

## Risk Factors Comparison 2025-02-25 to 2024-02-21 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Risks Related to Market Dynamics and Volatility • Volatility and disruption in global or regional capital and credit markets, as well as adverse changes in the global economy, could negatively affect our AUM, revenues, net income and liquidity. • Our revenues and net income would likely be adversely affected by any reduction in AUM as a result of either a decline in market value of such assets or net outflows, each of which would reduce the investment management fees we earn. • Our revenues and net income from money market and other fixed income assets may be harmed by interest rates, liquidity and credit volatility. • Our financial condition and liquidity would be adversely affected by losses on our seed capital and co- investments. • As many of our subsidiary operations are located outside of the U. S. and have functional currencies other than the U. S. Dollar, changes in the exchange rates to the U. S. Dollar impact our reported financial results. Risks Related to Investment Performance and Competition • Poor investment performance of our products could reduce the level of our AUM or affect our sales, and negatively impact our revenues and net income. • Failure to properly address the increased transformative pressures affecting the asset management industry could negatively impact our business. • Competitive pressures may force us to reduce the fees we charge to clients, which could reduce our profitability. • Our private market products include investments in private credit, real estate, **private market funds of funds** and **direct** equity investments in **operating early-stage real estate-related** companies, ~~which that~~ may expose our investment products, **our** clients and ~~us~~, to the extent of our investment in such investment products, **us** to risks and liabilities, ~~and us~~ to reputational harm. • Our investment products, clients and ~~us~~, to the extent of our investment in such investment products, **we** could incur losses if the allowance for credit losses, including loan and lending- related commitment reserves, of portfolio- level investments is inadequate or if our expectations of future economic conditions deteriorate. • We may be unable to develop new products and services, **and** the development of new products and services may expose us to additional costs or operational risk. • The failure or negative performance of products offered by competitors may have a negative impact on similar Invesco products irrespective of our performance. Risks Related to ~~Talent~~ **Human Capital**, Operations and Technology • Our investment management professionals and other key employees are a vital part of our ability to attract and retain clients, and the loss of key individuals or a significant portion of those professionals could result in a reduction of our AUM, revenues and net income. • Changes in the distribution channels on which we depend could reduce our net income and hinder our growth. • Failure to comply with client contractual requirements and / or investment guidelines could result in costs of correction, damage awards and / or regulatory fines and penalties against us and loss of revenues due to client terminations. • Our investment advisory agreements are subject to termination or non- renewal, and our fund and other investors may withdraw their assets at any time. • The quantitative models we use and our index tracking investment solutions may contain errors, which could result in financial losses or adversely impact product performance and client relationships. • ~~Climate change~~ **Disclosure requirements and expectations related risks to sustainability or environmental, social, and governance (ESG) are increasing and evolving. Our inability to meet these requirements and expectations could adversely cause regulatory or reputational harm and** affect our **ability to attract business, products, operations and retain** clients, ~~which may cause our AUM, revenue and net income to decline~~. • If our reputation is harmed, we could suffer losses in our AUM, revenues and net income. • The lack of soundness of other financial institutions could adversely affect us or the client portfolios we manage. • We depend on information technology, and any failures of or damage to, attack on or unauthorized access to our information technology systems or facilities, or those of third parties with which we do business or that facilitate our business activities, including as a result of cyber- attacks, could result in significant limits on our ability to conduct our operations and activities, costs and reputational damage. • Our ability to manage and grow our business successfully can be impeded by systems and other technological limitations. • If we are unable to successfully recover from a man- made or natural disaster, **severe weather event**, health crisis or pandemic or other business continuity problem, we could suffer material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability. • Our business is vulnerable to deficiencies and failures in support systems, including data management, and customer service functions that could lead to breaches and errors or reputational harm, resulting in loss of customers or claims against us or our subsidiaries. • **Disruptions in the markets, to market participants and to the operations of third parties whose functions are integral to our exchange-traded funds (ETFs) platforms may adversely affect the prices at which ETFs trade, particularly during periods of market volatility. • The recent advancements in and increased use of artificial intelligence (AI) present risks and challenges that may adversely impact our business.** Risks Related to Accounting, Capital Management and Liquidity • The carrying value of goodwill and other intangible assets on our balance sheet **has become impaired in the past and** could become impaired **in the future**, which would adversely affect our results of operations. • Our **revolving** credit agreement imposes operating covenants that impact our ability to conduct certain activities and, if amounts borrowed under it were subject to accelerated repayment, we might not have sufficient assets or liquidity to repay such amounts in full. • We issued perpetual preferred stock having a value of approximately \$ 4 billion, which could adversely affect our ability to raise additional capital and may limit our ability to fund other priorities. • Failure to maintain adequate corporate and contingent liquidity may cause our AUM, revenues and net income to decline, as well as harm our prospects for growth. • Distribution of earnings of our subsidiaries may be subject to limitations, including net capital requirements. Risks Related to Strategic Transactions • We may engage in strategic transactions that could create risks. Risks Related to our Significant Shareholders • Future sales of shares of our common stock could adversely impact the trading price of our common stock. • Massachusetts Mutual Life Insurance Company (MassMutual) has the ability to significantly influence our business, and MassMutual' s interest in our business may

be different from that of other shareholders. Risks Related to Regulatory and Legal Matters • We operate in an industry that is highly regulated in most countries, and any enforcement action or **proceedings against us or** significant changes in the laws or regulations governing our business or industry could **damage our reputation or** decrease our AUM, revenues, net income and liquidity. • Civil litigation and governmental investigations and enforcement actions **or proceedings against us** could adversely affect our AUM and future net income and increase our costs of doing business. • Legislative and other measures that may be taken by governmental authorities could materially increase our tax burden or otherwise adversely affect our net income or liquidity. • Examinations and audits by tax authorities could result in additional tax payments for prior periods. • Bermuda law differs from the laws in effect in the U. S. and may afford less protection to shareholders. • Because we are incorporated in Bermuda, it may be difficult for shareholders to enforce non- monetary judgments against us or any judgment against us or our directors and officers. Shareholders may have to seek independent advice regarding the commencement of proceedings or service of foreign process in Bermuda. • We have anti- takeover provisions in our Bye- Laws that may discourage a change of control. General Risk Factors • Our ability to maintain our credit ratings and to access the capital markets in a timely manner should we seek to do so depends on a number of factors. • Insurance may not be available at a reasonable cost to protect us from loss or liability. PART I Item 1. Business Introduction Invesco Ltd. (the Parent) **and, along with** its consolidated **subsidiaries entities** (collectively, Invesco or the company) , is an independent investment management firm dedicated to delivering a superior investment experience. Our comprehensive range of active, passive and alternative investment capabilities has been constructed over many years to help clients achieve their investment objectives. We draw on this comprehensive range of capabilities to provide solutions designed to deliver key outcomes aligned to client needs. With approximately 8, 500 employees and an on- the- ground presence in more than 20 countries, Invesco is well positioned to meet the needs of investors across the globe. We have specialized investment teams managing investments across a broad range of asset classes, investment styles and geographies. For decades, individuals and institutions have viewed Invesco as a trusted partner for a comprehensive set of investment needs. We have a significant presence in the retail and institutional markets within the investment management industry in the Americas, Europe, Middle East and Africa (EMEA) and Asia- Pacific (APAC), serving clients in more than 120 countries. As of December 31, **2023-2024** , the firm managed approximately \$ 1. **6-85** trillion in assets for investors around the world. The key drivers of success for Invesco are long- term investment performance, high- quality client service **and,** effective distribution relationships delivered across a diverse spectrum of investment management capabilities, distribution channels, geographic areas and market exposures , **and competitive pricing** . Through our focus on these areas, we seek to deliver better outcomes for clients, generate competitive investment results and positive net flows, and increase AUM and revenues. We measure relative investment performance by comparing our investment capabilities to competitors' products, industry benchmarks and client investment objectives. Generally, distributors, investment advisors and consultants take into consideration longer- term investment performance (e. g., three- year and five- year performance) in their selection of investment products and recommendations to their clients. Third- party ratings may also influence client investment decisions. We monitor the quality of client service in a variety of ways, including periodic client satisfaction surveys, analysis of response times and redemption rates, competitive benchmarking of services and feedback from investment consultants. The company is organized under the laws of Bermuda. Our common shares are listed and traded on the New York Stock Exchange (NYSE) under the symbol “ IVZ. ” We maintain a website at [www.invesco.com/corporate](http://www.invesco.com/corporate). (Information contained on our website shall not be deemed to be part of, or be incorporated into, this document.) Industry Trends Trends around the world continue to transform the investment management industry and underscore the need to be well diversified with broad capabilities globally: Individuals and Institutions expect personalized outcomes and experience → Distribution partners are becoming more selective and continuing to maintain fewer relationships and partners, reducing the number of trusted investment managers with whom they work. • Clients and distribution partners are demanding more from investment managers. While performance remains paramount , **and competitive pricing is essential** , best- in class experience and value- added services (including portfolio analytics and consultative solutions) increasingly differentiate managers. • **The U. S. and China will continue to be the dominant global wealth markets. Global asset management leaders will need a considerable footprint in these markets.** Structural shifts in client portfolio allocations → Private market allocations continue to increase and become a **more** meaningful part of retail portfolios, driving industry fee growth as well as innovation and democratization. • Beta, factor, and index offerings will continue to be core to portfolios in transparent, efficient markets. In this space, clients will demand ease of access and competitive pricing. • Investors **are have been** selecting active strategies **and place** , while placing a high bar on proven superior risk- adjusted returns. • **Investors have been favoring fixed income strategies in response to unpredictable market conditions and consistent performance** the higher interest rate environment. • Investors have been shifting their investment strategies toward lower fee offerings **passively managed strategies** , and we believe this trend will continue. Leading asset managers must quickly curate options that solve clients' problems → Investment capabilities will be delivered efficiently and seamlessly using technologies, platforms, and vehicles. • Investment managers are finding new ways of leveraging data and analytics to create insights that will provide strategic advantage and drive investment, distribution, and operational excellence. • Winners will invest in talent and skills across new ecosystems, requiring new ways of working and strategic partnerships to drive synergies and scale. These dynamics are driving fundamental changes within the industry and, we believe, will drive increasing consolidation. **Additionally, the U. S. and China will continue to be the dominant global wealth markets, and global asset management leaders will need a considerable footprint in these markets.** We believe the **depth and breadth of Invesco' s platform position us** steps we have taken over the past decade strengthened our ability to understand, anticipate , and meet **our client clients '** needs , **successfully** and will help ensure Invesco is well- positioned to compete **competing** within our industry over the long term. Strategy At Invesco, we seek to drive sustainable profitable growth by delivering capabilities that build enduring **partnerships relationships** and create better outcomes for our clients. **We have an advantageous position globally as a diversified, client- centric asset manager and a strategy to deliver for our shareholders.** The company focuses on **firm' s**

