



Engagement Policy for Invesco Investment Management Limited (IIML)

The obligations set out in the Shareholder Rights Directive II impact IIML in its role as management company and those fund umbrellas managed by IIML that invest in equities which are listed on a recognised EU trading venue. This currently includes the fund umbrellas Invesco Markets plc, Invesco Markets II plc, Invesco Markets III plc and Invesco Liquidity Funds plc.

1.0 What is the Shareholders Rights Directive?

The Shareholder Rights Directive II (SRD II) is a European Union (EU) directive which sets out to encourage long-term shareholder engagement through transparency between companies and investors, and to reduce short termism and excessive risk taking in line with its investment strategies. It amends SRD I which came into effect in 2007, with the objective of improving corporate governance in companies that have their registered office in the EU and their shares listed on an EU regulated market.

2.0 Engagement Approach

At Invesco, we take our responsibility to act as active owners seriously and see engagement as an opportunity to protect and enhance shareholder value. Engagement with companies and proxy voting play a fundamental role in our efforts to help manage, protect, and enhance the value of our clients' investments. Invesco ETFs benefit from the firm's ability to leverage our relationships with individual companies through direct engagements. This is particularly relevant in regard to ESG-related issues, where we can draw on Invesco's ESG engagement capabilities to address material ESG issues with the firms and entities in which we invest.

For more on our ESG engagement approach and objectives, please see our Invesco Stewardship Report at www.invesco.com.

Proxy Voting Approach

Invesco's Policy Statement on Global Corporate Governance and Proxy Voting (Global Proxy Policy) sets forth the framework for our broad voting philosophy and the guiding principles that inform the proxy voting practices of our investors globally. Our clients rely on our expertise, as their fiduciary, and our commitment to active engagement and dialogue with investee companies to make voting decisions that are in the best interests of shareholders. We view proxy voting as an integral part of our investment management responsibilities.

The majority of Invesco ETFs are passively managed and hold stocks in companies included in the relevant index which it tracks. The index is created by a third-party index provider. Changes to the portfolio are driven by changes to the underlying index. For passively managed ETFs, the Investment Manager does not exercise discretion to actively select/deselect stocks. To the extent that the ETF is following an ESG strategy, the index provider would be responsible for monitoring of underlying companies in line with ESG criteria for passively managed ETFs. To ensure that our passive strategies benefit from the engagement and deep dialogue of our active investors, our passive strategies and certain other client accounts managed in accordance with fixed income, money market and index strategies will typically vote in line with the largest holder of the security from our actively managed funds. By aggregating our passive holdings with the

largest active holding, we exert greater influence through engagement and voting. Invesco refers to this approach as “Majority Voting”.

We believe this approach leads to better quality voting decisions as it leverages the insights and expertise of an active fund manager who has knowledge of the relevant company. To the extent a stock is not held in any actively managed Invesco portfolio, then Invesco ETFs have chosen to default to Invesco’s good governance principles and voting guidelines. Portfolio managers and analysts of Invesco ETFs retain full discretion to override Majority Voting and to vote the shares as they determine to be in the best interest of those accounts, absent any relevant conflicts of interest, which are discussed in the Global Proxy Policy.

We are committed to being transparent with our clients and companies about our investment stewardship and voting activities. Invesco publicly discloses our approach to voting and an overview of our global voting statistics including vote outcomes in our annual ESG Investment Stewardship Report. For more information, see our website: www.invesco.com.

Management of Conflicts of Interest

Invesco maintains policies and procedures that deal with conflicts of interest in all of its business dealings which are available upon request from the respective Invesco entities. In relation to conflicts of interest that exist in its stewardship and proxy voting activities, Invesco has adopted the Global Proxy Voting Policy in addition to other regional conflict of interest policies, including the EMEA Conflicts of Interest Policy, which is available on our website.

Important information

Invesco Investment Management Limited

Ground Floor, 2 Cumberland Place, Fenian Street, Dublin 2, Ireland