EMEA Standard RFP

Invesco Quantitative Strategies ESG Global Equity Multi-Factor UCITS ETF

November 2024

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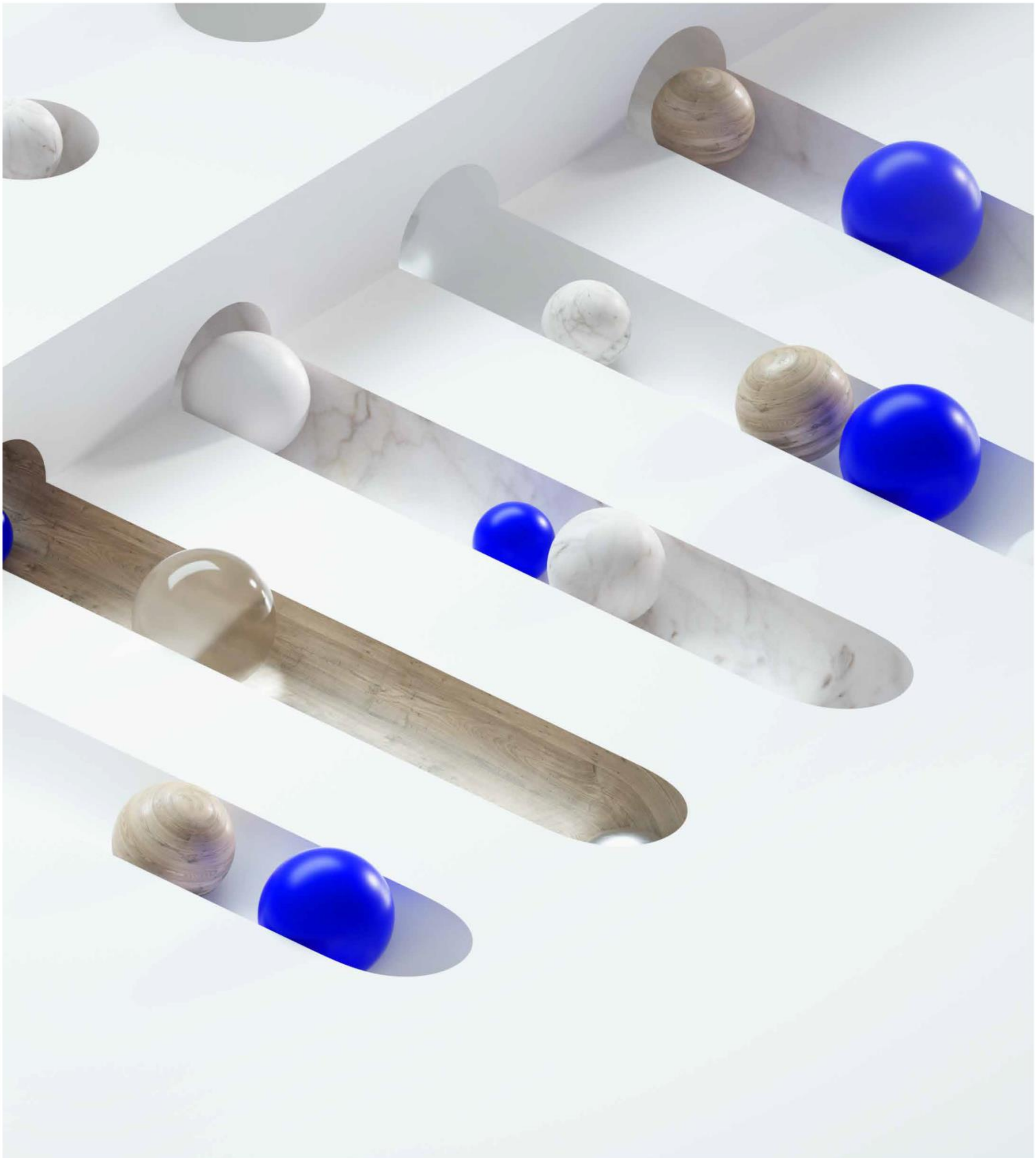


01 Company information

01.01 Invesco Ltd. (Invesco)

Invesco is one of the world's leading independent global investment firms, solely focused on investment management. The firm directs all of its intellectual capital, global strength and operational stability toward helping investors achieve their long-term financial objectives. By delivering the combined power of the firm's distinctive investment management capabilities, Invesco provides a wide range of investment strategies and vehicles to retail and institutional clients around the world. On the ground in more than 20 countries, the company is listed on the New York Stock Exchange under the symbol IVZ.

About Invesco:

- **Dedicated team:** We are approximately 8,500 dedicated people (as at 31 August 2023) in over 20 countries applying our passion, integrity and expertise every day to solving the needs of our clients and finding new ways for them to realise their goals.

- **Driven by solutions:** We are driven by creating the right solutions for our clients using investing art, science and expertise across the firm, around the world, and across nearly every asset class, strategy and vehicle.

- **Power of ideas:** We believe in the power of ideas over a top-down investing approach or philosophy. We seek out and embrace diverse thinking and ideas to create the best outcomes for our clients and their differing needs.

- **Solving challenges:** We commit to our responsibilities, the role we play in the world, and the challenges we help solve - from the products we create to how we apply environmental, social and governance (ESG) principles as investors and how we live them as an organisation.

- **Managing with trust:** This is why we're trusted to manage USD1.73 trillion of assets (at 31 July 2024), giving our clients the confidence of working with a partner with size, scale and stability who takes the utmost pride in their duty of care.

Our investment capabilities:
Invesco's comprehensive range of active, passive and alternative investment capabilities has been constructed over many years to help clients achieve their investment objectives. We draw on this comprehensive range of capabilities to provide customised solutions designed to deliver key outcomes aligned to client needs. Our offering covers a wide range of single-country, regional and global capabilities across major equity, fixed income and alternative asset classes, delivered through a diverse set of investment vehicles:

Asset classes		
Equity	• Market cap • Investment style • Global/regional/single country • Developed/emerging	• Sector • Quantitative • Directional long/short (130/30)
Fixed income and cash	• Cash management • Duration • Sector • Investment grade/high yield	• Global/regional • Developed/emerging • Tax-free bonds
Alternative	• Absolute return • Global macro • Private equity	• Bank loans • Direct lending • Listed real assets

Asset classes		
	• Commodities	• Private real estate
Balanced	• Active balanced • Risk parity (risk premia capture) • Target maturity	• Target risk • Traditional balanced
Investment vehicles	• Institutional separate accounts • Collective trusts • Mutual funds • Exchange-traded funds (ETFs) • Unit Investment Trusts (UITs)	• Private investment funds • Sub-advised portfolios • Separately managed accounts/unified managed accounts • Variable insurance funds • Customised solutions

01.02 Firm history overview

The parent firm, now called Invesco, was originally established in December 1935 under the laws of England and Wales. Although several of the firm's constituent corporate entities are significantly older, Invesco in its modern form was created by the 1997 combination of two asset management businesses: Invesco and AIM, both of which had been founded in the 1970s. Invesco was incorporated as a public company in Bermuda on 12 September 2007.

01.03 Ownership structure

Invesco is a publicly owned company whose shares are listed on the New York Stock Exchange under the symbol "IVZ" and is a constituent of the S&P 500 index. Employees and employee trusts hold approximately 6% of the shares in Invesco as of February 29, 2024. This figure is calculated annually and includes shares held by non-executive members of the Invesco Board of Directors.

The following table sets forth each shareholder known to us who beneficially owns over five percent of our company's outstanding common shares as of February 16, 2024. The percentage of ownership indicated is based on 449,159,161 common shares outstanding as of this date:

Beneficial owner	**% of ownership**
Massachusetts Mutual Life Insurance Company	18.1
The Vanguard Group, Inc.	11.5
BlackRock, Inc.	10.3
Trian Fund Management, L.P.	7.6

Source Invesco as of February 16, 2024. Note: Amounts are sourced from Nasdaq's IR Insight database, which sources and aggregates IVZ shareholdings based on the most currently publicly filed Forms 13F or 13D, as applicable. Nasdaq then calculates the percentage of shares outstanding from the face of the most recently filed Invesco Form 10-Q.

01.04 **Organisational structure of the company and key decision makers.**

Invesco offers diversified investment strategies spanning all major equity, fixed income, asset allocation and alternative asset classes. These strategies are managed across various worldwide investment centres, each of which focus on distinct asset classes, investment styles or regional expertise and adhere to clearly defined investment philosophies aligned with client expectations. Each team is able to operate independently, allowing them to follow and further their specific investment style and expertise.

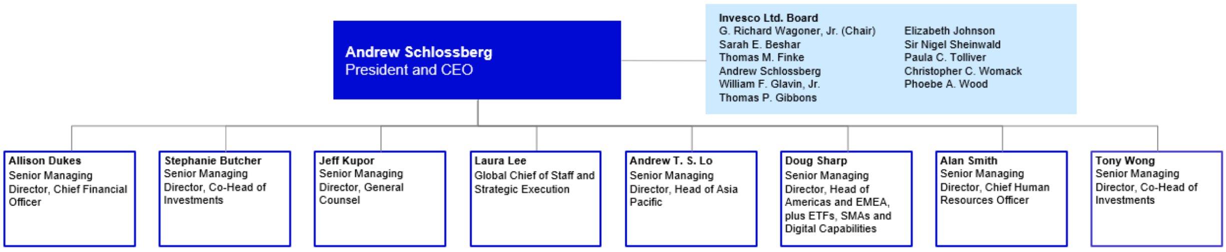
Senior Leadership team

Invesco operates as a unified global organisation benefiting from both local presence and global strengths. The firm's management structure is designed to enable clients and the organisation to benefit from the local knowledge, expertise and execution capabilities of its local leadership while taking advantage of the organisation’s global insights, resources and platform.

The executive leadership team (ELT) has overall responsibility for the development and successful execution of the firm’s comprehensive multi-year strategy. Key elements of this team's responsibilities include achieving investment excellence for the benefit of the firm’s clients, talent management, capital allocation, risk management and product management. To maximise the benefits of local and global knowledge and expertise, a number of these responsibilities are supported by committees that span the firm, including investment oversight, risk management, product development and technology and operations. While benefiting from its global organisation, day-to-day responsibility and execution are placed at a local level.

The firm’s ELT comprises the Chief Executive Officer (CEO) and his direct reports. In addition to their overall Invesco leadership role, each member of the ELT is responsible for a core element of its global business. Invesco has a non-executive Board Chairman who interacts with the CEO on a regular basis. The Invesco Board of Directors is the firm’s primary governing body, which currently comprises 10 independent directors and one management director (the CEO).

The structure is illustrated as follows:



Source: Invesco as at 30 June 2024.

A principal focus and responsibility of senior leadership is enabling the organisation to deliver investment excellence to the firm’s clients consistently over the long-term. Each discrete investment team has a clearly articulated investment philosophy and process that is aligned with client expectations.

01.05 **Name and address of regulatory body overseeing the firm.**

Invesco is regulated by the domestic regulators in the countries where it operates. As an entity, Invesco does not conduct any form of investment business - this is done only through its subsidiary companies which are regulated by the local regulators. The primary regulator for Invesco is the US Securities and Exchange Commission (SEC).

Below is a list of regulators for the legal entities belonging to the firm:

Country	Regulatory agency	
Australia	ASIC	Australian Securities and Investment Commission
Austria	FMA	Austrian Financial Market Authority
Belgium	FSMA	Financial Services and Markets Authority
Canada	OSC	Ontario Securities Commission
China	AMAC CSRC	Asset Management Association of China China Securities Regulatory Commission
Dubai	DFSA	Dubai Financial Services Authority
France	AMF	Autorité des Marchés Financiers
Germany	BaFin	Federal Financial Supervisory Authority
Hong Kong	SFC(HK)	Securities and Futures Commission
	MPFA	Mandatory Provident Fund Schemes Authority
India	SEBI	Securities and Exchange Board of India
Ireland	CBI	Central Bank of Ireland
Italy	BoI&C	Bank of Italy and Consob
Japan	FSAJ	Financial Services Agency
Jersey	JFSC	Jersey Financial Services Commission
Korea	FSC	Financial Services Commission
Luxembourg	CSSF	Commission de Surveillance de Secteur Financier
Netherlands	AFM	Authority for Financial Markets
Poland	KNUiFE	Commission on Supervision of Insurance and Pension Funds
Singapore	MAoS	Monetary Authority of Singapore
Spain	CNMV	Comision Nacional del Mercado de Valores
Sweden	FI	Finansinspektionen
Switzerland	FINMA	Autorité fédérale de surveillance des marchés financiers
Taiwan	FSC MoEA	Financial Supervisory Commission Ministry of Economic Affairs
UK	FCA	Financial Conduct Authority
	PRA	Prudential Regulation Authority
USA	FINRA	Financial Industry Regulatory Authority
	TDB	Texas Department of Banking
	SEC	Securities and Exchange Commission
	NFA	National Futures Association
	CFTC	Commodity Futures Trading Commission

01.06 Details on any significant developments affecting your firm in the past five years?

Invesco is a publicly owned company whose shares are listed on the New York Stock Exchange under the symbol "IVZ" and is a constituent of the S&P 500 index. The firm was originally established in December 1935 under the laws of England and Wales. Although several of the firm's constituent corporate entities are significantly older, Invesco in its modern form was created by the 1997 combination of two asset management businesses: Invesco and AIM, both of which had been founded in the 1970s.

The significant developments affecting Invesco in the past five years have been summarised below:

Year	Description
2019	On 24 May 2019, Invesco and Massachusetts Mutual Life Insurance Company announced the successful completion of Invesco's acquisition of MassMutual's asset management affiliate OppenheimerFunds. Per the terms of the transaction, MassMutual became a significant shareholder of Invesco, with an approximate 15.7% stake in the common stock of the combined firm. The strategic transaction brings Invesco's total assets under management to USD1.2 trillion, making it the sixth-largest US retail investment manager and the thirteenth-largest global investment manager, further enhancing the firm's ability to help meet client needs through its comprehensive range of high-conviction active, passive and alternative capabilities On 11 December 2019, Invesco announced the expansion of its digital wealth business supporting advisors, end-investors and financial institutions with industry-leading tools, resources and investment capabilities. RedBlack, a market-leader in portfolio rebalancing and trading technology, joins Invesco, bringing more than 150 clients and USD350 billion of platform assets
2020	-
2021	-
2022	-
2023	On 30 June 2023, Marty L. Flanagan retired as President and CEO of Invesco (previously announced on 8 February 2023). He became Chairman Emeritus and will provide advice and guidance to Invesco in this role though 31 December 2024. On 30 June 2023, Andrew Schlossberg assumed the role of President and CEO.

