

# 2019

## Corporate Social Responsibility Report



Our commitment to the environment,  
our communities and our people

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# A message from Invesco's President and CEO



**Dear Invesco stakeholder,**

**For more than 30 years, Invesco has demonstrated its commitment to corporate social responsibility by actively encouraging ESG (environmental, social and governance) practices across every aspect of our business.**

Our commitment to corporate social responsibility is fully aligned with our Purpose-delivering an investment experience that helps people get more out of life. In support of this commitment and to drive progress in this important area, we focus our organization on three pillars:

- Fostering a culture where diverse people and ideas thrive;
- Making responsible investments that align with the long-term interests of our clients; and
- Ensuring sustainable operations and strong governance.

These pillars serve as guideposts for decisions we make about our business and help us build on the strong foundation we've put in place over three decades. We hold ourselves to the same ESG standards and practices that we encourage the companies we invest in to adopt and champion.

In our 2019 Corporate Social Responsibility Report, we highlight the progress we've made in further reducing our impact on the environment, including becoming supporters of the Task Force for Climate-Related Disclosure, as well as our dedication to cultivating an inclusive and engaged workforce. Additionally, we're sharing our regional and global efforts to date for COVID-19 relief and recovery efforts in communities where we operate.

As a member of our Global Corporate Responsibility Committee (CRC), I am personally involved in setting the focus areas for our sustainability practices and ESG stewardship activities. The CRC is designed to support our investment stewardship leaders across the globe in aligning our advocacy, policy and community efforts.

Moving forward, we will continue to focus the organization on delivering an investment experience that enhances quality of life for both people and the planet.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Marty L. Flanagan". The signature is fluid and cursive, with a large, stylized 'M' at the beginning.

**Marty L. Flanagan**  
President and CEO,  
Invesco

# About this report

## Report boundaries

Unless otherwise noted, this report covers calendar year 2019 and provides qualitative and quantitative information on our approach to managing corporate responsibility (CR) issues. Several initiatives or targets that were launched during early 2020, such as our response to COVID-19, commitments to Climate Action 100+ and our participation with the Institutional Investors Group on Climate Change (IIGCC), are included in the report to provide more up-to-date information for our stakeholders. We intend to continue to report on CR issues annually. For additional information, you can visit:

- [Invesco's Environmental, Social and Governance webpage](#)
- [Environmental, Social and Governance Investment Stewardship Report](#)
- [Invesco's Policy Statement on Global Corporate Governance and Proxy Voting](#)
- [Form 10-K for the fiscal year ending on December 31, 2019](#)

For information related to how Invesco addresses climate change risks and opportunities, please visit Invesco's Climate Change report. Additional information can be found through our submissions to the Carbon Disclosure Project (CDP) and to the Principles for Responsible Investment (PRI).

When we use the terms "Invesco," "we," "us," "our," and the "company," we mean Invesco Ltd. Inc., a Bermuda corporation, and its consolidated subsidiaries, taken as a whole, unless the context otherwise indicates.

## The scope of our report

All data presented in the report represents all wholly owned Invesco Ltd. operations, unless explicitly noted otherwise. For instance, the environmental metrics presented in the Operational Environmental Stewardship section on page 26 do not include former OppenheimerFunds offices.

## Reporting guidelines and content

This report was prepared leveraging the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) standards for Asset Management & Custody Activities as guidance.

In early 2020, we engaged with internal stakeholders and conducted a benchmarking of external information and a CR materiality assessment to inform our CR priorities and the topics covered in this report. The process and results of the CR materiality assessment are described on page 10.

## Reporting uncertainties

Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

## Disclaimer

This report is a summary of 2019 data. The report is for informational purposes only and is not an offer of any investment.

# Who we are and what we do

With more than 8,500 employees and on-the-ground presence in 26 countries, our business focuses on meeting the needs of clients across the globe. Our specialized investment teams manage investments across a broad range of asset classes, investment styles and geographies, and our significant presence in the retail and institutional markets in North America, EMEA (Europe, Middle East and Africa) and Asia-Pacific allows us to serve clients in more than 120 countries. Overall, we are privileged to manage more than \$1.2 trillion (as of December 31, 2019) in assets on behalf of our clients.

For decades, individuals and institutions have viewed our organization as a trusted partner for a broad range of investment needs thanks to our global presence, broad investment capabilities and devotion to helping people get more out of life.

## Our Purpose

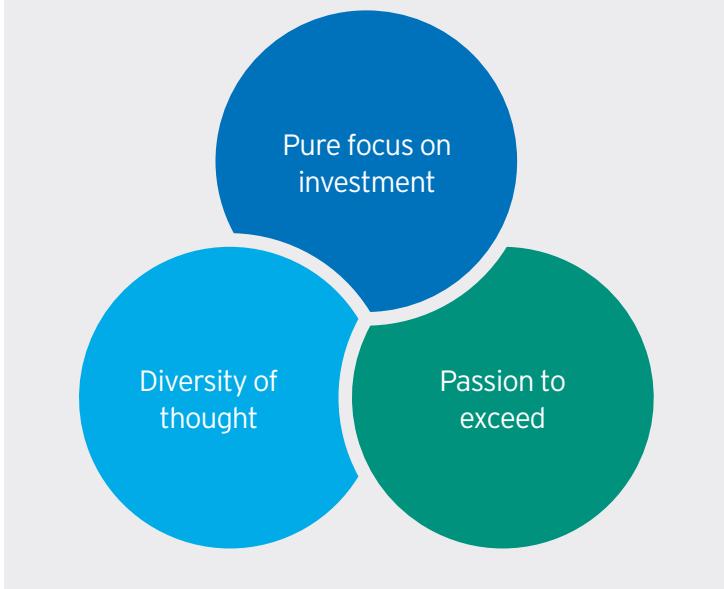
Invesco is dedicated to delivering an investment experience that helps people get more out of life.

## Our single focus

A key attribute of Invesco is that we are solely dedicated to investment management for the benefit of clients. We direct all our intellectual capital, global strength and operational stability toward helping clients achieve their investment objectives so that they can get more out of life. That is our single focus, and it's what drives our work every day.

## Invesco is a Purpose-driven firm

The intersection of three attributes serve as the foundation of our Purpose. These attributes remind us to continuously provide an exceptional investment experience, embrace diversity of thought and embody a passion to exceed.





## Global presence



# Corporate Responsibility Program

## Corporate governance

We are committed to maintaining the highest standards of integrity and accountability in the stewardship of our affairs and recognize that proper and effective corporate governance is important to shareholders and other stakeholders. We have strong policies and standards, including Invesco's comprehensive [Code of Conduct](#), designed to safeguard the interests of Invesco's clients, ensure compliance with applicable laws and provide accountability and control systems commensurate with our firm's business activities. See pages 12-13 for more on our approach to sustainable operations and strong governance.

Invesco is governed by a Board of Directors that meets throughout the year and has three established standing committees: Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. Board members are elected by the shareholders to oversee our management team and ensure that the long-term interests of the shareholders are being served.

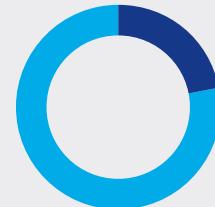
For more information on our global corporate governance structure and policies, please visit our global and EMEA websites.

### Corporate governance highlights

All of our Board Directors other than our President and Chief Executive Officer (CEO) are **independent** under applicable NASDAQ and SEC rules



Two of our Board Directors are based **in Europe**



**2 of our 9**  
directors are women

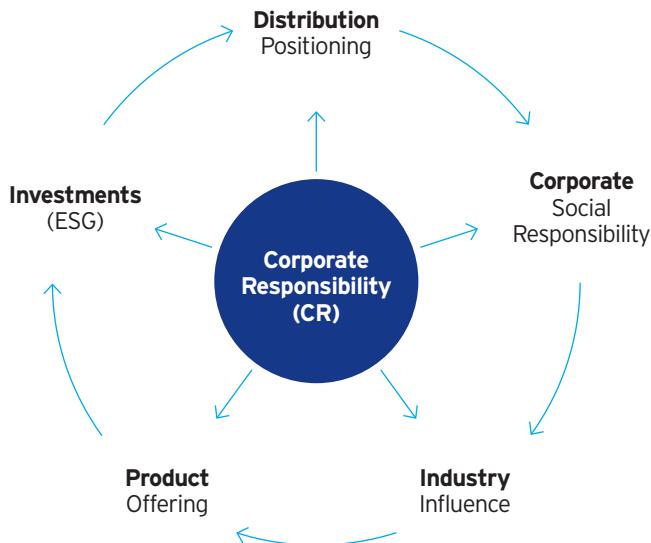


We have a strong commitment to **stakeholder engagement**

## Governing our corporate responsibility priorities

We will govern CR efforts through the Invesco Corporate Responsibility Committee (CRC), which will oversee and drive the company's global CSR and investment stewardship programs and policies. The CRC is co-chaired by the Senior Managing Directors (SMDs) of EMEA and Investments, and includes our CEO and members of key functions of the firm.

### Corporate Responsibility Committee responsibilities



For illustrative purposes only.

The CRC will drive the strategy, oversight, communications and governance of our internal programs. The CRC will also provide direction to Invesco's investment and corporate stewardship leaders on core CR topics and participation in industry advocacy and policy efforts and with charitable and community organizations.

The CRC will oversee the CR Working Group, which identifies, tracks, assesses and measures our ESG and CSR activities. We will report this information to the Board periodically.



### CR materiality index

Invesco's CR ambitions and CR materiality matrix identify the areas where Invesco can make the greatest impact. To take our CR aspirations one step further, we are currently developing CR goals and commitments, which will drive our CR performance moving forward. See page 10.

#### Supporting the UN's Sustainable Development Goals

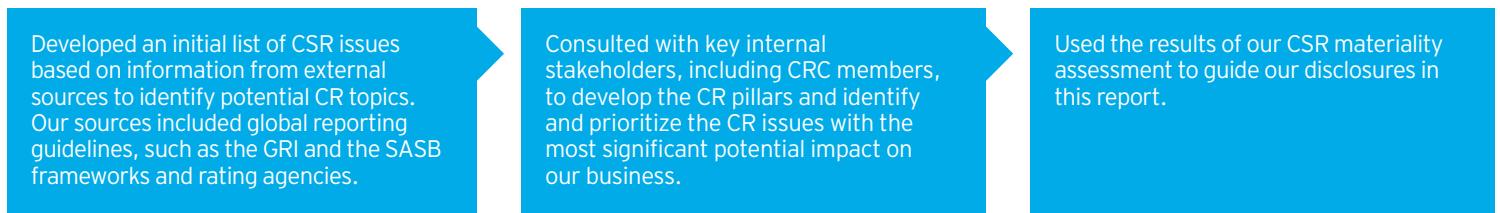
Given our global presence, we recognize that our work touches people and places across the globe. We strive to address the complex, ever-evolving issues that our planet and populations face by supporting the United Nation's Sustainable Development Goals (SDGs).

This year, we started mapping the SDG goals to our CR initiatives and have identified examples of our efforts throughout this report.

As we continue developing our CR goals and ambitions, we will further align with the SDG goals and targets.

## Establishing our CR priorities

In early 2020, we conducted a CR materiality assessment to identify the significant CSR issues for Invesco and our key stakeholders. The stages of our process were as follows:



## Invesco's CR materiality assessment and disclosure

Invesco conducted a materiality assessment, which was the basis for the development of our ambitions.

Materiality principle as defined by GRI standards:

- Reflect the organization's significant economic, environmental and social impacts.
- Substantively influence the assessments and decisions of stakeholders.
- Materiality of topics are expected to evolve and change over the years based on overall industry, market and stakeholders expectation changes.
- Stakeholders include: clients, employees, investors, regulators, NGOs and members of our communities.

Fostering a culture where diverse people and ideas thrive	Responsible investments that align with clients' long-term interests	Sustainable operations and strong governance	
Community involvement	Active ownership/engagement	Board diversity	Financial performance
Diversity and inclusion	Climate risk	Business ethics and professional integrity	Human rights
Employee well-being	ESG integration in investment decision-making Proxy voting Sustainable investment products Systemic risk management Transparent information & fair advice for customers	Corporate governance and risk management Cybersecurity Data privacy and protection Environmental stewardship	Legal and regulatory compliance Public policy involvement Responsible sourcing and procurement Transparency and disclosure

## Ensuring transparency and engaging stakeholders

As a publicly traded company whose success depends on helping clients achieve their financial objectives, we have for a long-time defined shareholders, clients and employees as key stakeholders. However, our stakeholders expand beyond this list to also include regulators, industry organizations, non-governmental organizations, investment analysts, business partners and local communities.

One of our key priorities is ensuring regular outreach and engagement with our stakeholders. This is particularly true for our shareholders, and we actively engage with them on a regular basis:

<p><b>Institutional investors</b> have many opportunities to provide feedback to senior management by participating in conferences, one-on-one meetings and group meetings throughout the year.</p>	<p><b>Representatives of our major shareholders</b> participate in conference calls that occur outside of proxy season. These exchanges cover our executive compensation program, risk management, CSR, strategic planning processes and current and emerging governance practices generally and specifically with respect to Invesco.</p>	<p><b>Our Board</b> annually reviews its effectiveness as a group with a questionnaire and confidential and private one-on-one interviews coordinated by an independent external advisor who specializes in corporate governance and reports the results of the annual review in person to the Board.</p>	<p><b>Our Chairperson of the Board and the Chairperson of our Compensation Committee</b> have participated in certain shareholder and proxy advisor meetings to provide board perspective and gain insights. Both the participating directors and management provide feedback to our full Board based on such meetings.</p>
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We will continue to engage with our stakeholders to further understand the CR and ESG issues that matter to them.

