



**Invesco EUR Corporate Bond ESG Short Duration Multi-Factor UCITS ETF
Supplement to the Prospectus**

This Supplement contains information in relation to Invesco EUR Corporate Bond ESG Short Duration Multi-Factor UCITS ETF (the "**Fund**"), a sub-fund of Invesco Markets II plc (the "**Company**") an umbrella type open ended investment company with variable capital, governed by the laws of Ireland and authorised by the Central Bank of Ireland (the "**Central Bank**") of New Wapping Street, North Wall Quay, Dublin 1, Ireland.

This Supplement forms part of, may not be distributed unless accompanied by (other than to prior recipients of the Prospectus of the Company dated 23 August 2021 , as may be amended, supplemented or modified from time to time, (the "Prospectus")), and must be read in conjunction with, the Prospectus.

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

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

Invesco Markets II plc

An umbrella fund with segregated liability between the sub-funds

Dated 30 May 2022

IMPORTANT INFORMATION

Suitability of Investment

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

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

In addition to investing in transferable securities, the Company may invest on behalf of the Fund in financial derivative instruments ("FDIs"), where applicable.

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

The Fund is an actively managed sub-fund. The Manager has appointed Invesco Advisers, Inc as the investment manager with responsibility for the selection of the Fund's investments on a discretionary basis (the "Investment Manager"). The Investment Manager has appointed Invesco Asset Management Deutschland GmbH (the "Sub-Investment Manager") as a sub-investment manager who may from time to time have responsibility for the selection of the Fund's investments on a discretionary basis.

Certain risks attached to investments in FDIs are set out in the Prospectus under "Risk Factors".

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

Profile of a typical investor

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

Responsibility

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

General

This Supplement sets out information in relation to the Shares and the Fund. You must also refer to the Prospectus which is separate to this document and describes the Company and provides general information about offers of shares in the Company. You should not take any action in respect of the

Shares unless you have received a copy of the Prospectus. Should there be any inconsistency between the contents of the Prospectus and this Supplement, the contents of this Supplement will, to the extent of any such inconsistency, prevail. This Supplement and the Prospectus should both be carefully read in their entirety before any investment decision with respect to Shares is made.

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

Distribution of this Supplement and Selling Restrictions

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

Definitions

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

TERMS OF THE SHARES REPRESENTING INTERESTS IN THE FUND

Investment Objective of the Fund

The investment objective of the Fund is to seek total return by investing in an actively managed portfolio of corporate bonds that meet certain environmental, social, and corporate governance (“**ESG**”) criteria.

Investment Policy of the Fund

In order to achieve its investment objective, the Fund will generally invest in a portfolio of fixed rate euro denominated unsecured corporate bonds from global issuers with an investment grade credit rating and less than or equal to 5 years until maturity. Securities are selected by the Investment Manager based on two criteria: 1) compliance with the Fund’s ESG policy (the “**ESG Policy**”); and 2) attractiveness determined in accordance with the Investment Manager’s quantitative investment model.

Initial Investment Universe

To qualify as eligible for investment by the Fund, a corporate bond must have an investment grade rating by the rating agencies S&P, Fitch or Moody’s. Investment grade securities are those rated BBB- or higher by Standard and Poor’s or Fitch and Baa3 or higher by Moody’s. If the rating for a specific security is unavailable, the rating of the issuer is to be used instead. Otherwise, unrated securities are eligible if they are determined by the Investment Manager to be of comparable quality to the above. If the ratings of a security differ between agencies, the lowest of the available ratings is chosen to determine eligibility. If the credit rating of any security held by the Fund is downgraded below these respective ratings, the Investment Manager will liquidate this position at the earliest optimal opportunity taking due account of the interests of its Shareholders.

To qualify as eligible for investment by the Fund, a corporate bond must have 5 or less years remaining until final maturity. The Fund will not invest in securities that are in default at the time of investment. If a security defaults subsequent to purchase by the Fund, the Investment Manager will determine in its discretion whether to hold or dispose of such security, taking due account of the interests of its Shareholders.

The Fund may invest up to 30% of its assets in corporate bonds denominated in currencies other than euro. Exposure to exchange-rate fluctuations resulting from these investments will be hedged back to euro at the Investment Manager's discretion. The Fund will not invest more than 10% of its total assets in securities issued by corporations of emerging market countries.