Source: Invesco as at 30 June 2023.

Please see below for details on changes to Invesco's Executive Leadership Team (ELT) and Board of Directors over the past five years.

Year	Changes
2023	Effective October 6, 2023, Jeff Kupor, Senior Managing Director and General Counsel, became the interim head of Human Resources. Jennifer Krevitt decided to leave the firm and pursue other opportunities, and will work with Jeff over the coming weeks to ensure a smooth transition. Jeff is a long-tenured, highly experienced Invesco leader and has been deeply involved in Human Resources and related matters throughout his career at Invesco.
	On June 30, 2023, Martin L. Flanagan retired from the firm and Andrew Schlossberg became the President and CEO of Invesco. As previously announced, Marty became Chairman Emeritus and he will continue to provide advice and guidance to the firm in this role until December 31, 2024.
	On June 9, 2023, Invesco noted with sadness the passing of Denis Kessler, who had served as a non-executive director on the Invesco Ltd. Board of Directors since 2002.
	On May 22, 2023, Laura Lee joined the Executive Leadership Team (ELT) as Global Chief of Staff and Strategic Execution. In this role, Laura is responsible for developing and managing the strategic agenda for the ELT, facilitating execution across our global firm, and helping drive progress and alignment on crucial initiatives.

Year	Changes
	On February 15, 2023, Beth Johnson and Todd Gibbons were appointed as non-executive directors to the Invesco Ltd. Board of Directors. Beth's appointment was effective as of February 15th, 2023 and Todd's appointment was effective on April 24, 2023. Biographies for Beth and Todd can be found at https://www.invesco.com/corporate/en/about-us/board-of-directors.html. C. Robert Henrikson, who served as a non-executive director on the Invesco Board since January 2012, retired from the Board at the conclusion of the company's AGM of shareholders on May 25, 2023. On February 8, 2023, Martin L. Flanagan announced his plans to retire as president and CEO of our firm and step down from the Invesco Board on June 30, 2023. He will then become Chairman Emeritus on June 30, 2023 and will provide advice and guidance to the company in this role though December 31, 2024. Andrew Schlossberg, Senior Managing Director and Head of the Americas, will succeed him as president and CEO on June 30, 2023. The announcement also noted several other related changes: • Doug Sharp, Senior Managing Director and head of EMEA, assumed an expanded leadership role as Head of the Americas and EMEA, and global responsibility for the ETFs, SMAs and digital capabilities. He works with Andrew Lo, Senior Managing Director and the Head of Asia Pacific to oversee a more client-facing organization with a focus on better understanding and meeting client needs, employing both a regional and cross-regional approach. • Stephanie Butcher, Chief Investment Officer, EMEA and Tony Wong, Global Head of Fixed Income Investments, were named Senior Managing Directors and Co-Heads of Investments. Together, Stephanie and Tony oversee our firm's distinctive investment capabilities, building on the strength of our investment culture, processes and enterprise support model. • Greg McGreevey who had served as Senior Managing Director of Investments since 2017, also announced his decision to retire from the firm. He served as an advisor to Stephanie, Tony and the firm on investment topics until his retirement on 31 March, 2023. • Jeff Kupor assumed the role of Senior Managing Director, General Counsel on January 1, 2023. Kevin Carome served in an advisory capacity until his retirement in April 2023.
2022	After 15 years with Invesco, Colin Meadows left the firm in May 2022 to begin a new venture, o15, a mission-driven alternatives investment firm providing capital to support women and minority entrepreneurs. Prior to co-founding o15, Colin was a Senior Managing Director with Invesco where he held a variety of business and functional leadership roles including Head of Invesco Private Markets, Head of Invesco Global Institutional, Head of Invesco Digital Ventures, and Chief Administrative Officer.
	On February 1, 2022, Nelson Peltz and Ed Garden of Trian Fund Management, L.P. (Trian Partners), significant shareholders in Invesco, stepped down as members of Invesco's Board in light of their appointment to the Board of Directors of Janus Henderson Group plc. Trian Partners remains confident in Invesco's leadership, business momentum and long-term strategy.
	Jennifer Krevitt joined Invesco as Senior Managing Director and Chief Human Resources Officer on January 31, 2022. Washington Dender, who served as Global Head of Human Resources since 2009, retired from Invesco in late March 2022.
2021	Christopher Womack joined Invesco's Board of Directors on October 13, 2021. Christopher is the Chairman, President and CEO of Georgia Power Company, a subsidiary of the Southern Company, one of the nation's leading energy providers. Christopher's deep public policy background, his experience in maintaining a sustainable energy environment, his focus on social justice and his strong community service align well with the firm's commitment to ESG.
	Paula Tolliver, former Chief Information Officer and Chief Digital Officer for Intel Corporation was appointed to Invesco's Board of Directors on May 13, 2021. Adding Paula to the Board underscored the important role technology plays in Invesco's efforts to deliver a superior client experience.
	Loren Starr, Vice Chair, retired from the firm on March 1, 2021.
2020	Joseph R. Canion retired from the Invesco Board of Directors at the end of 2020.
	Nelson Peltz and Ed Garden of Trian Partners were appointed to Invesco's Board on November 5, 2020. Nelson is CEO and Ed CIO of Trian Partners; both are founding partners.

Year	Changes
	Thomas M. Finke, was appointed to Invesco's Board on December 1, 2020, retiring from Barings on November 30, 2020. Barings is a wholly owned subsidiary of Massachusetts Mutual Life Insurance Company (MassMutual).
	Allison Dukes joined the firm as Deputy Chief Financial Officer on March 10 and joined the Executive Management team on the same day as well. She remained Deputy CFO until August 1, 2020, at which point she transitioned into the role of Senior Managing Director and Chief Financial Officer, with responsibility for Finance, Accounting, Investor Relations, and Corporate Strategy. Her predecessor, Loren Starr, transitioned into the role of Vice Chair on August 1. In this role, Mr. Starr acted as a senior advisor to the firm's executive management team and led special projects.
2019	At the end of 2019, Philip A. Taylor, Senior Managing Director and Head of the Americas, as previously announced, departed from the firm to transition to board service for other companies, venture capital endeavors and philanthropic activities.
	On May 24, 2019, Invesco and MassMutual entered into a shareholder agreement in which MassMutual has customary minority shareholder rights, including representation on Invesco's board of directors. William F. Glavin, Jr., retired CEO of OppenheimerFunds Inc., was named to Invesco's Board of Directors as MassMutual's designee.
	On May 9, 2019, Ben Johnson retired from the Board of Directors. G. Richard Wagoner, Jr., replaced him as Chairman.
	On March 1, 2019, Andrew R. Schlossberg became the Senior Managing Director and Head of the Americas and Philip Taylor assumed the role of Vice Chair until his planned departure. Also on March 1, 2019, Doug Sharp became Senior Managing Director and Head of EMEA reporting directly to the Chief Executive Officer. Mr. Sharp led Invesco's EMEA Retail (Cross Border Retail and UK Retail) business since March 2015, and was in charge the firm's exchange traded fund business in the region. He joined Invesco in 2008, and has held a series of progressively more senior roles with a diverse set of responsibilities touching many aspects of the Company's global business. Prior roles include: Head of Cross Border Retail from August 2012-March 2015; Head of Strategy and Business Planning from January 2010-August 2012; and Chief Administrative Officer for Invesco's global Institutional business from January 2008-January 2010.

Source: Invesco.

01.07 Has your firm been subject to any disciplinary action by a regulator in the last five years?

Invesco conducts investment management business only through its subsidiary companies. Those entities are regulated in jurisdictions where, by the nature of their activities, they are required to be regulated. From time to time, Invesco's regulated investment advisers, all of whom have and maintain robust compliance programs and practices, may receive formal or informal requests from governmental or regulatory bodies about their activities. No requests currently pending are expected to result in any matter that could have a material adverse impact on the business or operations of any such advisers.

Below we have provided regulatory action involving Invesco affiliates in the past five years. For further information please contact your Invesco representative.

On January 31, 2023, the Commission de Surveillance du Secteur Financier (CSSF), imposed an administrative fine on Invesco Real Estate Management S.a.r.l (IREM) of EUR 49, 083, following a routine inspection of the entity's governance framework. The shortcomings identified were in relation to the oversight of delegated activities performed by intra group activities and of EMIR reporting obligations carried out by Invesco Real Estate in Munich. Invesco has worked closely with the CSSF and has taken all necessary measures to address these areas of concern.

In December 2022, the Securities and Futures Commission of Korea fined Invesco Capital Management (ICM) 60 million Korean won ($48,797.47) for violating short sale restrictions on March 19, 2021. ICM paid the fine on January 9, 2023.

On August 25, 2022, Comisión Federal de Competencia Económica (COFECE), the Mexican Federal Economic Competition Commission, announced it had fined Invesco Asset Management Limited (IAML)

USD45,000 for clerical errors in relation to a pre-merger clearance filing made in 2021 and requested IAML submit a new filing in respect of all Invesco funds and accounts involved in the transaction.

On May 31, 2021, Invesco Ltd., the ultimate parent company of IAI, agreed to a settlement with the Federal Financial Supervisory Authority ("Bafin") in the amount of 260,000 Euros (approximately $309,595 USD) for a matter related to ownership filings with the German regulator in relation to German listed companies. BaFin alleged Invesco Ltd. and AIM international mutual funds failed to submit voting rights notifications to BaFin and issuers by the required deadline. BaFin issued a Notice of Hearing on July 30, 2020 to Invesco Ltd. alleging that violations of the voting rights requirements occurred on 26 occasions related to the voting rights notifications of Invesco Ltd. and on 28 occasions relating to the voting rights notifications of AIM international mutual funds between May 2019 and October 2019. Invesco Ltd. paid the administrative fine on June 30, 2021.

02 Assets under Management (AUM)

02.01 Breakdown of AUM by asset class

A breakdown of Invesco's AUM has been provided below:

Assets Under Management (in billions)	**USD billion**	**EUR billion**	**GBP billion**	**%**
Total	**$1.772,00**	**$1.653,98**	**$1.409,27**	**100,0%**
ETFs & Index Strategies	$457,70	$427,22	$364,01	25,8%
Fundamental Fixed Income	$284,20	$265,27	$226,02	16,0%
Fundamental Equities	$270,10	$252,11	$214,81	15,2%
Private Markets	$129,20	$120,60	$102,75	7,3%
APAC Managed	$116,40	$108,65	$92,57	6,6%
Multi- Asset/Other	$60,20	$56,19	$47,88	3,4%
Global Liquidity	$162,30	$151,49	$129,08	9,2%
QQQ	$291,90	$272,46	$232,15	16,5%

Source: Invesco. AuM Release as of October 31, 2014

03 Investment Philosophy & Process

03.01 Investment philosophy for this asset class.

The Invesco Quantitative Strategies (IQS) team is committed to adding value for clients through the systematic application of factor investing.

The IQS team is convinced that certain factors such as Value, Momentum and Quality explain large parts of both return and risk variation in equity markets. However, while individual factors may deliver better returns than traditional market capitalisation weighted benchmarks in the long run, short term drawdowns may be severe and consistently successful factor timing has proven to be challenging if not impossible. Hence, the team has very successfully been implementing broadly diversified multi factor strategies for close to 40 years, seeking to capture factor premiums irrespective of the prevailing market environment and timing considerations.

With respect to ESG, IQS acknowledges that ESG risks and opportunities are becoming potential drivers of future returns, which might not have materialised in historic data and covariances. With increasing awareness from societies, regulators and capital market participants, sustainability risks in markets will most likely impact asset valuations. Therefore, IQS is focusing particularly on a robust ESG integration. ESG aspects are considered throughout every aspect of the investment process: starting from the factor research, factors are explicitly evaluated according to their specific ESG profile. That spans over integrating ESG aspects in the portfolio construction with an emphasize on managing ESG risks using the adverse ESG momentum as well as the ESG exposure control. IQS is continuously researching the seamless integration of ESG measures. Furthermore, IQS is actively engaging with companies on ESG matters as well as performing active proxy voting.

The IQS team believes that the following factors set the strategy apart from its competitors:

- **Performance**: The IQS Multi-Factor approach has proven to consistently add value for clients: A representative track record with inception in 1999 has provided annualised excess returns of 0.57% at a realised tracking error of 2.8% versus its benchmark (per 31 December 2023)
- **ESG Expertise**: The team has been managing multiple mandates meeting the Austrian ecolabel for many years (e.g. Invesco Quantitative Strategies ESG Global Equity Multi Factor UCITS ETF or segregated mandates for Austrian pension funds). This approach has been adapted to many different regions and can easily be tailored for a US equity universe. The strategy combines a very strict ESG approach in all steps of the investment process with a best-in-class screening, exclusion of controversies and controversial business activities and a greenhouse gas intensity reduction in line with the EU Minimum Benchmark Standards. Moreover, investors benefit from our ongoing ESG focused shareholder engagement and centrally coordinated proxy voting efforts across investment teams with the significance of EUR1.3tn assets under management.
- **Customisation**: The team’s systematic investment approach allows each managed mandate to be tailor-made to clients’ guidelines and preferences. Common customisation requests include exclusions of certain market segments (e.g. countries, industries) or additional ESG-based exclusions. Our focus is on return-driving factor characteristics rather than stock-specific strengths, we can achieve the same portfolio and hence return profile subject to customised universes.

*Past performance does not predict future returns.

03.02 Overview of our quantitative equity strategy

The proposed quantitative equity strategy follows an ESG integrated multi-factor strategy. While strict ESG filters are applied, the investment team aims at earning factor premia, using their proven multi-factor investment approach which considers Value, Quality and Momentum. The consideration of sustainability criteria is an integral part of every step of our investment process.

