



PRODUCT KEY FACTS

Invesco Global High Income Fund

A sub-fund of Invesco Funds Series 2

Issuer: Invesco Asset Management Asia Limited

4 April 2018

FOR THE ATTENTION OF HONG KONG INVESTORS

This statement provides you with key information about this product.

This statement is a part of the consolidated prospectus (the "Prospectus") and should be read in conjunction with the Prospectus.

You should not invest in this product based on this statement alone.

Quick Facts

Fund Manager:	Invesco Global Asset Management DAC
Investment Manager:	Invesco Advisers, Inc., located in the USA. (Internal delegation)
Investment Sub-Manager:	Invesco Canada Ltd., located in Canada. (Internal delegation)
Base Currency:	US Dollar
Trustee:	BNY Mellon Trust Company (Ireland) Ltd
Dealing Frequency:	Daily
Financial Year End:	30 November
Ongoing charges over a year:	<div>Class A (AUD hedged) monthly distribution-1 – AUD 1.25%⁺</div> <div>Class A (EUR hedged) accumulation – EUR 1.25%⁺</div> <div>Class A fixed monthly distribution – USD 1.25%⁺</div> <div>Class A semi-annual distribution – USD 1.25%⁺</div> <div>Class A (EUR hedged) monthly distribution – EUR 1.25%⁺</div> <div>Class A (HKD) monthly distribution – HKD 1.25%⁺</div> <div>Class B semi-annual distribution – USD 2.25%⁺</div> <div>Class C (EUR hedged) accumulation – EUR 1.00%⁺</div> <div>Class C semi-annual distribution – USD 1.00%⁺</div> <div>Class C accumulation – USD 1.00%⁺</div>

⁺The ongoing charges figure is calculated based on expenses for the year ending 30 November 2017 divided by the average net assets over the same period. This figure may vary from year to year. It excludes portfolio transaction costs.

Dividend/ Distribution Policy:	<p>Net Income distribution (Dividends, if any, will be paid to the investors)</p> <p>Fixed distribution (Dividends of a fixed yield, if any, will be paid to investors monthly. Such yield will be re-set on at least a semi-annual basis. The Fund Manager may at its discretion pay dividend out of gross income while charging/paying all or part of the share class' fees and expenses to/out of the capital of the share class payable and attributable by the share class, together with miscellaneous expenses, resulting in an increase in distributable income for the payment of dividends by the share class and therefore, the share class may effectively pay dividend out of capital and may reduce the net asset value per share of this share class immediately after the monthly distribution date)</p> <p>Monthly Distribution-1 (Dividends, if any, will be paid to investors monthly. The Fund Manager may, at its discretion, pay (a) a portion of dividends out of gross income, (b) a portion of dividends out of capital, and (c) with respect to hedged share classes, the interest rate differential between the currency in which the share class is denominated and the base currency of the Fund. The Fund may pay dividends out of capital and may reduce the net asset value per share of this share class immediately after the monthly distribution date)</p> <p>Accumulation (Dividends, if any, will be re-invested into the Fund)</p>
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Minimum Investment/ Minimum Subscription Amount:			
Share class	A	B	C
Initial (in any of the dealing currencies listed in the Application Form)	USD1,500	USD1,500	USD1,000,000
	EUR1,000	EUR1,000	EUR800,000
	GBP1,000	GBP1,000	GBP600,000
	HKD10,000	HKD10,000	HKD8,000,000
	JPY120,000	JPY120,000	JPY80,000,000
	AUD1,500	AUD1,500	AUD1,000,000
	CAD1,500	CAD1,500	CAD1,000,000
	NZD2,000	NZD2,000	NZD1,200,000
Additional	-	-	-

What is this product?

Invesco Global High Income Fund (the “Fund”) is a sub-fund of Invesco Funds Series 2, constituted in the form of a unit trust. It is domiciled in Ireland and its home regulator is the Central Bank of Ireland.

Objectives and Investment Strategy

The Fund aims to achieve a high level of income together with long term capital growth.

The Fund seeks to achieve its objective by investing primarily (at least 70% of the net asset value of the Fund) in high yield debt securities issued globally and debt securities from issuers in emerging market countries, which may be listed or traded elsewhere.

Debt securities will include but are not limited to debt securities issued by governments, local authorities, public authorities, quasi-sovereigns, supranational bodies, public international bodies as well as corporates and convertibles.

The Fund may invest up to 20% of its net asset value in securities which are either in default or deemed to be at high risk of default as determined by the Manager (“Distressed Securities”).

The Fund may invest up to 10% of its net asset value in contingent convertibles.

