



## Invesco Summit Income Fund – Strategy Review March 2026

This document provides a comprehensive review of the Invesco Summit Income Fund (UK) based on fund documentation, supporting materials and discussions with the investment team.

### Key Characteristics Snapshot

Feature	Summary
Fund Name	Invesco Summit Income Fund (UK)
Fund Type	Actively managed multi-asset income strategy
Target Investor	Investors approaching or in retirement seeking income with moderate risk
Investment Objective	<ul style="list-style-type: none"> <li>Income of 2–3% above the Bank of England base rate over a rolling 12 months, paid monthly</li> <li>Aims to preserve capital over a 3-year rolling period</li> <li>Targets a risk profile of 15%–45% (level of volatility compared to the MSCI AC World Index) on a total returns basis over the same 3-year rolling period</li> </ul>
Income Frequency	Monthly distributions
Target Yield Range	An income of 2-3% above the Bank of England base rate over a rolling 12 months
Capital Objective	Preserve capital over rolling three-year periods
Equity Risk Exposure	Target 15%–45% of global equity risk
Key Income Sources	Natural income (dividends and coupons) and enhanced income via options

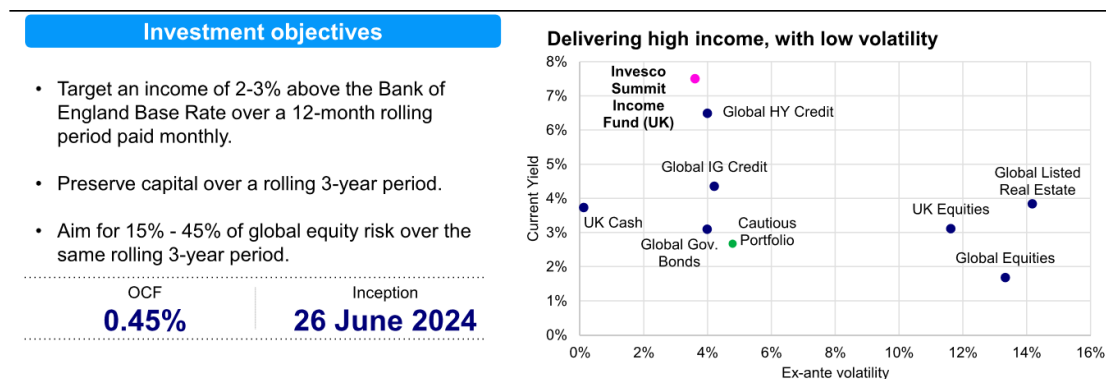
Risk Management	Systematic equity downside hedging through put option strategies
Portfolio Construction	A diversified multi-asset portfolio typically holding 20–30 underlying strategies
Ongoing Charge Figure	0.45% using Z share class
Share Classes	Accumulation and income share classes available
Potential Role	Income generation within retirement portfolios or as part of a Centralised Retirement Proposition

## Overview

The Invesco Summit Income Fund (UK) is a multi-asset income strategy designed primarily for investors approaching or living in retirement. The fund aims to generate an income return of 2–3% above the Bank of England base rate over a rolling 12-month period, while also preserving capital over a rolling 3-year period.

### Invesco Summit Income Fund (UK)

An actively managed multi asset income portfolio to help investors prepare for the future



Source: Invesco as at 31 December 2025. Yields for each of the asset classes are current yields while for Summit Income, the pink dot represents the annualized income distributed over the last 12 months. Volatility is ex-ante which provides an estimate of how much risk is in the current portfolio. OCF refers to the Z Acc share class. For a full breakdown of charges that apply to each share class of our funds, please refer to our Costs & Charges document. Cautious Portfolio is a representative portfolio allocating 30% to MSCI ACWI Index and 70% to the Global Agg bond index.

Income is distributed monthly, with the strategy targeting an overall yield 2 -3% above the Bank of England base rate, meaning the overall level of income will vary according to monetary policy decisions.

Unlike many traditional cautious multi-asset funds, the Summit Income strategy has been designed with a clear decumulation mindset. The portfolio combines natural income from bonds and equities with enhanced income generated through option

strategies. This structure aims to deliver a diversified, resilient income stream while providing modest capital growth over time.

