



Press Release

For immediate release

This press release is for trade press only

Invesco expands Equal Weight range with ETF offering advantage of a swap-based approach

London, 20 January 2025 – Invesco is launching an ETF that tracks the performance of the S&P 500 Equal Weight index while providing the structural advantages of the firm's multi-counterparty swap-based model. The index followed by the Invesco S&P 500 Equal Weight Swap UCITS ETF is constructed from the parent S&P 500 index by including the same constituent securities but equally weighting them at each rebalancing date rather than the standard method of weighting companies by their market capitalisation.

The new Invesco ETF is the first swap-based equal weight ETF in the world. For investors looking for exposure to the S&P 500 Equal Weight Index, the firm now offers both physical and swap-based ETFs so investors can choose their preferred replication method.

Gary Buxton, Head of EMEA and APAC ETFs at Invesco, said: "We are excited to kick off the new year with an ETF that combines two of Invesco's largest and most well-established areas of expertise. Globally, we are a market leader in equal-weight equity exposures, an area of rapid growth where we saw European demand really accelerate in 2024, and we are now delivering it via the robust and highly efficient swap-based structure we created more than 15 years ago. We have the largest swap-based ETF in the world, and investors can now benefit from the same proven advantages for their S&P 500 Equal Weight exposure."

Demand for equal weight strategies has been growing since mega-cap valuations began looking stretched, with concentration in the largest holdings at multi-decade highs, and investors wanting a more balanced exposure. This trend has been most evident in US-exposed equities, where \$10 billion of net flows into S&P 500 Equal Weight ETFs since July has more than doubled their assets under management. The 10 largest stocks still account for 37% of the S&P 500 index in terms of market capitalisation, so concentration remains at historically high levels.

Unlike products currently on the market, the new Invesco ETF will track the performance of the S&P 500 Equal Weight index through swap-based replication. The ETF will hold a basket of quality equities and deliver the index performance through swap contracts with large financial institutions. These swap counterparties will pay the ETF the return of the index, minus an agreed fee, in exchange for the return of the basket of equities held by the ETF.

Chris Mellor, Head of EMEA ETF Equity Product Management at Invesco, explained:

“When a Europe-domiciled ETF uses swaps to track certain core US indices, the swap counterparties are not required to pay tax on the dividends. That enables us to negotiate better terms with those swap counterparties, including receiving the gross return on the index, which is a demonstrable advantage over a physically replicated ETF that typically pays a 15% tax on dividends. In the case of S&P 500 Equal Weight, this corresponded to around a 0.2% p.a. improvement based on current dividend levels.”

Invesco has been a stalwart in the swap-based replication model, with an unbroken track record of more than 15 years and over US\$65 billion of assets accumulated in its swap-based ETF range. The suite of products includes the US\$39 billion Invesco S&P 500 UCITS ETF, which is the largest swap-based ETF in the world. This latest launch also expands the firm’s equal weight offering, adding Invesco S&P 500 Equal Weight UCITS ETFs to Invesco Nasdaq-100 Equal Weight and Invesco MSCI World Equal Weight UCITS ETFs.

ETF details

ETF name	Invesco S&P 500 Equal Weight Swap UCITS ETF
Index name	S&P 500 Equal Weight Index
ETF ticker ¹	SPWS
Base currency	USD
Trading currency	USD
Income treatment	Accumulation
Annual charge	0.20%

¹GBP shares are also available on the LSE (BBG ticker: RSPB), EUR shares on Xetra (RSPS) and Euronext Milan (RSPS), and CHF shares on SIX Swiss Exchange (RSPS).

Ends

For further information, please contact:

Invesco

Jane Drew

jane.drew@invesco.com

Telephone +44 20 3370 1104

Lansons

Anthony Cornwell / Tom Straker

anthonyc@lansons.com / toms@lansons.com

Telephone +44 207 294 3606 / +44 20 7566 9705

About Invesco Ltd.

About Invesco Ltd. Invesco is a global independent investment management firm dedicated to delivering an investment experience that helps people get more out of life. Our distinctive investment teams deliver a comprehensive range of active, passive and alternative investment capabilities. For more information, visit www.invesco.com.

Investment Risks

For complete information on risks, refer to the legal documents.

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.