The investment process is based on three building blocks: ESG Policy, Security Selection through a multi-factor model and Proxy Voting & Engagement.

1. ESG Approach	▪ Using integrated ESG screening combined with additional ESG criteria outline below ▪ Implement ESG criteria including exclusions as well as a best-in-class approach
2. Multi-Factor Model	▪ Proprietary multi-factor investment approach which exploits premia using proprietary factor definitions for Momentum, Quality and Value ▪ Accounting for further ESG criteria such as carbon intensity management
3. Proxy Voting & Engagement	▪ Voting in line with a dedicated proxy voting policy, promoting ESG themes. ▪ Entering into an active dialogue with companiesthat have weaknesses in the field of ESG.

The Invesco Quantitative Strategies (IQS) team is committed to adding value for clients through the systematic application of factor investing.

The IQS investment process detailed in question 3.3, diversifies across the factors Value, Momentum as well as Quality. These factors are used with proprietary definitions that we think have the potential to achieve better risk-adjusted returns than standard factor definitions. Technically, we believe that proprietary factor definitions have the potential to harvest more than just a basic factor risk premium, e.g. including factor premiums that exist due to structural behavioural biases.

Research

The research and portfolio management efforts are based on a team approach. Contributions from all team members are reflected in the multi-factor model and the investment process. All team members are encouraged to contribute to the further enhancement and continuous improvement of the multi-factor model.

As part of the research team's efforts, we continually monitor information sources such as academic literature for advancements in the field of factor investing. However, IQS does not make use of external analysis in the management of portfolios. The team's research is conducted in-house with a self-developed infrastructure, although the team utilises external data sources as an input to the process. For factor research, quantitative modelling and the calculation of stock factor scores, IQS uses Worldscope, Compustat, IDC, IBES, FactSet, MSCI ESG as well as index data (MSCI, STOXX, FTSE Russell, S&P, Dow Jones Sustainability).

ESG information is sourced from MSCI ESG to perform the Adverse ESG momentum and the ESG exposure control. Furthermore, MSCI ESG, Sustainalytics and Vigeo Eiris are used to identify companies of significant ESG controversies, which are potential targets for engagement. We utilize the Controversial Activity Screening of Vigeo Eiris to generate an exclusion list. Furthermore, the Best-In-Class assessment is based on the Vigeo Eiris Energy Transition Score. The Carbon data used in the portfolio construction process is based on the research of ISS ESG. Being a research driven investment team, IQS is actively searching for new ESG data sources including alternative data sources.

Decision-making process

The IQS investment process is entirely quantitative in nature. Buy and sell decisions are solely determined by the (changing) factor and risk profiles of underlying stocks subject to turnover constraints. Portfolio managers do not have discretion to overwrite the model output. However, consistency checks are done by the IQS portfolio managers along every stage of the portfolio construction process.

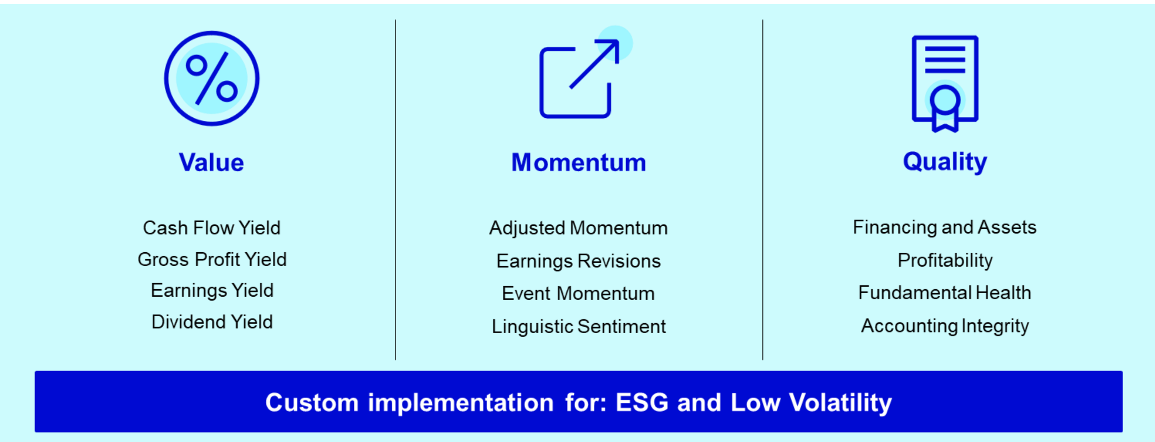
03.03 Portfolio construction, implementation and trading process

The investment universe comprises global developed market equities that meet the defined sustainability criteria using exclusions as well as Best-in-Class criteria. Risk management is an integral part of each investment step.

The investment team relies on its factor-based selection model, which seeks to capture the factors of Quality, Momentum and Valuation. In addition, the IQS team implements specific ESG criteria. Following in-depth factor research, IQS uses proprietary factor definitions that are expected to deliver results in excess of standard factor definitions.

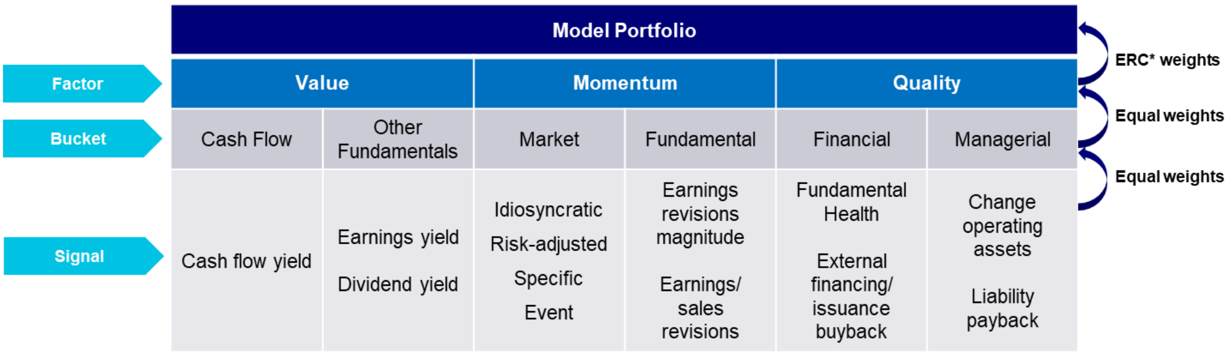
In the first step, the investable stock universe is defined. To meet the criteria of the Austrian ecolabel, around 1,200 stocks from our US large and mid-cap universe are screened for ESG criteria to define the eligible ESG universe. The eligible number of stocks of the ESG universe varies depending on the ESG criteria. In this concrete case of the Austrian ecolabel, around 200 names would be removed due to controversial business activities and behaviours not aligned with the criteria outlined in the ecolabel. Against this backdrop, the best-in-class approach is focusing on the top 50% of the universe using a broad ESG score. As a result, the acceptable universe consists of typically around 40% of the starting universe. At this stage the adverse ESG momentum is applied, which leads to an exclusion of companies which face severe downgrades in their ESG score.

In a second step stocks are ranked according to each stock's attractiveness with respect to the Value, Momentum and Quality factors shown below. To achieve comparability, the process ranks within industry groups within regions, i.e. on an industry-neutral basis by region. These rankings are translated into single factor portfolios. Customisation criteria, such as the exclusions required by the Austrian ecolabel are already applied in this step and carried forward throughout the subsequent process.

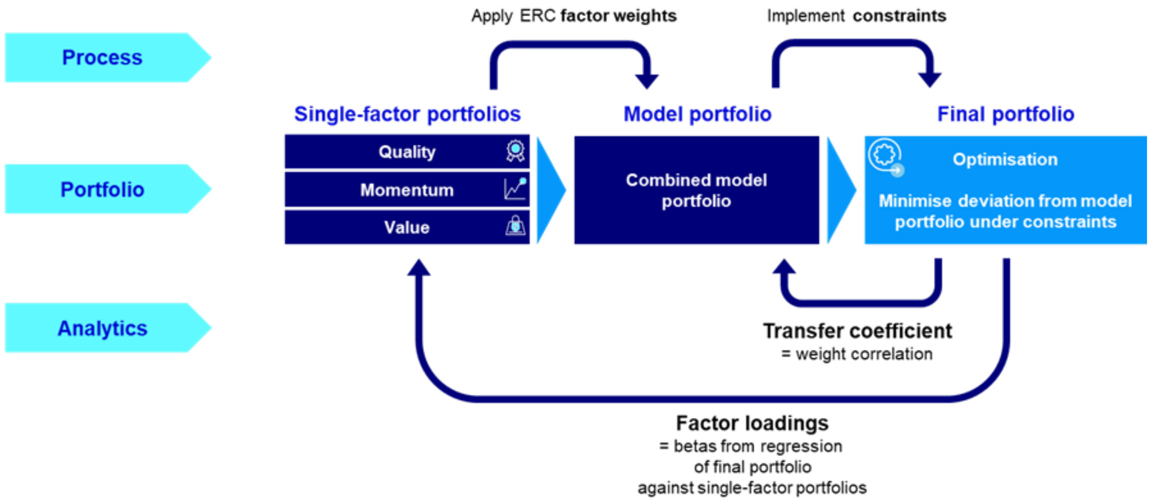


Source: Invesco as at 30 June 2023. For illustrative purposes only. Not all signals are used in all regions and sub-models. Signals often have subcomponents. Additional signals are used in specific sub-models and definitions may vary across regions.

In step three these single factor model portfolios are weighted in order to obtain an overall multi-factor model portfolio. The process applies an equal-risk contribution weighting scheme that ensures broad factor diversification at any point in time and avoids individual factors loading up excessively on risk even in times of market stress. The multi-factor model portfolio is then added to the strategy's benchmark to achieve target absolute target weights for each stock.



Step four sets the constraints for portfolio construction. Based on the investor's risk and return objectives, maximum sector, country and single stock deviations from the benchmark are determined. We make sure that the risk budget is used for rewarding risk factors only while broadly neutralising risk factors the team does not expect to be rewarded in the long run. These constraints explicitly include the consideration of numerous built-in ESG requirements including an explicit low carbon focus embedded in the portfolio construction. The early application of ESG exclusions from the factor portfolios on allows for a more efficient outcome of the optimization without spending risk budget on applying exclusions in this step. Subsequently, the portfolio construction establishes stock weightings aiming the closest possible alignment of the overall portfolio with the above constructed target weights in a responsible investing framework. Simultaneously risks are managed rigorously, and non-rewarding risks are neutralized. This explicitly includes consideration of transaction costs.



Source: Invesco. For illustrative purposes only.

It is important to note that we would use the MSCI USA Climate Paris Aligned index only for performance benchmarking purposes and to control the tracking error of the portfolio, not to define the investable universe to start with. Reason being an a few shortcomings we have identified with MSCI ESG and in particular Paris Aligned benchmarks:

- **Imbalanced factor exposures**: MSCI ESG mostly do not consider the factor profile. In this particular case, relative to the MSCI USA, the Climate Paris Aligned Index shows negative exposures to Value and Quality and neutral exposure to Momentum. We are convinced an explicit focus on establishing positive factor exposures earns a factor premium and hence an outperformance.

- **Uncontrolled turnover**: in recent past, turnover for the implementation of the MSCI Climate Paris Aligned benchmarks had noticeable outliers. As an example, from the MSCI rebalancing note:

> *"The May 2022 Index reviews for MSCI Japan SRI Filtered PAB Index and the MSCI Pacific ex Japan SRI Filtered PAB Index was constructed by relaxing the one-way turnover constraints to 36% and 33% respectively."*

The team implements an explicit turnover control based on its custom transaction cost model, ensuring expected return, risk and costs associated with turnover are in check.

- **Concentration Risk**: The MSCI USA Climate Paris Aligned Index currently consists of only 272 members with the aggregated top 10 member weight being approx. 33%. This can easily increase by a further concentration of the US market or by a failure of the market to divest as quick as the index, leading to a stronger increase in concentration in the Paris Aligned Index index compared to the broad market index. The investment team monitors these dynamics and will consult the investor on potential solutions to the risks of overly concentrated portfolios.

The resulting portfolio will establish broadly diversified factor exposures seeking to capture the long-term positive premiums of the factors deemed rewarding by applying an according weighting structure around a capitalisation weighted index.

Implementation & trading (incl. best-execution policy)

Invesco's investment teams execute all equity, alternative and some fixed income orders through its Capital Markets team which includes regional trading desks in EMEA, Asia-Pacific and the Americas as well as global alternatives and global fixed income desks.

As at 30 June 2023, the firm's global desk included 70 traders who are aligned against best execution, trading research and tool development, transaction cost analysis and global trading initiatives.

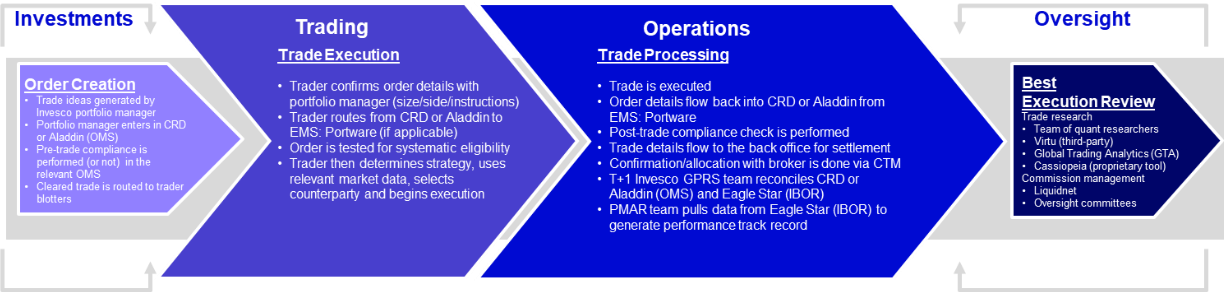
Invesco's Capital Markets team uses harmonised trading policies and procedures including aggregation, allocation, counterparty approvals, broker selection and best execution while allowing for differences due to local regulations. Our traders are aligned against best execution, trading research and tool development, transaction cost analysis and global trading initiatives.

