

ADV PART 2A BROCHURE

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This Brochure provides information about the qualifications and business practices of Hermes European Equities Limited ("HEEL"). If you have any questions about the contents of this Brochure, please contact us at +44(0)20 7702 0888 or at email address compliance@hermes-investment.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

HEEL is a registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about HEEL also is available on the SEC's website at www.adviserinfo.sec.gov.

For professional investors only

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ITEM 2 – MATERIAL CHANGES

Date of previous update: March 28, 2018.

Since filing our last annual update on to this Part 2 of Form ADV on behalf of Hermes European Equities Limited, material changes include new affiliate relationships disclosed in item 11, detailed list of conflicts of interest disclosed in item 10, update in assets under management figure disclosed in item 4, detailed list of investment strategies risks in item 8 and detailed list of client reports disclosed in item 13.

Currently, our Brochure may be requested by contacting the Compliance Department at +44(0)20 7702 0888 or at email address compliance@hermes-investment.com

Additional information about HEEL is also available via the SEC's website www.adviserinfo.sec.gov

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ITEM 4 – ADVISORY BUSINESS

Sourcecap International Limited (“HSL”), a UK holding company, was established in June 2008. HSL was acquired by Hermes Fund Managers Limited (“HFML”) on the December 3, 2009 and re-named Hermes Sourcecap Limited and on June 2 2016, HSL was re-named Hermes European Equities Limited (“HEEL”) and forms part of the Hermes investment Management group of companies (“Hermes”). HFML, a UK holding company, is 60% owned by Federated Holdings (UK) II Limited (a wholly-owned subsidiary of publicly listed Federated Investors Inc) with the remaining 40% stake split between the BT Pension Scheme (“BTPS”), the pension scheme of the BT Group which has a 29.5% stake and Intertrust Employee Benefit Trustee Ltd (“IEBT”) which holds the remainder 10.5% stake.

Investment Services

HEEL specializes in managing high-alpha, unconstrained European equity portfolios for institutional clients. HEEL primarily provides discretionary investment management services to institutional clients, several of which are long only segregated managed accounts. Other institutional clients include collective investment vehicles which are not registered for public sale in the United States (“private funds”). Private funds may be registered for public sale in other jurisdictions. HEEL only manages assets of such private funds and is neither the issuer nor distributor of units of any private fund.

Investments for institutional clients (collectively, “Clients”) are managed in accordance with the Client’s investment objectives, strategies, restrictions and guidelines. Private funds are managed only in accordance with their own characteristics and are not tailored to any particular private fund investor (each an “Investor”).

The Hermes business model combines specialist investment teams and products with a robust operating platform.

Asset Under Management

As of December 31, 2018, HEEL had \$1.2 billion in total assets under management of which \$1.17 billion are managed on a discretionary basis and \$30million on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Private Account Advisory Services

HEEL’s standard fee schedule for institutional segregated investment accounts (“Private Accounts”) for the European Alpha, European Alpha ex-UK, Eurozone and Sustainable Europe strategies in basis points are as follows:

Strategy	\$50m	\$100m	\$150m	\$200m	\$250m	\$500m	\$1Bn
European Alpha	75	65	60	60	55	50	45
Europe ex-UK	75	65	60	60	55	50	45
Eurozone	75	65	60	60	55	50	45
Sustainable Europe	75	65	60	60	55	50	45

Note: Fees are negotiable and subject to change.

Minimum investment can vary depending on the investment strategy but generally, HEEL requires a minimum investment of USD 50 Million to open a Segregated Account and all mandates must meet a minimum revenue requirement of USD 200,000.

Fees are typically charged quarterly in arrears based on the market value of assets in a Private Account on the last trading day of each calendar quarter. In any partial calendar quarter, fees are pro-rated based on the number of days in which the account is open during the quarter. For purposes of calculating HEEL’s advisory fees, the market value of assets in a Private Account shall consist of the market value of securities and other investments held in the account and will not be reduced by any margin or other indebtedness of Client with respect to such securities or other investments. Assets of Private Accounts that have a business relationship to each other may, at the discretion of HEEL, be aggregated for purposes of calculating the advisory fee applicable to each Private Account.

In certain circumstances, Private Account fees and minimums may be negotiable. To the extent that fees are negotiable, some Clients may pay more or less than other Clients for the same management services, depending, for example, on account inception date, applicable investment mandates or restrictions, total assets under management by HEEL or number of related Private Accounts. Fees charged to Private Accounts are not based on the capital gains or the capital appreciation of any such accounts.

HEEL bills each Client account in accordance with the management fee calculation methodology provided by the Client. In general, this means that HEEL calculates fees by applying its negotiated fee to an average of the month-end closing values of each month in the quarter.