ESG Policy

Once the Fund's initial investment universe has been determined based on the criteria set out above, the Investment Manager then, either itself or through the Sub-Investment Manager, applies the ESG criteria set out in the ESG Policy to the security selection and portfolio construction process with a view to reducing the initial investment universe.

The Investment Manager incorporates both exclusionary criteria which specifically excludes industries and areas of activities and a "best in class" approach which selects those securities from each industry that score highest according to the Investment Manager's scoring system, both of which are described in detail in the ESG Policy. Specific exclusions to the initial investment universe include, but are not limited to, those companies involved in nuclear power, coal, unconventional as well as conventional oil and gas (which may include oil sands and Arctic exploration), controversial weapons, military weapons, civilian firearms, tobacco, stem cell research, genetic engineering and activities constituting violations of the UN Human Rights Directive or the International Labour Organisation's Labour Rights Directive. Such exclusions may vary (as more fully described in the ESG Policy) depending on the activity, from zero tolerance to exclusions based on percentage of revenue or other measures and may be updated from time to time. For more information on the ESG Policy and the criteria detailed therein, please refer to the website etf.invesco.com.

As a result of the application of the ESG Policy, it is expected that the number of securities in the initial investment universe will be reduced by between 25%-75%.

Quantitative Investment Model

Following the application of the ESG Policy to the initial investment universe, the Investment Manager's quantitative investment process (the 'quantitative process') is applied to the remaining eligible securities and produces a measure of the attractiveness of each remaining eligible security based on three major factors: value, low volatility and carry. The factors can be broadly described as follows:

- i. value: this investment factor aims to capture the potential outperformance of securities that are perceived to be "inexpensive" relative to securities with a similar rating, sector and duration profile;
- ii. low volatility: this investment factor aims to capture the potential outperformance of more stable securities which also tend to have shorter durations and higher credit quality; and
- iii. carry: this investment factor aims to capture the potential outperformance of securities with higher option-adjusted spreads (OAS) within the eligible investment universe.

The Investment Manager will look to allocate to and maintain higher relative weights in issuers that score well based on the criteria outlined above. In order to do this, three individual factor portfolios are created based on the factors above. These factor portfolios are then combined to achieve an equal risk contribution by each individual factor.

Following application of the quantitative process, the Investment Manager will consider the relative composition of the portfolio against the Bloomberg Euro Corporate Bond 1-5 Year Index (the "**Benchmark**"). In doing so, the Investment Manager aims, but is not required, to position the Fund such that, in normal market conditions:

- i. country weights are within +/- 8% relative to the Benchmark;

- ii. sector weights are within +/- 5% relative to the Benchmark;
- iii. issuer weights are within +/- 3% relative to the Benchmark; and
- iv. portfolio weighted average duration is within +/- 0.2 years relative to the Benchmark.

The Benchmark is not aligned with the environmental objectives which the Fund seeks to promote. The application of the ESG Policy may result in a greater deviation from the Benchmark than indicated herein.

The portfolio will rebalance 1 – 2 times per month.

Other Investments

The Fund may invest in other open- or closed-ended CIS that provide exposure to fixed income securities or markets similar to those in which the Fund may invest directly. However, the Fund will not invest more than 10% of its net assets in other CIS.

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

The exclusionary criteria and the “best in class” approach set out in the ESG Policy does not apply to CIS. For information on the selection criteria for CIS, please refer to the ESG Policy. The ESG Policy does not apply the other investments mentioned in this section.

Further information relevant to the Fund’s investment policy is contained in the main part of the Prospectus under **"Investment Objectives & Policies"** and under **"Investment Restrictions and Permitted Investments"**. With the exception of permitted investment in unlisted securities or in units of open-ended CIS, investment will be limited to the stock exchanges and regulated markets set out in Appendix I of the Prospectus.

Benchmark

The Fund intends to measure its performance against the Benchmark. The Fund will not seek to track the performance of the Benchmark and the Fund does not intend for its performance to match or exceed the Benchmark. The Fund is actively managed and will hold a portfolio of corporate bonds that is not constrained by the Benchmark.

