Invesco Funds
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Shareholder circular:
Invesco Global Targeted Returns 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.

About the information in this circular:
The directors of Invesco Funds (the "Directors") and the management company of Invesco Funds 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 Invesco Funds (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 defined in this circular, capitalised terms shall have the meanings attributed to them in the prospectus of Invesco Funds (the "Prospectus").

What this circular includes:

Dear Shareholder,

We are writing to you as a Shareholder in Invesco Global Targeted Returns Fund, a sub-fund of Invesco Funds (hereinafter referred to as "Invesco Funds" or the "SICAV").

In this circular, you will find explanations about our proposal to:

1- **create a new Share class in order to isolate Russian assets** held by Invesco Global Targeted Returns Fund to facilitate the merger as further described below;

2- **merge the remaining share classes of Invesco Global Targeted Returns Fund** (the "Merging Fund") into Invesco Sustainable Global Income Fund (the "Receiving Fund") (together the "Funds"), both sub-funds of the SICAV and authorised by the *Commission de Surveillance du Secteur Financier* (the "CSSF");

3- **liquidate the Invesco Global Targeted Returns Fund**

All the above events will be effective on the same date (the "Effective Date") as further detailed below.

A. Terms of the creation of a new Share class in the Invesco Global Targeted Returns Fund and the proposed merger

A 1. Background to and rationale for the proposed merger

Invesco Funds is registered with the "Registre de Commerce et des Sociétés" of Luxembourg under Number B34457 and qualifies as an open-ended "société d'investissement à capital variable". Invesco Funds is organised as an umbrella UCITS fund with segregated liability between sub-funds pursuant to the 2010 Law.

The Invesco Global Targeted Returns Fund was approved by the CSSF and launched on 18 December 2013 as a sub-fund of Invesco Funds.

An internal assessment of the continuing commerciality, product fit and future demand of the "Global Targeted Return" franchise has been carried out at Invesco. Having considered the strategic direction of the product, the Directors have considered the product's future potential and believe that the Invesco Global Targeted Returns Fund is unlikely to raise significant assets due to a market-wide lack of client demand for targeted return strategies.

The assets under management of the Invesco Global Targeted Returns Fund (EUR 302.57 million as of 30 September 2023) have significantly declined over time; this is both reflective of a decrease in client appetite for targeted return strategies and a reaction to the disappointing return profile over a number of years, despite performance improving over the past year. In light of this, the Directors have decided to merge the Merging Fund (as further described below) into the Receiving Fund considering they do not expect to raise subscriptions in the near future. The Receiving Fund was approved by the CSSF and launched on 15 December 2022 as a sub-fund of Invesco Funds.

The Directors believe that the Receiving Fund is a suitable target fund, being a mixed asset fund with a better growth potential and is managed according to Article 9 of the Sustainable Finance Disclosure Regulation ("SFDR").

A 2. Creation of a new share class ("A1") Share class in the Invesco Global Targeted Returns Fund on the Effective Date to isolate the sanctioned Russian assets

It should be noted that the Invesco Global Targeted Returns Fund holds sanctioned Russian assets currently being valued at zero. In order to proceed with the proposed merger, the Directors have decided to isolate those Russian assets into a newly created "A1" Share class on the Effective Date. All Shareholders in the Invesco Global Targeted Returns Fund as of the Effective Date will become Shareholders in the "A1" Share Class in proportion to their holdings in the Invesco Global Targeted Returns Fund (in addition to any existing holdings they may have in any other Share class).

Please find below the details of the Russian assets to be transferred to the "A1" Share class:

Issuer name	**ISIN**	**Holding**
Russia, Federation of (Government) (maturity 7/23/2031)	RU000A103901	28,976,000
SBERBANK ROSSII PAO	RU0009029540	20,460

The remaining Share classes in the Invesco Global Targeted Returns Fund (the Merging Fund) will then be merged into Share classes with the relevant equivalent Share class of the Receiving Fund.

As a result, Shareholders who continue to hold Shares in the Merging Fund on the Effective Date (as defined below) will receive Shares in the Receiving Fund on a *pro rata* basis in exchange for their Shares in the Merging Fund based on an "exchange ratio" as further described in Section A3 below.

For the avoidance of doubt all shareholders on the Invesco Global Targeted Returns Fund will have a proportional ownership of Invesco Global Targeted Returns Fund "A1" Share class after the merger has completed. In addition, it should be noted that there will be no management fee and no service agent fee charged to the "A1" Share class.

All potential costs associated with the creation and the maintenance of the "A1" Share class will be borne by the Management Company.

A 3. The expected impact of the proposed merger

In light of the rationale provided above, it is expected that the proposed merger will bring benefits to Shareholders of the Merging Fund should they remain invested in the Receiving Fund over the long term. In addition, it is expected that the proposed merger will not impact the rights of the other Shareholders in the Receiving Fund (please refer to the section B2 below).

In addition to the information below, Appendix 1 to this circular sets out details of the key differences and similarities between the Merging Fund and the Receiving Fund that will be of interest and importance to you. The newly created "A1" Share class will not be part of the merger process other than as described above.

The Directors recommend that **you consider Appendix 1 carefully**.

For the avoidance of doubt, the investment policies and risk profiles of the Merging Fund and the Receiving Fund, are different. There are several other differences as further detailed in the Appendix 1 below (e.g profile of typical investor, method used to calculate the global exposure, the expected level of leverage, the SFDR classification). However, the Management Company, the Investment Manager, the key service providers (such as the Depositary, the Administration Agent and the Auditors), types and naming conventions of Share class, the base currency (EUR), the operational features (such as Business Days, Dealing Cut-off Point, Settlement Date, NAV calculation, distribution policy and Reports) are the same. Finally, the fee structure (as summarised below) is different as the overall fee structure of the Receiving Fund is lower.

