



Invesco S&P 500 CTB Net Zero Pathway ESG UCITS ETF

Supplement to the Prospectus

This Supplement contains information in relation to Invesco S&P 500 CTB Net Zero Pathway ESG UCITS ETF (the "**Fund**"), a sub-fund of Invesco Markets II plc (the "**Company**") an umbrella type open ended investment company with variable capital, governed by the laws of Ireland and authorised by the Central Bank of Ireland (the "**Central Bank**") of New Wapping Street, North Wall Quay, Dublin 1, Ireland.

This Supplement forms part of, may not be distributed unless accompanied by (other than to prior recipients of the Prospectus of the Company dated 28 May 2024, as may be amended, supplemented or modified from time to time, (the "Prospectus")), and must be read in conjunction with, the Prospectus.

THIS DOCUMENT IS IMPORTANT. YOU SHOULD NOT PURCHASE SHARES IN THE FUND DESCRIBED IN THIS SUPPLEMENT UNLESS YOU HAVE ENSURED THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT AND THE RISKS INVOLVED AND ARE SATISFIED THAT THE INVESTMENT, AND THE RISKS INVOLVED, ARE SUITED TO YOUR OWN PERSONAL CIRCUMSTANCES AND OBJECTIVES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS SUPPLEMENT YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

Capitalised terms used in this Supplement will have the meanings given to them in the Definitions section below or in the Prospectus.

Invesco Markets II plc

An umbrella fund with segregated liability between the sub-funds

This Supplement replaces the Supplement dated Dated 2 January 2025

IMPORTANT INFORMATION

Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the country of your citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Shares.

The Shares are not principal protected. The value of the Shares may go up or down and you may not get back the amount you have invested. See the section headed "Risk Factors" of the Prospectus and the section headed "Other Information – Risk Factors" of this Supplement for a discussion of certain risks that should be considered by you.

In addition to investing in transferable securities, the Company may invest on behalf of the Fund in financial derivative instruments ("FDIs"), where applicable. Certain risks attached to investments in FDIs are set out in the Prospectus under "Risk Factors".

The Shares purchased on the secondary market cannot usually be sold directly back to the Fund. Investors must buy and sell Shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying Shares and may receive less than the current net asset value when selling them.

Prospective investors should refer to the annex to this Supplement regarding the environmental and/or social characteristics promoted by the Fund.

An investment in the Shares is only suitable for you if you (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

Profile of a typical investor

A typical investor would be one who is a private or institutional investor and is seeking capital appreciation over the long term. Such an investor is also one that is able to assess the merits and risks of an investment in the Shares.

Responsibility

The Directors accept responsibility for the information contained in the Prospectus and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement when read together with the Prospectus (as complemented, modified or supplemented by this Supplement) is in accordance with the facts as at the date of this Supplement and does not omit anything likely to affect the importance of such information.

General

This Supplement sets out information in relation to the Shares and the Fund. You must also refer to the Prospectus which is separate to this document and describes the Company and provides general information about offers of shares in the Company. You should not take any action in respect of the Shares unless you have received a copy of the Prospectus. Should there be any inconsistency between the contents of the Prospectus and this Supplement, the contents of this Supplement will, to the extent of any such inconsistency, prevail. This Supplement and the Prospectus should both be carefully read in their entirety before any investment decision with respect to Shares is made.

As at the date of this document, the Fund has no loan capital (including term loans) outstanding or created but unissued, nor any outstanding mortgages, charges or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, or guarantees or other contingent liabilities.

Distribution of this Supplement and Selling Restrictions

Distribution of this Supplement is not authorised unless accompanied by a copy of the Prospectus and the latest annual report and audited accounts of the Company and the Fund (other than to prior recipients of the Prospectus) and if published after such report, a copy of the then latest semi-annual report and unaudited accounts. The distribution of this Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. If you receive a copy of this Supplement and/or the Prospectus you may not treat such document(s) as constituting an offer, invitation or solicitation to you to subscribe for any Shares unless, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to you without compliance with any registration or other legal requirement other than those with which the Company has already complied. If you wish to apply for the opportunity to purchase any Shares, it is your duty to inform yourself of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, you should inform yourself as to the legal requirements of so applying, and any applicable exchange control regulations and taxes in the countries of your respective citizenship, residence or domicile.

Definitions

Words and expressions defined in the Prospectus will, unless otherwise defined in this Supplement, have the same meaning when used in this Supplement.

For the purpose of this Supplement:

“Delegated Acts” means Commission Delegated Regulation (EU) 2020/1818 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks.

“EU Climate Transition Benchmark” means a benchmark that is labelled as an EU climate transition benchmark where the underlying assets are selected, weighted or excluded in such a manner that the resulting benchmark portfolio is on a decarbonisation trajectory and is also constructed in accordance with the minimum standards laid down in the Delegated Acts.

“Paris Agreement” means a legally binding international treaty on climate change adopted in Paris on 12 December 2015 and which entered into force on 4 November 2016. The goal of the Paris Agreement is to limit global warming to below 2 degrees Celsius, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. To achieve this long-term temperature goal, countries aim to reach global peaking of greenhouse gas emissions as soon as possible to achieve a climate neutral world by 2050.

TERMS OF THE SHARES REPRESENTING INTERESTS IN THE FUND

Investment Objective of the Fund

The objective of the Fund is to provide exposure to large capitalisation listed US companies, whilst seeking to reduce exposure to risks arising from a transition to a lower carbon economy by tracking an index that adheres to the standards for EU Climate Transition Benchmarks as based on the commitments laid down in the Paris Agreement.

Investment Policy of the Fund

In order to achieve the investment objective, the Fund will seek to replicate the net total return performance of the S&P 500 Climate Transition Base Pathway-Aligned ESG Index (the **“Reference Index”**), less fees, expenses and transaction costs.

Further information on the components and selection criteria of the Reference Index is set out below under "**General Description of the Reference Index**".

The Fund will employ a replication method that looks to invest as far as possible and practicable in the constituents of the Reference Index. The Fund intends to replicate the Reference Index by holding all of its constituent securities in a similar proportion to their weightings in the Reference Index. In order to replicate the Reference Index, the Fund may invest up to 20% of its Net Asset Value in shares issued by the same body.

Further information in relation to how the Fund will seek to track the Reference Index is set out in section 4 "**Investment Objective and Policies**" and section 5 "**Investment Restrictions and Permitted Investments**" of the Prospectus.

There are a number of circumstances where gaining access to the components of the Reference Index may be prohibited by regulation, may not otherwise be in the Shareholders' interests or may not otherwise be possible or practicable.

The Fund may hold ancillary liquid assets and use efficient portfolio management techniques in accordance with the requirements of the Central Bank.

The Fund may also engage in transactions in FDIs for hedging and/or efficient portfolio management purposes. The Fund may use the following FDIs listed on a Market or traded OTC, as applicable: options and futures transactions, forward contracts, non-deliverable forwards and spot foreign exchange transactions. Further details on FDIs and how they may be used are contained in the main part of the Prospectus under "**Appendix III - Use of Financial Derivative Instruments And Efficient Portfolio Management**".