**strategic priorities are aligned with** four key long- term **themes** **strategic objectives** that are designed to sharpen our focus on **client clients'** needs, further strengthen our business over time and help ensure our long- term success: Deliver the excellence our clients expect • Achieve strong, long- term investment performance. • Deliver a quality investment process and a frictionless experience with superior engagement. • Provide **a holistic value proposition including** advice and solutions to help our clients best manage their portfolios and succeed with their own clients. Grow high demand investment offerings • **Deliver ahead** **Prioritize the intersection** of **clients market size, secular change, and Invesco'** expectations through product innovation, investment styles, and packaging options • **unique position to drive growth in the highest opportunity regions.** • **Grow** Focus our offerings at the intersection of high opportunity markets and high demand **private markets** capabilities **leveraging our strong retail channel and expanding investment strategies.** • **Drive profitable organic growth, emphasizing high demand, scalable investment capabilities, and delivery vehicles.** Create an environment where talented people thrive • Attract and develop high performing, diverse talent with skills aligned to deliver against business outcomes. • Create an inclusive and engaging culture that values diversity of thought which enables us to work as one team to deliver better outcomes. Act like owners for all stakeholders • **Be disciplined stewards** **Embed next generation technology across all aspects of the business** firm resources with a focus on profitable growth. • **Strengthen financial flexibility emphasizing operating leverage** Invest in the success of our clients, our shareholders, and ourselves. As an integrated global investment manager, we are keenly focused on meeting clients' needs and operating effectively and efficiently. We take a unified approach to our business and present our financial statements and other disclosures under **one the single** operating segment, "investment management." A key focus of our business is fostering a strong investment culture and providing the support that enables our investment teams to maintain well- performing investment capabilities. We believe the ability to leverage the capabilities of our investment teams to help clients across the globe achieve their investment objectives is a significant differentiator for our firm. Investment Management Capabilities We believe that the proven strength of our distinct and globally located investment teams and their well- defined investment disciplines and risk management approaches provide us with a robust competitive advantage. There are few independent investment managers with teams as globally diverse as Invesco's and with the same breadth and depth of investment capabilities and vehicles. We offer multiple investment objectives within the various asset classes and products that we manage. Our asset classes, broadly defined, include equity, fixed income, balanced, alternatives and money market. ~~The following sets forth our major managed investment objectives by asset class:~~ Equity Fixed Income Balanced Alternatives Money Market • Core / Value / Growth Style • Buy and Hold • Balanced Risk • Absolute Return • Cash Plus • Custom Solutions • Convertibles • Custom Solutions • Commodities • Custom Solutions • Emerging Markets • Core / Core Plus • ESG • Currencies • Government / Treasury • Environmental, Social and Governance (ESG) • Custom Solutions • Global / Regional • Custom Solutions • Prime • International / Global • Emerging Markets • Single Country • Direct Lending • Taxable • Large / Mid / Small Cap • ESG • Target Risk • Distressed Debt • Tax Free • Low Volatility / Defensive • Government Bonds • Traditional Balanced • ESG • Passive / Enhanced • High Yield Bonds • Financial Structures • Regional / Single Country • International / Global • Global Macro • Smart Beta / Factor based • Investment Grade Credit • Infrastructure and MLPs • Thematic / Sector • Multi- Sector • Long / Short Equity • Municipal Bonds • Managed Futures • Passive / Enhanced • Multi Alternatives • Regional / Single Country • Private Real Estate • Short / Ultra Short Duration • Public Real Estate Securities • Smart Beta / Factor based • Senior Secured Loans • Stable Value • Structured Securities Distribution Channels Retail AUM typically originate from clients investing into funds available to the public in the form of shares or units. Institutional AUM originate from entities such as individual corporate clients, insurance companies, endowments, foundations, government authorities, universities or charities. AUM disclosed as retail ~~channel~~ **channel** AUM include AUM distributed by the company's retail sales **team teams**. AUM disclosed as institutional ~~channel~~ **channel** AUM include AUM distributed by the company's institutional sales **team teams**. The company operates as an integrated global investment manager, ~~presenting itself as a single firm to clients around the world.~~ Dedicated sales forces deliver our investment strategies through a variety of vehicles that meet the needs of retail and institutional clients. Note that not all products sold in the retail distribution channel are in "retail" vehicles, and not all products sold in the institutional channel are in "institutional" vehicles, as described in the table below. This aggregation, however, is viewed as a proxy for presenting AUM in the retail and institutional markets in which we operate. The following lists our primary investment vehicles by distribution channel: Retail Institutional • **Alternative Investment Funds (AIF) • Collective Trust Funds • Closed- end Mutual Funds • ETFs** ~~Collective Trust Funds~~ • Exchange- traded funds (ETFs) • **ETFs Institutional Separate Accounts** • Individual Savings Accounts • ~~Institutional Separate Accounts~~ • ~~Investment Companies with Variable Capital~~ • Open- end Mutual Funds • Investment **Trusts Companies with Variable Capital (ICVC) • Private Funds • Investment Trusts • Real Estate Investment Trusts (REIT) • Open- end Mutual Funds • Private Funds • Separately Managed Accounts (SMA) • Société d' investissement à Capital Variable (SICAV) • Unit Investment Trusts (UITs) • Variable Insurance Funds** Retail AUM were \$ 1, **042-265. 0-6** billion at December 31, **2023-2024**. We offer retail products within all of the major asset classes. Our retail products are primarily distributed through third- party financial intermediaries, including major wire houses, direct wealth platforms, regional broker- dealers, insurance companies, banks and financial planners in the Americas, and independent brokers and financial advisors, banks and direct wealth platforms in EMEA and APAC. The Americas and EMEA retail operations rank among the largest by AUM in their respective markets. As of December 31, **2023-2024**, Invesco's U. S. retail business, including our ETFs franchise, is among the leading asset managers in the U. S., and Invesco's retail business in EMEA is among the largest non- proprietary investment managers in the retail channel. In addition, Invesco Great Wall Fund Management Company Limited (IGW or Invesco Great Wall), our joint venture in China, is one of the largest Sino- foreign managers of equity products in China, with total AUM of approximately \$ **83-93. 6-2** billion at December 31, **2023-2024**. We provide our retail clients with one of the industry's most robust and comprehensive product lines. Institutional AUM were \$ **543-580. 3-4** billion at December 31, **2023-2024**. We offer a broad suite of domestic and global strategies, including traditional and quantitative equities, fixed income (including money market

funds for institutional clients), real estate, financial structures and absolute return strategies. Regional sales forces distribute our products and provide services to clients and intermediaries around the world. We have a diversified client base that includes major public and private entities, unions, non-profit organizations, endowments, foundations, pension funds, financial institutions and sovereign wealth funds. Invesco's institutional money market funds serve some of the largest financial institutions, government entities and companies in the world. AUM Diversification One of Invesco's competitive strengths is the diversification of AUM by client domicile, distribution channel and **asset class investment capability**. We serve clients in more than 120 countries. The following tables present a breakdown of AUM by client domicile, distribution channel and **asset class investment capability** as of December 31, **2023-2024**. Additionally, the fourth table below illustrates the split of our AUM as Passive and Active. Passive AUM include index-based ETFs, UITs, non-management fee earning AUM and other passive mandates. Active AUM are total AUM less Passive AUM. See the company's disclosures regarding the changes in AUM for the year ended December 31, **2023-2024** in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations- Assets Under Management" for additional information regarding the changes in AUM.

By Client Domicile (in billions) Total1- Yr Change Americas \$ 1, **315-133.9-13.5** **16.0** % c **EMEA215-EMEA260.9-15-320.9-6** % c **APAC235-APAC270.5-5-214.4-7** % Total \$ 1, **585-846.3-0** By Distribution Channel (in billions) Total1- Yr Change Retail \$ 1, **042-265.0-19-621.5** % c **Institutional543-Institutional580.3-1-46.2-8** % Total \$ 1, **585-846.3-0** By Asset Class Investment Capability (in billions) Total1- Yr Change **Equity ETFs and Index** \$ **823-484.0-33.7-29** % c **Fundamental Fixed Income281.1-3.1** % c **Fundamental Equities266.5-2.3** % c **Fixed Income325-Private Markets128.7-3-5(0.9)** % c **APAC Managed118.8-10.0** % c **Multi-Asset/Other58.8-2.4** % c **Global Liquidity189.4-14.8** % c **Balanced62-QQ318.9-38.7(6.6)** % c **Money Market192.7(5.3)** % c **Alternatives180.5(3.9)** % Total \$ 1, **585-846.3-0** Active vs. Passive (in billions) Total1- Yr Change Active \$ **985-1,026.3-0-54.9-2** % c **Passive600-Passive819.0-38-536.6** % Total \$ 1, **585-846.3-0**

Corporate Responsibility and Human Capital Invesco's long-term success depends on our ability to retain, develop, engage and attract top talent. Invesco invests significantly in talent development, health and welfare programs, technology and other resources that support our employees in developing their full potential both personally and professionally. We believe that an employee community that is diverse and inclusive, engaged in community involvement and invested in employee well-being will drive positive outcomes for our clients and shareholders. ~~We believe that diversity and inclusion are good for business. We are committed to further strengthening diversity at all levels and in all functions across our global business. Increasing representation of women and diverse employees remains a focus for Invesco, as does building a more inclusive work environment. All employees are required to take periodic unconscious bias training. Our employees are also encouraged to participate in any of our various employee resource groups where employees with diverse backgrounds, experiences and perspectives can connect. Our employee resource groups are sponsored by senior leaders and are designed by employees, for employees.~~ As of December 31, **2023-2024**, the company had **8,489-508** (December 31, **2022-2023**: **8,611-489**) employees with an on-the-ground presence in over 20 countries. Our employees are not covered under collective bargaining agreements. The company is committed to reducing our impact on the environment. Across Invesco offices, we carefully manage our operational activities with a focus on using natural resources wisely, increasing efficiencies wherever possible and providing a safe and healthy workplace for employees and visitors. This is the foundation of our environmental, health and safety management approach. The investment management business is highly competitive, with points of differentiation including investment performance, fees, range of products offered, brand recognition, business reputation, financial strength, depth and continuity of relationships and quality of service. We compete with a large number of investment management firms, commercial banks, investment banks, broker-dealers, hedge funds, insurance companies and, increasingly, firms outside the traditional financial services industry, such as technology providers. Many of these competitors have greater financial resources and higher brand recognition than Invesco. However, we believe our experience as a trusted partner to clients, the quality and diversity of our investment capabilities, product types and channels of distribution, and our commitment to innovation enable us to compete effectively in the global investment management business. There are few independent investment managers with teams as globally diverse as Invesco's and the same breadth and depth of investment capabilities and vehicles. We offer multiple investment objectives within the various asset classes and products that we manage. We also believe being an independent investment manager is a competitive advantage, as our business model avoids conflicts that are inherent within institutions that both manage and distribute and / or service those products. Lastly, we believe continued execution against our strategic objectives will further strengthen our long-term competitive position.

