

**Pre-contractual disclosure for the financial products referred to in  
Article 8 paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6,  
first paragraph, of Regulation (EU) 2020/852**

**Product name: Invesco Euro Ultra-Short Term Debt Fund (the “Fund”)  
Legal entity identifier: 549300GBCZXE5EZTY434**

**Environmental and/or social characteristics**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

**The EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Does this financial product have a sustainable investment objective?**

- |  |   |
|--|---|
| <input type="checkbox"/> <b>Yes</b>  | <input checked="" type="checkbox"/> <b>No</b>   |
| <input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%        | <input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments |
| <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy        | <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy   |
| <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy  |
| <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%                | <input type="checkbox"/> with a social objective  |
|  | <input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments  |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund aims to promote environmental characteristics related to natural resource utilization and pollution (by excluding companies involved in coal extraction and production, and unconventional oil and gas such as Arctic oil and gas exploration/extraction, oil sands extraction and Shale Energy extraction). The Fund also promotes social characteristics related to human rights (by excluding companies in violation of any UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research) and by excluding issuers involved in tobacco production and tobacco related products and services, recreational cannabis, controversial weapons and manufacture of nuclear warheads or whole nuclear or whole nuclear missiles outside of the Non-Proliferation Treaty.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The indicators used to measure of each of environmental or social characteristics are the exclusions based on the following parameters:

- Level of involvement in Coal extraction and production;
- Level of involvement in Unconventional Oil and Gas such as arctic oil and gas exploration extraction, oil sands extraction and Shale Energy extraction;
- Level of involvement in Tobacco production and tobacco related products;
- Level of involvement with recreational cannabis;
- Companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the Non-Proliferation Treaty.

- violation of any of the UN Global Compact's principles, based on third-party data and the Investment Manager's proprietary analysis and research.

Exclusions apply on a continuous basis during the life of the Fund.

***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

Not applicable.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Not applicable.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Not applicable.

*Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.*

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**Does this financial product consider principal adverse impacts on sustainability factors?**

☒ Yes, the Fund considers principal adverse impacts on sustainability factors (PAIs) by carrying out a qualitative and quantitative review of key metrics (primarily the 14 indicators as defined in Table 1 of the Annex I of the regulatory technical standards for Regulation 2019/2088). The quantitative includes a review of all current Invesco holdings and the relevant PAI data. Through this initial review an absolute threshold is set that will flag issuers that fail to meet minimum standards, as well as companies that flag on a binary output (such as controversial weapons or UN Global Compact violations). Once issuers are flagged for the quantitative review an assessment is completed to understand if there is publicly available information from the issuer that we are aware of that can be shown to be addressing the poor performance on the flagged PAI. The ESG research team will assign the issuer a score as to how well they are addressing the poor performance. Those issuers that receive the lowest scores are then identified as engagement targets and are primarily engaged through methods such as letters, meetings, proxy voting. If no improvement is established through such corporate engagement, then the Fund may proceed to divest and/or exclude investments. Information on principal adverse impacts on sustainability factors is available in the annual report of the SICAV.

☐ No



## **What investment strategy does this financial product follow?**

As part of the investment strategy, the Fund applies some exclusions on a continuous basis as further described below.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

### **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The list of activities and their appropriate thresholds to define the exclusion are articulated below:

UN Global Compact	Non-Compliant
International sanctions <sup>1</sup>	Sanctioned investments are prohibited
Controversial weapons	0%, including companies involved in the manufacture of nuclear warheads or whole nuclear missiles outside of the 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

<sup>1</sup> 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.

Additional exclusions based on the above factors, which may be updated from time to time in the sustainability-related disclosures (please refer to section “**Where can I find more product specific information online?**”)

### **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

There is no commitment with regard to a minimum reduction of the investments considered prior to the application of the exclusions. However, it is expected that between 5% - 10% of the issuers will be excluded from the initial investment universe.

**Good governance practices** include sound management structures, employee relations, remuneration of staff and tax compliance.

### **What is the policy to assess good governance practices of the investee companies?**

Companies are assessed on a range of good governance principles which may vary, for example due to differing business profiles or operating jurisdictions. Investment teams have the ability to utilise both qualitative and quantitative measures with appropriate action taken where material concerns around governance exist. The assessment of good governance includes sound management structures, employee relations, remuneration of staff and tax compliance.

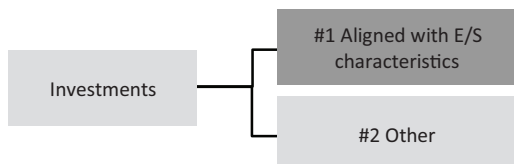


## What is the asset allocation planned for this financial product?

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The exclusions will be screened to the full investment universe, representing at least 90% of the portfolio (#1 Aligned with E/S characteristics) by virtue of the binding elements of the Fund's investment strategy. Ancillary liquid assets and money market instruments which are held for cash management/liquidity purposes may not be assessed for compliance with the above exclusion framework (#2 Other). The purpose of the remaining proportion of the investments, including a description of any minimum environmental or social safeguards is described below in the section "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?". For the avoidance of doubt, any derivatives used by the Fund (regardless of purpose) will not be taken into consideration in this calculation. As a result, the calculation is therefore intended to represent the physical investments and holdings of the Fund.

## How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Fund will not use derivatives to attain the environmental or social characteristics promoted by the Fund.

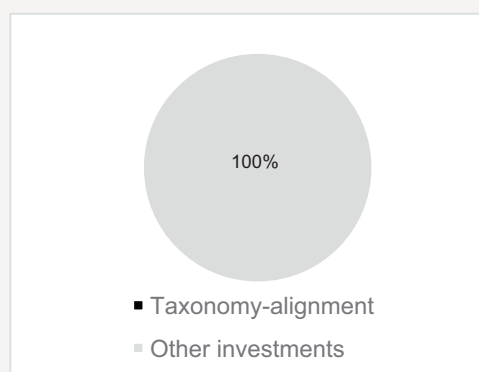


## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

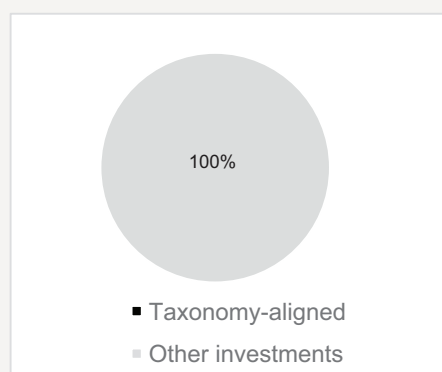
Not applicable.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.

**1. Taxonomy-alignment of investments including sovereign bonds\***



**2. Taxonomy-alignment of investments excluding sovereign bonds\***



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**What is the minimum share of investments in transitional and enabling activities?**

Not applicable.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable.



**What is the minimum share of socially sustainable investments?**

Not applicable.



**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

As described above, the Fund may hold up to 10% maximum in ancillary liquid assets or money market instruments for cash management/liquidity purposes which will not be assessed for compliance with the above exclusion framework. Due to the neutral nature of the assets, no minimum safeguards have been put in place.

Index derivatives will not be assessed on a look-through basis, unless such an index has a significant allocation to prohibited activities.



**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

The Fund has no specific index designated as a reference benchmark to determine whether the Fund is aligned with the environmental and/or social characteristics that it promotes.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:** [Invesco Europe - Home.](#)

Please select your country and your investor type, you will then be able to access the Fund's product page or the literature section on legal document sites where the “Sustainability-Related disclosures” document will be available, including the summary of the environmental and/or social characteristics that the Fund promotes in your local language.