

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

# Hermes Multi Strategy Credit Fund

## a sub-fund of Hermes Investment Funds plc

### Class F Stg£ Distributing Shares (ISIN: IE00BKRCN768)

#### Objectives and investment policy

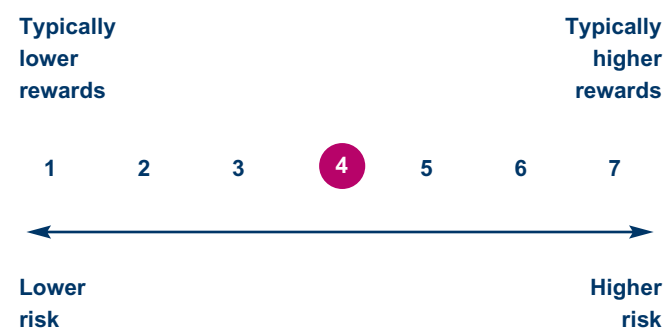
The Fund aims to generate a level of income over the long term. The Fund will mostly invest in contracts to repay debt issued by companies or by governments (e.g. bonds) which are traded on regulated exchanges. The debt instruments in which the Fund may invest will be issued by entities who are considered to be capable of repaying the debt and by entities who are generally considered to be at risk of not repaying the debt (i.e. defaulting). The Fund may invest in derivative financial instruments which try to protect the Fund from a risk of default and in derivative contracts under which the Fund and the entity with whom it contracts will agree to exchange cash payments. The Fund may also invest in shares that are listed or traded on regulated markets, in contracts which grant the Fund the option to enter into derivative contracts based on indices of shares and in investment funds (including other funds of Hermes Investment Funds plc). The Fund may also invest in secured or unsecured loans.

The Fund's investments may be priced in currencies other than US Dollars. The Investment Manager may use derivative instruments to convert the value of those investments into US Dollars.

The Fund may use financial derivative instruments with the aim of assisting it in achieving its investment objectives. By investing in these instruments, the Fund may obtain, increase or reduce exposure to underlying assets and may create leverage. The Fund may use leverage provided that the amount of leverage does not exceed 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.

Shares of the Fund may be sold back to the Fund (i.e. redeemed) each day. If the shares of the Fund are accumulating, any income from the Fund will be rolled up into the value of the Fund. If the shares of the Fund are distributing, any income from the Fund may be paid out as dividends.

#### Risk and reward profile



Narrative explanation of the indicator and its main limitations:

- 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'
- The volatility of the Fund is determined by the underlying investments

Particular risks not adequately captured by this indicator include:

- The value of your investment is not guaranteed and may go up or down.
- **Bonds Risk:** Where the Fund invests in debt instruments there is a risk that the entity who issues the contract will not be able to repay the debt or to pay the interest on the debt. If this happens then the value of the Fund may go down. Also where there is a risk that the entity issuing the debt instrument will not be able to repay the debt the price of the debt instrument may vary sharply.
- **Currency Risk:** Currency fluctuations between the share class currency and the base currency of the Fund may adversely affect the value of an investment in the Fund.
- **Counterparty Risk:** The Fund will be exposed to any institutions providing custody of assets, deposits or other instruments. The Fund's securities, in the event of counterparty financial difficulties, may be exposed to financial loss due to trade disruption or recovery of capital.
- **Loan Risk:** The Fund may invest in secured or unsecured loans. Loans that are fully secured offer the Fund more protection than an unsecured loan, in the event of non-payment of scheduled interest or principal. However, there is no assurance that the sale of assets from a secured loan would satisfy the borrower's obligation. The loans in which the Fund intends to invest may not be rated by any internationally recognised rating service.
- **Leverage Risk:** The use of leverage may result in large fluctuations in the net asset value of the Fund, amplifying both gains and losses.

## Charges for this Fund

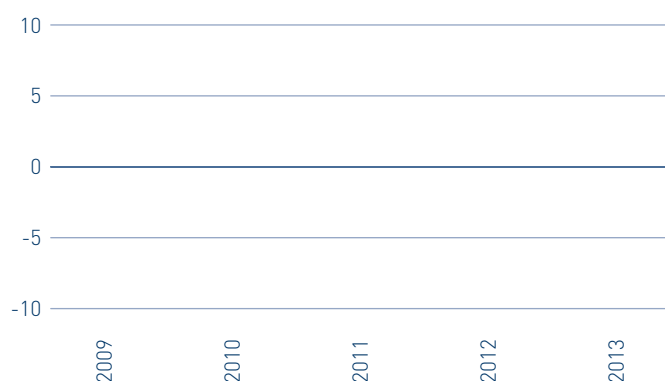
The charges you pay are used to pay the costs of running the Fund, including the costs of distributing it. These charges reduce the potential growth of your investment.

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	0.77%
Charges taken from the Fund under certain specific conditions	
Performance fee	None

The ongoing charges figure is based on estimated expenses for the year ending 30 June 2014. This figure may vary from year to year. 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.

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](http://www.hermes-investment.com).

## Past performance



- The Fund started to issue shares on 01/05/2014.
- Notwithstanding the date the Fund started to issue shares, no past performance will be reported if less than one calendar year's performance data is available for the specific share class. This is because there is insufficient data to provide meaningful information to investors.
- The initial investment into this share class was on 09/07/2014.

## Practical information

- Custodian: 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) 1 434 5286. 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](http://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](http://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.
- 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 Company 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 Company 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 prospectus for the Company.
- This Fund is authorised in Ireland and regulated by the Central Bank of Ireland.
- This key investor information is accurate as at 1 August 2014.