# Invesco's Corporate Social Responsibility Program management

## CSR at Invesco

We recognize that trust is built with our clients and stakeholders through our actions, so we act with integrity and conduct our business in a responsible manner that considers the environmental, social and governance (ESG) factors that we affect through our work. We are dedicated to responsible investing, supporting a diverse and inclusive workplace, serving as good stewards of the environment and strengthening the communities where we live and work. We are devoted to continuously improving our CSR and investment stewardship, while fostering greater transparency of this work.

## Invesco's CSR ambitions

As a responsible investment firm, strong corporate social responsibility practices are part of our culture. Invesco's CSR ambitions reinforce this culture, helping us achieve our business goals and CSR priorities. Invesco's CSR ambitions build on our Purpose through three pillars.

These CSR ambitions were developed by Invesco's senior leadership team to aggregate our current and prospective CSR initiatives.



## CSR pillars

Fostering a culture where diverse people and ideas thrive	Responsible investments that align with clients' long-term interests	Sustainable operations and strong governance
<p>We believe that diversity of thought supports the best outcomes for our people, our clients and our community.</p> <p>Our actions create an environment where diversity of thought can thrive. This broad definition of diversity will promote employee well-being, equity and inclusion across our organization.</p>	<p>Our greatest opportunity to make an impact is to integrate environmental, social and governance across our products, investment stewardship and distribution while aligning with our clients' long-term interests.</p> <p>Our actions underscore our dedication to understanding the unique investment philosophies of our clients and confirming our investments support their objectives.</p>	<p>We govern ourselves in an ethical and responsible manner. We believe that transparency is the hallmark of accountability and responsible operations.</p> <p>We conduct our operations in a way that minimizes our impact on the environment while protecting and enhancing results for our stakeholders.</p>



## Invesco 2019 CSR highlights



Over  
**8,500**  
employees

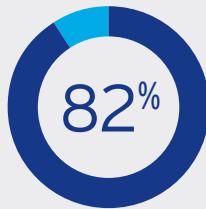


Presence in  
**120**  
countries



of our employees received performance and career development reviews

91% of our employees participated in our engagement survey, which achieved a sustainable employee engagement score of 82%



Principles for Responsible Investment (PRI) A+ Rating for our strategy and governance in responsible investment for the **third year in a row**

Discloser and investor member of CDP

## Active participant member and supporter of ESG organizations,

including Climate Action 100 +, the Institutional Investors Group on Climate Change (IIGCC), the Asian Investors Group on Climate Change (AIGCC), the Coalition for Climate Resilient Investment (CCRI), Farm Animal Investment Risk & Return Initiative (FAIRR) and PRI collective engagement initiatives such as the tailings mine safety initiative

Signatory of the Stewardship Code Signatories in UK (Tier 1 status) and Japan

Members of the Sustainable Financial Organisations (ACGA, Asia), UK Sustainable Investment and Finance Association (UKSIF, UK), Council of Institutional Investors (CII, US) and Responsible Investment Association (RIA, Canada)

Discloser and supporter to the Task Force for Climate-Related Financial Disclosures (TCFD)

# Fostering a culture where diverse people and ideas thrive

Invesco's success has been driven by our dedicated people—including our investment, sales and distribution teams and our enterprise support functions distributed around the world. Our ability to serve clients and deliver an investment experience that helps people get more out of life starts with our own employees. That's why we are committed to fostering a culture where diverse people and ideas thrive. This is one of our CSR ambitions, and it underscores how we achieve our Purpose.

We take our responsibility as a global corporate citizen seriously and support organizations in our local communities through both charitable contributions and hands-on volunteering activities. Ultimately, we are motivated by the belief that doing what is right for our people and the communities in which we operate helps us deliver positive outcomes for our clients and shareholders.

## Investing in our people

To ensure that our employees can deliver on our clients' goals, we invest significantly in talent development, technology and tools and resources that help our employees reach their full potential both personally and professionally. Most importantly, we strive to nurture a culture that encourages collaboration, inclusivity and greater diversity of thought.



## Snapshot of our workforce

	2018	2019
<b>Total employees as of year-end</b>	7,290	8,514
<b>New employees hired in reporting year</b>	1,087	1,393
<b>Employee voluntary turnover in reporting year</b>	8.69%	9.09%*

\* In 2019, after the OppenheimerFunds acquisition, we experienced a slight increase in voluntary turnover.

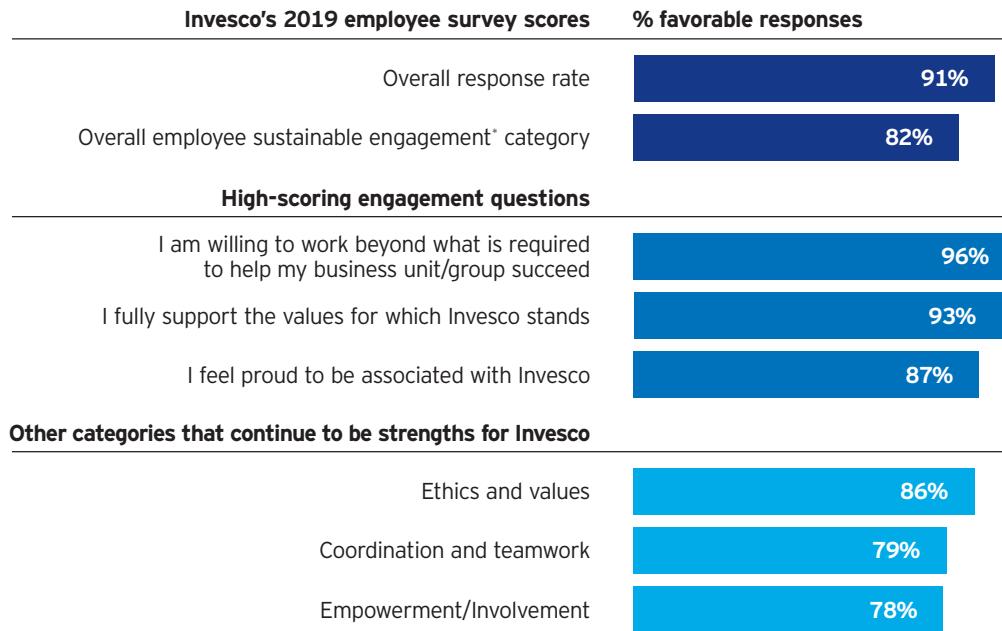
## Employee engagement

We believe listening is an important part of creating a culture that encourages collaboration, inclusivity and diversity of thought. Every other year, our employees are invited to participate in a confidential survey that helps us gauge their sentiment across a variety of engagement categories and provide their candid feedback.

We conducted the employee engagement survey in 2019 after our merger with OppenheimerFunds as we felt it was critical to gain a baseline of engagement for the combined organization and identify areas of focus.

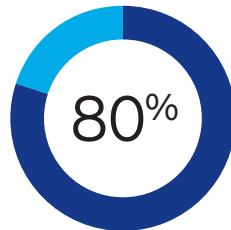
Overall, our engagement scores show that Invesco continues to have a high level of employee engagement. However, we are continuously reviewing our employee initiatives and programming to identify opportunities to improve.

## Invesco's employee engagement metrics



\* At Invesco, we utilize an **employee sustainable engagement** model, one that goes beyond conventional employee engagement metrics to include perspectives regarding a sense of well-being, feelings of inclusion and career fulfillment.

### Employee engagement survey inclusion index results



of Invesco's global workforce feels they can be themselves at Invesco without worrying whether they will be accepted.

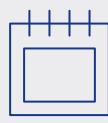
## Our total rewards benefits

To help our employees get more out of life, we provide them with comprehensive, industry-competitive benefits, which include retirement, health and wellbeing programs, income protection and other employee benefits, which are generally available to all full-time employees.

Invesco is proud to help our employees get more out of life by offering the following total rewards:

- Compensation
- Retirement savings plans
- Life insurance plans and income-protection benefits
- Opportunities to become an Invesco shareholder (ESPP)
- Competitive health and wellness programs for employees and their families
- Flexibility to help employees balance work and family/personal responsibilities more effectively
- Holiday and paid time-off benefits
- Rich opportunities to develop professional skills and knowledge

All employees are entitled to parental leave, either as provided by regulation and legislation or as a separate benefit offering provided by Invesco. In the US, where parental leave is not federally mandated, we provide for up to 18 weeks of paid parental leave for birth mothers and 10 weeks of paid parental leave for fathers/domestic partners and adoptive or foster parents after the birth/adoption of a child.



In 2019, **245 employees** (52% female and 48% male) received paid parental leave in the US.



## Attracting and retaining top talent

"Candidates are looking for more than a job. They want a culture that values their unique perspective and provides a stimulating career and a culture that values feedback, different perspectives and a willingness to work together to achieve great outcomes. Invesco offers all of this with the added benefit of being part of a global community."

- **Tom Wilson, Global Head of Talent Acquisition**

## Training and professional development

Our employees are continuous learners. They understand that today's business environment is constantly growing and evolving. To aid their development, we provide access to many learning, training and development programs to keep their skills current and capabilities sharp. These include training courses spanning topics such as Ethics, Integrity and Trust, Motivation, Problem Solving, Decision-Making, and Manager and Leadership Programs.

In addition to classroom, virtual and online courses offered through Invesco resources, we also offer tuition and certification reimbursement for expenses incurred by employees who are seeking to improve their knowledge in job-related subject matters. This benefit includes industry and professional accreditations, as well as college-level classes taken at nationally recognized, accredited institutions.

We support our employees' development through business-led mentoring programs and rotation assignments. Through these programs, employees work with their managers to discuss their career and business-related goals and create development plans to help them meet their goals. We also host a reverse mentoring program for senior leaders, where junior employees at Invesco mentor senior leaders on topics such as diversity and career development at the firm. This program increases shared knowledge and helps us foster a culture where diverse people and ideas thrive.

To keep track of their professional growth, our employees also participate in annual performance reviews. In 2019, 91% of our employees received performance and career development reviews (compared to 89% in 2018).

## Highlighting Invesco's leadership development programs

We provide our leaders with a wide array of in-person and online learning opportunities.

**Leading@Invesco** - This three-month program is designed to help leaders of functions and groups reach higher levels of success and produce stronger results with their teams and for Invesco.

**Managing@Invesco** - This four-month learning program helps our managers drive increased engagement and performance with the people that they manage.



## Integrating two firms

"In 2019, OppenheimerFunds was acquired by Invesco. Learning & Development offered a number of resources and programs to help them transition to a new company or to a new career opportunity. This equipped our employees with support to pursue their professional aspirations and development."

- **Ann White, Head of Learning and Development**

## Building new employee development capabilities for 2020

**Active performance feedback** - Invesco employees participate in annual year-end performance review processes. Beginning in 2020, employees and managers will meet at least quarterly for streamlined "check-ins" to discuss, share feedback and update performance and development goals.

**Invesco learning hub** - In 2020, Invesco will launch the Learning Hub powered by Degreed. The Learning Hub is a UX platform that leverages artificial intelligence (AI) to aggregate and deliver relevant learning unique to each employee. Employees will use the Learning Hub to access online courses, articles, books, supplemental materials, podcasts and videos through the company network.

## Fair labor practices

We maintain clear policies and procedures to proactively support our commitment to diversity, equal opportunity and a safe, inclusive workplace. We are committed to upholding a work environment that is free of discrimination and harassment, and we expect every employee to show respect for colleagues, clients, employees and vendors.

In addition, as an employer that strives for equality of opportunity, we make employment and promotion decisions based on clear, job-related criteria and an individual's experience and aptitude to perform the role, as well as ensuring that they display the right behaviors and values.



## Fair compensation

We review pay equity at all levels to ensure that individuals with similar roles and responsibilities are receiving comparable wages, with bonuses determined on the merits of their performance. In addition, the CEO and SMDs receive the same benefits as all employees (e.g., participation in the same 401(k) plan without supplemental retirement plans).

Pay equity reviews are also performed at Invesco throughout the regions in the world. These reviews look at pay bands by role and gender. As needed, third-party vendors are engaged for the reviews. Regular checks for pay equity are performed when running offer scenarios for candidates.

Invesco UK provides additional fair compensation practices including the Gender Pay Gap report for UK offices.

## Our commitment to diverse perspectives and an inclusive culture

To best help our clients and employees get more out of life, our workforce should reflect the diversity of people and perspectives of the communities we serve. We believe that diversity and inclusion is both a moral and a business imperative.

Diversity of thought is a core strength of our organization, and it distinguishes us from other firms within our industry. It defines our culture, our approach to reaching decisions, and even the capabilities that we provide to the market.

This key attribute refers to our comprehensive range of investments, strategies and geographies, as well as our broad range of distinctive investment teams. We also promote a collegial culture, as evidenced by our collaborative decision-making style. More specifically, our diversity of thought reflects that:

- We nurture the coexistence of multiple investment teams, operating with individual accountability for their results.
- We do not have a global Chief Investment Officer because we don't believe there is "one single answer" for every investment need.
- We have a tolerant and respectful culture, one that encourages the compounding of our collective expertise.
- We inspire and challenge each other to see all the possibilities and to find the best solutions.