Clients’ Private Account agreements may be canceled at any time, by either party, for any reason upon written notice. Typically, a refund of prepaid fees is not applicable as fees are charged in arrears. However, unearned, pre-paid fees will be promptly refunded.

Fees for each private fund are described in its fund prospectus. Unless otherwise indicated in the fund prospectus or other governing documents, management fees are paid quarterly in arrears.

In addition to management fees payable to HEEL, transaction costs will be incurred along with other costs such as custodian fees, brokerage fees, wire transfer and taxes charged by service providers such as custodian, brokers and others.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Certain Clients may negotiate a performance-based fee. Performance-based fees are negotiated in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) or as otherwise permitted by Advisers Act Section 205. These Separate Accounts are managed in the same facility, using the same systems and staffed with the same personnel used for Clients which do not have performance-based fees. Depending on performance, fees obtained by HEEL and compensation earned by its investment staff on these Separate Accounts may be significantly higher than that earned on accounts of Clients which do not have performance-based fees. There are inherent conflicts of interest in the side-by-side management of performance fee and fixed fee accounts, in that HEEL may have an incentive to favor a performance fee account over a fixed fee account. However, HEEL believes its Trade Aggregation and Allocation policy and procedures, including procedures for allocating limited offerings and average pricing of executed trades, mitigate such potential conflicts of interest. The procedures generally require accounts for Clients with similar investment strategies to be managed in a similar fashion, subject to a variety of exceptions, such as, particular investment restrictions or policies applicable only to certain accounts, differences in cash flows and account sizes, and similar factors. HEEL’s trade allocation procedures are discussed more fully in Item 12 below.

ITEM 7 – TYPES OF CLIENTS

HEEL provides investment advisory services to institutional clients only, which currently includes pension plans and non-US private funds.

Minimum investment can vary depending on the investment Strategy but generally HEEL requires a minimum investment of USD 50 Million to open a Segregated Account and all mandates must meet a minimum revenue requirement of USD 200,000.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

HEEL is a specialist high-alpha European equity investment manager.

Generally, each Client account is managed pursuant to a single strategy determined by the Client and in accordance with investment objectives and guidelines agreed upon.

The value of investments and income from HEEL strategies may go down as well as up, and investors may not get back the original amount invested. Performance targets cannot be guaranteed, and past performance is not a reliable indicator of future result. HEEL offers long-term investors a high-alpha, high conviction approach to European Equity management. HEEL focuses on stock selection with the aim to deliver sustainable long-term performance.

HEEL believes that our perspective and core beliefs about investments and markets distinguish us from other managers, as follows:

- Change is systematically under-appraised as a driver of stock prices
- Straight-line thinking dominates most investment processes, but we live in a non-linear world, which allows our lateral thinking approach to bring differentiated returns

- Original research is the most effective way to test the validity or otherwise of an investment thesis, by going straight to the source of information
- Time remains the final judge of a good investment decision; only after the passage of time can the true value of a stock emerge from the noise of short-term trading fluctuations

All investment ideas are validated through research that builds a clear picture of a company’s future performance and the underlying drivers of corporate returns. The team identify investment themes, which can include shifts in markets, technological change, new management and environmental policies among many others, then consult external research sources and meet with company management and competitors to validate (or negate) the thesis. Every idea is subjected to fundamental analysis to assess the potential undervaluation and the probability of success. The team look for companies whose share price has the potential to rise by at least 50% over a two-year horizon.

The Portfolio contains 30 to 60 high-conviction, bottom-up stocks generated from a clear emphasis on identifying companies or industries that are undergoing longer-term structural change. Stocks are valued in an absolute sense based on their own merits. This leads to a portfolio with high levels of conviction, with all stocks held for clear, positive reasons.

HEEL believes that most industry risk models do not offer sufficient forward-looking insight; we offer a meticulous, empirical approach to understanding risk, driven by evidence rather than sentiment or backward-looking models. Analysis of the portfolio’s risk profile is provided regularly; the Product Specialist challenges any aspects of the portfolio that are not working or behaving counter to expectations. Common sense and prudence sit at the centre of our risk-control framework; balancing alpha generation and protection from overly concentrated risk is vital. No single stock exceeds 5% of the portfolio, and no sector will typically differ from its benchmark weighting by more than 15%. We do not impose tracking error constraints, as this would be contrary to our focused alpha-generation approach. The operational and reputational risks associated with a company’s approach to Environmental, Social and Governance (“ESG”) issues are also assessed to ensure these areas do not represent a significant risk to the investment.

