

# Invesco S&P 500 ESG Index ETF

TSX: ESG (CAD) ESG.F (CAD Hedged)

Invesco Canada introduces a low-cost ETF based on the S&P 500<sup>®</sup> ESG Index, which integrates environmental, social and governance considerations.



The S&P 500 ESG is designed to provide a risk and return profile similar to the benchmark S&P 500<sup>®</sup>, making this ETF suitable as a core portfolio holding. Investors do not need to sacrifice returns when they choose investments that align with their values.

**Environmental, Social, and Governance (ESG) Investing focuses on investing in companies that meet certain criteria across one or more of its three tenets.**

**Environmental:** how a company manages or reduces green house gas emissions, energy efficiency and waste management



**Social:** how a company treats people such as Human rights, labour standards and employee relations

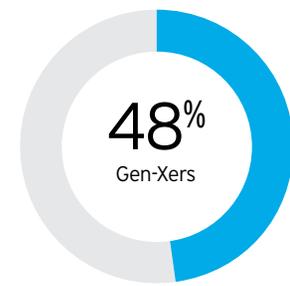
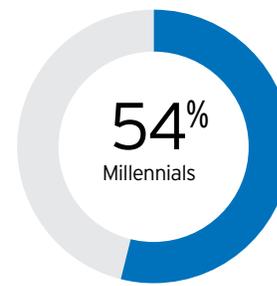


**Governance:** how a corporation polices itself through board diversity, executive compensation and policies & controls on bribery and corruptions



## ESG investing is being embraced by retail investors.

Percentage shown reflects investors who agree with the statement, "I rather invest in companies that have a positive social or environmental impact."



Source: The Cerulli Report: U.S. Environmental, Social, and Governance Investing 2019 - Exhibit 6.10

## A tested methodology to integrate ESG criteria into a US core holding

Many investors require funds that are aligned with their investment objectives and their values. The S&P 500 ESG Index was designed with both of these needs in mind.

### The methodology of the S&P 500 ESG Index was constructed with two objectives:

1 To provide a similar risk/return profile to the S&P 500

2 To avoid companies that are not managing their business in line with their peers as it pertains to ESG principles, while including companies that are

#### S&P 500 Universe

##### EXCLUDE

Tobacco, controversial weapons<sup>1</sup>, thermal coal, low United Nations Global Compact (UNGC) score and with S&P DJI ESG Scores in the bottom 25% of their GICS industry group globally.

##### SORT AND SELECT

Sort eligible companies by S&P DJI ESG Score within each GICS industry. Select top scoring ESG companies, targeting 75% of the market capitalization in each GICS industry.

Weight companies by float-adjusted market capitalization.

Reconstitute and rebalance annually.\*

#### S&P 500 ESG

\*Controversaries can come up between annual rebalances. S&P DJI has a built-in review process. Media and Stakeholder Analysis (MSA) was developed to formally review and remove those companies involved in activities related to economic crimes, fraud, human rights issues, etc. GICS: Global Industry Classification Standard. The Global Industry Classification Standard was developed by and is the exclusive property and service mark of MSCI, Inc. and Standard & Poor's.

