Invesco Physical Markets plc

Directors' report and audited financial statements

For the financial year ended 31 December 2020

Contents

Directors and other information
Annual Report and Audited Financial Statements 2020

Directors
Eimir McGrath (Irish)
Bronagh Hardiman (Irish)
John Paul Maguire (Appointed as alternate director to Bronagh Hardiman on 20 February 2020 and resigned on 1 March 2020)

Registered Office
Block A
George's Quay Plaza
George's Quay
Dublin 2
Ireland

Administrator & Company Secretary
Vistra Alternative Investments (Ireland) Limited
Block A
George's Quay Plaza
George's Quay
Dublin 2
Ireland

Principal Paying Agent & Banker
Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Portfolio Administrator & Account Bank
J.P. Morgan Administration Services (Ireland) Limited
200 Capital Dock
79 Sir John Rogerson's Quay
Dublin 2
D02 RK57

Arranger and Portfolio Advisor
Invesco UK Services Limited
Perpetual Park
Perpetual Park Drive
Henley-on-Thames
Oxfordshire
United Kingdom
EG9 1HH

Independent Auditors
KPMG
(Appointed on 03 June 2020)
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
D01 F6F5
Ireland

PricewaterhouseCoopers
(Resigned on 30 April 2020)
Chartered Accountants and Registered
Auditors
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Solicitors & Irish Listing Agent
Maples and Calder
75 St. Stephen's Green
Dublin 2
Ireland

Trustee
Intertrust Trustees Limited
35 Great St. Helen's
London
England EC3A 6AP
United Kingdom

Metal Counterparty & Custodian
JP Morgan Chase Bank, N.A.
25 Bank Street
London E14 5JP
United Kingdom

Currency Hedged Certificates Counterparty
JP Morgan AG
TaunusTurn, Taunustor 1
60310 Frankfurt
Germany

Registered No: 471344

The directors (the "Directors") present their annual report and the audited financial statements of Invesco Physical Markets plc (the "Company") for the financial year ended 31 December 2020.

Principal activities

The Company is a public limited liability company, incorporated on 26 May 2009 in Ireland under the Companies Act 2014, as amended (the "Act"), and has established the Secured Commodities-Linked Certificates Programme (the "Programme") pursuant to which the Company may, from time to time, issue collaterised limited recourse Certificates (the "Certificates") on the terms set out in the Base Prospectus (the "Base Prospectus") and final terms in respect of the relevant Certificates. The aggregate number of Certificates outstanding under the Programme will not at any time exceed 1,000,000,000 provided that the Company may increase such limit from time to time (subject to compliance with the relevant transaction documents). The Company meets the criteria for a Section 110 company under the Taxes Consolidation Act 1997 (as amended).

The principal activity of the Company, under the Programme, is issuance of several series (each a "Series") of ring-fenced certificates listed on one or more of the following stock exchanges detailed below.

Certificates may be sold to any one or more of Morgan Stanley & Co. International Plc, Bank of America, Merrill Lynch, J.P. Morgan Securities Limited, Virtu Financial Ireland Limited, Flow Traders B.V., Jane Street Financial Limited, Commerzbank AG, Optiver VOF, Bluefin Europe LLP, HSBC Bank Plc, IMC Trading and DRW Global Markets Limited (each an 'Authorised Participant' under the terms of authorised participant agreements).

An Authorised Participant may subscribe for Certificates in accordance with the terms of the relevant authorised participant agreement by either (i) transferring the relevant amount of Commodities (the "Commodities") via the books and records of the custodian's unallocated accounts or (ii) making a cash payment in US Dollars of the relevant amount to the cash account, which shall be used to access Commodities.

The Certificates are securities which on redemption entitle the holder to receive (a) a cash payment which is linked to the value of an amount of the Underlying Commodity reflecting the Per Certificate Entitlement (the "Per Certificate Entitlement") to such Underlying Commodity at the relevant time or (b) a transfer of the relevant amount of Underlying Commodity if the conditions for Physical Settlement are satisfied. In order to effect any redemption where cash settlement applies, the relevant amount of Commodities will be sold in order to realise the relevant cash amount(s).

The Company issued Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates (both the "Currency Hedged Series") during the financial year. The Currency Hedged Certificates (the "Currency Hedged Certificates") are certificates where the specified currency is a currency other than the currency in which the Commodity is typically quoted (the "Commodity Currency"). The Currency Hedged Series incorporate a foreign exchange hedging mechanism to hedge Certificate holders' exposure to fluctuations in the exchange rate between the specified currency of the relevant Currency Hedged Series and the Commodity Currency. JP Morgan AG will act as counterparty to the Company (the "Currency Hedged Certificates Counterparty") under a hedging arrangement pursuant to which the Company will agree to transfer underlying Commodities to and from the Currency Hedged Certificates Counterparty to reflect foreign exchange rate hedging gains and losses. On each business day, there will be transfers of metal ounces in the respective unallocated accounts of the Currency Hedged Series between the Company and the Currency Hedged Certificates Counterparty to reflect the foreign exchange rate hedging gains and losses.

Series 1 - Secured Gold-Linked Certificates are listed on Euronext Dublin, Swiss Stock Exchange (SIX), main market of the London Stock Exchange, Borsa Italiana, Euronext Amsterdam and Deutsche Borse (Xetra). Series 2 - Secured Silver-Linked Certificates, Series 3 - Secured Platinum-Linked Certificates, Series 4 - Secured Palladium-Linked Certificates are listed on the main market of the London Stock Exchange and the main securities market of Euronext Dublin. Series 5 - Secured Gold-Linked EUR Hedged Certificates are listed on Xetra and Borsa Italiana and Series 6 - Secured Gold-Linked GBP Hedged Certificates are listed on the main market of the London Stock Exchange.

The arranger fees relate to the fees paid to Invesco UK Services Limited (the "Arranger" and the "Portfolio Advisor") in consideration for its services and also its agreement to pay the fees and expenses due to the other service providers in connection with the Programme. The fees are calculated using a reduction percentage applied to the Commodities over the period. The arranger fees are paid on a monthly basis in cash through the disposal of Commodities. The reduction percentage for each Series are detailed below:

Principal activities (continued)

Series		Financial year ended 31-Dec-20	Financial year ended 31-Dec-19
Series 1	- Secured Gold-Linked Certificates (Effective from 3 February 2020 till 7 August 2020)	0.19%	0.24%
Series 1	- Secured Gold-Linked Certificates (Effective as from 7 August 2020)	0.15%	-
Series 2	- Secured Silver-Linked Certificates	0.39%	0.39%
Series 3	- Secured Platinum-Linked Certificates	0.39%	0.39%
Series 4	- Secured Palladium-Linked Certificates	0.39%	0.39%
Series 5	- Secured Gold-Linked EUR Hedged Certificates	0.44%	-
Series 6	- Secured Gold-Linked GBP Hedged Certificates	0.44%	-

The following Series were outstanding as at 31 December 2020. The Series are priced daily based on the metal reference price source from the London Bullion Market Association in the table below:

Series		*Underlying Commodities*
Series 1	- Secured Gold-Linked Certificates	Gold
Series 2	- Secured Silver-Linked Certificates	Silver
Series 3	- Secured Platinum-Linked Certificates	Platinum
Series 4	- Secured Palladium-Linked Certificates	Palladium
Series 5	- Secured Gold-Linked EUR Hedged Certificates	Gold
Series 6	- Secured Gold-Linked GBP Hedged Certificates	Gold

Business review and key performance indicators

The Company is a Special Purpose Vehicle (the "SPV") whose sole business is the issue of asset-backed securities. The Company has established a programme for the issue of secured Certificates whose return is linked to the performance of a specified Commodity: either gold, silver, platinum or palladium. Each series of Certificates will be separate (or 'ring-fenced') from each other series of Certificates. In relation to the Currency Hedged Certificates, the Company uses a hedging mechanism which is designed to reduce exposure of the underlying Commodity to exchange rate fluctuations between US dollars and the currency in which the Certificate is denominated.

During the financial year:

- Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates were issued;
- the Company made a profit of USD 375 (2019: USD 375);
- the net changes in fair value of Commodities at fair value through profit or loss amounted to USD 2,144,939,419 (2019: USD 1,107,873,178);
- the net changes in fair value of financial liabilities designated at fair value through profit or loss amounted to USD 2,128,535,465 (2019: USD 1,092,538,915);
- the net changes in fair value of foreign exchange derivative amounted to USD 4,486,118 (2019: USD Nil);
- the Company issued USD 9,890,947,955 (2019: USD 5,032,157,852) and repaid USD 4,938,650,485 (2019: USD 3,884,732,382) of Certificates in kind;
- the Company's accounts linked to a portfolio of underlying Commodities increased due to additions of gold, silver, platinum and palladium amounting to USD 9,919,849,949 (2019: USD 5,032,157,852);
- the Company's accounts linked to a portfolio of underlying Commodities reduced due to sale of gold, silver, platinum and palladium amounting to USD 4,984,044,204 (2019: USD 3,899,611,976);
- the Commodities at fair value through profit or loss increased by 98% compared to the reporting year ended 31 December 2019 (2019: increased by 45%); and
- the financial liabilities at fair value through profit or loss increased by 98% compared to the reporting year ended 31 December 2019 (2019: increased by 45%).

Business review and key performance indicators (continued)

During the financial year (continued)

- There were new subscriptions in the following Series of Certificates:

Series	Description	Maturity date	CCY	Nominal
Series 1	- Secured Gold-Linked Certificates	31-Dec-2100	USD	55,430,973
Series 2	- Secured Silver-Linked Certificates	31-Dec-2100	USD	8,636,633
Series 3	- Secured Platinum-Linked Certificates	31-Dec-2100	USD	450,500
Series 4	- Secured Palladium-Linked Certificates	31-Dec-2100	USD	221,000
Series 5	- Secured Gold-Linked EUR Hedged Certificates	31-Dec-2100	EUR	4,019,000
Series 6	- Secured Gold-Linked GBP Hedged Certificates	31-Dec-2100	GBP	651,700

the following Series of Certificates were partially redeemed:

Series	Description	Maturity date	CCY	Nominal
Series 1	- Secured Gold-Linked Certificates	31-Dec-2100	USD	27,345,592
Series 2	- Secured Silver-Linked Certificates	31-Dec-2100	USD	5,857,833
Series 3	- Secured Platinum-Linked Certificates	31-Dec-2100	USD	442,200
Series 4	- Secured Palladium-Linked Certificates	31-Dec-2100	USD	103,983
Series 5	- Secured Gold-Linked EUR Hedged Certificates	31-Dec-2100	EUR	3,051,000
Series 6	- Secured Gold-Linked GBP Hedged Certificates	31-Dec-2100	GBP	50,000

- The Directors, in conjunction with the Portfolio Advisor, have considered any potential impact on the Company following the departure of the United Kingdom from the European Union and have concluded that there is no negative impact on the Company from the departure of the United Kingdom from the European Union.