We are committed to improving diversity at all levels and in all functions across our global business as evidenced by our CEO and SMDs—the most senior leaders for key parts of our business—all have diversity and inclusion as part of their annual performance goals.





"At Invesco, we view inclusion and diversity as integral to our business; imbedded in what we do, how we serve clients, and how we make decisions. In order to be successful, this effort can't be siloed; it must be a firmwide initiative in which all employees are invited to participate and share their voice."

- Anna Penn, North American Diversity & Inclusion Manager

We strive to create a culture that values the varied skills, expertise and unique perspectives of our highly motivated colleagues. We empower each employee to collaborate and find the best ideas and solutions for our clients as we work together to achieve Invesco's purpose of delivering an investment experience that helps people get the most out of life.

## Invesco's global diversity and inclusion initiatives

**1 Engage:** Improve inclusion by responding to survey feedback

**2 Develop:** Grow our Reverse Mentoring Program and review the approach to sponsorship in broader talent process review

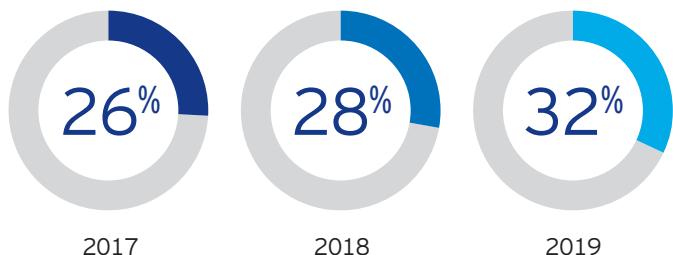
**3 Attract:** Widen our talent pool through developing job descriptions that are fully inclusive (flexibility, language, content) including the implementation of Textio

## Diversity aspirations

Although diversity is country- and culture-specific, the need for greater gender diversity is a constant across the globe, which is why we focus on gender diversity at the enterprise level. Our CEO and SMDs are driving our main efforts around gender diversity through a four-point pledge based on the UK Women in Finance Charter, which includes the following components:

- We will apply the UK Women in Finance Charter initiative to Invesco globally, with the CEO and each SMD responsible and accountable for gender diversity and inclusion.
- We will continue to sponsor diversity and inclusion activities that will aid in achieving the higher end of our female representation of senior managers target and support having greater diversity across the globe.
- We established annual performance goals for our CEO and SMDs that are designed to support gender and broader diversity and inclusion activities.

Percentage of female representation of Invesco senior managers, by reporting year



Having met the lower end of our gender diversity goal one year early, in December 2019 with 32%, we are now raising the bar to meet a goal of 35-40% by the end of 2022.

## Promoting diversity for SDG 5

### Proportion of women in managerial positions



As part of our commitment to pursuing SDG 5, Gender Equality, we are actively promoting diversity within our firm through Invesco's diversity and inclusion goals. We periodically discuss with the Board ways we can increase diversity and inclusion further, with an aim of increasing dialogue and initiatives around this important issue.





### Working together to achieve our goals

In support of our diversity and inclusion aspirations beyond gender, we have activities across the globe that focus on engaging and developing the many talented people who work for Invesco while also ensuring that we attract new talent from a broad range of backgrounds. These initiatives include programs focused on developing the next generation of leaders, training efforts intended to strengthen our inclusive culture and developing internal and external partnerships and more robust recruitment practices to attract diverse talent into the firm. Some of our specific initiatives in 2019 included:

- Launching new Business Resource Groups (BRGs) that focus on the different aspects of diversity at our firm and drive a sense of belonging. These BRGs included InvescoProud for our LGBTQ+ employees and allies, Working Families network and a country-specific Ethnicity Network. The Invesco's Women's Network continues to be our largest and most popular BRG.
- Expanding diverse candidate slates and interview panels for new hires; during 2019, 65% of the candidate slates were diverse, and 81% of the interview panels were diverse.
- Launching an online course for hiring managers, highlighting the potential impacts of unconscious biases during the interview process and how to optimize opportunities to engage diverse candidates.

We continue to build partnerships and networks internally and externally to optimize our diversity and inclusion activities.

Invesco Proud  
Network Global  
Chapters  
(5)

Invesco Women's  
Network Global  
Chapters  
(18)

NA Black  
Professionals  
Network  
(New 2020)

EMEA Ethnicity  
Network  
(New 2019)



EMEA Working  
Families Network  
(New 2019)

NA Rising  
Career Network  
(New 2020)

EMEA  
Neurodiversity  
Network  
(New 2020)

### Invesco's diversity training and programs

We offer a variety of training programs intended to strengthen our inclusive culture:

**Women in leadership:** This three-day event hosted by Invesco's Women in Leadership Program is designed to help Invesco women explore their unique strengths and provide the knowledge and support they need to enhance their ability to contribute as leaders.

### Communicating with confidence:

The Invesco Women's Network's co-sponsored the Communicating with Confidence workshop with PricewaterhouseCoopers (PwC). The workshop explored the significant impact confidence can have on work performance and how it varies for men and women.

**Disrupting everyday bias:** This half-day workshop was designed to help senior Invesco leaders explore how bias functions in the brain and impacts business decisions, talent conversations and interactions. The program was initiated in North America and will be expanded in EMEA and APAC during 2020.

**Fostering diversity of thought through hiring practices:** This online course highlights the importance of hiring candidates with diverse perspectives, identifies how unconscious biases may show up in the interviewing process, and provides best practices to mitigate bias and select the best candidate.

**New training for 2020:** We are launching new two-module diversity and inclusion workshop for managers during 2020. Topics covered by the training include identifying common biases, cultivating deeper connections with others and exploring ways to engage as allies and advocates.

# ESG investing that aligns with clients' long-term interests

Due to our global footprint and role in financing companies and economies around the world, we hold a deep understanding and appreciation for the complex interconnections between the financial markets, business, industry, society and the environment. As a result, environmental, social and governance (ESG) investing is a fundamental commitment at Invesco. Our ESG philosophy is based on our belief that ESG aspects can have an impact on sustainable value creation as well as risk management. As one of the largest asset managers globally, we are in a unique position to encourage change and have an impact through our engagement and dialogue with companies.

Our approach focuses on integrating ESG risk and opportunity factors into investment decisions, differentiated by asset classes and decentralized by local investment centers. We deliver our ESG capabilities through equities, fixed income, multi-asset, alternatives, real estate, ETFs and bespoke solutions. We serve our clients in this space as a trusted partner by adopting and implementing ESG principles in a manner consistent with our fiduciary responsibilities to our clients.

For these reasons, responsible investments that align with long-term clients' interests is one of Invesco's CSR ambitions as it guides our responsible investing aspirations moving forward. We reinforced this CSR ambition with a target of having ESG risks integrated across all our investment capabilities by 2023.

Please see our most recent Invesco's Environmental, Social and Governance Investment Stewardship Report on the company's website for more information.



With a target of having ESG risks integrated across all our investment capabilities by 2023



"Our greatest opportunity to be part of the solution for a sustainable future is to embed the principles of ESG into everything we do."

- **Cathrine De Coninck-Lopez,  
Global Head of ESG**

## Our global ESG team functional model

Our global team of ESG experts, embedded in certain investment teams and centers around the world, work closely with our investment professionals to develop industry-leading ESG practices that help people get more out of life.

Learn more about Invesco's ESG Investing on [Invesco.com](https://Invesco.com)

## Integrating ESG into investment decisions

As active long-term investors, our first mandate is to generate strong returns for clients over the long term. In achieving this mandate, we consider ESG issues as an important input to the investment process, given their influence and impact on the evaluation of ideas, company dialogue and portfolio monitoring.

We continuously develop and deliver industry leading ESG investment solutions with investment processes that take into consideration ESG research, analysis and risk assessments. We give our investment professionals the absolute discretion to use judgement, experience, engagement with company management and third-party ESG data sets to analyze the companies in which we invest.

### Doing our due diligence

We view our commitment to integrating ESG as an additional layer of due diligence that reinforces our long-term approach to investing, which we believe is in the best interest of our clients and the markets. As active, long-term investors, we also encourage the companies in which we invest to adopt best-in-class ESG practices.

Ultimately, we understand that material ESG risks and opportunities, inherent in or taken by a company in which we invest or seek to invest, may positively or negatively impact our ability to achieve investment objectives. Therefore, it is our highest priority to consider ESG aspects alongside other economic drivers when evaluating the attractiveness of an investment.

We also understand that effective ESG integration requires continuous improvement as data availability and best practices evolve. Thus, we are continuing to build on our ESG approach to ensure that we are making sound ESG risk assessments that lead to the best investment outcomes for our clients.

### Responsible active ownership and proxy voting

We consider active ownership and proxy voting as the cornerstones of responsible investing. We engage with companies regularly on a variety of topics, including ESG considerations, as part of our thoughtful research process. We also include ESG considerations in our proxy voting to elevate their role in corporate accountability.



Read the 2019 Invesco  
Environmental, Social and  
Governance Investment  
Stewardship Report

## Engaging companies

At Invesco, active ownership is an integral part of our investment process. We view engagement as an opportunity to encourage continuous improvement, including with regard to ESG issues. To make the most of limited time with management teams, we prioritize ESG risk factors and key issue relevance per internal and external resources.

We also take advantage of Invesco's scale, which increases the chance of meaningful engagement. We can draw on this collective power to capture managements' attention and use our influence to encourage stronger ESG-related behavior from the firms and entities in which we invest. Overall, our highly active approach of engaging management teams on the importance of ESG helps us achieve our clients' dual objectives of maximizing return on capital and delivering on ESG principles.

### Proxy voting guiding principles

In conducting our proxy voting, we vote for proposals that maximize long-term shareholder value because we believe strong governance structures reinforce management's accountability to its board of directors, as well as the board of directors' accountability to its shareholders. However, we also recognize the positive influence ESG governance proposals can have on long-term shareholder value, and, as a result, we perform deep research, including consideration of the environmental and social impacts, which guides our voting on companies' resolution.

For more information on Invesco's proxy voting guidelines, including our centralized proxy voting email address for engagement with corporate issuers, please visit our [Proxy Voting webpage](#).

### Global policy on global corporate governance and proxy voting

Invesco's Global Proxy Policy sets forth the framework of our broad philosophy and guiding principles that inform the proxy voting practices of our investors around the world. To learn more about this policy, please visit [Invesco's Policy Statement on Global Corporate Governance and Proxy Voting](#).

### Responsible investing products

We provide our clients with a comprehensive range of ESG products and solutions, including exclusionary screening, sustainability-focused solutions, impact investing and broad ESG integration. These ESG capabilities are delivered through equities, fixed income, multi-asset, alternatives, real estate, ETFs and bespoke solutions.

To date, we've integrated ESG factors in our investment processes spanning Global Core Equity's Global Smaller Companies, US Large Cap Growth Equities, Real Estate, Invesco Asset Management India, Invesco Fixed Income, Henley Investment Centre, Invesco Japan and Invesco Asia Pac-ex Japan. We are continuing to investigate the broad incorporation of ESG in other groups as well.

## Our ESG capabilities

<b>We manage numerous accounts with ESG strategies and criteria such as:</b>	<b>Broad ESG integration</b>	<b>Exclusionary solutions</b>	<b>Sustainability focused solutions</b>	<b>Impact investing</b>
	<ul style="list-style-type: none"> <li>- The systematic inclusion of ESG factors into the investment process.</li> </ul>	<ul style="list-style-type: none"> <li>- The exclusion from a fund/portfolio of certain sectors, companies or practices based on specific ESG criteria or values.</li> <li>- Issues such as alcohol, gambling, nuclear energy, pornography, tobacco and weapons.</li> </ul>	<ul style="list-style-type: none"> <li>- Sustainable responsible investment outcomes included as part of the investment objectives.</li> <li>- Positive/best-in-class screening</li> <li>- Combined ESG strategies</li> <li>- The combination of best-in-class, norms-based, positive, negative and/or exclusion criteria.</li> <li>- Thematic investing</li> </ul>	<ul style="list-style-type: none"> <li>- Primary intention to generate a measurable, beneficial social or environmental impact alongside a financial return.</li> </ul>

Our ESG capabilities	ESG integration and engagement	Exclusions	Sustainability focus	Impact investment
Equities	✓	✓	✓	
Fixed income	✓	✓	✓	✓
Real estate	✓			
Quantitative strategies	✓	✓	✓	
Alternatives	✓	✓		



"We are committed to working with internal and external stakeholders to provide investment solutions that help our clients get more out of life, including solutions built around ESG factors."

- **Glen Yelton, Head of ESG Strategies, Americas**

## Partnerships for greater investment outcomes

We understand that ESG investing is evolving quickly, and there are many opportunities to grow and expand our approach to ESG integration. To amplify our ESG capabilities further, in 2019, we partnered with Amalgamated Bank.

As a subadvisor, Invesco will provide investment management services for Amalgamated Bank across Amalgamated's asset classes. Our investment solutions team will help expand existing platforms and deliver strategies that align with Amalgamated's commitment to responsible investing. Overall, we believe our partnership with Amalgamated enables our portfolios to deliver an attractive value proposition to clients seeking an ESG collaborator for their investment needs.