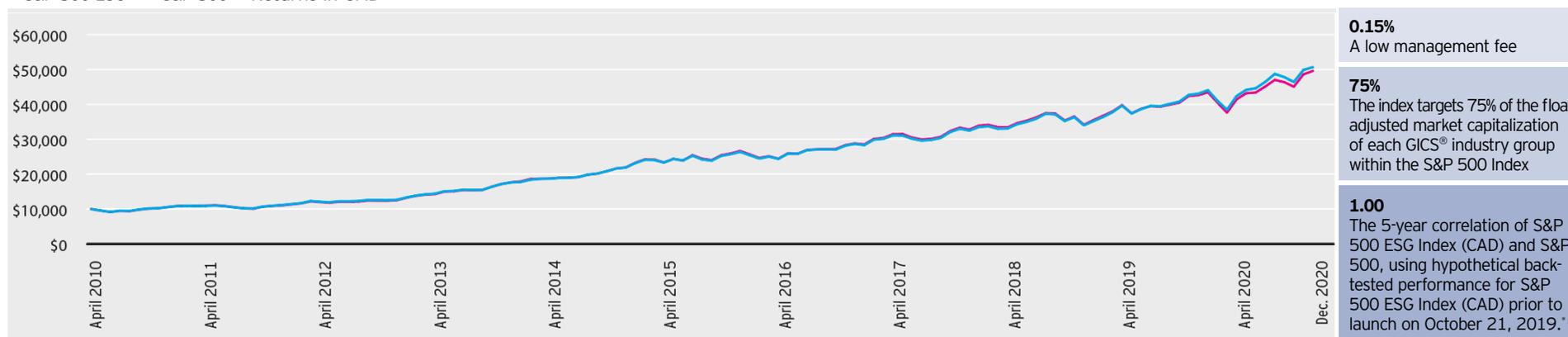
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**S&P 500 ESG Index Performance vs S&P 500** - Chart shows hypothetical back-tested performance for S&P 500 ESG (CAD) Index prior to October 21, 2019\*

■ S&P 500 ESG ■ S&P 500 Returns in CAD



\* Source: Morningstar Direct, LLC. Data current as of December 31, 2020. Chart and correlation are provided for illustrative purposes. The S&P 500 ESG Index (CAD) launched on October 21, 2019. All information for an index prior to its launch date is hypothetical back-tested, not actual performance. The back-test calculations are based on the methodology in effect on the index launch date. Back-tested performance is subject to inherent limitations because it reflects application of an index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns. Past performance is no guarantee of future results. You cannot directly invest in an index.

ETF	Distribution Frequency	Rebalance frequency	Management Fee	Mutual Fund	Fund code	Management Fee
ESG (CAD)	Quarterly	Annual, last business day of April	0.15%	Invesco S&P 500 ESG Index ETF Fund - Series A	AIM 6013	1.15%
ESG.F (CAD Hedged)				Invesco S&P 500 ESG Index ETF Fund - Series F	AIM 6017	0.15%
				Invesco S&P 500 ESG Index ETF Fund - Series PTF	IVESG	0.15%

The mutual funds described above invest in securities of ESG. The expenses and performance of the ETF and the mutual fund will differ.

1 Controversial weapons include cluster weapons, landmines, biological or chemical weapons, depleted uranium weapons, white phosphorus weapons, and nuclear weapons.

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There are risks involved with investing in ETFs. Please read the prospectus for a complete description of risks relevant to the ETF. Ordinary brokerage commissions apply to purchases and sales of ETF units.

Most Invesco ETFs seek to replicate, before fees and expenses, the performance of the applicable index, and are not actively managed. This means that the sub-advisor will not attempt to take defensive positions in declining markets and the ETF will continue to provide exposure to each of the securities in the index regardless of whether the financial condition of one or more issuers of securities in the index deteriorates. In contrast, if an Invesco ETF is actively managed, then the sub-advisor has discretion to adjust that Invesco ETF's holdings in accordance with the ETF's investment objectives and strategies.

Series PTF and Series F is available only to eligible investors who have fee-based accounts with their dealer and whose dealer has signed an Invesco Series F or Series PTF Dealer Agreement with Invesco Canada. Sales charges and trailing commissions are not payable for Series F or Series PTF units/shares; however, investors may pay other fees to their dealer for investment advice and other services.

While the ETF and the Invesco Fund seek to replicate the performance of the same index or to follow the same strategy, the ETF and the Fund have different management fees and expenses, and performance of the ETF and the Fund will differ.

Commissions, management fees and expenses may all be associated with investments in exchange-traded funds (ETFs) and mutual funds. Trailing commissions may be associated with investments in mutual funds. ETFs and mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the relevant prospectus before investing. Copies of the prospectus are also available from your financial advisor or Invesco Canada Ltd. by calling 1.800.874.6275 or e-mailing us at [inquiries@invesco.ca](mailto:inquiries@invesco.ca).

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