While the dates of declaration and payment of distribution of the Merging Fund and Receiving Fund are the same according to the distribution policies as disclosed in the Prospectus, unless there is no surplus income, the SICAV may make a special distribution to the Shareholders of the Merging Fund in advance of the Effective Date to clear down any income entitlements. The declaration of such special distribution is subject to the SICAV's discretion, and payment may take place on a date before the Effective Date that is different from the regular distribution dates set out in the Prospectus. After the Effective Date, the Shareholders will receive distribution payments in line with the Prospectus.

On the Effective Date, Shareholders in the Merging Fund who continue to hold Shares in the Merging Fund on that date will become Shareholders in the relevant equivalent Share class of the Receiving Fund (with the exception of "A1" Shares of the Merging Fund which will not be subject to the proposed merger). They will hold such Shares on the same terms and conditions as all existing Shareholders of the Receiving Fund in such Share class of the Receiving Fund, upon completion of the proposed merger.

Shareholders' rights

Both the Invesco Global Targeted Returns Fund and the Receiving Fund are sub-funds of Invesco Funds, and as such the Shareholders' rights are the same and will remain unchanged.

Investment objective and policy and related risks

The Merging Fund is a muti-asset fund which aims to achieve a positive total return in all market conditions over a rolling 3 year period. The Invesco Global Targeted Returns Fund targets a gross return of 5% p.a. above 3 month EURIBOR (or an equivalent reference rate) and aims to achieve this with less than half the volatility of global equities, over the same rolling 3 year period. There is no guarantee that the Invesco Global Targeted Returns Fund will achieve a positive return or its volatility target. The Invesco Global Targeted Returns Fund seeks to achieve its objective by combining a number of individual investment ideas in a risk-managed portfolio. Each idea is selected based on a 2-3 years investment horizon from across economic areas and from different asset types including, but not limited to equities, credit, interest rates, currencies, commodities, inflation, real estate and/or volatility.

The Receiving Fund is a multi-asset fund which aims to support the transition to a low carbon economy over the medium to long term with a view to achieving the long term goals of the Paris Agreement. As part of achieving its sustainable investment objective the Receiving Fund aims to deliver income and capital growth. The Receiving Fund seeks to achieve its objective by gaining exposure primarily to a flexible allocation of debt securities and global equities.

The Receiving Fund is categorised as article 9 product under SFDR whereas the Invesco Global Targeted Returns Fund complies with article 6 of SFDR.

Both the Merging Fund and the Receiving Fund are currently managed by Invesco Asset Management Limited.

The overall risk profile of the Merging Fund and the Receiving Fund are different, albeit the Summary Risk Indicator (SRI) as noted below is the same on both the Merging Fund and Receiving Fund. The relevant or material risk factors applicable to the Invesco Global Targeted Returns Fund and the Receiving Fund are as highlighted in the table of risks below. Please refer to the Prospectus for further details of such risk factors.

	Liquidity Risk	**Currency Exchange Risk**	**Portfolio Turnover Risk**	**Volatility Risk**	**Equities Risk**	**Private and Unlisted Equity Risk**	**Investing in Small Companies**	**Sector Concentration Risk**	**Holdings Concentration Risk**	**Country Concentration Risk**	**Credit Risk**	**Interest Rate Risk**	**Investing in High Yield Bonds/Non-investment Grade**	**Investing in Perpetual Bonds**	**Distressed Securities Risk**	**Contingent Convertibles Risk**	**Convertible Bonds Risk**	**ABS/MBS Risk**	**Financial Derivative Instruments for Investment Purposes Risk**	**Dynamic Asset Allocation Risk**	**Commodities Risk**	**Emerging Markets Risk**	**Investment in Russia**	**Investment in Indian Debt Market Risk**	**QFI Risks**	**Stock Connect Risks**	**Bond Connect Risks**	**ESG Investment Risk**
Invesco Global Targeted Returns Fund	x	x	x	x	x						x	x	x		x				x	x	x	x				x	x	
Invesco Sustainable Global Income Fund	x			x	x						x	x	x		x	x			x	x		x					x	x

The SRI disclosed in the Key Information Documents ("KIDs") is currently 3 (on a scale of 1-7) for both the Merging Fund and the Receiving Fund.

Portfolio rebalancing exercise
The Investment Manager will ensure that the portfolio of investments of the Merging Fund transferred at the Effective Date is compatible with the investment objective and policy of the Receiving Fund. To this end, a portfolio rebalancing exercise will take place within two (2) weeks of the Effective Date.

The total costs associated with any rebalancing of the underlying investments of the portfolio (primarily dealing and transaction costs) undertaken within two weeks of the Effective Date as part of such rebalancing exercise are reasonably estimated at 48 basis points ("bps") of the Invesco Global Targeted Returns Fund's NAV as at the rebalancing date, and shall be borne by the Merging Fund up to a maximum of 58 bps of the Merging Fund's NAV as at the rebalancing date, as it is believed that the proposed merger will provide investors with a fund with improved positioning, higher opportunities to achieve growth over the long term and benefits accruing from increased economies of scale. Any rebalancing costs above a maximum of [58] bps of the Invesco Global Targeted Returns Fund's NAV as at the rebalancing date will be borne by the Management Company.

The basis of this cost estimate is consistent with the methodology utilised by the SICAV in order to mitigate the effect of dilution, as further described under the sub-section named "swing pricing mechanism" in Section 6.2 of the Prospectus. The cost estimate will reflect an approximation of the cost of purchasing or selling the underlying assets of the Merging Fund due to dealing charges, taxes and any bid/offer spread between the buying and selling prices of the underlying assets and may include anticipated fiscal charges.

