



Supplement

## **Hermes US All Cap Equity Fund<sup>1</sup>**

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a sub-fund of Hermes Investment Funds public limited company, an umbrella fund with segregated liability between sub-funds.

The date of this Supplement No. 16 is 1 February 2019.

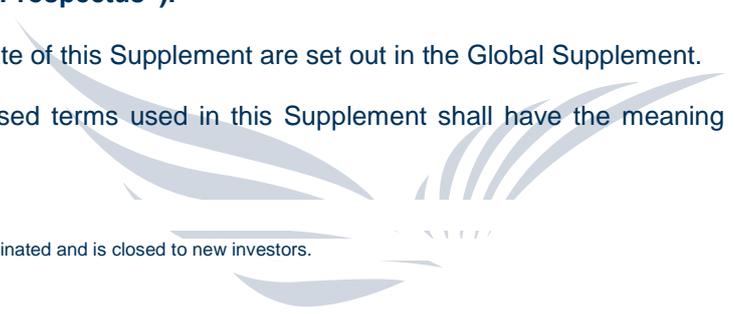
**This Supplement contains information relating to the Fund. This Supplement forms part of and should be read in conjunction with the prospectus of the Company dated 1 February 2019 as may be amended or updated from time to time (the “Prospectus”).**

Funds of the Company in existence as at the date of this Supplement are set out in the Global Supplement.

Unless the context requires otherwise, capitalised terms used in this Supplement shall have the meaning attributed to them in the Prospectus.

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1. Please note that the Fund is in the process of being terminated and is closed to new investors.



If you are in any doubt about the contents of this Supplement, you should consult your stockbroker or other financial adviser.

The Directors of the Company, whose names appear under the heading "Management and Administration" in the Prospectus, accept responsibility for the information contained in the Prospectus and in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information.

## Index

<b>Introduction</b>	<b>1</b>
<b>Profile of a Typical Investor</b>	<b>2</b>
<b>Initial Offer of Shares</b>	<b>3</b>
<b>Investment Objective and Policies</b>	<b>4</b>
<b>Risk Factors</b>	<b>6</b>
<b>Dealing Information</b>	<b>7</b>

## Introduction

This Supplement contains information relating to the Share Classes of Hermes US All Cap Equity Fund (the “Fund”) that are listed below together with the currency of denomination of each Share Class:

Class F Shares		Currencies Available
Distributing Share Classes	Accumulating Share Classes	Sterling, Euro, US Dollars, Swiss Francs, Swedish Krona, Norwegian Krone, Danish Krone, Hong Kong Dollar and Singapore Dollar.
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	
Class R Shares		Currencies Available
Distributing Share Classes	Accumulating Share Classes	Euro, US Dollars, Swiss Francs, Swedish Krona, Norwegian Krone, Danish Krone, Hong Kong Dollar and Singapore Dollar.
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	Euro, Swiss Francs, Swedish Krona, Norwegian Krone, Danish Krone, Hong Kong Dollar and Singapore Dollar.
Distributing Share Classes	Accumulating Share Classes	
Class T Shares		Currencies Available
Distributing Share Classes	Accumulating Share Classes	Sterling, Euro and US Dollars.
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	Sterling and Euro.
Distributing Share Classes	Accumulating Share Classes	
Class X Shares		Currencies Available
Distributing Share Classes	Accumulating Share Classes	Sterling, Euro, US Dollars, Swiss Francs, Swedish Krona, Norwegian Krone, Danish Krone, Hong Kong Dollar and Singapore Dollar.
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	Sterling, Euro, Swiss Francs, Swedish Krona, Norwegian Krone, Danish Krone, Hong Kong Dollar and Singapore Dollar.
Distributing Share Classes	Accumulating Share Classes	
Class Z Shares		Currencies Available
Distributing Share Classes	Accumulating Share Classes	Sterling, Euro, US Dollars, Swiss Francs, Swedish Krona, Norwegian Krone, Danish Krone, Hong Kong Dollar and Singapore Dollar.
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	
Distributing Hedged Share Classes	Accumulating Hedged Share Classes	Sterling, Euro, Swiss Francs, Swedish Krona, Norwegian Krone, Danish Krone, Hong Kong Dollar and Singapore Dollar.
Distributing Share Classes	Accumulating Share Classes	

The base currency of the Fund is US Dollars.

## Profile of a Typical Investor

The Fund may be suitable for investors seeking capital growth over a long-term time horizon who understand and accept the associated high level of risk with high volatility attached to a fund that delivers a US equity exposure to small and medium-capitalisation companies. For more information please refer to the section entitled "Risk Factors".