The trade flow process is fully automated, with Charles River Development (CRD) and BlackRock Solutions Aladdin (Aladdin) order management systems (OMS) used for trade execution as well as for pre- and post-trade compliance. CRD is used for equities and some fixed income trading. Aladdin is used by Invesco Fixed Income for its trading. Electronic trading platforms may also be used, where applicable.

Our trade flow process begins with the portfolio manager who authorises the trade and has authority over its placement. The portfolio manager or analyst generally enters the trade order into the relevant OMS; however, in some cases orders can be communicated via telephone, Bloomberg, e-mail or other means to the trading desk which then picks up the order. Any trade not entered into the OMS by the portfolio manager but rather a trader automatically generates an email to the investment team and has to be signed off prior to execution. An authorised trader then executes the order in the market.

At Invesco, we use a wide range of execution venues including full service brokers, local execution only brokers, buy side crossing systems, black box matching systems, alternative trading systems (ATS) and others.

Once the trade has been executed, it is processed by our Global Portfolio and Reconciliation Services (GPRS) team. The GPRS team manages the entire post-execution trade support process, from confirmation with the broker to settlement with the relevant custodian. Below is the investment lifecycle capability map of the process:



EMS: Execution Management System. CTM: Central Trade Manager. IBOR: Investment Book of Record. PMAR: Performance Measurement Analytics & Reporting.

For illustrative purposes only.

Best execution

Invesco always strives to obtain best execution when a trade is executed on behalf of a fund. Best execution factors set out, considered and subsequently prioritised are price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order.

The lowest possible commission is not the sole determinative factor for best execution. Invesco's execution process is designed to give traders the latitude to execute their trades with a broker, ECN (Electronic Communication Network), ATS (Alternative Trading System) or other available venue that they believe will provide best execution. At times this may include the use of client commission arrangements, where such are permitted by local regulations.

Commissions are the most readily identifiable and quantifiable component of total transaction costs, but they are only one of the component costs that Invesco seeks to minimise in its best execution process. Total transaction costs are comprised of the sum of both explicit and implicit costs. Explicit costs are primarily the commissions on the transactions. Implicit costs include market impact, opportunity cost and timing cost. Invesco believes that the vast majority of total transaction costs are attributed to implicit costs such as market impact and opportunity or "implementation shortfall" costs which are much more difficult to measure than explicit costs given the lack of industry standards and their somewhat subjective nature.

Invesco's trading process is centred on containing total transaction costs; Invesco closely monitors and adjusts commission rates as part of this process. The firm employs a third party vendor, Virtu (ITG), to provide it with daily, weekly and monthly analyses of its transactions using a number of different benchmarks including implementation shortfall and volume weighted average price (VWAP) models. Invesco has also developed an internal transaction cost analysis (TCA) system to provide traders and fund managers' greater transparency into the context of the trades. This system, Cassiopeia, provides the traders with next day intelligence on the context of the trading decisions they made with respect to the subsequent performance of the security traded. This context includes a number of different benchmarks such as implementation shortfall, VWAP, T-1 (momentum), T+1 (alpha capture) and a host of other benchmarks designed to help the trader and the fund manager gauge the value of the transaction. The cornerstone of this analysis is the determination of how much alpha was in the trade and how much the firm was able to capture using the various strategies at the traders' disposal. Traders review this transaction analysis daily and the head traders review high and low cost trades frequently. A TCA sub-committee then reviews all TCA data by region and investment centre and reports any outliers or items for discussion at the next Global Trading Oversight Committee (GTOC) meeting.

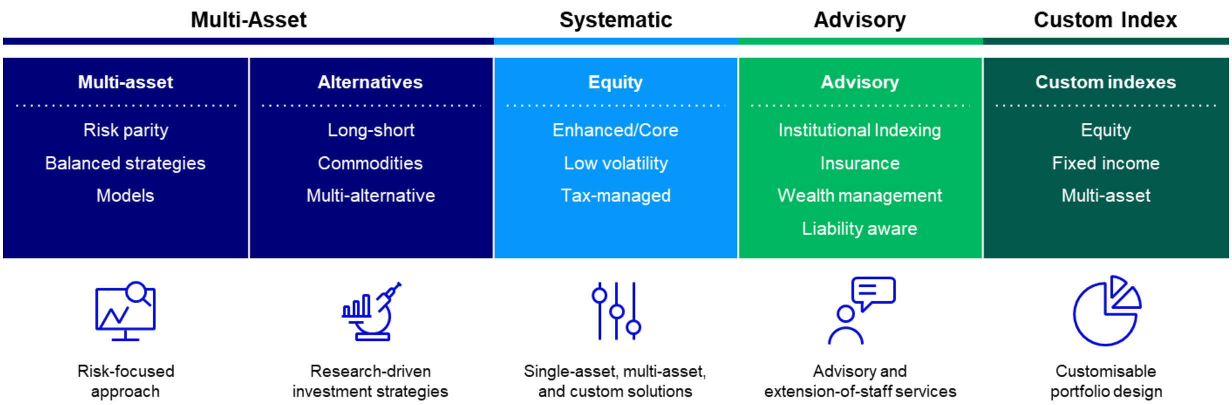
Trades executed through Invesco's affiliate broker are reviewed by the Head of Invesco's Americas equity trading desk, and by Will Geyer, the Global Head of Trading. Their reviews include an examination of the reasons for sending the trade through the affiliate broker and an analysis of the commission charged and the quality of the execution. In addition, GTOC receives and reviews best execution reports that include trades executed through the affiliate broker. The GTOC reports are also reviewed by the compliance departments for Invesco and the affiliate broker.

04 Investment Team

04.01 Structure of the investment team (if available please add a diagram)

Multi-Asset Strategies (MAS)
The IQS team is deeply embedded in the Invesco organisation. The team forms a part of the MAS group, led by Chief Investment Officer (CIO) Scott Wolle, which groups all investment teams offering systematic, factor-based and multi-asset strategies under one leadership. This fosters collaboration, share of best practices and the possibility of greater customisation for investor requests that require the capabilities of multiple investment teams and for multiple asset classes. There is structured exchange of ideas in a factor research forum and a factor commercialisation forum.

Capabilities managed by MAS include:



For illustrative purposes only. Custom Indexes are created by Invesco Indexing LLC, which is an indirect, wholly owned subsidiary of Invesco Ltd. The group is legally, technologically, and physically separate from other business units of Invesco, including its global investment teams.

As at 31 December 2023, MAS comprised over 200 investment professionals, more than 40 of which work for the IQS team.

Within MAS, the IQS team manages an array of multi-factor equity strategies, as highlighted above, spanning a variety of market capitalisations, regions and risk levels, in both benchmark-relative and benchmark-agnostic strategies. All IQS strategies share the same investment philosophy, a multi-factor approach based on Value, Momentum and Quality implementing proprietary factor definitions and proprietary risk models. Additional investment factors such as Low Volatility are added by way of a smart systematic portfolio construction technique. Based on in-depth research, regional specifications are applied to reflect regional particularities in market structures. All strategies are highly customisable and individual client needs such as different risk/return levels, ESG considerations etc., can seamlessly be integrated.

Invesco Quantitative Strategies
As a quantitative investment team, the IQS' research and portfolio management efforts are based on a team approach. The team is functionally structured into two main operating groups, Portfolio Management and Research, which work closely on a daily basis. IQS team members are located in Frankfurt, New York, Boston, Melbourne and Tokyo.

Portfolio Management: Includes 16 investment professionals, as at 31 December 2023, with responsibility for portfolio architecture, including implementation, risk management, portfolio and performance analysis, and investment communication.

Research: More than 25 research analysts are dedicated to engineering and enhancing the proprietary IQS multi-factor return and risk models and providing key input to product design. The Research team is charged with all aspects of further developing the investment process.

The Portfolio Management and Research teams are supported by an seven-strong Global Portfolio Analytics team responsible for portfolio and performance analysis, investment communication and customised reporting.

Investment process governance, accountability and business management lies with the Global Management team led by IQS' CIO, Bernhard Langer which comprises the team heads of Research and Portfolio Management.

Invesco as of 31 December 2023.

Team approach

IQS has a team approach to portfolio management. Based on this, all team members act as deputy managers. Research and portfolio management teams work together globally to conduct research on and to manage the IQS multi-factor strategies. The team is led by Chief Investment Officer Bernhard Langer and a Global Management Team (GMT) comprised of the leaders of research and portfolio management. This team provides investment process governance and is the ultimate decision-making committee.

The assigned portfolio managers for this mandate would be Erhard Radatz and Tim Herzig. Erhard and Tim would represent the investment team during conference calls and face-to-face meetings (which can be held in any frequency desired) and would serve as a direct contact person for any ad-hoc requests. The investor would also have access to the portfolio management team, led by Bernhard Langer. Together with Manuela von Ditfurth, senior portfolio manager, Erhard and Tim serve as industry experts in ESG investing, spearheading the team's efforts on ESG integration, research, and reporting. We are convinced that direct access to the whole portfolio management team provides the best level of service.

04.02 Experience of the investment team (if available please add a diagram)

Position	Names	Industry experience (Years)
Lead Portfolio Manager	Erhard Radatz	12 (please refer to the below biography for additional details)
Co-Portfolio Manager	Tim Herzig	7 (please refer to the below biography for additional details)

Source: Invesco as at 31 December 2023. For illustrative purposes only.

04.03 Please provide short biographies of key investment professionals.

The IQS team is highly experienced with an average 17 years investment experience and an average 12 years firm tenure, as at 30 June 2023.

The lead strategy manager biography:

Erhard Radatz
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Erhard joined Invesco in August 2017 as a portfolio manager focusing on balanced accounts and capital protected products. Furthermore, Erhard is contributing to the sustainability team focusing on integrating ESG aspects into the systematic investment process. He started his career as a portfolio manager in Deutsche Asset Management's institutional Multi Asset and Risk Overlay team. Erhard holds a Master's degree in Theoretical Physics from the Humboldt University Berlin.

Tim Herzig
Portfolio Management Team, Invesco Quantitative Strategies based in Frankfurt.
Tim is responsible for managing portfolios with an ESG focus at Invesco Quantitative Strategies. He joined the team in 2017 with a focus on factor analytics and performance attribution. Tim received his B.S. in Business Administration from the University of Rostock and his M.S. in Finance from the Stockholm School of Economics.

05 ETF

05.01 Investment objective

The Invesco Quantitative Strategies ESG Global Equity Multi-Factor UCITS ETF Acc aims to deliver superior risk-adjusted returns over the long term when compared with the performance of global equity markets by investing in an actively managed portfolio of global equities that meet a defined set of environmental, social, and corporate governance (“ESG”) criteria.

Eligible stocks are screened for compliance with the fund’s ESG Criteria, and then scored based on their attractiveness with respect to three investment factors: Value (i.e. companies perceived to be inexpensive relative to market averages), Quality (i.e. companies that demonstrate stronger balance sheets relative to market averages) and Momentum (i.e. companies whose historical share price performance or earnings growth have exceeded market averages).

The fund will hold a sub-set of these stocks, using an optimisation process that seeks to maximise exposure to those investment factors whilst targeting a risk profile that is consistent with the fund’s investment objective. The “quantitative investment model” uses mathematical, logical and statistical techniques for stock selection purposes. Fund holdings are rebalanced monthly.

The value of investments, and any income from them, will fluctuate. This may partly be the result of changes in exchange rates. Investors may not get back the full amount invested.

The benchmark index is the MSCI World Index, and is shown for performance comparisons purposes only. The fund does not track the index.

05.02 Replication strategy.

Not applicable as the ETF invests in an actively managed portfolio of global equities, as detailed in section 3, that meet a defined set of environmental, social, and corporate governance (ESG) criteria. The fund intends to invest in securities of issuers that manage their ESG exposures better relative to their peers. Eligible stocks are screened for compliance with the fund’s ESG Criteria, and then scored based on their attractiveness with respect to three investment factors:

- Value: Companies perceived to be inexpensive relative to market averages.
- Quality: Companies that demonstrate stronger balance sheets relative to market averages.
- Momentum: Companies whose historical share price performance or earnings growth have exceeded market averages.

The fund will hold a subset of these stocks, using an optimization process that seeks to maximize exposure to those investment factors whilst targeting a risk profile that is consistent with the fund’s investment objective.

Fund holdings are rebalanced monthly

06 Securities lending

The ETF is engaged in securities lending. Please refer to the securities lending data sheet for details on this topic.

07 Trading

07.01 Trading process

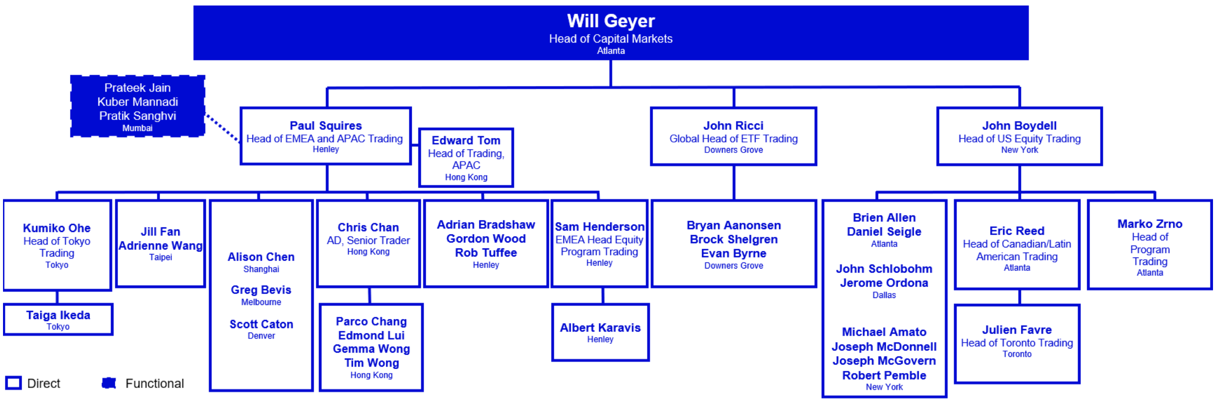
07.01.01 Does your firm have a centralised dealing desk?

Invesco's investment teams execute all equity, alternative and some fixed income orders through its Capital Markets team, led by Will Geyer, which includes regional trading desks in EMEA, Asia-Pacific and the Americas, as well as global alternatives and global fixed income desks.