The strategies described above pose the following risks:

- Market risk – This is the risk of experiencing losses due to factors affecting the overall performance of the financial markets.
- Liquidity risk – This is the risk that an investment held cannot be traded quickly enough to prevent or minimize loss.
- Currency risk – This is the risk that return on investments in foreign securities are lower due to fluctuations in foreign exchange rates.
- Country risk – This is the risk of experiencing losses or lower returns due to political, social & economic developments in the country or adverse government actions such as nationalization. This can arise when investing in foreign countries particularly less developed ones.
- Regulatory/Legal risk – This is the risk that changes in laws and regulations such as restrictions on assets or activities will negatively impact the value or marketability of an investment.
- Operational risk – This is the risk of loss resulting from failures in internal procedures, people and systems.

- Equity instrument risk – This is the risk that the value of the security declines due to changes in its price due to declines in the company's prospects or its industry or sector.

This is not an exhaustive list and risks applicable to a strategy or Client's account will depend on the investment objectives & guidelines. These will be described in more details in any presentations, prospectuses and marketing materials provided and discussions held with Clients.

ITEM 9 – DISCIPLINARY INFORMATION

There are no legal or disciplinary events to disclose with respect to HEEL.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As per its ownership structure outlined in item 4 above, HEEL is affiliated through common ownership with the following SEC-registered investment advisers:

- Hermes Alternative Investment Management Limited ("HAIML") (registered as an Exempt Reporting Advisers)
- Hermes GPE LLP ("HGPE")
- Hermes GPE (USA) INC ("HGPE USA")
- Hermes Investment Management Limited ("HIML")
- Federated Advisory Services Company
- Federated Investors (UK) LLP
- Federated Securities Corp
- Federated Investment Management Company
- Federated Investment Counselling
- Federated International Securities Corp
- Federated Equity Management Company of Pennsylvania
- Federated Global Investment Management Corp
- Federated MDTA LLC
- Federated Private Fund of One Trade Finance Partnership General Partnership LLC

HEEL along with HGPE, HAIML, HIML & Federated Investors (UK) LLP are all authorized and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom.

Additionally, HEEL is affiliated with the following foreign advisers:

- HGPE Singapore Pte Limited which is licensed with the Monetary Authority of Singapore ("MAS").
- Federated International Management Limited & Hermes Fund Managers Ireland Limited which are authorized and regulated by the Central Bank of Ireland ("CBI").
- Federated Asset Management GmbH which is authorized and regulated by The Federal Financial Supervisory Authority ("BaFin") in Germany.
- Federated Investors Canada ULC which is registered and regulated in Canada in the following provinces: Ontario, Quebec and Newfoundland.

The following advisers: Federated Investors Asia Pacific PTY LTD & Federated Investors Australia Services Ltd are operationally inactive.

HEEL, as part of the Hermes Group ("Hermes"), will be operationally independent from all Federated entities ("Federated") and as such will be subject to Hermes's own trade allocation, personal trading and side-by-side management policies.

Furthermore, Hermes has adopted an information barrier policy designed to prevent free flow of confidential and material non-public information within the Hermes Group and between itself and Federated. This is designed to enable staff within Hermes to act in the best interest of their clients.

ITEM 11 – CODE OF ETHICS

HEEL and the Hermes group have adopted Federated's Code of Business Conduct and Ethics which sets down requirements with regards to personal conflict of interest, payments & gifts, outside business activities, confidentiality, insider trading and fair dealing. Under the Code, all Access Persons of HEEL have a duty to act in the best interests of its Clients and all potential conflicts and violations of the Code must be promptly reported to HEEL's Chief Compliance Officer ('CCO'). The Code is designed to ensure that the personal securities transactions, activities and interests of the employees of HEEL will not interfere with making and implementing investment decisions in the best interest of Clients. As such, it is HEEL's expressed policy, as reflected in the Code, that no Access Person of HEEL shall prefer his or her own interest to that of a Client or make personal investment decisions based on investment decisions made on behalf of Clients. All Access Persons at HEEL must acknowledge the terms of the Code annually, or as amended.

Subject to satisfying applicable requirements set forth in the Code and the Hermes Personal Account Dealing policy, and applicable laws, Access Persons of HEEL and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Clients.

Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Clients. In addition, Hermes Personal Account Dealing policy requires pre-clearance by Compliance of all non-exempt personal account transactions so that such transactions are consistent with the policies and procedures set forth in the policy and the Code. Furthermore, personal trading by Access Persons is periodically monitored by Compliance to reasonably detect and prevent conflicts of interest between the personal interests of such Access Persons and the interests of Clients. In order to permit such periodic monitoring, all Access Persons are required to provide annual securities holding reports to Compliance relating to all securities held in, or transacted on behalf of, their personal accounts.

Conflicts of interest

HEEL has identified the following Conflicts of Interest:

- There could be a conflict where one client is favored over another (i.e. preference given to Clients paying higher performance-based fee); as discussed in greater details in Item 6, HEEL has put in place an Allocation & Aggregation policy and procedures to mitigate this.