The Fund shall not invest more than 10% of its net assets in other UCITS or other open or closed ended CIS.

With the exception of permitted investment in unlisted securities or in units of open-ended CIS, investment will be limited to the stock exchanges and regulated markets set out in Appendix I of the Prospectus.

Further information relevant to the Fund's investment policy is contained in the main part of the Prospectus under "**Investment Objectives & Policies**" and under "**Investment Restrictions and Permitted Investment**".

Transparency of the Promotion of Environmental and/or Social Characteristics

The Fund is an Article 8 Fund (as defined in the Prospectus).

The environmental and social characteristics promoted by the Fund are the reduction of exposure to risks arising from a transition to a lower-carbon economy by lowering exposure to carbon intensive companies or industries. It achieves this by tracking an index that adheres to the standards for EU Climate Transition Benchmarks as based on the commitments laid down in the Paris Agreement. The Fund achieves this by replicating the Reference Index, which has a methodology that is aligned with attaining the environmental and social characteristics promoted by the Fund.

The environmental and social characteristics are achieved by applying the Index Provider's exclusion criteria to the eligible securities.

Further information on how the environmental and social characteristics promoted by the Fund are achieved is set out under the heading "**General Description of the Reference Index**" below.

Further information on the environmental and social characteristics promoted by the Fund, how they are achieved and how the investments of the Fund follow good governance practices is disclosed in the annex to this Supplement.

The Fund generally expects to invest a proportion of its assets in sustainable investments. The investments underlying the Fund, however, do not currently take into account the EU criteria for

environmentally sustainable economic activities as defined in Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**") and so the "do no significant harm" principle under the Taxonomy Regulation does not currently apply to the investments underlying the Fund. The Fund does not intend to be aligned with the Taxonomy Regulation and, at the date of this Supplement, 0% of the Fund's investments will be aligned with the environmental objectives under the Taxonomy Regulation. The Manager will keep the Fund's position vis-à-vis the Taxonomy Regulation under consideration and, to the extent required, the Supplement will be amended accordingly.

As the Funds are passively managed, management of the portfolio does not include any separate integration of sustainability risks into the investment process. Sustainability risks were considered in the selection of the Reference Index for use by the Fund and sustainability risks may be integrated at the level of the Reference Index as described in the section of this Supplement titled "General Description of the Reference Index". However, as the main strategy of the Fund is to replicate the Reference Index, the Manager deems that further consideration of sustainability risks is not relevant to the strategy of the Fund and the likely impact of sustainability risks on returns are not assessed.

Further details on the transparency of the promotion of ESG characteristics are contained in the Prospectus under "**Appendix IV - Sustainable Finance**".

Index Tracking Strategy

It is anticipated that the "Tracking Error" of the Fund (being the standard deviation of the difference in returns between the Fund and the Reference Index) will be between 0% and 1.00% under normal market conditions. However, exceptional circumstances may arise which cause the Fund's Tracking Error to exceed 1.00%. Investors should note that the Tracking Error set out in this section is for the Unhedged Share Classes against the Reference Index (which is also unhedged).

Investment Restrictions of the Fund

Investors in particular must note that the general investment restrictions set out under "**Investment Restrictions and Permitted Investments**" in the Prospectus apply to the Fund.

Efficient Portfolio Management

Further information on efficient portfolio management techniques that may be used by the Fund is contained in the "**Securities Financing Transactions**" section below and in the main body of the Prospectus under the heading "**Use of Financial Derivative Instruments and Efficient Portfolio Management**".

Securities Financing Transactions

The Fund may use certain '*securities financing transactions*', as defined in Regulation 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 ("**SFTR**"), ("**Securities Financing Transactions**"), namely securities lending. The Fund's use of Securities Financing Transactions will be subject to the requirements of SFTR and in accordance with normal market practice, the Central Bank Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Company pursuant to the Regulations ("**Central Bank Rules**"). Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the Fund, including to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks. Securities lending will be for efficient portfolio management purposes only.

The type of assets that may be held by the Fund in accordance with its investment objective and policies and may be subject to such Securities Financing Transactions are equities. The maximum proportion of the Fund's assets that may be subject to securities lending is 100%, and the expected proportion of the Fund's assets that may be subject to securities lending is between 0% and 30%.

Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to

do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities.

All the revenues arising from Securities Financing Transactions and any other efficient portfolio management techniques shall be returned to the Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent), which shall not include hidden revenue, shall include fees and expenses payable to securities lending agents engaged by the Company from time to time. Such fees and expenses of any securities lending agents engaged by the Company, which will be at normal commercial rates together with VAT, if any, thereon, will be borne by the Company or the Fund in respect of which the relevant party has been engaged. As of the date of this Supplement, 90% of the revenues arising from securities lending will be returned to the Fund and 10% of the revenues (representing the attendant direct and indirect operational costs and fees of the securities lending agent) will be retained by the securities lending agent. The identity of any securities lending agents engaged by the Company from time to time shall be included in the Company's semi-annual and annual reports.

The types of acceptable counterparty and the diversification requirements are explained in Appendix III of the Prospectus. A Fund may only enter into Securities Financing Transactions with counterparties that have been selected and assessed in accordance with the Central Bank Rules. The acceptable counterparties will be entities with legal personality and located in OECD jurisdictions. They will be subject to ongoing supervision by a public authority, be financially sound and have the necessary organisational structure and resources for the relevant type of transaction.

From time to time, the Fund may engage securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company.

Please refer to Prospectus section "**Potential Conflicts of Interest**" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Please refer to the "**Risk Factors**" sections in respect of the risks related to Securities Financing Transactions. The risks arising from the use of Securities Financing Transactions shall be adequately captured in the Company's risk management process.

The assets of the Fund that are subject to Securities Financing Transactions and any collateral received are held by the Depositary or its agent.

The Fund will not enter into repurchase and/or reverse repurchase agreements or Swaps.

Currency Hedging Policy

The Fund may enter into transactions for the purposes of hedging the foreign exchange exposure in any hedged Share Classes (identified by "Hdg" in their names). The purpose of the hedging in the hedged Share Classes is to limit, at a Share Class level, the profit or loss generated from foreign exchange exposure when holding an asset in a currency other than the Base Currency of the Fund. This is achieved by the hedged Share Classes employing 30 day rolling forward FX contracts, which are rolled monthly.

All costs and losses arising in relation to such currency hedging transactions will be borne by the hedged Share Class and all gains arising in connection with such hedging transactions will be attributable to the relevant Share Class. Although the Fund may utilise currency hedging transactions in respect of Share Classes, it shall not be obliged to do so and to the extent that it does employ strategies aimed at hedging certain Share Classes, there can be no assurance that such strategies will be effective. The costs and related liabilities/benefits arising from instruments entered into for the purposes of hedging the currency exposure for the benefit of any particular Share Class of the Fund (where the currency of a particular Share Class is different to the Base Currency of the Fund) shall be attributable exclusively to the Share Class. Under exceptional circumstances, such as, but not limited to, where it is reasonably expected that the cost of performing the hedge will be in excess of the benefit derived and therefore detrimental to Shareholders, the Company may decide not to hedge the currency exposure of such Share Classes.