- The prices of Commodities have increased during the period. Please see below table for further details:

Underlying Commodities	**Price per ounce 31-Dec-20**	**Price per ounce 31-Dec-19**	**Increase in price 31-Dec-20 %**	**Price per ounce 31-Dec-18**	**Increase in price 31-Dec-19 %**
Gold	1,891.10	1,523.00	24.17%	1,281.65	18.83%
Silver	26.49	18.05	46.77%	15.47	16.68%
Platinum	1,075.00	971.00	10.71%	794.00	22.29%
Palladium	2,370.00	1,920.00	23.44%	1,263.00	52.02%

The below table highlights the movement in foreign exchange during the period.

Fx Rate	**31-Dec-20**	**31-Dec-19**	**Movement (%) in 31-Dec-20**	**31-Dec-18**	**Movement (%) in 31-Dec-19**
EUR - USD	1.2216	1.1213	8.94%	1.1467	-2.22%
GBP - USD	1.3670	1.3254	3.14%	1.2754	3.92%

As at 31 December 2020:

- the Company's total Certificates' indebtedness was USD 14,307,533,903 (2019: USD 7,226,700,968); and
- the Company has invested in Commodities at fair value through profit or loss of USD 14,308,984,877 (2019: USD 7,228,239,713);
- the net assets were USD 60,012 (2019: USD 59,637).
- the Company had the following Certificates in issue:

Series	Description	Maturity date	CCY	Nominal
Series 1	- Secured Gold-Linked Certificates	31-Dec-2100	USD	76,419,184
Series 2	- Secured Silver-Linked Certificates	31-Dec-2100	USD	6,378,685
Series 3	- Secured Platinum-Linked Certificates	31-Dec-2100	USD	165,675
Series 4	- Secured Palladium-Linked Certificates	31-Dec-2100	USD	147,707
Series 5	- Secured Gold-Linked EUR Hedged Certificates	31-Dec-2100	EUR	968,000
Series 6	- Secured Gold-Linked GBP Hedged Certificates	31-Dec-2100	GBP	601,700

- the reduction percentage used to calculate the arranger fees for Gold have decreased. Please refer to note 7 for more details.

Future developments

The Directors expect the present level of activity to be sustained for the foreseeable future.

Results and dividends for the financial year and state of affairs at 31 December 2020

The results for the financial year are set out on page 15. No dividends are recommended by the Directors for the financial year under review (2019: USD Nil).

Changes in directors, secretary and registered office

There have been no changes in Directors, registered office or secretary during the financial year.

Directors, secretary and their interests

None of the Directors and secretary who held office on 31 December 2020 held any shares in the Company at that date, or during the financial year. The transactions in relation to the Directors have been disclosed under note 19 to the financial statements.

Going concern

The Company's financial statements for the financial year ended 31 December 2020 have been prepared on a going concern basis.

Covid-19 Global Pandemic

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China. As the pandemic evolved, many areas detected imported cases and local transmission of COVID-19. As of now, COVID-19 has since spread to most countries worldwide. On March 11, 2020 the World Health Organization ("WHO") declared COVID-19 a pandemic. The spread of the COVID-19 outbreak has caused severe disruptions in the Irish and global economy and financial markets. Many countries, including Ireland, have reacted by instituting quarantines, mandating business and school closures and restricting travel. The outbreak triggered a period of global economic slowdown.

The Directors have considered the impact of COVID-19 on the going concern assumption of the Company. The limited recourse nature of the Certificates issued by the Company limit the investors' recourse to the value of the underlying Commodities of the particular Certificates issued. The Certificates issued are sold to Authorised Participants only who in return transfer the corresponding amount of the relevant Commodities.

A high-level analysis was made on the liquidity and performance of the Company, following the financial year end 31 December 2020. Based on this, the Directors note that there has not been any negative change in the value of the Commodities as the prices of the Commodities as compared to the financial year end 31 December 2019 have increased and that the level of activity has remained stable post the financial year end indicating that the Company continues to generate substantial cash flows to meet its contractual obligations in relation to the payment of management fees as they fall due. During the year, the Company issued two new Series namely Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates. Post the financial year end, as at 15 April 2021, the prices of the Commodities have remained stable and the level of activity have increased. The Administrator has taken measures to ensure business continuity.

Risk and uncertainties

The Company is subject to various risks.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has entered into a foreign exchange hedging agreement to mitigate its exposure to currency. The Company is exposed to movement in exchange rates between the USD, its functional currency, and certain foreign currencies namely EUR (EUR) and British Pound (GBP). Refer to note 20 for further details.

Price risk

Price risk is the risk that the value of Commodities will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or other factors affecting all instruments traded in the market. Refer to note 20 for further details.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. All management and administration functions are outsourced to Vistra Alternative Investments (Ireland) Limited ('VAIIL'). Deutsche Bank AG, London Branch acts as the Company's principal paying agent as at 31 December 2020. J.P. Morgan Administration Services (Ireland) Limited acts as the portfolio administrator as at 31 December 2020.

The principal risks facing the Company are outlined in note 20 to the financial statements.

Subsequent events

All subsequent events are disclosed in note 24 to the financial statements.

Credit events

There were no credit events noted during the financial year.

Corporate Governance Statement

Introduction

The Company is subject to and complies with the Act and the listing rules of Euronext Dublin, Swiss Stock Exchange (SIX), London Stock Exchange, Borsa Italiana, Euronext Amsterdam and Deutsche Borse (Xetra). The Act requires the inclusion of a corporate governance statement in the Directors' report. The Company meets the criteria for a Section 110 Company under the Taxes Consolidation Act 1997 (as amended). Each of the service providers engaged by the Company is subject to their own corporate governance requirements.

By virtue of the listing on Euronext Dublin, certain Series are admitted to trading on the London Stock Exchange on a "cross listing" basis. In the context, however, of corporate governance, the Series are not subject to the listing requirements of the London Stock Exchange but instead comply with those of Euronext Dublin. In respect of Series admitted to trading on Xetra, SIX, Borsa Italiana and Euronext Amsterdam, the Series are listed directly with the exchanges and are required to comply with the listing requirements of the local jurisdiction. Please refer to listing details on page 2.

Financial Reporting Process

The Board of Directors (the "Board") is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing VAIIL to maintain the accounting records of the Company independently of Invesco UK Services Limited (the "Arranger") and JP Morgan Chase Bank, N.A., London Branch (the "Custodian").

The Administrator is contractually obliged to maintain proper books and records as required by the corporate services agreement. To that end the Administrator performs reconciliations of its records to those of the Arranger and the Custodian. The Administrator is also contractually obliged to prepare for review and approval by the Board the annual report including financial statements intended to give a true and fair view.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external auditor's performance, qualifications and independence. The Administrator has operating responsibility for internal control in relation to the financial reporting process.

Risk assessment

The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board has also put in place processes to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements. More specifically:

- the Administrator has a review procedure in place to ensure errors and omissions in the financial statements are identified and corrected; and
- regular training on accounting rules and recommendations is provided to the accountants, employed by the Administrator.

Control activities

The Administrator is contractually obliged to design and maintain control structures to manage the risks which the Board judges to be significant for internal control over financial reporting.

These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report.

Monitoring

The Board has an annual process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the independent auditor.

Given the contractual obligations on the Administrator, the Board has concluded that there is currently no need for the Company to have a separate internal audit function in order for the Board to perform effective monitoring and oversight of the internal control and risk management systems of the Company in relation to the financial reporting process.

Capital Structure

The 40,000 issued shares are held by Vistra Capital Markets (Ireland) Limited in trust for charitable purposes under the terms of declaration of trust. Refer to note 17 for further details.

There are no restrictions on voting rights.

Powers of Directors

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the third parties, subject to the supervision and direction by the Directors. The Directors have delegated the day to day administration of the Company to the Administrator.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association and the Act. The Articles of Association may be amended by special resolution of the shareholders.

Corporate Governance Statement (continued)

Internal Control and Risk Management Systems in Relation to Financial Reporting

The Directors are responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives. The Board has put in place procedures to ensure that relevant accounting records for the Company are properly maintained and are readily available and includes the procedure for the production of half yearly unaudited and yearly audited financial statements for the Company. The half yearly unaudited and yearly audited financial statements of the Company are produced by the Administrator, reviewed by the Programme Administrator, then presented to the Board of Directors for consideration and approval and are filed with the Companies Registration Office in accordance with the provisions of the Transparency Directive (2004/109/EC Regulations 2007 (as amended)).

Audit committee

Under Section 1551(1) of the Act, all public-interest entities are required to establish an audit committee, subject to certain exemptions. Section 167 of the Act also requires the Directors of PLC's or large companies (as such term is defined in the Act) to establish an audit committee or to state the reasons for not establishing such a committee.

As set out in Section 1551(11)(c) of the Act, a company issuing asset backed securities may avail of an exemption from the requirements to establish an audit committee. The sole business of the Company relates to the issuing of asset-backed securities and as such, the Company has availed itself of the exemption under Section 1551(11)(c) of the Act.

Accounting records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Act with regards to keeping adequate accounting records by employing accounting personnel with appropriate experience and expertise and by providing services to the financial function. The accounting records of the Company are maintained at Block A, George's Quay Plaza, George's Quay Dublin 2, Ireland.

Political donations

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over EUR 200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 31 December 2020.

Independent auditors

PricewaterhouseCoopers, Chartered Accountants and Registered Auditors, resigned as auditors on 30 April 2020. On 03 June 2020, KPMG, Chartered Accountants and Statutory Audit firm were appointed as auditors in accordance with Section 383(2) of the Act for the financial year.

