

Disclosure on Soft-Dollar Arrangement

(Pursuant to Clause F of SEBI Circular dated March 18, 2016)

In terms of Clause F of SEBI Circular reference no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016, the asset management company ('AMC') is required to disclose Soft-Dollar arrangement between AMCs and brokers in which the AMC executes trades.

In this context, Invesco Asset Management (India) Pvt. Ltd. does not have any Soft-Dollar arrangement with brokers other than receiving free research reports from Brokers and dedicated hot-lines with some brokers in the Fixed Income dealing room of Invesco Mutual Fund.

The above arrangements are in the interest of the investors.

The justification for availing dedicated hot-lines with Fixed Income Brokers is as follows:

The fixed income dealing is an OTC (Over the Counter) market where telephony is of prime importance. The dissipation of price and market information is of prime importance and time essence. The price quotes of all fixed income securities has a huge importance to time. Rapid, easy and smooth executions are the key deliverables.

The dedicated hot lines help dealers in executing trades better in the interest of the investors in terms of smooth and fast execution of the trades. Such smooth and rapid execution of the trades helps in conclusion of trades with negligible price impact and almost on a real time basis w.r.t. the time difference between identification and execution. The hotlines helps in easy and speedy identification of trades which are of importance to the investor funds without being dependent on a telephone line which might be clogged or subject to other practical inefficiencies of dialing and downtime. Execution of trades in such a manner is important from an investors stand point since prices are always volatile and accessibility/execution of information/trades is mostly over telephone lines for fixed income market. The speed of hotlines with one touch dialing facility and being attended by a dedicated dealing official from the brokers' end helps in minimizing the time loss during trade execution which works in favor of investor's interest.

Date: April 30, 2021