- There could be a conflict between HEEL's owners (Federated & BTPS) and third-party Clients. To mitigate this, there is an information barrier in place between Hermes, Federated and BTPS whereby Federated and BTPS personnel do not have access to Hermes systems/confidential information.
- There could be a conflict where a member of staff or a related person deals in securities on his/her personal account that the firm buys or sells for Clients. To mitigate this, HEEL has in place its own Personal Account Dealing policy in addition to adopting Federated Code of Business Conduct & Ethics which requires staff members to pre-clear transactions in their personal account and implement a monitoring test designed to detect front-running.
- There could be a conflict where either member of staff is offered lavish hospitality by prospects to secure deals or are offering similarly extravagant hospitality to prospects. In order to mitigate this, HEEL has in place a Gifts & Hospitality policy and procedure designed to manage the risk by requiring disclosure and pre-clearance of gifts and hospitalities sent and received by staff.
- There could be a conflict between a member of staff's interests and HEEL or its Clients' interests arising from that employee outside activities. HEEL has put in place an Outside Business Interests policy and procedure in addition to the Code of Business Conduct & Ethics, which require disclosure and pre-clearance before employees can take up any Outside Business Activity.

An existing or prospective Client may obtain a copy of the Code of Business Conduct and Ethics free of charge by contacting the Compliance team at compliance@hermes-investment.com.

ITEM 12 – BROKERAGE PRACTICES

Broker-Dealers Selection Criteria

Depending on the terms of the Client's agreement with HEEL, HEEL is generally given authority to make the following determinations without obtaining Client consent before effecting transactions:

- Which securities are to be bought and sold;
- The total amount of the securities to be bought or sold;
- The broker or dealer through whom securities are to be bought or sold; or
- The commission rates or prices at which securities transactions for client accounts are affected.

In seeking execution of Client transactions, HEEL utilizes the central trading desk ("Central Trading") which operates under HIML (an affiliate advisor) regulatory license but is a separate function to the fund management activities. HEEL's investment professionals select all Client investments and submit trading requests to Central Trading. Transactions placed on behalf of HEEL Clients are placed through Central Trading and may be aggregated, allocated and otherwise treated alongside transactions for Clients of affiliated advisers of HEEL. There may be instances where Central Trading uses the services of CF Global, who are a specialist execution provider dealing in local markets. However, Central Trading will retain oversight over and monitor the execution quality of CF Global trades.

HEEL will usually transact with approved counterparties only. Hermes Counterparty Credit Risk Group (CCRG), a sub-committee of the Portfolio Review Committee, is responsible for establishing the Hermes Counterparty Credit Risk Policy, overseeing counterparty approval,

setting credit limits as appropriate, and monitoring counterparty usage. The CCRG is chaired by a senior member of the Risk team and members include the Head of Central Trading, Counterparty Credit Analyst, and representatives from Operations, Investment Office, Credit and Legal. The CCRG meets quarterly and as and when necessary.

Hermes counterparty approval takes into consideration the level of risk associated with the instrument's trading/settlement method (e.g. equities is DVP delivery-versus-payment, swaps is OTC over-the-counter instrument) and the approval is assigned at the counterparty's group level. The approval process is driven by requests from the Portfolio Manager or the Central Trading Desk and coordinated by the Counterparty Credit Analyst in the Risk team. Each new approval requires sign-offs from Head of Central Trading and Head of Investments.

An assessment of the counterparty's risk profile is undertaken commensurate to the level of trading risk. As appropriate external credit ratings, the company's financial condition, negative news, and any other relevant information, such as country, industry or business risk, potential guarantees by parent entity or holding company and the probability of government or systemic support. Compliance undertake KYC and AML checks. The Legal department arranges the completion of the relevant legal documentation as necessary and Operations facilitate the setup of counterparty risk management controls such as collateral.

Upon receipt of Legal and Compliance sign-offs, and completion of the risk review, the Counterparty Credit Analyst will recommend rejection or approval of the counterparty. Final approval is given by the Head of Risk and ratified by the CCRG.

Best Execution

In determining the ability of a broker or dealer to provide best execution of securities transactions, Central Trading considers a number of factors, including price, the execution capabilities required by the transactions; the characteristic of the financial instrument; the importance of speed, efficiency and confidentiality; the likelihood of settlement; the broker or dealer's apparent familiarity with sources from or to whom particular securities might be purchased or sold; the reputation and perceived soundness of the broker or dealer and any other relevant execution factor.

Commission Rates or Equivalents

Central Trading will monitor the expenses incurred for effecting portfolio transactions to the extent consistent with clients' interests and objectives. Although Central Trading generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. Commission rates paid for equities may vary depending on the asset class, market (by country), investment style, and type of transaction.

