Invesco Funds
Société d'Investissement à Capital Variable
Registered Office:
Vertigo Building- Polaris
2-4, rue Eugène Ruppert
L-2453 Luxembourg
R.C.S. Luxembourg B34 457

29 June 2020

Shareholder circular

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

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

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

Invesco Funds is regulated by the Commission de Surveillance du Secteur Financier

Directors: Anne-Marie King (Irish), Rene Marston (British), Peter Carroll (Irish), Timothy Caverly (American) and Bernhard Langer (German)

Incorporated in Luxembourg No B-34457
VAT No. LU21722969

Dear Shareholder,

We are writing to you as a Shareholder of the Invesco Funds due to several amendments, as further described below, to be included in the Prospectus as of 02 July 2020 (the "Effective Date") unless otherwise stated below. All costs incurred in connection with the proposed changes below will be borne by the Management Company.

If any of the below mentioned amendments do not suit your investment requirements, you are advised that you may, at any time redeem your shares in the Funds without any redemption charges. Redemptions will be carried out in accordance with the terms of the Prospectus.

A. Change of name of the Invesco Global Health Care Fund, clarification of the investment objective and policy and reduction of management fees

From 29 July 2020, the Invesco Global Health Care Fund will be renamed Invesco Global Health Care Innovation Fund in order to better reflect the thematic investment approach. In order to be in line with the new fund's name, it will be clarified in the investment objective and policy that the Invesco Global Health Care Fund seeks to invest in innovative healthcare companies throughout the world and that the Investment Manager classifies companies as innovative based on criteria such as their products, services, processes, business models, management, use of technology or approach to serving health care needs.

In addition, and from 29 July 2020, the management fee of the Invesco Global Health Care Fund will be reduced as follows.

Share class	Existing Management Fee	New Management Fee
A	2.00%	1.50%
B	2.00%	1.50%
C	1.50%	1.00%
E	2.50%	2.25%
J	2.00%	1.50%
P/PI	1.00%	0.75%
R	2.00%	1.50%
S	1.00%	0.75%
T	1.00%	0.75%
Z	1.00%	0.75%

For the avoidance of doubt, there is no change to the management fee in respect of "I" Share classes, as they do not bear any management fee.

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

The above modifications will not change the way the Invesco Global Health Care Fund is managed nor will it result in any change to the risk profile of the Invesco Global Health Care Fund.

B. Change of the investment objective and policy of the Invesco Emerging Market Structured Equity Fund

From 29 July 2020, the investment objective and policy of the Invesco Emerging Market Structured Equity Fund will be amended in order to increase the possibility to be exposed to China A shares via shares listed on the Shanghai or Shenzhen Stock Exchanges through Stock Connect from up to 10% to up to 25% of its NAV.

This change will have no material impact on the risk profile of the Invesco Emerging Market Structured Equity Fund.

C. Change of the investment objective and policy and the relevant risks applicable, as well as change of name of the Invesco Asian Bond Fund

From 29 July 2020, the investment objective and policy of the Invesco Asian Bond Fund will be enhanced in order to allow the Invesco Asian Bond Fund to access China onshore bonds in the CIBM via Bond Connect for less than 20% of its NAV. In addition, the investment objective and policy of the Invesco Asian Bond Fund will be updated in order to allow the Invesco Asian Bond Fund to invest up to 10% of its NAV in Distressed Securities.

As a result of the changes, Bond Connect risks and Distressed Securities risk will also be applicable to the Invesco Asian Bond Fund and highlighted in the risk matrix disclosed in Section 8 (Risks Warnings) of the Prospectus.

Otherwise, the changes have no material impact on the way the Invesco Asian Bond Fund is managed nor on its risk profile.

In addition, please note that the Invesco Asian Bond Fund will be renamed the Invesco Asian Flexible Bond Fund from 29 July 2020 in order to better reflect the unconstrained nature of the Fund.

D. Change of the investment objective and policy of the Invesco PRC Equity Fund

From 29 July 2020, the investment objective and policy of the Invesco PRC Equity Fund will be amended in order to increase the possibility to be exposed to China A shares via shares listed on the Shanghai or Shenzhen Stock Exchanges through Stock Connect from up to 20% to up to 40% of its NAV. This increase of flexibility should allow the investment manager to access the full set of opportunities that exist across the Chinese market and generate alpha.

In addition and as of the Effective Date, it will be clarified that the Invesco PRC Equity Fund does not invest in UCITS and/or other UCIs with the exception of money market funds for liquidity management up to a maximum of 10% of the NAV of Invesco PRC Equity Fund.

The above changes will not have any adverse impact on the interests of existing investors and there is no change to the risk profile of the Invesco PRC Equity Fund.