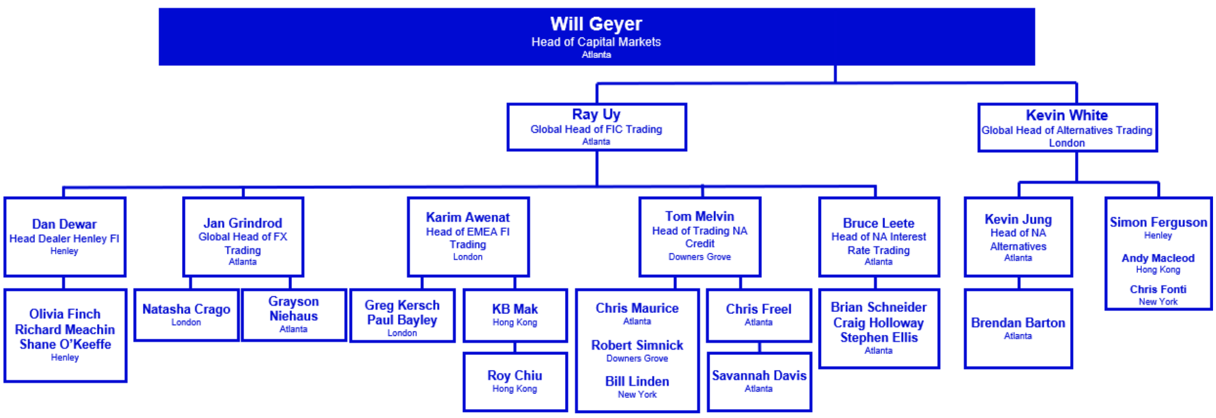
Within each regional trading desk, traders specialise in local market dynamics, develop and maintain deep trading relationships and focus exclusively on providing the best execution. This regional model provides traders and portfolio managers with a unique and valuable perspective on both local and global supply and demand. This perspective and information is critical in a world of fragmented markets and hidden liquidity.

Organisation charts are provided below:

Equity trading



Fixed income, FX and Alternatives trading



Source: Invesco as at 31 January 2024. Subject to change.

07.01.02 **Provide a description of the trade flow process.**

Invesco's Capital Markets team uses harmonised trading policies and procedures including aggregation, allocation, counterparty approvals, broker selection and best execution while allowing for differences due to local regulations. Our traders are aligned against best execution, trading research and tool development, transaction cost analysis and global trading initiatives.

The trade flow process is fully automated, with CRD and Aladdin® By Blackrock (Aladdin) order management systems (OMS) used for trade execution as well as for pre- and post-trade compliance. CRD is used for equities and some fixed income trading. Aladdin is used by Invesco Fixed Income for its trading. Electronic trading platforms may also be used, where applicable.

Our trade flow process begins with the portfolio manager who authorises the trade and has authority over its placement. The portfolio manager or analyst generally enters the trade order into the relevant OMS; however, in some cases orders can be communicated via telephone, Bloomberg, e-mail or other means to the trading desk which then picks up the order. Any trade not entered into the OMS by the portfolio manager but rather a trader automatically generates an email to the investment team and has to be signed off prior to execution. An authorised trader then executes the order in the market.

At Invesco, we use a wide range of execution venues including full service brokers, local execution only brokers, buy side crossing systems, black box matching systems, alternative trading systems (ATS) and others.

Once the trade has been executed, it is processed by our Global Operations (GOPS) team. The GOPS team manages the entire post-execution trade support process, from confirmation with the broker to settlement with the relevant custodian. Below is the investment lifecycle capability map of the process:

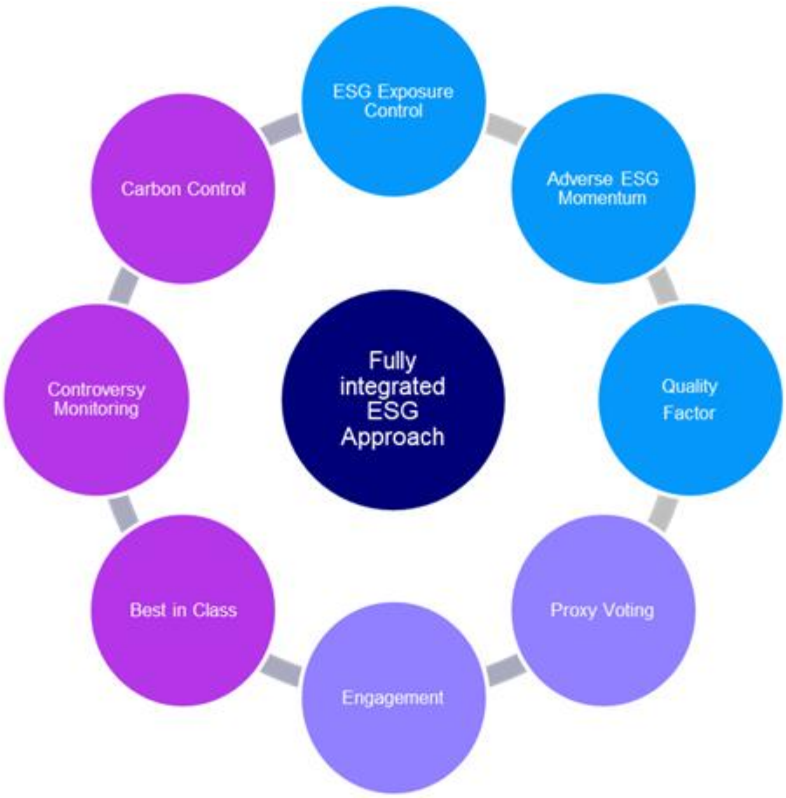
EMS: Execution Management System, CTM: Central Trade Manager, IBOR: Investment Book of Record, PMAR: Performance Measurement Analytics & Reporting.

For illustrative purposes only.

08 ESG

08.01 Do you you consider ESG in your investment decisions?

IQS offers a holistic ESG approach taking ESG criteria into consideration at various levels of the portfolio management process. Besides offering customised ESG solutions, the team explicitly integrates ESG aspects into its portfolio construction process via the measures ESG Exposure Control, Adverse ESG Momentum, carbon control, and the long-standing Quality-Governance-Linkage which focuses on high quality management. IQS' active ownership practices include engagement and proxy voting and also form an integral part of the team's investment process. For more than twenty years, the IQS team has managed accounts for clients that require the inclusion or exclusion of companies based on certain ESG criteria.



Source Invesco Quantitative Strategies. For illustrative purposes only.

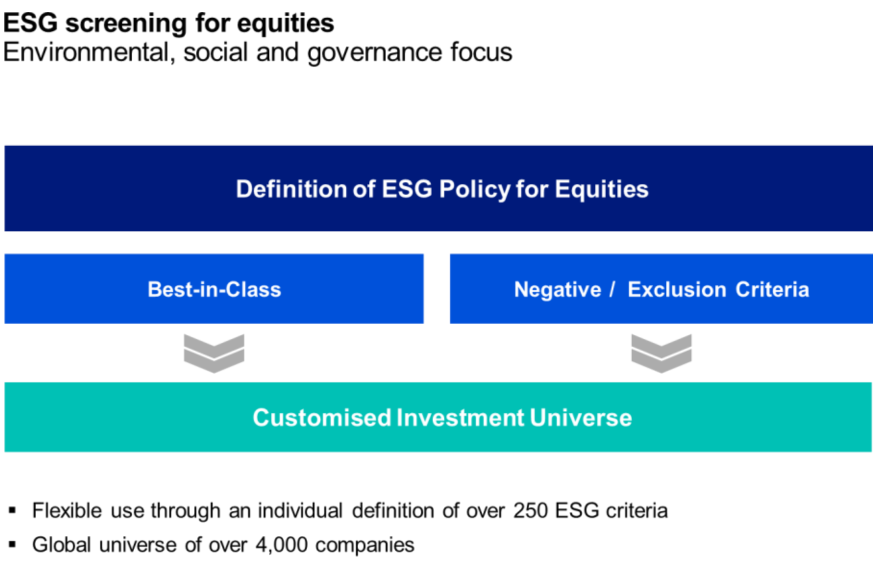
An integral factor within the IQS investment process is Quality, besides Momentum and Value. The Quality factor assesses the profitability and the balance sheet quality of companies. The team prefers companies with less aggressive accounting. Arguably strong governance would put breaks on management empire building and CEO vanity projects that would lead to a fast (but insufficiently profitable) asset growth. Conclusively, good quality as well as good governance helps to mitigate the agency problem of delegated management. Quality and Governance considerations are positively correlated.

At the intersection of return and risk is the case of stocks that experience severe downgrades to their ESG scores. These tend to be companies that have delivered highly disappointing news that caused the market to reassess the companies' core processes and values. Historically, IQS have found evidence that these companies continue to underperform after downgrade events and based on the much higher importance attached to ESG today, the team expect this to have a greater impact going forward. IQS therefore has integrated sharp downgrades of ESG scores into its risk management and treat such stocks as exceptional. This means that for a period of at least six months, the team will disregard the calculated factor exposure of such stocks and sell them out of all strategies that are not managed to a tight tracking error.

Another way of integrating risk is to manage exposures. In IQS' view it is reasonable to ensure that portfolios are not heavily exposed to the risk of scoring much worse from an ESG perspective relative to their respective universes. The key point from the investment team's perspective is guarding against a risk that historically has been relatively small but may be material in the future. IQS believe that this step is key in ESG integration – the inclusion in the risk model would not have had a noticeable impact until after the risk materialized.

Customised ESG

In addition to the standard ESG integration, IQS implements further individual ESG requirements in numerous respects. The below details are applied for the team's strategies meeting the Austrian ecolabel (example shown here is the Invesco Quantitative Strategies ESG Global Equity Multi Factor UCITS ETF). These parameters would also be considered for the proposed mandate.



- **Positive criteria**: By applying positive criteria, companies are identified that display excellence in sustainable management and sustainable products or processes. They fulfil ecological and social requirements particularly well, ranging from climate efficiency and low water consumption to labour safety and satisfaction.
- **Exclusion and negative criteria**: By applying these criteria, companies or sectors can be excluded from the investment universe which fail to fulfil certain ESG criteria or that violate international norms, conventions and standards according to the definitions of the International Labour Organisation (ILO), the OECD or the United Nations.

Using the Datalab provided by Moody's ESG Solutions, the investment team is able to define a set of ESG criteria. Exclusion criteria and negative criteria can be used to eliminate companies that fail to meet certain ESG criteria, with positive criteria, companies can be identified, which are particularly characterised by sustainable economic development, positive products or processes.

The proposed strategy will apply the following exclusion criteria:

		Excluded if
Coal	Turnover derived from thermal coal mining	**>=5%**

	Turnover derived from burning coal for power generation	>=5%
	Proportion in electricity generation fuel mix from coal	>=5%
Unconventional oil & gas	Revenues that come from projects or the extraction of tar sands and oil shale, as well as the proportion of reserves in tar sands or oil shale	0%
	Involvement in fracking activities	yes
	Involvement in arctic drilling activities	yes
Fossil fuel industry	Revenues are derived from fossil fuel industries	>=5%
Nuclear power	Turnover from nuclear power	>=5%
	Proportion in electricity generation fuel mix from nuclear power	>=5%
GMOs	Production of genetically modified organisms	>=5%
Stem cell research	Research on human embryonic stem cells or on human foetal stemcells	Yes
Civilian Firearms	Manufacture or sale of civilian firearms or related products	>=5%
	Manufacture of civilian firearms or related products	>=5%
Military	Sales that are related to military sales including key parts orservices for conventional weapons	>=5%
	Controversial weapons & financing of cluster munition or anti-personnel landmines	>0%
Alcohol	Turnover from production and distribution	>=5%
	Turnover from production	>=5%
Tobacco	Turnover from production and distribution	>=5%
	Turnover from production	>=5%
Gambling	Turnover from gambling operations and products	>=5%
	Turnover from gambling operations	>=5%
Adult entertainment	Turnover from pornography and adult entertainment services orfacilitating access	>=5%
	Turnover from pornography and adult entertainment services	>=5%
Biodiversity	Controversies in the field of endangering biodiversity	Yes
Labour and human rights	Controversies regarding human rights in the community in particularfreedom of association & collective bargaining Controversies in integrating social standards into supply chain Controversies with respect to child & forced labour	Yes
Community involvement	Controversies in the field of community involvement (including e.g. impact of operations on the local economy, responsible tax strategy,transfer of technology and skills)	Yes

Corruption	Controversies in the field of corruption	**Yes**
Un Global Compact	Fail to pass the UN global compact screening	**Yes**

With the integrated best-in-class approach the investment team focuses on the 50% best scoring companies in their sector per region with respect to a comprehensive ESG score. The materiality of the ESG indicators for the company is considered when weighting the underlying indicators to arrive at the final ESG score. The investment team uses a holistic ESG Rating which considers the issuers' ESG performance provided through 5 types of deliverables:

- Company Reports: including scores, ratings, risk analysis and ESG opinions
- Continuous Alerts: analysis of the impact of events likely to either positively or negativelyaffect the ESG Score
- Sector Reports: status and trends of the 36 sectors under review
- Scores & Ratings: social, environmental and governance KPIs, controversies
- Controversy Reports

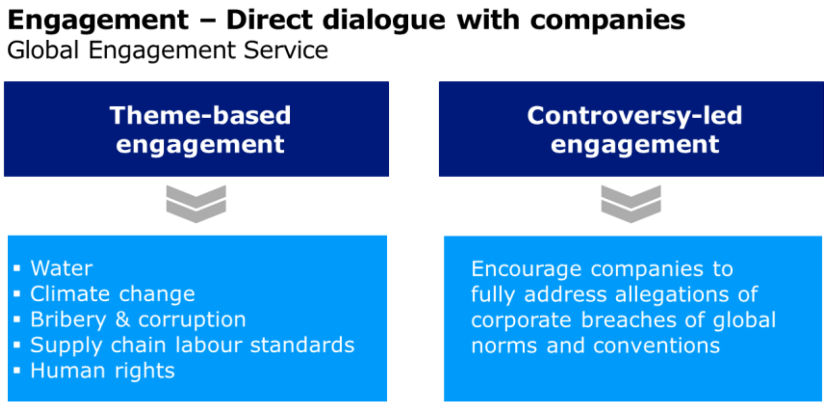
Each sustainability criterium is weighted to three angles – nature & intensity of the impact, the exposure, and the corporate risk – to reflect key sectorial risks and opportunities on the stakeholders and the company. However, the team also offers the flexibility to use other data as a basis for the best-in-class approach, e.g. an energy transition measure assessing the chances and risks associated with the transition to a net zero economy and many more. Either way, the team focuses on the top 50% per sector and region.