It should be noted that during the rebalance period, and in the two weeks leading up to the Effective Date, that the Merging Fund will deviate from, and hence may breach, its Investment Objective and Policy. This is due to the fact that the overlap between the Merging Fund and the Receiving Fund is low and the way the Funds are managed is different, which will result in a high turnover and a different client experience than would otherwise be achieved if the portfolio rebalance exercise did not take place.

To the extent that the rebalancing costs are borne by the Merging Fund, Shareholders who remain in the Merging Fund during the rebalancing period will be subject to the rebalancing costs.

Please refer to Appendix 1 for detailed disclosure of the investment objective and policy of the Merging Fund and Receiving Fund.

Fees and expenses of the Share classes of the Merging Fund and corresponding Share classes of the Receiving Fund
The table below summarises the management fee, distribution fees, service agent fees and depositary charges disclosed in the Prospectus as well as the latest ongoing costs figures disclosed in the current KIDs for the Merging Fund and the corresponding Share classes in the Receiving Fund.

Kindly note that Shareholders holding "B" Shares in the Merging Fund will be merged into a "A" Share class as further detailed below. A Contingent Deferred Sales Charge ("CDSC") is levied for redemptions from "B" Shares where such action is taken within 4 years of the date of purchase. "B" Shares are also subject to an annual distribution fee while "A" Shares are not. As the action being undertaken here is not client driven, any CDSC is being waived and clients will no longer be liable to the annual distribution fee. For further details on the differences between "A" Shares and "B" Shares, please refer to Section 4.1 (Types of Shares) in the Prospectus. In case of redemption or switch prior to the merger, the CDSC will, if applicable, be waived.

Merging Fund						Receiving Fund					
Share class	**Management Fee**	**Annual Distribution Fee**	**Max Service Agent Fee**	**Max Depositary Charge**	**Ongoing costs**	**Share class**	**Management Fee**	**Annual Distribution Fee**	**Max Service Agent Fee**	**Max Depositary Charge**	**Ongoing Costs ***
A (CHF Hedged)-Accumulation	1.40%	N/A	0.30%	0.0075%	1.63%	A (CHF Hedged)-Accumulation	1.25%	N/A	0.35%	0.0075%	1.59%
A (SEK Hedged)-Accumulation	1.40%	N/A	0.30%	0.0075%	1.63%	A (SEK Hedged)-Accumulation	1.25%	N/A	0.35%	0.0075%	1.59%
A (USD Hedged)-Accumulation	1.40%	N/A	0.30%	0.0075%	1.63%	A (USD Hedged)-Accumulation	1.25%	N/A	0.35%	0.0075%	1.59%

Merging Fund						Receiving Fund					
Share class	**Management Fee**	**Annual Distribution Fee**	**Max Service Agent Fee**	**Max Depositary Charge**	**Ongoing costs**	**Share class**	**Management Fee**	**Annual Distribution Fee**	**Max Service Agent Fee**	**Max Depositary Charge**	**Ongoing Costs ***
A-Accumulation	1.40%	N/A	0.30%	0.0075%	1.63%	A-Accumulation	1.25%	N/A	0,35%	0.0075%	1.59%
A-Annual Distribution	1.40%	N/A	0.30%	0.0075%	1.63%	A-Annual Distribution	1.25%	N/A	0.35%	0.0075%	1.59%
A (GBP Hedged)-Accumulation	1.40%	N/A	0.30%	0.0075%	1.63%	A (GBP Hedged)-Accumulation	1.25%	N/A	0.35%	0.0075%	1.59%
B-Accumulation	1.40%	1.00%	0.20%	0.0075%	2.56%	A-Accumulation	1.25%	N/A	0.35%	0.0075%	1.59%
C-Accumulation	0.90%	N/A	0.20%	0.0075%	1.13%	C-Accumulation	0.80%	N/A	0.30%	0.0075%	1.04%
C (CHF Hedged)-Accumulation	0.90%	N/A	0.20%	0.0075%	1.13%	C (CHF Hedged)-Accumulation	0.80%	N/A	0.30%	0.0075%	1.04%
C (GBP Hedged)-Accumulation	0.90%	N/A	0.20%	0.0075%	1.13%	C (GBP Hedged)-Accumulation	0,80%	N/A	0,30%	0.0075%	1.04%
C (USD Hedged)-Accumulation	0.90%	N/A	0.20%	0.0075%	1.13%	C (USD Hedged)-Accumulation	0,80%	N/A	0,30%	0.0075%	1,04%
E-Accumulation	1.90%	N/A	0.30%	0.0075%	2.23%	E-Accumulation	1.75%	N/A	0.35%	0.0075%	2.09%
I (CAD Hedged)-Annual Distribution	0.00%	N/A	0.05%	0.0075%	0.09%	I (CAD Hedged)-Annual Distribution	0.00%	N/A	0.05%	0.0075%	0.05%
R (USD Hedged)-Accumulation	1.40%	0.70%	0.30%	0.0075%	2.33%	R (USD Hedged)-Accumulation	1.25%	0.70%	0.35%	0.0075%	2.29%
R-Accumulation	1.40%	0.70%	0.30%	0.0075%	2.33%	R-Accumulation	1.25%	0.70%	0.35%	0.0075%	2.29%
S (USD Hedged)- Accumulation	0.70%	N/A	0.05%	0.0075%	0.84%	S (USD Hedged)-Accumulation	0.62%	N/A	0.05%	0.0075%	0.72%
S-Accumulation	0.70%	N/A	0.05%	0.0075%	0.84%	S-Accumulation	0.62%	N/A	0.05%	0.0075%	0.72%
Z-Accumulation	0.70%	N/A	0.20%	0.0075%	0.93%	Z-Accumulation	0.62%	N/A	0.30%	0.0075%	0.86%
Z-Annual Distribution	0.70%	N/A	0.20%	0.0075%	0.93%	Z-Annual Distribution	0.62%	N/A	0.30%	0.0075%	0.86%
Z (CHF Hedged)-Accumulation	0.70%	N/A	0.20%	0.0075%	0.93%	Z (CHF Hedged)-Accumulation	0.62%	N/A	0.30%	0.0075%	0.86%
Z (GBP Hedged)-Accumulation	0.70%	N/A	0.20%	0.0075%	0.93%	Z (GBP Hedged)-Accumulation	0.62%	N/A	0.30%	0.0075%	0.86%
Z (USD Hedged)-Accumulation	0.70%	N/A	0.20%	0.0075%	0.93%	Z (USD Hedged)-Accumulation	0.62%	N/A	0.30%	0.0075%	0.86%

*It should be noted that a discretionary cap on multiple components of the total costs was introduced on the Receiving Fund with effect from 29th November 2023. Such cap will continue to be in place for as long as the Receiving Fund remains in existence (i.e. such cap will continue in place until the termination of the Receiving Fund).