Relevant audit information

Each Director at the date of approval of this report confirms that:

- so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of this information

Responsibility statement of the Directors in respect of the Directors' Report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Directors' report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face.

Directors' Compliance Statement

The Directors confirm that:

- they acknowledge that they are responsible for securing the Company's compliance with its relevant obligations;
- they have drawn up a compliance policy statement setting out the Company's compliance with the relevant obligations;
- they have, to the best of their knowledge, complied with its relevant obligations as defined in section 225 of the Act;
- relevant arrangements and structures have been put in place that provide a reasonable assurance of compliance in all material respects by the Company with its relevant obligations, which arrangements and structures may, if the Directors so decide, include reliance on the advice of one or more than one person employed by the Company or retained by it under a contract for services, being a person who appears to the Directors to have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations; and
- the arrangements and structures in place, are reviewed on an annual basis.

The financial statements are published on the etf.invesco.com website. The Directors and the Arranger are responsible for the financial statements included on the etf.invesco.com website. Legislation in Ireland governing the presentation and dissemination of the financial statements may differ from legislation in other jurisdictions.

On behalf of the board

Eimir McGrath
Director

Bronagh Hardiman
Director

Date: 30.04.2021

Directors' responsibilities statement
Annual Report and Audited Financial Statements 2020

The Directors are responsible for preparing the Directors' report and financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. The Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

Under the Act, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Act. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the financial statements included on the etf.invesco.com website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board

Eimir McGrath
Director

Bronagh Hardiman
Director

Date: 30/04/2021

KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESCO PHYSICAL MARKETS PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Invesco Physical Markets plc ('the Company') for the year ended 31 December 2020 set out on pages 15 to 38, which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity, Statement of cash flows and related notes, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2020 and of its profit from operations for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Board of Directors.

We were appointed as auditor by the directors on 3 June 2020. The period of total uninterrupted engagement for is therefore one year for the year ended 31 December 2020. We have fulfilled our ethical responsibilities under, and we remained independent of the Company in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the director's assessment of the entity's ability to continue to adopt the going concern basis of accounting included our knowledge of the Company and the asset management industry to identify the inherent risks to the Company's business model and analysing how those risks might affect the Company's financial resources or ability to continue as a going concern over the twelve months from the date of when the financial statements are authorised for issue. As part of our evaluation we note that the Company issued, and continues to issue, a large number of certificates, through different series of certificates. The Company also has a diversified portfolio of several different metals. Post the financial year end, the prices of the Commodities and the level of activity have remained stable indicating that the Company continues to generate substantial cash flows to meet its contractual obligations in relation to the payment of management fees as they fall due.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESCO PHYSICAL MARKETS PLC (continued)

Conclusions relating to going concern (continued)

We considered other factors that could impact the Company, including the current economic conditions of the markets in which the Company invests, and the Directors assessment of the operational resilience of the Company.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

Accuracy of commodities at fair value through profit or loss $14,308,984,877 (2019: $7,228,239,713)

Refer to note 3 (accounting policy) and note 14 (Commodities at fair value through profit or loss) to the financial statements

The key audit matter – Accuracy of commodities at fair value through profit or loss

The Company's investment in commodities make up the majority of the total asset value of the Company and are considered to be the key driver of the Company's results.

While the nature of the commodities held do not require a significant level of judgement as they comprise of precious metals which have observable quoted prices on actively traded markets, due to their significance in the context of the financial statements as a whole, the commodities were identified as a matter which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.

How our audit addressed the key audit matter

Our audit procedures over the accuracy of the Company's commodities included but were not limited to:

– Obtaining and documenting our understanding of the process in place to value the commodities;
– With the assistance of our valuation specialists, independently revalued the commodities held by the Company and determining that the prices were within a reasonable range; and
– Obtaining independent confirmation of the commodities from the custodian, reconciling them to the Company's records and obtaining an understanding of any differences.

Based on the audit procedures performed, we found the accuracy of the commodities appears to be reasonable.

KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESCO PHYSICAL MARKETS PLC (continued)

Existence of commodities at fair value through profit or loss $14,308,984,877 (2019: $7,228,239,713)

Refer to note 3 (accounting policy) and note 14 (Commodities at fair value through profit or loss) to the financial statements.

The key audit matter – Existence of commodities at fair value through profit or loss	How the matter was addressed in our audit
Due to the size of the portfolio and the fact that the commodities are the main asset owned by the Company, the existence of the commodities at fair value through profit or loss was identified as a key audit matter which had a significant effect on our overall audit strategy and allocation of resources in planning and completing our audit.	Our procedures over the existence of the Company's commodities included, but were not limited to: – Obtaining an independent third-party confirmation directly from the custodian, JP Morgan Chase Bank, N.A and agreeing the confirmation to the quantity of commodities held at year end. Based on the audit procedures performed, we concluded that the existence of commodities at fair value through profit or loss was not materially misstated.

Our application of materiality and an overview of the scope of our audit

The materiality for the Company financial statements as a whole was set at $143.1m. This has been calculated with reference to a benchmark of the Company's total assets, (of which it represents 100 basis points) as at 31 December 2020, which we consider to be one of the principal considerations for members of the Company in assessing the financial performance of the Company. We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit with a value in excess of 5 basis points of the Company's total asset value, in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

In planning the audit, we applied materiality to assist us in determining audit scoping and risk assessment.

Our audit of the Company was undertaken to the materiality level specified above and was all performed by the one engagement team in Dublin.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' Report and the Directors' responsibilities statements. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESCO PHYSICAL MARKETS PLC (continued)

Other information (continued)

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Corporate governance disclosures

As required by the Companies Act 2014, we report, in relation to information given in the Corporate Governance Statement on pages 6 to 7, that:

- based on the work undertaken in the course of our audit, in our opinion:
  - the description of the main features of the internal control and risk management systems in relation to the process for preparing the financial statements is consistent with the financial statements and has been prepared in accordance with the Companies Act 2014;
  - the Company is not subject to the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 and therefore not required to include information relating to voting rights and other matters required by those Regulations and specified by the Companies Act 2014 for our consideration in the Corporate Governance Statement;
  - the Corporate Governance Statement contains the information required by the Companies Act 2014.

Based on knowledge and understanding of the Company and its environment obtained in the course of our audit, no material misstatements in the information identified have come to our attention.

Our opinions on other matters prescribed the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purpose of our audit.

In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company's financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosure of directors' remuneration and transactions required by Section 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Directors' responsibilities

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INVESCO PHYSICAL MARKETS PLC (continued)

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud, other irregularities or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud or other irregularities is higher than for one resulting from error, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control and may involve any area of law and regulation and not just those directly affecting the financial statements.

A fuller description of our responsibilities is provided on IAASA's website at
http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for our report, or for the opinions we have formed.

Jorge Fernandez Revilla *30 April 2021*
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1

Statement of comprehensive income

For the financial year ended 31 December 2020	Notes	Financial year ended 31 December 2020 USD	Financial year ended 31 December 2019 USD
Net changes in fair value of commodities at fair value through profit or loss	4	2,144,939,419	1,107,873,178
Net changes in fair value of financial liabilities designated at fair value through profit or loss	5	(2,128,535,465)	(1,092,538,915)
Net changes in fair value of foreign exchange derivative	6	4,486,118	-
Other expenses	7	(20,893,328)	(15,334,702)
Other income	8	3,756	939
Operating profit before taxation		**500**	**500**
Tax on profit	9	(125)	(125)
Profit for the financial year		**375**	**375**

All items dealt with in arriving at the profit for the financial year ended 31 December 2020 related to continuing operations.

The Company had no recognised gains or losses in the financial year other than those dealt with in the Statement of comprehensive income.

On behalf of the board

Eimir McGrath
Director

Bronagh Hardiman
Director

Date: 30/04/2021

The accompanying notes to the financial statements on pages 19 to 38 form an integral part of these financial statements.

Statement of financial position

As at 31 December 2020	Notes	31 December 2020 USD	31 December 2019 USD
Assets			
Current assets			
Cash and cash equivalents	10	233,222	233,163
Other receivables	11	49,553	49,112
Derivative financial instruments	13	387,401	-
Commodities at fair value through profit or loss	14	14,308,984,877	7,228,239,713
Total assets		**14,309,655,053**	**7,228,521,988**
Liabilities and equity			
Current liabilities			
Other payables	16	2,061,138	1,761,383
Financial liabilities designated at fair value through profit or loss	15	14,307,533,903	7,226,700,968
Total liabilities		**14,309,595,041**	**7,228,462,351**
Shareholder's Funds - Equity			
Called up share capital presented as equity	17	55,512	55,512
Revenue reserves		4,500	4,125
Total equity		60,012	**59,637**
Total liabilities and equity		**14,309,655,053**	**7,228,521,988**

On behalf of the board

Eimir McGrath
Director

Bronagh Hardiman
Director

Date: 30/04/2021

The accompanying notes to the financial statements on pages 19 to 38 form an integral part of these financial statements.

Statement of changes in equity

For the financial year ended 31 December 2020	**Share capital USD**	**Revenue reserves USD**	**Total equity USD**
Balance as at 1 January 2019	**55,512**	**3,750**	**59,262**
Total comprehensive income for the financial year			
Profit for the financial year	-	375	375
Balance as at 31 December 2019	**55,512**	**4,125**	**59,637**
Balance as at 1 January 2020	**55,512**	**4,125**	**59,637**
Total comprehensive income for the financial year			
Profit for the financial year	-	375	375
Balance as at 31 December 2020	**55,512**	**4,500**	**60,012**

The accompanying notes to the financial statements on pages 19 to 38 form an integral part of these financial statements.

