



## Invesco US Senior Loan ESG Fund

A Sub-Fund of Invesco Zodiac Funds

### Key facts

Benchmark	Credit Suisse Leveraged Loan Index
Inception	12 July 2019
Total product assets	\$633.24 million
Investment Manager: Invesco Senior Secured Management**	
Portfolio management	Kevin Egan Scott Baskind
Team location	New York, Chicago, London
Base currency	USD

### Portfolio statistics

Loan/bond asset average:		
Market price	89.30	
Current yield	4.61%	
Maturity (years)	5.13	
Yield to maturity <sup>1</sup>	7.07%	
Average spread (above LIBOR)	350 bps	
Average coupon	4.21%	
Duration <sup>†</sup>	0.39	
Number of issuers	465	
Number of holdings	683	
Management fee (class G)	55 basis points	
Min. initial investment (class G)	US\$10 million or equivalent	
<b>Class:</b>	<b>ISIN:</b>	<b>Bloomberg:</b>
G	LU1980177106	IVUSGUA LX

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

### Investment objective

To achieve a high level of current income, consistent with the preservation of capital, by investing primarily in adjustable rate senior loans whose interest rates float at a spread above Libor organized or located in the United States or Canada, while integrating environmental, social and governance ("ESG") criteria.

### Investment strategy

- The fund invests primarily in senior, secured loans to non-investment grade corporations with interest rates that float at a spread above Libor, resets about every 60 days.
- Invesco seeks to invest in loans to companies which in its judgment exhibit mature and stable operating profiles, with dependable cash flow generation and strong asset coverage.
- 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 and distribution yield (as of 30 April 2020)

Class	USD	Class Currency	Distribution Yield
Class G (USD)	94.44	-	-

Applications for subscriptions for Units in the Sub-Fund must be received by the Registrar and Transfer Agent by 10 p.m. Luxembourg time (the "Cut-Off Time") one Business Day prior to the applicable Dealing Day.

ESG Rating Distribution	(%)
1.0 to 1.5	1.18
1.5 to 2.0	1.27
2.0 to 2.5	15.67
2.5 to 3.0	43.49
3.0 to 3.5	31.63
3.5 to 4.0	6.77

Average Rating: 2.86

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

<sup>1</sup> Weighted average based on market values.

<b>Asset breakdown</b>	<b>(%)</b>	<b>Top 10 issuers</b>	<b>(%)</b>	<b>Country allocation<sup>2, †</sup></b>	<b>(%)</b>
Senior Loans & Secured Notes	97.01	Dell International LLC	2.02	USA	84.40
First lien	87.87	New Red Finance, Inc.	1.58	United Kingdom	5.20
Second lien	1.97	Numericable-SFR S.A.	1.33	Luxembourg	2.80
Secured Notes - floating	0.99	Berry Global, Inc	1.32	France	2.30
Secured Notes - fixed	6.18	Ziggo Secured Finance Partnership	1.18	Netherlands	1.52
Unsecured Notes	1.23	CSC Holdings, LLC	1.11	Germany	1.05
Unsecured Notes - floating	0.00	Calpine Corporation	1.11	Sweden	0.66
Unsecured Notes - fixed	1.23	Delta Air Lines, Inc.	1.00	Ireland	0.56
Equities	0.31	CenturyLink, Inc.	0.99	Switzerland	0.36
Cash & Equivalents	1.45	Telesat LLC	0.99	Other	1.16
Total	100.00				

<b>Top 10 industries</b>	<b>(%)</b>	<b>Quality distribution<sup>†</sup></b>	<b>(%)</b>	<b>Currency allocation<sup>†</sup></b>	<b>(%)</b>
Electronics/Electrical	13.30	Baa2	1.99	USD	89.33
Business Equipment & Services	8.86	Baa3	5.50	EUR	9.09
Telecommunications	8.08	Ba1	4.06	GBP	1.58
Cable & Satellite Television	7.83	Ba2	12.82	SEK	0.00
Health Care	4.49	Ba3	15.95		
Containers & Glass Products	4.35	B1	16.11	<b>Maturity allocation<sup>*, †</sup></b>	<b>(%)</b>
Lodging & Casinos	4.04	B2	24.83	Less Than 1 year	2.82
Leisure Goods/Activities/Movies	4.00	B3	9.76	1 to 3 years	6.44
Food Service	3.86	Caa1	2.16	3 to 5 years	35.47
Chemicals & Plastics	3.59	Caa2	1.54	5 to 10 years	55.01
		Caa3	0.29	10 to 20 years	0.26
		Ca	0.03	More than 20 years	0.00
		Not rated	4.64		
		Equity	0.31		

Note: Standard & Poor's industries are used

Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to invest in the securities/sectors shown above.

Average rating: B1 Ratings source: Moody's

\* Based on market value of loan/note holdings.

† Total may not equal 100% due to rounding.

<sup>2</sup> All holdings of issuers domiciled in Canada and structured products domiciled in Cayman Islands are included in USA category. The Canadian exposure is relatively small and more closely correlated with US risk as well.

## 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 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 important information on risks associated with this product, see the "Risk Factor" section in Appendix VI of the Prospectus.**

## Important information

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All information is sourced from Invesco, unless otherwise stated. All data is USD, unless otherwise stated. All information as of 30 April 2020, unless otherwise noted.

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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.

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