Management Contracts We derive substantially all of our revenues from investment management contracts. Fees vary with the type of assets being managed, with higher fees earned on actively managed equity and balanced accounts, along with real estate and other alternative asset products, and with lower fees earned on fixed income, money market and stable value accounts, and ETFs. Investment management contracts are generally terminable upon thirty or fewer days' notice. Typically, retail investors may withdraw their funds at any time without prior notice and institutional clients may elect to terminate their relationship with investment managers or reduce the aggregate amount of AUM with very short notice periods. Risk Management Invesco is committed to continually strengthening and evolving our risk management approach and activities to ensure they keep pace with business change and client expectations. We believe a key factor in our ability to manage through challenging market conditions and significant business change is our integrated and global approach to risk management. We seek to embed risk management in our day-to-day decision-making as well as our strategic planning process, while our global risk management framework seeks to enable consistent and meaningful risk dialogue up, down and across the company. Our framework leverages two governance structures: (i) our Global Investment Risk and Performance Committee oversees the management of core investment risks; and (ii) our Enterprise Risk Management Committee oversees the management of all other business- and strategy-related risks. A network of regional, business unit and risk-specific management committees, with oversight by the Enterprise Risk Management Committee, provides ongoing identification, assessment, management, monitoring, and reporting of existing and emerging risks across all domains of our

business. Available Information The SEC maintains a website that contains reports, proxy and information statements and other information regarding issuers at [www.sec.gov](http://www.sec.gov). We make available free of charge on our website, [www.invesco.com/corporate](http://www.invesco.com/corporate), our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statement and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Item 1A. Risk Factors In recent years, capital and credit markets have experienced substantial volatility. In this regard:

- In the event of extreme circumstances, including an economic, political or business crisis, such as a widespread systemic failures or disruptions in the global or regional financial systems or failures of firms that have significant obligations as counterparties on financial instruments, we may suffer significant declines in AUM and severe liquidity or valuation issues in managed investment products in which client and company assets are invested, all of which would adversely affect our operating results, financial condition, liquidity, credit ratings, ability to access capital markets and ability to retain and attract key employees. Additionally, these factors could impact our ability to realize the carrying value of our goodwill and other intangible assets.
- Illiquidity and / or volatility of the global or regional risk asset markets could negatively affect our ability to manage investment products in which client and company assets are invested or client inflows and outflows or to timely meet client redemption requests.
- Uncertainties regarding geopolitical developments, such as nation state sovereignty, border disputes, diplomatic developments, social instability or changes in governmental policies, can produce volatility in global financial markets and regulatory environments. This volatility, including volatility arising from tensions between the U. S. and China, may impact the level and composition of our AUM and also negatively impact investor sentiment, which could result in reduced or negative flows.
- Changes to tax, tariff and import / export regulations and economic sanctions may have a negative effect on global or regional economic conditions, financial markets and our business. Any changes with respect to trade policies, treaties, taxes, government regulations and tariffs, or the perception that any of these changes could occur, may have a material adverse effect on global or regional economic conditions and the stability of global financial markets and may significantly reduce global trade or trade between certain nations. Given we are a global business, we could be more adversely affected than others by such market uncertainties. We derive substantially all our revenues from investment management contracts with clients. Under these contracts, the investment management fees paid to us are generally based on the market value of AUM. AUM may decline for various reasons. For any period in which revenues decline, our net income and operating margin would likely decline by a greater proportion because a majority of our expenses remain fixed. Factors that could decrease AUM, revenues, and net income include the following: Declines in the market value of AUM in client portfolios. We cannot predict whether volatility in the markets will result in substantial or sustained declines in the markets generally or result in price declines in market segments in which our AUM are concentrated. Any of the foregoing could negatively impact the market value of our AUM, revenues and net income. Redemptions and other withdrawals from, or shifting among, client portfolios. These changes could be caused by investors reducing their investments in client portfolios in general or in the market segments in which we focus; investors taking profits from their investments; and portfolio risk characteristics, which could cause investors to move assets to other investment managers. Furthermore, the fees we earn vary with the types of assets being managed, with higher fees earned on actively managed equity and balanced accounts, alternative asset products, and lower fees earned on fixed income, stable value accounts and passively managed products. Our revenues and net income may decline further if clients continue to shift their investments to lower fee accounts.

Central banks ~~While inflation declined in 2024~~, such as the Federal Reserve, are maintaining relatively high ~~our business is exposed to risks associated with inflation and fluctuations in~~ interest rates ~~should~~ after numerous hikes in interest rates during 2022 and early 2023 in response to the ~~they~~ increase in inflation, which has negatively impacted and may materially and negatively continue to affect the ~~future~~ value of the assets that we manage. Certain institutional investors using money market products and other short- term duration fixed income products for cash management purposes may shift these investments to direct investments in comparable instruments in order to realize higher yields. These redemptions would reduce AUM, thereby reducing our revenues and net income. If securities within a money market portfolio default or investor redemptions force the portfolio to realize losses, there could be negative pressure on its net asset value (NAV). Although money market investments are not guaranteed instruments, the company might decide, under such a scenario, that it is in its best interest to provide support in the form of a support agreement, capital infusion or other methods to help stabilize a declining NAV, which may have an adverse impact on our profitability. Additionally, we have investments ~~in fixed income assets~~, including collateralized loan obligations (CLOs), real estate- related loans, commercial loans and seed capital in fixed income funds, the valuation of which could ~~change vary~~ with changes in interest and default rates. Declines in the values of AUM could lead to reduced revenues and net income as management fees are generally calculated based upon the size of AUM. The company has investments in managed investment products that invest in a variety of asset classes, including equities, fixed income products, commodities, derivatives, other similar financial instruments, and alternative investment products. Investments in these products are generally made to establish a track record, meet purchase size requirements for trading blocks or demonstrate economic alignment with other investors in our funds. Adverse market conditions may result in the need to write down the value of these seed capital and co- investments, which may adversely affect our results of operations or liquidity. As of December 31, ~~2023~~ **2024**, we had approximately \$ ~~956-1,125.06~~ million in seed capital and co- investments. The largest component of our net assets, revenues and expenses, as well as our AUM, is presently denominated in U. S. Dollars. However, we have a large number of subsidiaries outside of the U. S. whose functional currencies are not the U. S. Dollar. As a result, fluctuations in the exchange rates to the U. S. Dollar impact our reported financial results. Consequently, significant strengthening of the U. S. Dollar relative to the United Kingdom (U. K.) Pound Sterling, Euro, Chinese RMB, Japanese Yen or Canadian Dollar, among other currencies, could have a material negative impact on our reported financial results. Our investment performance is critical to the success of our business. Strong investment performance often stimulates sales of our products. Poor investment performance (on a relative or absolute basis) as compared to third- party benchmarks or competitive products has in the past led,

and could in the future lead, to a termination of investment management agreements, a decrease in sales of our products **and-or** stimulate redemptions from existing products, each of which could lower the overall level of AUM, reduce our management fees and negatively impact our revenues and net income. There is no assurance that past or present investment performance in our products will be indicative of future performance. If we fail, or appear to fail, to address successfully and promptly the underlying causes of any poor investment performance, we may be unsuccessful in reversing such **under performance** **underperformance**, which could result in client loss or redemptions and the loss of future business prospects, both of which would negatively impact our revenues and net income. The asset management industry is facing transformative pressures and trends from a variety of different sources, including increased fee pressure; a continued shift away from actively managed fundamental equities and fixed income strategies towards **alternative alternatives**, passive index and smart beta strategies; increased demands from clients and distributors for client engagement and services; a trend towards institutions concentrating on fewer relationships and partners and reducing the number of investment managers they work with; increased regulatory activity and scrutiny of many aspects of the asset management industry, including ESG practices and related matters, transparency / unbundling of fees, inducements, conflicts of interest, capital, liquidity, solvency, leverage, operational risk management, controls and compensation; addressing the key emerging markets in the world, such as China and India, which often have populations with different needs, preferences and horizons than the more developed U. S. and European markets; advances in technology and digital wealth and distribution tools and increasing client interest in interacting digitally with their investment portfolios; and growing crypto asset markets that remain subject to substantial volatility and significant regulatory uncertainty. As a result of these trends and pressures, the asset management industry is facing an increased level of disruption. If we are unable to adapt our strategy and business to adequately address these trends and pressures, we may be unable to satisfactorily meet client needs, our competitive position may weaken, and our AUM, revenues, and net income may be adversely affected. The investment management business is highly competitive, and we compete based on a variety of factors, including investment performance, range of products offered, brand recognition, business reputation, financial strength, stability and continuity of client and financial intermediary relationships, quality of service, level of fees charged for services and the level of compensation paid and distribution support offered to financial intermediaries. We continue to face market pressures regarding fee levels in many products, including low fee, passively managed products that compete with our actively managed products. Our competitors include many investment management firms and other financial institutions. Some of these institutions have greater capital and other resources, and offer more comprehensive lines of products and services, than we do. There are relatively few barriers to entry by new investment management firms, and the successful efforts of new entrants around the world have also resulted in increased competition. Further, our competitors may increase their market share to our detriment by reducing fees. The increasing size and market influence of certain distributors of our products and of certain direct competitors may have a negative impact on our ability to compete at the same levels of profitability in the future. In addition, technology is subject to rapid advancements and changes and our competitors may, from time to time, implement newer technologies or more advanced platforms for their services and products, including digital advisers, low cost, high speed financial applications and services and investment platforms based on **AI artificial intelligence** and other advanced electronic systems, which could adversely affect our business if we are unable to remain competitive. Our private market products include investments in private credit, real estate, **private market funds of funds** and **direct** equity investments in **operating** ~~early-stage~~ ~~real estate-related~~ companies that may expose our investment products, **our** clients and **us**, to the extent of our investment in such investment products, **us to risks and liabilities and reputational harm. Our private market products include investments in private credit, real estate, private market funds of funds and direct equity investments in operating companies that may expose our investment products, our clients and, to the extent of our investment in such investment products, us to risks and liabilities that are inherent in the ownership, management and operation of such investments as well as reputational harm**. These may include: • risks related to the potential illiquidity, valuation and disposition of such investments; • risks related to emerging and less established companies that have, among other things, short operating histories, not yet achieved or sustained profitability, new technologies and products, nascent control functions, quickly evolving markets and limited financial resources; • construction risks, including as a result of force majeure, labor disputes or work stoppages, shortages of material or interruptions to the availability of necessary equipment; • credit risks, including interest- rate movements and an issuer' s ability to make principal and interest payments on the debt it issues; • risks related to investment in “ **stressed** ” and “ **distressed** ” securities, including abrupt and erratic market movements **and**, above- average price volatility **and bankruptcy**; • **risks relating to minority equity investments and joint ventures, including limited control over the applicable portfolio investments or joint ventures** ; • risks associated with a lack of diversification, such that any adverse change in one or a small number of issuers could have a material adverse effect on an investment product' s or client' s investments; • accidents, pandemics, health crises or catastrophic events, climate- related risks, including greater frequency or intensity of adverse weather and natural disasters, that are beyond our control; • personal injury or property damage; • risks relating to **reliance on underlying managers and funds to effect fund of funds programs**; • **risks relating to** the use of leverage, including as a result of increasing interest rates or an inability to timely obtain and effectively deploy leverage; • failures on the part of third- party managers, service providers or sub- contractors appointed in connection with investments or projects to adequately perform their contractual duties or operate in accordance with applicable laws; • exposure to stringent and complex foreign, federal, state and local laws, ordinances and regulations, including those related to private fund advisers, financial crime, permits, government contracting, conservation, exploration and production, lending, tenancy, occupational health and safety , **employment law and regulation** , foreign investment and environmental protection; • environmental hazards; • changes to the supply and demand for properties and / or tenancies; • risks related to the availability, cost, coverage and other limitations on insurance; • the financial resources of tenants or loan counterparties; **and** • contingent liabilities on disposition of investments ; **and • conflicts of interest related to investments in operating companies** . The above risks may

