

Remuneration Disclosures at 31 December 2010

Invesco International Holdings Limited is a subsidiary of Invesco UK Limited and is the parent company of the regulated corporate entities falling under the capital requirements rules within the Continental European region.

Invesco Ltd. is the ultimate parent of Invesco UK Limited and Invesco International Holdings Limited. Invesco Ltd. is listed on the New York Stock Exchange and is a Bermudian domiciled company.

The undernoted disclosures are in accordance with Recital (21) CRD III and Annex XII, Part 2 Directive 2006/48/EC.

Consistent with Committee of European Banking Supervisors Guidelines on Remuneration Policies and Practices, Invesco has taken account of its size, internal organisation and the nature, scope and complexity of its activities in applying these disclosure requirements.

Information about the composition of the Invesco Ltd. Compensation Committee

The Compensation Committee of Invesco Ltd. is chaired by Sir John Banham and consists additionally of Messrs. Adams, Johnson, Kessler, Lawrence and Ms. Wood. Under its charter, the committee:

- is comprised of at least three members of the Board, each of whom is “independent” of the company
- members are appointed and removed by the Board
- is required to meet at least quarterly
- has the authority to retain independent advisors, at the company’s expense, wherever it deems appropriate to fulfil its duties, including any compensation consulting firm

Information about the mandate of the Invesco Ltd. Compensation Committee

The committee's charter is available on the company’s Web site. The charter sets forth the committee’s responsibilities, which include:

- reviewing and making recommendations to the Board concerning the overriding remuneration philosophy of the Company
- overseeing the administration of the company’s equity-based and other incentive compensation plans; and
- approving annual compensation pools

External Consultants

Each year the committee engages a third-party compensation consultant to provide an analysis of, and counsel on, the company’s executive compensation programme and practices. The nature and scope of the consultant’s assignment is set by the committee. In general, the outside consultant provides an objective assessment of executive compensation, including the market competitiveness of base salary, cash bonus and equity compensation. The outside consultant is asked to compare and review compensation practices of the company’s peer group of other publicly-traded investment management companies. The committee currently engages Johnson Associates, Inc. (“Johnson Associates”) as its third-party consultant for this review.

Under the terms of its engagement with the committee, Johnson Associates does not provide any other services to the company unless the committee has approved such services.

Information concerning the decision-making process for determining the remuneration policy:

As an investment management firm, our business is driven by intellectual capital. One of our greatest assets is the collective skill, experience and efforts of our employees. We compete for professional talent with a large number of financial services companies. To achieve our long-term strategic priorities, it is critical that we are able to attract, retain and motivate talented professionals who are committed to these priorities while simultaneously aligning their incentives with the interests of our clients and shareholders.

We design, structure and implement our compensation programmes at every level to align with our long-term strategic priorities which are to:

- achieve strong investment performance over the long term for our clients;
- deliver our investment capabilities anywhere in the world to meet our clients' needs;
- harness the power of our global operating platform by continuously improving our processes and procedures and further integrating the support structures of our business globally; and
- perpetuate a high-performance organisation by driving greater transparency, accountability and execution at all levels

To support our long-term strategic priorities, we have structured our compensation programs to achieve the following objectives:

- align individual incentive awards with client and shareholder success;
- provide competitive, performance-driven compensation that is tied to strategic and financial results;
- closely link rewards to strategic and financial results at every level of our enterprise;
- reinforce a meritocracy by differentially rewarding high performers; and
- recognise and retain top talent by ensuring an appropriate mix of cash and deferred equity compensation

We also strive to reinforce a “one-firm” vision by ensuring that our compensation programs operate consistently across the company.

The compensation committee believes that as an individual’s compensation increases, the percentage of that compensation received in the form of equity should increase. As employees’ progress to higher levels in the company, their ability to affect our performance generally increases and our need to retain these employees increases correspondingly. Therefore, one of the goals of our compensation programs is to motivate these employees to maximise the key measures of our financial performance and achieve our overall strategic goals over long and productive careers with the company.

Identified Staff

The following groups of employees have been identified as meeting the criteria for Identified Staff:

- Senior Management within the Invesco International Holdings Limited structure whose day-to-day duties could have a significant impact on the risk profile of the firm
- Employees who are responsible for significant business lines whose day-to-day duties could have a material impact on the risk profile of the firm
- Employees who are responsible for Control Functions whose day-to-day duties could have a material impact on the risk profile of the firm

Link between pay and performance

The compensation committee makes its compensation determinations in its discretion, without formulaically tying its determinations to specific performance targets, formulas or weightings. The achievement of any particular goal or objective, financial or individual, does not automatically result in any particular level of compensation. The committee believes that a flexible approach in aligning management and shareholder interests, which takes into account qualitative judgments tied to the company's long-term strategy, is more effective than purely formulaic criteria.

The committee examines multiple financial measures, including pre-cash bonus operating income, net revenues, adjusted operating margin, assets under management and adjusted earnings per shares, as well as non-quantitative measures, such as the company's progress toward achieving its long- and short-term strategic objectives, in connection with determining the size of the annual award pools.