Statement of cash flows

For the financial year ended 31 December 2020	**Notes**	**Financial year ended 31 December 2020 USD**	**Financial year ended 31 December 2019 USD**
Cash flows from operating activities			
Profit before taxation		500	500
Adjustments for:			
(Increase)/decrease in other receivables		(441)	5,423,220
Increase/(decrease) in other payables		299,755	(4,968,747)
Foreign exchange (gain)/loss		(636)	234
Fair value movement on commodities at fair value through profit or loss	4	(2,144,939,419)	(1,107,873,178)
Fair value movement on financial liabilities designated at fair value through profit or loss	5	2,128,535,465	1,092,538,915
Net changes on movement on foreign exchange derivative	6	(4,486,118)	-
Proceeds from disposal of commodities at fair value through profit or loss	14	20,590,442	14,879,594
Tax paid		(125)	(125)
Net cash (used in)/generated from operating activities		**(577)**	**413**
Net (decrease)/increase in cash and cash equivalents		**(577)**	**413**
Cash and cash equivalents at start of the financial year		233,163	232,984
Effect of movements in exchange rates on cash held		636	(234)
Cash and cash equivalents at end of the financial year	10	**233,222**	**233,163**

Below are the non cash transactions in relation to Commodities and financial liabilities which are disclosed in notes 13, 14 and 15 respectively.

Non-cash transactions during the year include:			
Issuance of financial liabilities designated at fair value through profit or loss	15	9,890,947,955	5,032,157,852
Redemption of financial liabilities designated at fair value through profit or loss	15	(4,938,650,485)	(3,884,732,382)
Purchase of Commodities at fair value through profit or loss	14	(9,919,849,949)	(5,032,157,852)
Disposal of Commodities at fair value through profit or loss	14	4,963,453,762	3,884,732,382
Settlement of foreign exchange derivatives	13	4,098,717	-
		-	-

The accompanying notes to the financial statements on pages 19 to 38 form an integral part of these financial statements.

Notes to the financial statements

1. General information

The Company is a limited liability company, incorporated on 26 May 2009 in Ireland under the Act and has established the Programme pursuant to which the Company may, from time to time, issue Certificates on the terms set out in the prospectus and final terms in respect of the relevant Certificates. The aggregate number of Certificates outstanding under the Programme will not at any time exceed 1,000,000,000 provided that the Company may increase such limit from time to time (subject to compliance with the relevant transaction documents). The Certificates of each series issued under the Programme will be in registered form and will be represented by a global certificate deposited with a common depositary for, and registered in the name of a common nominee of Euroclear and/or Clearstream, Luxembourg.

The Company has invested in Gold, Silver, Platinum and Palladium (the "Commodities").

The Company has issued Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates during the financial year. The Currency Hedged Certificates are certificates where the specified currency is a currency other than the Commodity Currency. The Currency Hedged Series incorporate a foreign exchange hedging mechanism to hedge Certificate holders' exposure to fluctuations in the exchange rate between the specified currency of the relevant Currency Hedged Series and the Commodity Currency. The Series 5 - Secured Gold-Linked EUR Hedged Certificates and the Series 6 - Secured Gold-Linked GPB Hedged Certificates are subject to a foreign exchange hedge. The foreign exchange hedge is effected by reflecting the effect of a notional forward sale of the Commodity Currency and purchase of the currency in which the Currency Hedged Certificates are denominated.

The Company has no employees.

Series 1 - Secured Gold-Linked Certificates are listed on Euronext Dublin, Swiss Stock Exchange (SIX), main market of the London Stock Exchange, Borsa Italiana, Euronext Amsterdam and Deutsche Borse (Xetra). Series 2 - Secured Silver-Linked Certificates, Series 3 Secured Platinum-Linked Certificates, Series 4 - Secured Palladium-Linked Certificates are listed on the main market of the London Stock Exchange and Euronext Dublin and Series 5 - Secured Gold-Linked EUR Hedged Certificates are listed on Xetra and Series 6 - Secured Gold-Linked GBP Hedged Certificates are listed on the main market of the London Stock Exchange.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and its interpretations as adopted by the EU and in accordance with the Act.

The accounting policies set out below have been applied in preparing the financial statements for the financial year ended 31 December 2020; the comparative information for the financial year ended 31 December 2019 presented in these financial statements has been prepared on a consistent basis.

These financial statements have been prepared on a going concern basis as defined in the Directors' report.

The Directors have taken into consideration all the available relevant information in relation to the Company's ability to continue as going concern. The response to the impact of COVID-19 is set out in the Directors' report. During the financial year, the Company issued two Series namely Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates. Post the financial year end, the prices of the Commodities and the level of activity have remained stable. The Administrator has taken measures to ensure business continuity. As a consequence, the Directors have a reasonable expectation that the Company has sufficient viability to continue in operational existence for the foreseeable future, being at least 12 months subsequent to the approval of the financial statements for the year ended 31 December 2020. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Changes in accounting policies

Standards and amendments to existing standards effective 1 January 2020

The Directors have considered the below new standards effective 1 January 2020:

Standards/interpretations	Effective date*
IAS 1 and IAS 8: Amendments regarding the definition of material	1 January 2020
IFRS 3 Business Combinations: Amendments to clarify the definition of a business	1 January 2020
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020
IFRS 9 Financial Instruments: Amendments regarding pre-replacement issues in the context of the IBOR	1 January 2020

None of the above standards, amendments and interpretations had a significant impact on the Company's financial statements.

2. Basis of preparation (continued)

(b) Changes in accounting policies (continued)

New standards, amendments and interpretations effective after 1 January 2020 and have not been early adopted

Description	Effective date*
Amended by Covid-19-Related Rent Concessions (Amendment to IFRS 16)	1 June 2020**
Interest rate benchmark reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	1 January 2021**
Amendments to IFRS 3 Business Combinations	1 January 2022**
Amendments to IAS 16 Property, Plant and Equipment	1 January 2022**
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
IFRS 17: Insurance contracts	1 January 2023**
IAS 1 Presentation of Financial Statements: Amendments regarding the classification of liabilities	1 January 2023

* Where new requirements are endorsed, the EU effective date is disclosed. For un-endorsed standards and interpretations, the IASB's effective date is noted. Where any of the requirements are applicable to the Company, it will apply them from their EU effective date.

** Not endorsed.

The Company has not adopted any other new standards or interpretations that are not mandatory. The Directors anticipate that the adoption of those standards or interpretations will have no material impact on the financial statements of the Company in the period of initial application.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Commodities at fair value through profit or loss are measured at fair value;
- Financial liabilities designated at fair value through profit or loss are measured at fair value; and
- Derivative financial instruments.

The methods used to measure fair values are discussed further in note 3(b) and 3(c).

(d) Functional and presentation currency

The financial statements are presented in US Dollars ("USD") which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The financial liabilities designated at fair value through profit or loss are primarily denominated in USD. The Directors of the Company believe that USD most faithfully represents the economic effects of the underlying transactions, events and conditions.

(e) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies which are detailed under note 3 and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies
The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Determining fair values
The determination of fair value for financial assets and liabilities is described in accounting policy note 3(b) "Commodities" and 3(c) “Financial Instruments”. For Commodities that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific commodity.

2. Basis of preparation (continued)

(e) Use of estimates and judgements (continued)

Determination of Commodities at fair value through profit or loss
Under IFRS there is no standard treatment for the classification of commodities. The Commodities are held to provide the Certificate holders with the exposure to changes in the fair value of Commodities and therefore the Directors consider that carrying the Commodities at fair value through profit or loss, consistent with the treatment that would be applicable to a financial instrument, reflects the objectives and the purpose of holding this asset.

The Directors believe that the most appropriate basis for accounting of Commodities is at fair value using the prices quoted by the London Bullion Market Association.

Determination of derivative financial instruments
The Directors believe that the most appropriate basis for accounting for derivative financial instruments are at fair value based on the below valuation technique.

Determination of fair value of financial liabilities issued at fair value through profit or loss
The financial liabilities designated at fair value through profit or loss are measured using the price of the Certificates determined by reference to the quoted prices on the relevant stock exchange. Please refer to note 3(c) "Financial instruments" for further details.

Key sources of estimation uncertainty
The Company's financial instruments and Commodities are classified as Level 1 and Level 2 and hence there are no significant key sources of estimation uncertainty.

Fair value measurements and valuation processes
Commodities at fair value through profit or loss
The fair value of the Commodities are calculated by multiplying the Commodities balance at year end with the prices quoted by the London Bullion Market Association at year end. Further details have been described in accounting policy in notes 3(b) and 20.

Derivative financial instruments
The fair value of open foreign exchange derivative is calculated as the difference between the contracted rate and the current forward rate that would close out the contract on the valuation date. The unrealised gain or loss on open foreign exchange derivative is calculated by reference to the difference between the contracted rate and the rate to close out the contract as at the year-end date.

Realised gains or losses, which are recognised on the maturity of a contract, include net gains on contracts which have been settled or offset by other contracts and is settled in the relevant Commodities. Realised gains or losses and changes in unrealised gains or losses are recognised in the Statement of Comprehensive Income. Unrealised gains and losses are included in the Statement of Financial Position.

Financial liabilities at fair value through profit or loss
The best approach to value the Certificates are the prices quoted on the relevant stock exchange market. Please refer to note 3(c) "Financial instruments" for further details.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in the Statement of comprehensive income.

(b) Commodities

The Company holds Commodities at least equal to the amount due to holders of Certificates solely for the purpose of meeting its obligations under the Certificates subject to the limited recourse nature of the Certificates.

The Commodities are measured at fair value and changes in fair value are recognised in the Statement of Comprehensive Income. Any costs in connection with the sale of Commodities that arise in the course of settling the Company's obligations under the Certificates are borne by the holders of the Certificates.

Initial recognition
Commodities at fair value through profit or loss are recognised initially at the trade date when the Company becomes a party to its contractual provisions.

Derecognition
The Company derecognises Commodities at fair value through profit or loss when the contractual rights from the asset have expired, or the Company has transferred the rights in a transaction in which substantially all the risks and rewards of ownership are transferred.

3. Significant accounting policies (continued)

(b) Commodities (continued)

Valuation of Commodities at fair value through profit or loss
Gold is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Gold price AM on 31 December 2020 was used to value the gold as this was the last fix price available from the London Bullion Market Association for the year.

Silver is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Silver price AM on 31 December 2020 was used to value the silver as this was the last fix price available from the London Bullion Market Association for the year.

Platinum is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Platinum price AM on 31 December 2020 was used to value the platinum as this was the last available fix price available from the London Bullion Market Association for the year.

Palladium is recorded at fair value less costs to sell using the last available price, nearest or at year-end, quoted by the London Bullion Market Association. The Palladium price AM on 31 December 2020 was used to value the palladium as this was the last available fix price available from the London Bullion Market Association for the year.

