

Hermes Multi-Strategy Credit Fund (the “Fund”) a sub-fund of Hermes Investment Funds plc (the “Company”) Class F Stg£ Dist. Hedged Shares (ISIN: IE00BKRCN875) Hermes Fund Managers Ireland Limited (the “Manager”)

Objectives and investment policy

The Fund aims to generate a high level of income over the long term while aiming to minimise volatility.

The Fund is a diversified portfolio that will primarily invest globally in Debt Instruments issued by companies or by governments (such as Bonds and Credit Default Swaps). Some of these may be Unrated.

It may also invest in other financial instruments or products, for example other funds, equities, indices and Derivatives.

The Fund uses Derivatives to assist in achieving its investment objective. The Fund uses Derivatives that may increase or reduce exposure to underlying assets and create leverage.

The Fund may use leverage up to 100% of the value of the Fund. This means that the Fund's total exposure arising from its investments (including Derivatives) may amount to 200% of the value of the Fund.

The Fund's base currency is USD but its investments may be priced in other currencies. Derivatives may be used to convert the value of those investments into USD.

This Share Class will be hedged. Hedging seeks to minimise exposure to exchange-rate differences between the Share Class currency and the base currency of the Fund (USD).

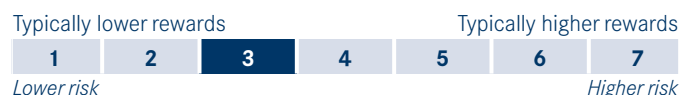
You may buy or sell shares in the Fund each business day (except bank holidays in the UK and Ireland).

This Share Class is distributing. Your portion of any income received by the Fund will be paid to you.

Useful definitions

- **Credit:** A Fixed Income debt investment (including ‘Bonds’) in which the Fund lends money to a government or company, who is then obliged to pay a specified amount back to the purchaser of the bond on a given future date. The amount to be repaid usually includes the original amount (the principal) plus interest (coupons).
- **Credit Default Swap:** A type of Derivative that aims to protect against the loss in value of a Bond. It can also be bought and sold for investment purposes.
- **Derivatives:** Investments whose value is linked to one or more underlying assets.
- **Instruments:** A broad term to describe different ways in which the Fund can invest, such as through a stock, Bond or Derivative.
- **Leverage:** Use of various instruments or borrowed money that increases the exposure of the Fund to its investments – this has the potential to increase both the gain and loss of an investment.
- **Unrated:** Unrated debt that has not been assessed by a recognised rating agency.

Risk and reward profile



Narrative explanation of the indicator and its main limitations:

The value of investments and income from them may go down as well as up and you may not get back the original amount invested.

- Historical data may not be a reliable indication for the future
- Risk category shown is not guaranteed and may shift over time
- The lowest category does not mean ‘risk free’
- This reflects volatility of the Fund based on historic movements of underlying investments.

Particular risks not adequately captured by this indicator include:

- **Bonds Risk:** When the Fund invests in debt instruments (such as Bonds), there is a risk that the entity issuing the debt will not be able to repay its original capital or the interest due. Also, the value of the debt instrument may rise or fall as interest rates change.
- **Emerging Markets Risk:** Investing in emerging markets carries certain risks, such as: the exchange rates of emerging market currencies are subject to greater fluctuations, there is less publicly available information about companies, and

there may be higher inflation and more social, economic and political uncertainty than in developed markets.

- **Counterparty Risk:** The Fund will be exposed to any institutions providing custody of assets, deposits or acting as counterparty on financial Derivatives. In the event of a counterparty experiencing financial difficulties, the Fund may be exposed to financial loss.
- **Loan Risk:** The Fund may invest in secured or unsecured loans. In the event of non-payments on a loan, the sale of assets from a secured loan may not match the return expected from the loan repayment.
- **Leverage Risk:** The use of leverage may result in large fluctuations in the net asset value of the Fund, amplifying either gains or losses.
- **Financial Derivative Instruments (“FDIs”) Risk:** The Fund uses Derivatives, the value of which depends on the performance of an underlying asset. Small changes in the price of that asset may cause larger changes in the value of the associated Derivatives, increasing potential gain or loss. Derivatives may increase or reduce the overall volatility of the Fund.
- **Liquidity Risk:** In difficult market conditions, certain Fund investments may be harder to sell at the last quoted market price.
- **Operational Risk:** The potential loss resulting from error or failure arising from people, systems, controls/safeguards or service providers that the Fund relies on.