## Principles for Responsible Investment

As part of our effort to provide responsible ESG solutions to our clients, our ESG practices, where appropriate, seek to promote sustainable social and environmental targets in line with investor organizations like PRI and initiatives like the TCFD.

As a strong advocate of the responsible investing practices set forth by these organizations, we formalized our commitment to responsible investment globally in 2013 when we became a signatory of the PRI. We were proud to be awarded an A+ rating in 2019 for our overall approach to responsible investment (Strategy and Governance) for the third consecutive year.

The PRI carries out the annual assessment based on how a signatory has progressed year on year and relative to peers. This rating demonstrates our extensive efforts in terms of ESG integration, active ownership, investor collaboration and transparency.

## Transparent information and fair advice for customers

As fiduciaries, our priority is to protect our clients' interests and continue building on the foundation of trust we've established while seeking to deliver strong, long-term investment performance. As always, our primary objective is putting our clients' interest first while balancing the need to take responsible investment principles and ESG issues into consideration.

Building this trust with our clients requires that we act responsibly and with integrity across all our business functions—including how we present our investment products and solutions. In line with this belief, we are committed to building sustained, open and honest relationships with our clients, as well as compliance with all regulations related to how we represent our products and compete in business.

We have controls in place to ensure transparent, material and consistent product and services disclaimers on our products and services. As part of our global marketing and advertising procedures, our marketing teams and business groups rely on compliance reviews of marketing and advertising communications to ensure that marketing materials and programs comply with all internal policies and applicable regulations. Our [Code of Conduct](#) also prohibits all employees from misrepresenting any material facts and requires employees to understand the permissible scope of cross-selling and bundling to ensure that products and services are not linked in a manner that would violate laws.

# Our approach to climate change

Environmental issues, including climate risks and opportunities, impact our business, our stakeholders and the communities in which we operate. We believe proactively managing risks and opportunities associated with climate change reinforces our ability to deliver an investment experience that helps people get more out of life.

Considering external factors like climate change supports our resilience as a firm and helps us attract and retain our talent through the shared belief that Invesco cares about issues beyond our office walls.

We also view climate change as an evolving issue and we are continuously building on our approach to managing risks and opportunities associated with climate change. We consider climate change issues as one component of our ESG investment practices as well as how we operate our company.

For detailed discussion of Invesco's current approach and status of managing climate change risks, see our 2020 Climate Change report.

## Task Force on Climate-related Financial Disclosures (TCFD)

As part of our commitment to managing climate change-related issues, in March 2019, we signed the 'Statement of Support' for the TCFD with the dual aim of leveraging it for our engagement activities and implementing our own climate change risk management and reporting process.

We value the TCFD as it is aligned with our own approach and it is a framework for engaging with investors and their own climate strategy. Supporting the TCFD plays an important role in these efforts.

In 2020, we released our inaugural Climate Change report, which is aligned with the TCFD. The report describes our approach to assessing and managing climate risks in certain parts of our investment process and business operations.



## Climate change

is a strategic business factor that can impact long-term financial performance. We believe we all need to be part of the solution to address climate change.

## Climate risk investment considerations

Climate-related investment risks and opportunities, as well as the responsibility for identifying material issues, is considered for some of our investment strategies and products.

Moving forward, we intend to apply scenario analysis to a selection of our investment funds, as well as incorporate these considerations in our full global investment portfolio by 2023.



Read the Invesco Climate Change Report In line with the Task Force on Climate related Financial Disclosures (TCFD)





## Assessing climate risks in investments for SDG 13

As part of our commitment to pursuing UN SDG 13, Climate Action, we consider climate risk assessments in some of our investment decisions.

We also leverage our active ownership initiatives. For example, in 2019 we engaged with 1,000 companies to understand their efforts in reducing their greenhouse gas emissions.

## Industry collaboration for climate action

In 2019, we became a leading participant of the collective engagement initiative Climate Action 100+. We also became an investor member of the Institutional Investors Group on Climate Change (IIGCC) in Europe and Asia.

In 2019, we joined the World Economic Forum Coalition for Climate Resilient Investment (CCRI). The CCRI is a working group that aims to transform investment by integrating climate risks into decision-making and driving a shift toward a more climate-resilient economy for all countries. As a leading real estate investor, participation in the CCRI facilitates better integration of climate change assessments into existing investments, as well as helps to direct future investments into climate change-resilient infrastructure. These initiatives have helped to shape our dialogue with investee companies and create a reference framework for our climate risk assessment based on the topics covered by these initiatives.

## Managing climate change across our investment centers

The importance of climate change at our firm has also led us to start developing structural governance oversight at the Board and management levels. We take a decentralized approach to management oversight of climate change, giving autonomy to each investment center. Our Global ESG team takes an advisory role in investment risk analysis, engaging with investee companies and enabling proxy voting. Climate risk is also considered by management within investment teams.

## Climate resiliency on our operations

At the operational level, we review climate change as part of our environmental stewardship initiatives. At the office level, we measure our carbon dioxide emissions and monitor our emissions resulting from business travel to help reduce our impact on climate change, we've established carbon dioxide emissions reduction targets that focus on reducing emissions at the properties level and in our business travel.

For more information on our carbon dioxide emissions and progress against these targets, see pages 27-30.

We partnered with the Carbon Trust Standard in 2019 to develop carbon dioxide emissions targets. Carbon Trust will help us collect the relevant carbon pathway data and develop target options. Moving forward, we will use this data and information to develop science-based carbon dioxide emission goals.

Reducing our carbon dioxide emissions at a local property level by 3% by 2020 through waste, water or energy reduction initiatives, compared to a 2017 baseline.

Targets to reduce our office and business travel emissions

Reducing our carbon dioxide emissions resulting from corporate air and rail travel by a minimum of 10% through the implementation of carbon offsetting by 2020, compared to a 2017 baseline.

# Sustainable operations and strong governance

## Health, safety and environmental management

The health and safety of our employees, contractors and visitors, as well as the protection of the environment are of paramount importance. These efforts are in the interests of both our organization and our clients and other stakeholders, so we carefully manage our operational activities, increase energy efficiency wherever possible, and reduce our environmental impact overall while providing a safe and healthy working environment. Invesco's Global Health, Safety and Environmental Manager oversees health and safety and environmental issues, as well as the day-to-day management of our environmental impacts.

The Global Health, Safety and Environmental Manager is also responsible for managing our environmental data, including energy use, greenhouse gas emissions, water consumption and waste production, as well as reporting environmental information internally and externally and overseeing all environmental initiatives aimed at reducing the company's impact on the climate.

## Health and safety

We are committed to providing a safe, healthy and sustainable business for our employees, our client's staff, our visitors and contractors. Invesco's Global Corporate Occupational Health and Safety Policy and Health and Safety Management System help us ensure and manage health and safety across our business. This policy and system are aligned with the international standard ISO 45001 and complies with all relevant legislation.

We hold each of our employees accountable for ensuring health and safety, and when we work with contractors and services providers, we select organizations that are health and safety competent. We also require these third-party service providers to set and achieve appropriate standards of health and safety. For information on how we address Health and Safety during the COVID-19 pandemic, see page 42.

## Protecting the environment and promoting environmental sustainability

### Invesco's Environmental Green Teams

Our Environmental Green Teams strive to preserve and improve the environment by reducing carbon emissions, eliminating use of plastics, promoting waste awareness and recycling electronics

in our offices and communities. Our Environmental Green Teams volunteer in our local communities and conduct marine cleanup and tree planting campaigns. They also lead campaigns such as reducing paper consumption, encouraging public transportation and conducting trash and litter cleanups in local parks. In 2020, our Green Teams will target at least 200 volunteer hours in support of a better environment.

### The Nature Conservancy Georgia 2020 campaign

The Nature Conservancy Georgia. Invesco's President & CEO, Marty Flanagan, became co-chair of the "Nature Unites Us" campaign to raise \$36 million to the following campaign initiatives: "Envision a Healthy City" and "Secure Abundant and Clean Water," which are focused on building healthy cities that generate benefits for public health.

Invesco is a proud supporter of TNC's Urban Green Jobs program in Atlanta, created in partnership with HABESHA, a local organization that works in communities within the South River watershed. This program, now in its third year, offers paid training and internships in green space management, urban agriculture and green jobs of the future to adult Atlantans who live on the city's south side.

### Operational environmental stewardship

Operating sustainably and responsibly means conducting our business in a reciprocal manner that acknowledges, measures and takes responsibility for our direct and indirect impacts on the environment and value chain we operate within.

We prioritize operating methods that minimizes our impact on the environment while protecting and enhancing results for our stakeholders. This includes our energy and water consumption, as well as the greenhouse gases and waste we produce through our operations.





"Our clients have so many options when selecting an asset manager: one of the characteristics they value is knowing that we operate in a way that minimizes our impact on the environment and adds to society at large while protecting and enhancing results for our stakeholders."

- **Doug Sharp, Senior Managing Director and Head of EMEA**

### Invesco's Global Corporate Carbon Missions and Environmental Policy

As part of our commitment to reducing our impact on the environment through our operations, we implemented our [Global Corporate Carbon Emissions and Environmental Policy](#), which outlines our global environmental commitments and objectives, including our energy and carbon emissions reduction goals. These environmental commitments and objectives are highlighted to the right.

### Global carbon emission and environmental objectives

Objectives	2019 status
Retain Global ISO 14001:2015 Certification.	Global ISO 14001:2015 Certification retained. As of 2019, 84% of our offices across the globe are ISO 14001.
Reduce carbon dioxide emissions resulting from corporate air and rail travel by a minimum of 10% through the implementation of carbon offsetting by 2020 (baseline 2017).	Air and rail emissions decreased by 2% when comparing 2019 against 2017.*
Reduce corporate properties carbon dioxide emissions at a local property level by 3% by 2020 through waste, water or energy reduction initiatives (baseline 2017).	In 2018, and again in 2019, Invesco exceeded this target for energy use and greenhouse gas emissions.
Continue to support the UN Clean Seas Campaign through the removal of single use plastic from corporate properties globally .	Efforts to remove single-use plastic from our properties continued in 2019. For instance, our Atlanta office removed plastic straws this year, which eliminates the use of approximately 3,000 straws per year.
Engage in and support environmental and community events and initiatives, including Earth Hour, and a minimum of one local event or initiative per office.	Each of Invesco's ISO 14001 certified offices held at least one local event or introduced one initiative. More broadly, offices participated in Earth Hour and local community initiatives as part of Invesco Cares.

\* Air and rail travel increased from 2018 to 2019 due to restrictions placed on travel in 2018.

### Environmental Management System

Our EMS serves as a framework for how we manage our environmental impact at our office locations, as well as globally. Our environmental management system (EMS) meets international standards, such as ISO 14001 and other relevant compliance obligations.

The EMS is assured by the British Standards Institute (BSI) through continuing assessments on an annual basis, with recertification audits taking place every three years. We also conduct an internal review of our EMS at both the global and location level. These environmental assessments take into consideration risks, opportunities and compliance obligations associated with environmental aspects. Results from reviews are used to identify the areas for improvement and environmental control procedures.

### Environmental commitments for our operations

Protecting the environment and preventing pollution

Complying with all applicable compliance obligations

Implementing waste management and minimization practices through the hierarchy approach; reduce, reuse and recycle; energy recovery and disposal

Reducing emissions arising from energy and transport use

Pursuing ISO 14001 and LEED (Leadership in Energy and Environmental Design) certification, where practicable

## **Environmental Management System (EMS) Governance**

To ensure the effective management and continuous improvement of Invesco's EMS, we nominated operational EMS responsibilities to Corporate Properties, supported by local facilities teams and subcontracted services, as required by Invesco's CRC Committee.



## Measuring our environmental impact and progress

We actively measure our environmental impact, such as our energy use, greenhouse gas emissions, water consumption and waste production, to ensure that we are achieving our environmental commitments and objectives.

### **Energy consumption and greenhouse gas emissions**

Our environmental impacts focus on two main areas: energy usage in our offices and employee travel. Our energy and greenhouse gas emissions data is calculated through the World Resources Institute Greenhouse Gas Protocol using the operational and Scope 2 location-based approach that considers headcount and a portion of our leased workspaces. In 2019, our calculations covered 15 of our offices in Canada, Germany, India, Ireland, the UK and the US, which makes up 83% of Invesco's total headcount.

### **Energy consumption**

To aid our environmental objectives, we monitor our energy consumption, including the electricity and natural gas we utilize in our operations. Our energy usage performance is noted below.





## LEED Certification at Invesco

"Our commitment to operate responsibly and continuously reduce our impact on the environment has led us to achieve LEED Certifications across five of our offices. We achieved a LEED Platinum standard for our Hyderabad office, Gold standard for our New York and Frankfurt offices, and Silver standard for our Houston office and headquarters in Atlanta. LEED certified buildings use resources more efficiently than conventional buildings."

- Louise Gow, Global Health, Safety and Environmental Manager

### Energy usage\*

Energy type	Unit	2017	2018	2019	2018-2019 performance
Natural gas	Kilowatt hour (kWh)	2,611,093	3,639,933	3,108,094	-15%
Electricity (grid)	Kilowatt hour (kWh)	34,134,837	28,641,981	28,350,802	-1%
<b>Total</b>		<b>36,745,930</b>	<b>32,281,914</b>	<b>31,458,896</b>	<b>-3%</b>

\* Note that these metrics do not include OppenheimerFunds offices. These are not ISO 14001 certified facilities and they did not have the resources in place at the time of reporting to provide the necessary data for the calculations.