In addition, the Investment Manager may also seek to gain exposure to such debt securities by investing up to 10% of its net asset value in structured notes, including credit-linked notes, deposit-linked notes and notes linked to a total return swap. The Investment Manager will use these structured notes where investing directly into debt securities issued by governments, local authorities and public authorities is not possible or is unattractive, for example, due to restrictions on foreign money inflows. These structured notes will be freely transferable and will not be leveraged.

Up to 30% of the net asset value of the Fund may be invested in cash and cash equivalents, money market instruments and other eligible transferable securities not meeting the above requirements.

For the purposes of the Fund, the Investment Manager has defined the emerging countries as all the countries in the world other than (i) members of the European Union that the Investment Manager regards as developed countries, (ii) United States of America, (iii) Canada, (iv) Japan, (v) Australia, (vi) New Zealand, (vii) Norway, (viii) Switzerland, (ix) Hong Kong and (x) Singapore.

Not more than 10% of the net asset value of the Fund may be invested in securities issued by or guaranteed by a country whose credit rating is below investment grade (as rated by the major recognised credit rating agencies including but not limited to Standard & Poor’s, Fitch and Moodys). For the avoidance of doubt, this restriction does not apply to securities issued by quasi-sovereigns and other types of debt securities, which are not subject to any minimum credit rating requirements.

The Fund may use derivatives (including but not limited to futures, forwards, non-deliverable forwards, swaps and complex options structures) extensively for hedging and efficient portfolio management purposes. Such derivatives may also incorporate derivatives on derivatives (i.e. forward dated swaps, swap options). However, financial derivative instruments will not be extensively used for investment purposes (i.e. entering into financial derivative instruments to achieve the investment objectives).

What are the key risks?

Investment involves risks. Please refer to the Prospectus for details including the risks factors.

- **General investment risk** - There can be no assurance that the Fund will achieve its investment objective. The instruments invested by the Fund may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Currency exchange risk** - The Fund's assets may be invested in securities denominated in currencies other than the base currency of the Fund. Also, a class of Shares may be designated in a currency other than the base currency of the Fund. The net asset value of the Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- **Volatility risk** - Investors should note that volatility in the Fund's investment portfolio may result in large fluctuations in the net asset value of the Fund which may adversely affect the net asset value per share of the relevant Fund and investors may as a result suffer losses.
- **Credit risk**
 - Investment in bonds or other fixed income securities (including non-investment grade debt securities and unrated debt securities) are subject to the risk that issuers not make payments on interest and principal of such securities. An issuer suffering from an adverse change in its financial condition could lower the quality of a security leading to greater price volatility on that security.
 - A security having a low credit rating (e.g. non-investment grade bonds) may also offset such security's liquidity, making it more difficult to sell. As the Fund may invest in non-investment grade bonds, it is more susceptible to these problems and such securities are subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities. This may, in turn, have an adverse effect on the net asset value of the Fund.
 - In the event of a bankruptcy or other default of the issuer, the Fund may experience both delays in liquidating the underlying securities and losses including a possible decline in value of the underlying securities during the period when the Fund seeks to enforce its rights thereto.
 - Securities which were investment grade at the time of acquisition may be downgraded. The risk of any such downgrading will vary over time. The Fund's investment policy does not specifically require the Fund to sell and the manager may or may not be able to dispose of such securities if they should be downgraded. Investments in below investment grade securities carry a higher risk of default and therefore may adversely impact the Fund and/or the interests of investors.
- **Risk of investing in high yield bonds** - The Fund may invest in high yield bonds which involve substantial risk. High yield bonds are regarded as being predominately speculative as to the issuer's ability to make payments of principal and interest. Issuers of high yield bonds may be highly leveraged and may not have available to them more traditional methods of financing. An economic recession may adversely affect an issuer's financial condition and the market value of high yield bonds issued by such entity. As such, this may adversely impact the Fund and/or the interests of investors.
- **Interest rate risk** - The bonds or fixed income securities that the Fund invests in may fall in value if the interest rates change and this will adversely impact the net asset value of the Fund. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.
- **Liquidity risk** - The Fund may be adversely affected by a decrease in market liquidity for the securities in which it invests which may impair the Fund's ability to execute transactions. In such circumstances, the Fund's securities may become illiquid which may mean that the Fund may experience difficulties in selling securities at a fair price within a timely manner. The Fund that invests in bonds or other fixed income instruments may also be exposed to risks in the event of sudden asset price shocks. In case of low trading volume on bond markets, any buy or sell trade on these markets may lead to significant market variations/fluctuations that may impact your portfolio valuation. In such circumstances, the Fund may be unable to unwind positions readily due to insufficient buyers or sellers.
- **Credit rating risk** - Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

■ **Emerging market risk**

- Investment in emerging market countries may exhibit higher risk as the securities markets of emerging market countries are not as large as the more established securities markets and have substantially less trading volume.
- Investors should note the special considerations not typically associated with investment in more developed markets such as, liquidity risk, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

- **Concentration risk** - As the Fund will invest primarily in debt securities, such concentration in a particular sector may lead to higher volatility than more diversified funds.