E. Repositioning of the Invesco Asia Balanced Fund

E.1 Change of investment objective and policy and use of derivatives of the Invesco Asia Balanced Fund

From 14 August 2020, the investment objective and policy of the Invesco Asia Balanced Fund will be changed with a view to reduce downward risks and volatility, stabilise risk-adjusted returns and optimise income delivery by introducing the use of a risk management overlay. Under exceptional circumstances (e.g. market crash or major crisis), the Invesco Asia Balanced Fund may be positioned defensively with up to 100% of its NAV in cash, cash equivalent, short term debt securities, other Money Market Instruments as well as other Transferable Securities, which are expected to have a low correlation to traditional equity and debt indices.

As a result of the above changes and notably the use of risk management overlay, the Invesco Asia Balanced Fund will use derivative instruments for investment purposes as well as for efficient portfolio management and hedging purposes. Such investment will however be restricted to 40% of the NAV of the Invesco Asia Balanced Fund, as measured by the commitment approach.

E.2 Change of the name of the Invesco Asia Balanced Fund

In order to better reflect the updated investment objective and policy, from 14 August 2020, the Invesco Asia Balanced Fund will be renamed Invesco Asia Asset Allocation Fund.

E.3 Change of the method of calculation of the global exposure of the Invesco Asia Balanced Fund

From 14 August 2020, the methodology used to calculate the global exposure will be amended from relative Value at Risk (VaR) to commitment approach. Following the assessment on the complexity of the Invesco Asia Balanced Fund's investment strategy and its potential exposure to derivative instruments, it is considered that the commitment approach is suitable to adequately capture the market risk of the Invesco Asia Balanced Fund.

Do any of the above amendments not suit your investment requirements?
In addition to the ability to redeem free of charge as disclosed above, you may also avail of a switch out of the Invesco Asia Balanced Fund, provided such requests are received at any time prior to 14 August 2020, into another Fund in the SICAV (subject to minimum investment amounts as set out in the Prospectus and authorisation of the particular Fund for sale in your relevant jurisdiction). The switch will be carried out in accordance with the terms of the Prospectus, but no switching fee will be imposed on any such switch. Before taking any decision to invest in another Fund, you must first refer to the Prospectus and the risks involved in relation to the same.

F. Clarification of the investment objective and change of the investment policy of the Invesco Euro Ultra-Short Term Debt Fund and Invesco USD Ultra-Short Term Debt Fund (the "Ultra-Short Term Debt Funds")

From 29 July 2020, the investment objective and policy of the Ultra-Short Term Debt Funds will be updated in order to (i) remove the reference to money market rates from the investment objective as further described below, (ii) allow the use of derivative instruments for investment purposes (such investment will however be restricted to 40% of the NAV of each of the Ultra-Short Term Debt Funds, as measured by the commitment approach) and (iii) change the average portfolio duration from a maximum of 12 months to a maximum of 18 months. Further, it will be specifically clarified that the Ultra-Short Term Debt Funds, are not money market funds.

It is proposed that each of the Ultra-Short Term Debt Funds will have the below investment objective:

"The Fund seeks to achieve a positive gross return through a conservative allocation (low duration and high credit quality) to rates and credit as more fully described below. Due to the prevailing interest rate environment or other factors, it is possible that this may not be achieved."

The above changes will not materially prejudice the rights or interests of existing investors and will not materially impact the way the Ultra-Short Term Debt Funds are managed. The change of average portfolio duration from a maximum of 12 months to a maximum of 18 months could have an impact on the risk profile of the Ultra-Short Term Debt Funds due to increased sensitivity of the Ultra-Short Term Debt Funds to movement in interest rates when they take the flexibility to have average portfolio duration out to 18 months.

G. Clarification of the investment objective and policy and change of the benchmark to measure the global exposure of the Invesco Pacific Equity Fund

From the Effective Date, the definition of "Asia Pacific region" within the investment objective and policy of the Invesco Pacific Equity Fund will be amended by adding an explicit reference to India to better reflect the way the Invesco Pacific Equity Fund is being managed.

The investment management team of the Invesco Pacific Equity Fund has historically included investment in India as a part of its "Asia Pacific region" investment universe, which is expected to continue as a part of the long-term strategy. While the investment policy has always allowed this as part of the 30% other component we believe it is more transparent to include India in the definition of "Asia Pacific region" and hence the primary allocation as it is and has been a country that the team has invested in systematically for many years.

The Invesco Pacific Equity Fund uses the relative Value-at-Risk approach in order to measure its global exposure by reference to MSCI AC Pacific Index. From the Effective Date, the benchmark to measure the global exposure of the Invesco Pacific Equity Fund will change to MSCI AC Asia Pacific Index, which includes India and will therefore be aligned with the clarification of its investment objective and policy.

The above modifications will not change the way the Invesco Pacific Equity Fund is managed nor will it result in any change to the risk profile of the Invesco Pacific Equity Fund.