### Breakdown of emissions

Furthermore, thanks to the energy efficiency measures we implemented across our offices, in 2019, we reduced our Scope 1 and 2 emissions by 22% against our 2017 baseline. The majority of reductions in 2019 were attributable to efforts at the Henley, United Kingdom, office that included adjusting automatic lighting, heating and cooling settings. Some of our other energy efficiency initiatives included isolating all lighting controls on a floor in our Toronto office to keep lights off unless needed, as well as the removal of energy-intensive desk lamps in 90% of the workspaces in our Frankfurt office.

### Invesco's Scope 1 and 2 greenhouse gas emissions

Emission type	Unit	2017	2018	2019	2018-2019 performance
Scope 1 (Natural Gas)	Tons of carbon dioxide equivalent (tCO <sub>2</sub> e)	499	699	597	-15%
Scope 2 (Electricity (grid))	Tons of carbon dioxide equivalent (tCO <sub>2</sub> e)	14,286	11,780	10,916	-7%
<b>Total</b>		<b>14,785</b>	<b>12,479</b>	<b>11,512</b>	<b>-8%</b>

\* Note that these metrics do not include former OppenheimerFunds offices, which are not ISO 14001 certified facilities and they did not have the resources in place at the time of reporting to provide the necessary data for the calculations.

### Looking ahead

We are continuing to align our current carbon dioxide emissions reduction initiatives with the Carbon Trust Standard, which is a voluntary certification and mark of excellence that enables organizations to demonstrate their success in cutting their carbon footprint. See pages 27-30.

## Invesco's Scope 3 greenhouse gas emissions - business travel

At Invesco, air travel makes up 99% of our business travel emissions, while rail makes up the other 1%. While we experienced an increase in business travel emissions between 2018 and 2019, we saw a 2% reduction in our greenhouse gas emissions related to business travel Scope 3 emissions overall compared to our 2017 baseline.<sup>2</sup>

In 2019, we offset a portion of our 2018 corporate air and rail travel that was booked via American Express. Through these offsets, we invested in landfill energy conversion project at Spartanburg Landfill Gas in South Carolina, USA and a conservation project at Rimba Raya Biodiversity reserve in Indonesia. We plan on offsetting our 2019 business travel GHG emissions too and are currently working on finding the right program.

Business travel (Scope 3) GHG emissions by source		Unit	2017	2018	2019
Air		Tons of carbon dioxide equivalent (tCO <sub>2</sub> e)	21,326	17,101	20,782
Rail		Tons of carbon dioxide equivalent (tCO <sub>2</sub> e)	143	138	162
<b>Total</b>			<b>21,469</b>	<b>17,239</b>	<b>20,994</b>

2 Air and rail travel increased from 2018 to 2019 due to restrictions placed on travel in 2018.

### Our carbon offset investments

To offset emissions due to corporate travel, we have partnered with [Climate Care](#) and have invested in two projects:



## The Spartanburg landfill gas project in the U.S. and the Rimba Raya Biodiversity Reserve project

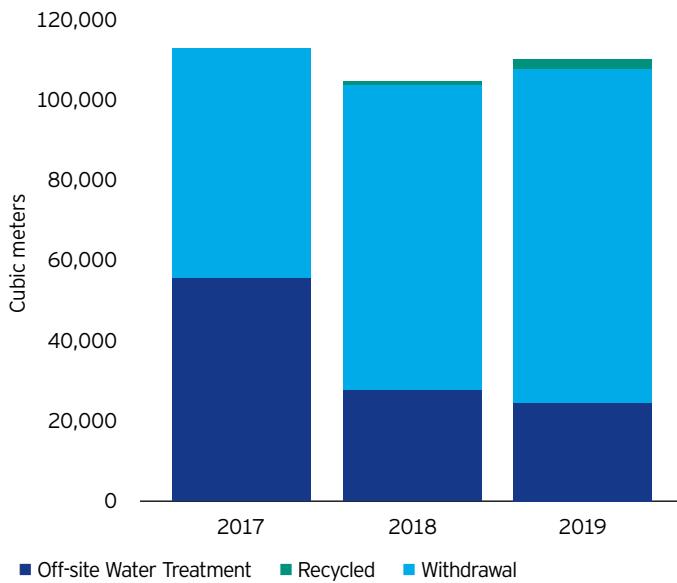
in Indonesia. These projects offset 13,877 tCO<sub>2</sub> (tons of carbon dioxide equivalent).

Category	Target	2017 results	2018 results	2019 results	Cumulative results and progress
GHG emissions reductions	Reduce our carbon dioxide emissions resulting from corporate air and rail travel by a minimum of 10% through the implementation of carbon offsetting by 2020 (baseline 2017).	-	-20%	-2%	Air and rail travel increased from 2018 to 2019 due to restrictions placed on travel in 2018.

## Water consumption

In addition to our energy consumption and greenhouse gas emissions, we also actively monitor our water use to reduce our consumption. In 2019, we withdrew cubic meters of water from municipal water sources. For example, in our Frankfurt office, we installed waterless urinals to reduce our overall water consumption.

### Water consumption\* by type



\* Note that these metrics do not include former OppenheimerFunds offices, which are not ISO 14001 certified facilities and did not have the resources in place at the time of reporting to provide the necessary data for the calculations.



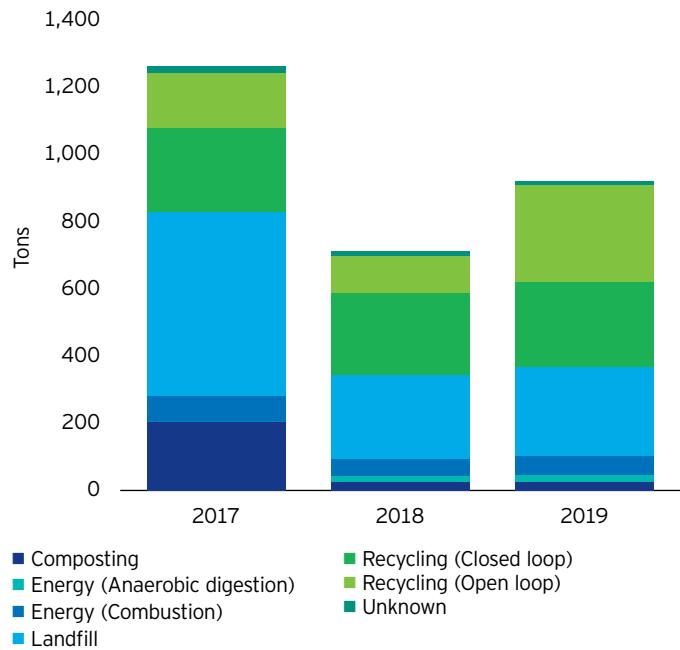
Employees are provided reusable lunch bags and beverage containers to reduce waste.

## Waste management

We manage the waste we produce and recycle as much as possible. Measures at each office helped us achieve this reduction. For example, in our Toronto office, our ongoing recycling programs led to recycling 9,800 pounds of batteries, cell phones, e-waste, writing utensils and toner cartridges. Most of the waste reduction from 2018 to 2019 was due to the completion of a refurbishment project at the Henley site. The project was generating additional waste in 2018. Once it was completed, the total waste decreased in 2019 compared to 2018. We also removed single-use plastics and increased the use of reusable products globally.



### Waste by type



# Supporting our communities

We are motivated by the belief that doing what is right for our people and the communities in which we operate helps us deliver positive outcomes for our clients and shareholders.

The Invesco culture encourages employees to go beyond their work responsibilities to make an impact in the communities we serve. Invesco Cares partners with local charitable organizations around the globe through volunteering, sharing our skills and raising funds to improve the local communities where we work.



## Supporting our people and our communities

"At Invesco, we exist to help people get more out of life. This applies to our clients, our employees and the communities that we serve. The Invesco culture encourages employees to go beyond their work responsibilities and join with colleagues to make an impact in communities where we work and serve."

- **Kellie Schönberg, Head of Corporate Social Responsibility**

### Invesco Cares and corporate giving

Through Invesco Cares, Invesco's philanthropy and volunteering organization, our employees raise funds and volunteer with nonprofits, start-ups and other corporations around the world to give back to the communities we serve.

Invesco Cares' corporate giving and employee volunteerism programming is managed through a unique, grassroots structure. We empower our employees with the authority to collaboratively select which organizations they would like to see Invesco support. This means that the organizations with which we work are a direct reflection of the care and interest of our dedicated employees. We are proud to celebrate our employees' choice in nonprofits through Invesco Cares and find that this approach furthers our engagement with our employees and with our communities around the globe. Invesco Cares programming currently focuses on:

Improving financial education globally

Supporting healthy living and promoting wellness for all

Championing diversity and inclusion in our industry and our company

Protecting the environment and promoting environmental sustainability

Supporting and collaborating with our local civic and community organizations to improve life in our cities

2019

In addition, in early 2020, Invesco Cares mobilized its collective efforts to focus on providing a robust COVID-19 community response as presented on pages 42-43. We will include more details on our Invesco Cares coronavirus response in our 2020 CSR Report.



117

Charity organizations  
supported



6,766

Hours  
volunteered

## Invesco's focus on improving financial literacy in our communities

### Cambridge Judge Business School MBA and MF in Student Engagement

Invesco has begun a 10-year collaboration with Cambridge Judge Business School to support research activities on business topics such as long-term asset management, alternative finance and data analytics.

**Our 2019 summer internship program included student projects such as:**

**Investment solutions:** Conducting a climate risk scenario analysis and portfolio modelling.

**ESG-related projects** with our EMEA responsible investing team.

**Corporate finance:** Accounting and financial planning projects and analysis projects.

This program furthers our commitment to increasing financial literacy and engaging our communities.

### Partnering with Georgia Institute of Technology

Invesco partnered with the Scheller College of Business located at the Georgia Institute of Technology by participating in their Corporate Affiliate Program. The Financial Services Innovation Lab was established to serve as an interface between the financial services industry and faculty and students at Georgia Tech. This collaboration supports financial literacy and increased dialogue regarding the challenges, disruption and opportunities in the asset management industry.



### Supporting SDG 4: Quality education through financial literacy programs

A lack of financial literacy is a growing issue for our communities. As a result, we support educational programs and initiatives that enhance financial literacy. These efforts also support our commitment to promoting SDG 4, quality education.



## Invesco Cares: Global reach, local impact

Employees are strengthening their local communities through corporate giving and voluntarism.



### Spotlight on Japan

In Japan, members from Invesco Asset Management (Japan) Limited and Invesco Global Real Estate Asia-Pacific formed a Cross-Function Team (CFT) aimed at supporting Invesco's CSR initiatives. The CFT implemented a clothing donation drive for the Japan Relief Clothing Center, a Japanese nonprofit organization that donates relief goods to vulnerable people and refugees around the world. The CFT also hosted fundraising events for Second Harvest Japan, the only nationwide food bank in Japan, which has been working to improve food security for those in need since 2002.

### Spotlight on India

The Invesco Cares team in Hyderabad, India hosted a sapling distribution drive. Employees distributed more than 800 indigenous tree saplings in eight hours. This successful initiative supported reforestation efforts in the surrounding area.



#### Employee volunteerism

We encourage our employees to play active roles in the growth and development of the communities in which they live and work. We provide our employees paid time off to volunteer. Employees contributed a total 6,766 volunteer hours and supported more than 117 charity organizations in 2019, helping us achieve our goal of improving financial literacy, supporting health and wellness, increasing diversity and inclusion, protecting the environment and engaging in our cities and communities.



#### Corporate giving

Our efforts to support the communities in which we operate include philanthropic donations that help nonprofit organizations create an even bigger impact. We donate to nonprofit organizations through Invesco Cares as well as through Invesco corporate. Our work with CLIC Sargent demonstrates just some of the impact we created through corporate giving in 2019.



Invesco Cares' UK charity of the year, CLIC Sargent, is supporting healthy lives and promoting well-being for all-at all ages

#### Spotlight on EMEA

In 2019, the UK-based cancer charity CLIC Sargent was recognized as Invesco Cares' Charity of the Year. CLIC Sargent supports children and young adults with cancer, as well as their families. CLIC Sargent fights tirelessly to stop cancer from destroying young lives.

Our Henley and London offices raised £110,976 for CLIC Sargent during the Invesco Thames Challenge. The challengers embarked on a one-day adventure, traveling from Henley along the Thames by canoe, foot and bike, ending at the Invesco offices in Portman Square, London.



Our work with CLIC Sargent also supports SDG 3, ensuring healthy lives and promoting well-being for all at all ages. We strive to promote health and wellbeing across our organization and are proud to support CLIC Sargent's work.



#### Spotlight on the US

##### **Rock The Street, Wall Street at Stuyvesant High School**

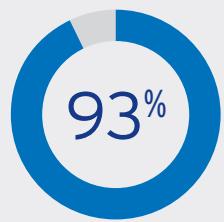
Rock The Street, Wall Street supports the development of financial literacy programs for high school girls, providing programming that connects girls with female finance professionals who teach investing and budgeting in a classroom-based setting and provide mentorship opportunities.