(c) Financial instruments

Initial recognition
All financial assets and all financial liabilities (including financial liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company issues Certificates to provide investors with exposure to the performance of the various Commodities. The Certificates are backed by fully allocated physical holdings of the relevant Commodity. A certificate is issued or redeemed when a corresponding amount of Commodity has transferred into or from the allocated accounts maintained by the Custodian.

Classification
The Company has classified financial assets and financial liabilities into the following categories:
Financial liabilities at fair value through profit or loss:
- Financial liabilities designated at fair value through profit or loss

Financial assets at fair value through profit or loss:
- Derivative financial instruments

Financial assets at amortised cost:
- Cash and cash equivalents and other receivables

Financial liabilities at amortised cost:
- Other payables

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method or any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Classification and measurement of Certificates
The Company designates the Certificates issued as financial liabilities at fair value through profit or loss both on initial recognition and on an ongoing basis as a result of the embedded derivatives on the commodities and the foreign exchange derivative.

Derecognition
The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Offsetting
Financial assets and liabilities are offset and the net amount presented in the Statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Subsequent measurement
After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at their fair value. Subsequent changes in the fair value of financial instruments designated at fair value through profit or loss are recognised directly in the profit or loss in the Statement of comprehensive income. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The price of the Certificates are determined by the prices quoted on the relevant stock exchange market. Changes in the fair value of the Certificates are recognised in the Statement of comprehensive income. The Certificates have been designated as at fair value through profit or loss with gains or losses being recognised in the Statement of comprehensive income.

Derivative financial instruments
The Currency Hedged Certificates incorporate a foreign exchange hedging mechanism to hedge fluctuations in the exchange rate between the specified currency of the relevant Currency Hedged Series and the Commodity Currency. This is achieved by reflecting the effect of a notional forward sale of the currency the Commodities are traded and purchase of the currency in which the Currency Hedged Certificates are denominated.

3. Significant accounting policies (continued)

(c) Financial instruments (continued)

Derivative financial instruments (continued)
The hedging mechanism may result in gains or losses. Such gains or losses will be reflected in the Per Certificate Entitlement and will therefore impact the value per Currency Hedged Certificate. The Company and the Currency Hedged Certificates Counterparty entered into a hedging arrangement pursuant to which the Company will agree to transfer underlying Commodities to and from the Currency Hedged Certificates Counterparty to reflect foreign exchange rate hedging gains and losses.

Derivative financial instruments include all derivative assets and liabilities that are used to economically hedge or create an appropriate risk exposure. Derivatives are not formally designated into a qualifying hedge relationship and therefore all changes in their fair value are recognised immediately in the Statement of comprehensive income. The only derivatives the Company has entered into is the foreign exchange hedging on the Currency Hedged Series. The Company will also be exposed to some risks by entering into foreign exchange hedging.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in the Statement of comprehensive income immediately. A derivative financial instrument with a positive fair value is recognised as a derivative financial asset and a derivative with a negative fair value is recognised as a derivative financial liability.

Under IFRS 9, the derivative financial assets are measured at fair value through profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks which are subject to insignificant risk of changes in their fair value, and are used by the Company in the management of its short term commitments. The cash and cash equivalents are held in segregated accounts with the respective banks.

Cash and cash equivalents are carried at amortised cost in the Statement of financial position.

(e) Share capital

Share capital is issued in Euro ("EUR").

(f) Net changes in fair value of Commodities at fair value through profit or loss

Net changes in fair value of Commodities at fair value through profit or loss relates to movement in prices of Commodities and includes all realised and unrealised fair value changes. The realised gain or loss arising from the disposal of the Commodities during the financial year are calculated by subtracting the proceeds from the disposal of the Commodities with the original cost of the Commodities.

(g) Net changes in fair value of financial liabilities designated at fair value through profit or loss

Net changes in fair value of financial liabilities designated at fair value through profit or loss relates to Certificates issued and includes all realised and unrealised fair value changes and foreign exchange differences arising on the Currency Hedged Series.

(h) Net changes in fair value of foreign exchange derivative

Net changes in fair value of foreign exchange derivative relates to the net transfer of Commodities to or from the Currency Hedged Certificates Counterparty as a result of foreign exchange rate hedging gains or losses on the Currency Hedged Series during the financial year.

(i) Other income and expenses

All income and expenses are accounted for on an accrual basis.

(j) Tax on profit

Tax on profit is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity consistent with the accounting for the item to which it is related.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates applicable to the Company's activities enacted at the reporting date, and adjustment to tax payable in respect of previous years.

3. Significant accounting policies (continued)

(k) Segmental reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). The Chief Operating Decision Maker (CODM) of the operating segment is the Board. The CODM is responsible for all the Company's activities. The Company is a special purpose vehicle whose principal activities are the issuance of Certificates and has invested in Commodities. The Board believes that each Series can be treated as a segment as the return on each Series is linked to a different Commodity. Refer to note 12 for further details.

4. Net changes in fair value of Commodities at fair value through profit or loss

	Financial year ended 31 December 2020 USD	Financial year ended 31 December 2019 USD
Net fair value gain on Commodities at fair value through profit or loss	2,144,939,419	1,107,873,178
	2,144,939,419	**1,107,873,178**

5. Net changes in fair value of financial liabilities designated at fair value through profit or loss

	Financial year ended 31 December 2020 USD	Financial year ended 31 December 2019 USD
Net fair value loss on financial liabilities designated at fair value through profit or loss	(2,128,535,465)	(1,092,538,915)
	(2,128,535,465)	**(1,092,538,915)**

6. Net changes in fair value of foreign exchange derivative

	Financial year ended 31 December 2020 USD	Financial year ended 31 December 2019 USD
Net gain on foreign exchange derivative	4,486,118	-
	4,486,118	**-**

7. Other expenses

	Financial year ended 31 December 2020 USD	Financial year ended 31 December 2019 USD
Arranger fees*	(20,890,072)	(15,334,442)
Bank charges	(3,256)	(26)
Foreign exchange loss on cash	-	(234)
	(20,893,328)	**(15,334,702)**

* *The arranger fees relate to the fees paid to the Arranger in consideration for its services and also its agreement to pay the fees and expenses due to the other service providers in connection with the Programme. The fees are calculated using a reduction percentage applied to the Commodities over the period. The arranger fees are paid on a monthly basis in cash through the disposal of Commodities. The reduction percentage for each Series are detailed below:*

	Financial year ended 31 December 2020	Financial year ended 31 December 2019	Financial year ended 31 December 2020	Financial year ended 31 December 2019
Gold (Effective from 3 February 2020 till 7 August 2020)			0.19%	0.24%
Gold (Effective as from 7 August 2020)	20,138,586	15,094,999	0.15%	-
Silver	410,135	185,553	0.39%	0.39%
Platinum	59,220	39,461	0.39%	0.39%
Palladium	45,161	14,429	0.39%	0.39%
Gold EUR Hedged	201,537	-	0.44%	-
Gold GBP Hedged	35,433	-	0.44%	-
	20,890,072	**15,334,442**		

8. Other income

	Financial year ended 31 December 2020 USD	Financial year ended 31 December 2019 USD
Corporate benefit	500	500
Foreign exchange gain on cash	636	-
Other income	2,620	439
	3,756	**939**

9. Tax on profit

	Financial year ended 31 December 2020 USD	Financial year ended 31 December 2019 USD
Profit before tax	**500**	**500**
Current tax at standard rate of 25%	(125)	(125
Current tax charge	**(125)**	**(125)**

The Company is charged to corporation tax at a rate of 25% (2019: 25%). The Company will continue to be taxed at 25% in accordance with Section 110 of the Taxes Consolidation Act 1997 (as amended).

10. Cash and cash equivalents

	31 December 2020 USD	31 December 2019 USD
J.P. Morgan Chase Bank, N.A., London Branch	219,564	222,820
Deutsche Bank AG, London Branch	13,658	10,343
Cash at bank	233,222	233,163
Total cash and cash equivalents	**233,222**	**233,163**

As at 31 December 2020, cash at bank balances are held with JP Morgan (94%) (2019: 96%) and Deutsche Bank AG, London Branch 6% (2019: 4%). Refer to note 20 for credit risk and currency risk disclosures relating to cash and cash equivalents.

11. Other receivables

	31 December 2020 USD	31 December 2019 USD
Other income receivable	49,053	48,612
Corporate benefit receivable	500	500
	49,553	**49,112**

12. Segmental reporting

The split of Commodities designated at fair value through profit or loss and financial liabilities designated at fair value through profit or loss by Series is shown in notes 14 and 15 to the financial statements respectively. All of the Commodities at fair value through profit or loss consist of physical Commodity holdings. Details of the fair value movement by Series and the year end unit price by Series are included in note 15 which are the key measures of performance for each Series. Cash and cash equivalents, other receivables and other payables at the reporting dates have not been split by Series.

Each Series is structured to generate fair value gains on the Certificates which are linked to the return on the respective underlying metals in accordance with the Base Prospectus. As such the Directors deem all other profit and loss movements to be immaterial to the Series and have not included further disclosures. The listing details of the Company's Series are available in the principal activities section of the Directors' report. The Company has no assets classified as non-current assets.

Series 5 - Secured Gold-Linked EUR Hedged Certificates and Series 6 - Secured Gold-Linked GBP Hedged Certificates were issued during the financial year end. Apart from the issuance of the new Series, there were no other changes in the reportable segments during the financial year. There were no transactions between reportable segments during the financial year.

The Company does not have any customers that represent more than 10%.

13. Derivative financial instruments

Movement in derivative financial instruments	31 December 2020 USD	31 December 2019 USD
At start of financial year	-	-
Settlements during the financial year	(4,098,717)	-
Fair value changes on movement on foreign exchange hedge	4,486,118	-
At end of financial year	**387,401**	**-**

The table above relates to the fair value of the derivative financial instruments as at the financial year end.