Invesco S&P 500 Equal Weight Swap UCITS ETF: The Fund's ability to track the benchmark's performance is reliant on the counterparties to continuously deliver the performance of the benchmark in line with the swap agreements and would also be affected by any spread between the pricing of the swaps and the pricing of the benchmark. The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

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 might purchase securities that are not contained in the reference index and will enter into swap agreements to exchange the performance of those securities for the performance of the reference index.

The Fund is invested in a particular geographical region, which might result in greater fluctuations in the value of the Fund than for a fund with a broader geographical investment mandate.

Invesco S&P 500 UCITS ETF: The Fund's ability to track the benchmark's performance is reliant on the counterparties to continuously deliver the performance of the benchmark in line with the swap agreements and would also be affected by any spread between the pricing of the swaps and the pricing of the benchmark. The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

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 might purchase securities that are not contained in the reference index and will enter into swap agreements to exchange the performance of those securities for the performance of the reference index.

Invesco Nasdaq-100 Equal Weight ETF: The Fund may be exposed to the risk of the borrower defaulting on its obligation to return the securities at the end of the loan period and of being unable to sell the collateral provided to it if the borrower defaults.

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.

Invesco MSCI World Equal Weight UCITS ETF: The Fund may be exposed to the risk of the borrower defaulting on its obligation to return the securities at the end of the loan period and of being unable to sell the collateral provided to it if the borrower defaults.

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.

Important information

This marketing communication is exclusively for use by trade press in Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK. It is not intended for and should not be distributed to the public.

This document is marketing material and not financial advice. It is not intended as a recommendation to buy or sell any particular asset class, security, or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication.

Data source Invesco/Bloomberg as at 7 January 2025 unless otherwise stated.

By accepting this material, you consent to communicate with us in English, unless you inform us otherwise.

Views and opinions are based on current market conditions and are subject to change.

For information on our funds and the relevant risks, refer to the Key Information Documents/Key Investor Information Documents (local languages) and Prospectus (English, French, German), and the financial reports, available from www.invesco.eu. A summary of investor rights is

available in English from www.invescoassetmanagementcompany.ie. The management company may terminate marketing arrangements. UCITS ETF's units / shares purchased on the secondary market cannot usually be sold directly back to UCITS ETF. Investors must buy and sell units / shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying units / shares and may receive less than the current net asset value when selling them. For the full objectives and investment policy please consult the current prospectus.

The "S&P 500 Equal Weight Index" is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI"), and has been licensed for use by Invesco. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Invesco. The Invesco S&P 500 Equal Weight Swap UCITS ETF is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, or their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the "S&P 500 Equal Weight Index".

NASDAQ® and NASDAQ-100 Equal Weighted™ Index are trade/service marks of The Nasdaq Stock Market, Inc. (which with its affiliates is referred to as the "Corporations") and are licensed for use by Invesco. The Product(s) have not been passed on by the Corporations as to their legality or suitability. The Product(s) are not issued, endorsed, sold, or promoted by the Corporations. THE CORPORATIONS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE PRODUCT(S).

The funds or securities referred to herein are not sponsored, endorsed, or promoted by MSCI Inc. ("MSCI"), and MSCI bears no liability with respect to any such funds or securities or any index on which such funds or securities are based. The prospectus contains a more detailed description of the limited relationship MSCI has with Invesco and any related funds.

Issued by Invesco Investment Management Limited, Ground Floor, 2 Cumberland Place, Fenian Street, Dublin 2, Ireland, regulated by the Central Bank of Ireland.

Belgium: This product is offered in Belgium under the Public Offer Exemption. This material is intended only for professional investors and may not be used for any other purpose nor passed on to any other investor in Belgium.

Switzerland: Issued by Invesco Asset Management (Schweiz) AG, Talacker 34, 8001 Zurich, Switzerland. The representative and paying agent in Switzerland is BNP PARIBAS, Paris, Zurich Branch, Selnaustrasse 16 8002 Zürich. The Prospectus, Key Information Document, financial reports and articles of incorporation may be obtained free of charge from the Representative. The ETFs are domiciled in Ireland.

Germany: German investors may obtain the offering documents free of charge in paper or electronic form from the issuer or from the German information agent (Marcard, Stein & Co AG, Ballindamm 36, 20095 Hamburg, Germany).

Italy: The publication of the supplement in Italy does not imply any judgment by CONSOB on an investment in a product. The list of products listed in Italy, and the offering documents for and the supplement of each product are available: (i) at etf.invesco.com (along with the audited annual

report and the unaudited half-year reports); and (ii) on the website of the Italian Stock Exchange borsaitaliana.it.