Through our corporate sponsorship, female executives from across Invesco's investment, strategy, marketing, distribution and real estate teams led weekly classroom-based workshops with Stuyvesant High School girls. These executives will continue to meet with the girls at Stuyvesant as part of the ongoing mentorship element of the program.

##### **Key outcomes from Invesco's sponsorship of Rock the Street, Wall Street at Stuyvesant High School:**



increase in financial literacy among Stuyvesant students



indicate they are likely to pursue a major or minor in either finance or economics

# Ethics, security and governance

Operating with a high degree of integrity and responsibility not only is the right thing to do, but it is also a fundamental principle for our business because effective risk management, corporate governance and operating sustainably are important to our clients, shareholders and other stakeholders. We hold ourselves to the highest standards of ethics, integrity and accountability in how we conduct our affairs and operate our business.

We are committed to protecting Invesco's and our customers' data and have cybersecurity management structures in place to safeguard our data and assets.

Together, these efforts help us accomplish Invesco's CSR ambitions sustainable operations and strong governance.



## Our commitment to a responsible way of doing business

Our clients choose us because they trust our brand and our people. We earn their trust by ensuring that everything we do is reliable, consistent and with the highest level of quality and integrity. This includes not only our ethical practices and uncompromising commitment to compliance when we deliver our products and services, but also how we handle our clients' data and how we conduct our affairs.

We lead our ethical integrity, risk management, and fair and honest business conduct through comprehensive business principles, policies and data security tools that guide our employees' day-to-day activities.

## Professional integrity

When it comes to professional integrity, we take a client- and employee-first approach. In practice, this means that the firm's clients' interests must always come first, and that all officers and other employees of Invesco and its subsidiaries should treat each other with respect and consideration. Together, these beliefs are a vital part of how we achieve our principal responsibility as a publicly held company: producing a fair return on its shareholders' capital.

Guiding our professional integrity is our Code of Conduct and Code of Ethics, which applies to all Invesco employees, officers and contractors and of Invesco and its subsidiaries. The policies, standards and general principles in the Code of Conduct and Code of Ethics are designed to help define the essence of the conduct of an Invesco representative.



## Business ethics

Our [Code of Conduct](#) contains our policies and standards, drives our commitment to business ethics, professional integrity and compliance. It sets out essential, guiding principles for workplace conduct, compliance with applicable laws and regulations, anti-discrimination and protecting Invesco's assets, among other standards and expectations.

Our principles for managing any conflicts of interest, financial crime (including fraud, anti-bribery and anti-corruption), which are in accordance with regulatory principles, are outlined in the following guidelines, among others:

[Code of Conduct](#)

[Director's Code of Conduct](#)

[Code of Ethics](#)

[Financial Crime Policy](#)

[Global Fraud Escalation Policy](#)

[Global Anti-Bribery Policy](#)

Our [Code of Conduct](#) outlines our expectations of everyone at Invesco and the policies and standards against discrimination and sexual harassment, which encourage the reporting of all incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Any employees or other employees or officers and contractors of Invesco or Invesco's subsidiaries who engage in harassment or discrimination will be subject to disciplinary action, up to and including termination of employment.

Our Global Financial Crime Governance Committee, which is chaired jointly by our CFO and Global Assurance Officer and includes representation from regional and functional leads, oversees our financial crime, fraud, anti-corruption and anti-bribery programs and ensures that our policies are actively followed.

We also provide all internal and external stakeholders with a mechanism for seeking advice and reporting concerns and violations via the [Invesco Whistleblower website](#) and a toll-free Compliance Reporting Line. It is an anonymous, confidential mechanism for reporting complaints or concerns pertaining to questionable accounting, internal accounting controls or auditing matters and possible violations of the company's Code of Conduct or law. Our Compliance Reporting Line allows our employees and external stakeholders to act on managing risk and unethical behavior on behalf of Invesco.

## Assessing our risk management and compliance processes

We conduct periodic Anti-Bribery & Corruption (ABC) risk assessments that cover all business lines and regions globally. Our assurance functions undertake control effectiveness testing through a risk-based approach. After assessing our business for risks related to corruption in 2019, we noted some areas of inherent higher risk but no material, confirmed cases of corruption or policy breaches were identified.

## Business ethics training

All employees, officers and directors are required to take mandatory trainings annually covering such topics as Security, Market Abuse, Code of Ethics, Anti-Money Laundering and other key conduct subjects. Our compulsory ABC training, is published on a regular basis. We also offer a series of nonmandatory trainings focused on ethical conduct through our professional training and development channels.

## Examples of annual mandatory, ethics-related courses

Department	Name of course
Compliance	2019 Global Required Compliance Training Anti-Money Laundering and Counter-Terrorist Financing Invesco Anti-Bribery and Corruption 2019-2021 Invesco Fraud Prevention 2019 Preventing Market Abuse training
Human Resources	No Excuses - Prevention of Sexual Harassment Respect in the Workplace
Information Security	Global Privacy Training Global Security Annual Training

## Legal, risk and regulatory compliance

Our ethical conduct and compliance policies, standards and procedures are reinforced by Invesco's overarching risk management framework. The risk framework structures our investment and business risk management, with particular focus on key risk areas: strategy and governance, investments, clients, people, operations and financial.

Invesco's Board of Directors has principal responsibility for oversight of Invesco's risk management processes, including those set forth in the risk management framework, and for understanding the overall risk profile of the company.

## Our risk management framework



## Compliance checks and balances

Our compliance team regularly reviews, records and updates an assessment of our key regulatory risks to determine our ongoing areas of focus. Compliance policies and procedures are subject to ongoing monitoring and periodic testing, the results of such are reviewed, escalated and remediated to further mitigate risk and/or control weaknesses. Exceptions and errors noted during the normal course of business, as well as periodic regulatory interactions, contribute to the overall view of effectiveness. The firm's Internal Audit group also conducts regular reviews of compliance activities as part of its independent testing procedures.

## Political activities

We encourage our employees and other employees of Invesco and its subsidiaries, as private citizens, to exercise their rights and duties in any political or civic process. This includes voting in elections or making contributions supporting candidates or parties of their choice.

However, as a corporate policy, Invesco does not give direct payments to political activities in the US. As outlined in our Code of Conduct, no covered person may, under any circumstance, use company funds to make political contributions, nor are they allowed to represent their personal political views as being those of the company.

While we do not give direct payments to political activities in the US, we do support political activities through our Political Action Committee. For Invesco's Political Action Committee details, see reporting available on the [Federal Election Commission](#) website. Invesco's [lobbying disclosure reports](#) are also available through the United States Lobbying Disclosure Act database.



## Responsible sourcing and procurement

We consider our procurement relationships and seek to partner with high-quality vendors who share our values and commitment to client service and responsible business practices. This effort is led by our Global Procurement Department, which is charged with promoting fair and ethical business practices in selecting vendors, mitigating risk, negotiating commercial transactions and delivering value to Invesco and its clients. Our Global Procurement Policy also outlines our responsible sourcing and procurement practices and expectations for our vendors.

Our global procurement model focuses on fulfilling the following five categories of services:

- 1 Business services (day-to-day operations)
- 2 Professional services (consulting, legal advisors, auditing)
- 3 Real estate (office leases)
- 4 Information technology and data
- 5 Travel (hotels, airlines, etc.)

To ensure that we are procuring the best vendors for our business's needs, our Global Procurement Department team partners with Invesco's business units to execute their respective strategies. Together, the procurement team and business unit make recommendations for selecting a vendor based on capability, quality, price, reliability, risk and other applicable criteria, including the vendor's adherence to Invesco's standard contract terms and conditions, which obligate our vendors to comply with all applicable country, regional and local laws, rules and regulations, including, but not limited to, laws prohibiting bribery, slavery and human trafficking.

In addition, all our procurement personnel are required to abide by Invesco's Code of Conduct and Procurement Code of Ethics and conduct themselves in a manner that avoids the appearance of impropriety, conflicts of interest or issues of influence when interacting with vendors.

## Security and privacy

At a time when cyber threats are considered one of the most significant risks facing financial institutions, we continue to invest in our security and privacy capabilities to keep clients, employees and critical assets safe, uphold privacy rights and enable a secure and resilient business.

It is also our fiduciary responsibility to maintain the confidentiality of information relating to our clients and comply with the data protection requirements imposed by relevant jurisdictions. As such, we've established the proper maintenance, controls, processes and protection for our clients' assets.

### Security and privacy governance

Invesco's Global Security department includes Information Security, Global Privacy Office, Physical Security, Business Security and Recovery and Strategy and Reporting under a single umbrella. This structure provides a comprehensive, holistic approach to keeping our clients, employees and critical assets safe while enabling a secure and resilient business.

The department is distributed globally to ensure that we can provide the appropriate level of support anywhere in the world at any time while simultaneously maintaining strong working relationships with industry peers, regulators, and intelligence and law enforcement agencies in those locations.

### Information security and privacy policies and procedures

Our Global Security program oversees and maintains all aspects of information security risk, and ensures the confidentiality, integrity and availability of information assets. Our security controls, which identify threats, detect attacks and protect these information assets, are aligned with industry guidelines and applicable statutes and regulations. We have an incident response program that includes periodic testing and is designed to restore business operations as quickly and as orderly as possible in the event of a breach.

We also have a privacy oversight and governance framework that includes our privacy strategies, Privacy Policy, guidance for maintaining compliance with privacy regulatory obligations and our approaches to managing risks related to privacy.

All our security policies and standards align with the National Institute of Standards & Technology (NIST) Cybersecurity Framework and applicable industry frameworks (e.g., ISO, ASIS) and have been developed, reviewed and approved to support appropriate management of identified risks, align with regulatory and industry guidelines and safeguard Invesco's assets. In addition, Privacy Impact Assessments are carried out as part of risk management for certain higher-risk processes undertaken by, or on behalf of, Invesco.

## Invesco's Privacy Policy

Our Privacy Policy establishes and outlines our core privacy principles and expectations for our employees and officers. This Policy applies globally to all processing activities involving personal data, covering issues such as:

Lawfulness, fairness  
and transparency

Purpose limitation

Data minimization

Accuracy

Storage limitation

Confidentiality, integrity,  
availability and resilience



## Transparency and data privacy

We provide our clients with privacy notices/policies aligned to the services we offer and applicable local regulations. The privacy notices outline aspects such as personal data we collect, why we collect it, how we use it and any and all rights applicable to such data.

## Security and privacy expectations for vendors and service providers

We expect our vendors and service providers to abide by our information security and privacy standards. Our global vendor relationship management program standardizes our approach for security and privacy risks related to the relationships we have with vendors and service providers.

As part of the global vendor relationship management program (see page 39), our Global Security department has a defined third-party security and privacy risk program aligned as part of the global vendor relationship management program. Third-party security and privacy due diligence is performed during onboarding of a service and on a defined frequency based on the risk tiers. The due diligence covers information (cyber) security, business recovery, privacy, technology management, physical and personnel security expectations. We employ a robust process of questionnaires, third-party follow-up and site visits when needed to evaluate and monitor these key risk areas. For more information, visit the "Responsible procurement" report section on page 39.

## Security and privacy training

To keep our employees, contractors, consultants and temporary employees abreast of security and privacy best practices and protocols, we provide them with regular training, including an annual mandatory security and privacy awareness training. Employees who interact regularly with customer data are required to participate in tailored security and privacy training.

We also require new employees, contractors, consultants and temporary employees to formally acknowledge Invesco's Acceptable Use Policy and Code of Conduct, in addition to completing mandatory security and privacy awareness training upon hire. Existing employees, contractors, consultants and temporary employees must reconfirm acceptance of Invesco's Code of Conduct on a regular basis.

We ensure security and privacy awareness through periodic alerts, messages and/or in-person presentations. Building on these initiatives, we implement security and privacy tools and exercises that provide additional concentrated messages and training. These include phishing tests, which are designed to simulate security and privacy events and incidents. These tools and exercises allow us to better assess our employees' recognition of such events and inform new training and awareness programs that further our cyber and information security.

# Invesco's response to COVID-19

## Responding to COVID-19

Beginning in late 2019, when the COVID-19 outbreak was first reported in China, our primary focus was ensuring the health and safety of our employees and preserving our ability to serve clients and manage client assets.



"Our recent experience with the COVID-19 crisis has made clear to all of us that nothing is more important than the health and safety of our employees. Things that we took for granted a few months ago are now incredibly important."

- **Wash Dender, Head of Human Resources**

### A global coordinated effort from top leadership

Our response to the pandemic has been led and coordinated at the most senior levels of the firm. Invesco's top leadership, including SMDs, began meeting frequently with the Emergency Management team and established global and regional task forces to ensure that all employees received consistent and timely information on how we would ensure employee safety while still maintaining strong operations as the outbreak spread.

Visit [Invesco.com/corporate](https://Invesco.com/corporate) to view more information on Invesco's COVID-19 response to our people, our clients and our communities.

## #InvescoTogether: Here for our people

Our first priority throughout the pandemic is the health and safety of our employees.

Invesco began responding to the COVID-19 pandemic in December 2019 when it was first reported in Asia-Pacific. Our response in the region included the relocation of a regional trading center, restrictions on employee travel to and from the region and remote working for most of our Asia-Pacific-based employees.

