



**INVESCO SELECT RETIREMENT FUND
NOTICE TO UNITHOLDERS**

This Notice is important and requires your immediate attention. If you are in any doubt about the contents of this Notice, you should seek independent professional advice. Invesco Hong Kong Limited, the Manager of Invesco Select Retirement Fund (the "Fund"), accepts full responsibility for the accuracy of the information contained in this Notice and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement in this Notice misleading as at the date of issuance.

Dear Unitholder,

Thank you for your continued support of the Fund. We are writing to inform you of certain changes to the Fund and its sub-funds (the "Sub-Funds") which have taken effect on 1 January 2020 ("Effective Date").

A. Changes pursuant to the revised Code

The Fund and Sub-Funds are subject to the Code on Unit Trusts and Mutual Funds ("Code") issued by the Securities and Futures Commission in Hong Kong (the "SFC"). The Code has been revised. The Trust Deed is amended by way of a supplemental deed ("Supplemental Deed"), the Prospectuses and the relevant Product Key Facts Statements are amended ("Revised Offering Document") to reflect the requirements under the revised Code.

The following key changes ("Code Changes") are made to the Trust Deed and the Revised Offering Document (where applicable) to reflect the requirements under the revised Code:

1. Trustee and Manager - additional obligations of the Trustee and the Manager under Chapters 4 and 5 respectively of the revised Code.
2. Investment Restrictions - amendments to the core requirements of the investment limitations and prohibitions under Chapter 7 of the revised Code, including but not limited to amendments in relation to the following: spread of investments, real estate and commodities investments, restrictions on making loans, limitations on borrowing, financial derivative instruments, securities financing transactions and collateral etc;

A summary of the key revised investment restrictions / requirements pursuant to the revised Code are set out in Annexure A enclosed with this Notice.

Information on the net derivative exposure of each Sub-Fund calculated in accordance with the requirements and guidance issued by the SFC is set out in Annexure B enclosed with this Notice.

3. Investment policy of HK\$ Money Market Fund - HK\$ Money Market Fund is a feeder fund that invests in the HK\$ Reserve Fund of Invesco Pooled Investment Fund (the "IP HKD Fund"). Enhanced disclosure has been made to the IP HKD Fund and accordingly, the investment policy of HK\$ Money Market Fund has been enhanced to reflect the requirements of the revised Code (including, but not limited to, the applicable requirements under 8.2 of the revised Code). A summary of the key amendments are set out in Annexure C enclosed with this Notice.

4. Investment policies of the Global Bond Fund, Capital Stable Fund, Stable Growth Fund, Balanced Fund and Growth Fund - these funds may invest more than 30% of their respective net asset value in one or more underlying schemes which are Invesco Funds. Enhanced disclosures have been made to include key investment information of the underlying schemes to ensure compliance with 7.11A of the revised Code. Please refer to the Revised Offering Document for further details.
5. Other Amendments - other amendments and enhancement of disclosures to reflect the requirements of the revised Code including the following:
 - (a) enhanced disclosures regarding restrictions on the naming of Sub-Funds;
 - (b) enhanced disclosures on the responsibilities of the Trustee;
 - (c) amendments to reflect the requirements under the revised Code on transactions with connected persons and soft dollars arrangements; and
 - (d) enhanced disclosures on arrangements in handling unclaimed proceeds of Unitholders where a Sub-Fund is terminated.

Please refer to the Revised Offering Document and the Supplemental Deed for further details.

B. Withdrawal of Waivers

Previously, the Balanced Fund, the Capital Stable Fund, the Growth Fund and the Stable Growth Fund (the "**Relevant Sub-Funds**") were granted waivers from compliance with 8.1(d) of the previous version of the Code (25 Jun 2010 - 31 Dec 2018) ("**8.1 Waivers**") by the SFC. Under the revised Code, Chapter 8.1 of the Code has been removed, and this includes the removal of 8.1(d).

In view of the removal of Chapter 8.1 of the Code (including 8.1(d) of the Code), the 8.1 Waivers are no longer applicable to the Relevant Sub-Funds. We would like to inform you of the withdrawal of the 8.1 Waivers in relation to the Relevant Sub-Funds by the SFC with effect from 1 January 2020, along with the Code Changes above.

C. Implication of Changes

The above changes do not have any adverse impact on Unitholders.

D. Availability of Documents

Unless otherwise defined, all terms shall have the same meaning as set out in the Revised Offering Document. Copies of the Revised Offering Document can be obtained, and copies of the Trust Deed and all supplemental deeds are available for inspection, free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of Invesco Hong Kong Limited, 41/F, Champion Tower, Three Garden Road, Central, Hong Kong.

E. Enquiries

Should you have any questions, please do not hesitate to call the INVESCall Member Hotline at (852) 2842 7878.