For financial planning firms developing a Centralised Retirement Proposition (CRP®), the strategy is particularly interesting because it attempts to address several of the practical challenges associated with retirement investing, including:

- generating consistent income
- managing sequencing risk
- moderating volatility
- maintaining diversified return sources
- supporting sustainable withdrawals

### Investment Objective

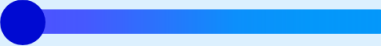
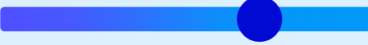
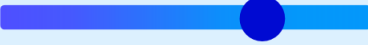
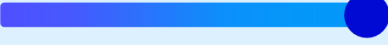
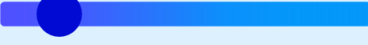
The fund aims to deliver:

- Income of 2–3% above the Bank of England base rate over a rolling 12 months, paid monthly.
- Aims to preserve capital over a 3-year rolling period.
- Targets a risk profile of 15% - 45% (level of volatility compared to the MSCI AC World index) on a total returns basis over the same 3-year rolling period.

The strategy therefore sits within the defensive multi-asset income segment, targeting investors who require regular income but still want exposure to global markets.

Although income is the primary objective, the portfolio also aims to provide modest capital growth over time, helping investors maintain purchasing power in retirement.

## Where Invesco's Summit Income sits along the investment spectrum

Investment Outcomes	Income 	Capital Growth	Income generation and monthly income distributions are key investment outcomes.
Asset Allocation	"Set and forget" (fixed allocation) 	Active (strategic & tactical)	<ul style="list-style-type: none"> <li>SAA is static though reviewed yearly.</li> <li>TAA is active and reviewed quarterly.</li> </ul>
Underlying Strategies	Passive 	Active/direct holdings	Though mostly invested in active funds, market views are also expressed via ETFs / direct holdings.
Investment Universe	Open architecture 	In-house	All underlying strategies are managed by Invesco.
Derivatives Use	Low 	High	Approximately 5% of the portfolio is invested in derivatives to enhance income / manage downside risk

## Investment Philosophy

The investment philosophy reflects an important distinction within financial planning: accumulation and decumulation require different investment approaches.

During the accumulation phase, portfolios are generally designed to maximise long-term total return. Investors are typically contributing capital and can tolerate higher volatility.

In retirement, however, portfolios must address additional challenges:

- withdrawals reduce portfolio value
- early losses can have disproportionate effects (sequencing risk)
- volatility may trigger behavioural responses
- income stability becomes more important

The Summit Income strategy attempts to balance these competing pressures through three key principles.



Source: Invesco. For illustrative purposes only.

## Diversified Income Sources

Income is generated from multiple sources, including bonds, equities and option premiums. This reduces reliance on any single asset class.

## Risk-Aware Portfolio Construction

The portfolio maintains moderate equity exposure and incorporates defensive overlays designed to reduce drawdowns.

## Income Stability

Income smoothing helps provide a more consistent monthly income stream for investors.


## Portfolio Construction

The portfolio is globally diversified across asset classes.

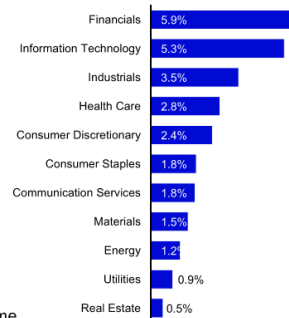
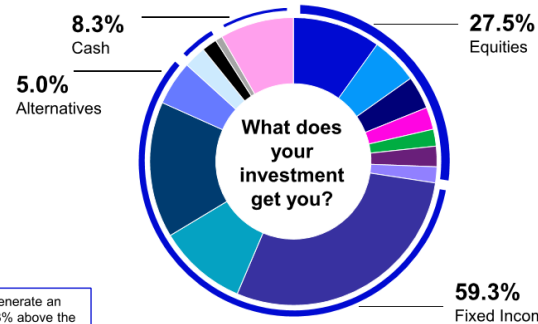
### Invesco Summit Income Fund (UK)

Your investment in numbers



 **Income:** The Fund aims to generate an income return of between 2-3% above the Bank of England base rate (Target Benchmark) over a 12-month rolling period. The Fund's income target can be measured against the Target Benchmark as a means to assess if this target has been achieved. The Fund is actively managed and is not constrained by any benchmark. Please note there is no guarantee this income target will be achieved.

Source: Invesco as at 31 December 2025. Numbers may not sum due to rounding.