By late February, as the virus began spreading across Europe and North America, all business travel was halted. We also implemented visitor restrictions for our offices and remote-working requirements were established across Continental Europe and the UK. By early March, all global employees were working remotely, with no interruption in our trading desk and other operations.

### Maintaining smooth and uninterrupted operations during remote working

We adapted to a remote working environment with minimal interruption due to several factors, including our flexible work guidelines, robust technology platforms and dedicated security teams.



## Keeping employees informed

During any crisis, frequent, clear and consistent communications is key. Our Corporate Communications team provides real-time updates to employees across the globe. In addition, our SMDs regularly communicate COVID-19 updates with our employees through live video streams, recorded audio messages, casual digital question and answer forums and written communications.

Our internal social media, intranet and mobile apps also provide our employees with access to information anytime, anywhere from any device. Furthermore, we developed frequent communication tools to support client-facing colleagues respond to client inquiries.



### Leadership communications

Our President and CEO, Marty Flanagan, provides weekly video and audio messages to all employees, reinforcing the firm's commitment to the health and safety of our employees and their families.

## Fostering connections

Although COVID-19 is creating physical distance between our employees, we are still implementing measures that build connection amongst our employees.

Our #InvescoTogether campaign is the hub of our COVID-19 employee engagement and communications. The internal #InvescoTogether website provides employees with information, tools and resources through platforms that are designed to help employees:

**"Stay well"** provides resources and training on how to stay healthy and balanced, including links to COVID-19-specific benefits information, virtual mindfulness workshops and employee assistance information.

**"Stay productive"** provides tips, tools, and resources for how to make the most of our new working environment—complete with working-from-home guides to homeschooling resources.

**"Stay connected"** offers best practices for maintaining meaningful connections, virtually.

## Making an impact



The Madrid Invesco Facilities team donated fruit to local hospitals for the month of April so that doctors and nurses have access to healthy food as they take care of COVID-19 patients.

## #InvescoTogether: Here for our clients

During the COVID-19 pandemic, our clients have been looking to us for thoughtful perspectives, pragmatic optimism and actionable partnership. In response, we developed regional COVID-19 resource sites for our clients:

- [EMEA client resource site](#)
- [Invest China: resources for Institutional clients](#)
- [Canada coronavirus impact site](#)
- [US COVID-19 resource site: "What Investors need to know about the coronavirus"](#)
- Intelliflo [Coronavirus support hub](#)

## #InvescoTogether: Here for our communities

We understand that the communities in which we serve are not only facing a health crisis, but an economic crisis as well.

All around the world, Invesco employees have been making a difference in ways big and small to their local communities during this difficult time: everything from donating face masks to hospitals and health care professionals to donating time to assist their local communities in providing coronavirus-related relief.

We're also encouraging our employees to donate to COVID-19 relief charities of their choice. To date, Invesco has contributed over \$1 million (USD) to global COVID-19 relief efforts. For more information, visit our [press release](#).

## Learning from the COVID-19 crisis

Invesco will use the learnings from the crisis to help refine how we will work in the future.



Rob Waldner, Fixed Income Chief Strategist and Head of Multi-Sector providing clients with market insights while working from home.

## Enhancing our client communications and connectivity

We responded quickly to the changing needs of our clients during the pandemic.

### Digital client engagement

Implemented a fully-digital client-engagement strategy consisting of COVID-19 resource hubs, "digital roadshows," webinars and virtual meetings.

### Thought leadership

Expanded the publication of market outlooks, macroeconomic data, analysis of market volatility and fund commentaries featuring Portfolio Managers and senior leaders on social media and through traditional business media outlets.

### Digital client engagements in March 2020

US and Canada	EMEA	Asia-Pacific
 approximately <b>75K</b> virtual client engagements	8 pan-EMEA webinars reaching over <b>5,000</b> clients	<b>1,000+</b> virtual investment team meetings

"Invesco has set the mark on how they have interacted with us in the home office and with our financial advisors."

- **Tom Naratil, President UBS Americas, Co-President Global Wealth Management**

### Invesco's COVID-19 response: ESG investing

We have provided public support to companies through signing on to the Interfaith Center on Corporate Responsibility's (ICCR's) Investor Statement on Coronavirus Response. As one of the largest investors supporting the ICCR's statement, we joined Domini Impact Investments as well as over 300 other institutional investors representing over \$8.4 trillion USD in assets under management (as March 30, 2020) with global exposure across capital markets.

We are also analyzing the performance of our ESG portfolios and the Invesco Quantitative Services team (IQS) found that better ESG characteristics have been showing positive performance in these volatile markets. Likewise, those with the lowest ESG scores show weakest performance.

# Our CSR indicators

All indicators are as of December 31, 2019. For more information, please reference the relevant sections of the report.

Overall Indicators	Trend 2018-2019	2017	2018	2019
<b>Organization</b>				
<b>Total country presence</b>	▲	25	25	26
<b>Markets served (# of countries)</b>	=	118	120	120
<b>UN PRI Score</b>	=	A+	A+	A+
<b>CDP score</b>		C	B	B-
<b>Revenue</b>	▲	\$5.1b	\$5.3b	\$6.1b
<b>AUM</b>	▲	\$875b	\$959b	\$1,094b
<b>Number of confirmed cases of corruption</b>	-	-	-	0

Note: Cells that include a “-” mean that the data was not provided, it is not available, or it is not applicable

Social Indicators	Trend 2018-2019	2017	2018	2019
<b>Workforce</b>				
<b>Total employees</b>	▲	6,899	7,290	8,514
New employees	▲	933	1,087	1,393
Turnover Rate	▲	7.7%	8.7%	9.1%
<b>Employees entitled to parental leave</b>	-	-	-	8,514
Men who took parental leave	-	-	-	118
Women who took parental leave	-	-	-	127
<b>Diversity</b>				
<b>Full-time employees</b>	▲	6,807	7,190	8,401
Men	▲	62%	59%	60%
Women	▲	38%	36%	37%
Unspecified <sup>3</sup>	▼	-	5%	3%
<b>Part-time employees</b>	▲	92	100	113
Men	▼	13%	14%	12%
Women	▲	87%	78%	88%
Unspecified <sup>3</sup>	▼	-	8%	-
<b>APAC employees</b>	▲	551	829	871
Men	▲	50%	41%	42%
Women	▼	50%	40%	37%
Unspecified <sup>3</sup>	▲	-	19%	21%

<sup>3</sup> Employees who have not indicated their gender

Social Indicators	Trend 2018-2019	2017	2018	2019
<b>Diversity</b>				
<b>EMEA employees</b>	▲	1,413	1,478	1,695
Men	▲	62%	60%	63%
Women	▲	38%	34%	37%
Unspecified <sup>3</sup>	▼	-	6%	-
<b>India Employees</b>	▲	1,275	1,364	1,537
Men	▼	78%	75%	73%
Women	▲	22%	24%	27%
Unspecified <sup>3</sup>	▼	-	1%	-
<b>North American Employees</b>	▲	3,660	3,619	4,411
Men	▲	56%	56%	57%
Women	▲	44%	41%	42%
Unspecified <sup>3</sup>	▼	-	3%	1%
<b>Percent of senior leaders who are women</b>	▲	26%	28%	32%
2022 Invesco target	-	-	-	35%-40%
<b>Total directors who are female</b>	=	2 out of 9	2 out of 9	2 out of 9
<b>Employee Engagement</b>				
<b>Employee participation in engagement survey<sup>4</sup></b>	-	89%	N/A	91%
<b>Employees receiving regular performance reviews</b>	▲	96%	89%	91%
<b>% of employees who feel accepted and comfortable being themselves</b>	-	-	-	80%

<sup>4</sup> Employee engagement surveys are conducted every other year.

Environmental Indicators <sup>7,8,9</sup>	Trend 2018-2019	2017	2018	2019
<b>Organization</b>				
<b>Number of LEED certifications</b>	=	-	5	5
<b>Employees working from ISO 14001 registered location</b>	▲	-	80%	83%
<b>Greenhouse Gas Emissions and Energy</b>				
<b>Total energy consumed (MWh)<sup>10</sup></b>	▼	36,746	32,282	31,459
<b>Scope 1 - (Natural gas) Tons of carbon dioxide equivalent (tCO<sub>2</sub>e)<sup>11, 12, 13</sup></b>	▼	499	699	597
<b>Scope 2 - (Electricity (grid)) Tons of carbon dioxide equivalent (tCO<sub>2</sub>e)<sup>9, 13, 14</sup></b>	▼	14,286	11,780	10,916
Change from 2017 baseline, Scope 1 and 2	▼	-	-16%	-22%
<b>Scope 3 - Waste, water and business travel (tCO<sub>2</sub>e)<sup>9, 10</sup></b>	▲	22,102	17,696	21,629
Change from 2017 baseline, Scope 3	▼	-	-20%	-2%
<b>Emissions intensity (tCO<sub>2</sub>e/employee)<sup>15</sup></b>	▼	6.39	5.14	5.36
<b>Waste</b>				
<b>Waste to landfill (tons)</b>	▲	545	253	269
Change from 2017 baseline	▼	-	-54%	-51%
<b>Waste to combustion (tons)</b>	▲	81	51	52
<b>Waste to unknown disposal (tons)</b>	▲	18.2	14.4	17.5
<b>Composted (tons)</b>	▼	203	24	23.1
<b>Closed loop recycling (tons)</b>	▲	253	240	257
<b>Open loop recycling (tons)</b>	▲	168	114	286
<b>Water</b>				
<b>Water withdrawn (m<sup>3</sup>)</b>	▲	56,655	75,347	83,644
Change from 2017 baseline	▲	-	33%	48%
<b>Water recycled (m<sup>3</sup>)</b>	▲	-	1	2.4
<b>Water discharged (m<sup>3</sup>)</b>	▼	56,144	27,787	24,396

7 GHG emissions and other environmental information reported in this table represents data for entities under operational control of Invesco. The definition of operational control is consistent with what that used by the GHG Protocol; a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

8 Energy metrics do not include Oppenheimer Funds offices. These are not ISO 14001 certified facilities and they did not have the resources in place at the time of reporting to provide the necessary data for the calculations.

9 2017 and 2018 quantitative environmental information was updated to incorporate the same facilities as 2019 and therefore are not the same than the amounts disclosed in our 2018 CSR report.

10 MWh stands for megawatt hour.

11 tCO<sub>2</sub>e stands for metric ton of carbon dioxide (CO<sub>2</sub>) equivalent.

12 Environmental metrics have been calculated for the facilities that are ISO 14001 certified, which represent approximately 83% of Invesco facilities.

13 According to the GHG Protocol Scope 2 Guidance, a location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any time of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims.

14 This category only includes emissions associated with waste generation, water consumption and business travel (air and rail). For more information, please reference the Environmental Stewardship section.

15 Only employees at ISO 14001 certified facilities are included in this calculation, so the denominator only includes 83% of employees.

# GRI & SASB index

This report covers calendar year 2019 and strives to align with the Global Reporting Initiative (GRI) standard reporting guidelines and Sustainability Accounting Standards Board (SASB) metrics for Asset Management & Custody Activities. The table below shows where you can find the information related to the various metrics.

While most information is found in this report, other primary sources include: our 2019 Annual Report, Form 10-K, 2020 Proxy Statement, 2019 CDP submission, Climate Change report, 2019 PRI submission, 2019 stewardship report and our corporate website.