Invesco Hong Kong Limited
2 January 2020

ANNEXURE A

SUMMARY OF KEY REVISED INVESTMENT RESTRICTIONS

The key amendments to the investment restrictions are as follows:

- (a) the aggregate value of a Sub-Fund's investments in, or exposure to, any single entity (other than Government and other public securities) through the following may not exceed 10% of its latest available Net Asset Value:
 - (i) investments in securities issued by that entity;
 - (ii) exposure to that entity through underlying assets of financial derivative instruments; and
 - (iii) net counterparty exposure to that entity arising from transactions of over-the-counter financial derivative instruments.
- (b) subject to the requirements under the revised Code, the aggregate value of a Sub-Fund's investments in, or exposure to, entities within the same group (i.e. generally, entities which are included in the same group for the purposes of consolidated financial statements prepared in accordance with internationally recognized accounting standards) through the following may not exceed 20% of its latest available net asset value:
 - (i) investments in securities issued by those entities;
 - (ii) exposure to those entities through underlying assets of financial derivative instruments; and
 - (iii) net counterparty exposure to those entities arising from transactions of over-the-counter financial derivative instruments.
- (c) the value of a Sub-Fund's cash deposits made with the same entity or entities within the same group may not exceed 20% of its latest available net asset value provided that the 20% limit may be exceeded in certain circumstances specified in the revised Code.
- (d) a Sub-Fund may not invest in physical commodities unless otherwise approved by the SFC.
- (e) a Sub-Fund which is a feeder fund may invest 90% or more of its latest available net asset value in a single collective investment scheme.
- (f) subject to the requirements under the revised Code, a Sub-Fund may not lend, assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person. For the avoidance of doubt, reverse repurchase transactions in compliance with the requirements under the revised Code are not subject to the limitations in this paragraph.
- (g) the maximum borrowing of a Sub-Fund shall be up to 10% of its latest available net asset value. For the avoidance of doubt, reverse repurchase transactions in compliance with the requirements under the revised Code are not subject to the limitations in this paragraph.
- (h) a Sub-Fund may acquire financial derivative instruments for hedging purposes.
- (i) a Sub-Fund may also acquire financial derivative instruments for non-hedging purposes in accordance with its investment objective and policy subject to the limit that such Sub-Fund's net

exposure relating to these financial derivative instruments (“**net derivative exposure**”) does not exceed 50% of its latest available net asset value.

- (j) Net derivative exposure shall be calculated in accordance with the Code and the requirements and guidance issued by the SFC which may be updated from time to time. For the avoidance of doubt, financial derivative instruments acquired for hedging purposes will not be counted towards the 50% limit so long as there is no residual derivative exposure arising from such hedging arrangement.
- (k) to limit the exposure to each counterparty, a Sub-Fund may receive collateral from such counterparty, provided that the collateral complies with the requirements in the revised Code.

Annexure B

INFORMATION ON NET DERIVATIVE EXPOSURE

Each of the following Sub-Funds may acquire financial derivative instruments for hedging purposes in accordance with its investment objective and policy and to the extent permitted under the relevant regulatory requirements, subject to the limit that each Sub-Fund's net exposure relating to the financial derivative instruments does not exceed 50% of its net asset value:

- HK\$ Money Market Fund
- Global Bond Fund
- Capital Stable Fund
- Stable Growth Fund
- Balanced Fund
- Growth Fund
- Strategic Growth Fund

Annexure C

AMENDMENTS TO MONEY MARKET FUND

The key amendments to HK\$ Money Market Fund are as follows:

- (a) the investment policy of HK\$ Money Market Fund will be amended as follows:

Existing Investment Policy	Amended Investment Policy
HK\$ Money Market Fund aims to provide a high degree of security by investing through the HK\$ Reserve Fund of Invesco Pooled Investment Fund (the "IP HKD Fund") in HK Dollar cash and HK Dollar denominated money market instruments as well as short-dated fixed interest securities which have an initial or residual maturity not exceeding 12 months.	HK\$ Money Market Fund aims to provide a high degree of security by investing 90% or more of its net asset value in the HK\$ Reserve Fund of Invesco Pooled Investment Fund (the "IP HKD Fund"). The IP HKD Fund invests in short-term and high quality money market investments consisting of HK Dollar cash and HK Dollar denominated money market instruments as well as short-dated fixed interest securities which have an initial or residual maturity not exceeding 12 months.
The average maturity of the underlying portfolio will not exceed 90 days.	The weighted average maturity (as defined under the Code and set out in Schedule 1 to the Prospectus) of the underlying portfolio of the IP HKD Fund will not exceed 60 days.

- (b) HK\$ Money Market Fund is subject to the following additional requirements:

- (i) the aggregate value of its investments in entities within the same group through instruments and deposits may not exceed 20% of its latest available net asset value;
- (ii) the value of its holding of investments in the form of asset-backed securities may not exceed 15% of its latest available net asset value;
- (iii) the currency risk shall be appropriately managed; and
- (iv) it must hold at least 7.5% of its latest available net asset value in daily liquid assets and at least 15% of its latest available net asset value in weekly liquid assets.