expose our investment products, clients and us, to the extent of our investment in such investment products, to expenses and liabilities, including costs associated with delays or remediation and increased legal or regulatory costs, all of which could impact the returns earned by our investment products and clients. These risks could also result in direct liability for us by exposing us to losses, regulatory sanctions or litigation, including claims for compensatory or punitive damages. In addition, market conditions may change during the course of real estate development projects in which our investment products and clients invest that make such developments less attractive than at the time it was commenced and potentially harm the investment returns of our investment products ~~and, our~~ clients and ~~us~~, to the extent of our investment in such investment products ~~, us~~. The occurrence of any such events may expose us to reputational harm, or cause our AUM, revenues and net income to decline. When our investment products or clients loan money, commit to loan money, provide credit or enter into a credit-related contract or mortgage loan with a counterparty, our investment products, ~~client clients~~ and ~~us~~, to the extent of our investment in such investment products, ~~we~~ incur credit risk ~~or~~ the risk of loss if the borrower or counterparty does not timely repay ~~their~~ loans or ~~fail~~ fails to perform according to the terms of ~~their~~ agreements ~~agreement~~. The revenues and profitability of investment products and clients may be subordinated (and thus exposed to the first level of default risk) or otherwise subject to substantial credit risks. Certain investments ~~, including second lien debt,~~ have a comparatively higher degree of risk of a loss of capital and may not show any return for a considerable period of time ~~, including second lien debt~~. The revenues and profitability of investment products, clients and ~~us~~, to the extent of our investment in such investment products, ~~us~~ are adversely affected when borrowers and counterparties default, in whole or in part, on their obligations or when there is a significant deterioration in the credit quality of the loan portfolio ~~or decline in the value of collateral. In the event of a default, investment returns will depend on the ability to foreclose and liquidate the collateral~~. Certain debt-related holdings may be difficult or impossible to dispose of readily at what we believe to be a fair price. Investment products and clients can have exposure to lower-rated instruments and securities, which generally reflects a greater possibility that adverse changes in the financial condition of the borrower or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings) ~~, or both,~~ may impair the ability of the borrower to make payment of principal and interest. Current and future market and economic developments may increase default and delinquency rates and negatively impact the quality of the credit portfolio. Although our estimates contemplate current conditions and how we expect them to change over the life of the investment portfolio, it is ~~reasonably~~ possible that actual conditions could be worse than anticipated, which could cause our revenues and net income to decline. Our financial performance depends, in part, on our ability to develop, market and manage new investment products and services. The development and introduction of new products and services requires continued innovative efforts on our part and may require significant time and resources as well as ongoing support and investment. Substantial risk and uncertainties are associated with the introduction of new products and services, including the implementation of new and appropriate operational controls and procedures, shifting client and market preferences, the introduction of competing products or services and compliance with regulatory requirements. New products often must be in the market place for three or more years in order to generate the track records required to attract significant AUM inflows. Increasingly, clients and intermediaries are looking to investment managers to be able to deliver investment outcomes tailored to particular circumstances and needs, and to augment traditional investment management products and services with additional value-added services. A failure to continue to innovate and introduce successful new products and services or to manage effectively the risks associated with such products and services may impact our market share relevance and may cause our AUM, revenues and net income to decline. Many competitors offer similar products to those offered by us, and the failure or negative performance of competitors' products could lead to a loss of confidence in similar Invesco products, irrespective of the performance of our products. Any loss of confidence in a product type could lead to withdrawals, redemptions and liquidity issues in such products, which could have a material adverse effect on our AUM, revenues and net income or liquidity. Retaining highly skilled investment management and other in- high demand personnel is important to our ability to attract and retain our clients. The market for skilled investment management professionals and other key personnel is highly competitive. Our policy has been to provide our investment management professionals and other key personnel with a supportive professional working environment and compensation and benefits that we believe are competitive with other leading investment management firms. However, we may not be successful in retaining our investment management professionals and other key personnel, and the loss of significant investment professionals or other key personnel could reduce the attractiveness of our products and services to potential and current clients and could, therefore, adversely affect our AUM, revenues and net income. We sell substantially all of our retail investment products through a variety of third-party financial intermediaries. Increasing competition for these distribution channels could cause our distribution costs to rise, which would lower our net income. Certain of the third-party intermediaries upon whom we rely to distribute our investment products also sell their own competing proprietary investment products, which could limit the distribution of our products and certain distributors may demand higher levels of revenue sharing. Similarly, particularly in the U. S., certain distributors have substantially reduced the number of investment funds they make available to their customers. If a material portion of our distributors were to substantially narrow their product offerings, it could have a significant adverse effect on our AUM, revenues and net income. More broadly, in both retail and institutional channels, intermediaries (distribution firms and consultants) are seeking to reduce the number of investment management firms they do business with. While this offers opportunities to the company to have broader and deeper relationships with firms that continue to do business with us, it also poses risks of additional lost business if a particular firm chooses to stop or significantly reduce its business relationship with the company. Any failure to maintain strong business relationships with these intermediaries due to any of the above-described factors would impair our ability to sell our products, which in turn could have a negative effect on our AUM, revenues and net income. Investors, particularly in the institutional market, rely on external consultants and other third parties for advice on the choice of investment manager. These consultants and third parties tend to exert a significant degree of influence over their clients' choices, and they may favor one of our

competitors over us as better meeting their particular clients' needs. There is no assurance that our investment products will be among their recommended choices in the future. Any failure to maintain strong business relationships with the consultant community would impair our ability to sell our products, which in turn could have a negative effect on our AUM, revenues and net income. Many of the investment management agreements under which we manage assets or provide products or services specify investment guidelines or requirements, such as adherence to investment restrictions or limits, that we are required to observe in the provision of our services. Laws and regulations impose similar requirements for certain investment products. A failure to comply with these guidelines or requirements could result in damage to our reputation or in our clients seeking to recover losses, withdrawing their assets or terminating their contracts. Regulators likewise may commence enforcement actions for violations of such requirements, which could lead to fines and penalties against the company, which could cause our AUM, revenues and net income to decline. We maintain various compliance procedures and other controls to seek to prevent, detect and correct such errors. Significant errors by the company could impact our reputation, AUM, revenues, net income or liquidity. Substantially all our revenues are derived from investment management agreements. Investment management agreements are generally terminable upon 30 or fewer days' notice. Agreements with U. S. registered funds may be terminated with notice, or terminated in the event of an "assignment" (as defined in the U. S. Investment Company Act of 1940, as amended), and must be renewed **and approved** annually by the disinterested members of each fund's Board of Trustees or Directors, as required by law. In addition, the Boards of Trustees or Directors of certain other funds generally may terminate these investment management agreements upon written notice for any reason. Open-end registered fund and unit trust investors may generally withdraw their funds at any time without prior notice. Institutional clients may elect to terminate their relationships with us or reduce the aggregate amount of AUM, generally on short notice. Any termination of or failure to renew a significant number of these agreements, or any other loss of a significant number of our clients or AUM, would adversely affect our revenues, net income, and liquidity. We use various quantitative models to support investment decisions and investment processes, including those related to portfolio management, portfolio risk analysis, and client investment guidance. While we maintain controls to seek to prevent, detect and correct any errors, even effective ~~disclosure~~ controls and procedures can only provide reasonable assurance of achieving their control objectives. Any errors in the underlying models or model assumptions could have unanticipated and adverse consequences on our business and reputation. These risks may be heightened by the rapid growth and complexity of new models, evolving data sets and standards, and market volatility. In addition, we offer index tracking investment solutions for our passive products, and any errors or disruptions in our ability to accurately track a subject index could materially adversely affect our business or reputation, which would adversely affect our AUM, revenues, net income, and liquidity. **Disclosure requirements and expectations related to sustainability or ESG are increasing and evolving. Our business inability to meet these requirements and expectations could cause regulatory or reputational harm and affect our ability to attract and retain clients. Requirements and expectations related to and disclosures around sustainability or ESG topics continue to increase globally. These requirements are distinct from typical financial reporting constructs, given their focus on the disclosure of future sustainability or ESG related goals and targets, the strategy and governance designed to achieve those targets, and reporting of relevant metrics delineating progress towards those targets. Additionally, sustainability or ESG related disclosure requirements may use different definitions of materiality than those used for financial statement disclosures, including a focus on so-called "double materiality," which can evaluate a sustainability or ESG matter as material, regardless of its direct impact on us, based on broader societal impacts. Given evolving requirements and the associated standards, methodologies, processes, and controls related to sustainability and ESG related requirements and disclosures that may impact us or our clients, diverging requirements across jurisdictions, and distinct definitions and standards for materiality that could result in conflicting disclosures across frameworks, we be impacted by climate change-related risks. Climate change may make disclosures that present risk to us through changes in the physical climate or from the climate change-related legislative and regulatory initiatives and the transition to a lower-carbon economy. Climate-related physical risks arise -- are incorrect or incomplete or fail to make required disclosures from the direct impacts of a changing climate, such as extreme weather events and changes in temperature, which may damage infrastructure result in regulatory or reputational consequences or that may directly or indirectly impact our ability to attract and facilities retain clients. Further, fiduciary, anti-competitive, voting power, governance, and other concerns with ESG investment strategies continue to be the subject of legislative and regulatory debate globally, particularly at both the federal and state levels in the U. S., the outcomes of which could impact both our asset management business and our clients, as well as disrupt connectivity, potentially, or our supply chains investment activities more broadly. Impacts associated with climate change-- Certain U. S. officials have suggested that sustainability or ESG related investing practices legislative and regulatory initiatives and the transition to a low-carbon economy may result in operational changes--violations of law, including antitrust laws, and breaches of fiduciary duty additional expenditures that could adversely affect us. Our reputation and business prospects may Views on sustainability or ESG practices, particularly those related to climate issues, have also become part of political discourse be damaged if we do not, which can amplify or are perceived not to, effectively prepare for the reputational potential business and operational opportunities and risks associated with such allegations. Further climate change, including the development and marketing of effective and competitive new products and services designed to address certain clients' climate risk risks --related to ESG investment strategies objectives. These risks include negative market perception, --and diminished sales effectiveness and regulatory and litigation consequences associated with greenwashing claims or driven by association with certain clients, industries or products that may be inconsistent with our other clients' ESG priorities or stated positions on climate change issues. Our business depends on earning and maintaining the trust and confidence of clients, other market participants and regulators, and our good reputation is critical to our business. Our reputation is vulnerable to many threats that can be difficult or impossible to control, and costly or impossible to remediate. Regulatory inquiries, investigations or findings of wrongdoing, intentional or**