## GRI Standards index

Disclosure number	Disclosure description	Location of disclosures
<b>102-1</b>	Name of the organization	Invesco Ltd.
<b>102-2</b>	Activities, brands, products and services	<a href="#">Who we are and what we do</a>
<b>102-3</b>	Location of headquarters	Invesco Two Peachtree Pointe 1555 Peachtree Street, N.E. Suite 1800 Atlanta, GA 30309
<b>102-4</b>	Location of operations	<a href="#">Who we are and what we do</a>
<b>102-5</b>	Ownership and legal form	<a href="#">Who we are and what we do</a> ; <a href="#">About this report</a>
<b>102-6</b>	Markets served	<a href="#">Who we are and what we do</a>
<b>102-7</b>	Scale of the organization	<a href="#">Who we are and what we do</a> ; See Invesco's 2019 10-K (p. 4, 31) for information regarding Invesco's key financials, number of staff, operations, net sales, net revenues and debt.
<b>102-8</b>	Information on employees and other workers	<a href="#">Investing in our people</a>
<b>102-9</b>	Supply chain	<a href="#">Responsible procurement</a>
<b>102-10</b>	Significant changes to the organization and its supply chain	Besides the OppenheimerFunds acquisition, there were no significant changes regarding the organization's size, structure, ownership or its supply chain.
<b>102-11</b>	Precautionary principle	<a href="#">CSR at Invesco</a> ; <a href="#">Our approach to climate change</a> ; <a href="#">Sustainable operations and strong governance</a>
<b>102-12</b>	External initiatives	World Economic Forum, Principles for Responsible Investment (PRI), ISO 14001, the Leadership in Energy and Environmental Design (LEED), CDP, Women in Finance Charter, The Nature Conservancy, Clean Seas Initiative, Globechain, Carbon Trust, Financial Services Council, The MOM Project, Engage Ventures, The Diversity Project

Disclosure number	Disclosure description	Location of disclosures
<b>102-13</b>	Membership of associations	Climate Action 100+, Institutional Investors Group on Climate Change (IIGCC), Financial Services Council, Quoted Companies Alliance, Global Real Estate Sustainability Benchmark, Asian Corporate Governance Association, Financial Reporting Council, Audit Quality Review Committee, Company Reporting and Auditing Group, UK Sustainable Investment and Finance Association, Deep Data Delivery Standards, PRI SDG Working Group for Active Ownership, PRI Macroeconomic Risks Advisory Group, PRI Fixed Income Advisory Committee, The PRI's Advisory Committee for ESG Engagements, PRI ESGE Advisory Committee
<b>102-14</b>	Statement from senior decision-maker	<a href="#">A message from Invesco's President and CEO</a>
<b>102-15</b>	Key impacts, risks and opportunities	<a href="#">About this report</a>
<b>102-16</b>	Values, principles, standards and norms of behavior	<a href="#">CSR at Invesco</a> <a href="#">Code of Conduct</a> (p. 1); 2019 PRI Report found here: <a href="https://www.invesco.com/corporate/about-us/esg">https://www.invesco.com/corporate/about-us/esg</a>
<b>102-17</b>	Mechanisms for advice and concerns about ethics	<a href="#">Business ethics</a> <a href="#">Code of Conduct</a>
<b>102-18</b>	Governance structure	<a href="#">Corporate governance</a> <a href="#">Proxy Statement 2020</a> (p. 18); 2019 10-K (p. 5)
<b>102-22</b>	Composition of the highest governance body and its committees	<a href="#">Proxy Statement 2020</a> (p. 3, 5, 11, 15, 29, 30-32)
<b>102-23</b>	Chair of the highest governance body	Marty L. Flanagan serves as president of the Board of Directors and chief executive officer.
<b>102-24</b>	Nominating and selecting the highest governance body	Criteria for Selection of Candidates for Membership on the Board of Directors.
<b>102-25</b>	Conflicts of interest	See our <a href="#">Corporate Governance Guidelines</a> concerning processes for the highest governance to ensure conflicts of interest are avoided and managed.
<b>102-26</b>	Role of highest governance body in setting purpose, values and strategy	The Board is elected by the shareholders to oversee our management team and to seek to assure that the long-term interests of the shareholders are being served.
<b>102-28</b>	Evaluating the highest governance body's performance	Our Board annually reviews its effectiveness as a group with a questionnaire and confidential and private one-on-one interviews coordinated by an independent external advisor specializing in corporate governance that reports results of the annual review in person to the Board.
<b>102-29</b>	Identifying and managing economic, environmental and social impacts	<a href="#">Governing our CR priorities</a>

Disclosure number	Disclosure description	Location of disclosures
<b>102-30</b>	Effectiveness of risk management processes	<p><u><a href="#">Corporate governance</a></u></p> <p>The Board has principal responsibility for oversight of the company's risk management processes and for understanding the overall risk profile of the company. Though Board committees routinely address specific risks and risk processes within their purview, the Board has not delegated primary risk oversight responsibility to a committee.</p> <p>Broadly, our approach includes two governance structures: (i) our Global Performance and Risk Committee assesses core investment risks; and (ii) our Corporate Risk Management Committee assesses strategic, operational and all other business risks. A network of business unit, geographic and specific risk management committees, under the auspices of the Corporate Risk Management Committee, maintains an ongoing risk assessment, management and monitoring process that provides a bottom-up perspective on the specific risks existing in various domains of our business.</p>
<b>102-32</b>	Highest governance body's role in sustainability reporting	<p><u><a href="#">Governing our CR priorities</a></u></p>
<b>102-33</b>	Communicating critical concerns	<p><u><a href="#">Business ethics</a></u></p> <p>The company maintains the Invesco Compliance Reporting Line for its employees or individuals outside the company to report complaints or concerns on an anonymous and confidential basis regarding questionable accounting, internal accounting controls or auditing matters and possible violations of the company's Code of Conduct or law. Further information about the Invesco Compliance Reporting Line is available at <a href="http://www.invesco.com/corporate">www.invesco.com/corporate</a> (the "company's website"). Additionally, any interested party may communicate with the Chairperson of our Board or to our non-executive directors as a group at the following address:</p> <p>Invesco Ltd. 1555 Peachtree Street N.E. Atlanta, Georgia 30309 Attn: Office of the Secretary Communications</p>
<b>102-36</b>	Remuneration policies	<p>Our compensation remuneration practices for the highest governance body are disclosed in the Fair compensation section and in the 2020 Proxy Statement (p. 26 - 29).</p>
<b>102-36</b>	Process for determining remuneration	<p>The Invesco Compensation Committee's compensation consultant assists the committee in its analysis of our executive compensation programs. Details regarding the compensation consultant are disclosed Director compensation section of the <a href="#">2020 Proxy Statement</a> (page 26).</p>

Disclosure number	Disclosure description	Location of disclosures
<b>102-37</b>	Stakeholders' involvement in remuneration	<a href="#">Corporate governance</a> Invesco's legal team, human resources and members of our board conduct shareholder outreach in advance of remuneration policies.
<b>102-40</b>	List of stakeholder groups	<a href="#">Ensuring transparency and engaging stakeholders</a>
<b>102-42</b>	Identifying and selecting stakeholders	<a href="#">Ensuring transparency and engaging stakeholders</a>
<b>102-43</b>	Approach to stakeholder engagement	<a href="#">Ensuring transparency and engaging stakeholders; Establishing our CR priorities</a>
<b>102-44</b>	Key topics and concerns raised	<a href="#">Ensuring transparency and engaging stakeholders; Establishing our CR priorities</a>
<b>102-45</b>	Entities included in the consolidated financial statements	<a href="#">About this report</a>
<b>102-46</b>	Defining report content and topic Boundaries	<a href="#">About this report</a>
<b>102-47</b>	List of material topics	<a href="#">Establishing our CR priorities</a>
<b>102-48</b>	Restatements of information	2017 and 2018 quantitative environmental information was updated to incorporate the same facilities as 2019.
<b>102-49</b>	Changes in reporting	The boundaries for the report have not changed from previous years.
<b>102-50</b>	Reporting period	January 1, 2019 to December 31, 2019
<b>102-51</b>	Date of most recent report	July 2019
<b>102-52</b>	Reporting cycle	Annual
<b>102-53</b>	Contact point for questions regarding the report	Cathrine De Coninck-Lopez, Global Head of ESG <a href="mailto:Cathrine.DeConinckLopez@invesco.com">Cathrine.DeConinckLopez@invesco.com</a> Kellie Schonberg, Head of Corporate Social Responsibility <a href="mailto:Kellie.Schonberg@invesco.com">Kellie.Schonberg@invesco.com</a>
<b>201</b>	103-1/2/3: Management Approach	For information related to Invesco's economic performance, please visit <a href="#">Invesco's 2019 10-K</a> , p. 31
<b>201-1</b>	Direct economic value generated and distributed	<a href="#">2019 10-K</a> (p. 31)
<b>205</b>	103-1/2/3: Management Approach	<a href="#">Business ethics</a>
<b>205-1</b>	Operations assessed for risks related to corruption	<a href="#">Business ethics</a>
<b>205-2</b>	Communication and training about anti-corruption policies and procedures	<a href="#">Business ethics</a>
<b>205-3</b>	Confirmed incidents of corruption and actions taken	<a href="#">Business ethics</a>
<b>302</b>	103-1/2/3: Management Approach	<a href="#">Sustainable operations and strong governance</a>
<b>302-1</b>	Energy consumption within the organization	<a href="#">Measuring our environmental impact and progress</a>
<b>302-4</b>	Reduction of energy consumption	<a href="#">Measuring our environmental impact and progress</a>
<b>303</b>	103-1/2/3: Management Approach	<a href="#">Sustainable operations and strong governance</a>

Disclosure number	Disclosure description	Location of disclosures
<b>303-1</b>	Water withdrawal by source	<a href="#">Measuring our environmental impact and progress</a>
<b>303-3</b>	Water recycled and reused	<a href="#">Measuring our environmental impact and progress</a>
<b>305</b>	103-1/2/3: Management Approach	<a href="#">Sustainable operations and strong governance</a>
<b>305-1</b>	Direct (Scope 1) GHG emissions	<a href="#">Measuring our environmental impact and progress</a>
<b>305-2</b>	Energy indirect (Scope 2) GHG emissions	<a href="#">Measuring our environmental impact and progress</a>
<b>305-3</b>	Other indirect (Scope 3) GHG emissions	<a href="#">Measuring our environmental impact and progress</a>
<b>305-4</b>	GHG emissions intensity	<a href="#">Our CSR indicators</a>
<b>305-5</b>	Reduction of GHG emissions	<a href="#">Measuring our environmental impact and progress</a>
<b>306</b>	103-1/2/3: Management Approach	<a href="#">Sustainable operations and strong governance</a>
<b>306-1</b>	Water discharge by quality and destination	All Invesco water waste is discharged to municipal sewer systems.
<b>306-2</b>	Waste by type and disposal method	<a href="#">Measuring our environmental impact and progress</a>
<b>307</b>	103-1/2/3: Management Approach	<a href="#">Sustainable operations and strong governance</a>
<b>307-1</b>	Non-compliance with environmental laws and regulations	None for this reporting period.
<b>401</b>	103-1/2/3: Management Approach	<a href="#">Investing in our people; Employee engagement</a>
<b>401-1</b>	New employee hires and employee turnover	<a href="#">Investing in our people</a>
<b>401-3</b>	Parental leave	<a href="#">Invesco's employee engagement metrics</a>
<b>404</b>	103-1/2/3: Management Approach	<a href="#">Training and professional development</a>
<b>404-2</b>	Programs for upgrading employee skills and transition assistance programs	<a href="#">Training and professional development</a>
<b>404-3</b>	Percentage of employees receiving regular performance and career development reviews	<a href="#">Training and professional development</a>
<b>405</b>	103-1/2/3: Management Approach	<a href="#">Fostering a culture where diverse people and ideas thrive</a>
<b>405-1</b>	Diversity of governance bodies and employees	<a href="#">Corporate governance; Fostering a culture where diverse people and ideas thrive</a>
<b>406</b>	103-1/2/3: Management Approach	<a href="#">Fair labor practices; Business ethics</a>
<b>413</b>	103-1/2/3: Management Approach	<a href="#">Supporting our communities</a>
<b>413-1</b>	Operations with local community engagement, impact assessments and development programs	<a href="#">Supporting our communities</a>
<b>415</b>	103-1/2/3: Management Approach	<a href="#">Political activities</a>
<b>415-1</b>	Political contributions	Qualitative information may be found in: <a href="#">Political activities</a>
<b>418</b>	103-1/2/3: Management Approach	<a href="#">Security and privacy</a>
<b>418-1</b>	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">Security and privacy</a>

## SASB index

Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location
<b>Asset Management &amp; Custody Activities</b>			
<b>Business ethics</b>	FB-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Qualitative information can be found in <a href="#">Business ethics</a>
	FB-AC-510a.2	Description of whistleblower policies and procedures	Qualitative information can be found in <a href="#">Business ethics</a>
<b>Transparent information &amp; fair advice for customers</b>	FN-AC-270a.1	Number and percentage of covered employees with a records of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Not included in this report
	FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers.	Not included in this report
<b>Incorporation of Environmental, Social, and Governance Factors in Investment Management and Advisory</b>	FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social and governance (ESG) issues, (2) sustainability themed investing and (3) screening	Not included in this report
	FN-AC-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	Qualitative information can be found in the <a href="#">Invesco ESG Investment Stewardship Report</a> Responsible Investing Products
	FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	<a href="#">Responsible active ownership and proxy voting</a>

Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location
<b>Asset Management &amp; Custody Activities</b>			
<b>Employee diversity &amp; inclusion</b>	FN-AC-330a.1	Percentage of gender and racial/ethnic group representation of (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	<a href="#">Our commitment to diverse perspectives and an inclusive culture</a>
<b>SASB Standards Application Guidance</b>	SASB 5.0 Governance, Internal Control, and Assurance	<p>a. The entity's governance around the risks and opportunities related to the topic, including board oversight of and management's role in assessing and managing such risks and opportunities</p> <p>b. The entity's strategic approach regarding actual and potential impacts of topic-related risks and opportunities on the organizations' businesses, strategy, and financial planning, over the short, medium, and long term.</p> <p>c. The entity's process to identify, assess, and manage topic-related risks, and how these risks are integrated into the entity's overall risk management process.</p> <p>d. The entity's use of metrics or targets to assess and manage topic-related risks and opportunities.</p>	<p><a href="#">Corporate governance</a></p> <p>The Board has principal responsibility for oversight of the company's risk management processes and for understanding the overall risk profile of the company. Though Board committees routinely address specific risks and risk processes within their purview, the Board has not delegated primary risk oversight responsibility to a committee. Broadly, our approach includes two governance structures: (i) our Global Performance and Risk Committee assesses core investment risks; and (ii) our Corporate Risk Management Committee assesses strategic, operational and all other business risks. A network of business unit, geographic and specific risk management committees, under the auspices of the Corporate Risk Management Committee, maintains an ongoing risk assessment, management and monitoring process that provides a bottom-up perspective on the specific risks existing in various domains of our business.</p>

This report is a summary of 2019 data. It is for informational purposes only and is not an offer of any investment. Invesco Ltd.

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