On top, the proposed portfolio explicitly managed the carbon intensity. A minimum reduction of 50% relative to the benchmark is defined as a hard constraint in the portfolio construction process. Due to limitations with respect to data reliability of scope 3 data, we focus on scope 1 & 2 data for the time being but are frequently conducting research on scope 3 data. In addition, the portfolio implements a decarbonisation path with a reduction of the portfolio's CO_2 intensity of at least 7% on average per annum in line with the with or beyond decarbonisation trajectory from the IPCC's 1.5°C scenario and hence the EU Minimum Benchmark Standards for a Paris-aligned benchmark.

Active Ownership
In the area of engagement, IQS enters regularly into dialogue with companies. The objective is to identify weaknesses in a company's sustainability management and discuss these with management to enable the companies to achieve better ESG performance in the medium to long term. Here, too, a distinction is made between two engagement methods:

1) Theme-based engagement aims to encourage companies to expose and reduce systemic risks in areas such as climate change, bribery and corruption.

2) Controversy-led engagement aims to prompt companies to observe internationally-recognized standards and conventions and correspondingly improve their company guidelines.



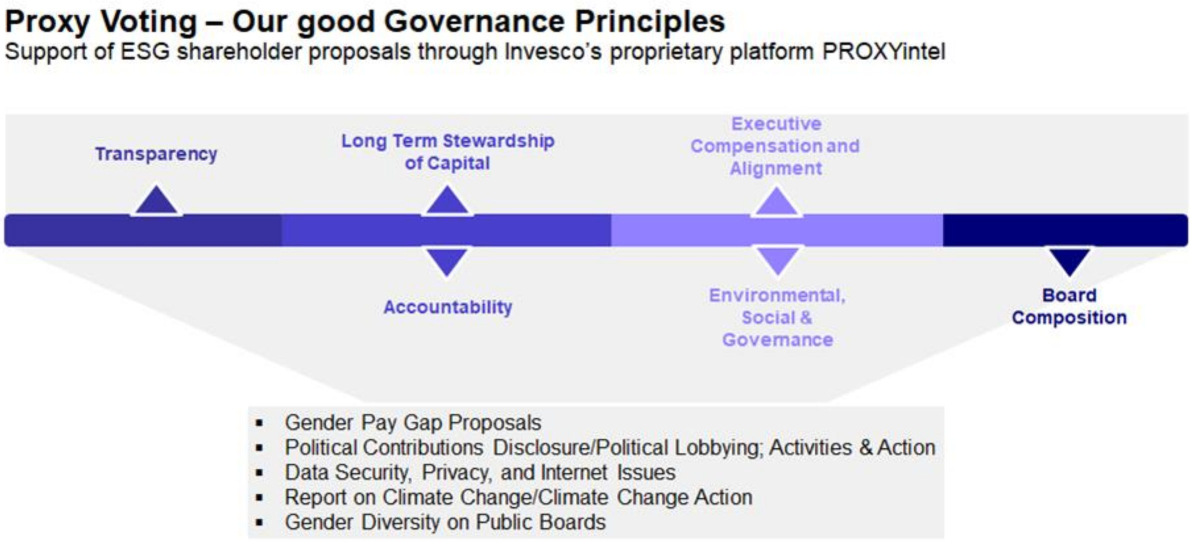
Source Invesco Quantitative Strategies. For illustrative purposes only.

This typical process of engagement, in which the interests of several investors are bundled together, can often have a significant influence on companies: after all, companies that refuse or choose to ignore the improvements being suggested can face de-investment – to their own detriment.

In the area of voting IQS follows Invesco's approach to corporate governance and proxy voting. Invesco's proxy voting process is driven by investment professionals and focuses on maximizing long-term value for our clients, protecting clients' rights and promoting governance structures and practices that reinforce the accountability of corporate management and boards of directors to shareholders.

Proxy Voting
Invesco's Proxy Voting approach is governed by the Global Proxy Voting Policy, which is premised on respecting the fund manager's freedom to vote in what they believe is the best interests of the investors in the relevant fund or portfolio in order to achieve positive outcomes for clients.

To this effect, Invesco maintains a proprietary global proxy administration platform, known as the "fund manager portal". The platform streamlines the proxy voting and ballot reconciliation processes, as well as related functions, such as share blocking and managing conflicts of interest issuers. This enables fund managers to vote in an efficient manner, increase transparency, share knowledge and effectively influence corporate practices and behaviours.



Source: Invesco, for illustrative purposes only.

IQS adopts and applies a dedicated ESG voting policy across managed funds, portfolios and mandates. Besides the support of shareholder proposals through Invesco's proprietary Fund Manager Portal, specific voting decisions on the following ESG topics are taken if applicable:

- Gender Pay Gap Proposals,
- Political contribution disclosure/political lobbying
- Disclosure/political activities and action data security
- Privacy and internet issues
- Report on Climate Change/climate change action and
- Gender Diversity on public boards, among others.

Where none of the ESG topics listed above are affected, IQS will generally follow the voting decision taken by the biggest active equity holder ("Majority Voting") in the Invesco Group as this reflects the relationship and dialogue that active managers within the group have with investee companies. In this manner, we also seek to leverage the active-equity expertise and comprehensive proxy voting reviews conducted by teams employing active-equity strategies, which typically incorporate analysis of proxy issues as a core component of the investment process.

Where there is no active equity holder in the Invesco group, IQS will usually follow the ISS recommendation, subject to the engagement approach outlined below.

The IQS team furthermore reviews proxy votes from their strategy and actively supports investor initiatives such as the Climate Action 100+ initiative with their voting.

08.02 **Designated ESG-Team**

Created in 2013, Invesco's dedicated Global ESG team is responsible for leveraging best practices in ESG capabilities across Invesco including ESG integration, voting and engagement, supporting distribution teams with client engagement, and advising product teams on ESG innovation.

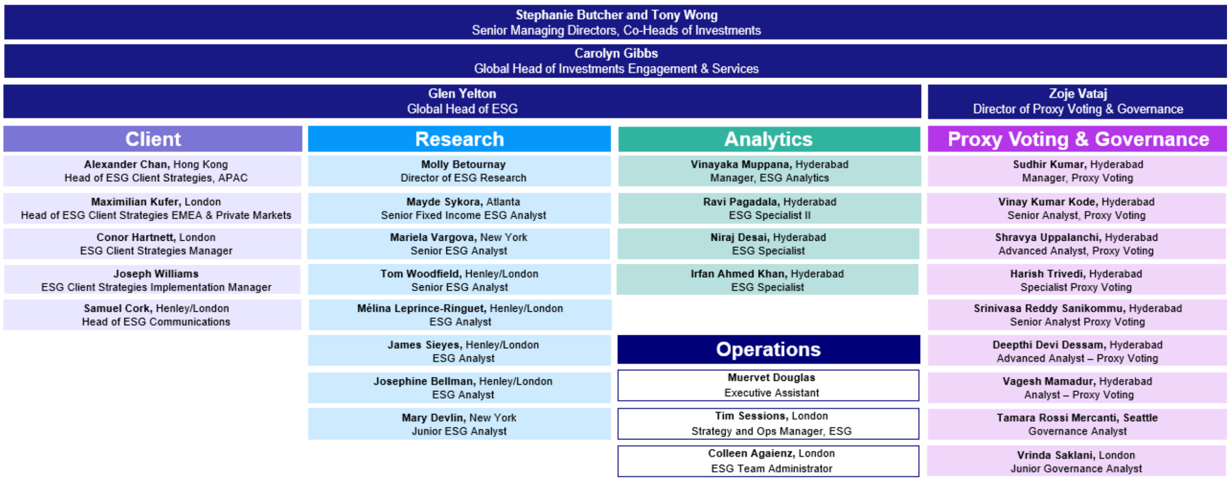
Our Global ESG team acts as a center of excellence to guide, support and inform Invesco's investment teams on all work in this area. The team is organized across five pillars:

- Client: Guides messaging and training for distribution teams, engages clients on ESG issues, and supports product strategy.
- Research: Conducts proprietary ESG research and collaborates with investment teams on engagements.
- Proxy: Provides guidance on governance issues and supports development of our PROXYintel voting platform and Global Proxy Voting Policy.
- Analytics: Manages ESG analytics, data vendor selection, portfolio screening and reviews.
- Operations: Project manages ESG initiatives and manages the scheduling and organization for the ESG team.

The team includes approximately 30 ESG professionals located in North America, Asia Pacific, and EMEA who provide localized support and analysis to our investment teams across the globe.

Our ESG professionals collaborate closely with these investment teams, providing support, insights and analysis while investment teams maintain discretion on portfolio decisions. Our governance structure enables oversight and accountability through the ESG Steering Committee, while allowing our investment teams to integrate ESG approaches tailored to their asset classes and styles.

As shown in the following organizational chart, the Global ESG team's five pillars allow the team to support ESG efforts across specific functions firm-wide. The team's geographic structure also ensures that most Invesco teams have an appropriate local contact. The ESG Steering Committee, asset class-specific investment teams, and firm-wide functional units also collaborate with Global ESG team members from each of the five pillars.



Source: Invesco as of 31 December 2023. For illustrative purposes only.

Each investment team has a unique approach to incorporating ESG considerations, as defined in its investment process and appropriate for the respective asset class. To support this effort, Invesco has dedicated ESG specialists and ESG champions within individual investment teams across the globe. These individuals are closely connected with the Global ESG team and formally collaborate via the ESG Steering Committee.

09 Risk management

09.01 Explain the structure of your firm's risk management organisation.

Managing risk is an integral part of Invesco's investment culture, and it starts with the recognition that everyone plays a role in risk management. Built with multiple lines of defence, the firm's risk management approach seeks to assure that Invesco's managers adhere to best practices. The goal is for portfolios to perform as expected and for clients to feel confident in their investment.

The investment teams
Invesco believes the best outcomes are achieved through distinct investment teams across the globe, with discrete investment perspectives, operating under a disciplined philosophy and process. To support the unique needs of each investment team, each one deploys a robust risk management framework that is tailored to its investment process and is owned by its team leaders. Each team uses its framework to thoroughly assess the risk and return characteristics of each individual security and carefully calibrate the overall risk level of the portfolio when these investments are combined.

Multiple groups within Invesco
At every step in the process, the investment teams are provided with global expertise and support that enhances their risk management efforts. The following groups monitor the investment teams to make sure they are operating within best practices as well as their stated objectives:

- **Investment Risk Management** identifies the appropriate risks to monitor for each portfolio to ensure that each portfolio is managed in the intended manner, including the concentration of holdings by issue and issuer, counterparty risk, liquidity risk, performance dispersion and other factors.
- **Enterprise Risk Management** identifies, assesses, manages and monitors operational and emerging risks according to the relevant risk management process and applicable regulatory requirements.
- **Global Performance** delivers customised portfolio performance analysis and attribution reporting that facilitates the investment risk evaluation of whether ex-post performance results are aligned with ex-ante risk expectations.
- **Global Compliance** monitors pre- and post-trade compliance and performs other fiduciary assurance functions.
- **Other governance structures** that assure best practices including the Global Trade Operations Committee, the New Instrument Committee, the Pricing Committee and the Proxy Committee.

Senior leaders, independent boards and audit teams
Oversight is critical. The following groups provide a high-level review of the entire process:

- The **Invesco Performance and Risk Committee** is composed of senior leaders who review risk and performance issues and monitor progress against the firm-wide strategic priority of achieving strong investment performance.
- **Internal Audit** provides end-to-end process review to identify any control gaps and execution challenges.

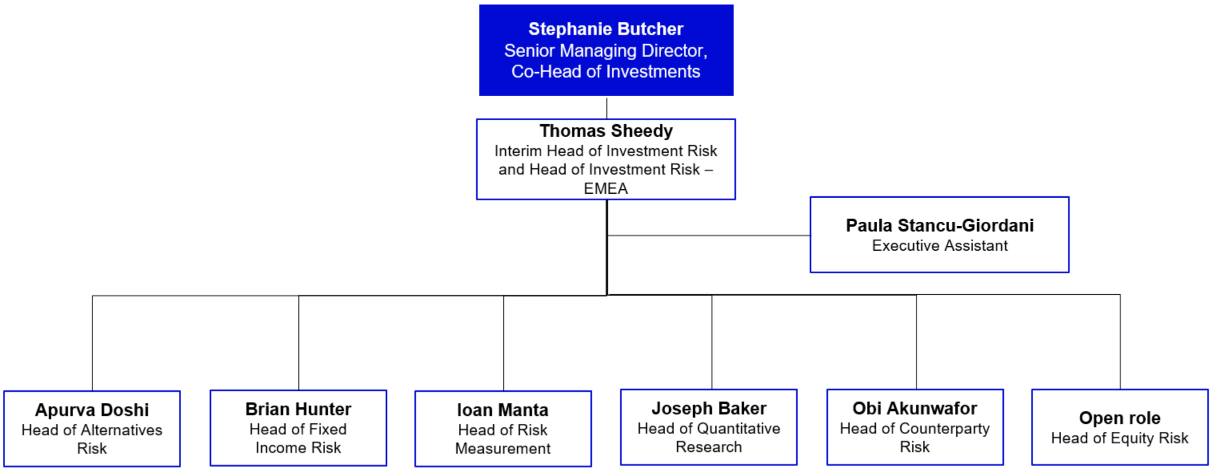
09.02 Investment risk

09.02.01 How does the firm define investment risk?

Investment management success is dependent upon prudent risk taking. Invesco views its risk factor exposures in the following areas: investment, credit/asset/liability, financial, operational and business. The definition of investment risk depends on the investment portfolio. Invesco approaches risk from a client-perspective. Depending on the mandate and client guidelines, risk may be deviation from a stated benchmark, client specified guidelines or performance objectives. Each investment team's portfolio construction is validated against client mandates. The performance implication of this construction could be the risk of capital loss or the risk of underperforming benchmark or both. The firm's approach attempts to take both into consideration.