#### Breakdown by asset class

Equities		Fixed Income		Alternatives	
Asset Class	Percentage	Asset Class	Percentage	Asset Class	Percentage
US	9.9%	Global Gov Bonds	29.0%	Option Income Strategy	2.5%
UK	5.3%	Global Investment Grade Credit	10.0%	Option Protection Strategy	1.7%
Europe ex-UK	3.7%	Global High Yield Credit	15.3%	Gold	0.8%
Japan	2.5%	Emerging Market Debt	5.0%	Cash	8.3%
Pacific ex-Japan	1.9%				
Emerging Markets	2.3%				
Global Small and Mid Caps	1.8%				



11

The broad allocation currently includes:

#### Fixed Income (c.59%)

- global government bonds
- investment grade credit
- high yield bonds
- emerging market debt

#### Equities (c.27%)

- global developed market equities
- UK equities
- emerging markets
- small and mid-cap exposure

#### Alternatives (c.5%)

- diversifying return streams to enhance income and mitigate drawdown risk in volatile market environments

Cash (c.8%)

- liquidity management

The strategy invests through a mix of underlying funds, ETFs and direct securities, typically holding 20–30 underlying strategies at any one time.

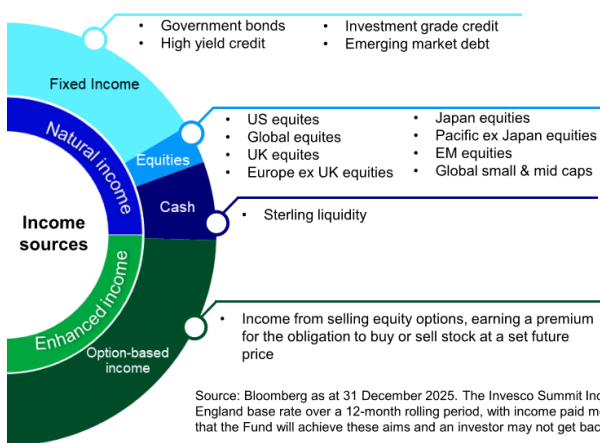
This provides exposure to thousands of securities across global markets and helps reduce concentration risk within retirement portfolios.

All underlying strategies are managed by Invesco.

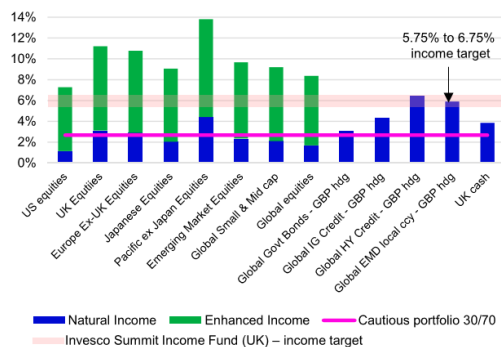
## Income Generation

The fund generates income through two main components.

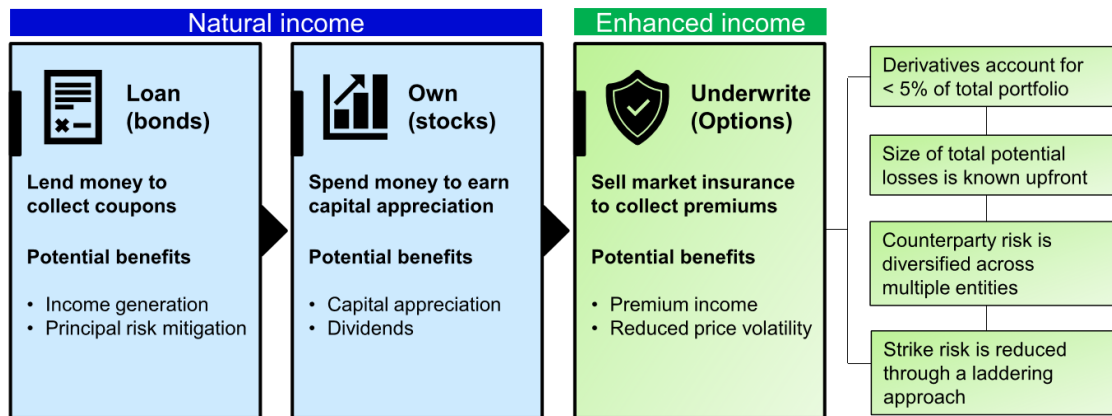
### The Fund's income engine Natural and Enhanced income sources



Income yield per asset class



## Diversifying income streams via option-based income strategies



Source: Invesco. For illustrative purposes only.