Where the Investment Manager seeks to hedge against currency fluctuations, while not intended, this

could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, over-hedged positions will not exceed 105% of the Net Asset Value of the relevant Share Class and hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level and that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the relevant Share Class and any under-hedged position will be kept under review to ensure it is not carried forward from month-to-month. This review will also incorporate a procedure to ensure that positions in excess of 100% of Net Asset Value will not be carried forward from month to month.

Further information on currency hedging at Share Class level is contained in the main body of the Prospectus under the heading "**Hedged Classes**".

Collateral Policy

- (a) Non-Cash Collateral: In addition to the requirements for valuation of non-cash collateral in the Prospectus, subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty for the benefit of the Fund will be valued daily at mark-to-market value.
- (b) Issuer Credit Quality: In addition to the requirement for Issuer Credit Quality set out in the Prospectus, assets provided by the Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-depositary.

Further information on the criteria which collateral received by the Fund must meet is contained in the main body of the Prospectus under the heading "**Non-Cash Collateral**".

- (c) Collateral - Posted by the Fund: In addition to the requirements in respect of collateral posted to a counterparty in the Prospectus, collateral posted to a counterparty by or on behalf of the Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the Fund.
- (d) Valuation: Information in respect of the collateral valuation methodology used by the Company can be found in the Prospectus under the heading "**Appendix III - Efficient Portfolio Management and use of Financial Derivative Instruments**". The rationale for the use of this collateral valuation methodology is primarily to guard against the price volatility of assets being received by the Fund as collateral.

The risk exposure of the Fund to counterparties will remain within the limits prescribed in the Prospectus under "**Appendix II - Investment Restrictions Applicable to the Funds under the Regulations**".

Further information on the collateral policy is contained in Appendix III to the Prospectus under the heading "**Collateral Policy**".

Borrowing and Leverage

The Company on behalf of the Fund may borrow up to 10% of the Net Asset Value of the Fund on a temporary basis. Such borrowings may only be used for short term liquidity purposes to cover the redemption of Shares. Further information on Borrowing and Leverage is contained in the main body of the Prospectus under the heading "**Borrowing and Lending Powers**" and "**Leverage**" respectively.

The Company will use the commitment approach for the purposes of calculating global exposure for the Fund. The Fund's total exposure to the Reference Index will be limited to 100% of Net Asset Value.

While it is not the Investment Manager's intention to leverage the Fund, any leverage resulting from the use of FDIs will be done in accordance with the Regulations.

Dividend Policy

Dividends will be declared on a quarterly basis for the Dist Shares, the EUR Hdg Dist Shares, the GBP Hdg Dist Shares, the CHF Hdg Dist Shares, and the MXN Hdg Dist Shares, in accordance with the

general provisions set out in the Prospectus under the heading "Dividend Policy" and Shareholders will be notified in advance of the date on which dividends will be paid. Distributions will not be made in respect of the Acc Shares, the EUR Hdg Acc Shares, the GBP Hdg Acc Shares, the CHF Hdg Acc Shares, and the MXN Hdg Acc Shares and income and other profits will be accumulated and reinvested in respect of those Shares.

Trading

Application will be made to Euronext Dublin, the London Stock Exchange or Deutsche Boerse and/or such other exchanges as the Directors may determine from time to time (the "**Relevant Stock Exchanges**") for listing and/or admission to trading of the Shares issued and available to be issued on the main market of each of the Relevant Stock Exchanges on or about the Launch Date. This Supplement and the Prospectus together comprise listing particulars for the purposes of trading on the main market of each of the Relevant Stock Exchanges.

Exchange Traded Fund

The Fund is an Exchange Traded Fund ("**ETF**"). The Shares of this Fund are fully transferable among investors and will be listed and/or traded on the Relevant Stock Exchanges. It is envisaged that Shares will be bought and sold by private and institutional investors in the secondary market in the same way as the ordinary shares of a listed trading company.

General Information Relating to the Fund

Type	Open-ended.
Base Currency	USD
Business Day	A day (other than a Saturday or Sunday) on which the United States Federal Reserve System is open or such other day or days that the Directors may determine and notify to Shareholders in advance.
Dealing Day	Any Business Day. However, some Business Days will not be Dealing Days where, for example, markets on which the Fund's Assets are listed or traded or markets relevant to the Reference Index are closed provided there is at least one Dealing Day per fortnight, subject always to the Directors' discretion to temporarily suspend the determination of the Net Asset Value and the sale, conversion and/or redemption of Shares in the Company or any Fund in accordance with the provisions of the Prospectus and the Articles. The Investment Manager produces dealing calendars which detail in advance the Dealing Days for each Fund. The dealing calendar may be amended from time to time by the Investment Manager where, for example, the relevant market operator, regulator or exchange (as applicable) declares a relevant market closed for trading and/or settlement (such closure may be made with little or no notice to the Investment Manager). The dealing calendar for the Fund is available from the Manager.
Dealing Deadline	4:30 pm (Dublin time) on the relevant Dealing Day or such other time as the Investment Manager may, in consultation with the Directors, determine and is notified to Shareholders by the Company provided always that the Dealing Deadline will be before the Valuation Point. No subscription, exchange or redemption applications may be accepted after the Valuation Point.
Subscriptions, Exchanges and Repurchases	All subscriptions, exchanges and repurchases can only take place through an Authorised Participant or other representative appointed by the Company in the relevant jurisdiction.
Launch Date	3 rd June 2025 in respect of Class Acc Shares or such other date as the

	Directors determine to reflect the close of the Initial Offer Period.
Minimum Fund Size	USD 30,000,000
Initial Offer Period	The Initial Offer Period in respect of all classes of Shares will start at 9.00 a.m. (Dublin time) on 3 rd January 2025 and close at 5.00 p.m. (Dublin time) on 30 th May 2025 or such earlier or later date as the Directors may determine and notify to the Central Bank. .
Valuation Point	10.30pm (Irish time) on the relevant Dealing Day by reference to which the Net Asset Value per Share of the Fund is determined. At all times the Valuation Point will be after the Dealing Deadline. The value of any investments which are listed or dealt on a Market shall be the closing price on the relevant Market at the Valuation Point.
Settlement Date	By the second Business Day after the relevant Dealing Day (or such other day as the Directors (or their delegate) may determine and notify in advance to the applicant).
Website	etf.invesco.com Information on portfolio composition and details on the indicative net asset value are set out on the Website.