Commissions on exchange traded derivatives are paid to the clearing broker on trade date. They are split into a clearing commission that the clearing broker keeps and an execution commission that the clearing broker pays to the execution broker on receipt of a monthly invoice. Each contract has a different rate that is agreed by Central Trading on a transaction-by-transaction basis.

Research or other “Soft Dollar” benefits

To comply with more stringent European Standards, HEEL pays for all investment research and does not use soft dollars from dealing commission to pay for research.

Brokerage for Client Referrals

HEEL generally does not participate in any Commission Recapture or Directed Commission programs.

Directed Brokerage

Where a client designates a broker-dealer, or broker-dealers, HEEL and Central Trading may not be in a position where they can negotiate commission rates or spreads or obtain volume discounts and best price may not be achieved. Trades for a Client that has designated a broker or dealer may be placed at the end of batched trading activity for a particular security.

Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the Client receiving a price that is less favorable than the price obtained for the batched order. Under these circumstances, the direction by a Client of a broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if Central Trading could negotiate commission rates or spreads freely, or select brokers or dealers based on best execution. These potential results are particularly relevant if directed accounts are trading after large block trades, involve illiquid securities or occur in volatile markets.

Trade Aggregation

HEEL is required to ensure that Client orders it places are executed in a prompt, fair and expeditious manner for the type of order in question. All Client orders are placed in the trading system by the HEEL fund managers and then passed to the Central Trading which operate under HIML and executed in accordance with Hermes Execution policy.

We may aggregate or “bunch” orders being placed for execution at the same time for the accounts of two or more Clients where we believe such aggregation is appropriate and in the best interest of Clients. This practice may enable HEEL and Central Trading to seek more favorable executions and net prices for the combined order. All orders placed for execution on an aggregated basis are subject to Hermes’ Trade Aggregation and Allocation policy and Procedures (the “Procedures”). The Procedures are designed to ensure that no Client or account will be favored over another. The Procedures are summarized as follows.

All Client orders are executed promptly by Central Trading, whose sole responsibility is to obtain best execution. Central Trading does not give unfair preference to any particular Client or any group of Clients.

The overall goal of these requirements is to treat each account fairly, with no inappropriate biases, while retaining tradable position sizes in each account.

The portfolio manager must determine that the purchase or sale of the particular security order is appropriate for the Client and consistent with the Client’s investment objectives and with any investment guidelines or restrictions applicable to the Client’s account. In

determining to include a Client account in a bunched order, Central Trading considers the nature and size of the expected bunched order, and other factors appropriate under the circumstances.

Central Trading must reasonably believe that the bunched order is consistent with the overall duty to seek best execution and may benefit each Client participating in the aggregated order.

Generally, each Client that participates in a bunched order shares in commissions or other transaction costs on a pro rata basis. When a bunched order is partially filled, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial trade allocation process and that does not consistently advantage or disadvantage particular Clients or groups of Client accounts. However, adjustments to the allocation may be made to avoid de minimis allocations to Client accounts or to avoid deviations from pre-determined holding limits established for any account.

ITEM 13 – REVIEW OF ACCOUNTS

Account review

Holdings across Client accounts are reviewed continuously. The investment team meets daily to discuss ongoing market events, as well as company and industry news. The investment team also holds twice-weekly meetings to focus on the portfolio holdings and risk composition of the strategies. Performance on all accounts is monitored daily and formal performance reviews for the strategy including attribution analysis are typically conducted monthly. The entire portfolio management team is involved in reviewing Client accounts. Compliance performs daily investment restriction monitoring on a pre-trade and/or post trade basis. Client Guidelines are coded from the Client’s Investment Management Agreement (“IMA”) or the fund prospectus prior to investment and subject to a four eyes coding and testing review.

Client reporting

The nature and frequency of reports to clients varies and will usually be determined by the specific requirements of each client. All our client reporting is delivered electronically via email.

Typically, the types of reports we deliver are as follows:

- Performance Reports – Estimated and Finalized (Returns, Attribution and Contribution)
- Ex Ante and Ex Post Risk Reports
- Investment Reviews
- Strategy Newsletters
- Bespoke Client Fund/Portfolio Analysis Spreadsheets
- Commentaries
- ESG Risk Reports
- Voting & Engagement Reports
- MiFID II Costs & Charges Reports
- Average Daily Trading Reports
- Valuation Packs including:
 - Transaction statements
 - Asset and Holdings Reports

- Income & Expenses Reports
- Currency Breakdown Reports
- Capital Change Reports

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

HEEL may from time to time compensate, either directly or indirectly, either employees or third parties for Client referrals. Any such referral arrangements will comply with the relevant portions of the “cash solicitation” rule (Rule 206(4)-3). In particular, third party referral arrangements will be pursuant to a written agreement between HEEL and the solicitor and all required disclosures will be made.

