is:  
c/o International Financial Data Services (Ireland) Limited  
Bishop's Square  
Redmond's Hill,  
Dublin 2  
Ireland
- The registered office of the Manager and Administrator has changed. The new address is:  
Invesco Global Asset Management DAC  
Central Quay, Riverside IV, Sir John Rogerson's Quay  
Dublin 2  
Ireland

Kindly note also that in compliance with Irish law, the Manager, Invesco Global Asset Management Limited, has been converted to a Designated Activity Company ("DAC") with effect from 12 May 2016 (please note that previous communications incorrectly indicated an effective date of 11 April 2016) and the name of the Manager has been changed to Invesco Global Asset Management DAC accordingly. There is no change in the corporate structure of the Manager and no change to its shareholding.

- The Sub-Administrator, BNY Mellon Fund Services (Ireland) Limited, has been converted to a Designated Activity Company and therefore its name has been changed to BNY Mellon Fund Services (Ireland) Designated Activity Company. There is no change in the corporate structure of the Sub-Administrator and no change to its shareholding.
- Section 4 (The Series and their Funds and Shares) has been renamed and the following updates reflected:
  - enhancement disclosure regarding the hedged classes of Shares;
  - the related notes below the table in Section 4.1 (type of Shares) have been updated;
  - information about different Share classes has been updated;
  - In Section 4.1 (Types of Shares), the initial offer price of any new share class with JPY as its class currency has been changed from JPY1000 to JPY10000;
  - in Section 4.2 (Charges to Investors), reference to swing pricing has been added for clarification purposes and to reflect existing practice, there is no change to existing dealing arrangements; and
  - in Section 4.3 (Distribution Policy) has been updated for clarification purposes.
- In Section 4.3.4 (Reinvestment of Distributions), for clarification purposes, the reference to the Japanese Yen has been removed as the currency is not relevant for the shareholding. This clarification reflects the existing practice.
- In Section 5 (Dealing information), the dealing arrangement has been updated by adding information disclosure regarding the applications for subscription, switch, transfer, or redemption in certain jurisdictions. Moreover, the disclosure has been enhanced to state that authorized agents, including but not limited to the bank(s) where the collection accounts are opened, are additional parties to reject applications or charge interest in the event of late payment. Please note that such update was made to reflect existing practice and there is no change to existing dealing arrangements.



- In Section 5.4.4 (Settlement of Redemptions), authorised agents, including but not limited to the bank(s) where the collection accounts are opened have been included as entities involved in the redemption process.
- In Section 5.5.8 (Joint Shareholders), it has been clarified that, in the case of the death of any one of the joint Shareholders of Shares in a Fund(s), the surviving Shareholder(s) shall be the only person(s) recognised as having title or any interest in the Shares. Such person(s) shall be free to dispose of this interest, provided the relevant documentation is returned to the Global Distributor and/or Transfer Agent.
- Section 5.5.12 (Client Assets) has been renamed (Operation of the IM Collection Accounts and Umbrella Cash Accounts and risk associated) and has been updated in order to comply with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers. This Section reflects the current process.
- Section 6.1 (Calculation of Net Asset Value) has been updated in accordance with the updated Irish regulations, in particular:
  - Sub-section (2) (A) has been updated to include information on how the valuation of any investment listed on a Recognised Market but acquired at a premium or at a discount outside or off the relevant Recognised Markets, will be valued.
  - Sub-section 2(F) in relation to the valuation of financial instruments not traded on a Recognised Market has been removed.
  - Sub-section (2)(I) has been enhanced to include the relevant disclosure that the estimate of a competent person may be accepted by the Administrator.
  - Sub-section (3)(J) has clarified that the costs and the resultant profit or loss on the hedged transaction will only be applied to the relevant class of Shares after deduction of all other fees and expenses, which in the case of the Management and Service Agent Fees payable to the Manager, which will be calculated and deducted from the non-hedged value of the relevant class of Shares.