Description of the Shares

Share Class	"Acc"
Share Class Currency	USD
Initial Issue Price	Means in USD, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20 th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class Acc Shares in the Fund would be 4.99772 . Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"Dist"
Share Class Currency	USD
Initial Issue Price	Means in USD, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20 th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class Dist Shares in the Fund would be 4.99772 . Investors should note that the Initial Issue Price of the

	Shares on the Launch Date will be available on etf.invesco.com
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"EUR Hdg Dist"
Share Class Currency	EUR
Initial Issue Price	Means in EUR, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class EUR Hdg Dist Shares in the Fund would be 4.99772 . Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"EUR Hdg Acc"
Share Class Currency	EUR
Initial Issue Price	Means in EUR, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class EUR Hdg Acc Shares in the Fund would be 4.99772 . Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"GBP Hdg Dist"
Share Class Currency	GBP

Initial Issue Price	Means in GBP, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class GBP Hdg Dist Shares in the Fund would be 4.99772 . Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"GBP Hdg Acc"
Share Class Currency	GBP
Initial Issue Price	Means in GBP, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class GBP Hdg Acc Shares in the Fund would be 4.99772. Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"CHF Hdg Dist"
Share Class Currency	CHF
Initial Issue Price	Means in CHF, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class CHF Hdg Dist Shares in the Fund would be 4.99772. Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.

Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"CHF Hdg Acc"
Share Class Currency	CHF
Initial Issue Price	Means in CHF, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 605. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class CHF Hdg Acc Shares in the Fund would be 4.99772. Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"MXN Hdg Dist"
Share Class Currency	MXN
Initial Issue Price	Means in MXN, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 30. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class MXN Hdg Dist Shares in the Fund would be 100.78733 . Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"MXN Hdg Acc"
Share Class Currency	MXN
Initial Issue Price	Means in MXN, the official closing level of the Reference Index on the Business Day preceding the

	Launch Date divided by 30. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class MXN Hdg Acc Shares in the Fund would be 100.78733 . Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"SEK Hdg Dist"
Share Class Currency	SEK
Initial Issue Price	Means in SEK, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 55. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class SEK Hdg Dist Shares in the Fund would be 54.97491. Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount	200,000 Shares unless the Directors determine otherwise.
Minimum Holding	N/A

Share Class	"SEK Hdg Acc"
Share Class Currency	SEK
Initial Issue Price	Means in SEK, the official closing level of the Reference Index on the Business Day preceding the Launch Date divided by 55. For example, if on 20th December 2024 the official closing level of the Reference Index was 3023.62 and assuming the Fund launched on the following Business Day (i.e. the Launch Date), the Initial Issue Price of the Class SEK Hdg Acc Shares in the Fund would be 54.97491. Investors should note that the Initial Issue Price of the Shares on the Launch Date will be available on etf.invesco.com.
Minimum Initial Subscription, Minimum Subscription and Minimum Redemption	200,000 Shares unless the Directors determine otherwise.

Amount	
Minimum Holding	N/A

Additional share classes including hedged share classes may be added to the Fund, subject to prior notification and the approval of the Central Bank, and will be set out in a revised supplement.

Intra-Day Portfolio Value ("iNAV")

Further information on intra-day portfolio value is contained in the main body of the Prospectus under the heading "**Intra-Day Portfolio Value**".

Fees and Expenses

The following fees will be incurred on each Share by Shareholders (which accordingly will not be incurred by the Company on behalf the Fund and will not affect the Net Asset Value of the Fund):

Share Class	All Share Classes
Subscription Charge	Up to 5%
Redemption Charge	Up to 3%

The Subscription Charge is deducted from the investment amount received from an investor for subscription for Shares. Such Subscription Charge is payable to the Manager.

The following fees and expenses will be incurred by the Company on behalf of the Fund and will affect the Net Asset Value of the relevant Share Class of the Fund.

Share Class	"Acc"
Management Fee	Up to 0.09% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"Dist"
Management Fee	Up to 0.09% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"EUR Hdg Dist"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"EUR Hdg Acc"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"GBP Hdg Dist"
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Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.
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Share Class	"GBP Hdg Acc"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"CHF Hdg Dist"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"CHF Hdg Acc"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"MXN Hdg Dist"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"MXN Hdg Acc"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"SEK Hdg Dist"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

Share Class	"SEK Hdg Acc"
Management Fee	Up to 0.14% per annum or such lower amount as may be advised to Shareholders from time to time.

The Management Fee, a percentage of the Net Asset Value of the relevant Class of Shares (plus VAT, if any), is payable by the Company out of the Fund Assets to the Manager. The Management Fee will accrue on each day and will be calculated on each Dealing Day and paid monthly in arrears. The Manager will pay out of its fees (and not out of the assets of the Fund) the fees and expenses (where appropriate) of the Investment Manager, the Administrator, the Depositary, the Directors and the ordinary fees, expenses and costs incurred by the Fund that include Setting Up Costs and Other

Administrative Expenses as described in the Prospectus.

Where a distribution fee, commission or other monetary benefit is received by the Fund, the Manager or any person acting on behalf of the Fund or the Manager of the Fund, the fee, commission or other monetary benefit shall be paid into the assets of the Fund.

Dilution Levy: The Fund will not apply a dilution levy.

This section headed "**Fees and Expenses**" should be read in conjunction with the section headed "**Fees and Expenses**" in the Prospectus.

German Investment Tax Act, 2018

In accordance with the German Investment Tax Act, as amended from time to time ("**GITA**"), the Fund intends to qualify as an equity fund as defined in section 2 para 6 GITA, and will continuously invest more than 50% of its Net Asset Value (as defined in section 2 para. 9a sent. 2 and 3 GITA) into equities (as defined in section 2 para 8 GITA).

Exchange of Shares

Shareholders may apply to exchange on any Dealing Day all or part of their holding of Shares of any Class of the Fund (the "**Original Class**") for Shares of another Class of the Fund which is being offered at that time (the "**New Class**") provided that all the criteria for applying for Shares in the New Class have been met.

The general provisions and procedures relating to redemptions will apply equally to exchanges. All exchanges will be treated as a redemption of the Shares of the Original Class and application to the purchase of Shares of the New Class, save that no Subscription Charge or Redemption Charge will be payable. Exchanges of Shares may be subject to an Exchange Charge of up to 3% of the Repurchase Price for the total number of Shares in the Original Class to be repurchased.

GENERAL DESCRIPTION OF THE REFERENCE INDEX

The Reference Index tracks the performance of large capitalisation listed US companies, selected and weighted to be collectively compatible with the transition to a low-carbon and climate resilient economy.

The Reference Index is further described below but only represents an extract of information available from public sources and neither the Directors, the Manager, S&P Dow Jones Indices LLC or such other successor sponsor to the Reference Index (the "**Index Provider**") nor the Investment Manager take any responsibility for the accuracy or completeness of such information.

The Reference Index is constructed from the S&P 500 Index (the "**Parent Index**") by using the Index Provider's exclusionary criteria to exclude from the Parent Index securities that: 1) are involved (as defined by the Index Provider) in the following business activities: tobacco, controversial weapons, oil sands, small arms, military contracting and thermal coal; 2) are classified as Non-Compliant according to the United Nations Global Compact (UNGC) principles; and 3) are not covered by the ESG data solution used by the Index Provider.