Some of HEEL’s clients may retain consulting firms to assist them in selecting investment managers. Some consulting firms provide services to both those who hire investment managers and to investment management firms. HEEL may pay to attend conferences sponsored by consulting firms and/or purchase services from consulting firms where it believes those services will be useful in operating our investment management business. HEEL’s Clients and prospective Clients should be aware that consulting firms might have business relationships with investment management firms that they recommend to their Clients.

HEEL has various business relationships with Hermes-affiliated investment advisers. HIML may from time to time appoint HEEL to be a sub-advisor where HEEL will be compensated by HIML for those services.

ITEM 15 – CUSTODY

It is HEEL’s policy not to accept custody of client funds or securities. We also have policies and procedures designed to prevent us from having inadvertent or deemed custody. From time to time, if custodians or other parties may mistakenly send us share certificates, dividend checks or other client assets, HEEL has procedures that require such assets to be returned in a timely manner.

ITEM 16 – INVESTMENT DISCRETION

HEEL usually receives discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives, policies, guidelines and restrictions for the particular Client account.

HEEL’s authority to trade securities may also be limited by tax, laws or regulations that require diversification of investments and favor the holding of investments once made.

Before accepting discretionary authority, HEEL will discuss with Client the HEELs investment strategy in order for the Client to decide if it meets with their investment objective. Client’s investment guidelines and restrictions must be provided to HEEL in writing and are usually part of the IMA signed by the Client and HEEL.

ITEM 17 – VOTING CLIENT SECURITIES

HEEL believes that voting proxies is an important aspect of portfolio management as it represents an opportunity for shareholders to make their voices heard and to influence the direction of a company. HEEL is committed to voting corporate proxies in the manner that it reasonably believes serves the best interest of its Clients. In accordance with Advisers Act Rule 206(4)-6, HEEL has adopted a Proxy Voting and Procedures Policy (“Proxy Procedures”) to vote proxies on behalf of each discretionary Client who has not retained voting authority to itself or delegated voting authority to a third party. HEEL is affiliated with Hermes Equity Ownership Services (“HEOS”), an entity dedicated to corporate governance and shareholder voting. HEOS and the Hermes Group have adopted corporate governance standards applicable to proxy voting generally. As a Hermes’ affiliate, HEEL’s Proxy Procedures with respect to voting on specific issues are largely governed by this group-wide policy.

The quality and depth of management is a primary factor that HEEL considers when investing in a company. HEEL will consider each proxy proposal on its merits and act in the best interest of its Clients. Because HEEL considers each proxy proposal and the related corporate circumstances independently, it may vote differently with respect to similar proposals for different companies.

HEEL recognizes that under certain circumstances it may have a material conflict of interest in voting proxies on behalf of its Clients and in such instances, will consult with the Clients on the best course of action.

For each proxy, HEEL maintains all related records as required by applicable law. A Client who delegates voting authority to HEEL may obtain a copy of the Proxy Policy, or a copy of the specific voting record for his or her account(s), by contacting his/her client relationship manager at the firm. The Proxy Policy may be amended from time to time.

ITEM 18 – FINANCIAL INFORMATION

HEEL has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, has not been the subject of a bankruptcy proceeding and is not required to include a balance sheet as it does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

ITEM 19 – STATE SECURITIES REGISTRATION

HEEL has a corporate registration with the state of California.

Information on executive officers and management persons have been provided in the Brochure Supplement and part 1 of ADV.

HEEL does not engage in any business other than investment advice.

ADV PART 2B BROCHURE SUPPLEMENT

Hermes European Equities Limited
150 Cheapside, London, EC2V 6ET, UK

March 2019

This brochure supplement provides information about HIML's supervised persons that supplements its part 2A brochure. You should have received a copy of that brochure. Please contact your client relationship manager if you did not receive HIML's brochure or if you have any questions about the contents of this supplement.

For professional investors only

www.hermes-investment.com

ITEM 22 – BROCHURE SUPPLEMENT FOR – ANDREW PARRY (BORN 1962) – HERMES GROUP HEAD OF SUSTAINABLE INVESTING, AND DIRECTOR OF HERMES EUROPEAN EQUITIES LIMITED.

Section 1 – Educational Background and Business Experience

Andrew Parry is Head of Sustainable Investing and a member of the Hermes Strategy Group. He joined the firm in 2009, initially as Chief Executive and Co-Head of Investment for Hermes Sourcecap, now Hermes European Equities Limited (HEEL), becoming Head of Equities in 2014 and taking on responsibility for developing Impact Investing in August 2016. In September of 2017 he became Head of Sustainable Investing to reflect the commitment of Hermes to building success in Responsible Investing.