09.02.02 **What is the firm's approach to managing investment risk?**

Thomas Sheedy, Interim Head of Investment Risk, has responsibility for investment risk monitoring across Invesco globally.



Source: Invesco as at 31 December 2023. Please note, Arthur Leiz will join Invesco as Global Head of Investment Risk in Q1 2024. Arthur will report directly to Stephanie Butcher, SMD and Co-Head of Investments.

The Investment Risk team plays a critical role within the firm's overall risk management framework. Its guiding mission is ensuring that portfolios are managed in a manner that is consistent with client expectations. With its global network of local talent with highly diversified backgrounds and qualifications (e.g., CFA, CPA, FRM, CIPM, mathematics, operations and technology), the team is strategically built to leverage independent perspective, specialised expertise and a global infrastructure to pursue better outcomes in investment performance, quality and risk.

The team's core activities include:

- Supporting the management of investment risks including market, credit, liquidity, counterparty, leverage and valuation risk
- Independently identifying, monitoring, quantifying and assessing all investment-related risks within and across products during the new product development phase and within the life of a product
- Monitoring of portfolio risk limits (regulatory, contractual and internal) with the ability to escalate if required
- Communicating/heightening awareness and escalating investment-related risks in the business, on an ad hoc basis as warranted, through periodic 'risk challenge' sessions with portfolio managers
- Providing regular risk reports to senior management and the relevant local management/governing bodies, as well as advice as regards the Risk Profile and Limit System (RPLS) of each portfolio and the adequacy and effectiveness of the risk management process
- Oversight of outsourced risk systems, models and analytics

The risk oversight process is highly customised to each investment strategy, but always includes four key areas of focus: risk exposure identification, realised performance, trading activity and tail risk analysis. Integral to this process is a variety of analytical tools used to decompose the risk of each portfolio and to compare its risk profile to that of its benchmark. The output from these tools is evaluated to ensure compliance with portfolio objectives, risk frameworks and intended investment strategy.

The team also carries out research, analytical development and reporting of each portfolio's risks using both qualitative and quantitative factors. In all portfolios, factors such as beta, tracking error, industry and sector risks, concentration and liquidity are measured. For international portfolios (non-US), region, country and currency risks are added. In fixed income portfolios, further measures include spread, yield, duration and duration times spread. In equity portfolios, style factors such as size, momentum and price/book ratios are also monitored.

There are regular communication/meetings with investment teams to ensure that the two functions are aligned in their views. Interactions with investment teams include:

- Definition of a portfolio's risk profile prior to its launch
- Attendance at risk challenge sessions on at least a semi-annual basis during which risk profiles are discussed and reviewed if needed
- As per the firm's escalation process in the case of an internal exceedance or regulatory limit breach of a portfolio's risk profile
- All analytics monitored by the Investment Risk team are available to investment teams who are also able to request additional analytics that may help them manage their portfolio risk more effectively.

The Investment Risk team also collaborates closely with other risk experts in the firm, in particular Risk Measurement team and Counterparty Risk team, who also report to Head of Investment Risk.

09.02.03 **Specific to the strategy, how does the investment team define risk?**

There are different types of investment risk, we distinguish between rewarded and unrewarded risk, our investment process will actively seek the former and avoid the latter. There is risk that is compensated, like factor-based risks. By systematically overweighting the exposure to rewarding factors like Momentum, Quality and Value it is possible to earn the risk premia associated with these factors. This is exactly what the IQS investment approach aims to do.

There are also risks that are not compensated, like residual risk coming from active weights in countries, sector, industries, FX etc. These non-rewarded risk factors shall be avoided and are strictly constrained during the portfolio construction, and the contributions in terms of risk and return are expected to be minimal over time.

In addition, there are implementation risks, for example liquidity risk. To control these risks, the investment team establishes exposure and trading limits for each stock based on liquidity, measured in terms of average daily trading volume and market capitalisation. Portfolio construction rules then prevent IQS from taking position sizes above the liquidity limit for that stock even if the stock is very appealing from a factor perspective.

09.02.04 **How is risk management incorporated within the investment process?**

The IQS investment process is essentially a risk management process. Hence, rigorous risk management, risk assessment and risk monitoring of market risk and other risk factors is a built-in feature of the IQS investment process and portfolio construction. An important input to this portfolio optimisation is a corresponding risk forecast for each stock in the universe. Therefore, a proprietary risk model based on Axioma is used. This risk model uses the same multi-factor building blocks as the factor model in order to provide alignment of return factor and risk view. As a result, intended factor exposures can be established where desired while unwanted risks are broadly eliminated. For each portfolio, IQS initially establishes specific performance and risk objectives relative to a benchmark. Portfolios are then systematically monitored on an ongoing basis to ensure coherence with the client's guidelines. The investment team can intervene at any time if the portfolio risk deviates from its intended risk levels or if market circumstances change dramatically. Furthermore, as an element of human oversight and a consistency check, the results of each rebalancing are reviewed by senior portfolio management to ensure the resulting portfolio properly reflects the investment strategy.

09.02.05 **What risk measurement models/tools are used?**

A summary of the main IT systems used for risk management oversight for funds/mandates managed by Invesco are provided below:

Risks covered	**IT system**	**Service provider**	**Use**
Market	RiskMetrics	MSCI	Value-at-Risk (VaR), back-testing, market stress-testing and sensitivities
Liquidity	LiquidityMetrics	MSCI	Liquidation size and cost under normal and stressed market conditions
Leverage	Snowflake (internal SQL database	Investment Risk team/ IT	Leverage exposure under the applicable methodologies
Counterparty	Risk Measurement internal database/ CRD	Risk Measurement team (Internal)/ Compliance	Counterparty exposure from OTC derivatives and efficient portfolio management purpose
Operational	BWise	SAI Global	Incident reporting and operational risk management
Sustainability	RiskMetrics	MSCI	MSCI ESG Score MSCI E, S and G Pillar Scores
Valuation	Value Link/InvestOne	BNYM	Valuation and fund accounting information

09.02.06 **What control systems assure that the investment team does not breach guidelines?**

The following control systems are employed to assure that investment guidelines are not breached:

Pre-trade monitoring
We use the Charles River Development (CRD) order management system which streamlines, automates and enhances our investment management operations from decision support through to settlement. CRD provides the comprehensive control tools portfolio managers, dealers, operations and compliance personnel require on one scalable platform. Regulatory investment guidelines and portfolio specific restrictions are coded into CRD that, subject to certain limitations, is designed to prevent non-compliant trades and to issue warnings to the investment team if a trade is likely to result in a parameter breach. Compliance will review any hard block alerts and review/validate the rationale provided by the investment team and approve/disapprove the trade accordingly.

Post-trade investment compliance monitoring
Post-trade compliance monitoring for regulatory investment guidelines and portfolio specific restrictions are completed from the official daily positions of the portfolio, which are fed into a separate environment within CRD known as ‘As Of Compliance’. The compliance rules within this environment are controlled by our Compliance department. Compliance will review/investigate any potential breaches and liaise with the investment team for immediate rectification.

BWise incident recording system
In order to record, report and escalate breaches, we also make use of BWise, a governance, risk and compliance system that is used for SOX (Sarbanes-Oxley Act) control certifications and incident reporting. As well as continuing to ensure that the firm’s clients are treated fairly, the focus is also on avoiding the recurrence of incidents. BWise helps to reduce incidents, strengthen the control environment and protects the firm’s clients and its business.

Invesco’s Global Incident Management team is responsible for the end-to-end management of incident reporting, including assisting the business to find effective mitigation of their incidents as well as seeking to identify systemic and thematic issues.

All incidents and breaches must be logged onto BWise as soon as reasonably possible. The ‘incident owner’ is the individual responsible for updating full details of the incident including what occurred, any control/process failures and what action has been taken to correct the incident as well as preventing reoccurrence. Any profit or loss caused by the incident is disclosed in the incident details. Once completed, this is forwarded to the ‘incident approver’ who is responsible for signing-off on behalf of their department that the incident details are complete, correct and all necessary action has been taken. This includes checking that any reoccurring incidents are being managed. If necessary, a separate preventative action plan has been established. Once approved, the incident is routed to the Global Incident Management team who will then review the information for completeness. From a regulatory perspective, Compliance, where applicable, also reviews it for completeness and accuracy and will perform any breach rule classification when appropriate.

09.03 **Enterprise risk**

09.03.01 **How does the firm define enterprise risk?**

Invesco defines enterprise risk as the uncertainty the firm is exposed to in the setting and delivery of its business objectives. This includes its internal and external risks, whether unforeseen or not, that have the potential to (i) cause harm to the firm’s clients, investors, employees, or other stakeholders; (ii) threaten the success or survival of Invesco (including any of its subsidiary entities); (iii) cause harm to the markets within which the firm operates; or (iv) impede the competitive advantage of Invesco and/or its subsidiary entities.

Invesco maintains an enterprise risk taxonomy which provides a coherent and structured hierarchical categorisation of all its internal and external risks inherent in the firm's business strategy, plans, business model and operations. The enterprise risk taxonomy covers four key risk pillars (Strategic, Financial, Investment and Operational Risk) which are broken down further into risk categories.

09.03.02 **What is the firm's approach to managing enterprise risk?**

Invesco manages enterprise risks through an Enterprise Risk Management program that is designed to provide a systematic approach for the management of risks, proportionate to the nature, scale and complexity of risks inherent in the firm's business model. The enterprise risk management practices across Invesco are designed to prevent, detect and/or mitigate the materialisation and impact of risks where there is potential for loss or harm to clients, the firm, or the safe and sound functioning of the markets in which we operate.

This is underpinned by an Enterprise Risk Management Framework that provides the firm's management activities, processes and methodologies to ensure consistent practices of enterprise risk management are applied in the running of Invesco's business model, strategy and operations. Invesco's risk management processes are constructed and implemented such that enterprise risks inherent in the firm's strategy, business plans, organisational model and operations are managed through their lifecycle of being identified, measured, managed, monitored and governed in a manner that is commensurate to the level of harm presented by each risk.

The Enterprise Risk Management Framework is supported by a suite of policies, frameworks, controls documents and procedures that together defines the firm's overall objectives, standards and operating requirements for the effective management of each of its enterprise risk categories as captured in the enterprise risk taxonomy.

The Enterprise Risk Management program is endorsed by the Board of Directors and executive management at Invesco to foster a strong risk culture in the governance and running of the firm. The strength of the firm's risk culture is reflected in the values and behaviours of its staff in responsibly and effectively managing risks. Invesco continues to build and maintain a strong risk culture through persistent upward and outward communication, continuous process improvement and a strong unyielding commitment to ethical and responsible business behaviours and decision-making.

Invesco has an effective governance and reporting structure which enables its Boards, executive and management committees to assess the risks faced by the business and the effectiveness of the management of those risks on an ongoing basis. This is fundamental to the long-term strategy of the firm, as well minimising the potential risk of harm to clients, the markets and the firm itself. It is also key to ensuring that the firm maintains adequate capital to address these risks.

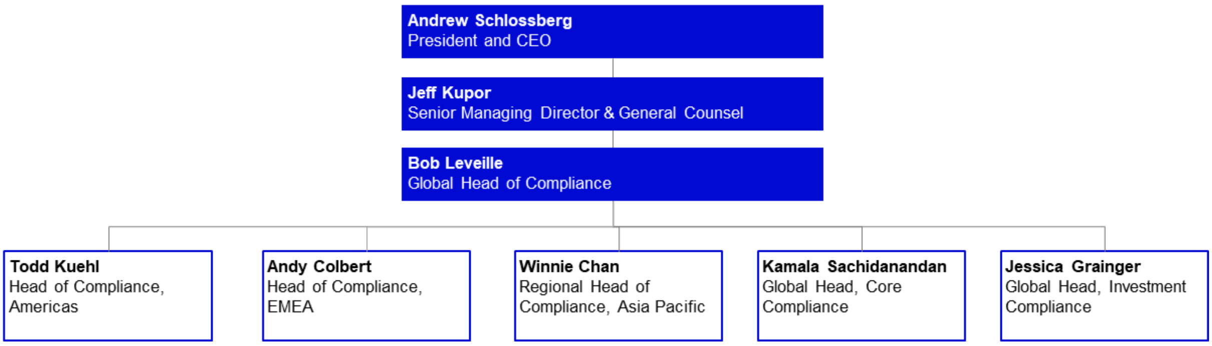
10 Compliance, audit and legal

10.01 Compliance

10.01.01 Explain the structure of the firm's compliance department.

Invesco has a global Compliance department which prepares monitors and implements policies and procedures that are designed to prevent violations of securities laws or regulations. The Compliance department supports the culture of compliance by disseminating informative and explanatory memoranda, reports, manuals, etc. for employee education and adherence to applicable regulations. The Compliance department also conducts and creates educational and informative seminars and programs for general refreshers and new or revised issues and requirements. Most importantly, on a routine basis, it monitors existing practices, policies and procedures and reviews periodically written practices, policies and procedures. The Compliance department provides senior management and appropriate Boards of Trustees/Directors with reports on significant exceptions, abuses, misunderstandings, errors and other actions.

The reporting structure of the firm's Compliance department is clear and documented. Invesco's Global Head of Compliance, Bob Leveille, reports directly to the General Counsel, Jeff Kupor, who in turn reports to Invesco's President and CEO, Andrew Schlossberg. The Global Head of Compliance has a series of regional and functional compliance heads. The regional compliance heads in turn manage country compliance officers within their regions, whilst the functional heads manage specific compliance functions at a global level to ensure consistency of its application and interpretation, as illustrated in the organisation chart below:



Source: Invesco as at 31 December 2023.