The Reference Index then applies an optimisation approach to re-weight remaining eligible securities with a view to minimise the difference in constituent weights, sector weights and industry weights to the Parent index, while achieving: 1) alignment with the minimum standards for EU Climate Transition Benchmarks; 2) alignment to a 1.5°C climate scenario using the Index Provider's selected Transition Pathway Model; and 3) an increase in the weighted average S&P Global ESG Score such that this exceeds the corresponding score of the Parent Index after 20% of the lowest ESG scoring stocks by count are removed.

The above optimisation is subject to diversification constraints, the details of which can be found in the Reference Index methodology.

Capitalised terms used above and not defined herein are defined by the Index Provider. Further information on these terms and the Reference Index methodology can be found on the Index Provider's website.

Index Rebalancing and Weighting

The Reference Index rebalances quarterly, on the third Friday of March, June, September, and December (each a "Rebalance Date"). Data as of the third Friday of the month prior to each rebalance is used in determining the new composition and weights of the Reference Index.

On each Rebalance Date, the weights of the securities comprising the Reference Index are re-calculated by the Index Provider by applying all of the exclusionary criteria and the optimisation approach described above.

The Fund will bear the costs of any rebalancing trades (i.e. the costs of buying and selling securities of the Reference Index and associated taxes and transaction costs).

Index Provider and Website

The Reference Index is sponsored by S&P Dow Jones Indices LLC and more details on the Reference Index can be found at <https://www.spglobal.com/spdji/en/supplemental-data/europe/>.

Publication

The level of the Reference Index will be published on: <https://www.spglobal.com/spdji/en/supplemental-data/europe/>.

OTHER INFORMATION

Taxation

The tax treatment of the Company is set out in the Prospectus of the Company and the tax information provided therein is based on tax law and practice as at the date of the Prospectus.

Shareholders and potential investors are advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Consequences of Disruption Events

Upon the occurrence of a Disruption Event (and without limitation to the Directors personal powers as further described in the Prospectus) an Approved Counterparty may make adjustments to determine the valuation of FDIs. Further information on the consequences of Disruption Events is contained in the main body of the Prospectus under the heading "**Disruption Events**".

Limited Recourse

A Shareholder will solely be entitled to look to the assets of the Fund in respect of all payments in respect of its Shares. If the realised net assets of the Fund are insufficient to pay any amounts payable in respect of the Shares, the Shareholder will have no further right of payment in respect of such Shares nor any claim against or recourse to any of the assets of any other Fund or any other asset of the Company.

Risk Factors

Certain risks relating to the Shares are set out under the heading "**Risk Factors**" in the Prospectus. In

addition, Shareholders must also note that:

- a) **Country Concentration Risk:** The Fund may be invested in a single country or small number of countries. A geographically concentrated investment strategy may be subject to a greater degree of volatility and of risk than one that is geographically diversified. The Fund's Investments will become more susceptible to fluctuations in value resulting from economic or business conditions in the country where the Fund is invested. As a consequence, the aggregate return of the Fund may be adversely affected by the unfavourable developments in such country.
- b) **Equity Risk:** The value of equities and equity-related securities can be affected by a number of factors including the activities and results of the issuer, general and regional economies, market conditions and broader economic and political developments. This may result in fluctuations in the value of the Fund.
- c) **Environmental, Social and Governance Risk:** The Fund intends to invest in securities of issuers that manage their ESG exposures better relative to their peers. This may affect the Fund's exposure to certain issuers and cause the Fund to forego certain investment opportunities. The Fund may perform differently to other funds, including underperforming other funds that do not seek to invest in securities of issuers based on their ESG ratings.
- d) **Sector Concentration Risk:** The Fund primarily invest in securities within a specific or small number of sectors and/or industries. Adverse developments within such sectors and/or industries may affect the value of the underlying securities of the Fund investing in such securities. Investors should be prepared to accept a higher degree of risk when investing in a fund (such as the Fund) that primarily invests in securities within a specific or small number of sectors and/or industries than a fund that is more widely diversified across different sectors.

Investors should also refer to the Prospectus for additional disclosure of risks and conflicts of interest.

Disclaimers

THE DIRECTORS OF THE COMPANY, THE MANAGER, THE INVESTMENT MANAGER AND THE INDEX PROVIDER TOGETHER THE “RESPONSIBLE PARTIES” DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY DESCRIPTION RELATING TO THE REFERENCE INDEX OR ANY DATA INCLUDED THEREIN AND THE RESPONSIBLE PARTIES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. THE RESPONSIBLE PARTIES MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE FUND, TO ANY SHAREHOLDER IN THE FUND, OR TO ANY OTHER PERSON OR ENTITY IN RESPECT OF THE REFERENCE INDEX DESCRIBED HEREIN.

THE INDEX PROVIDER MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE REFERENCE INDEX OR STRATEGY OR ANY DATA INCLUDED HEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE INDEX PROVIDER HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST PROFITS, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

