

Invesco Real Return (EUR) Bond Fund

C-Acc Shares

31 May 2023

This marketing communication is directed at retail clients in the UK. Investors should read the legal documents prior to investing.

Summary of fund objective

The Fund is actively managed. The Fund aims to achieve a real return in EUR (i.e. a return above inflation) over a market cycle. The Fund seeks to achieve its objective by gaining exposure to at least 50% of its total assets in inflation-linked bonds and other inflation-linked debt instruments, issued globally. For the full objectives and investment policy please consult the current prospectus.

Key facts



Luke Greenwood
London
Managed fund since
April 2016



Lyndon Man
London
Managed fund since
June 2017

Share class launch

06 November 2000

Original fund launch ¹

06 November 2000

Legal status

Luxembourg SICAV with UCITS status

Share class currency

EUR

Share class type

Accumulation

Fund size

EUR 30.93 mn

Reference Benchmark

ICE BofA 1-10 Year Euro Inflation-Linked Government Total Return Index (EUR)

Bloomberg code

INVEBNC LX

ISIN code

LU0119747839

Settlement date

Trade Date + 3 Days

Morningstar Rating™

★★★★

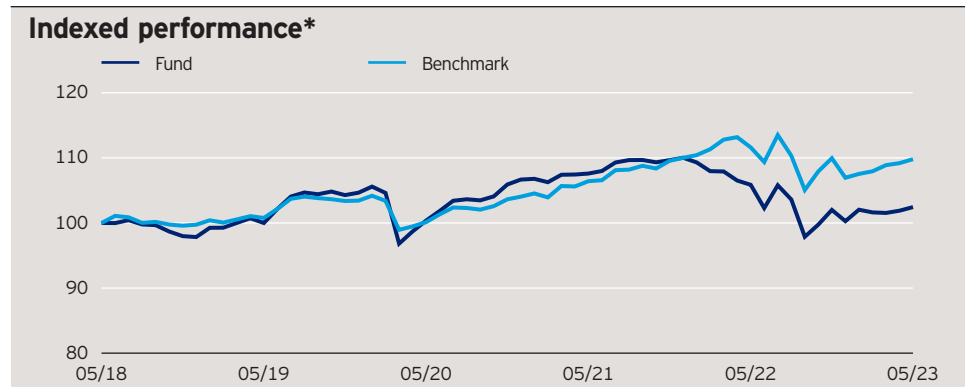
Investment risks

For complete information on risks, refer to the legal documents. The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested. Debt instruments are exposed to credit risk which is the ability of the borrower to repay the interest and capital on the redemption date. Changes in interest rates will result in fluctuations in the value of the fund. The fund uses derivatives (complex instruments) for investment purposes, which may result in the fund being significantly leveraged and may result in large fluctuations in the value of the fund. The fund may hold a large amount of Asset Backed Securities (ABS) (complex instruments) as well as other lower quality debt securities which may impact the liquidity of the fund under certain circumstances. The fund may invest in distressed securities which carry a significant risk of capital loss. Investments in debt instruments which are of lower credit quality may result in large fluctuations in the value of the fund. A lower inflation rate than expected will lead to an underperformance of inflation-linked bonds in comparison to conventional debt instruments.

Fund Strategy

The fund largely consists of euro-denominated investment grade rated inflation-linked bonds. Non-euro denominated debt is hedged, as the fund aims to deliver an above-inflation return in euros. The fund has an allocation to corporate bonds, which are likely to remain supported while offering relatively attractive yields compared to government bonds.

Past performance does not predict future returns. Data points are as at month end.



Cumulative performance*

in %	YTD	1 month	1 year	3 years	5 years
Fund	2.16	0.55	-3.23	2.07	2.44
Benchmark	2.67	0.56	-1.62	9.65	9.80

Calendar year performance*

in %	2018	2019	2020	2021	2022
Fund	-3.51	6.97	1.93	3.14	-8.86
Benchmark	-1.01	3.71	0.58	5.74	-2.78

Standardised rolling 12 month performance*

in %	05.13	05.14	05.15	05.16	05.17	05.18	05.19	05.20	05.21	05.22	05.23
Fund	-	-	-	-	0.00	0.00	0.37	7.20	-1.61	-3.23	
Benchmark	-	-	-	-	0.00	0.77	-0.64	6.28	4.87	-1.62	

The performance data shown does not take account of the commissions and costs incurred on the issue and redemption of units. Returns may increase or decrease as a result of currency fluctuations. The investment concerns the acquisition of units in a fund and not in a given underlying asset.