Series	Buy	Currency Buy	Sell	Currency Sell	Fair value 31 December 2020 USD	Fair value 31 December 2019 USD
Series 5	47,489,604	EUR	58,667,870	USD	125,699	-
Series 6	26,468,202	GBP	36,349,069	USD	261,702	-
					387,401	**-**

The Company has entered into a hedging agreement for the Currency Hedged Certificates pursuant to which the Company will hedge its exposure to fluctuations in the exchange rate between the currency in which that Series is denominated and the currency in which the relevant underlying Commodity is typically quoted. The rationale behind entering into these instruments is to provide an asset risk profile which is suited to the needs of the investors (Certificate holders) and mitigate its exposure to market risk (currency risk) within the Company. The Company has entered into foreign exchange hedging agreement to hedge its exposure to in respect of Series 5 and Series 6.

14. Commodities at fair value through profit or loss

	31 December 2020 USD	31 December 2019 USD
Commodities	14,308,984,877	7,228,239,713
At start of financial year	7,228,239,713	4,987,820,659
Cash transactions		
Additions during the financial year	-	-
Disposals during the financial year	(20,590,442)	(14,879,594)
Non-cash transactions		
Additions during the financial year	9,919,849,949	5,032,157,852
Disposals during the financial year	(4,963,453,762)	(3,884,732,382)
Realised gain on disposal	1,256,001,739	265,005,207
Unrealised fair value movement	888,937,680	842,867,971
At end of financial year	**14,308,984,877**	**7,228,239,713**

Series name	Price per ounce 31 December 2020	Ounce Outstanding 31 December 2020	Fair value 31 December 2020 USD
Gold	1,891.10	7,403,518	14,000,791,957
Silver	26.49	6,143,022	162,697,945
Platinum	1,075.00	15,956	17,152,204
Palladium	2,370.00	14,225	33,713,233
Gold EUR Hedged	1,891.10	31,087	58,542,171
Gold GBP Hedged	1,891.10	19,069	36,087,367
		13,626,877	**14,308,984,877**

14. Commodities designated at fair value through profit or loss (continued)

Series name	Price per ounce 31 December 2019	Ounce Outstanding 31 December 2019	Fair value 31 December 2019 USD
Gold	1,523.00	4,691,374	7,144,962,837
Silver	18.05	3,480,496	62,805,554
Platinum	971.00	15,215	14,774,242
Palladium	1,920.00	2,967	5,697,080
		8,190,052	**7,228,239,713**

Series name	Description	Opening balance Ounce	Metal contributed Ounce	Metal distributed Ounce	Metal at 31 December 2020 Ounce	Fair value USD 31 December 2020
Series 1	Gold	4,691,374	5,374,764	(2,662,620)	7,403,518	14,000,791,957
Series 2	Silver	3,480,496	8,329,830	(5,667,304)	6,143,022	162,697,945
Series 3	Platinum	15,215	43,454	(42,713)	15,956	17,152,204
Series 4	Palladium	2,967	21,309	(10,051)	14,225	33,713,233
Series 5	Gold EUR Hedged	-	136,122	(105,035)	31,087	58,542,171
Series 6	Gold GBP Hedged	-	23,929	(4,860)	19,069	36,087,367
		8,190,052	**13,929,408**	**(8,492,583)**	**13,626,877**	**14,308,984,877**

Series name	Description	Opening balance Ounce	Metal contributed Ounce	Metal distributed Ounce	Metal at 31 December 2019 Ounce	Fair value USD 31 December 2019
Series 1	Gold	3,858,598	3,600,271	(2,767,495)	4,691,374	7,144,962,837
Series 2	Silver	2,319,195	3,059,970	(1,898,669)	3,480,496	62,805,554
Series 3	Platinum	5,181	55,206	(45,172)	15,215	14,774,242
Series 4	Palladium	1,955	6,782	(5,770)	2,967	5,697,080
		6,184,929	**6,722,229**	**(4,717,106)**	**8,190,052**	**7,228,239,713**

The Commodities are secured in favour of Intertrust Trustees Limited for the benefit of itself and the Certificate holders. The non-cash transactions relate to physical delivery of Commodities against delivery of Certificates.

The Commodities have upon initial recognition been measured at fair value through profit or loss. The Commodities are held as collateral for Certificates issued by the Company.

The carrying value of the assets and the other financial assets of the Company represent their maximum exposure to the credit risk. Refer to note 20 for credit risk disclosures relating to the holding of Commodities.

15. Financial liabilities designated at fair value through profit or loss

	31 December 2020 USD	31 December 2019 USD
Secured Precious Metals-Linked Certificates	14,307,533,903	7,226,700,968
At start of financial year	7,226,700,968	4,986,736,583
Non-cash transactions		
Issued during the financial year	9,890,947,955	5,032,157,852
Redemptions during the financial year	(4,938,650,485)	(3,884,732,382)
Realised loss on redemption	1,242,285,879	247,950,774
Unrealised fair value movement in liability	886,249,586	844,588,141
At end of financial year	**14,307,533,903**	**7,226,700,968**

The non-cash transactions relate to physical delivery of Commodities to meet the redemption requests on notes or as payment for subscriptions.

15. Financial liabilities designated at fair value through profit or loss (continued)

As at 31 December 2020, the outstanding units and the NAV for the Secured Precious Metals-Linked Certificates are as follows:

Series name	**Units Outstanding 31 December 2020**	**NAV per unit Local CCY 31 December 2020**	**NAV per unit USD 31 December 2020**	**Fair value USD 31 December 2020**
Series 1 - Secured Gold-Linked Certificates due 2100	76,419,184	183.19	183.19	13,999,024,251
Series 2 - Secured Silver-Linked Certificates due 2100	6,378,685	25.50	25.50	162,644,213
Series 3 - Secured Platinum-Linked Certificates due 2100	165,675	103.49	103.49	17,146,401
Series 4 - Secured Palladium-Linked Certificates due 2100	147,707	228.17	228.17	33,702,099
Series 5 - Secured Gold-Linked EUR Hedged Certificates due 2100	968,000	49.39	60.61	58,667,870
Series 6 - Secured Gold-Linked GBP Hedged Certificates due 2100	601,700	44.29	60.41	36,349,069
	84,680,951			**14,307,533,903**

As at 31 December 2019, the outstanding units and the NAV for the Secured Precious Metals-Linked Certificates are as follows:

Series name	**Units Outstanding 31 December 2019**	**NAV per unit USD 31 December 2019**	**Fair value USD 31 December 2020**
Series 1 - Secured Gold-Linked Certificates due 2100	48,333,803	147.79	7,143,452,250
Series 2 - Secured Silver-Linked Certificates due 2100	3,599,885	17.44	62,784,276
Series 3 - Secured Platinum-Linked Certificates due 2100	157,375	93.85	14,769,314
Series 4 - Secured Palladium-Linked Certificates due 2100	30,690	185.57	5,695,128
	52,121,753		**7,226,700,968**

The below table relates to the Per Certificate Entitlement for each Series.

Series name	**Per Certificate Entitlement**	
	31 December 2020	**31 December 2019**
Series 1 - Secured Gold-Linked Certificates due 2100	0.0969	0.0971
Series 2 - Secured Silver-Linked Certificates due 2100	0.9627	0.9668
Series 3 - Secured Platinum-Linked Certificates due 2100	0.0963	0.0967
Series 4 - Secured Palladium-Linked Certificates due 2100	0.0963	0.0967
Series 5 - Secured Gold-Linked EUR Hedged Certificates due 2100	0.0322	-
Series 6 - Secured Gold-Linked GBP Hedged Certificates due 2100	0.0319	-

15. Financial liabilities designated at fair value through profit or loss (continued)

Movement in fair values by Series for the year ended 31 December 2020

Series	Description	Opening balance 01 January 2020	Issuances	Redemptions	Net changes in fair values	Closing balance 31 December 2020
Series 1	Secured Gold-Linked Certificates due 2100	7,143,452,250	9,351,437,249	(4,577,525,267)	2,081,660,019	13,999,024,251
Series 2	Secured Silver-Linked Certificates due 2100	62,784,276	173,952,290	(124,226,102)	50,133,749	162,644,213
Series 3	Secured Platinum-Linked Certificates due 2100	14,769,314	38,476,188	(37,713,267)	1,614,166	17,146,401
Series 4	Secured Palladium-Linked Certificates due 2100	5,695,128	49,547,631	(23,356,719)	1,816,059	33,702,099
Series 5	Secured Gold-Linked EUR Hedged Certificates due 2100	-	238,706,245	(173,033,820)	(7,004,555)	58,667,870
Series 6	Secured Gold-Linked GBP Hedged Certificates due 2100	-	38,828,352	(2,795,310)	316,027	36,349,069
		7,226,700,968	**9,890,947,955**	**(4,938,650,485)**	**2,128,535,465**	**14,307,533,903**

Movement in fair values by Series for the year ended 31 December 2019

Series	Description	Opening balance 01 January 2019	Issuances	Redemptions	Net changes in fair values	Closing balance 31 December 2019
Series 1	Secured Gold-Linked Certificates due 2100	4,944,301,935	4,923,701,961	(3,808,356,306)	1,083,804,660	7,143,452,250
Series 2	Secured Silver-Linked Certificates due 2100	35,854,461	50,524,413	(28,958,416)	5,363,818	62,784,276
Series 3	Secured Platinum-Linked Certificates due 2100	4,112,073	47,570,956	(38,928,921)	2,015,206	14,769,314
Series 4	Secured Palladium-Linked Certificates due 2100	2,468,114	10,360,522	(8,488,739)	1,355,231	5,695,128
		4,986,736,583	**5,032,157,852**	**(3,884,732,382)**	**1,092,538,915**	**7,226,700,968**

Maturity Analysis	31 December 2020 USD	31 December 2019 USD
Less than 1 year	14,307,533,903	7,226,700,968
1-2 years	-	-
2-5 years	-	-
Over 5 years	-	-
	14,307,533,903	**7,226,700,968**

The financial liabilities have been classified as having a maturity of less than 1 year as the Secured Commodities-Linked Certificates can be redeemed at the option of the Certificate holders. The final maturity date of the Secured Commodities-Linked Certificates is 31 December 2100.

In the event that the accumulated losses, amongst others due to market price of the Commodities being below or not sufficiently above initial market price or in the event the Commodities are lost, damaged, stolen or destroyed, prove not to be recoverable during the life of the Certificates issued, this will reduce the obligation to the holders of the Certificates issued by the Company.