## Initial Offer of Shares

The Initial Offer Period in respect of the Share Classes which have not received subscriptions (as indicated by a tick below) is closed and the Share Classes are closed to further subscription.

Class F Shares	Stg£	€	US \$	CHF	SEK	NOK	DKK	HKD	SGD
Initial Offer Price per Share	Stg£1	€2	US\$2	CHF2	SEK20	NOK20	DKK10	HKD20	SGD3
Accumulating				✓	✓	✓	✓	✓	✓
Distributing	✓		✓	✓	✓	✓	✓	✓	✓
Accumulating Hedged		✓	N/A	✓	✓	✓	✓	✓	✓
Distributing Hedged	✓	✓	N/A	✓	✓	✓	✓	✓	✓
Class R Shares	Stg£	€	US \$	CHF	SEK	NOK	DKK	HKD	SGD
Initial Offer Price per Share	Stg£1	€2	US\$2	CHF2	SEK20	NOK20	DKK10	HKD20	SGD3
Accumulating	N/A	✓	✓	✓	✓	✓	✓	✓	✓
Distributing	N/A	✓	✓	✓	✓	✓	✓	✓	✓
Accumulating Hedged	N/A	✓	N/A	✓	✓	✓	✓	✓	✓
Distributing Hedged	N/A	✓	N/A	✓	✓	✓	✓	✓	✓
Class T Shares	Stg£	€	US \$						
Initial Offer Price per Share	Stg£1	€2	US\$2						
Accumulating		✓	✓						
Distributing	✓	✓	✓						
Accumulating Hedged	✓	✓	N/A						
Distributing Hedged	✓	✓	N/A						
Class X Shares	Stg£	€	US \$	CHF	SEK	NOK	DKK	HKD	SGD
Initial Offer Price per Share	Stg£1	€2	US\$2	CHF2	SEK20	NOK20	DKK10	HKD20	SGD3
Accumulating	✓	✓		✓	✓	✓	✓	✓	✓
Distributing	✓	✓	✓	✓	✓	✓	✓	✓	✓
Accumulating Hedged	✓	✓	N/A	✓	✓	✓	✓	✓	✓
Distributing Hedged	✓	✓	N/A	✓	✓	✓	✓	✓	✓
Class Z Shares	Stg£	€	US \$	CHF	SEK	NOK	DKK	HKD	SGD
Initial Offer Price per Share	Stg£1	€2	US\$2	CHF2	SEK20	NOK20	DKK10	HKD20	SGD3
Accumulating	✓	✓		✓	✓	✓	✓	✓	✓
Distributing	✓	✓	✓	✓	✓	✓	✓	✓	✓
Accumulating Hedged	✓	✓	N/A	✓	✓	✓	✓	✓	✓
Distributing Hedged	✓	✓	N/A	✓	✓	✓	✓	✓	✓

## Investment Objective and Policies

### Investment Objective

The investment objective of the Fund is to provide long-term capital appreciation.

### Investment Policy

The Fund will seek to achieve its investment objective by investing primarily in equity and/or equity related securities of, or relating to, companies domiciled in the US or companies that derive a large proportion of their income from US activities. These companies will be listed and/or traded on a Regulated Market worldwide (primarily in the US or Canada). These equity and/or equity-related securities may include small, medium and/or large cap equities. The Fund may (but is under no obligation to) invest in component securities of the Russell 3000 Index (which measures the performance of the 3,000 largest companies in the US equity market).

The Fund is actively managed by the Investment Manager in accordance with the criteria set out in this Supplement. The Company may, from time to time, determine to include information in its marketing materials in relation to the performance of an index or benchmark. For the avoidance of doubt the Fund's objective is not to track the performance of an index or benchmark. The Fund does not charge any performance fees and, accordingly, no fees are paid to the Investment Manager on the basis of outperformance of an index or benchmark.

### Investment Strategy

In managing the assets of the Fund the Investment Manager will seek to identify companies that, in its view, provide the potential for long-term capital appreciation. The Investment Manager, through fundamental analysis of relevant companies, seeks to identify 'high quality' companies (for example, companies with stable earnings, sustainable growth and strong balance sheets) that are undervalued. This is done in order to ascertain whether the companies may provide the potential for long-term capital appreciation notwithstanding that equities of such companies may, at the time of purchase (in the Investment Manager's opinion), be undervalued. The Investment Manager is not subject to any limitation on the types of companies to which it will seek exposure (either in terms of industry or focus).