A 4. Valuation of assets and liabilities, calculation of the exchange ratio and exchange of Shares

As a result of the proposed merger, on the Effective Date, the Merging Fund will transfer its assets and liabilities (except those which are allocated to the "A1" Shares) to the Receiving Fund.

It should be noted that there are multiple assets in the Merging Fund, which are valued at zero or have a minimal value due to ongoing litigation. In order to complete the terms of the merger such assets may be transferred to the Receiving Fund on the Effective Date in the event that the Merging Fund is not successful in finding a buyer for such securities. It is possible therefore that the Receiving Fund holds assets that are not aligned with its ESG criteria. As at 23rd October 2023 such assets represent 0.01% of the NAV of the Merging Fund.

The Merging Fund' assets under management amounted to EUR 302.57 million as at 30 September 2023 and those of the Receiving Fund amounted to EUR 22.59 million as at 30 September 2023.

The number of corresponding Shares in the Receiving Fund to be issued to each Shareholder of the Merging Fund who continue to hold Shares in the Merging Fund on the Effective Date will be calculated using an "exchange ratio" on the Effective Date. The "exchange ratio" is the factor expressing how many Shares will be issued in the corresponding Share class of the Receiving Fund for one Share in a Merging Share Class and will be calculated to six (6) decimal places, utilizing the price of the respective share class of the Merging Fund divided by the price of the respective share class of the Receiving Fund to calculate such ratio.

The cancellation of all existing Shares of the Merging Fund, with the exception of the "A1" Share class, and the issue of the corresponding Shares of the Receiving Fund will be performed on the basis of the unrounded NAV of the respective Merging Fund and the Receiving Fund at the Valuation Point on the Effective Date. Please note that the NAV per Share of the Merging Fund and the Receiving Fund on the Effective Date will not necessarily be the same. While the overall value of their holding will be almost identical before and after the Effective Date (any difference being negligible and due to rounding), Shareholders of the Merging Fund who continue to hold Shares in the Merging Fund on the Effective Date may receive a different number of Shares in the Receiving Fund than they had previously held in the Merging Fund due to the difference in their NAV per share.

Please note that in the event the exchange ratio is rounded down, then Shareholders of the Merging Fund will receive Shares with a value that is fractionally less than the value transitioned with Shareholders of the Receiving Fund gaining proportionally. In the event the exchange ratio is rounded up, then Shareholders of the Merging Fund will receive Shares with a value that is fractionally more than the value transitioned with Shareholders of the Receiving Fund losing proportionally.

In case the application of the relevant exchange ratio does not lead to the issuance of full Shares, the Shareholders of the Merging Fund who continue to hold Shares in the Merging Fund on the Effective Date will receive fractions of Shares, up to three (3) decimal points, within the corresponding Share class of the Receiving Fund, in accordance with the provisions of the Prospectus.

Shareholders subscribing for Shares in the Receiving Fund after the Effective Date and who subscribe for a number of Shares in their application (as opposed to a monetary amount) should note that, due to the difference in NAV per Share between the Merging Fund and the Receiving Fund, the total subscription price payable for such Shares in the Receiving Fund may differ from that which would have been payable in respect of a subscription in the Merging Share Class.

On the Effective Date, the valuation of the Merging Fund and the Receiving Fund and, thereafter all future valuations of the Receiving Fund, will be carried out in accordance with the valuation principles as set out in the Prospectus and the Articles of Invesco Funds.

If you have not redeemed/switched your Shares in the Merging Fund prior to the Effective Date, the Registrar and Transfer Agent will issue you a written confirmation after the Effective Date with details of the exchange ratio applied, as well as the number of Shares you received in the corresponding Share class of the Receiving Fund as of the Effective Date as a result of the merger.

No initial charge will be payable on the issue of Shares in the Receiving Fund as part of this proposed merger.

A 5. Proposed Effective Date of the merger and liquidation

It is expected that the proposed merger of the Merging Fund and the subsequent liquidation of the Invesco Global Targeted Returns Fund will take effect on 15 March 2024 (the "Effective Date"), or a later date as may be determined by the Directors which may be up to four (4) weeks later, subject to the prior approval of a later date by the CSSF and immediate notification of same in writing to the Shareholders who continue to hold Shares in the Merging Fund.

In the event that the Directors approve a later Effective Date, they may also make such consequential adjustments to the other elements in the timetable of the merger as they consider appropriate.

Please read Appendix 2 to this circular carefully as it sets out a timeline for the merger proposal.

A 6. Rules relating to the transfer of assets and liabilities, and treatment of the Merging Fund

As of the Effective Date, the assets and liabilities held in the Merging Fund will be transferred to the Receiving Fund and all Shareholders who continue to hold the Merging Fund at that time, will be entitled to receive Shares in the Receiving Fund in exchange.

Details of the relevant Share Classes in the Receiving Fund from which you will receive Shares if you elect not to redeem/switch prior to the proposed merger are set out in Appendix 1 to this circular.