unintentional misrepresentation of our products and services in regulatory filings, product literature, advertising materials, public relations information, social media or other external communications, operational failures (including portfolio management errors or cyber breaches), employee dishonesty or other misconduct and rumors, among other things, can substantially damage our reputation, even if they are baseless or eventually satisfactorily addressed. Our business also requires us to continuously manage actual and potential conflicts of interest, including situations where our services to a particular client conflict, or are perceived to conflict, with the interests of other clients or ~~those of Invesco~~ **our own interests**. The willingness of clients to enter into transactions in which such a conflict might arise may be affected if we fail- or appear to fail- to deal appropriately with conflicts of interest. In addition, potential or perceived conflicts could give rise to litigation or regulatory enforcement actions. We have policies, procedures and controls that are designed to address and manage these risks; however, even effective procedures and controls can only provide reasonable assurance of achieving their objectives. If our policies, procedures or controls fail, our reputation could be damaged. Any damage to our reputation could impede our ability to attract and retain clients and key personnel, and lead to a reduction in the amount of our AUM, any of which could have a material adverse effect on our revenues, net income or liquidity. Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. We, and the client portfolios that we manage, have exposure to many different industries and counterparties, and routinely execute transactions with counterparties in the financial services industry. Many of these transactions expose us or such client portfolios to credit risk in the event of default of their counterparties. While we regularly conduct assessments of such risk posed by counterparties, an event of default may occur due to market factors, such as sudden swings in the financial and credit markets that may occur swiftly and without warning. Such event of default could produce a financial loss for the company or the client portfolios we manage. We are highly dependent upon the use of various proprietary and third- party information and security technology, software applications and other technology systems to operate our business. We are also dependent on the effectiveness of our information and cyber security infrastructure, policies, procedures and capabilities to protect our technology and digital systems and the data that reside on or are transmitted through them, including data provided by third parties that is significant to portions of our business and products. We use our technology to, among other things, manage and trade portfolio investments, obtain securities pricing information, process client transactions, protect the privacy of clients', employees' and business partners' data, support our other operations and provide other services to our clients. In recent years, several financial services firms suffered cyber- attacks launched both domestically and from abroad, resulting in the disruption of services to clients, loss or misappropriation of confidential data, litigation and regulatory enforcement actions and reputational harm. Cyber security incidents and cyber- attacks have been occurring globally at a more frequent and severe level. Our status as a global financial institution and the nature of our client base may enhance the risk that we are targeted by such cyber threats. Although we take protective measures, including measures to effectively secure information through system security technology, have many controls, processes, digital backup and recovery processes in place, and seek to continually monitor and develop our systems to protect our technology infrastructure and data from misappropriation or corruption, our technology systems may still be vulnerable to unauthorized access as a result of an external attack, actions by employees or vendors with access to our systems, computer malware or other events that have a security impact and that result in the disclosure or release of confidential information inadvertently or through malfeasance, or result in the loss (temporarily or permanently) of data, applications or systems. The third parties with which we do business or which facilitate our business activities, including financial intermediaries and technology infrastructure, data storage and service providers, are also susceptible to the foregoing risks (including those related to the third parties with which they are similarly interconnected or on which they otherwise rely), and our or their business operations and activities may therefore be adversely affected, perhaps materially, by failures, terminations, errors or malfeasance by, or attacks or constraints on, one or more financial, technology or infrastructure institutions or intermediaries with whom we or they are interconnected or conduct business. Further, third- party service providers may have limited indemnification obligations to us in the event a cyber incident causes us to incur loss or damages. A breach of our technology systems could damage our reputation and could result in the unauthorized disclosure or modification or loss of sensitive or confidential information (including client data); unauthorized disclosure, modification or loss of proprietary information relating to our business; inability to process client or company transactions and processes; breach and termination of client contracts; liability for stolen assets, information or identity; remediation costs to repair damage caused by the breach, including damage to systems and recovery of lost data; additional security costs to mitigate against future incidents; regulatory actions (including fines and penalties, which could be material) and litigation costs resulting from the incident. Such consequences could have a negative effect on our AUM, revenues and net income. Our continued success in effectively managing and growing our business depends on our ability to integrate our varied accounting, financial, information and operational systems on a global basis. Moreover, adapting or developing the existing technology systems we use to meet our internal needs, as well as client needs, industry demands and new regulatory requirements, is also critical for our business. The introduction of new technologies, such as our State Street Alpha platform, presents new challenges and new potential risks to us. On an ongoing basis, we need to upgrade and improve our technology, including our data processing, financial, accounting, shareholder servicing and trading systems. Implementing any such upgrades, updates or other changes or replacements for our systems may be expensive and time- consuming, could divert management' s focus away from core business activities and may adversely affect our business if additional or unanticipated time or resources are necessary to complete any such changes to our systems. If the updated or new systems, such as our State Street Alpha platform, do not operate as anticipated or if other unforeseen issues arise with the transition to the new or updated systems ~~it, our business~~ **may be** adversely ~~affect~~ **affected** ~~our business~~. Further, we also must be proactive and prepared to implement new technology when growth opportunities present themselves, whether as a result of a business acquisition or rapidly increasing business activities in particular markets or regions. These needs could present operational issues or require significant capital and may require us to reevaluate the current value and / or expected useful lives of the technology we use, which could negatively impact our AUM, revenues, net income and

liquidity. If we were to experience a man- made or natural disaster, **severe weather event**, health crisis or pandemic, such as new variant of COVID- 19, or other business continuity problem, our continued success will depend, in part, on the availability of our personnel, our office facilities and the proper functioning of our computer, telecommunication and other related systems and operations. In such an event, we believe our operational size, multiple office locations and our existing back- up systems should mitigate adverse impacts. Nevertheless, given our global presence, we could still experience near- term operational problems with regard to particular areas of our operations. Although we seek to regularly assess and improve our existing business continuity plans, a major disaster, a disaster that affected certain important operating areas, or our inability to successfully recover should we experience a disaster or other business continuity problem, could materially interrupt our business operations and cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability. The extent to which our business, revenues, AUM and net income are affected by a future pandemic or a new variant of COVID- 19 will largely depend on new events or future developments, which cannot be accurately predicted and are uncertain, including the duration, severity and the length of time it will take for the economy to recover from the negative impacts on human capital and potentially more permanent impacts on how we operate and serve our clients. In addition to investment management, our services include fund administration, sales, distribution, marketing, shareholder servicing and trust, custody and other fiduciary services and portfolio management software services. We must properly perform our responsibilities associated with the forgoing services, including portfolio recordkeeping and accounting, security pricing, corporate actions, investment restrictions compliance, daily NAV computations, account reconciliations and required distributions to fund shareholders. The ability to consistently and reliably perform such services is essential to our continuing success. Certain types of securities may experience liquidity constraints that could impact fair value pricing, which is dependent on certain subjective judgments that have the potential to be challenged. Any delays or inaccuracies in obtaining pricing information, processing transactions or reports, other breaches and errors and / or any inadequacies in customer service, could result in reimbursement obligations or other liabilities, or alienate clients or distributors and / or claims against us. Our ability to conduct any of the foregoing actions is highly dependent on communications and information systems and on third- party service providers and their related technology systems and platforms. Certain of these processes involve a degree of manual input, and thus errors could occur. In addition, our operations and processes rely on commercially available data provided by third parties as well as providers of services, including technology services, and operating errors, process failures or failures to comply with data usage requirements with respect to these service providers may adversely impact us. Our data providers commonly disclaim the accuracy and completeness of data and we do not have the ability to validate or verify the accuracy and completeness of commercially sourced datasets. Our failure to properly perform and monitor our operations, including data management, or our otherwise suffering deficiencies and failures in these systems or service functions due to a failure of a third- party service provider or other key vendor could result in material financial loss or costs, regulatory actions, breach of client contracts, reputational harm or legal claims and liability, which in turn could have a negative effect on our AUM, revenues and net income.

**Disruptions in the markets, to market participants and to the operations of third parties whose functions are integral to our ETF platforms may adversely affect the prices at which ETFs trade, particularly during periods of market volatility. The trading price of an ETF' s shares or units fluctuates continuously throughout trading hours. While an ETF' s creation / redemption feature and the arbitrage mechanism are designed to make it more likely that the ETF' s shares or units normally will trade at prices close to the ETF' s NAV, exchange prices may deviate significantly from the NAV. ETF market prices are subject to numerous potential risks, including significant market volatility; imbalances in supply and demand; trading halts invoked by a stock exchange; and inability or unwillingness of market makers, authorized participants, settlement systems or other market participants to perform functions necessary for an ETF' s arbitrage. If market events lead to instances where an ETF trades at prices that deviate significantly from the ETF' s NAV or indicative value, or trading halts are invoked by the relevant stock exchange or market, investors may lose confidence in ETF products and sell their holdings, which may cause our AUM, revenue and net income to decline. The recent advancements in and increased use of AI present risks and challenges that may adversely impact our business. We or our third- party vendors, clients or counterparties have developed, and may continue to develop or incorporate AI technology in certain business processes, services or products. The development and use of AI present a number of risks and challenges to our business. The legal and regulatory environment relating to AI is uncertain and rapidly evolving, in the U. S., and internationally, and includes regulation targeted specifically at AI technology, as well as provisions in intellectual property, privacy, consumer protection, employment and other laws applicable to the use of AI. These evolving laws and regulations could require changes in our implementation of AI technology, increase our compliance costs and the risk of non- compliance, and restrict or impede our ability to develop, adopt and deploy AI technologies efficiently and effectively. AI models, particularly generative AI models, may produce output or take action that is incorrect or outdated, that result in the release of personal, confidential or proprietary information, that reflect biases included in the data on which they are trained or introduced during the training or fine tuning process, that infringe on the intellectual property rights of others, or that is otherwise harmful. In addition, the complexity of many AI models makes it challenging to understand why they are generating particular outputs. This limited transparency increases the challenges associated with assessing the proper operation of AI technology, understanding and monitoring the capabilities of the AI technology developed by third parties and, to that extent, are dependent in part on the manner in which those third parties develop and train their models. This results in risks arising from the inclusion of any unauthorized material in the training data for their models, and the effectiveness of the steps these third parties have taken to limit the risks associated with the output of their models, matters over which we may have limited visibility. Any of these risks could expose us to liability or adverse legal or regulatory consequences and harm our reputation and the public perception of our business or the effectiveness of our security measures. In addition to our use of AI technologies,**