Please note that such updates were made to reflect existing practice and there is no change to existing practice of the Funds on calculating net asset value and dealing price.

- Section 6.1 (Calculation of Net Asset Value) sub-section (2)(K) "Swing Pricing" has been enhanced to clarify that the NAV per Share may be adjusted to mitigate the effect of any spread between the buying and selling prices of the underlying assets, which reflects the existing practice.
- Section 6.2 (Dealing Price) has been reworded and clarified that for the avoidance of doubt there is no difference between the subscription and redemption price on each day and both are dealt at the NAV per share. In addition, it has been clarified that net asset value per Shares may be calculated up to four decimal places, which reflects the existing practice.
- In Section 7, it has been decided to move the investment restrictions for Funds authorised in certain countries, such as Taiwan, Hong-Kong, Germany under a separate section, a Section 7.5 (Additional Restrictions). The investment restrictions for some Funds registered in France and in Chile have also been added.
- In Section 7.6 (Borrowing), it has been clarified that where a Fund has foreign currency borrowings which exceed the value of a back-to-back deposit, the Manager shall ensure that excess is treated as borrowing for the purpose of the UCITS Regulations.

- A new Section 9.2.4 (Conflicts of Interests) has been included to reflect *inter alia* the Manager's discretion to pay rebate and commission to third parties.
- Section 9.2.6 (Service Providers) has been updated to define the service of the Investment Managers and clarify that the Registrar and Transfer Agent of the Series may delegate some services to International Financial Data Services (Luxembourg) SA. In addition, this Section has been updated in accordance with the UCITS V Directive to include details on (i) the duties of the trustee and conflicts of interest that may arise, (ii) the delegation arrangement of the Trustee and any conflict of interest that may arise from such delegation.
- In Section 9.2.7 (Related Party Transaction), the information disclosure in relation to the documentation of the trustee of the related party transaction has been enhanced.
- In Section 9.2.8 (Soft Commissions), the information disclosure in relation to the cash commission rebate received by broker or dealer has been enhanced.
- In Section 9.3.2 (Service Agent Fee), it has been clarified that the remaining amount of the service agent fee (after deduction of payments) may be retained by the Manager, in its capacity as Administrator for each Fund, and/or shared with affiliates of Invesco Group or such persons that the Manager may determine at its discretion.
- A new 9.3.4 (Remuneration Policies) has been included to clarify that the remuneration policy applies to staff whose professional activities have a material impact on the risk profile of the Manager or the Funds and is designed not to encourage risk-taking which is inconsistent with the risk profile of the Funds.
- In section 9.3.5 (Other Expenses) the information disclosure about the formation expenses and unamortised expenses has been removed as these expenses are borne by the Manager and not charged to the relevant Fund.
- In Section 10.3 (Other Documents available for inspection), the list of items which are available for inspection has been updated.
- The Schedule of the Prospectus on the recognised markets (Schedule 1) has been updated to include additional recognised markets and removed recognised markets which are no longer available.
- In accordance with the UCITS V Directive, a Schedule 2 of the Prospectus has been added and disclosed the Trustee's delegation arrangement as of the date of the Prospectus.
- Section "Glossary of commonly used terms" has been updated to remove disclosure re distribution fee of B shares and include reference to "Specific Countries Restrictions" and "Specific Risks Consideration" which are now in Section 7.5 (Additional restrictions) and Section 8 (Risk Warnings).
- The Specific Risks disclosed under each Fund in the Appendix A have been removed and a cross-reference to the chart disclosed in Section 8 (Risks Warnings) has been included at the beginning of the Appendix A. In addition, the special investment consideration in China in relation to Invesco PRC Equity Fund has been consolidated into Section 8.
- In Appendix A, the profile of typical investors of each Fund has been updated.