The listing details of the Company's Series are available in the principal activities section of the Directors' report.

16. Other payables

	31 December 2020 USD	31 December 2019 USD
Fees payable to Arranger	1,838,375	1,538,745
Other payables	222,763	222,638
	2,061,138	**1,761,383**

Refer to note 20 for currency risk disclosures relating to other payables.

17. Called up share capital presented as equity

	31 December 2020	31 December 2019
Authorised:	EUR	EUR
40,000 ordinary shares of EUR 1 each	40,000	40,000
Issued and fully paid up	USD	USD
40,000 ordinary shares of EUR 1 each	55,512	55,512
Presented as follows:	USD	USD
Called up share capital presented as equity	55,512	55,512
	EUR	EUR
Vistra Capital Markets (Ireland) Limited	40,000	40,000
	40,000	40,000

18. Ownership of Company

The 40,000 issued shares are held by Vistra Capital Markets (Ireland) Limited in trust for charitable purposes under the terms of declaration of trust.

A Board of Directors has been appointed to manage the day to day affairs of the Company. The Board have considered the issue as to who is the ultimate Controlling Party. It has been determined that the control of the day to day activities of the Company rests with the Board. The Board consists of two Directors. The Board have concluded that no individual party involved in the structure as identified on page 1 has the power to alter, in any way, the strategic investment objective of the Company as set out in the Base Prospectus. Substantially all the risks and rewards of the Company are transferred to the Certificate holders.

19. Related party transactions

Transactions with related parties

Both Directors, Bronagh Hardiman and Eimir McGrath are employees of the Administrator. During the financial year, the Company incurred a fee of USD 27,486 (EUR 22,500) (2019: USD 25,229 (EUR 22,500)) relating to administration services provided by the Administrator paid through Arranger fees.

The principal shareholder of the Company is Vistra Capital Markets (Ireland) Limited which holds 40,000 shares.

The Directors are of the view that there are no other related party transactions requiring disclosures. The Directors received no remuneration from the Company in the financial year ended 31 December 2020 (31 December 2019: Nil).

Section 305(1)(a) of the Act, requires disclosure that VAIIL received USD 1,222 (31 December 2019: USD 1,121) per Director included in administration fees as consideration for the making available of individuals to act as Directors of the Company.

The terms of the corporate services agreement in place between the Company and VAIIL provides for a single fee for the provision of corporate administration services (including the making available of individuals to act as Directors of the Company). As a result, the allocation of fees between the different services provided is a subjective and approximate calculation. The individuals acting as Directors do not (and will not), in their personal capacity or any other capacity, receive any fee for acting or having acted as Directors of the Company. For the avoidance of doubt, notwithstanding that the Directors of the Company are employees of VAIIL, they each do not receive any specific remuneration for acting as Directors of the Company.

Transactions with other significant contracts
Management fees paid to the Arranger amounted to USD 20,890,072 during the financial year (2019: USD 15,334,442). Refer to note 7 for further details.

20. Financial risk management

Risk management framework
The Company has exposure to the following risks from its use of financial instruments:

- Operational risk;
- Credit risk;
- Market risk; and
- Liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk and the Company's management of capital.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and from external factors other than credit, markets and liquidity issues such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

20. Financial risk management (continued)

Operational risk (continued)

Operational risk arises from all of the Company's operations. The Company was incorporated with the purpose of engaging in those activities outlined in note 1. All management and administration functions are outsourced to VAIIL. Deutsche Bank AG, London Branch acts as the Company's principal paying agent as at 31 December 2020. As at 31 December 2020, J.P. Morgan Administration Services (Ireland) Limited acts as the portfolio administrator, JP Morgan Chase Bank, N.A. acts as the Custodian and JP Morgan AG acts as the Currency Hedged Certificates Counterparty.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Commodities-linked assets. The Company's principal financial assets are cash and cash equivalents, other receivables and other financial assets, which represents the Company's maximum exposure to credit risk along with Commodities. The carrying amount of financial assets and Commodities represents the maximum credit exposure.

Information on how the Company limits its exposure to credit risk in respect to interest rate risk, currency risk and price risk has been disclosed below.

The maximum exposure to the credit risk at the reporting date was:

	31 December 2020 USD	31 December 2019 USD
Cash and cash equivalents	233,222	233,163
Other receivables	49,553	49,112
Derivative financial instruments	387,401	-
Commodities at fair value through profit or loss	14,308,984,877	7,228,239,713
	14,309,655,053	**7,228,521,988**

Concentration risk
The financial instruments of the Company and concentration risk of each is outlined below:

- Collateral: Commodities held by the Company relates to Commodities.
- Liabilities: Financial liabilities of the Company represent Secured Limited Recourse Certificates.

At the reporting date, the Company's Commodities due from Series Counterparty were concentrated in the following asset types:

By industry	31 December 2020	31 December 2019
Type of collaterals		
Gold	98.5%	98.8%
Silver	1.1%	0.9%
Palladium	0.3%	0.2%
Platinum	0.1%	0.1%
	100%	100%

At the reporting date, the Company's Commodities at fair value through profit or loss were concentrated in the following asset types and geographical locations:

	31 December 2020 USD	31 December 2019 USD
United Kingdom	14,308,984,877	7,228,239,713
	14,308,984,877	**7,228,239,713**

As at 31 December 2020, J.P. Morgan Chase Bank, N.A., London Branch (the "Custodian") was the sole Custodian for the Commodities held by the Company.

Cash and cash equivalents
The Company held cash and cash equivalents of USD 233,222 as at 31 December 2020 (2019: USD 233,163) which represents its maximum credit exposure on these assets. The cash and cash equivalents are held, on an unsecured basis, with bank and financial institution counterparties, key counterparties which are rated by Standard and Poor's and Moody's as follows:

Rating	31 December 2020	31 December 2019
Moody's:		
JP Morgan AG	A-1	A-1
Standard and Poor's:		
J.P. Morgan Chase Bank, N.A., London Branch	A-1	A-1
Deutsche Bank AG, London Branch	A-2	A-2

Market risk

Market risk is the risk that changes in market prices of the Commodities will affect the Company's value of its holdings of Commodities. The Certificate holders are exposed to the market risk of the portfolio of Commodities. Market risk embodies the potential for both gains and losses and price risk.

20. Financial risk management (continued)

Market risk (continued)

(i) Interest rate risk
The Certificates issued, Commodities and derivative financial instruments do not bear any interest. There is some interest rate risk associated with cash held at bank. However, it is not considered significant.

Sensitivity analysis
Given the Company is not exposed to significant interest rate risk, no sensitivity analysis has been performed.

(ii) Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has entered into a foreign exchange hedging agreement to mitigate its exposure to currency. Please refer to note 3(c) for more details. The Company is exposed to movement in exchange rates between the USD, its functional currency, and certain foreign currencies namely Series 5 - Euro (EUR) and Series 6 - British Pound (GBP).

The Company is not exposed to net currency risk. Any net foreign currency risk is borne by the Certificate holders. As at the reporting date, the Company's exposure to foreign currency risk is as follows:

Series 5 - Secured Gold-Linked EUR Hedged Certificates

Currency	31 December 2020	31 December 2020	31 December 2020
	Financial liabilities designated at fair value through profit or loss	Hedging agreement	Net exposure
	USD	USD	USD
EUR	58,667,870	(58,667,870)	-
Total	58,667,870	(58,667,870)	-

In the event that the EUR moved by either +1% or -1% against the USD, the value of the Certificates would move by USD 586,679 and USD (586,679) respectively. However, the hedging agreement would offset these movements by USD (586,679) and USD 586,679 respectively, resulting in a zero net exposure to the Certificate holders.

Series 6 - Secured Gold-Linked GBP Hedged Certificates

Currency	31 December 2020	31 December 2020	31 December 2020
	Financial liabilities designated at fair value through profit or loss	Hedging agreement	Net exposure
	USD	USD	USD
GBP	36,349,069	(36,349,069)	-
Total	36,349,069	(36,349,069)	-

In the event that the GBP moved by either +1% or -1% against the USD, the value of the Certificates would move by USD 363,491 and USD (363,491) respectively. However, the hedging agreement would offset these movements by USD (363,491) and USD 363,491 respectively, resulting in a zero net exposure to the Certificate holders.

As at 31 December 2020 and 31 December 2019, in relation to the share capital issued and cash and cash equivalent, the Company's exposure to currency risk is not significant and limited to share capital issued of EUR 40,000 (USD 55,512) and cash and cash equivalents with Deutsche Bank AG, London Branch of EUR 11,633 (USD 13,658), (31 December 2019: EUR 9,224 (USD 10,343)) as stated in note 10.

All other financial assets, Commodities and financial liabilities are denominated in USD.

The following significant exchange rates have been applied during the financial year:

	31 December 2020	31 December 2019
EUR - USD	1.2216	-
GBP - USD	1.3670	-

(iii) Price risk
Price risk is the risk that the value of Commodities will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Company does not consider price risk to be a significant risk to the Company as any fluctuation in the value of Commodities at fair value through profit or loss held by the Company will be borne by the Certificate holders.

20. Financial risk management (continued)

Market risk (continued)

(iii) Price risk (continued)

Sensitivity analysis
The following table assess the sensitivity of the fair value of the series of assets to an impact of a 1% movement in the price of Commodities.

Series	Total for each series	1% increase in the price of Commodities in USD	1% decrease in the price of Commodities in USD
31-Dec-20			
Series 1	14,000,791,957	140,007,920	140,007,920
Series 2	162,697,945	1,626,979	1,626,979
Series 3	17,152,204	171,522	171,522
Series 4	33,713,233	337,132	337,132
Series 5	58,542,171	585,422	585,422
Series 6	36,087,367	360,874	360,874
31-Dec-19			
Series 1	7,144,962,837	71,449,628	71,449,628
Series 2	62,805,554	628,056	628,056
Series 3	14,774,242	147,742	147,742
Series 4	5,697,080	56,971	56,971

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company limits its exposure to liquidity risk given the Company's ability to realise the Commodities in cash. All substantial risks and rewards associated with the financial assets and Commodities are ultimately borne by the Certificate holders.