Charges for this Fund

The charges you pay are used to pay the costs of running the Fund, including the costs of distributing it. These charges reduce the potential growth of your investment.

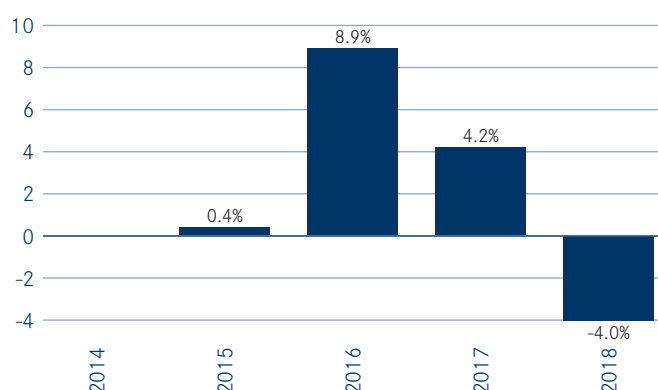
One-off charges taken before or after you invest	
Entry charge	None
Exit charge	None
Charges taken from the Fund over a year	
Ongoing charge	0.75%
Charges taken from the Fund under certain specific conditions	
Performance fee	None

The ongoing charges figure shown here is an estimate of the charges as it is indicative of the amount likely to be charged. The Company's report for each financial year will include detail on the exact charges made. This figure may vary with time. It excludes portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares in another collective investment undertaking.

Research costs are borne by Hermes Investment Management Limited.

For more information about charges, please see the Section entitled "Fees and Expenses" in the Fund's prospectus and supplement, each of which are available at www.hermes-investment.com.

Past performance



- The Fund started to issue shares on 1 May 2014.
- The initial investment into this share class was on 7 May 2014.
- Past performance has been calculated in GBP.
- The general expenses of the Fund including administration, custody and Directors' fees have been included for the purposes of this calculation.
- Past performance is not a reliable indicator of future results.

Practical information

- Depositary: Northern Trust Fiduciary Services (Ireland) Limited.
- The Administrator is Northern Trust International Fund Administration Services (Ireland) Limited, Georges Court, 54-62 Townsend Street, Dublin 2, Ireland. Tel (+ 353) 1 434 5002 / Fax (+ 353) 1 531 8595. The Administrator will provide you with other information you may need as well as copies of the Fund's prospectus documents and the latest financial statements of the Company (in English and free of charge). Alternatively this can be viewed on the Hermes website at www.hermes-investment.com.
- The latest price of shares of the Fund will be available during normal business hours every business day at the office of the Administrator and will be published daily on the following website: www.hermes-investment.com. Please contact the Administrator if you want to buy, sell and exchange shares. You may exchange shares free of charge to another share class within the Fund or to the same or another share class of another sub-fund as the Directors may permit. Please refer to the section entitled "Switching" in the prospectus and Fund supplement.
- Details of the Manager's Remuneration Policy are available at www.hermes-investment.com/ie-remuneration-policy, including: (a) a description of how remuneration and benefits

are calculated; and (b) the identities of persons responsible for awarding remuneration and benefits. A paper copy of these details may be obtained, free of charge, on request from the Company and/or the Manager.

- The Fund is a sub-fund of Hermes Investment Funds plc, an umbrella fund with segregated liability between its sub-funds.
- The assets and liabilities of the Fund are segregated from other sub-funds within the umbrella. However, the Manager is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation. The prospectus and periodic reports are prepared for the entire Company.
- The Company is resident in Ireland for taxation purposes. Irish taxation legislation may have an impact on the personal tax position of an investor. The Manager may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's prospectus.
- This Fund and the Manager are authorised in Ireland and regulated by the Central Bank of Ireland.
- This key investor information is accurate as at 1 February 2019.