

This letter is sent to you as a Shareholder of Hermes Investment Funds plc. It is important and requires your immediate attention. If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker, solicitor or attorney, accountant or other independent financial adviser. If you have sold or otherwise transferred your holding in Hermes Investment Funds plc please immediately send this document to the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This letter has not been reviewed by the Central Bank of Ireland (the “Central Bank”) and it is possible that changes thereto may be necessary to meet the Central Bank’s requirements. The Company’s Directors are of the opinion that there is nothing contained in this letter or in the proposals detailed herein that conflicts with the regulations of the Central Bank or with best industry practice. The Directors accept responsibility for the information contained in this letter.

Hermes Investment Funds plc

(Hermes Investment Funds plc is an investment company constituted as an umbrella fund with segregated liability between its sub-funds.)

All capitalised terms used in this letter and not defined herein shall have the meanings ascribed to them in the Company’s current prospectus dated 17 February 2020 and memorandum and articles of association as adopted on 24 August 2018.

18 February 2020

Dear Shareholder

RE: Hermes Investment Funds plc annual document update

We are writing to you as a Shareholder in Hermes Investment Funds plc (the “Company”) to advise you of certain updates to the Prospectus and Supplements of the Company, effective as of 17 February 2020 (the “Effective Date”).

As part of an annual review the Prospectus has been updated to:

- Reflect: (i) the change in board compositions and the appointment of new directors to the Company and Hermes Fund Managers Ireland Limited (the “Manager”); (ii) the change of registered address of the Company to “The Wilde, 53 Merrion Square, Dublin 2, Ireland”; and (iii) the change of Company Secretary to Matsack Trust Limited;
- include new monthly, quarterly and annual distribution options with clarification regarding the method, calculation and frequency for payment of dividends;
- include details of risks associated with investment in frontier markets;
- remove the statement regarding the MiFID II directive as this directive has now been implemented;
- provide for electronic subscription applications and to detail the anti-money laundering and client due diligence measures to be satisfied in order to complete a subscription application; and
- include marketing disclaimers regarding selling restrictions for Australia, Brunei, the People’s Republic of China, India, Indonesia, Malaysia, New Zealand, Philippines, Taiwan, Thailand and the UAE in Appendix IV.

The Supplements have been updated to:

- include a new layout for the purpose of ensuring the document is reader-friendly and to make it easier to identify key information;

- include details of the benchmark used for the Sub-Funds in accordance with the ESMA “Q&A on the Application of the UCITS Directive”. The Sub-Funds use a benchmark for performance comparison as part of their investment strategy;
- update investment policies to clarify the investment time horizon and minimum investment amount for each Sub-Fund, where applicable, as recommended by the UK Financial Conduct Authority’s asset management market study;
- standardise disclosures regarding the use of financial derivative instruments, efficient portfolio management, financial indices and money market collective investment schemes for the purpose of consistency; and
- remove the provision in relation to repurchase agreement, reverse repurchase agreement, stock lending and Total Return Swaps as the Sub-Funds have not used nor intend to use these investment instruments.

The above amendments are the main ones which have been made to the Prospectus and the Supplements and other amendments have been made to these documents, mainly for consistency purposes.

Copies of the revised Prospectus and Supplements will be available from the Effective Date on request from the Manager and the Administrator or alternatively can be viewed on the following website: www.hermes-investment.com.

If you would like to discuss this matter further, please contact your usual Hermes representative, or contact the NT investor services team at [Hermes TA Queries@ntrs.com](mailto:Hermes_TA_Queries@ntrs.com).

Yours faithfully



Director
For and on behalf of
Hermes Investment Funds plc