The Fund's market exposure (which is exposure to the categories of Investments outlined below, and excludes cash held by the Fund) may vary in time and will typically range between 95%-100% for long positions and 0% for short positions of the Net Asset Value of the Fund, depending on the Investment Manager's analysis of the prevailing market conditions and considered in light of the investment objective of the Fund. These ranges are not limits and the actual exposures may from time to time fall outside these estimated ranges.

In making its investment decisions, the Investment Manager will seek to consider CGRI Guidelines with regards to the holding of either individual securities or various categories or classes of securities. The CGRI Guidelines are intended to provide guidance on achieving best practice standards of corporate governance and equity stewardship in order to make informed investment decisions.

### Categories of Investments

With the exception of permitted investments in unlisted securities, Eligible CIS, FDIs, money market instruments, cash and cash equivalents, Investments of the Fund will be listed or traded on a Regulated Market. Investments of the Fund may be denominated in the base currency or in other currencies.

Equity. The Fund may invest in a diversified portfolio of equity (such as common and/or preferred stock) and/or equity-related instruments (such as GDRs and ADRs) quoted or traded on a Regulated Market

worldwide (primarily in the US or Canada). The Fund may (but is under no obligation to) select its Investments from the Russell 3000 Index, which measures the performance of the 3,000 largest companies in the US equity market. Investment in or exposure to such securities will be on a long-only basis. The Fund will continuously invest at least 66.67% of its net assets in equity assets as defined in sec. 2 para. 8 of the German Investment Tax Act (2018).

The Fund may acquire units/shares of listed closed-ended REITs that can deliver exposure to companies in the US or that derive a large proportion of their income from US activities.

Eligible CIS. The Fund may acquire units/shares of appropriate Eligible CIS, that can deliver exposure to companies in the US or that derive a large proportion of their income from US activities. The Eligible CIS in which the Fund invests will meet the requirements of the Central Bank and may include exchange-traded funds and other funds of the Company. Investment in or exposure to such schemes will be on a long-only basis.

### **Methods of Access and Efficient Portfolio Management**

The Fund may gain exposure to the aforementioned equity and/or equity related securities and/or Eligible CIS through the use of FDIs and/or through investment in Convertible Debt Securities. A decision to use FDIs may be made for reasons such as efficiency (i.e. it may be cheaper to gain exposure to an underlying Investment than to purchase the Investment directly). The FDIs that may be used by the Fund for such purposes include Warrants, Futures, Options (including Options on Futures) and Swaps.

FDIs may also be used for efficient portfolio management purposes (for example, to assist in cash flow management, for cost effectiveness and for gaining exposure to certain markets and securities in a quicker and/or more efficient manner). The FDIs that may be used by the Fund for such purposes include Warrants, Futures, Options (including Options on Futures), and Swaps.

For efficient portfolio management purposes the Fund may invest in and/or gain exposure to financial indices, hold cash, invest in money market collective investment schemes (to, for example, equitise cash), enter into repurchase and reverse repurchase agreements and/or engage in stock lending (subject to the conditions and limits of the Central Bank). Please see the section headed "Investment in FDIs and Efficient Portfolio Management" in the Prospectus for more information. Any indices to which exposure is achieved will be in line with the investment strategy of the Fund. If utilised, details of the financial indices in which the Fund invests and/or gains exposure to will be found via [www.hermes-investment.com/financial-indices](http://www.hermes-investment.com/financial-indices).

### **Leverage and Global Exposure**

The Fund may be leveraged up to 10% of its Net Asset Value. That is, the global exposure associated with the Investments of the Fund, including investments in FDIs, may amount to 110% of the Net Asset Value of the Fund. The Fund's global exposure will be calculated using the commitment approach.

### **Currency Hedging Policy**

The Fund may enter into transactions for the purposes of hedging the currency exposure in accordance with the sections entitled "Hedging at Portfolio Level" and "Hedging at Share Class Level" in the Prospectus.

## Risk Factors

Potential investors and Shareholders are referred to the section of the Prospectus entitled “Risk Factors”. Regard should be had to the risks outlined under the heading “General Risk Factors” as each of these risk factors will be relevant in the context of an investment in the Fund.

