



11 APRIL 2013

MAJOR INVESTORS WELCOME THE ELECTION OF CANDIDATES TO REPRESENT MINORITY SHAREHOLDERS ON THE PETROBRAS BOARD

The international shareholder initiative led by prominent investors including Aberdeen Asset Management, F&C and Hermes Equity Ownership Services, has resulted in a significant victory for minorities.

At the recent Annual General Meeting (AGM) of Petróleo Brasileiro S.A. (Petrobras) on 2nd April 2014, the slate put forward by international minority shareholders won by an overwhelming margin marking a watershed in the company's governance.

The re-election of Mr Mauro da Cunha to the seat representing minority ordinary shareholders and the appointment of Mr Jose Guimaraes Montforte as the independent director representative for preferred minority shareholders is an unprecedented move.

At the 2013 AGM Mr da Cunha became the first ever representative of minority investors to be elected on Petrobras' board. This year, in another positive development, a second minority representative was also elected to the board of the company, Mr Monforte. This is therefore the first time that minority holders of both ordinary and preference shares will be represented on the board of Petrobras by truly independent directors. Furthermore, the incumbent independent candidates proposed to the Conselho Fiscal by international investors, Mr Reginaldo Ferreira Alexandre and Walter Albertoni were also re-elected. These appointments mark a significant improvement to the board and another step to improve the governance of the company.

Nick Robinson, Director, Head of Brazilian Equities, Aberdeen Asset

Management said: "Brazilian companies have made great strides in the area of corporate governance over the past decade, and we are encouraged by the dialogue we have had with Petrobras and its acknowledgement in recognising the importance of further board-level representation for minority shareholders. We are hopeful that the positive developments at Petrobras will set the precedent for further improvements in governance at Brazilian corporates".

Juan Salazar, Associate Director, Governance and Sustainable Investment,

F&C Investments said: "The election of Mr Jose Monforte as a director at Petrobras serves as an important step to refresh the company's board and improve its balance and independence. Stronger governance practices will ultimately contribute to protecting and enhancing value for all shareholders. We welcome the company being open to engage with institutional investors, and look forward to continuing this constructive dialogue in the future".

Bruno Bastit, Head of Latin America, Hermes Equity Ownership Services

said: "The re-election of Mr Mauro da Cunha and the appointment of Mr Jose Guimaraes Montforte is a historic moment as it marks the first time minority holders of both ordinary and preference shares will be represented on the board of Petrobras

by independent directors. This is demonstrative of the type of significant impact that shareholder engagement can have on a company. We welcome this positive development, and look forward to continuing our work with the company executives and board members”.

-Ends-

For further information, please contact:

Hermes Fund Managers Press Office

Jeannie Dumas
+44 (0)20 7680 2152
j.dumas@hermes.co.uk

Aberdeen Asset Management Press Office

James Thorneley
+44 (0)20 7463 6323
james.thorneley@aberdeen-asset.com

F&C Press Office

+44 (0)20 7269 9383
Email: fandc.sc@fticonsulting.com

Notes to Editors:

Hermes Fund Managers

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

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 provides wholesale, institutional and pension fund 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:

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

Hermes manages assets on behalf of more than 200 clients* across these investment areas with £26.3 billion* assets under management. In Hermes Equity Ownership Services, we have one of the largest engagement resources in the industry, advising on more than £98 billion* of assets.

*Please note the total AuM figure includes £3.4bn 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 2013.

Aberdeen Asset Management

Aberdeen Asset Management is a global independent asset management group. Formed out of a management buy-out in Aberdeen, Scotland, in 1983, Aberdeen is a FTSE 100 company operating on-the-ground in over 23 countries across Europe, Asia and the Americas.

The Group is defined by its pure focus on asset management, including equities, fixed income, property, alternatives and multi-asset portfolios. All investment solutions are driven by its commitment to straightforward, transparent investment approaches that stress intensive, first-hand research and a long-term view.

As at 28 February 2013, Aberdeen managed assets of £324 billion (€392 billion, \$543 billion) on behalf of institutional and private investors.

Further information about Aberdeen can be found at www.aberdeen-asset.com

F&C Asset Management

F&C Asset Management plc ("F&C" or "the Group") is a diversified investment manager which traces its origins to the launch of the Foreign & Colonial Investment Trust in 1868. While many asset managers are owned by financial services conglomerates, such as banks or insurance companies, F&C is an independent business, listed on the London Stock Exchange and a constituent of the FTSE 250 Index. F&C is focused exclusively on managing money for its clients. Today the Group operates from offices in nine countries and manages £82.1 billion of assets (as at 31/12/13) for a combination of insurance clients, institutional investors, intermediaries and private individuals. F&C invests across all major asset classes - equities, fixed income and property - and has specialist expertise in asset allocation, alternative investments, liability driven investments, multi-manager, private equity funds and Environmental Social and Governance (ESG) Investing. The Group includes F&C REIT, a global real estate asset manager.

This information is issued by F&C Management Ltd authorised and regulated by the Financial Conduct Authority. Past performance is not an indicator of future performance. The information does not constitute an offer to enter into any contract or agreement nor is it a solicitation to buy or sell any investment. The value of shares can go down as well as up and investors may not get back the original amount invested. The information is based on sources believed to be reliable but no guarantee, warranty or representation is given as to its accuracy or completeness and F&C Management Ltd accepts no liability in respect of the information or any views expressed herein which may be subject to change without notice at any time. All data is sourced from F&C Management Ltd unless otherwise stated.