10.01.02 Provide a description of your conflicts of interest framework.

Invesco has adopted a series of policies and procedures designed to identify, record and manage conflicts that may exist within the firm, its clients and employees. Invesco's conflicts framework is composed of the following key components (policies, procedures, conflicts registers/logs, risk-based training, oversight and governance). The EMEA region's Conflicts of Interest Policy set outs the firm's arrangements in relation to conflicts management and is supplemented by other conflicts related policies and processes (e.g. EMEA Code of Ethics and Personal Trading Policy, Global Code of Conduct and EMEA Inducements (Non-Monetary Benefits) Policy). These policies, together with other associated firm procedures, address various subjects that pertain to conflicts of interest (e.g. pre-allocations of clients' orders, cross-trades between accounts, employee investments in their personal securities accounts, gifts and entertainment, handling of material non-public information). Explicit processes are in place to facilitate the identification, recording, management, escalation, and reporting of conflicts.

Business specific and Invesco wide conflicts registers are maintained alongside a conflicts log. The conflicts register documents the potential conflicts that could arise as part of the services/activities performed by the respective business area and owned by respective business. Where instances of inherent conflicts are identified by staff for further consideration, a conflicts assessment is conducted and captured in the conflicts log. A risk-based training approach is used to ensure the appropriate level of training is provided to staff whilst tailoring it by function to make it meaningful. Oversight arrangements are in place via Compliance and Monitoring. At a high level, the EMEA Conflicts of Interest Committee (Conflicts Committee) is tasked with ensuring the conflicts framework and its respective components are effective and adequately monitored. The governance framework supports effective decision-making by the respective regulated entity Boards via regular reporting and escalation by the Conflicts Committee.

10.01.03 **What are your anti-money laundering (AML) and anti-bribery & corruption procedures and which jurisdictions do they cover?**

At Invesco, we have in place anti-money laundering (AML) programs that are consistent with all applicable laws and regulations. When onboarding potential clients, our team must obtain appropriate documentation to determine client identity and sources of funds to prevent money laundering under local regulations. Each region in which we operate has a designated Money Laundering Reporting Officer (MLRO). Individual details can be provided on request.

Anti-money laundering
We maintain an AML policy designed to ensure we comply with all applicable anti-money and terrorist financing laws and regulations. The AML framework provides for:

- Procedures to implement Know Your Customer (KYC) policy/program and a system of internal controls to ensure that appropriate due diligence, and when necessary, enhanced due diligence, including obtaining and maintaining appropriate documentation, is conducted at account opening and updated, as necessary, through the course of the customer relationship.
- The designation of a MLRO, or other appropriate personnel, responsible for coordinating and monitoring day-to-day compliance with the AML policy and applicable laws, rules and regulations.
- Recordkeeping and reporting practices in accordance with the AML policy and applicable laws, rules and regulations.
- Appropriate methods of monitoring transactions and account relationships to identify potential suspicious activity.
- Reporting of suspicious activity to governmental authorities in accordance with the AML policy and applicable laws, rules and regulations.
- Training of appropriate personnel with regard to AML and anti-terrorist financing issues and their responsibilities for compliance.
- Independent testing to ensure that the programs required by the AML policy and applicable laws, rules and regulations have been implemented and continue to be appropriately maintained.

Anti-bribery and corruption
At Invesco, we have a Global Code of Conduct (COC) that provides a global framework for adherence to the highest standards of professional conduct, including legal and ethical business practices, in all of our dealings and transactions. The COC encompasses compliance with all applicable laws, including those prohibiting bribery, addressing corruption and on the accuracy and integrity of our books and records as well as our internal accounting controls.

It is our policy to seek to be in compliance with all applicable anti-bribery and anti-corruption laws, including the UK Bribery Act and the US Foreign Corrupt Practices Act, in all jurisdictions where the firm conducts business. We have in place an internal compliance and audit program with our own particular systems and operations in mind.

Our compliance program includes various written policies, including a global anti-bribery policy, supplemented by internal guidance and control procedures. The program includes escalation via an externally managed anonymous hotline, an anti-corruption risk assessment, financial reporting and internal accounting controls and a regular audit/monitoring program. Staff globally receive regular training in relation to bribery and corruption.

We believe that this program addresses the bribery and corruption risks within our global operations in a proportionate and risk-based manner. The program is reviewed and amended from time to time.

10.02 Audit

10.02.01 Is there an internal audit department? How often are audits carried out?

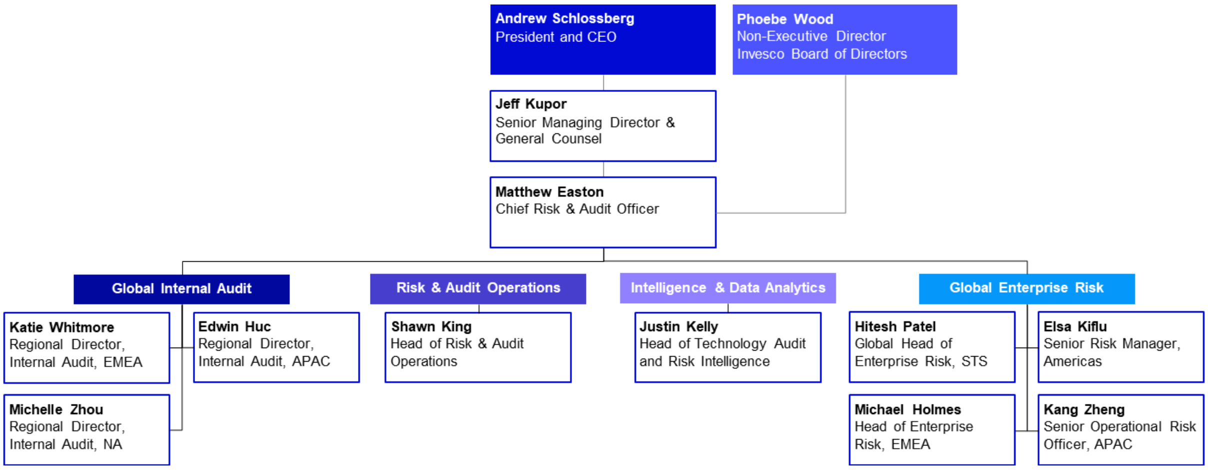
Invesco's business owners are responsible for the design and operating effectiveness of internal controls. Invesco's Internal Audit department (Internal Audit or the department) is responsible for providing independent, objective assurance and consulting services which are designed to add value and improve the firm's operations. These services are provided on an ongoing basis through a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

All business units are subject to Internal Audit oversight, and the department's role is to:

- Design and lead audits of investments and supporting processes, operations, products, systems, compliance and financial reporting processes, with the primary focus of such audits being to evaluate the design and operating effectiveness of internal controls
- Determine whether policies and procedures are properly interpreted and carried out as established
- Assess the design and operating effectiveness of internal controls to satisfy legal and regulatory requirements, such as an assessment of internal controls over financial reporting required pursuant to the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder
- Work with business owners to provide counsel and guidance with the objective of improving the integrity, consistency and quality of internal controls across the functions of Invesco
- Monitor the company's whistle-blower hotline and conduct investigations and special reviews as necessary or as directed by the Invesco Audit Committee

Internal Audit had 46 full-time professionals globally as at 31 December 2023, with audit teams organised by geographic region where Invesco has operations. This contributes to the building of robust working relationships with business owners while helping to ensure timely responses to a changing marketplace and control environment.

The group is led by Chief Risk & Audit Officer, Matthew Easton, who reports directly to Invesco's General Counsel, Jeff Kupor. Matthew also reports to the Chairman of the firm's Audit Committee. Formal updates on Internal Audit activities are provided to the Audit Committee at least five times per year.



Source: Invesco as at 31 December 2023.

Internal Audit includes a team that specialises in Information Technology audits and conducts periodic reviews of the applications and technical infrastructure that supports Invesco's critical business operations. In addition, this team participates in various business operations audits where the use of Information Technology is significant. In these "integrated audits," Internal Audit is able to provide business owners a more comprehensive understanding of risk in a given area.

Internal Audit follows a set of policies and procedures to ensure consistency in its audit approach and adherence to established industry practices and expectations, specifically the International Standards for the Professional Practice of Internal Auditing. This includes, but is not limited to, audit planning, audit execution, work paper standards, audit reporting and issue tracking.

Internal Audit develops Invesco's annual audit plan based on its assessment of the risks presented by various activities within the firm. The department begins by determining and closely examining the universe of auditable entities, engaging in discussions with business owners and various assurance functions, reviewing market and industry developments, collecting the top concerns of Risk Management Committees and considering regulatory expectations. In assessing the risk presented by each potential auditable area, the department considers the following key factors: materiality, reputational impact, regulatory impact, organisational structure and reporting lines, reliance upon manual processes, understanding of current internal control environment, changes in systems or processes, loss exposure, complexity of operations/products, transaction volumes, average value per transaction, employee turnover, liquidity, previous audit results and time since prior audit. Individual audits and projects are ranked in order of risk priority ranging from Critical to Minor.

While Internal Audit resources are considered while developing the audit plan, resourcing is not the sole factor that determines the eventual audit coverage. The level of risk, including probability and potential impact, is key, and the use of service providers is available to the audit team should it require specialised expertise or additional manpower in order to ensure that all key areas of review are covered. After vetting with local business owners, draft audit plans are reviewed with senior management, including Invesco's CEO. The final audit plan is presented to Invesco's Audit Committee.

The audit plan is continually assessed with particular regard to any changes, including, but not limited to, the existing or anticipated control environment, marketplace, regulation, product line and organisational structure. Internal Audit management remains in close contact with business owners, all other assurance functions, external auditors, industry experts and others to ensure that the plan remains focused on the Invesco's key risks. Written and time-bound action plans are provided by the management team in response to each audit comment raised by Internal Audit. The status of each action plan is tracked by Internal Audit until corrective action has been implemented.

10.02.02 **Who is the firm's financial auditor? Were there any relevant comments in their report?**

PricewaterhouseCoopers LLP were hired as Invesco’s external auditors effective 1 March 2013.

Auditor’s comments on financial reporting:
In their report dated 22 February 2023, PricewaterhouseCoopers LLP expressed their opinion that the consolidated balance sheets and the related consolidated statements of income, comprehensive income, changes in equity and cashflows present fairly, in all material respects, the financial position of Invesco and its subsidiaries at 31 December 2022 and 2021 and the results of its operations and its cashflows for each of the three years ended 31 December 2022 were in conformity with accounting principles generally accepted in the USA. Also, PricewaterhouseCoopers LLP expressed their opinion that Invesco maintained, in all material respects, effective internal control over financial reporting as of 31 December 2022, based on criteria established in Internal Control - Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Auditor’s comments on Service Organisation Control 1 (SOC1) report:
With reference to Invesco’s business in EMEA, the firm has a process in place to have a SOC1 prepared for IAML, IFML and Invesco Asset Management Deutschland GmbH (collectively known as the service organisation). The period for this reporting runs annually from 1 October to 30 September. As the service auditor, PricewaterhouseCoopers LLP is responsible for expressing their opinion on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the service organisation’s description of its procedures. PricewaterhouseCoopers conducts its engagement in accordance with the International Standard on Assurance Engagements 3402 ‘Assurance Reports on Controls at a Service Organization’ issued by the International Auditing and Assurance Standards Board (ISAE 3402). In their latest report dated 13 December 2023, PricewaterhouseCoopers LLP expressed an unqualified opinion.

10.02.03 **Does your firm produce an internal controls report?**

Control processes for Invesco's entities are audited at regular intervals by the firm’s Internal Audit function. Invesco’s external auditor, PricewaterhouseCoopers LLP, performs an audit of the firm’s operational controls to assess the effectiveness of control activities in key areas on an annual basis and reports its findings in the Service Organisation Control 1 (SOC1) Report, where such control audits are conducted for the relevant Investment Manager/Adviser.

SOC1 reports are issued for the following Invesco entities:

- IAML, IFML and Invesco Asset Management Deutschland GmbH
- Invesco Adviser, Inc.
- Invesco Hong Kong Limited
- Invesco Asset Management (Japan) Limited

A SOC1 report is also produced for Invesco's information technology control system for the firm's Houston (USA) and Henley (UK) data centres.

10.03 Legal

10.03.01 Do you maintain an in-house legal team?

We maintain globally an internal Legal department made up of 142 employees (as of 31 December 2023), led by Jeff Kupor, Senior Managing Director and General Counsel.

Source: Invesco as at 31 December 2023.

The department provides a wide-reaching level of support to the global organisation including but not limited to: assisting with negotiating and approving contracts and agreements; preparing and filing registrations with regulatory bodies on behalf of our investment funds; coordinating the preparation of Fund Board materials; coordinating mailing of proxy materials to shareholders; all litigation, arbitration, legal disputes, and acting as liaison with outside counsel when required.

Risk warnings and Important information

Risk Warnings

The value of investments, and any income from them, will fluctuate. This may partly be the result of changes in exchange rates. Investors may not get back the full amount invested.

The Invesco Quantitative Strategies ESG Global Equity Multi-Factor UCITS ETF 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.

The Fund might be concentrated in a specific region or sector or be exposed to a limited number of positions, which might result in greater fluctuations in the value of the Fund than for a fund that is more diversified.

The value of equities and equity-related securities can be affected by a number of factors including the activities and results of the issuer and general and regional economic and market conditions. This may result in fluctuations in the value of the Fund.

The Fund's performance may be adversely affected by variations in the exchange rates between the base currency of the Fund and the currencies to which the Fund is exposed.

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Past performance is not a guide to future returns. All data is as at 31 October 2024, sourced from Invesco unless otherwise stated. By accepting this document, you consent to communicate with us in English, unless you inform us otherwise.

All investment decisions must be based only on the most up to date legal offering documents. The legal offering documents (fund & share class specific Key Investor Information Document (KIID), prospectus, annual & semi-annual reports, articles & trustee deed) are available free of charge at our website etf.invesco.com and from the issuers.
This document should not be considered financial advice. Persons interested in acquiring the fund should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences.
Any calculations and charts set out herein are indicative only, make certain assumptions and no guarantee is given that future performance or results will reflect the information herein.
For details on fees and other charges, please consult the prospectus, the KIID/KID and the supplement of each product.
Any reference to a ranking, a rating or an award provides no guarantee for future performance results and is not constant over time.
Please note there is no guarantee the targets will be achieved.
Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice.
As with all investments there are associated risks. Please obtain and review all relevant materials carefully before investing.
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