In 2006, Andrew jointly founded Sourcecap with the aim of building a best-in-class investment boutique focused on excellence in European equity management. Prior to this, Andrew established Pembroke Capital Management in 2003 and successfully launched the Magenta fund, a global equity non-directional fund. Before that, Andrew worked at Northern Trust Global Investments (Europe) Ltd as Chief Investment Officer of International Equities and was responsible for the management of global, international and regional portfolios. He has also held a variety of senior investment roles, including Head of International Equities at Julius Baer Investments, Chief Investment Officer at Lazard Brothers Asset management, and Head of UK Equities at Baring Asset Management. Andrew holds a MA in Mathematics from the University of St Andrews.

Andrew is Co-Chair of the UNEP Financial Initiative Positive Impact Steering Group and a member of the Investment Committee of the Trafalgar House Pension Trust. He was formerly an independent investment advisor to the Investment Sub-Committee of the Mineworkers' Pension Scheme and a non-equity director of Aerion Fund Managers.

Section 2 – Disciplinary History

There are no legal or disciplinary events to disclose with respect to Mr. Parry.

Section 3 – Other Business Activities

Outside of his roles with Hermes, Mr. Parry is a member of the Investment Committee of the Trafalgar House Pension Trust and Co-Chair of the UNEP Financial Initiative Positive Impact Steering Group.

Section 4 – Additional Compensation

Mr. Parry is a member of the Investment Committee of the Trafalgar House Pension Trust for which he receives an annual salary. This role is recorded on Hermes' conflicts of interests register and is not considered to impact upon his Hermes responsibilities.

Section 5 – Supervision

As Head of Sustainable Investing, Mr. Parry is supervised by the Head of Investment and also subject to supervision by the Executive Committee.

ITEM 23 – BROCHURE SUPPLEMENT FOR – JAMES RUTHERFORD (BORN 1965) – HEAD OF EUROPEAN EQUITIES

Section 1 – Educational Background and Business Experience

James Rutherford is Head of European Equities and lead portfolio manager of the Hermes European Alpha Strategy. He joined Hermes in 2009 as Co-Head of Investment for Hermes Sourcecap, now Hermes European Equities.

James began his career at Fidelity as a pan-European research analyst, initially specializing in areas such as property, transportation, autos and media. In 1995, he became a pan-European portfolio manager and co-managed the UK Recovery Trust, which was ranked first in its peer group during that period. James was ultimately responsible for a \$19bn portfolio of pan-European institutional funds, and he remained at Fidelity until 2006, when he co-founded Sourcecap with the aim of building a best-in-class investment boutique focused on excellence in European equity management. James graduated from the London School of Economics with a BSc in Theoretical Economics.

Section 2 – Disciplinary History

There are no legal or disciplinary events to disclose with respect to Mr. Rutherford.

Section 3 – Other Business Activities

Outside of his role with Hermes European Equities, Mr Rutherford is a trustee on a nondiscretionary basis for a charitable Family Trust Fund. In addition to the trustee role, Mr Rutherford is an unpaid Non-Executive Director of and shareholder in Pixelrights, a private UK technology company.

Section 4 – Additional Compensation

Mr. Rutherford does not receive any economic benefit for providing advisory services from any person that is not a client of Hermes European Equities Limited or its affiliated investment advisers.

Section 5 – Supervision

As Head of European Equities, Mr. Rutherford is subject to supervision by Hermes Group Head of Investment and also by the Executive Committee.

ITEM 24 – BROCHURE SUPPLEMENT FOR – CHI CHAN (BORN 1973) – HERMES EUROPEAN EQUITIES – LEAD MANAGER OF THE EUROZONE STRATEGY

Section 1 – Educational Background and Business Experience

Chi Chan joined Hermes as an analyst in 2009 and is now lead portfolio manager of the Hermes Eurozone strategy. Prior to this, in early 2004 he joined Execution Limited as a senior telecoms analyst with lead responsibility for companies with an aggregate market cap in excess of €200bn and established a reputation for interesting and commercial analysis. Previously he was at Credit Suisse First Boston, initially supporting the inception of the global value-based research group (the predecessor to HOLT) before being recruited internally to join the highly-rated pan-European telecom team. Chi started his career at the financial services practice of Ernst & Young, where he qualified as a Chartered Accountant after graduating from University of Manchester Institute of Science and Technology (UMIST) in 1997 with a BSc in Clothing Engineering and Management.

Section 2 – Disciplinary History

There are no legal or disciplinary events to disclose with respect to Mr. Chan.

Section 3 – Other Business Activities

Mr. Chan is not engaged in any investment-related business outside of his roles with Hermes European Equities Limited.

