



Invesco European Senior Loan ESG Fund

A Sub-Fund of Invesco Zodiac Funds

SFDR Article 8

Key facts

Benchmark	Credit Suisse Western European Leveraged Loan Index
Inception Date	21 January 2020
Total assets	€119.92 million
Investment Manager: Management***	Invesco Senior Secured
Portfolio management	Michael Craig Scott Baskind
Team location	New York, Chicago, London
Base currency	EUR

Portfolio statistics

Loan/Bond Asset Average:	
Market price	97.53
Current yield*	5.02%
Maturity (years)	4.77
Yield to maturity	5.63%
Average spread (Above LIBOR/Euribor)	456 bps
Average coupon	4.91%
Duration†	0.28
Number of issuers	234
Number of holdings	321
Management Fee G	60 basis points
Min. initial investment G	€10 million or equivalent

Class:	ISIN:	Bloomberg:
G	LU2057307618	ZIESGEA LX

*Calculation is based on current all-in coupon (base rate + spread) and market price of holdings.

*** The Management Company has appointed and delegated investment decisions to Invesco Senior Secured Management, Inc. ("the investment Manager"). See prospectus for more information.

† Effective duration is calculated using time (years) to reset for floating rate holdings and effective duration (source: Bloomberg) for fixed rate bonds.

For Investment Risks see page 3

Investment objective

To provide a high level of current income, consistent with the preservation of capital, by investing primarily in adjustable rate senior secured loans, collateralized loan obligations, second lien loans, mezzanine securities and credit derivatives relating to non-investment grade companies and denominated in Euro, Sterling, and other European currencies (including, but not limited to, Norwegian Krone, Swedish Krona, Swiss Franc and Danish Krone), while integrating environmental, social and governance ("ESG") criteria.

Investment strategy

- The fund team invests primarily in senior, secured loans to non-investment grade corporations with interest rates that float at a spread above LIBOR or Euribor, resets about every 60 days.
- The fund's team seeks loans to companies which, in the judgment of the analyst team, have excellent management teams, consistent and dependable sources of cash flow and reliable collateral packages providing a second source of repayment.
- To manage risk, the team keeps the portfolio broadly diversified and generally avoids industries they believe to be fundamentally flawed or speculative.
- The Fund's ESG criteria will be reviewed and applied on an ongoing basis by the Investment Manager, integrated as part of the investment process for credit selection and portfolio construction. The Investment Manager will review the ESG characteristics of issuers and implement an internal ESG rating methodology.

NAV (as of 31 May 2021)

	EUR
Class G	105.03

ESG Rating Distribution

	(%)
1.5 to 2.0	2.11
2.0 to 2.5	9.83
2.5 to 3.0	57.74
3.0 to 3.5	29.24
3.5 to 4.0	1.08
Average Rating:	2.84

Applications for subscriptions for units in the Sub-Fund must be received by State Street Bank Luxembourg S.A by 4 p.m. Luxembourg time one Business Day prior to the applicable Dealing Day. Further details on the subscription process are available in section 12 of the Appendix II of the Prospectus.

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Asset breakdown	%	Top 10 issuers	%	Country allocation[†]	%
Senior Loans & Secured Notes	95.21	HotelBeds	3.04	USA	22.94
First lien	77.00	Nemean Bondco plc	2.50	United Kingdom	19.18
Second lien	1.67	Invictus Media S.L.U.	2.44	Luxembourg	15.03
Secured Notes - floating	7.85	Keter Group B.V.	2.06	Germany	12.73
Secured Notes - fixed	8.69	Colouroz Investment LLC	1.95	Netherlands	8.41
Unsecured Notes	5.21	Kirk Beauty One GmbH	1.94	France	7.68
Unsecured Notes - fixed	5.21	Civica	1.93	Spain	5.80
Equities	0.19	Sigma Bidco	1.93	Norway	2.42
Cash & Equivalents	-0.61	Altice France Holding SA	1.93	Jersey	1.83
Total	100.00	B&B Hotels SAS	1.91	Other	3.97
Top 10 industries	%	Ratings distribution[†]	%	Currency allocation[†]	%
Leisure Goods/Activities/Movies	10.21	Ba1	0.01	EUR	68.11
Electronics/Electrical	9.55	Ba2	0.73	GBP	18.68
Financial Intermediaries	7.71	Ba3	1.97	USD	13.21
Health Care	7.53	B1	8.19		
Business Equipment & Services	7.50	B2	33.34		
Lodging & Casinos	7.02	B3	26.23		
Building & Development	6.52	Caa1	20.53		
Chemicals & Plastics	5.06	Caa2	4.38		
Containers & Glass Products	4.59	Not rated	4.43		
Cable & Satellite Television	3.89	Equity	0.19		
		Total	100.00		
Note: Standard & Poor's industries are used		Average rating: B3 Ratings source: Moody's		Maturity allocation*[†]	
				%	
				Less Than 1 year	
				1 to 3 years	
				3 to 5 years	
				5 to 10 years	
				* Based on market value of loan/note holdings.	
				† Total may not equal 100% due to rounding.	