31

### Natural Income

Income generated through:

- bond coupons
- equity dividends
- interest on cash holdings

### Enhanced Income

Additional income is generated through option strategies that capture premiums from market volatility.

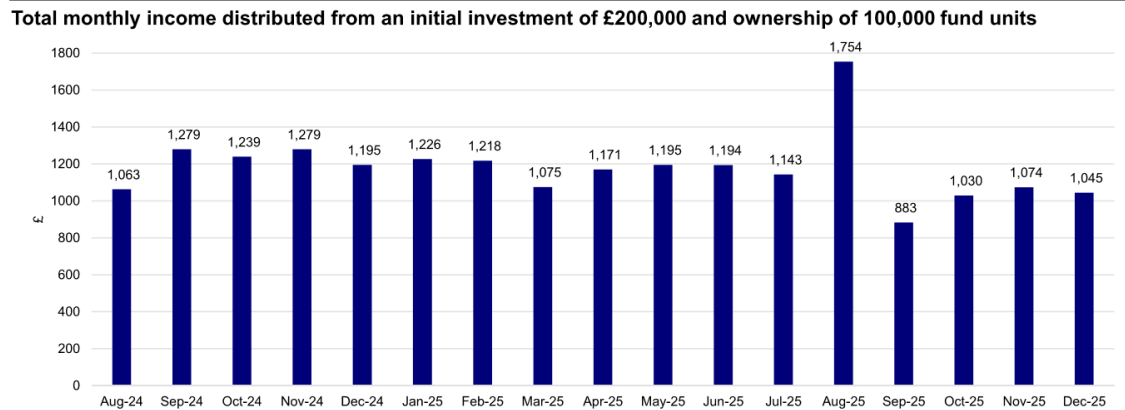
These strategies may sacrifice some upside participation in exchange for additional income.

This blended approach allows the portfolio to target a yield meaningfully above many traditional cautious portfolios.

## Income Smoothing

A key feature of the strategy is its income-smoothing mechanism.

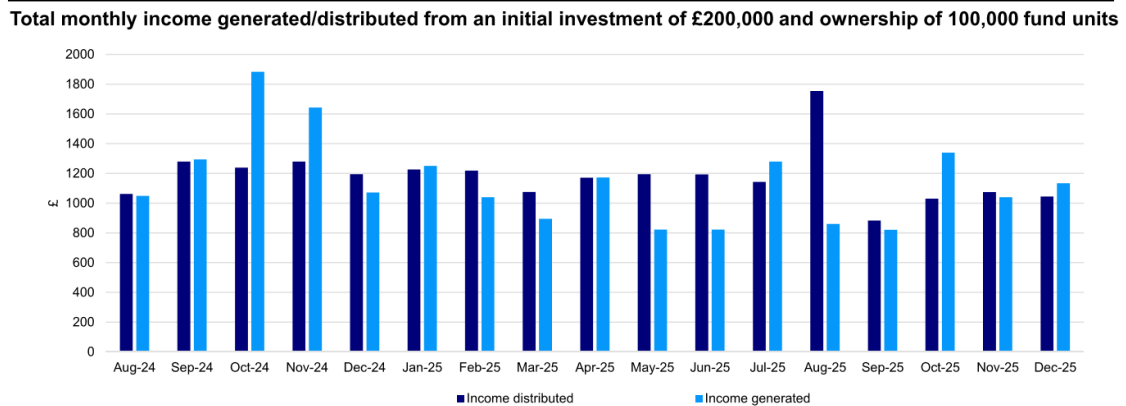
### A smooth distribution of monthly income through time



**Past performance does not predict future returns.** Source: Invesco as at 31 December 2025. The months referenced above refer to when the income was paid out. However please note that the income is generated in the month prior to the month when income is distributed.

### Income distributed vs income generated

The benefit of our income smoothing mechanism



**Past performance does not predict future returns.** Source: Invesco as at 31 December 2025. The months referenced above refer to when the income was paid out. However please note that the income is generated in the month prior to the month when income is distributed.

Rather than distributing income exactly as generated each month, the portfolio manager aims to smooth payments to provide investors with a more stable monthly income stream.

Income will still vary over time, but smoothing can help reduce volatility in payments. For retirees relying on investment income to support living expenses, this stability can be particularly valuable.