Subscriptions

An Authorised Participant may subscribe for Certificates in accordance with the terms of the relevant authorised participant agreement by either (i) transferring the relevant amount of Commodities via the books and records of the custodian's unallocated accounts or (ii) making a cash payment in US Dollars of the relevant amount to the cash account, which shall be used to access Commodities.

Redemptions

Final Redemption
All Certificates of a given Series that have not been previously redeemed or purchased or cancelled will be redeemed on the date specified in the Final Terms relating to that Series as the final maturity date by payment of the relevant cash amount in respect of such Certificates.

Certificate holder optional redemption
The Company shall, at the option of a Certificate holder, redeem some or all of the Certificates held by such Certificate holder in respect of any eligible redemption valuation date by payment of the relevant cash amount on the relevant settlement date or it is specified in the redemption notice that the Certificate holder is electing for settlement by the transfer of the delivery amount of the relevant Underlying Commodity.

The contractual maturity profile of financial liabilities as 31 December 2020 is as follows:

The contractual maturity profile of financial liabilities as 31 December 2020 is as follows:

	Carrying amount USD	Gross contractual cash flows USD	Less than 1 year USD
Financial liabilities designated at fair value through profit or loss	(14,307,533,903)	(14,307,533,903)	(14,307,533,903)
Other payables	(2,061,138)	(2,061,138)	(2,061,138)
	(14,309,595,041)	**(14,309,595,041)**	**(14,309,595,041)**

20. Financial risk management (continued)

Liquidity risk (continued)

Redemptions (continued)

The contractual maturity profile of financial liabilities as 31 December 2019 is as follows:

	Carrying amount USD	Gross contractual cash flows USD	Less than 1 year USD
Financial liabilities designated at fair value through profit or loss	(7,226,700,968)	(7,226,700,968)	(7,226,700,968)
Other payables	(1,761,383)	(1,761,383)	(1,761,383)
	(7,228,462,351)	**(7,228,462,351)**	**(7,228,462,351)**

Due to the fact that the Certificate holders have the option to redeem the securities before the final scheduled maturity date, the financial liabilities designated at fair value through profit or loss have been classified as due in less than one year.

The carrying amount and the gross contractual cashflows are equal to the fair value of each liability as stated in the Statement of financial position.

Accounting classifications and fair values

Fair values versus carrying amounts
The fair values of financial assets, Commodities and financial liabilities, together with the carrying amounts shown in the Statement of financial position, are shown as follows:

	At amortised cost 31 December 2020 USD	At fair value through profit or loss 31 December 2020 USD	Designated at fair value through profit or loss 31 December 2020 USD	Total fair value 31 December 2020 USD
Assets				
Cash and cash equivalents	233,222	-	-	233,222
Other receivables	49,553	-	-	49,553
Derivative financial instruments	-	387,401	-	387,401
Commodities at fair value through profit or loss	-	14,308,984,877	-	14,308,984,877
	282,775	**14,309,372,278**	**-**	**14,309,655,053**

	At amortised cost 31 December 2020 USD	At fair value through profit or loss 31 December 2020 USD	Designated at fair value through profit or loss 31 December 2020 USD	Total fair value 31 December 2020 USD
Liabilities				
Other payables	2,061,138	-	-	2,061,138
Financial liabilities designated at fair value through profit or loss	-	-	14,307,533,903	14,307,533,903
	2,061,138	**-**	**14,307,533,903**	**14,309,595,041**

	At amortised cost 31 December 2019 USD	At fair value through profit or loss 31 December 2019 USD	Designated at fair value through profit or loss 31 December 2019 USD	Total fair value 31 December 2019 USD
Assets				
Cash and cash equivalents	233,163	-	-	233,163
Other receivables	49,112	-	-	49,112
Commodities at fair value through profit or loss	-	7,228,239,713	-	7,228,239,713
	282,275	**7,228,239,713**	**-**	**7,228,521,988**

20. Financial risk management (continued)

Accounting classifications and fair values (continued)

Fair values versus carrying amounts (continued)

	At amortised cost 31 December 2019 USD	At fair value through profit or loss 31 December 2019 USD	Designated at fair value through profit or loss 31 December 2019 USD	Total fair value 31 December 2019 USD
Liabilities				
Other payables	1,761,383	-	-	1,761,383
Financial liabilities designated at fair value through profit or loss	-	-	7,226,700,968	7,226,700,968
	1,761,383	**-**	**7,226,700,968**	**7,228,462,351**

The carrying amounts of all the Company's cash and cash equivalent, other receivables and other payables at the reporting date approximated their fair values.

Fair values hierarchy
The Company's Commodities, derivative financial instruments and financial liabilities issued are carried at fair value on the Statement of financial position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values of Commodities and financial liabilities that are traded in active markets, Level 1, are based on quoted market prices or dealer price quotations. The price of the Commodities are determined using the prices on the London Bullion Associated Market and the price of the Certificates are determined using the quoted prices on active markets.

The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Level 2 prices uses widely recognised valuation models for determining the fair value of common and more simple financial instruments such as interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives, e.g. interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The derivative financial instruments have been classified as level 2. The fair value of open foreign exchange derivative is calculated as the difference between the contracted rate and the current forward rate that would close out the contract on the valuation date. The unrealised gain or loss on open foreign exchange derivative is calculated by reference to the difference between the contracted rate and the rate to close out the contract as at the year-end date.

As at the financial year end, the Company does not have financial instruments under level 3.

20. Financial risk management (continued)

Accounting classifications and fair values (continued)

Fair values hierarchy (continued)

As at the financial year end, the carrying amounts of derivative financial instruments and financial liabilities issued by the Company which fair values were determined directly, in full or in part, by reference to published price quotations and determined using valuation techniques are as follows:

	31 December 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Derivative financial instruments	-	387,401	-	387,401
Financial liabilities designated at fair value through profit or loss	(14,307,533,903)	-	-	(14,307,533,903)
	(14,307,533,903)	**387,401**	**-**	**(14,307,146,502)**

	31 December 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Financial liabilities designated at fair value through profit or loss	-	(7,226,700,968)	-	(7,226,700,968)
	-	**(7,226,700,968)**	**-**	**(7,226,700,968)**

The valuation inputs for the Commodities are based on quoted market prices in active markets and are classified as Level 1.

The Commodities-Linked Certificates are exchange traded and there is trading in the Certificates. During the financial year ending 31 December 2020, there was an increase in liquidity in the market for the certificates compared to previous years. As such, the financial liabilities designated at fair value through profit or loss, previously classified as Level 2, are classified as Level 1 in the fair value hierarchy.

Although the Directors believe that their estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value as fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

21. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required

The Directors consider the cash and cash equivalent, other receivables and other payables recognised in the financial statements approximate their fair values. The fair value hierarchy of these financial assets and liabilities are as follows:

	31 December 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Financial assets				
Cash and cash equivalents	233,222	-	-	233,222
Other receivables	-	49,553	-	49,553
Financial liabilities				
Other payables	-	(2,061,138)	-	(2,061,138)
	233,222	**(2,011,585)**	**-**	**(1,778,363)**

	31 December 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Financial assets				
Cash and cash equivalents	233,163	-	-	233,163
Other receivables	-	49,112	-	49,112
Financial liabilities				
Other payables	-	(1,761,383)	-	(1,761,383)
	233,163	**(1,712,271)**	**-**	**(1,479,108)**

22. Capital risk management

The Company is a special purpose vehicle set up to issue Certificates for the purpose of making investments as defined under the Base Prospectus.

Share capital of EUR 40,000 was issued in line with Irish Company Law and is not used for financing the investment activities of the Company.

The Company is not subject to any other externally imposed capital requirements.

23. Operating expenses

Certain costs associated with the Company are borne by Invesco UK Services Limited, including the corporate administration fee of USD 27,486 (2019: USD 25,229) and audit fees of USD 37,381 (2019: USD 27,214) respectively.

As at 31 December 2020, the amount payable to the Arranger is USD 1,838,375 (2019: USD 1,538,745).

Auditors' remuneration (excluding VAT)	**Financial year ended 31 December 2020 USD**	**Financial year ended 31 December 2019 USD**
Statutory audit	37,381	27,214
Tax compliance services	-	4,934
	37,381	**32,148**

The prior year balance relates to the remuneration of PricewaterhouseCoopers Ireland as the previous auditors. For the financial year ending 31 December 2020, KPMG Ireland were appointed as auditors and there were no other assurance services or other non audit services performed by KPMG as auditor of the Company.

Section 305(1)(a) of the Act, requires disclosure that VAIIL received USD 1,222 (31 December 2019: USD 1,121) per Director included in administration fees as consideration for the making available of individuals to act as Directors of the Company.

24. Subsequent events

Movement in the price of Commodities
The below table relates to the change in the price of Commodities as at 15 April 2021.

Underlying Commodities	**Price per ounce 15 April 2021**	**Price per ounce 31 December 2020**	**Change in price % 15 April 2021**
Gold	1,757.20	1,891.10	-7.08%
Silver	25.59	26.49	-3.40%
Platinum	1,189.00	1,075.00	10.60%
Palladium	2,738.00	2,370.00	15.53%

Change in reduction percentage
As at 3 March 2021, the reduction percentage for the following Series have been amended:

Series	**03 March 2021**	**31 December 2020**
Series 2 - Secured Silver-Linked Certificates	0.19%	0.39%
Series 3 - Secured Platinum-Linked Certificates	0.19%	0.39%
Series 4 - Secured Palladium-Linked Certificates	0.19%	0.39%
Series 5 - Secured Gold-Linked EUR Hedged Certificates	0.34%	0.44%
Series 6 - Secured Gold-Linked GBP Hedged Certificates	0.34%	0.44%

There has been no other significant event that requires disclosure since the financial year to the date of signing of this report.

25. Charges

The Certificates issued by the Company are secured in favour of Intertrust Trustees Limited (the "Trustee") for the benefit of the Certificate holders by security over the portfolio of Commodities held by the Company and other assets. The Company's total Certificates' indebtedness was USD 14,307,533,903 (2019: USD 7,226,700,968).

26. Approval of financial statements

The Board of Directors approved these financial statements on 22 April 2021.

Further information

Telephone +44 20 3370 1100
Email Invest@invesco.com
Website: etf.invesco.com

Portman Square House, 43-45 Portman Square, London W1H 6LY