In addition, from the Effective Date, any exceptional items (e.g. withholding tax reclaims, class actions, etc.) resulting in a payment being made to the Merging Fund will automatically be transferred to the Receiving Fund.

B. Other matters relating to the proposed merger

B 1. Right to subscribe for and/or redeem Shares or switch Shares

The implementation of the merger does not require the approval of the general meeting of Shareholders of the Merging Fund.

If the proposed merger does not suit your requirements, you have the opportunity at any time up to and including 1:00 pm (CET time) on 8 March 2024:

- to redeem your Shares, which will be carried out in accordance with the terms of the Prospectus without any redemption charges, or

- to avail of a free switch out of the relevant Share class into another Fund of Invesco Funds (subject to the minimum investment amounts and eligibility requirements set out in the Prospectus and authorisation of the particular fund for sale in your jurisdiction). For more information, please do not hesitate to contact the Investor Services Team, on +353 1 439 8100 (option 2), your local agent or your local Invesco office.

For the avoidance of doubt, in the case of redemption of "B" Shares, the CDSC will, if applicable, be waived.

Please note that the redemption will amount to a disposal of your interests in the Merging Fund and may have tax consequences.

If you are in any doubt as to your individual tax position, you should consult your professional advisers.

From 1:00 pm (CET time) on 8 March 2024 to 15 March 2024, both dates inclusive, any dealings (including transfers) in the Merging Fund will be suspended so as to allow the merger process to be completed efficiently.

It should also be noted that as from 18 December 2023, the Merging Fund has been closed to new investors in light of the fact that the Merging Fund is intended to be merged. However, existing Shareholders have been and will be able to continue to subscribe, redeem or switch out from the share class of the Fund they are invested in, in accordance with the provisions disclosed in the Prospectus, up to 8 March 2024 as described above.

Once the proposed merger has been completed and you become a Shareholder in the Receiving Fund, you can redeem your Shares in the Receiving Fund, subject to the usual procedures set out in the Prospectus.

No action is required to be taken on the Effective Date by Shareholders who agree to the merger and wish to receive Shares of the Receiving Fund in exchange for their Shares in the Merging Fund as a result of the merger.

The merger will be binding on all the Shareholders of the Merging Fund who have not exercised their right to redeem/switch above within the timeframe set out above.

B 2. Costs

There are no unamortised preliminary expenses in relation to the Merging Fund and the Receiving Fund.

The Management Company will bear the costs associated with the preparation and implementation of the proposed merger including all legal, advisory and administration costs.

Please refer to section A2 above for the treatment of costs arising from the rebalancing of the portfolio of investments held by the Invesco Global Targeted Returns Fund.

The Management Company is not responsible for individual client tax considerations and you should read section B3 below or consult your professional adviser if you are in any doubt as to the impact of the proposed merger.

B 3. Tax

Shareholders should inform themselves as to the tax implications of the proposed merger. The same applies to the ongoing tax status of the Receiving Fund under the laws of the countries of their nationality, residence, domicile or incorporation.

C. Liquidation of the Invesco Global Targeted Returns Fund

Upon completion of the merger, the Invesco Global Targeted Returns Fund will be liquidated on the Effective Date.

As mentioned above, please note that the "A1" Share class will have exposure to Russian assets which are under international sanctions and are currently valued at zero in the NAV. As at 15 February 2022, such assets represented 0.04% of the NAV of the Merging Fund. The value of such assets were marked down to zero on 2 March 2022.

Due to ongoing sanctions, it is likely that it will not be possible to liquidate the aforementioned Russian assets on or before the Effective Date. Until such assets become removed from sanctions, they will continue to be held in the Invesco Global Targeted Returns Fund's account with the Depositary, and any Depositary charges in relation to such assets incurred after the Effective Date will be deducted from the sale proceeds of such assets. Such Depositary charges are expected to be minimal as the Depositary's fee is expected to be zero while such Russian assets remain valued at zero. To the extent such securities become removed from sanctions and available for sale in the future then such assets will be sold and the proceeds after the deduction of any taxes or transactions costs and Depositary charges (if any) will be distributed to the Shareholders of the Invesco Global Targeted Returns Fund as at the Effective Date. Please note that where such proceeds are not enough to cover the relevant costs, no distribution will be made.

The Management Company will monitor the market conditions on the Russian assets and arrange for the subsequent disposal of such assets and distribution of proceeds (if any). It is expected that such proceeds will be distributed in a single payment after the sale of the Russian assets and less any Depositary charge as described above, and a notification to the relevant Shareholders will accompany such distribution. Such assets will continue to be valued at zero up to the Effective Date unless such assets become eligible to be sold prior to the Effective Date.

D. Availability of documents and information about the Receiving Fund

English-language versions of all the KIDs of the Receiving Fund are available free of charge upon request from the registered office of the Management Company or on the website of the Management Company (www.invescomanagementcompany.lu) and where relevant, translations of the KIDs will be available on the Invesco Local Websites, accessible through www.invesco.com. You are advised to read the relevant KIDs so you can make an informed decision about whether to invest.

All relevant KIDs can also be requested from **the Investor Services Team**, on +353 1 439 8100 (option 2).

The Prospectus contains further information about the Receiving Fund. It is available on the website of the Management Company: www.invescomanagementcompany.lu. As required by local laws, you will also find them on the Invesco Local Websites accessible through www.invesco.com.

Copies of the Articles, latest annual and semi-annual Reports and Prospectus of the SICAV are available free of charge upon request:

- from the Management Company at its registered office at 37A Avenue JF Kennedy, L-1855 Luxembourg, or
- from the SICAV at its registered office at Vertigo Building – Polaris, 2-4 rue Eugène Ruppert, L-2453 Luxembourg, during usual business hours.