■ **Risk relating to those Share Classes denominated/dealt in a different currency than the base currency –**

For those classes of Shares denominated/dealt in a different currency than the base currency, due to fluctuations in currency markets, returns to investors, when converted back into the currency in which the investor subscribes and redeems, may be different to the return calculated by reference to the base currency. This means the returns may go down and adversely impact the investors.

Therefore, the value of those investments (when converted to the base currency of that Fund) may fluctuate due to changes in exchange rates. The price of shares/units and the income from them can go down as well as up and investors may not realise their initial investment.

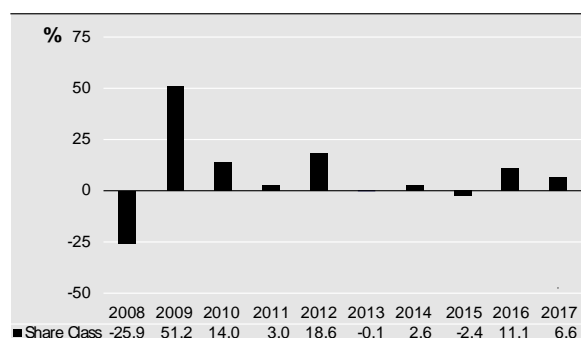
For the Hedged Share Classes, there is no guarantee that the exposure of the currency in which the Shares are denominated can be fully hedged at all times against the base currency of the Fund. Investors should also note that the successful implementation of the strategy may substantially reduce the benefit to Shareholders in the relevant class of Shares, or decrease the value of the Share class currency against the base currency of the Fund. In the event that investors request payment of redemption proceeds in a currency other than the currency in which the Shares are denominated, the exposure of that currency to the currency in which the Shares are denominated will not be hedged.

■ **Risks associated with payment of dividends out of capital**

- In respect of Monthly Distribution-1 share class, investors should note that, the Fund may at its discretion pay dividend out of the capital of this share class. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the share class's capital may result in an immediate reduction of the net asset value per share in respect of such share class after the monthly distribution date. Such policy may be amended upon prior approval from the SFC and 1 month's prior notice to affected shareholders.
- The amount of distributions paid may not be correlated to past income or expected returns of the Monthly Distribution-1 share class. The distribution paid can thus be higher or lower than the income and return earned by the Fund during the distribution period. Monthly Distribution-1 share class may continue to distribute in periods in which the Fund has negative returns or is making losses, which further reduces the net asset value of the relevant Monthly Distribution-1 share class. In extreme circumstances, investors may not be able to get back their original investment amount.
- It is not the intention of the Fund to take exchange rate fluctuations between the currency in which the share class is denominated and the base currency of the Fund (where different) into consideration subsequent to the determination of the stable distribution rate.
- The distribution rate will be determined at the discretion of the Fund and there is no guarantee that a distribution payment will be made and if a distribution payment is made, the dividend rate is not guaranteed.
- Investments in the Monthly Distribution-1 share class do not constitute as an alternative to a savings account or fixed-interest paying investment.