**we are exposed to risks arising from the use of AI technologies by bad actors to commit fraud and misappropriate funds and to facilitate cyberattacks. Generative AI, if used to perpetrate fraud or launch cyberattacks, could result in losses, liquidity outflows, or other adverse effects at a particular financial institution or exchange. If our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm, or legal liability.**

We have goodwill and indefinite-lived intangible assets on our balance sheet that are subject to annual impairment reviews. We also have definite-lived intangible assets on our balance sheet that are subject to impairment testing. Goodwill and intangible assets totaled \$ 8, 691-318. 5-1 million and \$ 5, 848-749. +3 million, respectively, at December 31, 2023-2024. We recorded a non-cash impairment of \$ 1, 248. 9 million related to our indefinite-lived intangible assets related to acquired management contracts of U. S. retail mutual funds during the year 12-months ended December 31, 2023, and we may not realize the full value of our remaining goodwill and indefinite-lived intangible assets. We perform impairment reviews of these assets on an annual basis, or more frequently if impairment indicators are present. A variety of factors can result in impairment. Should the fair value be less than the carrying amount of either the goodwill or intangible assets, a write-down of the related assets would occur, adversely affecting our net income for the period. See Item 7, “ Management's Discussion and Analysis of Financial Condition and Results of Operations- Critical Accounting Policies- Goodwill ” and “ - Intangibles, ” for additional details of our impairment analysis process. Our revolving credit agreement requires us to maintain specified financial ratios, including maximum debt- to- earnings and minimum interest coverage ratios. The revolving credit agreement also contains customary affirmative operating covenants and negative covenants that, among other things, restrict certain of our subsidiaries' ability to incur debt and restrict our ability to transfer assets, merge, make loans and other investments and create liens. The breach of any covenant could result in a default under the revolving credit agreement. In the event of any such default, lenders that are party to the revolving credit agreement could refuse to make further extensions of credit to us and require all amounts borrowed under the revolving credit agreement, together with accrued interest and other fees, to be immediately due and payable. If any indebtedness under the revolving credit agreement were subject to accelerated repayment, and if we had at that time a significant amount of outstanding debt under the revolving credit agreement, we might not have sufficient liquid assets to repay such indebtedness in full. We issued approximately \$ 4 billion of 5. 9 % fixed rate perpetual preferred stock in connection with the acquisition of OppenheimerFunds Inc. This issuance may limit our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes, may restrict our ability to pay dividends to holders of common shares in certain circumstances, may increase our vulnerability to general economic and industry conditions, and will require a significant portion of cash flow from operations to make required dividend payments to preferred shareholders. Our ability to meet anticipated cash needs depends upon a number of factors, including our creditworthiness and ability to generate operating cash flows. Failure to maintain adequate liquidity could lead to unanticipated costs and force us to revise existing strategic and business initiatives. Our access to equity and debt markets on reasonable terms may be limited by adverse market conditions, including tax and interest rates, a reduction in our long- or short- term credit ratings, or changes in government regulations. Failure to obtain funds and / or financing, or any adverse change to the cost of obtaining such funds and / or financing, may cause our AUM, revenues and net income to decline, curtail our operations and limit or impede our prospects for growth. Substantially all of our operations are conducted through our subsidiaries. As a result, our cash flow and ability to fund operations are dependent upon the earnings of our subsidiaries and the distribution of earnings, intercompany loans or other payments by our subsidiaries to us. Any payments to us by our subsidiaries could be subject to statutory, regulatory or contractual restrictions and are contingent upon our subsidiaries' earnings and business or regulatory considerations. For example, certain of our subsidiaries are required under applicable laws and regulations to maintain appropriate levels of capital. Our financial condition or liquidity could be adversely affected if certain of our subsidiaries are unable to distribute funds to us. All of our regulated European Union (EU) and U. K. subsidiaries are subject to capital requirements under applicable EU and U. K. requirements, and we maintain capital within this European sub- group to satisfy these regulations. We meet these requirements in part by holding cash and cash equivalents. This retained cash can be used for general business purposes in the European sub- group in the countries where it is located. Due to the capital restrictions, the ability to transfer cash between certain jurisdictions may be limited. In addition, transfers of cash between international jurisdictions may have adverse tax consequences. As of December 31, 2023-2024, our minimum regulatory capital requirement was \$ 395-324. 8-9 million. Complying with our regulatory commitments may result in an increase in the capital requirements applicable to the European sub- group. Finally, as a result of regulatory requirements, certain of these subsidiaries may be required to limit their dividends to the company. We regularly review, and from time- to- time engage in strategic transactions, some of which may be material. Strategic transactions also pose the risk that any business we acquire may lose customers or employees or could underperform relative to expectations. We could also experience financial or other setbacks if potential or actual acquisitions or divestitures encounter unanticipated problems, including problems related to closing or integration. Following the completion of a strategic acquisition, we may have to rely on the seller to provide administrative and other support, including financial reporting and internal controls, to the acquired business for a period of time. There can be no assurance that such sellers will do so in a manner that is acceptable to us. If our significant shareholders sell substantial amounts of our common stock or express an intention to sell, or there is the perception that such sales may occur, such actions could have a significant impact on our common share trading price. In addition, if we sell substantial amounts of our common stock in the public market, or there is a perception that such sales may occur, the market price of our common stock could be negatively impacted. **MassMutual has the ability to significantly influence our business, and MassMutual' s interest in our business may be different from that of other shareholders.**

MassMutual is entitled to designate an individual to serve on our board so long as it beneficially owns at least (i) 10 % of our issued and outstanding shares of common stock or (ii) 5 % of our issued and outstanding shares of common stock and \$ 2. 0 billion in aggregate liquidation preference of our Series A preferred shares. Additionally, we are not permitted to take certain actions without the prior written approval of MassMutual, including making

certain changes in our capital structure or our organizational documents, adopting a shareholder rights plan or effectuating certain business combination transactions. MassMutual's level of ownership and influence may make some transactions (such as those involving mergers, material share issuances or changes in control) more difficult or impossible without the support of MassMutual, which in turn could adversely affect the market price of our shares of common stock or prevent our shareholders from realizing a premium over the market price for their shares of our common stock. The interests of MassMutual may conflict with the interests of other shareholders. Further, MassMutual has made significant capital or seed investments in several of our products. If MassMutual decides not to provide additional capital or seed investments in the future or to withdraw material amounts of capital or seed investments in existing products, it could impact our ability to timely launch new products or impact existing products. **We operate in an industry that is highly regulated in most countries, and any enforcement action or proceeding against us or significant changes in the laws or regulations governing our business or industry could damage our reputation or decrease our AUM, revenues, net income and liquidity.** As with all investment management companies, our activities are highly regulated in ~~almost nearly~~ every country in which we conduct business. The regulatory environment in which we operate frequently changes, and **in recent years** we have seen a significant increase in **both** regulatory changes, ~~and~~ **enforcement** actions and ~~scrutiny in recent years~~. Without limiting the generality of the foregoing, regulators in the U. S. and ~~other jurisdictions have taken and can be expected to continue to take a more aggressive posture in bringing enforcement proceedings~~ **brought by governmental agencies and self-regulatory authorities against financial services companies**. Laws and regulations generally grant governmental agencies and industry self-regulatory authorities broad administrative discretion over our activities, including the power to require ~~registration~~ **registrations** or licenses, limit or restrict our business activities, conduct examinations, risk assessments, investigations and capital adequacy reviews and impose remedial programs to address perceived deficiencies. As a result of regulatory oversight, we could face requirements ~~or~~, actions ~~which or~~ **proceedings that** negatively impact the way in which we conduct business, delay or deny approval for new products or service offerings, cause or contribute to reduced sales ~~of~~ or increased redemptions of our **existing** products or services, impair the investment performance of ~~other~~ **certain of our** products or services, impact **our** product mix, increase **our** compliance costs and / or impose additional capital requirements. Our regulators likewise have the authority to commence enforcement actions ~~which or proceedings that~~ could lead to **penalties and** sanctions up to and including the revocation of **registrations or** licenses ~~necessary~~ to operate certain businesses, the suspension or expulsion from a particular jurisdiction or market of any of our business organizations or their key personnel or the imposition of fines and censures on us or our employees. Further, regulators across borders ~~could can~~ coordinate actions against us as issues arise resulting in impacts on our business in multiple jurisdictions. Judgments or findings of wrongdoing ~~or non-compliance with applicable law or regulation~~ by ~~regulatory or~~ governmental authorities, or in private **civil** litigation against us, could affect our reputation, increase our costs of doing business and / or negatively impact our revenues. Any of the effects discussed above could have a material negative impact on our AUM, revenue, net income or liquidity. A substantial portion of the products and services we offer **in the U. S.** are regulated by the SEC, Financial Industry Regulatory Authority, the Commodity ~~Future~~ **Futures** Trading Commission (CFTC), the National Futures Association, the Department of Labor (DOL) and / or the Texas Department of Banking ~~and~~ in the U. S. ~~K.~~ ~~and are~~ **regulated** by the Financial Conduct Authority (FCA), and **in Hong Kong and China are regulated by** the Securities Futures Commission of Hong Kong (SFC) and the China Securities Regulatory Commission ~~in Hong Kong and China~~, respectively. Subsidiaries operating in the EU **and the products and services they provide** are mainly regulated by the Commission de Surveillance du Secteur Financier in Luxembourg, the Central Bank of Ireland, ~~and~~ the Bundesanstalt für Finanzdienstleistungsaufsicht in Germany **and the European Securities and Markets Authority (ESMA)**. Such subsidiaries are also subject to various EU Directives, which generally are implemented by member state national legislation and by EU Regulations. Our operations elsewhere in the world are regulated by similar ~~organizations~~ **agencies and authorities**. Regulators in the U. S., U. K., ~~and the EU~~ **and Asia**, in particular, have promulgated or are considering **whether to promulgate** various new or revised regulatory measures pertaining to financial services, including investment **management** managers. Such measures are progressing at various stages, but several may become effective around the same time, which would put additional pressure on our subsidiaries. Such measures in the EU generally have been, are being or will or would be implemented by national legislation in member states. Regulatory developments and changes specific to our business will or may include, without limitation: **Regulations that place restrictions on outbound investments, such as the U. S. Department of Treasury's Outbound Investment Screening Rule that became effective earlier this year, may impede our ability to provide certain products and add complexity to our compliance program with heightened regulatory requirements.** Regulations pertaining to the privacy and use, security, transfer and management of personal data with respect to clients, employees and business partners. Privacy regulations such as the General Data Protection Regulation (GDPR) in Europe have strengthened privacy rules for organizations handling personal data, ~~granting~~ **granted** individuals more rights and control over the use of their personal data, and greatly ~~increasing~~ **increased** penalties for non-compliance. In many other jurisdictions **similar** in which our subsidiaries operate, there is ongoing change to update and strengthen privacy regulations in a manner ~~similar to GDPR~~, such as the California Consumer Privacy Act and California Privacy Rights Act, India's Digital Personal Data Protection Act ~~and~~, China's Personal Information Protection Law **and the Bermuda Personal Information Protection Act (PIPL-PIPA)**, **have been adopted**. In addition, rules and legal requirements for international transfers of personal data from Europe and Asia, ~~create additional complexity for global organizations around the use and risk management of personal data~~, particularly regarding integrated global cloud-based systems and **business** services **employed by us**. China's PIPL introduced new reporting and disclosure requirements for organizations transferring personal data outside of China. **Regulations promulgated to address perceptions that the asset management industry, or certain products of its entities or activities services provided by the industry**, pose systematic risks to the financial system, **which could impede our ability to provide certain products or services or subject us, certain of our activities or products to heightened regulation or**