Section 4 – Additional Compensation

Mr. Chan does not receive any economic benefit for providing advisory services from any person that is not a client of Hermes European Equities Limited or its affiliated investment advisers.

Section 5 – Supervision

Mr. Chan is subject to supervision by Mr Rutherford, Head of Hermes European Equities.

ITEM 25 – BROCHURE SUPPLEMENT FOR – TIM CROCKFORD (BORN 1983) – HERMES EUROPEAN EQUITIES – LEAD MANAGER OF THE EUROPE EX-UK STRATEGY

Section 1 – Educational Background and Business Experience

Tim joined Hermes in 2009 as a research analyst for the European Equities team covering the resources, oil & gas, agricultural chemicals, capital goods and technology sector. He became lead portfolio manager of the Hermes Europe ex-UK Equity Fund in 2015 and joined Andrew Parry in forming the Impact team in August 2016, which launched the Hermes Impact Opportunities Fund at the start of 2018, which Tim also manages. Prior to joining Hermes, Tim worked at Execution Limited from July 2006 as a Primary Research Analyst, working on major projects in consumer, retail and financial services and then joined Hermes Sourcecap now Hermes European Equities Limited

'HEEL' (an advisory affiliate) in 2008. Tim was raised and educated in Malta and graduated from the University of Malta in 2006 with a Bachelor of Accountancy (Hons), as well as a Bachelor of Commerce degree. He holds the Investment Management Certificate and the Securities and Investment Institute certificate. In 2016, Tim featured in Financial News's '40 Under 40 Rising Stars of Asset Management', an editorial selection pick of the brightest up-and-coming men and women in the industry.

Section 2 – Disciplinary History

There are no legal or disciplinary events to disclose with respect to Mr. Crockford.

Section 3 – Other Business Activities

Outside of his role with Hermes European Equities Limited, Mr. Crockford is also the lead portfolio manager for our affiliate HIML's Impact Opportunities strategy.

Section 4 – Additional Compensation

Mr. Crockford receives compensation as part of his role as the lead portfolio manager of our affiliate HIML.

Section 5 – Supervision

Mr. Crockford is subject to supervision by Mr. Rutherford, Head of Hermes European Equities.

ITEM 26 – BROCHURE SUPPLEMENT FOR – MARTIN TODD (BORN 1981) – HERMES EUROPEAN EQUITIES – CO-MANAGER OF THE EUROPEAN ALPHA STRATEGY & LEAD MANAGER OF THE EUROPEAN ESG STRATEGY

Section 1 – Educational Background and Business Experience

Martin Todd joined Hermes as a senior analyst on the European Equities team in March 2013 and is now lead portfolio manager of the Hermes European ESG strategy and co-portfolio manager of the Hermes European Alpha Fund. Prior to this he was an investment director at Scottish Widows Investment Partnership. Martin joined SWIP as a graduate covering US equities before spending two years covering the Japanese equity market. In 2007 he joined the UK equity team, where he was a portfolio manager and analyst within a 10-person team managing more than £20bn in AUM. Martin graduated from the University of St Andrews with an MA in Economics & Modern History and is a CFA charterholder. In 2015, Martin featured in Financial News's '40 Under 40 Rising Stars of Asset Management', an editorial selection of the brightest up-and-coming men and women in the industry.

Section 2 – Disciplinary History

There are no legal or disciplinary events to disclose with respect to Mr Todd.

Section 3 – Other Business Activities

Mr Todd is not engaged in any investment-related business outside of his roles with Hermes European Equities Limited.

Section 4 – Additional Compensation

Mr Todd does not receive any economic benefit for providing advisory services from any person that is not a client of Hermes European Equities Limited or its affiliated investment advisers.

Section 5 – Supervision

Mr Todd is subject to supervision by Mr. Rutherford, Head of Hermes European Equities.

HERMES INVESTMENT MANAGEMENT

We are an asset manager with a difference. We believe that, while our primary purpose is to help savers and beneficiaries by providing world class active investment management and stewardship services, our role goes further. We believe we have a duty to deliver holistic returns – outcomes for our clients that go far beyond the financial – and consider the impact our decisions have on society, the environment and the wider world.

Our goal is to help people invest better, retire better and create a better society for all.

Our investment solutions include:

Private markets

Infrastructure, private debt, private equity, commercial and residential real estate

High active share equities

Asia, global emerging markets, Europe, US, global, small and mid-cap and impact

Credit

Absolute return, global high yield, multi strategy, global investment grade, unconstrained, real estate debt and direct lending

Stewardship

Active engagement, advocacy, intelligent voting and sustainable development

Offices

London | Denmark | Dublin | Frankfurt | New York | Singapore

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