## Capital Growth Expectations

Although the fund is primarily income-focused, the strategy also aims to deliver modest capital growth over time.

Maintaining some growth potential is important for retirement portfolios, particularly amid inflation and rising life expectancy.

The intention is therefore not simply to maximise yield, but to balance:




- income generation
- capital stability
- modest long-term growth

This balance is particularly important for retirement portfolios that may need to support withdrawals over multiple decades.

## The Bucket Approach and Retirement Planning

Invesco’s retirement framework highlights the bucket approach to structuring retirement portfolios.

### Invesco Summit Income as a key tool for retirement planning Use cases in the context of the bucketing approach

			
<b>Goal</b>	<b>Bucket 1</b> Fund shorter-term living expenses	<b>Bucket 2</b> Generate income with modest capital growth	<b>Bucket 3</b> Aim for long-term capital growth
<b>Typical assets</b>	<ul style="list-style-type: none"> <li>• Cash</li> <li>• Annuity</li> <li>• Short-term bonds</li> <li>• <b>Invesco Summit Income (Inc share class)</b></li> </ul>	<ul style="list-style-type: none"> <li>• Medium/long-term bonds</li> <li>• Dividend-paying stocks</li> <li>• Balanced funds</li> <li>• <b>Invesco Summit Income (Inc/Acc share class)</b></li> </ul>	<ul style="list-style-type: none"> <li>• Stocks</li> <li>• Alternative investments</li> <li>• Growth funds</li> <li>• <b>Invesco Summit Income (Acc share class)</b></li> </ul>
<b>Why Summit Income</b>	Source of enhanced income with downside risk management	Generating reliable income with capital growth potential	Blending with other growth strategies for a potentially smoother capital appreciation experience

Source: Invesco. For illustrative purposes only.

This framework divides retirement assets into different time horizons.

### **Bucket 1 – Short-Term Liquidity**

Cash and near-cash assets are used to fund immediate spending needs.

### **Bucket 2 – Income and Stability**

Diversified income-generating investments designed to support medium-term withdrawals.

### **Bucket 3 – Long-Term Growth**

Growth assets are designed to replenish earlier buckets over time.

The Summit Income strategy can potentially sit across multiple buckets depending on the share class used.

#### **For example:**

Income share class

- may support income withdrawals
- may sit within the income or stability bucket

#### **Accumulation share class**

- income is reinvested
- may sit within the growth or stability bucket





This flexibility allows advisers to integrate the strategy into retirement portfolios in different ways.

## Risk Management and Sequencing Risk

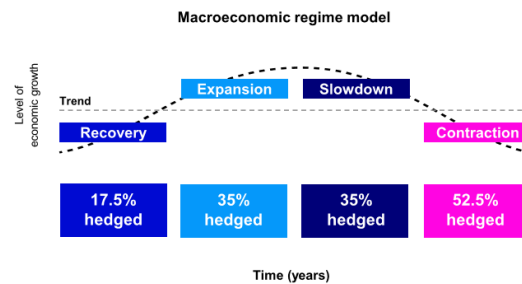
Managing drawdowns is particularly important in retirement portfolios because of sequencing risk.

Large losses early in retirement can significantly affect the sustainability of withdrawals.

### Downside risk management How the Fund intends to limit sequencing risk

-  Equity and credit assets tend to be highly correlated with the S&P 500 Index, making it an effective hedging tool
-  Our options-based S&P 500 hedging strategy offers contractual downside preservation, which may reliably reduce drawdowns
-  We consistently hold and adapt to the economic cycle, adding the potential for more capital preservation during periods of economic contraction
-  Income levels are intended to remain consistent and unaffected

#### Amount of downside equity mitigation is determined by the prevailing economic environment



Source: Invesco. For illustrative purposes only.

The strategy incorporates several defensive elements:

- moderate equity exposure
- diversified asset allocation
- tactical asset allocation adjustments
- option-based downside hedging

The aim is not to eliminate volatility but to reduce the severity of drawdowns, helping retirement portfolios recover more effectively.

## What Could Go Wrong

During discussions with the investment team, several potential risks were highlighted.

First, the strategy maintains exposure to both equities and bonds, which means periods when both asset classes struggle simultaneously could pose challenges.

Second, the option strategies used to enhance income introduce additional complexity and may reduce upside participation during strong equity markets.