**increased liquidity or capital adequacy requirements**. • Regulations aimed at addressing concerns regarding open- end funds that **are invest investing** in less liquid asset classes. Regulators in the U. S., U. K. and EU have expressed concern that the daily redeemability features of these funds **may creates- create** a “ liquidity mismatch ” with the assets in which they invest, **which and that can gives- give** rise to investor dilution and systemic risk, especially in times of financial market stress. In the EU, the **recent** amendments to the **undertakings-Undertakings** for the **collective-Collective** investment **Investment** in transferable **Transferable** securities **Securities** (UCITS) and **alternative-Alternative** investment **Investment** fund **Fund** managers **Managers (AIFMD)** directive frameworks **have been agreed to and** introduce new rules regarding the use of certain liquidity management tools (e. g., swing pricing, **anti- dilution** and side pockets **etc.-**) by UCITS and **alternative investment funds and AIFs**. Specific rules on loan originating funds were also introduced, with potential implications for the structuring of such funds. In the U. S., the SEC has proposed changes to the regulations governing liquidity risk management programs for registered open- end funds (including ETFs) that, if finalized without change, could impede our ability to sponsor mutual funds and ETFs that invest in certain asset classes, **including** such as syndicated bank loans. • Regulations **aimed at** designed to improve the resilience and transparency of money market funds, which could negatively impact the investment returns generated by these funds and their desirability as a cash management product in comparison to competing products such as bank deposits. For example, in 2023 the SEC promulgated rules, which (among other requirements) increase certain liquidity requirements for U. S. money market funds and requires “ institutional prime ” money market funds to impose mandatory liquidity fees on redeeming investors in certain circumstances. Liquidity fees in particular may negatively impact investors’ perception of money market funds and make them less desirable, resulting in a reduction in our money market fund AUM. In the U. K., the FCA is considering changes to the U. K. Money Market Fund regime to improve the resilience of the sector through changes to the minimum liquid assets requirements and enhancements to the liquidity management processes. • An increased focus on the use of leverage by funds (in particular, leverage attained through derivatives), an example of which is the SEC’ s new **2020** rules with respect to the use of derivatives **by U. S.** and derivatives risk management programs applicable to certain types of registered U. S. funds. New **or further** regulations in this area could negatively impact our existing products that employ leverage or derivatives, **and could** impede our ability to bring new products to market and **can** raise our compliance costs associated with sponsoring and managing products that employ leverage or derivatives. • **EU and U. K. regulations Regulations** pertaining to **the integrating- integration of** ESG topics **factors in asset management**. These regulations have materially impacted the asset management industry in **the EU member states** and **in the U. K.** In particular, the integration of sustainability risks, the disclosure of information on the ESG characteristics of EU products and the integration of investors’ ESG preferences at the point of sale have had a significant impact on the features of EU products and on investment management activities. In the U. K., the FCA published a new regime on sustainability disclosure requirements, including product sustainability labels, **that became applicable** **which will be applied** in 2024. In the EU, **ESMA published in 2024** European Securities and Markets Authority is planning to issue new guidelines on fund naming **which will aim aimed** at avoiding greenwashing practices. Separately, several changes to the Sustainable Finance Disclosure Regulation (SFDR) are being considered, including changes to the current ESG disclosure templates and longer- term amendments to the broader SFDR framework. On top of the disclosure obligations applying to the financial sector, the EU Corporate Sustainability Reporting Directive sets out new ESG disclosure requirements for EU undertakings based on new European standards. The new regime will have an impact on EU domiciled companies and on non- EU groups having substantial activities in the EU, **including us**. The SEC and other regulators in the U. S. are pursuing similar initiatives albeit with varying requirements, and the SEC **during the past several years** has increased its enforcement activity relating to ESG disclosures and practices **of asset managers**. Equally, a number of Asian jurisdictions are introducing climate- related risk and reporting requirements as well as ESG product disclosure standards. • **Amendments to the European Market Infrastructure Regulation (EMIR) requirements in the EU and the U. K.** to align with international standards. In the context of the EMIR 3. 0 negotiations, contemplated changes to the EU framework could require counterparties to hold and use an EU domiciled account when entering into certain derivatives. Also in the EU, the European Commission finalized amendments to the Markets in Financial Instruments Directive / Markets in Financial Instruments Regulation framework to amend trading and improve transparency rules through the creation of a new consolidated tape. In the U. K., an in- depth reshape of wholesale market rules has been started and will aim at improving the functioning and competitiveness of the U. K. financial markets following the exit from the EU. • Limitations on ownership or control of certain physical commodity futures contracts and other physical commodity related derivatives positions under regulations of the CFTC which could result in capacity constraints for our products that employ these instruments as part of their investment strategy. • Limitations on holdings of certain physical commodity futures contracts and other physical commodity related derivatives positions under regulations of the CFTC which could result in capacity constraints for our products that employ physical commodities as part of their investment strategy. • Regulations impacting the standard of care that financial intermediaries providing investment recommendations owe to retail investors, under the SEC’ s Regulation Best Interest and retirement plans and account holders, under the DOL’ s Employee Retirement Income Security Act of 1974 (ERISA) fiduciary investment advice rules. In late 2023, the DOL proposed a package of new and amended regulations that would revise and expand the definition of investment advice fiduciary and could greatly complicate and alter the retail and institutional marketplace for investment products and services to retirement plans and IRA owners. In particular, this proposal could subject certain of our sales and distribution activities in connection with retirement plan investors to a fiduciary standard of care, which could substantially increase our compliance costs. In the U. K., the new “ consumer duty ” was introduced in 2023 and has had an impact on the product governance rules and the distribution of our retail products in the U. K. In the EU, a new Retail Investment Strategy (RIS) was released in 2023 to enhance retail investors’ participation in capital markets. It is currently being negotiated respectively within the EU Parliament and EU Council. The RIS should result in a number of legislative changes to the retail investment rules, in particular on product disclosures, investors’ protection, inducement, and retail products

~~governance areas.~~ • Enhanced licensing and qualification requirements for key personnel **of financial services firms**, including **asset managers, such as** the U. K. Senior Managers and Certification Regime and the SFC's Manager- in- Charge Regime ~~that~~, **which** could make it more difficult for the company to hire and retain key personnel. • Strengthened ~~standards regarding~~ **various ethical matters** **laws and regulations applicable to asset managers with respect to preventing money laundering and the financing of terrorism**, including ~~which may increase our~~ **compliance costs** with the Foreign Corrupt Practices Act, the U. K. Bribery Act and **burdens and regulatory enforcement risk. In June 2024, the EU introduced a new set of measures that resulted in the establishment of the Anti Money Laundering Authority (AMLA), which will gradually assume the supervision and regulatory responsibilities for** anti- money –laundering **within the EU** ~~laws that may increase~~ **our compliance costs and burdens and regulatory enforcement risk.** • Regulations promulgated to address risks of fraud, malfeasance, adverse consequences stemming from cyber- attacks and / or cross- border data transfer, and to ensure the digital operational resilience of firms. In particular, the new EU Digital Operational Resilience Act ~~will harmonize~~ **harmonizes** the requirements applying to Information and Communication Technology risk management, outsourcing and operational resilience in the financial sector. ~~Enhanced regulations in China governing data security and cross- border data transfers, including the revised counter espionage law, that could increase our compliance burdens and restrict certain business and investments data generated within China from being transferred abroad.~~ • The application of antitrust, **change in bank control** and similar competition laws **and regulations** to the asset management industry, including proposed amendments to ~~the these laws and regulations~~ **U. S. Hart- Scott- Rodino Act** that could require investment **asset** managers to make **numerous pre- merger acquisition notification filings or requests for approval** with the U. S. Federal Trade Commission and, ~~Department of Justice~~ **and / or U. S. banking regulators** and the potential for antitrust regulators to **promulgate regulations limit limiting** common ownership of competitive companies by a single fund or **by** affiliated funds **in a single fund complex**. These developments **Developments** in ~~the these laws and regulations and their~~ application of antitrust and competition laws to our business could impede our ability to provide certain products or limit the AUM of certain investment strategies that we provide. • Guidelines regarding the structure and components of fund manager compensation and other related rules, regulations and disclosure requirements. Certain proposals could impose requirements for more widespread disclosures of compensation to highly- paid individuals. Depending upon the scope of any such requirements, ~~Invesco we~~ could be disadvantaged in retaining key employees vis- à- vis private companies, including hedge fund sponsors. • ~~With respect to certain privately offered investment vehicles, the SEC proposed rules to prohibit certain activities of the managers of such vehicles, including obtaining exculpation or limitations on liability for negligent acts, potentially increasing our potential liability as managers of these products. These proposals would materially increase reporting to the SEC for certain in- scope vehicles, potentially increasing compliance burdens and costs. Further, additional proposals mandate incremental reporting to investors which may levy additional costs on these vehicles impacting performance.~~ • Recently promulgated SEC regulations impacting the private funds that we sponsor and manage. These regulations impose prescriptive investor quarterly reporting requirements, which may levy additional costs on these fund that impact performance and limit certain activities that we may undertake with these funds, which could negatively impact the desirability of these funds for certain investors. • ~~Other changes impacting the identity or organizational structure of regulators with supervisory authority over us.~~ We cannot predict the full impact of legal and regulatory changes, changes in the interpretation of existing laws and regulations or possible enforcement **actions or** proceedings on our business. Such changes have imposed, and are likely to continue to impose, new compliance costs and / or capital requirements or impact ~~Invesco us~~ in other ways that could have a material adverse impact on our AUM, revenues, net income or liquidity. Moreover, certain legal or regulatory changes could require us to modify our strategies, businesses or operations, and we may incur other new constraints or costs, including the investment of significant management time and resources ~~in order~~ to satisfy new regulatory requirements or to compete in a changed business environment. In recent years, certain regulatory developments have also added to downward pressures on our fee levels. We and certain **related entities of our subsidiaries** have in recent years been subject to various legal proceedings, including civil litigation and governmental investigations and enforcement actions **and proceedings**. These actions can arise from normal business operations and / or matters that have been the subject of previous regulatory **reviews examinations**. As a global company with investment products registered in numerous countries and subject to the jurisdiction of one or more regulators in each country, at any given time, our business operations may be subject to review, investigation or disciplinary action. For example, governmental **agencies and** authorities regularly make inquiries, hold investigations and administer ~~market conduct~~ examinations with respect to the company's compliance with applicable laws and regulations. Lawsuits or regulatory enforcement actions arising out of these inquiries may in the future be filed against the company **its subsidiaries** and ~~related entities and individuals / or its employees~~. Judgments in civil litigation or findings of wrongdoing by these **agencies or** authorities against us could affect our reputation, result in damages, fines ~~or~~, penalties **or sanctions** for which we would be responsible, increase our costs of doing business and / or negatively impact our revenues, any of which could have a material negative impact on our AUM, revenues, net income or liquidity. The international tax environment continues to change as a result of both coordinated actions by governments and unilateral measures designed by individual countries, both intended to address concerns over tax base erosion, profit shifting, and perceived international tax avoidance. A growing number of jurisdictions have enacted, or have announced that they will enact, legislation to implement aspects of The Organization for Economic Cooperation and Development's (OECD) global anti- base erosion rules intended to ensure that multinational companies pay a 15 % minimum level of tax on a jurisdictional basis. In most jurisdictions, the new minimum tax rules are effective in 2024 with certain aspects of the rules becoming effective in 2025. In addition, in response to the OECD's minimum tax proposal, Bermuda has enacted a corporate tax regime with a tax rate of 15 %, effective January 1, 2025. As a result of these developments, our tax liabilities could increase. We continually assess the impact of various U. S. federal, state and foreign legislative proposals and modifications to existing tax treaties, which could result in a material increase in our tax liability. We cannot predict the outcome of any specific legislative proposals. However, if unfavorable legislation were to be

