

## Key investor information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.



## Invesco AT1 Capital Bond UCITS ETF (the "Fund")

A sub-fund of Invesco Markets II plc  
GBP Hdg Dist (the "Share Class")

Exchange Traded Fund (ETF)  
ISIN: IE00BYZLWM19  
Manager: Invesco Investment Management Limited

### Objective and Investment Policy

The Invesco AT1 Capital Bond UCITS ETF aims to achieve the performance of the iBoxx USD Contingent Convertible Liquid Developed Market AT1 (8/5% Issuer Cap) Index (the "Reference Index")<sup>1</sup>.

In order to achieve the investment objective, the Fund will employ a replication method that looks to invest predominately in securities that as closely as possible match the constituents of the Reference Index.

The Fund's shares are listed on one or more Stock Exchange(s). Generally, only Authorised Participants may subscribe or redeem shares directly with the Fund. Other investors can buy or sell shares daily through an intermediary directly or on Stock Exchange(s) on which the shares are traded. In exceptional circumstances other investors will be permitted to redeem their shares directly from Invesco Markets II plc in accordance with the redemption procedures set out in the prospectus, subject to any applicable laws and relevant charges. The Fund's base currency is USD. The Share Class currency is GBP. To minimise exposure to fluctuations in the exchange rate between USD and GBP, the Share Class enters into foreign exchange transactions (typically rolling 30-day FX forwards).

**Dividend Policy:** This Fund declares and distributes a dividend on a

quarterly basis.

**Net Asset Value:** This is calculated daily and the Fund is open for subscriptions and redemptions on each day the United States Federal Reserve System is open. Please refer to the prospectus for further information.

**The Reference Index:** The Reference Index aims to measure the performance of USD-denominated contingent convertible bonds issued by banks from developed countries worldwide. Securities comprising the Reference Index must be rated by at least one of the three credit rating agencies, Moody's, Standard & Poor's or Fitch, but there is no minimum rating requirement. To be included in the Reference Index, securities must have a minimum par amount outstanding of US\$750 million and the issuers must have a minimum notional outstanding of 1 billion in their local currency. In addition, the bonds must have been issued after 1 January 2013 and must have a remaining time to maturity of at least one year on the date of rebalancing. The issuer exposure is constrained to 8% of the Reference Index in respect of the uncapped weight of the top five issuers. The weighting of the remaining issuers eligible for inclusion in the Reference Index is capped at 5%. The capping takes effect when the Reference Index has at least 17 issuers.

### Risk and reward profile



This Fund is rated 4. This rating is not a measure of the risk of capital loss, but a measure of the Fund's price movement over time. This rating:

- is based on historical data, which may be comparative, and may not be representative of future rating.
- as a result, this risk estimation may not be a reliable indicator of future risk and may be subject to change over time.
- is classified in the category indicated above due to its past behaviour, which may be comparative. The lowest category does not mean risk free investment.
- is designed to help investors understand the uncertainties both for loss and for growth that may affect their investment.
- does not provide its investors with any guarantee on performance, nor on the performance of monies invested in it.

Main risks not covered by the above indicator which could negatively affect the net asset value of the Fund:

- **Capital is not guaranteed:** The value of investments, and income from them, can go down as well as up and you may not get back the full amount you invested.
- **Index tracking:** The Fund will not replicate the performance of its Reference Index perfectly, this is because the Fund will incur drags on performance such as expenses and transactions costs,

which the Reference Index is not subject to. If the Fund is unable to hold the securities in the exact proportion required this will affect its ability to track the Reference Index.

- **Liquidity on secondary market risk:** Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily. On-exchange liquidity may be limited due to Reference Index suspension, a decision by one of the relevant stock exchanges, a breach by the market maker or respective stock exchange requirements and guidelines.
- **High yield securities:** The Fund will hold a large amount of debt securities which are of lower credit quality, and may result in large fluctuations in the value of the Fund or which may impact the liquidity of the Fund under certain circumstances.
- **Contingent convertible bonds:** The Fund invests in contingent convertible bonds, a type of corporate debt security that may be converted into equity or could be forced to suffer a write down of principal upon the occurrence of a pre-determined event. If this occurs, the Fund could suffer losses. Other notable risks include liquidity and default risk.