The independent auditor of the SICAV will validate matters relating to the valuation of the assets transferred out of the SICAV to the Receiving Fund on the Effective Date. You have the right to obtain a copy of the report prepared by the independent auditor of the SICAV, free of charge, and it can be obtained upon request from the Management Company of the SICAV.

E. Further Information

If you would like to obtain any additional information in relation to the proposed merger and liquidation, please do not hesitate to send your request to the **registered office of the SICAV**, contact the **Investor Services Team**, on +353 1 439 8100 (option 2), or **your local agent or your local Invesco office**.

- **For Shareholders in Germany**: If you are acting as a distributor/institution keeping the securities deposit accounts for Shareholders in Germany please be advised you are required to forward this letter to your end clients by durable media. In this case please send the invoice for the reimbursement of costs in English and stating the VAT no. LU24557524 to: Durable Media Department, Invesco Management SA, 37A Avenue JF Kennedy, L-1855 Luxembourg. Please use the BVI format. Further invoicing information can be obtained under durablemediainvoice@invesco.com or per phone under +352 27 17 40 84.
- **For Shareholders in Switzerland**: The Prospectus, the Key Information Documents (KIDs), the Articles of the SICAV as well as the annual and interim reports of the SICAV 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, Zurich branch, 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.
- **For Shareholders in United Kingdom (UK)**: Please refer to the Key Investor Information Documents (KIIDs) of the Merging Fund and Receiving Fund which are available on the local UK website in accordance with the UK requirements.

Thank you for taking the time to read this communication.

Yours sincerely

Director
for and on behalf of
Invesco Funds

Acknowledged by

Director
for and on behalf of
Invesco Management S.A

Appendix 1

Key differences and similarities between the Merging Fund and the Receiving Fund

Capitalised terms used in this Appendix to describe the Invesco Global Targeted Returns Fund and Receiving Fund shall have the meanings attributed to them in the Prospectus.

This table provides details of the key differences and similarities between the Merging Fund and the Receiving Fund that will be of interest and importance to you. Full details of the Merging Fund and the Receiving Fund are set out in the Prospectus. For the avoidance of doubt, the investment policies as well as the risk profile are different for the Merging Fund and the Receiving Fund. There are a few other differences as further detailed in the Appendix 1 below (e.g profile of typical investor, method used to calculate the global exposure, the expected level of leverage, the SFDR classification). However, the Management Company, the Investment Manager, the key service providers (such as the Depositary, the Administration Agent and the Auditors), types and naming conventions of Share class, the base currency (EUR), the operational features (such as Business Days, Dealing Cut-off Point, Settlement Date, NAV calculation, distribution policy and Reports) are the same. Finally, the fee structure (as summarised in this Section A3 above) is different as the overall fee structure of the Receiving Fund is lower.

	The Merging Fund	**The Receiving Fund**
Name of sub-fund	Invesco Global Targeted Returns Fund	Invesco Sustainable Global Income Fund
Share classes and ISIN codes	A (CHF Hedged)-Accumulation (LU1004132996) A (USD Hedged)-Accumulation (LU1004132723) A (SEK Hedged)-Accumulation (LU1814058308) A-Accumulation (LU1004132566) A-Annual Distribution (LU1004132640) A (GBP Hedged)-Accumulation (LU1075209020) B-Accumulation (LU1075209293) C-Accumulation (LU1004133028) C (CHF Hedged)-Accumulation (LU1218207063) C (GBP Hedged)-Accumulation (LU1075209376) C (USD Hedged)-Accumulation (LU1075209533) E-Accumulation (LU1004133291) I (CAD Hedged)-Annual Distribution (LU1218207733) R (USD Hedged)-Accumulation (LU1590493299) R-Accumulation (LU1004133374) S (USD Hedged)- Accumulation (LU1218207659) S-Accumulation (LU1218207576) Z-Accumulation (LU1004133531) Z-Annual Distribution (LU1642785650) Z (CHF Hedged)-Accumulation (LU1439460293) Z (GBP Hedged)-Accumulation (LU1218207147) Z (USD Hedged)-Accumulation (LU1218207220)	A (CHF Hedged)-Accumulation (LU2708674648) A (USD Hedged)-Accumulation (LU2708676858) A (SEK Hedged)-Accumulation (LU2708676932) A-Accumulation (LU2530422497) A-Annual Distribution (LU2530422570) A (GBP Hedged)-Accumulation (LU2708677070) A-Accumulation (LU2530422497) C-Accumulation (LU2708676262) C (CHF Hedged)-Accumulation (LU2708676775) C (GBP Hedged)-Accumulation (LU2708676692) C (USD Hedged)-Accumulation (LU2708676429) E-Accumulation (LU2708676346) I (CAD Hedged)-Annual Distribution (LU2708675967) R (USD Hedged)-Accumulation (LU2708676007) R-Accumulation (LU2708675884) S (USD Hedged)- Accumulation (LU2708675702) S-Accumulation (LU2530422901) Z-Accumulation (LU2530423032) Z-Annual Distribution (LU2708675454) Z (CHF Hedged)-Accumulation (LU2708675611) Z (GBP Hedged)-Accumulation (LU2708675538) Z (USD Hedged)-Accumulation (LU2708675371)