enacted, or if modifications were to be made to certain existing tax treaties, the consequences could have a materially adverse impact on the company, including increasing our tax burden, increasing the cost of our tax compliance or otherwise adversely affecting our future net income and liquidity. In addition, changes in individual and corporate income tax rates, including the capital gains and dividend tax rates, could cause investors to view certain investment products we manage less favorably and reduce investor demand for the products and services we offer, which could have an adverse effect on our AUM, revenues and net income. The company and its subsidiaries are subject to income and non-income based taxes in numerous jurisdictions as well as current and potentially future tax audits. The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax regulations in a multitude of jurisdictions. Tax authorities may disagree with certain positions we have taken and assess additional taxes (and, in certain cases, interest, fines or penalties). We accrue tax liabilities for certain tax issues based on our estimate of whether, and the extent to which, additional taxes may be due. We adjust these liabilities periodically due to changes in interpretations of tax laws, status of tax authority examinations and new regulatory or judicial guidance that could impact the relative merits and risks of tax positions. Due to the complexity of these tax issues, the ultimate resolution may result in a payment of tax that is materially different from the liability that has been accrued or an increase in the cost of our tax compliance, which could have an adverse effect on our net income and liquidity. Our shareholders may have more difficulty protecting their interests than shareholders of a company incorporated in a jurisdiction of the U. S. As a Bermuda company, we are governed by the Companies Act 1981 of Bermuda (**the** Companies Act). The Companies Act differs in some material respects from laws generally applicable to U. S. corporations and shareholders, including provisions relating to interested directors, mergers, amalgamations and acquisitions, takeovers, shareholder lawsuits and indemnification of directors. Under Bermuda law, the duties of directors and officers of a company are generally owed to the company only. Shareholders of Bermuda companies do not generally have rights to take action against directors or officers of the company, and may ~~only~~ **only** do so in limited circumstances described in the following paragraph. However, directors and officers may owe duties to a company's creditors in cases of impending insolvency. Directors and officers of a Bermuda company must, in exercising their powers and performing their duties, act honestly and in good faith with a view to the best interests of the company and must exercise the care and skill that a reasonably prudent person would exercise in comparable circumstances. Directors have a duty not to put themselves in a position in which their duties to the company and their personal interests may conflict and also are under a duty to disclose any personal interest in any material contract or proposed material contract with the company or any of its subsidiaries. If a director or officer of a Bermuda company is found to have breached such director's duties to that company, the director may be held personally liable to the company in respect of that breach of duty. Class actions and derivative actions are generally not available to shareholders under the laws of Bermuda. However, ~~the~~ Bermuda courts ordinarily would be expected to follow English case law precedent, which would permit a shareholder to commence an action in a company's name against the directors and officers to remedy a wrong done to the company where the act complained of is alleged to be beyond the company's corporate power or is illegal or would result in the violation of the company's memorandum of association or Bye-Laws. Furthermore, consideration would be given by the court to acts that are alleged to constitute a fraud against the minority shareholders or where an act requires the approval of a greater percentage of shareholders than actually approved it. Under our Bye-Laws, each of our shareholders agrees to waive any claim or right of action, both individually and on our behalf, other than those involving fraud or dishonesty, against the company or any of our officers, directors or employees. The waiver applies to any action taken by a director, officer or employee, or the failure of such person to take any action, in the performance of his or her duties, except with respect to any matter involving any fraud or dishonesty on the part of the director, officer or employee. This waiver limits the right of shareholders to assert claims against our directors, officers and employees unless the act or failure to act involves fraud or dishonesty. Our Bye-Laws also provide for indemnification of our directors and officers in respect of any loss arising or liability attaching to them in respect of any negligence, default, breach of duty or breach of trust of which a director or officer may be guilty in relation to the company other than in respect of his or her own fraud or dishonesty, which is the maximum extent of indemnification permitted under the Companies Act. The company is organized under the laws of Bermuda. In addition, certain of our officers and directors reside in countries outside the U. S. A substantial portion of the company's assets and the assets of these officers and directors are or may be located outside the U. S. Investors may have difficulty effecting service of process within the U. S. on our directors and officers who reside outside the U. S., even though the company has appointed an agent in the U. S. to receive service of process. Further, it may not be possible in Bermuda or in countries other than the U. S. ~~where~~ where the company has assets, to enforce court judgments obtained in the U. S. against the company based on the civil liability provisions of U. S. federal or state securities laws. We have been advised by our legal advisors in Bermuda that the U. S. and Bermuda do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. Some remedies available under the laws of the U. S. or the states therein, including some remedies available under the U. S. federal securities laws, may not be allowed in Bermuda courts because they may be found to be contrary to Bermuda public policy. Therefore, a final judgment for the payment of money rendered by any federal or state court in the U. S. based on civil liability, whether or not based solely on U. S. federal or state securities laws, would not automatically be enforceable in Bermuda. Similarly, those judgments may not be enforceable in ~~other~~ other countries other than the U. S. Our Bye-Laws contain provisions that could make it more difficult for a third-party to acquire us or to obtain majority representation on our Board of Directors (**Board**) without the consent of our Board. As a result, shareholders may be limited in their ability to obtain a premium for their shares under such circumstances. Specifically, our Bye-Laws contain the following provisions that may impede or delay a third-party to acquire or obtain majority representation on our Board ~~of Directors~~: • we are prohibited from engaging, under certain circumstances, in a business combination (as defined in our Bye-Laws) with any interested shareholder (as defined in our Bye-Laws) for three years following the date that the shareholder became an interested shareholder; • our Board ~~of Directors~~, without further shareholder action, is permitted by our Bye-Laws to issue preference shares, in one or more series, and determine by resolution any designations, preferences,

qualifications, privileges, limitations, restrictions or special or relative rights of an additional series. The rights of preferred shareholders may supersede the rights of common shareholders; • shareholders may only remove directors for “ cause ” (defined in our Bye- Laws to mean willful misconduct or gross negligence which is materially injurious to the company, fraud or embezzlement, or a conviction of, or a plea of “ guilty ” or “ no contest ” to, a felony); • our Board of Directors is authorized to expand its size and fill vacancies; and • shareholders cannot act by written consent unless the consent is unanimous. Our access to the capital markets depends significantly on our credit ratings. We anticipate that the rating agencies will continue to review our ratings regularly based on our results of operations and developments in our business. We believe that, in addition to factors specific to our company, rating agency concerns include the fact that our revenues are exposed to financial market volatility and the potential impact from regulatory changes to the industry. Additionally, the rating agencies could decide to downgrade the entire investment management industry, based on their perspective of future growth and solvency. As further described below, any material deterioration of these factors, and others defined by each rating agency, could result in downgrades to our credit ratings, thereby limiting our ability to access additional financing, increasing the cost of such financing and / or limiting our ability to maintain investment management mandates, particularly in the institutional channel. Our revolving credit agreement borrowing rates are tied to our credit ratings. A reduction in our long- term credit ratings could increase our borrowing costs, could limit our access to the capital markets and may result in outflows, thereby reducing AUM, revenues and net income. Volatility in global finance-financing markets may also affect our ability to access the capital markets should we seek to do so. If we are unable to access capital markets in a timely manner, our business could be adversely affected. We face the inherent risk of loss or liability related to claims from clients, third- parties, actions taken by regulatory agencies and costs and losses associated with operations failures, (which could include including cyber incidents ). To help protect against these risks, we purchase insurance in amounts and at deductible levels, and against potential losses and liabilities, that we consider appropriate, where such insurance is available at prices we deem reasonable. There can be no assurance, however, that a claim will be covered by insurance or, if covered, will not exceed coverage limits, that an insurer will meet its obligations regarding coverage, or that coverage will continue to be available on a cost - effective basis. Insurance costs are impacted by market conditions, claims made on policies and the our risk profile of the insured and may increase significantly over relatively short periods. In addition, certain insurance coverage may not be available or may only be available at prohibitive costs. Renewals of insurance policies may expose us to additional costs through higher premiums or the assumption of higher deductibles or co- insurance liability.