For more information on risks, please see the Fund prospectus under "Risk Factors", which is available at [etf.invesco.com](http://etf.invesco.com) (select your country and navigate to Product/Prospectus)

<sup>1</sup> Investors should note that the Reference Index is the intellectual property of the index provider.

The Fund is not sponsored or endorsed by the index provider and a full disclaimer can be found in the Fund's prospectus

## Charges

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The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest:

- Entry charge: None\*
- Exit charge: None\*

### Charges taken from the Fund over each year:

Ongoing charge: Up to 0.39% per annum

### Charges taken from the Fund under certain specific conditions:

Performance fee: None.

\* Authorised Participants dealing directly with the Fund may pay an entry charge up to a maximum of 5% and an exit charge up to a maximum of 3%. Although not charged directly to investors who are

not Authorised Participants, these charges may have an impact on brokerage fees, transaction fees and / or the bid-ask spread.

As the Fund is an ETF, investors will typically only be able to buy or sell shares in the secondary market. Accordingly, investors may incur brokerage and / or transaction fees in connection with their dealings. Investors may also bear the costs of "bid-ask" spreads; meaning the difference between the prices at which shares can be bought and sold. You should discuss these fees and costs with your broker before you invest, as they may reduce the amount of your initial investment and the amount you receive on disposal.

For more information on charges, please see the relevant charges section in the Fund supplement under "General Information Relating to the Fund", which is available at [etf.invesco.com](http://etf.invesco.com) (select your country and navigate to Product/Supplement)

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## Past performance

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- The Fund was launched on 20 June 2018.

*This chart has been left intentionally blank as there is less than one calendar year's performance*

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## Practical information

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**Fund Depository:** BNY Mellon Trust Company (Ireland) Limited, Guild House, Guild Street, IFSC, Dublin 1, D01 K2C5, Ireland.

**Tax:** This Fund is subject to the tax laws and regulations of Ireland. Depending on your home country of residence, this might have an impact on your investment. For further details, please speak to an adviser. Local taxes may have an impact on the personal tax of your investment in the Fund.

**Additional Information:** The share prices are published in USD, on each business day. The prices are available from the administrator during normal business hours and on the following website [etf.invesco.com](http://etf.invesco.com).

**Find out more:** Further information about the Fund can be obtained from the prospectus and latest annual report. This document is specific to the Invesco AT1 Capital Bond UCITS ETF. However, the prospectus and annual report are prepared for the umbrella fund, Invesco Markets II plc, of which Invesco AT1 Capital Bond UCITS ETF is a sub-fund. These documents are available free of charge. They can be obtained along with other information, such as share

prices, at [etf.invesco.com](http://etf.invesco.com) (select your country and navigate to Library), by emailing [Invest@Invesco.com](mailto:Invest@Invesco.com) or by calling +44 (0)20 3370 1100. Details of the Manager's remuneration policy are available at [etf.invesco.com](http://etf.invesco.com) and a paper copy is available to investors free of charge upon request.

Pursuant to Irish law, the assets of this Fund are segregated from other sub-funds in the umbrella fund (i.e. the Fund's assets may not be used to discharge the liabilities of other sub-funds of Invesco Markets II plc). In addition the assets of this Fund are held separately from the assets of other sub-funds.

The exchange of shares between sub-funds is not available to investors trading on exchange. Switching may be available to authorised participants trading directly with the Fund. Further information detailing the process is set out in the prospectus.

Invesco Markets II plc may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus.

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This Fund is authorised in Ireland and regulated by the Central Bank of Ireland.

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This Key Information Document is accurate and up to date as of 06 September 2018.