THE "S&P 500 CLIMATE TRANSITION BASE PATHWAY-ALIGNED ESG INDEX" IS A PRODUCT OF S&P DOW JONES INDICES LLC OR ITS AFFILIATES ("SPDJI"), AND HAS BEEN LICENSED FOR USE BY THE MANAGER. STANDARD & POOR'S® AND S&P® ARE REGISTERED TRADEMARKS OF STANDARD & POOR'S FINANCIAL SERVICES LLC; DOW JONES® IS A REGISTERED TRADEMARK OF DOW JONES TRADEMARK HOLDINGS LLC ("DOW JONES"); AND THESE TRADEMARKS HAVE BEEN LICENSED FOR USE BY SPDJI AND SUBLICENSED FOR CERTAIN PURPOSES BY THE MANAGER. IT IS NOT POSSIBLE TO INVEST DIRECTLY IN AN INDEX. THE FUND IS NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY SPDJI, DOW JONES, S&P, ANY OF THEIR RESPECTIVE AFFILIATES (COLLECTIVELY, "S&P DOW JONES INDICES"). NEITHER S&P DOW JONES INDICES MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE OWNERS OF THE FUND OR ANY MEMBER OF THE PUBLIC REGARDING THE ADVISABILITY OF INVESTING IN SECURITIES GENERALLY OR IN THE FUND PARTICULARLY OR THE ABILITY OF THE S&P 500 CLIMATE TRANSITION BASE PATHWAY-ALIGNED ESG INDEX TO TRACK GENERAL MARKET PERFORMANCE. PAST PERFORMANCE OF AN INDEX IS NOT AN INDICATION OR GUARANTEE OF FUTURE RESULTS. S&P DOW JONES INDICES' ONLY RELATIONSHIP TO THE MANAGER WITH RESPECT TO THE S&P 500 CLIMATE TRANSITION BASE PATHWAY-ALIGNED ESG INDEX IS THE LICENSING OF THE INDEX AND CERTAIN TRADEMARKS, SERVICE MARKS AND/OR TRADE NAMES OF S&P DOW JONES INDICES AND/OR ITS LICENSORS. THE S&P DEVELOPED EXKOREA LARGEMIDCAP ESG ENHANCED ENERGY INDEX IS DETERMINED, COMPOSED AND CALCULATED BY S&P DOW JONES INDICES WITHOUT REGARD TO THE MANAGER OR THE FUND. S&P DOW JONES INDICES HAVE NO OBLIGATION TO TAKE THE NEEDS OF THE MANAGER OR THE OWNERS OF THE FUND INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE S&P 500 CLIMATE TRANSITION BASE PATHWAY-ALIGNED ESG INDEX. NEITHER S&P DOW JONES INDICES ARE RESPONSIBLE FOR AND HAVE NOT PARTICIPATED IN THE DETERMINATION OF THE PRICES, AND AMOUNT OF THE FUND OR THE TIMING OF THE ISSUANCE OR SALE OF THE FUND OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY WHICH THE FUND IS TO BE CONVERTED INTO CASH, SURRENDERED OR REDEEMED, AS THE CASE MAY BE. S&P DOW JONES INDICES HAVE NO OBLIGATION OR LIABILITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR TRADING OF THE FUND. THERE IS NO ASSURANCE THAT INVESTMENT PRODUCTS BASED ON THE S&P 500 CLIMATE TRANSITION BASE PATHWAY-ALIGNED ESG INDEX WILL ACCURATELY TRACK INDEX PERFORMANCE OR PROVIDE POSITIVE INVESTMENT RETURNS. S&P DOW JONES INDICES LLC IS NOT AN INVESTMENT OR TAX ADVISOR. A TAX ADVISOR SHOULD BE CONSULTED TO EVALUATE THE IMPACT OF ANY TAX-EXEMPT SECURITIES ON PORTFOLIOS AND THE TAX CONSEQUENCES OF MAKING ANY PARTICULAR INVESTMENT DECISION. INCLUSION OF A SECURITY WITHIN AN INDEX IS NOT A RECOMMENDATION BY S&P DOW JONES INDICES TO BUY, SELL, OR HOLD SUCH SECURITY, NOR IS IT CONSIDERED TO BE INVESTMENT ADVICE.

NEITHER S&P DOW JONES INDICES GUARANTEES THE ADEQUACY, ACCURACY, TIMELINESS AND/OR THE COMPLETENESS OF THE S&P 500 CLIMATE TRANSITION BASE PATHWAY-ALIGNED ESG INDEX OR ANY DATA RELATED THERETO OR ANY COMMUNICATION,

INCLUDING BUT NOT LIMITED TO, ORAL OR WRITTEN COMMUNICATION (INCLUDING ELECTRONIC COMMUNICATIONS) WITH RESPECT THERETO. S&P DOW JONES INDICES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. S&P DOW JONES INDICES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR AS TO RESULTS TO BE OBTAINED BY THE MANAGER, OWNERS OF THE FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE S&P 500 CLIMATE TRANSITION BASE PATHWAY-ALIGNED ESG INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL S&P DOW JONES INDICES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES INCLUDING BUT NOT LIMITED TO, LOSS OF PROFITS, TRADING LOSSES, LOST TIME OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN S&P DOW JONES INDICES AND THE MANAGER, OTHER THAN THE LICENSORS OF S&P DOW JONES INDICES.

Template 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 S&P 500 CTB Net Zero Pathway ESG UCITS ETF **Legal entity identifier:** 254900V3YFTVUHR25E45

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☒ ☐ Yes

☐ It will make a minimum of **sustainable investments with an environmental objective:** _____ %

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It will make a minimum of **sustainable investments with a social objective:** _____ %

☒ ☐ ☒ No

☒ 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 80 % of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ 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 environmental and/or social characteristics promoted by the Fund are the reduction of exposure to risks arising from a transition to a lower-carbon economy by lowering exposure to carbon intensive companies or industries (such risks include increased cost of doing business, regulatory actions, such as carbon taxes and changes in market preferences, such as consumers shifting purchases towards low carbon products). It achieves this by tracking an index that adheres to the standards for EU Climate Transition Benchmarks as based on the commitments laid down in the Paris Agreement. The Fund achieves this by replicating the S&P 500 Climate Transition Base Pathway-Aligned ESG Index (the **"Reference Index"**), which has a methodology that is aligned with attaining the environmental and/or social characteristics promoted by the Fund.

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

The Fund uses a variety of indicators to measure the attainment of the environmental and/or social characteristics. These are:

- Reduction of 30% in CO2 emissions intensity (scope 1, 2 and 3) relative to the Parent Index;
- Reduction of 7% per annum in CO2 emissions intensity (scope 1,2 and 3) at each Rebalance Date relative to the decarbonisation trajectory anchor date;
- Increase in the weighted average S&P Global ESG Score (as defined in the methodology of the Reference Index) such that this exceeds the corresponding score of the Parent Index after 20% of the lowest ESG scoring stocks are removed; and
- Percentage of the Fund portfolio invested in excluded companies involved in controversial business activities and controversies (as defined in the methodology of the Reference Index) (expected to be 0%).

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?

The sustainable investments contribute to the objective of reducing exposure to risks arising from a transition to a lower-carbon economy by lowering exposure to carbon intensive companies or industries (such risks include increased cost of doing business, regulatory actions, such as carbon taxes and

Sustainability indicators

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

changes in market preferences, such as consumers shifting purchases towards low carbon products).

The sustainable investments contribute to the objective as they are selected based on the criteria of the Reference Index, which is constructed to meet the minimum requirements of an EU Climate Transition Benchmarks as based on the commitments laid down in the Paris Agreement in accordance with the Delegated Regulation (EU) 2020/1818 for the methodology of benchmark indices that would be aligned with the objectives of the Paris Agreement.

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.

● ***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?***

The index methodology of the Reference Index that the Fund replicates takes into account principal adverse impact (PAI) indicators defined in Table 1 of Annex I of the regulatory technical standards for Regulation 2019/2088 (RTS) to ensure the sustainable investments of the Fund do not cause significant harm to any relevant environmental and/or social investment objective. This is achieved by removing companies that don't meet the exclusion criteria detailed in the section of this annex "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental and/or social characteristics promoted by this financial product?" and as defined in the Index methodology.

The Fund also relies on the qualitative research and monitoring of Invesco's Global ESG team, which is a central team across Invesco, to take into account the RTS PAI indicators ("**Invesco's DNSH framework**") and, in doing so, to assess whether the sustainable investments of the Fund cause significant harm to any environmental and/or social objectives. This framework involves an analysis of a PAI dataset with respect to the Fund. Invesco analyses each issuer for its relative performance compared to other issuers in the universe under each PAI category and determines thresholds to identify issuers that perform poorly on each indicator. The RTS PAI indicators taken into account by Invesco's DNSH framework align with the RTS PAI indicators taken into account in the methodology of the Reference Index. Invesco further uses its own thresholds to assess whether the sustainable investments of the Fund cause significant harm to any environmental and/or social objective. For indicators that use a quantitative metric, a threshold is set that will flag the worst-performing 3% of issuers in the universe. For indicators that use a qualitative metric, Invesco will identify those issuers that flag against this metric.