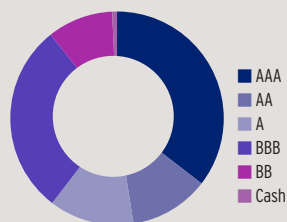
*Source: © 2023 Morningstar. The track record of the share class is shown from 08 June 2017 onwards as the name of the fund and the objective changed on that date. Gross income re-invested to 31 May 2023 unless otherwise stated. All performance data on this factsheet is in the currency of the share class. Reference Benchmark Source: Bloomberg. The benchmark index is shown for performance comparison purposes only. The Fund does not track the index. Please refer to Page 3 for Important Information.

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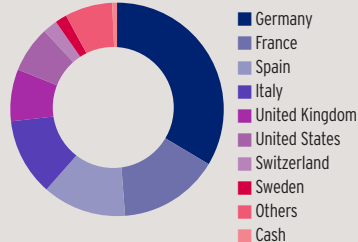
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Credit ratings of the fund in %*



Geographical weightings of the fund in %*



NAV and fees

Current NAV

EUR 17.02

12 month price high

EUR 17.81 (16/08/2022)

12 month price low

EUR 16.09 (21/10/2022)

Minimum investment ²

EUR 800,000

Entry charge

Up to 5.00%

Annual management fee

0.5%

Ongoing charges ³

0.75%

Credit ratings*

(average rating: A+)

	in %
AAA	35.4
AA	12.1
A	12.9
BBB	28.9
BB	9.9
Cash	0.7

Duration distribution*

(average duration: 4.9)

	in %
0-1 year	0.2
1-3 years	30.0
3-5 years	37.6
5-7 years	4.6
7-10 years	18.9
10-20 years	8.7

Sector weightings*

	in %
Corporate	30.8
Financials	18.5
Industrial	10.2
Utility	2.1
Non-US Govt/Agency	63.3
Treasuries	5.1
Cash	0.7

Yield %*

Gross Current Yield	2.00
Gross Redemption Yield	2.47

Geographical weightings*

	in %
Germany	33.6
France	15.2
Spain	12.7
Italy	11.7
United Kingdom	7.9
United States	7.0
Switzerland	2.2
Sweden	1.8
Others	7.2
Cash	0.7

Maturity distribution*

	in %
0-3 years	26.7
3-7 years	32.2
7-10 years	19.1
10-15 years	6.3
15+ years	15.7

Currency exposure*

	in %
Euro	99.9
US Dollar	0.1

Source: *Invesco. Costs may increase or decrease as result of currency and exchange rate fluctuations. Consult the legal documents for further information on costs. Portfolio weightings and allocations are subject to change. The weightings for each breakdown are rounded to the nearest tenth or hundredth of a percent; therefore, the aggregate weights for each breakdown may not equal 100%. **There is currently a discretionary cap on the ongoing charge of 0.75% in place. This discretionary cap may positively impact the performance of the Share Class.**

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Important Information

¹The Original Fund Launch date relates to the previous fund named: Invesco Euro Inflation-Linked Bond Fund, which was renamed to Invesco Real Return (EUR) Bond Fund on 8 June 2017 and the track record restarted on that date.

²The minimum investment amounts are: USD 1,000,000 / EUR 800,000 / GBP 600,000 / CHF 1,000,000 / SEK 7,000,000. Please contact us or refer to the most up to date Prospectus for details of minimum investment amounts in other currencies.

³The Ongoing Charges figure includes the annual management fee and other administrative or operating costs. It is a percentage of the value of your investment per year. This is an estimate based on actual costs over the last year.