Performance at an individual level is measured through the Invesco Performance Management Process (IPMP) which is a company-wide, on-line performance management process which has been developed to:

- promote alignment of individual employee efforts with the mission, principles and goals of our company
- provide the feedback necessary for employee growth and development and;
- improve our ability to assess and recognise performance

IPMP ensures all employees have their performance consistently assessed regardless of their location or function and consists of 3 key elements:

- An assessment of objectives which have been agreed between the manager and employee
- Assessment against a single, global set of competencies which are based on Invesco's business principles. The Invesco Core Competency Framework builds on these five business principles by highlighting key behaviours that contribute to their achievement. In addition, the framework includes seven leadership competencies to help gauge the performance of our people managers
- An employee self-evaluation allowing the employee to provide comments about their own performance prior to the manager completing their own evaluation

Elements of Remuneration

The table on the following page describes each component of our compensation program for employees as well as its purpose and distinguishing attributes:

Compensation Component	Fixed/Variable/Benefits	Purpose	Additional Attributes
Base salary	Fixed	<ul style="list-style-type: none"> • Provide appropriate compensation for the day-to-day performance of job responsibilities 	<ul style="list-style-type: none"> • Set for each individual based on the individual's experience, duties and scope of responsibility • Reviewed annually and increased where budget allows and where market positioning does not already align with individual performance. • Typically less likely to receive an increase at higher levels of seniority
Annual cash bonus	Variable	<ul style="list-style-type: none"> • Motivate and reward individuals for contributions to the company's annual results 	<ul style="list-style-type: none"> • Funded from a company-wide cash incentive pool reflecting results of the most recently completed year
Annual stock deferral award	Variable	<ul style="list-style-type: none"> • Motivate and reward individuals at higher levels of seniority for contributions to the company's annual results • Provide future earnings potential and encourage retention due to vesting over time • Align the individual's interests with those of our shareholders by directly linking the value received to the longer-term performance of the company - generally four years 	<ul style="list-style-type: none"> • Funded from a company-wide equity pool and made under our Global Equity Incentive Plan • Non-transferable prior to vesting and generally forfeited in the event of voluntary termination • Typically approved by the Remuneration Committee in January or February in respect of the prior year • Generally vests upon involuntary termination of employment for reasons other than for cause, including following a change in control
Long-term equity award	Variable	<ul style="list-style-type: none"> • Recognise employees with long-term potential for future contributions to achieving the company's strategic objectives • Aligns employee's interests with those of our shareholders by directly linking the value received to the long-term performance of the company • Provide future earnings potential and encourage retention due to vesting over time - generally four years 	<ul style="list-style-type: none"> • Funded from a company-wide equity pool and made under our Global Equity Incentive Plan • Generally subject to the same transfer restrictions and vesting criteria as annual stock deferral awards (described above) • Typically approved by the Remuneration Committee in January or February in respect of the prior year • Occasionally granted outside of our regular annual award dates in connection with new hires, promotions or retention of key employees
Retirement benefits	Benefits	<ul style="list-style-type: none"> • Assists employees with retirement savings 	<ul style="list-style-type: none"> • Continental European employees typically participate in a retirement plan • Plan characteristics vary by location
Other benefits	Benefits	<ul style="list-style-type: none"> • Provide medical, life and insurance coverage and other corporate benefits 	<ul style="list-style-type: none"> • All Continental European employees are eligible to participate • Benefits vary by location

Remuneration Decision Making Rationale

Salary increase decisions take into account market position, performance, and internal equity and salary increases are targeted where market positioning does not already align with performance.

Bonus decisions support a meritocracy, providing the most significant rewards to the highest contributors. Individual cash bonuses are based on a variety of factors including internal performance comparisons (such as IPMP performance), external market comparisons, and formulaic portions of incentive plans (for specific groups of employees).

All employees can be considered for long-term equity grants, however, managers use equity pools to retain key talent, to reward those who make the strongest contributions in a given year, and who have high potential to impact business results in the future. Equity grants reward for longer term performance, and therefore, vest over a multi-year period.

Remuneration in Control Functions

Reporting lines for control functions are separated from the business units that they oversee. Decision making regarding remuneration for employees in control functions is therefore not subject to recommendations from any business unit overseen by these functions.

Quantitative Disclosures

Aggregate quantitative information on remuneration, broken down by business area*

* Invesco interprets a 'business area' to be mean employees of any subsidiary firm within the Invesco International Holdings Limited parent Company

	Total
Number of Employees	368
Total 2010 Variable Remuneration (EUR)	€6.2m
Total 2010 Remuneration (EUR)	€44.5m
2010 Variable Remuneration as a % of 2010 Total Remuneration	36%

Aggregate quantitative information on remuneration broken down by senior management and members of staff whose actions have a material impact on the risk profile of the firm**

** Some 'Identified Staff' are employees of entities that are not under Invesco International Holdings Limited

	Total
Number of Employees	10
Total 2010 Variable Remuneration (EUR)	€7.4m
Total 2010 Remuneration (EUR)	€10.0m
2010 Variable Remuneration as a % of 2010 Total Remuneration	74%