The target (ex-ante) tracking error of the portfolio relative to the Benchmark at the time of the application of the quantitative process will generally be approximately 0.5%, and the intention is that it shall not exceed 1.5% per annum, under normal market conditions.

The Benchmark measures the performance of the investment grade, Euro-denominated, fixed-rate corporate bond market. To be included, securities must be issued by companies in the industrials, financials and utilities sectors. Securities must have at least EUR 300 million par amount outstanding, at least one year until final maturity and less than five years remaining until maturity.

The Benchmark is rebalanced on a monthly basis.

The Benchmark is sponsored by Bloomberg and more details on the Benchmark can be found at <https://www.bloomberg.com/professional/product/indices/#/>.

The level of the Benchmark will be published on <https://www.bloombergindices.com/>.

Integration of Sustainability Risks

The Investment Manager integrates Sustainability Risks into investment decisions for the Fund systematically as part of the core research process whereby the Investment Manager’s and third- party research is continuously analysed to identify indicators, including those related to sustainability risks, which may drive better investment performance and/or reduce risk. When such correlations are verified by the Investment Manager, the relevant metrics are added as factors within the Investment Manager’s core optimising models and automatically applied to reduce the relevant Sustainability Risks. For further information on how Sustainability Risks are incorporated into the Fund’s investment strategy, please refer to the section titled “Investment Policy of the Fund” above.

Transparency of the Promotion of Environmental or Social Characteristics

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

The environmental characteristics promoted by the Fund are to gain exposure to a portfolio of corporate bonds which meet the ESG Policy. The Fund achieves this by specifically excluding the industries and activities outlined under the heading "Investment Policy of the Fund" and applying a proprietary ESG scoring system to ensure investment in only "best of class" securities.

The Benchmark has been designated as the Fund's reference index for the measurement of the Fund's performance, but the Benchmark is not representative of the Fund's portfolio following the application of the ESG Policy and is not consistent, nor is it intended to be consistent, with the environmental characteristics which the Fund promotes.

The Fund generally expects to invest a proportion of its assets in sustainable investments. The investments underlying the Fund, however, do not currently take into account the EU criteria for environmentally sustainable economic activities as defined in Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**") and so the "do no significant harm" principle under the Taxonomy Regulation does not currently apply to the investments underlying the Fund. The Fund does not currently intend to be aligned with the Taxonomy Regulation, as, at the date of this Supplement, due to the absence of appropriate and verifiable data, it is not possible to determine a degree of alignment of the Fund's investments with the Taxonomy Regulation. The Fund's investments, however, may in fact unintentionally be aligned with the Taxonomy Regulation until such time as appropriate data becomes available. The Manager will monitor the position and when the required data to measure the Fund's alignment with the environmental objectives under the Taxonomy Regulation becomes available, the Supplement will be amended accordingly.

Further details on the transparency of the promotion of ESG characteristics are contained in the Prospectus under "Appendix IV - Sustainable Finance". In addition to the environmental characteristics promoted by the Fund and as a result of adhering to the requirements as set out in this section, the Fund aims to ensure ongoing compliance of its portfolio with the standards of the Austrian Ecolabel (Österreichisches Umweltzeichen) and the Towards Sustainability Label (further details of which can be found at: <https://www.towardssustainability.be/en/quality-standard> and <https://www.umweltzeichen.at/en/products/start>).

Use of FDIs by the Fund

The Fund may engage in transactions in FDIs for hedging and/or efficient portfolio management purposes and/or for investment purposes to assist in achieving its investment objective.

In particular, the Fund intends to use the following FDIs listed on a Market or traded OTC as applicable: forwards contracts, futures, credit default swaps on benchmarks, interest rate swaps, swaps on interest rate benchmarks, currency rate swaps and spot foreign exchange transactions.

The ESG Policy does not apply to the use of FDIs.

Further details on FDIs and how they may be used are contained in the Prospectus under "Appendix III - Efficient Portfolio Management and Use Of Financial Derivative Instruments".

Investment Restrictions of the Fund

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

Efficient Portfolio Management

Further information on efficient portfolio management is contained in the main body of the Prospectus under the heading "**Use of Financial Derivative Instruments and Efficient Portfolio Management**".

