



PRESS RELEASE

Lloyds Chambers
1 Portsoken Street
London E1 8HZ
Tel: 020 7702 0888 Fax: 020 7702 9452
www.hermes-investment.com

20 APRIL 2015

HERMES JOINS BUSINESS IN THE COMMUNITY

- **Hermes celebrates Responsible Business Week by publishing its 2014 voting and engagement report**

Hermes Investment Management, the £28.6 billion manager focussed on delivering superior, sustainable, risk adjusted returns to its clients – responsibly, has joined Business in the Community (BITC), a business-led, issue-focused charity with more than 30 years' experience of mobilising business.

As part of BITC's Responsible Business Week, Hermes EOS, one of the world's leading engagement services, is publishing its detailed annual report on all engagement, voting and public policy work carried on behalf of its clients during 2014.

Hermes EOS helps long-term institutional investors around the world to meet their fiduciary responsibilities and become active owners of public and private companies. This is achieved by a team of voting and engagement specialists who monitor clients' investments in companies and intervene where necessary with the aim of improving their performance. Companies with informed and involved shareholders are more likely to achieve superior long-term performance than those without.

In 2014, Hermes EOS engaged with 446 companies on a range of 1,197 ESG, strategy and risk issues. Using our proprietary milestone system¹, Hermes EOS had ongoing engagements with 255 companies regarding 714 separate engagement objectives. Hermes EOS made solid progress in delivering engagement objectives across regions and themes.

Saker Nusseibeh, Chief Executive, Hermes Investment Management, said: "Responsible investing and engaging permeates throughout Hermes; we have a responsibility to our investors to invest responsibly and use their money to create a better society for all. Joining Business in the Community, publishing our engagement report and supporting initiatives like Responsible Business Week is one way we are doing this."

Colin Melvin, Chief Executive, Hermes EOS, said: "We increased our engagement by 7% in 2014. Encouragingly, many of these engagements were with companies that had previously been inaccessible. Business leaders are realising the importance of open, two-way dialogue with their long term shareholders. Institutional investors are increasingly interested in being good corporate owners and businesses are beginning to listen."

Responsible Business Week celebrates the ways in which businesses are currently integrating social and environmental thinking into corporate strategies and processes, and innovating for a more sustainable future.

¹ Our proprietary milestone system allows us to track progress in our engagements relative to objectives set at the beginning of our interactions with companies. The specific milestones used to measure progress in an engagement vary depending on each concern and its related objective. They can broadly be defined as follows: Milestone 1 Concern raised with company at appropriate level; Milestone 2 Acknowledgement of the issue; Milestone 3 Development of a credible strategy or plan to address the concern; Milestone 4 Implementation of a strategy or measures to address the concern



-ENDS-

For the full report, please click here: [Hermes EOS 2014 Annual voting and engagement report](#)
Please click here for: [Business in the Community and Responsible Business Week](#)

Follow us on Twitter: [@Hermesinvest](#)
Follow Hermes EOS on Twitter: [@HermesEOS](#)
Website: www.hermes-investment.com

For further information, please contact:

Hermes Investment Management

Jeannie Dumas
+44 (0)20 7680 2152
jeannie.dumas@hermes-investment.com

Melanie Bradley
+44 (0)20 7680 2218
Melanie.bradley@hermes-investment.com

Katie Sunderland
+44 (0)20 7680 2315
katie.sunderland@hermes-investment.com

Notes to Editors:

Hermes Investment Management

Hermes is focused on delivering superior, sustainable, risk adjusted returns for our clients – responsibly.

Hermes manages assets on behalf of more than 200 clients* across equities, fixed income, alternatives and real estate, with £28.6 billion* assets under management. In Hermes EOS, we have the industry's leading engagement resource, advising on more than £134.0 billion* of assets.

We believe in **Excellence, Responsibility** and **Innovation**

- **Excellence:** We aspire to excellence in everything we do. This manifests itself most visibly in our investment performance. We will only offer products to our clients where we believe there is a strong investment thesis and where we can deliver sustainable alpha.
- **Responsibility:** We believe it is our responsibility to lead discussion and debate about the fiduciary responsibilities of fund managers to our clients, their stakeholders and, ultimately, society at large. We have always sought positive engagement with the firms in which we invest.
- **Innovation:** We have the entrepreneurial culture to identify forward-looking products that meet those needs, along with the resources and speed-to-market mentality to develop them rapidly.

Our structure gives clients globally the benefit of access to a broad range of specialist, high conviction investment teams operating within an established and robust operating platform.

Hermes' investment solutions include:

- **Equities:** Global, Emerging Markets, Small & Mid Cap, Europe, Asia Ex Japan, Greater China
- **Fixed Income:** Inflation-Linked, Government Bonds, Investment Grade, High Yield
- **Real Estate:** Segregated, Unitised, Debt, UK, US Residential, European, UK PRS
- **Alternatives:** Multi Asset, Infrastructure, Private Equity

*Please note the total AuM figure includes £3.7bn of assets managed or under an advisory agreement by Hermes GPE LLP ("HGPE"), a joint venture between Hermes Fund Managers ("HFM") and GPE Partner Limited. HGPE is an independent entity and not part of the Hermes group. £0.4bn of total group AuM figure represents HFM mandates under advice. Source: Hermes as at 31 December 2014.