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Additional information for the UK: Issued by Invesco Management S.A., President Building, 37A Avenue JF Kennedy, L-1855 Luxembourg, regulated by the Commission de Surveillance du Secteur Financier, Luxembourg.

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SFDR (Sustainable Finance Disclosure Regulation)

The Fund complies with Article 8 with respect to the EU's Sustainable Finance Disclosure Regulation*. As such, the fund promotes, among other characteristics, environmental or social characteristics or a combination of those characteristics. In addition, the companies in which the fund invests follow good governance practices. *Regulation (EU) 2019/2088 on sustainability - related disclosures in the financial services sector.

Exclusion Framework

The Fund embeds an exclusionary framework to specific activities based on UN Global Compact, severe governmental sanctions, revenue thresholds for certain activities linked to environmental and/or social criteria, as well as ensuring that companies follow good governance practices. The list of activities and their thresholds are listed below:

UN Global Compact	- Non-Compliant
Country sanctions	- Sanctioned investments are prohibited*
Controversial weapons	- 0% of revenue including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the Non-Proliferation Treaty (NPT)
Coal	- Thermal Coal extraction: $\geq 5\%$ of revenue - Thermal Coal Power Generation: $\geq 10\%$ of revenue
Unconventional oil & gas	- $\geq 5\%$ of revenue on each of the following: Arctic oil & gas exploration; Oil sands extraction; Shale energy extraction;
Tobacco	- Tobacco Products production: $\geq 5\%$ of revenue - Tobacco related products and services: $\geq 5\%$ of revenue
Others	- Recreational cannabis: $\geq 5\%$ of revenue
Good governance	- Ensure that companies follow good governance practices in the areas of sound management structures, employee relations, remuneration and tax compliance
Military Contracting	- Military Contracting Overall $\geq 10\%$ - Small Arms Overall $\geq 0\%$

*At Invesco we continuously monitor any applicable sanctions, including those imposed by the UN/US/EU and UK. These sanctions may preclude investments in the securities of various governments/regimes/entities and as such will be included in our compliance guidelines and workflows (designed to ensure compliance with such sanctions). The wording of international sanctions is something that we pay particular attention to as there are occasions where sanctions can exist in limited form, for example allowing investments in the secondary market. In addition to sanctions targeting entire countries, there are other thematic regimes, which may focus for example on human rights, cyber attacks, terrorist financing and corruption, which may apply to both individuals and/or entities/corporations.

Any investment decision should take into account all the characteristics of the fund as described in the legal documents. For sustainability related aspects, please refer to: <https://www.invescomanagementcompany.lu/lux-manco/literature>.

At Invesco we have looked to put in place minimum safeguards across multiple sub-funds of Invesco Funds (as listed above) to allow them to meet Article 8 requirements of the SFDR Regulation as of 2 November 2021. To be classified as a so-called Article 8 product, the sub-funds need to promote, among other things, environmental and/or social characteristics while also ensuring that investee companies follow good governance practices. In order to meet such requirements, it was determined that we would look to exclude certain activities based on certain thresholds, which may be updated from time to time. For further details please refer to the website of the management company at <https://www.invescomanagementcompany.lu>.

As noted above this is a proprietary framework developed by Invesco in line with Article 8 requirements of the Regulation (EU) 2019/2088 on sustainability. The framework is developed, maintained and monitored by Invesco. In order to assess companies against the noted criteria, Invesco uses a combination of Sustainalytics and ISS (Institutional Shareholder Services) to assess compliance, however, this can be supplemented with other service providers where appropriate. While there is a broad coverage across the various systems, there is no one system that has complete coverage of the entire investment universe. As a result, investment teams will be responsible for conducting an assessment of companies for which data is not available, under the appropriate supervision and oversight of our investment compliance and ESG teams.

Invesco's Commitment to ESG

Invesco has an investment-led ESG approach. We provide a comprehensive range of ESG-focused capabilities that enable clients to express their values through investing. We also integrate financially material ESG considerations across our investment platform, taking into account critical factors that help us deliver strong outcomes to clients.