Third, although the strategy aims to preserve capital over rolling three-year periods, capital losses remain possible during difficult market environments.

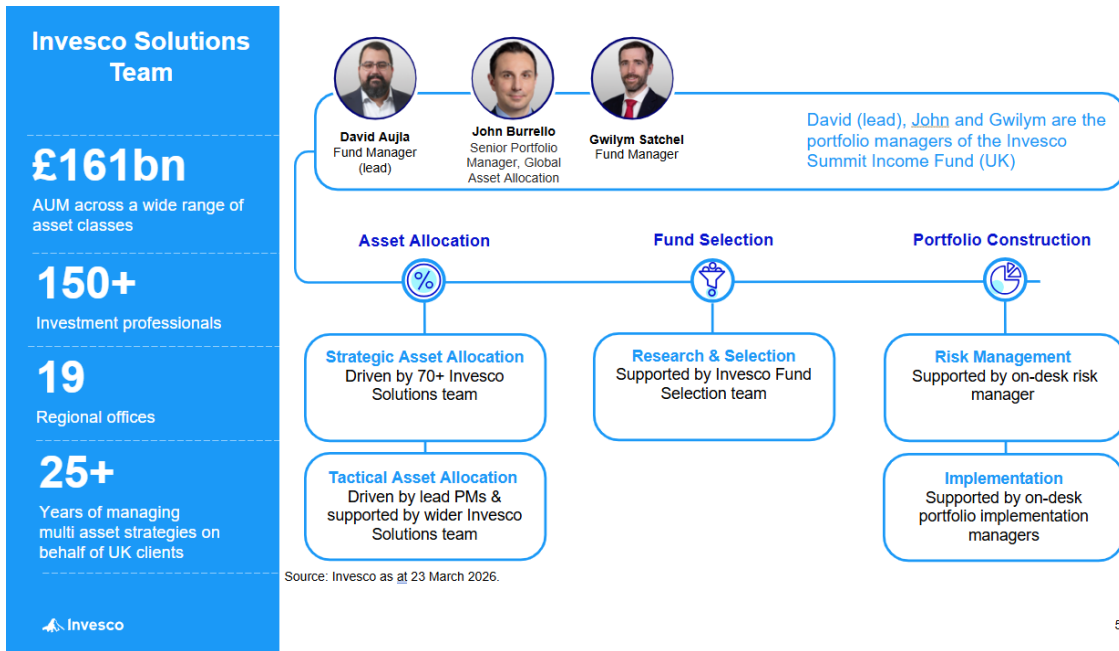
Finally, the fund currently has a relatively short live track record, having launched in 2024.

These risks mean the strategy should be viewed as one component of a diversified retirement portfolio rather than a complete retirement solution in isolation.

## Investment Team

The fund is managed by:

- David Aujla
- Gwilym Satchell
- John Burrello



They are supported by the wider Solutions team, a global investment group with extensive experience managing multi-asset portfolios.

## Charges

The fund has an ongoing charge figure of 0.45%, which is competitive relative to many actively managed multi-asset income strategies.

Charges may be taken from capital to support the income objective.

## Performance (Short Track Record)

The Invesco Summit Income Fund (UK) launched in 2024, so its live track record remains relatively short.

### Performance (%)

Invesco Summit Income Fund (UK)	31/12/2020- 31/12/2021	31/12/2021- 31/12/2022	31/12/2022- 31/12/2023	31/12/2023- 31/12/2024	31/12/2024- 31/12/2025
Total return	-	-	-	-	6.55%
Capital return	-	-	-	-	-0.32%
Income return	-	-	-	-	6.89%

Early performance, therefore, needs to be interpreted with caution. Short-term returns can be influenced by specific market conditions and may not fully reflect how the strategy is expected to behave across a full market cycle.

The strategy aims to deliver a stable level of income combined with controlled volatility, rather than maximising capital appreciation. As such, it may behave differently from traditional multi-asset or equity-focused funds.

Given the short history, advisers may place greater emphasis on:

- the underlying investment framework
- the experience of the investment team
- the diversification of income sources
- how the strategy behaves during different market environments

For those familiar with the Invesco Summit Growth and Summit Responsible, Summit Income is an extension of the franchise.

Over time, the key areas to monitor will include:

- the consistency of income distributions
- the stability of capital during market stress
- the strategy's ability to deliver income above base rate

As the fund develops a longer track record, more meaningful comparisons with peer strategies will become possible.