Securities Financing Transactions

The Fund may use certain '*securities financing transactions*', as defined in Regulation 2015/2365 on

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

The type of assets that may be held by the Fund in accordance with its investment objective and policies and may be subject to such Securities Financing Transactions are bonds. The maximum proportion of the Fund's assets that may be subject to securities lending is 100%, however the Fund does not currently plan to carry out any securities lending and therefore the expected proportion of the Fund's assets that may be subject to securities lending is 0%.

Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities.

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

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

From time to time, the Fund may engage securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to Prospectus section "**Potential Conflicts of Interest**" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

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

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

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

Currency Hedging Policy

The Investment Manager will be responsible for currency hedging in respect of the Fund.

Share Class Hedging

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

Portfolio-hedged Share Classes

The Company has the power to issue portfolio-hedged Shares Classes (identified by "PfHdg" in their names). For such classes of portfolio-hedged Shares, the Fund may enter into transactions for the purposes of hedging the foreign exchange exposure of the currency or currencies in which the underlying assets of the Fund are denominated to the currency of the portfolio-hedged Share Class. The purpose of the hedging in the portfolio-hedged Share Classes is to limit the profit or loss generated from foreign exchange exposure of the underlying assets of the Fund denominated in a currency other than the currency of the portfolio hedged Share Class.

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

Where the Investment Manager seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, over-hedged positions will not exceed 105% of the Net Asset Value of the relevant Share Class and hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level and that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the relevant Share Class. This review will also incorporate a procedure to ensure that positions in excess of 100% of Net Asset Value will not be carried forward from month to month.

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

Collateral Policy

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

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

- (c) Collateral - Posted by the Fund: In addition to the requirements in respect of collateral posted to a counterparty in the Prospectus, collateral posted to a counterparty by or on behalf of the Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the Fund.

- (d) Valuation: Information in respect of the collateral valuation methodology used by the Company can be found in the Prospectus under the heading "**Appendix III - Efficient Portfolio Management and Use Of Financial Derivative Instruments**". The rationale for the use of this collateral valuation methodology is primarily to guard against the price volatility of assets being received by the Fund as collateral.

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

Further information on the collateral policy is contained in the main body of the Prospectus under the heading "**Collateral Policy**".

Borrowing and Leverage

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

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

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

The Investment Manager

The Manager has appointed Invesco Advisers, Inc. as the Investment Manager. The registered address of the Investment Manager is 1555 Peachtree Street, N.E., Atlanta, Georgia, 30309, United States of America. The Investment Manager's ultimate holding company is Invesco Limited, and it is in the same group of companies as the Manager.

The investment management agreement dated 19 November 2020 between the Manager and the Investment Manager (the "**Investment Management Agreement**") provides that the appointment of the Investment Manager will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances, such as the insolvency of either party, a breach of contract by either party or a change of control of either party, the Investment Management Agreement may be terminated with immediate effect by notice in writing by either party to the other. Furthermore, the Manager may terminate the Investment Management Agreement without notice with immediate effect if the Manager considers, at its sole discretion, that this is in the best interests of the Shareholders in the Fund. The Investment Management Agreement contains certain indemnities in favour of the Investment Manager which are restricted to exclude matters resulting from the wilful misconduct, bad faith, fraud, material breach of the Investment Management Agreement or negligence by the Investment Manager in the performance of its duties or by reason of its reckless disregard of its obligations and duties under the Investment Management Agreement.

Dividend Policy

Dividends will be declared on a quarterly basis for the Dist Shares, the EUR PfHdg Dist Shares, the USD PfHdg Dist Shares, the GBP PfHdg Dist Shares, the CHF PfHdg Dist Shares, and the MXN PfHdg Dist Shares in accordance with the general provisions set out in the Prospectus under the heading "**Dividend Policy**" and Shareholders will be notified in advance of the date on which dividends will be paid. Distributions will not be made in respect of the Acc Shares, the EUR PfHdg Acc Shares, the USD PfHdg Acc Shares, the GBP PfHdg Acc Shares, the CHF PfHdg Acc Shares and the MXN PfHdg Acc Shares and income and other profits will be accumulated and reinvested in respect of those Shares.

Trading

Application will be made to Euronext Dublin, or Deutsche Boerse and/or such other exchanges as the Directors may determine from time to time (the "**Relevant Stock Exchanges**") for listing and/or admission to trading of the Shares issued and available to be issued on the main market of each of the

Relevant Stock Exchanges on or about the Launch Date. This Supplement and the Prospectus together comprise listing particulars for the purposes of trading on the main market of each of the Relevant Stock Exchanges.