	The Merging Fund	The Receiving Fund
Investment Manager	Invesco Asset Management Limited	Invesco Asset Management Limited
Investment Sub-Manager	Invesco Advisers, Inc. and/or Invesco Asset Management Deutschland GmbH	N/A
Investment objective and policy and use of financial derivative instruments	The Fund aims to achieve a positive total return in all market conditions over a rolling 3 year period. The Fund targets a gross return of 5% p.a. above 3 month EURIBOR (or an equivalent reference rate) and aims to achieve this with less than half the volatility of global equities, over the same rolling 3 year period. There is no guarantee that the Fund will achieve a positive return or its volatility target. The Fund seeks to achieve its objective by combining a number of individual investment ideas in a risk-managed portfolio. Each idea is selected based on a 2-3 year investment horizon from across economic areas and from different asset types including, but not limited to equities, credit, interest rates, currencies, commodities, inflation, real estate and/or volatility. The investment ideas are selected by the Investment Manager after extensive research, which incorporates their central economic thesis, analytical outputs and the views of other investment professionals within the organisation. To ensure a prudent spread of risk and a diversified portfolio, a minimum of 5 individual investment ideas from a minimum of 3 different asset types will be held in the Fund at all times. While the aim of the Fund is to achieve lower volatility as a result of these investment ideas working together, it should be noted that this target may not be achieved. The implementation of the investment ideas in the Fund can take two dfferent forms: (i) market exposure, which can be taken via investment in eligible collective investment schemes or directly in eligible assets or by (ii) the use of financial derivative instruments ("Derivatives"), which include but is not limited to directional long/short or pair trades. Some ideas can use a combination of direct exposure and derivatives to achieve the desired outcome. The assets which can be used in the implementation of the Fund's investment ideas include eligible equities, equity related securities, debt	The Fund aims to support the transition to a low carbon economy over the medium to long term with a view to achieving the long term goals of the Paris Agreement. As part of achieving its sustainable investment objective the Fund aims to deliver income and capital growth. The Fund seeks to achieve its objective by gaining exposure primarily to a flexible allocation of debt securities and global equities (the allocation is anticipated to range from 35% in equities and 65% in bonds to 65% in equities and 35% in bonds but will be adjusted periodically according to the views of the Investment Manager on the market environment and may be outside this range at times) which meet the Fund's sustainable investment objective, as further detailed below. Debt securities may include investment grade, non-investment grade or un-rated as well as ABS (up to 10% of the Fund's NAV) issued by companies, governments, supranational bodies, and other public entities globally. It is anticipated that exposure to investment grade debt securities may range from 30%-50, exposure to non-investment grade debt securities may range from 10%-30% and exposure to unrated securities may range from 0%-10%, however, such ranges may be exceeded depending on market circumstances. The Fund may be exposed to emerging markets for up to 25% of the Fund's NAV. The Fund's environmental, social and governance (ESG) criteria will be reviewed and applied on an ongoing basis by the Investment Manager. This approach will include the following aspects: 1. The Investment Manager will use positive screening based on its proprietary rating system to identify equities as well as corporate and government bonds where the issuers activities positively

	The Merging Fund	The Receiving Fund
	securities (including those issued by corporate bodies, governments and/or supranational institutions), real estate investment trusts (REITs), units of UCITS and/or other UCIs (including but not limited to exchange traded funds), Money Market Instruments and any other eligible instrument which could include indirect exposure to commodities. The Fund may invest up to 5% of its NAV in contingent convertibles. The Fund may invest up to 5% of its NAV in securities which are either in default or deemed to be at high risk of default as determined by the SICAV (“Distressed Securities”). Up to 5% of the NAV of the Fund may be exposed to China A shares listed on the Shanghai or Shenzhen Stock Exchanges, via Stock Connect. The Fund may access China onshore bonds in the CIBM via Bond Connect for less than 10% of its NAV. The implementation of the Fund’s investment ideas will make significant use of Derivatives to obtain exposure to long and short positions. The use of Derivatives will create leverage, and the Fund’s overall exposure will exceed the NAV of the Fund. The Fund’s use of Derivatives may include but is not limited to exchange traded or OTC derivatives on currencies, interest rates, credit, commodity indices, other eligible indices or equities. These Derivatives may include (but are not limited to) credit default swaps, total return swaps, swaps, forwards, futures and options. Such derivative usage can be for the purposes of efficient portfolio management and/or meeting the investment objective of the Fund. The Fund may enter into financial derivative instruments for efficient portfolio management, hedging purposes and for investment purposes (please refer to the “Investment Policy” above for further details on the use of derivatives for investment purposes). The expected proportion of the NAV of the Fund subject to total return swaps is 50%. Under normal circumstances, the maximum proportion of the NAV of the Fund subject to total return swaps is 200%.	contribute to the transition to a low carbon economy. Such issuers include, but are not limited to, companies that have a low carbon footprint, or have made, or are making, progress towards lowering their carbon footprint. The Fund also invests in securities issued by companies or governments that have reduced their greenhouse gas (GHG) emissions to net zero or have committed to reduce their GHG emissions to net zero by 2050 in line with the Paris Agreement on climate change. 2. The Investment Manager may allocate part of the portfolio to bonds with sustainable characteristics, including, but not limited to, green bonds, sustainability-linked bonds and transition bonds. 3. The Investment Manager may also allocate part of the portfolio to issuers and instruments linked to climate solution activities (including, but not limited to, renewable energy, electrification, and low carbon transport). In addition, in order to ensure that the investments of the Fund do not significantly harm other environmental and social objectives, the Fund will employ screening to exclude companies that do not meet the Fund’s criteria on a range of other environmental and social metrics, including but not limited to the principal adverse impacts required to be considered pursuant to the applicable EU regulation and the level of involvement in activities such as (but not limited to) conventional and unconventional oil and gas and coal extraction and production. All companies considered for investment will be screened for compliance with, and excluded if they do not meet, UN Global Compact principles. The Fund also takes into consideration an Exclusion List, as further detailed below. Additional exclusions will also apply such as, but not limited to, tobacco and weapons. The current exclusion criteria may be updated from time to time. Companies are assessed on a range of good governance principles which may vary, for example due to differing business profiles or operating jurisdictions. The Investment Manager assesses companies for good governance practices using both qualitative and

