



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 Variable Rate Preferred Shares UCITS ETF (the "Fund") A sub-fund of Invesco Markets II plc (the "Umbrella Fund") Acc (ISIN: IE00BHJYDT11) (the "Share Class")

The Fund is managed by Invesco Investment Management Limited, part of the Invesco Group.

Objectives and Investment Policy

- The Fund is an Exchange-Traded Fund, which aims to achieve the performance of the Wells Fargo Diversified Hybrid and Preferred Securities Floating and Variable Rate Net Total Return Index (the "Index")¹.
- In order to achieve the investment objective, the Fund will employ a replication method that looks to invest predominantly in securities that as closely as possible match the constituents of the 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.
- **Dividend Policy:** This share class does not pay you income, but instead reinvests it to grow your capital, in line with its stated objectives.
- **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 Index:** The Index aims to measure the performance of the US trading market for floating and variable rate preferred and hybrid securities. The Index includes preferred securities and hybrid securities that Wells Fargo deems to be comparable to preferred securities based on the inclusion of equity features such as deferral of interest payment obligations and the extendibility of maturity dates. In order to be included in the Index, a preferred security or hybrid security may be issued by a US or foreign issuer, must pay a floating or variable rate dividend or coupon and must satisfy the capitalization and other selection criteria. In order for a class of hybrid and preferred securities to be eligible for inclusion in the Index, it must be USD denominated with at least \$100 million par value or 10 million shares of the class outstanding, and a tranche that is offered in the US.

Risk and Reward Profile

Lower Risk ← Higher Risk
Typically lower rewards ← Typically higher rewards

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- The Share Class is in risk category 3 due to the rises and falls of its price or simulated data in the past.
- As the Share Class' risk category has been calculated using historical data, it may not be a reliable indication of the Share Class' future risk profile.
- The risk category may change in the future and is not guaranteed.
- The lowest category does not mean a risk free investment.

Other Risks

- 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.
- **Credit risk:** Debt securities are exposed to credit risk which is the ability of the borrower to repay the interest and capital on the redemption date.
- **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 Index suspension, a decision by one of the relevant stock exchanges, or a breach by the market maker of respective stock exchange requirements and guidelines.
- **Value of securities:** The value of securities can be affected by daily stock market movements. Other influential factors include political, economic news, company earnings and significant corporate events.
- **Sector concentration risk:** In tracking the Index, the Fund may be concentrated from time to time in a small number of sectors. Investors should be prepared to accept a higher degree of risk than for a fund that is more widely diversified across different sectors.

¹Investors should note that the 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

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 Share Class over a year	
Ongoing charge	0.50%
Charges taken from the Share Class 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. Currently, the Fund is not exercising its entitlement to apply entry and exit charges.
- The **ongoing charge** is based on the fee paid to the Manager. The Manager is responsible for discharging from its fee, costs attributable to the Investment Manager, Administrator, Depository as well as the Operational Expenses incurred by the Fund. It excludes portfolio transaction costs except in the case of an entry or exit charge paid by the Fund when buying or selling shares/units in another fund.
- Because 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 (select your country and navigate to Library/Supplement).

Past Performance

As this Share Class has no performance data for a complete calendar year, there is insufficient data to provide a useful indication of past performance.

- Fund launch date: 17 September 2018.
- Share Class launch date: 10 December 2018.
- The base currency of the Fund is USD.
- Past performance of the Share Class is calculated in USD.
- Performance is calculated based on the net asset value of the Fund after deduction of ongoing charges and is inclusive of gross income reinvested. Any entry/exit charges shown are excluded from the calculation.
- Past performance is not a guide to future performance.

Practical Information

- **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.
- **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 Variable Rate Preferred Shares UCITS ETF. However, the prospectus and annual report are prepared for the umbrella fund, Invesco Markets II plc, of which Invesco Variable Rate Preferred Shares 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 (select your country and navigate to Library), by emailing Invest@Invesco.com or by calling +44 (0)20 3370 1100. Details of the Manager's remuneration policy are available at 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.

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

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This key investor information is accurate as at 06 December 2018.