Exchange Traded Fund

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

General Information Relating to the Fund

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| Type | Open-ended. |
| Base Currency | EUR |
| Business Day | A day (other than a Saturday or Sunday) on which the Trans-European Real-time Gross Settlement Express Transfer (TARGET-2) system is open or such other day or days that the Directors may determine and notify to Shareholders in advance. |
| Dealing Day | <p>Any Business Day. However, some Business Days will not be Dealing Days where, for example, markets on which the Fund’s assets are listed or traded are closed provided there is at least one Dealing Day per fortnight, subject always to the Directors’ discretion to temporarily suspend the determination of the Net Asset Value and the sale, conversion and/or redemption of Shares in the Company or any Fund in accordance with the provisions of the Prospectus and the Articles.</p> <p>The Investment Manager produces dealing calendars which detail in advance the Dealing Days for the Fund. The dealing calendar may be amended from time to time by the Investment Manager where, for example, the relevant market operator, regulator or exchange (as applicable) declares a relevant market closed for trading and/or settlement (such closure may be made with little or no notice to the Investment Manager).</p> <p>The dealing calendar for the Fund is available from the Manager.</p> |
| Dealing Deadline | 4:00pm (Dublin time) on the relevant Dealing Day or such other time as the Investment Manager may, in consultation with the Directors, determine and is notified to Shareholders by the Company provided always that the Dealing Deadline will be before the Valuation Point. No subscription, exchange or redemption applications may be accepted after the Dealing Deadline. |
| Subscriptions, Exchanges and Repurchases | All subscriptions, exchanges and repurchases can only take place through an Authorised Participant or other representative appointed by the Company in the relevant jurisdiction. |
| Launch Date | 30 th August 2022 in respect of the Acc Shares and EUR PfHdg Acc Shares or such other date as the Directors may determine to reflect the close of the Initial Offer Period. |
| Minimum Fund Size | EUR 30,000,000 |
| Initial Offer Period | The Initial Offer Period in respect of all Share Classes will start at 9.00 a.m. (Dublin time) on 31 st May 2022 and close at 5.00 p.m. (Dublin time) on 29 th August 2022 or such earlier date as the Directors may determine. |

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| Valuation Point | 5:00pm (Dublin Time) on the relevant Dealing Day by reference to which the Net Asset Value per Share of the Fund is determined. At all times the Valuation Point will be after the Dealing Deadline. The value of any investments which are listed or dealt in on a Market shall be the closing bid price on the relevant Market at the Valuation Point. |
| Settlement Date | 2 Business Days after the relevant Dealing Day. |
| Website | etf.invesco.com Information on portfolio composition and details on the indicative net asset value are set out on the Website. |

Description of the Shares

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|---|---|
| Share Class | "Dist" |
| Share Class Currency | EUR |
| Initial Issue Price | 5 EUR per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "Acc" |
| Share Class Currency | EUR |
| Initial Issue Price | 5 EUR per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "EUR PfHdg Dist" |
| Share Class Currency | EUR |
| Initial Issue Price | 5 EUR per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "EUR PfHdg Acc" |
| Share Class Currency | EUR |
| Initial Issue Price | 5 EUR per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "USD PfHdg Dist" |
| Share Class Currency | USD |
| Initial Issue Price | 5 USD per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "USD PfHdg Acc" |
| Share Class Currency | USD |
| Initial Issue Price | 5 USD per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "GBP PfHdg Dist" |
| Share Class Currency | GBP |
| Initial Issue Price | 5 GBP per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "GBP PfHdg Acc" |
| Share Class Currency | GBP |
| Initial Issue Price | 5 GBP per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "CHF PfHdg Dist" |
| Share Class Currency | CHF |
| Initial Issue Price | 5 CHF per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|-----------------------------|------------------------|
| Share Class | "CHF PfHdg Acc" |
| Share Class Currency | CHF |

| | |
|---|---|
| Initial Issue Price | 5 CHF per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "MXN PfHdg Dist" |
| Share Class Currency | MXN |
| Initial Issue Price | 100 MXN per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

| | |
|---|---|
| Share Class | "MXN PfHdg Acc" |
| Share Class Currency | MXN |
| Initial Issue Price | 100 MXN per Share |
| Minimum Initial Subscription, Minimum Subscription and Minimum Redemption Amount | 50,000 Shares unless the Directors determine otherwise. |
| Minimum Holding | N/A |