The Merging Fund	The Receiving Fund
	quantitative measures, with appropriate action taken where material concerns around governance exist. The Fund may invest up to 20% in contingent convertibles. The Fund may invest up to 10% of its NAV in securities which are either in default or deemed to be at high risk of default as determined by the SICAV ("Distressed Securities"). The Fund may access China onshore bonds in the CIBM via Bond Connect for less than 10% of its NAV. Up to 30% of the NAV of the Fund may be invested in Money Market Instruments, money market funds, and debt issued by governments or local authorities used to manage Fund duration and liquidity at the overall Fund level, which may not qualify as sustainable investments. The Fund's use of derivatives may include, but is not limited to, derivatives on credit, rates, currencies, and volatility and may be used to achieve long and short positions. Such derivatives may include, but are not limited to, credit default swaps, interest rate swaps, currency forwards, futures, and options. Derivatives for investment purposes will meet the Fund's sustainable investment objective, while, in the absence of qualified instruments in the market, derivatives for hedging and efficient portfolio management may not always be wholly aligned with the Fund's sustainable investment objective. Non-Euro denominated investments are intended to be hedged back into Euro at the discretion of the Investment Manager. For more information on the Fund's sustainability information, please refer to Appendix B of the Prospectus where the Fund's pre-contractual information pursuant to Article 9 of SFDR is available. For the purposes of the Fund: "Exclusion List" means the list of companies and countries that may be excluded from the Fund's investment universe by request of investors (and subject to discretion of

	The Merging Fund	The Receiving Fund
		the Investment Manager) which is periodically reviewed and updated. The full Exclusion List is available to Shareholders upon request from the Management Company. The Fund may enter into financial derivative instruments for efficient portfolio management, hedging purposes and for investment purposes (please refer to the "Investment Policy" above for further details on the use of derivatives for investment purposes).
SFDR classification	Article 6	Article 9
Profile of typical investor	The Fund may appeal to investors who are seeking a return over the medium term via exposure to portfolio that utilises a global macro approach to take long and short exposure to a number of asset classes. Investors in this type of Fund should be willing to accept at least moderate volatility. Due to the exposure of the Fund to financial derivative instruments the volatility can at times be magnified.	The Fund may appeal to investors who are seeking a return over the medium and long term via exposure to a flexible portfolio of global equity and debt securities contributing to a sustainable investment objective and are willing to accept moderate to high volatility. Due to the exposure of the Fund to financial derivative instruments, the volatility can at times be magnified.
Methodology used to calculate the global exposure	Absolute VaR	Relative VaR Reference portfolio: 50% MSCI World Index EUR-Hedged, 35% ICE BofA Global Corporate Index EUR-Hedged and 15% ICE BofA Global High Yield Index EUR-Hedged
Expected level of leverage	900%	150%
Benchmark used for comparison purposes	Benchmark name: 3 Month Euribor Index + 5% Benchmark usage: The Fund is actively managed and is not constrained by its benchmark, which is used **for comparison purposes.** As the benchmark is a proxy for a money market rate, the overlap is not applicable. For some Share classes, the benchmark may not be representative and another version of the benchmark may be used or no benchmark at all where a suitable comparator does not exist. Such details are available for the relevant Share class on the Website of the Management Company.	Benchmark name: 50% MSCI World Index EUR-Hedged (Net Total Return), 35% ICE BofA Global Corporate Index EUR-Hedged (Total Return) and 15% ICE BofA Global High Yield Index EUR-Hedged (Total Return) Benchmark usage: The Fund is actively managed and is not constrained by its benchmark, which is used for comparison purposes. While the benchmark is not consistent with the sustainable investment objective of the Fund, it is a suitable proxy for the wider investment universe and therefore it is likely that the majority of the holdings in the Fund are also components of the benchmark. As an actively managed fund, this overlap will change and this statement may be updated from time to time. The Investment Manager has

	The Merging Fund	The Receiving Fund
		broad discretion over portfolio construction and therefore it is expected that over time the risk return characteristics of the Fund may diverge materially to the benchmark. For some Share classes, the benchmark may not be representative and another version of the benchmark may be used or no benchmark at all where a suitable comparator does not exist. Such details are available for the relevant Share class on the Website of the Management Company.
Securities lending	This Fund may engage in securities lending. The expected proportion of the NAV of the Fund subject to securities lending is 20%. Under normal circumstances, the maximum proportion of the NAV of the Fund subject to securities lending is 50%.	This Fund may engage in securities lending. The expected proportion of the NAV of the Fund subject to securities lending is 20%. Under normal circumstances, the maximum proportion of the NAV of the Fund subject to securities lending is 50%.

Appendix 2

Timeline for the proposed merger and liquidation

Key dates	
Event	**Date**
Shareholder circular issued to Shareholders	26 January 2024
Portfolio rebalancing of the Merging Fund*	from 1 March 2024
The last dealing day in Shares of the Merging Fund (for receipt of subscription, redemption, switch or transfer requests)	8 March 2024
Creation of the "A1" Share class and transfer of the Russian assets	15 March 2024
Effective Date of the **Merger and liquidation of Invesco Global Targeted Return Fund** ("A1" Share class)	15 March 2024 or a later date as may be determined by the Directors which may be up to four (4) weeks later, subject to the prior approval of a later date by the relevant regulatory bodies and immediate notification of same to the Shareholders in writing. In the event that the Directors approve a later Effective Date, they may also make such consequential adjustments to the other elements in the timetable of the merger as they consider appropriate.
First day of dealing in Shares issued in the Receiving Fund pursuant to the proposed merger	18 March 2024
Written confirmation issued to Shareholders advising of exchange ratio and number of Shares in the Receiving Fund	Before 21 days after the Effective Date

** Shareholders who remain in the Merging Fund during the rebalancing period will be subject to the rebalancing costs to the extent that the rebalancing costs are borne by the Merging Fund, and the Merging Fund shall bear rebalancing costs up to a maximum of 58 bps of the Merging Fund's NAV as at the rebalancing date.*