In addition, investors should specifically refer to the following risks which appear under the heading “Fund Specific Risk Factors”, as these relate to risks arising as a result of the Fund’s Investments and/or portfolio management techniques:

<b>Risk</b>	<b>Prospectus page reference</b>
<b>Equity Risk</b>	28
<b>Futures Risk</b>	31
<b>Small and Mid Cap Companies Risk</b>	34
<b>Warrants Risk</b>	35

## Dealing Information

	Class F Shares	Class R Shares	Class T Shares	Class X Shares	Class Z Shares
<b>Dealing Deadline</b>	9.30 am (Irish time) on the relevant Dealing Day.				
<b>Valuation</b>	The Valuation Point will be 12 noon (Irish time) on each Dealing Day. The value of instruments or securities which are quoted, listed or dealt in on a Regulated Market shall (save in certain specific cases) be the last traded price on such Regulated Market as at the Valuation Point, or the latest mid-market price at the Valuation Point when no last traded price is available.				
<b>Income Equalisation</b>	The Fund operates Income Equalisation.				
<b>Timing of Payment for Subscriptions</b>	Payment must be received by the Administrator by close of business three Business Days from the receipt of applications for Shares.				
<b>Timing of Payment for Redemptions</b>	Redemption proceeds will be paid on the third Business Day following the relevant Dealing Day.				
<b>Administrator's Fee</b>	Up to 0.04% of the Net Asset Value of the Fund accrued and calculated daily and payable monthly in arrears, subject to a monthly minimum fee of Stg£2,750 (where the aggregate of the ad-valorem fees is equal to or lower than the total of the monthly minimum fees). The Fund will also pay other costs to the Administrator such as transfer agency charges and transaction fees. Details are set out in the Prospectus in the section entitled "Fees and Expenses".				
<b>Depository's Fee</b>	The Fund will bear transaction and custody charges which are calculated on the basis of the assets held. The Fund will also pay a depository fee of up to 0.0175% of its Net Asset Value to the Depository. The Fund will also pay other costs to the Depository such as out-of-pocket expenses and sub-custodial fees and expenses. Details are set out in the Prospectus in the section entitled "Fees and Expenses".				
<b>Other Fees and Expenses</b>	All fees and expenses, not exceeding Stg£50,000, relating to the establishment of the Fund, including the fees of the advisers to the Company, such as legal advisers, will be borne by the Fund and will be amortised over the first five financial years of the lifetime of the Fund or such other period as the Directors may determine and advise to Shareholders, for example via the Company's financial statements. The Fund shall bear its attributable proportion of the organisational and operating expenses of the Company (including any establishment expenses). Details of these and of other fees and expenses relating to the Company are set out in the Prospectus in the section entitled "Fees and Expenses".				
<b>Compulsory Redemption Threshold</b>	All the Shares of the Fund may be compulsorily redeemed at the discretion of the Directors if, after the first anniversary of the first issue of Shares of the Fund, the Net Asset Value of the Fund falls below Stg£100,000,000 for any period of time.				
<b>Minimum Initial Subscription Amount</b>	Stg£100,000*	€1,000*	Stg£1,000*	Stg£10,000,000*	Per Client Agreement
<b>Minimum Subsequent Subscription Amount</b>	No minimum	No minimum	No minimum	No minimum	Per Client Agreement
<b>Maximum Subsequent Subscription Amount</b>	See <a href="http://www.hermes-investment.com/capacitymanagement">www.hermes-investment.com/capacitymanagement</a>				
<b>Minimum Holding Amount</b>	Stg£100,000*	€1,000*	Stg£1,000*	Stg£10,000,000*	Per Client Agreement
<b>Minimum Redemption Amount</b>	No minimum	No minimum	No minimum	No minimum	Per Client Agreement
<b>Management Fee</b>	Up to 0.50% of the Net Asset Value	Up to 1.00% of the Net Asset Value	No management fees or expenses**	Up to 0.25% of the Net Asset Value	No management fees or expenses***

\*or its foreign currency equivalent.

\*\*Shareholders in the Class T Shares will be subject to a fee with regard to their investment in the Fund based on the Client Agreement between them and the Investment Manager or its affiliate. This fee will not exceed 1% per annum of the value of the Shareholder's holding in the Fund.

\*\*\*Shareholders in the Class Z Shares will be subject to a fee with regard to their investment in the Fund based on the Client Agreement between them and the Investment Manager or its affiliate. This fee will not exceed 3% per annum of the value of the Shareholder's holding in the Fund.

The Investment Manager (or its affiliate, if relevant) reserves the right to repurchase the entire holding of Shares of any Shareholder (deducting any amount owed for unpaid investment management fees), if the relevant Client Agreement is terminated for any reason whatsoever.