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

Intra-Day Portfolio Value ("iNAV")

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

Fees and Expenses

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

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

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

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

| Share Class | "Acc" |
|--------------------|---|
| Management Fee | Up to 0.15% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "Dist" |
|--------------------|---|
| Management Fee | Up to 0.15% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "EUR PfHdg Acc" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "EUR PfHdg Dist" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "USD PfHdg Acc" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "USD PfHdg Dist" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "GBP PfHdg Acc" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "GBP PfHdg Dist" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "CHF PfHdg Acc" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "CHF PfHdg Dist" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "MXN PfHdg Acc" |
|--------------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

| Share Class | "MXN PfHdg Dist" |
|----------------|---|
| Management Fee | Up to 0.20% per annum or such lower amount as may be advised to Shareholders from time to time. |

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

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

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

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

Exchange of Shares

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

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

OTHER INFORMATION

Taxation

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

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

Consequences of Disruption Events

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

Limited Recourse

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

Risk Factors

Certain risks relating to the Shares are set out under the heading "**Risk Factors**" in the Prospectus. In addition, Shareholders must also note that:

- (a) Active management risk: the Fund's assets will be actively managed by the Investment Manager, based on the expertise of individual fund managers, who will have discretion (subject to the Fund's investment restrictions) to invest the Fund's assets in investments that it considers will enable the Fund to achieve its investment objective. There is no guarantee that the Fund's investment objective will be achieved based on the investments selected.
- (b) Liquidity Risk: The Fund's investments may be subject to liquidity constraints, which means they may trade less frequently and in small volumes. Securities of certain types, such as bonds, may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable. In certain cases, it may not be possible to sell the security at the price at which it has been valued for the purposes of calculating the Net Asset Value of the Fund or at a value considered to be fairest. In addition, there is a risk that bonds which are nearing maturity may become illiquid. In such cases, it may become more difficult to achieve fair value on the purchase and sale thereof.
- (c) Environmental, Social and Governance Risk: The Fund intends to invest in securities of issuers that manage their ESG exposures better relative to their peers. This may affect the Fund's exposure to certain issuers and cause the Fund to forego certain investment opportunities. The Fund may perform differently to other funds, including underperforming other funds that do not seek to invest in securities of issuers based on their ESG ratings.
- (d) Risks associated with investment in debt securities: Investment in debt securities is subject to interest rate, liquidity and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-

rated securities and it may be harder to buy and sell such securities at an optimum time. Credit risk is the risk of loss on an investment due to the deterioration of an issuer's financial standing. Such a deterioration may result in a reduction of the credit rating of the issuer's securities and may lead to the issuer's inability to honour its contractual obligations, including making timely payment of interest and principal. Credit ratings are a measure of credit quality. Although a downgrade or upgrade of an Investment's credit ratings may or may not affect its price, a decline in credit quality may make the Investment less attractive, thereby driving its yield up and its price down. Declines in credit quality can result in bankruptcy for the issuer and permanent loss of investment. In the event of a bankruptcy or other default, the Fund could experience both delays in liquidating the underlying securities and losses including a possible decline in value of the underlying securities during the period when a Fund seeks to enforce its rights thereto. This will have the effect of reducing levels of capital and income in the Fund and lack of access to income during this period together with the expense of enforcing the Fund's rights. Investment in debt securities will be subject to interest rate risk. Interest rate risk refers to the risk that the prices of debt securities generally fall as interest rates rise; conversely, debt securities prices generally rise as interest rates fall. Specific debt securities differ in their sensitivity to changes in interest rates depending on specific characteristics of each debt security. Longer term debt securities are usually more sensitive to interest rate changes.

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

Disclaimers

The Funds or securities referred to herein are not sponsored, endorsed, or promoted by Bloomberg Finance L.P. ("**Bloomberg**"), and Bloomberg bears no liability with respect to any such Funds or securities or any index on which such Funds or securities are based.