H. Clarification of the investment objective and policy of the Invesco Macro Allocation Strategy Fund

From the Effective Date, the investment objective and policy of the Invesco Macro Allocation Strategy Fund will be amended to better reflect the current investment practice with regards to a strategy which will help shield the portfolio in an equity sell off environment.

Therefore, it will be clarified that the Invesco Macro Allocation Strategy Fund may gain exposure to equities either directly or through the use of financial derivative instruments, which may include a factor allocation strategy. Any short exposure will be taken via the use of financial derivative instruments.

The above modifications will not change the way the Invesco Macro Allocation Strategy Fund is managed nor will it result in any change to the risk profile of the Invesco Macro Allocation Strategy Fund.

I. Reduction of the Management fee of the E Share class for various Funds

From the Effective Date, the management fee of the E Shares of the Funds listed below will be reduced in order to maximise the investment outcome for clients and competitiveness, as follows:

Fund	**Existing Management Fee of the E Share**	**New Management Fee of the E Share**
Invesco Global Real Estate Securities Fund	2.25%	1.95%
Invesco Continental European Equity Fund	2.25%	2.00%
Invesco Japanese Equity Core Fund	2.25%	2.00%
Invesco UK Equity Fund	2.25%	2.00%
Invesco US Value Equity Fund	2.25%	2.00%
Invesco Energy Fund	2.25%	2.00%
Invesco Global Equity Income Fund	2.25%	2.00%
Invesco US Equity Fund	2.25%	2.00%

For the list of Share classes available in the Funds listed above, please refer to the Website of the Management Company (http://invescomanagementcompany.lu).

J. Update to disclosures regarding swing pricing mechanism

The Board of Directors has taken the decision to update the disclosures regarding swing pricing mechanism as disclosed in Section 6.2 (Calculation of assets and liabilities) of the prospectus to allow the adjustment applicable to a specific Fund to exceed 2% of the original NAV per Share on a temporary basis under exceptional market conditions (such as high market volatility) (i) where it is believed that the price adjustment limit of 2% currently stated in the prospectus does not adequately reflect the disconnect between prices used in the NAV calculation and the dealing and other costs and (ii) where justified by the best interest of Shareholders. When this happens investors will be given prior notice on the Website of the Management Company.

K. Change in relation to the CDSC for the B Share classes

From the Effective Date, the wording in relation to the CDSC of the B Share classes will be changed in order to state a maximum rate of CDSC while the actual rate for the relevant Fund will be set out in the annual report and on the Website of the Management Company where it deviates from the maximum.

For the avoidance of doubt there will be no change in the fee level or cost in managing the relevant Funds.

L. General Amendments

From the Effective Date, in Section 1 of the Prospectus, "Important Information for Resident Indians / Non-resident Indians / Overseas Citizens of India" will be added to cover the selling restrictions applicable to Indian investors.

M. Availability of documents and additional information

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

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

You may contact

- Germany: Invesco Asset Management Deutschland GmbH at (+49) 69 29807 0,
- Austria: Invesco Asset Management Österreich- Zweigniederlassung der Invesco Asset Management Deutschland GmbH at (+43) 1 316 2000,
- Ireland: Invesco Investment Management Limited at (+353) 1 439 8000,
- Hong Kong: Invesco Hong Kong Limited at (+852) 3191 8282,
- Spain: Invesco Asset Management S.A. Sucursal en España at (+34) 91 781 3020,
- Belgium: Invesco Asset Management S.A. Belgian Branch at (+32) 2 641 01 70,

- France: Invesco Asset Management S.A. at (+33) 1 56 62 43 00,
- Italy: Invesco Asset Management S.A. Sede Secondaria, at (+39) 02 88074.1,
- Switzerland: Invesco Asset Management (Schweiz) AG at (+41) 44 287 9000,
- Netherlands: Invesco Asset Management SA Dutch Branch at (+31) 205 61 62 61,
- Sweden: Invesco Asset Management S.A (France) Swedish Filial at (+46) 8 463 11 06,
- United Kingdom: Invesco Global Investment Funds Limited at (+44) 0 1491 417 000.

N. Further information

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

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

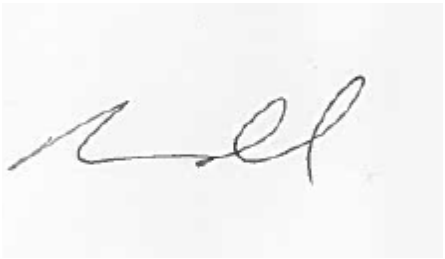
For Shareholders in Switzerland: The Prospectus, the Key Investor Information Documents and the Articles, as well as the annual and interim reports of the Invesco Funds may be obtained free of charge from the Swiss representative. Invesco Asset Management (Switzerland) Ltd., Talacker 34, 8001 Zurich,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

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

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

Thank you for taking the time to read this communication.

Yours faithfully,



By order of the Board of Directors

Acknowledged by Invesco Management S.A.