- In Appendix A, the information disclosure in relation to the overall exposure of the Funds using commitment approach has been removed. Such removal does not affect how the Funds measure their global exposure.
- In Appendix A, the name of the reference benchmark used to calculate the global exposure of Invesco Continental European Small Cap Equity Fund has been changed from HSBC Smaller Europe ex UK to Euromoney Smaller Europe ex UK.
- In Appendix A, the name of the reference benchmark used to calculate the global exposure of Invesco Continental European Equity Fund has been corrected from FTSE Western Europe ex.UK to FTSE World Europe ex. UK.
- Shareholders should be aware that some Funds may invest in China A Shares via the Shanghai- Hong Kong Stock Connect program for not more than 10% of such Fund's net asset value and the risks associated will be captured for the relevant Funds in Section 8 (Risk Warnings).
- Editorial updates, formatting and other miscellaneous updates and updates to non-SFC authorized Funds have also been reflected.

#### **Further Information**

The Prospectus is available free of charge at the registered office of the Manager. It is also available from the Manager's website: [www.invescomanagementcompany.ie](http://www.invescomanagementcompany.ie). This website has not been reviewed by the SFC and may contain information of funds not authorised by the SFC. For non-Hong Kong Shareholders, the Prospectus is available free of charge at the registered office of the Manager or can be requested in electronic format by sending a request to your local Invesco office or to the Investor Services Team, IFDS, Dublin on +353 1439 8100.

If you have any queries in relation to the above, or would 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, details of which are set out overleaf.

Shareholders in Hong Kong may contact the Series' Hong Kong Sub-Distributor and Representative, Invesco Asset Management Asia Limited on telephone number (+852) 3191 8282.

For German Shareholders, if you are acting as a distributor for German clients, please be advised you are not required to forward this letter to your end clients by durable media.

For Swiss Shareholders, the Prospectus, the Key Investor Information Documents, the Trust Deed of the Series as well as the annual and interim reports of the Series 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.

Thank you for taking the time to read this communication.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Louise Wall". The signature is written in a cursive style with a large initial 'L' and 'W'.

**By order of the Board of Directors of the Manager**



#### **General Information:**

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

#### **Important Information for UK Shareholders**

For the purpose of the United Kingdom Financial Services and Markets Act, 2000 (the "FSMA"), this letter has been issued by Invesco Global Investment Funds Limited which is authorised and regulated by the Financial Conduct Authority, on behalf of Invesco Global Asset Management DAC, the Global Distributor of the Series. For the purposes of United Kingdom law, the Series is a recognised scheme under section 264 of the FSMA. All or most of the protections provided by the United Kingdom regulatory system, for the protection of private clients, do not apply to offshore Series, compensation under the United Kingdom's Financial Services Compensation scheme will not be available and United Kingdom cancellation rights do not apply.

#### **Contact information**

For further queries, you may contact Invesco Asset Management Deutschland GmbH at (+49) 69 29807 0, Invesco Asset Management Österreich GmbH at (+43) 1 316 2000, Invesco Global Asset Management DAC at (+353) 1 439 8000, Invesco Asset Management Asia Limited at (+852) 3191 8282, Invesco Asset Management S.A. Sucursal en España at (+34) 91 781 3020, Invesco International Limited Jersey at +44 1534 607600, Invesco Asset Management S.A. Belgian Branch at (+32) 2 641 01 70, Invesco Asset Management S.A. at (+33) 1 56 62 43 00, Invesco Asset Management S.A. Sede Secondaria, Invesco Asset Management (Schweiz) AG, Invesco Asset Management SA Dutch Branch at (+31) 205 61 62 61, Invesco Asset Management S.A (France) Swedish Filial at (+46) 8 463 11 06 or Invesco Global Investment Funds Limited at +44 (0) 1491 417 000.

#### **Note:**

**This letter has been automatically generated in English. A copy of this letter is available in the following languages: Chinese, Dutch, French, German, Greek, Italian, Spanish, Finnish and Norwegian. To request a copy, please contact the Investor Services Team, IFDS, Dublin on (+353) 1 439 8100 (option 2 for queries) or your local Invesco office.**