- For Monthly Distribution-1 share class that are currency hedged, the Fund may take into account the return driven by the interest rate differential arising from the currency hedging of such share class in determining the distribution to be paid. This will mean that, where the interest rate differential between the currency in which the hedged Monthly Distribution-1 share class is denominated and the base currency of the Fund is positive, investors may forego capital gains in favour of income distributions in that the amount of distribution that is paid out of capital may increase and there may be a greater erosion of capital than the non-hedging share classes. Conversely, in times where the interest rate differential between the currency in which the hedged Monthly Distribution-1 share class is denominated and the base currency of the Fund is negative, then the value of distributions payable may be reduced as a result. Investors should be aware of the uncertainty of relative interest rates, which are subject to change, and that this will have an impact on the return of the hedged Monthly Distribution-1 share class. The net asset value of the Monthly Distribution-1 hedged share class may fluctuate and may significantly differ from other share class due to the fluctuation of the interest rate differential between the currency in which the hedged Monthly Distribution-1 share class is denominated and the base currency of the Fund, and investors in such share class may therefore be adversely affected.
- **Risks associated with payment of fees and expenses out of capital** - In respect of fixed distribution and Gross Income share classes, investors should note that, the Fund Manager may at its discretion pay dividend out of gross income while charging/paying all or part of such share classes' fees and expenses payable and attributable to the share classes, together with miscellaneous expenses, out of the capital of such share classes, resulting in an increase in distributable income for the payment of dividends by such share classes and therefore, such share classes may effectively pay dividend out of capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends effectively out of the share class's capital may result in an immediate reduction of the net asset value per share in respect of such share class after the monthly distribution date. Such policy may be amended upon prior approval from the SFC and 1 month's prior notice to affected shareholders.
- **Risk of investing in financial derivative instruments ("FDI")** - Investments of the Fund may be composed of FDI used for efficient portfolio management or to attempt to hedge or reduce the overall risk of its investments. Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a FDI can result in a loss significantly greater than the amount invested in the FDI by the Fund. Exposure to FDI may lead to a high risk of significant loss by the Fund.

How has the fund performed?



- The Manager views Class A fixed monthly distribution - USD (the "Share Class"), being the focus share class of the Fund available to the public of Hong Kong, as the most appropriate representative unit class.
- Fund launch date: 12 January 1994.
- Share Class launch date: 30 July 2004.
- The base currency of the Fund is USD.
- Past performance of the Share Class is calculated in USD.
- Performance is calculated after deduction of ongoing charges and is inclusive of gross income reinvested. Any entry/exit charges shown are excluded from the calculation.
- Past performance is not a guide to future performance.
- Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Share Class increased or decreased in value during the calendar year being shown.
- Where no past performance is shown there was insufficient data available in that year to provide performance.

Is there any guarantee?

This Fund does not have any guarantees. You may not get back full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund.

Fee	What you pay	
Subscription fee/ Initial charge	Class A, C: Not exceeding 5.00% of the gross investment amount Class B: NIL	
Switching fee	Up to 1.00% of the value of the shares being switched.	
Redemption fee	N/A	
Contingent Deferred Sales Charge ("CDSC") (Class B only)	Redemption (during X years since purchase)	Applicable rate of CDSC
	1st Year	4%
	2nd Year	3%
	3rd Year	2%
	4th Year	1%
	After end of 4th Year	None
	The CDSC will be calculated by reference to the lesser of (i) the current market value (based on the net asset value per share ruling on the date of redemption); or (ii) the acquisition cost of the Class B shares being redeemed.	

Ongoing fees payable by the Fund

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Fund's value)
Management fee*	Class A, B: 1.00% Class C: 0.75%
Trustee fee/ Trustee charge	Up to 0.0075%
Performance fee	N/A
Service Agent fee	Class A: Up to 0.27% Class B, C: Up to 0.20%
Distribution fee	Class A, C: NIL Class B: Up to 1.00%

*The management charge may be increased, up to a maximum of 2.5% of the net asset value of the Fund, plus VAT (if any), upon at least 1 month's written notice to Shareholders, or longer if required. The maximum annual management charge of 2.5% may not be increased and take effect without the (a) prior approval of the relevant regulatory authority (b) prior approval by ordinary resolution of the Shareholders of the Fund (c) upon at least 1 month's (or longer if required) written notice to Shareholders after the passing of the ordinary resolution of the Shareholders of the fund.

Other fees

You may have to pay other fees when dealing in the shares of the Fund.

Additional Information

- The Compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months ("Dividend Composition Information") are available from the Hong Kong Sub-Distributor and Representative, Invesco Asset Management Asia Limited, on request and at www.invesco.com.hk. This website has not been reviewed by the Securities and Futures Commission (SFC).
- You generally buy and redeem shares at the Fund's next-determined NAV after the Hong Kong Sub-Distributor and Representative receives your request in good order on or before 5:00 pm, Hong Kong time, being the Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal cut-off time (which may be earlier than the fund's dealing cut-off time).
- The NAV of this Fund is calculated each "Business Day" as defined in the Prospectus and the price of shares published each Hong Kong business day (i.e. a day on which banks in Hong Kong are open for normal banking business) at www.invesco.com.hk. This website has not been reviewed by the Securities and Futures Commission (SFC).
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors at www.invesco.com.hk. This website has not been reviewed by the Securities and Futures Commission (SFC).
- Investors may obtain other information of this product at www.invesco.com.hk. This website has not been reviewed by the Securities and Futures Commission (SFC).

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.