Returns¹ vs. index² (%)

Data as of 31 May 2021

Class inception currency	G 21 Jan 20 EUR	Benchmark 21 Jan 20
Net of fees (%)		
One month	0.66	0.42
Last three months	1.49	0.85
Year to date	3.59	2.59
One year	14.26	10.90
Two years	-	-
Three years	-	-
Five years	-	-
Since inception	3.67	3.29
Gross of fees (%)		
One month	0.73	0.42
Last three months	1.70	0.85
Year to date	3.95	2.59
One year	15.22	10.90
Two years	-	-
Three years	-	-
Five years	-	-
Since inception	4.54	3.29

All data sourced from Invesco unless otherwise stated.

- Past performance is not a guide to future returns.** Net of fees returns reflect management fees and fund expenses. Returns include reinvested distributions; classes which do not pay out distributions show NAV to NAV returns. Returns for periods of less than one year are cumulative; all others are annualized.
- The benchmark index is the Credit Suisse Western European Leveraged Loan Index. The return is calculated on a hedged to Euro basis. This index is designed to reflect the investable universe of the Western European leveraged loan market. Since inception returns for the index are shown here from 21 January 2020, the index launch date was in January 1998. There is no benchmark which appropriately reflects currency hedging for US dollar or sterling hedged share classes.

Risk warnings

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.

The fund is particularly dependent on the analytical abilities of its investment manager on senior loans. Many senior loans are illiquid, meaning that the fund may not be able to sell them quickly at a fair price and/or that the redemptions may be delayed due to illiquidity of the senior loans. The market for senior loans remains less developed in Europe than in the U.S. Accordingly, and despite the development of this market in Europe, the European Senior Loans secondary market is usually not considered as liquid as in the U.S. The market for illiquid securities is more volatile than the market for liquid securities. The market for senior loans could be disrupted in the event of an economic downturn or a substantial increase or decrease in interest rates. Senior loans, like most other debt obligations, are subject to the risk of default.

For more important information on risks associated with this fund, please see the "Risk Factor" section of the relevant Appendix of the Prospectus.

Important information

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Restrictions on marketing:

The fund, as a Specialized Investment Fund domiciled in Luxembourg, is authorised for Well-Informed Investors only (as defined in the Luxembourg Law dated 13th February 2007). Even if the marketing of the fund's shares is permitted to Well-Informed Investors in Luxembourg, this marketing document is exclusively for use by Professional Clients in Luxembourg and is not for retail client use. In addition, marketing of the fund's shares is permitted to Professional Clients in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Spain, Sweden and the UK in accordance with the Alternative Investment Fund Managers Directive, as well as to Qualified Investors in Switzerland as defined in the Swiss Collective Investment Schemes Act and its implementing ordinance. This marketing document is only being delivered to Professional Clients in the above-mentioned countries and specifically Qualified Investors in Switzerland, because the Fund is not registered for distribution with the Swiss Financial Market Supervisory Authority ("FINMA"). The marketing of the fund in certain jurisdictions may be restricted by law. The fund's shares will not be marketed, and the Prospectus and marketing materials of the fund may only be distributed, in other jurisdictions without public solicitation and in compliance with the private placement rules set forth in the laws, rules and regulations of the jurisdictions concerned. Persons into whose possession this document may come are required to inform themselves about and to comply with any relevant restrictions. This does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Persons interested in acquiring the fund should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences. The fund is available only in jurisdictions where its promotion and sale is permitted.

Further information on the fund, the current Prospectus and the latest annual report can be obtained from the contact details below. Investors should not invest in the fund solely based on the information provided in this document.

Issued by the alternative investment fund manager 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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