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

Please see the first paragraph in the section above "How do sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental and/or social sustainable investment objective?" on how the indicators for adverse impacts on sustainability factors have been taken into account. The index methodology directly excludes a number of companies involved in the business activities detailed in the section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental and/or social characteristics promoted by this financial product?".

Through removal of companies involved in thermal coal and oil sands the index reduces its exposure to greenhouse gas emissions. The methodology also excludes companies involved in Controversial Weapons, and those that are deemed non-compliant with the principles of the United Nations Global Compact. The Reference Index also excludes any companies where data isn't available to make such assessments.

While all PAI indicators are taken into account, given the climate focus of the Fund, a number of social indicators may be deemed irrelevant to the investment strategy of the Fund and as a result the methodology of the Reference Index may not consider these indicators further.

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

Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is captured in the index methodology of the Fund, with the result that securities will be excluded from the investible universe if they are deemed not to be in alignment.

The index methodology excludes companies that are deemed non-compliant in Sustainalytics' Global Standards Screening (GSS) assessment. GSS analyses norms and standards that are enshrined in the UNGC, the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, as well as their underlying conventions and treaties. The assessment provides an opinion as to whether a company is violating, or is at risk of violating, one or more of these international norms and standards.

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 ☐ No

As noted above in the section “How do sustainable investments not cause significant harm to any environmental and/or social sustainable investment objective?”, the index methodology considers principal adverse impacts on sustainability factors, primarily through a set of exclusion criteria corresponding to the indicators that are defined in Table 1, Annex I of the RTS. Through selection of constituents based on S&P Global ESG Scores, the Reference Index also addresses a number of other adverse indicators.

S&P Global ESG Scores consider a number of key issues in their construction, including, but not limited to greenhouse gas emissions, energy consumption, hazardous waste, board gender diversity, and gender pay gap. The scores also take into account if there have been recent controversies in the area of water operations.

Information on principal adverse impacts on sustainability factors is available in the annual report of the Fund. The next annual report of the Fund will describe the extent to which the environmental and/or social characteristics promoted by the Fund are met. The annual report of the Fund will be available on the Fund's website at etf.invesco.com.



What investment strategy does this financial product follow?

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

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

The Fund will employ a replication method that looks to invest as far as possible and practicable in the constituents of the Reference Index. The Fund intends to replicate the Reference Index by holding all of its constituent securities in a similar proportion to their weightings in the Reference Index.

The Reference Index has been selected on the basis that it aligns with the environmental and/or social characteristics promoted by the Fund, which is to pursue a strategy that seeks to reduce exposure to risks arising from a transition to a lower-carbon economy by lowering exposure to carbon intensive companies or industries. It achieves this by tracking an index that adheres to the standards for EU Climate Transition Benchmarks as based on the commitments laid down in the Paris Agreement.

Please note that this Annex forms part of, and should be read in conjunction with the Supplement. Please refer to the Supplement for further information.

● 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 Fund achieves the promotion of the environmental and/or social characteristics by replicating the Reference Index (within an acceptable tracking error and in accordance with the investment policy as outlined in the Supplement) which has a methodology that is aligned with attaining the environmental and/or social characteristics promoted by the Fund.

The Reference Index tracks the performance of large capitalisation listed US companies, selected and weighted to be collectively compatible with the transition to a low-carbon and climate resilient economy.

The Reference Index is constructed from the S&P 500 Index (the “**Parent Index**”) by using the Index Provider’s exclusionary criteria to exclude from the Parent Index securities that: 1) are involved (as defined by the Index Provider) in the following business activities: tobacco, controversial weapons, oil sands, small arms, military contracting and thermal coal; 2) are classified as Non-Compliant according to the United Nations Global Compact (UNGC) principles; and 3) are not covered by the ESG data solution used by the Index Provider.

The Reference Index then applies an optimisation approach to re-weight remaining eligible securities with a view to minimise the difference in constituent weights, sector weights and industry weights to the Parent index, while achieving: 1) alignment with the minimum standards for EU Climate Transition Benchmarks; 2) alignment to a 1.5°C climate scenario using the Index Provider's selected Transition Pathway Model; and 3) an increase in the weighted average S&P Global ESG Score such that this exceeds the corresponding score of the Parent Index after 20% of the lowest ESG scoring stocks are removed.

The above optimisation is subject to diversification constraints, the details of which can be found in the Reference Index methodology.

Capitalised terms used above and not defined herein are defined by the Index Provider. Further information on these terms and the Reference Index methodology can be found on the Index Provider's website.

The Reference Index is rebalanced quarterly, on the third Friday of March, June, September, and December (a "**Rebalance Date**"). Data as of the third Friday of the month prior to each rebalance is used in determining the new composition and weights of the Reference Index.

The exclusion criteria and optimisation approach are applied quarterly and changes to the components of the Reference Index are implemented at the next Rebalance Date.

Given the climate focus of the Fund, a number of social indicators may not be relevant to the investment strategy of the Fund, and as a result the methodology of the Reference Index may not specifically consider these indicators.

Where a previously eligible security subsequently ceases to meet the environmental and/or social characteristics promoted by the Fund, or where the Fund acquires a security as a result of a corporate action and such security does not meet the environmental and/or social characteristics of the Fund, the Fund may continue to hold such security until such time that the security is removed as a component of the Reference Index at the next Rebalance Date.

The binding criteria of the methodology of the Reference Index have been assessed by the Investment Manager for alignment with the recommendation of the Institutional Investors Group on Climate Change on their Net Zero Investment Framework. The methodology of the Reference Index implements criteria that align with this framework.

The binding elements set out herein apply to at least 90% of the Fund's net assets, being the proportion of net assets not held in cash or exposed to financial derivative instruments. The calculation of the level of sustainable investments will be assessed in accordance with Invesco's DNSH framework.

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

N/A

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

At each Rebalance Date, the Fund will only invest in companies that have been assessed against indicators such as sound management structures, employee relations, remuneration of staff and tax compliance. The Fund ensures that investee companies meet good governance practices by replicating the Reference Index that includes criteria for assessing the companies and excluding those that are deemed not to meet good governance practices.



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

What is the asset allocation planned for this financial product?