## Where This Strategy Might Sit Relative to Other Retirement Funds and Money Wise UK View

Compared with strategies such as Premier Miton Multi Asset Income strategies, Summit Income has been developed specifically for decumulation. While Premier offer income funds, these were not originally designed specifically for retirement income planning.

There are also income-focused solutions offered by providers such as Pacific Asset Management and Aspen. These often place a greater emphasis on adviser support tools, although income levels tend to be lower, and there is less focus on enhanced income generation.

Other approaches, such as those used by Bordier, focus more heavily on smoothing portfolio returns to support withdrawal strategies based on selling down units.

Broadly speaking, retirement solutions tend to follow one of two approaches:

- generating income through natural yield
- generating income through selling down units

One concern in the market is the development of overly complex overlay strategies. In contrast, the Summit Income strategy does not appear unnecessarily complicated. While options are used to enhance income, they represent a relatively small component of the overall portfolio construction.

Encouragingly, the team appear to view the strategy as an evolving proposition, with potential for further development and adviser support tools over time.

## Who This Strategy May Suit

The strategy may be suitable for investors who:

- are approaching or living in retirement
- require regular income from their portfolio
- want diversified global exposure with moderate volatility
- prefer income generation rather than relying entirely on selling down units
- are comfortable with modest capital growth rather than maximising equity returns

## Who This Strategy May Not Suit

The strategy may be less suitable for investors who:

- are focused primarily on long-term capital growth
- require a guaranteed level of income
- are uncomfortable with the use of derivative strategies
- have a high tolerance for equity market volatility

## Key Questions for Advisers

When evaluating how this strategy fits within a retirement proposition, advisers may wish to consider several questions.

### How does the income target compare with client withdrawal rates?

For clients seeking income of around 4% or more while protecting capital, the strategy may represent an alternative to selling down units.

### Where does this strategy sit within the firm's CRP framework?

The strategy may sit within the income bucket or stability bucket, and because both income and accumulation share classes are available, it can also be blended with growth portfolios.

### How does the strategy behave in strong equity markets?

Option overlays may limit upside participation during strong equity markets.

### How does the strategy behave during market stress?

Defensive overlays may reduce drawdowns, although losses remain possible.

### How does the strategy interact with other portfolio components?

Advisers should consider how the strategy complements growth portfolios, infrastructure funds, equity income strategies or cash reserves.

## Money Wise UK Summary and View

The Invesco Summit Income Fund (UK) represents an interesting attempt to design a multi-asset strategy specifically for the needs of retirement investors.

The combination of diversified income sources, income smoothing, defensive positioning and flexible share classes means the strategy may fit well within a structured retirement income framework.

For firms developing a Centralised Retirement Proposition, the fund may serve as a useful building block within retirement portfolios, particularly when advisers seek diversified income alongside modest capital growth potential.

There are, however, several important considerations:

### **1. Track record and testing across market cycles**

This is a relatively new strategy and has not yet been tested across a full range of market environments. While back-testing suggests the potential to sustain higher income levels and offer downside protection, these results are modelled and may not fully reflect real-world outcomes. This should remain a key consideration when assessing the strategy.

### **2. Role within portfolio construction**

We view this as a building block rather than a complete solution. It could be used to generate higher income, either as a standalone allocation or blended with other strategies. Careful consideration should be given to the trade-off between income generation, capital growth and overall portfolio construction.

### **3. Adviser support and implementation tools**

Compared with providers such as Aspen and Pacific Asset Management, a current limitation is the relative lack of supporting tools for advisers. Given the increasing complexity of retirement income planning, additional support in this area would strengthen the overall proposition.

In summary, Invesco is well-positioned to develop this strategy and has the resources to support its evolution. We see this as a credible building block within a broader retirement solution, rather than a standalone answer.

However, this view is balanced by the considerations outlined above. Some firms may prefer to observe how the strategy develops over time, particularly in terms of track record and adviser support, before committing to its inclusion within client portfolios.

As with many new developments in the retirement income space, there will likely be both strong and weaker propositions, and time will ultimately determine where this strategy sits within that landscape.

Overall, this is a well-structured and thoughtfully designed strategy, but it should be carefully assessed within the context of a firm's broader retirement proposition.

### **Disclaimer**

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Review completed: March 2026