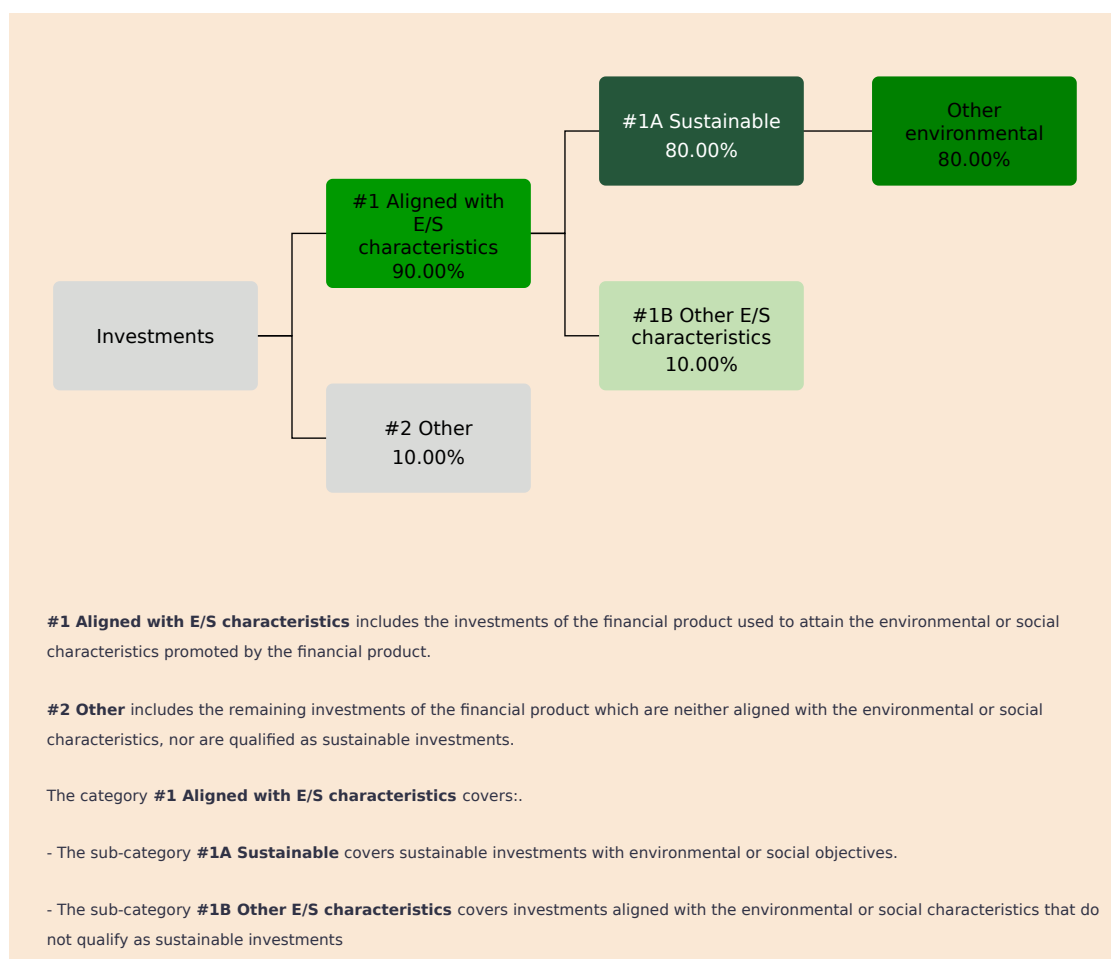
At least 90% of the Fund's net assets will be selected according to the binding elements of the investment strategy, according to the criteria of the methodology of the Reference Index and on the basis that they align with the environmental and/or social characteristics promoted by the Fund.

A minimum of 80% of the Fund's net assets are expected to constitute sustainable investments.

Up to 10% of the Fund's net assets will be held in cash or exposed to derivative instruments for hedging and/or efficient portfolio management purposes and cash for ancillary liquidity purposes and will not constitute sustainable investments.

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.



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

The Fund does not use derivatives to attain the environmental and/or social characteristics promoted by the Fund. The Fund will use derivatives for hedging and efficient portfolio management purposes only.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

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.



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

0%

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

☐ Yes

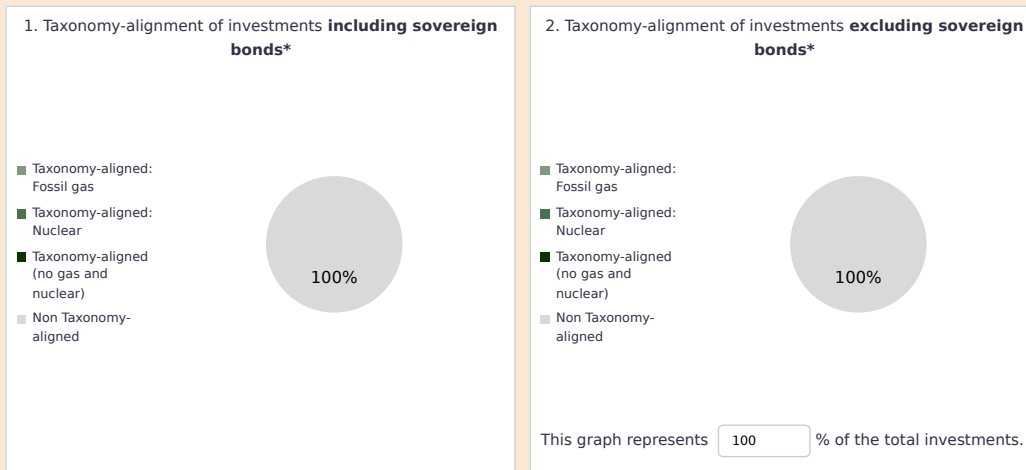
☐ In fossil gas

☐ In nuclear energy

☒ No

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.



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

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

N/A

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 sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

80%



What is the minimum share of socially sustainable investments?

N/A



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

All investments of the Fund will be selected on the basis that they align with the environmental and/or social characteristics promoted by the Fund and the criteria of the Reference Index, which includes minimum exclusions and selection criteria applicable to the EU Climate Benchmarks, however up to 10% of the Fund's NAV will be investments such as financial derivative instruments for hedging and/or efficient portfolio management purposes and cash for ancillary liquidity. No minimum environmental and/or social safeguards are applied in relation to these instruments.



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?

Yes

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

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

The Reference Index has been selected on the basis that it aligns with the environmental and/or social characteristics promoted by the Fund, which is to pursue a strategy that seeks to reduce exposure to risks arising from a transition to a lower-carbon economy by tracking an index that adheres to the standards for EU Climate Transition Benchmarks as based on the commitments laid down in the Paris Agreement.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

The Fund aims to replicate the net total return performance of the Reference Index as closely as possible. As such, the Fund replicates the composition of the Reference index as closely as practicable.

- ***How does the designated index differ from a relevant broad market index?***

The Reference Index differs from a broad market index because the underlying assets are selected, weighted or excluded in such a manner that the resulting benchmark portfolio is on a decarbonisation trajectory and is also constructed in accordance with the minimum standards laid down in the Delegated Acts.

- ***Where can the methodology used for the calculation of the designated index be found?***

Please refer to the index methodology which can be found on the 'Documents' tab of the Fund at etf.invesco.com.



Where can I find more product specific information online? More product-specific information can be found on the website:

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