

Canada Pension Plan Investment Board acquires 50% stake in Milton Park from Hermes

Toronto, CANADA/London, U.K.– July 14, 2017: Hermes Investment Management (Hermes), the £30.8 billion manager, has agreed to sell a 50% equity stake in Milton Park to Canada Pension Plan Investment Board (CPPIB) for approximately £200 million.

Located in the Thames Valley region of the U.K., Milton Park accommodates leading global science and technology companies as well as emerging businesses, including a number of spin-off organisations from the nearby University of Oxford. At 250 acres, Milton Park is one of Europe's largest and most successful integrated business, science and technology parks and home to over 250 organisations employing over 9,000 people.

Chris Taylor, Head of Private Markets, Hermes Investment Management, said: "The deal marks another significant milestone in our growing relationship with CPPIB, which has already proved highly successful through our JV within central London and our collaboration at Wellington Place in Leeds and Paradise, Birmingham. Our interests are well aligned and, as such, we have been able to work together to deliver strong financial returns and positive impact upon society and the environment.

"Recycling capital in this manner allows us to adequately diversify our global portfolio and invest further in existing and new strategic holdings, where we believe additional value can be added in line with our focus on the occupational impacts arising from growing trends of urbanisation, globalisation, technology and demographic shifts."

MEPC Limited (MEPC), a leading property developer and asset manager, which manages Milton Park on behalf of Hermes Investment Management, will remain as asset manager and developer under the joint ownership. MEPC is currently overseeing the development of Park Drive East, one of the largest speculative developments in Oxfordshire, accommodating the ongoing demand for quality office and laboratory space in the region.

Andrea Orlandi, Managing Director and Head of Real Estate Investments Europe, CPPIB, added: "This transaction provides CPPIB with a further opportunity to grow our existing relationship with Hermes, one of our key strategic partners. MEPC, our asset and development manager on Wellington Place has a strong track record in developing and transforming major real estate projects. We see significant future growth potential at Milton Park as it continues to build on its attractiveness to the life-science sector - a major pillar of the thriving Oxford economy."

James Dipple, CEO of MEPC, said: "This deal offers an excellent opportunity for us to grow our relationship with CPPIB, which has already been cemented through our work at Wellington Place. This investment is testament to Milton Park's reputation and MEPC's excellent track record of delivering strong investor returns by meeting the needs of our customers through a clear understanding of their occupational requirements.

"With the added support of CPPIB, we will continue to accommodate the expansion of businesses on the park through an identified investment programme set out in our long term business plans."

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Notes to Editors:

Hermes Investment Management

We are an asset manager with a difference. We believe that, while our primary purpose is helping beneficiaries retire better 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.

We offer clients access to a broad range of specialist, high conviction investment teams with £30.8 billion* assets under management. In Hermes EOS, we have the industry's leading engagement resource, advising on £264.2 billion* of assets.

Hermes' investment solutions include:

- Private markets – Infrastructure, private debt, private equity and real estate
- High active share equities - Asia, global emerging markets, Europe, US, global, and small and mid cap
- Credit - Absolute return, global high yield, multi strategy and global investment grade
- Multi asset - Multi asset inflation
- Stewardship – Active engagement, intelligent voting, sustainable development and advocacy

*Please note the total AUM figure includes £6.0bn of assets managed or under an advisory agreement by Hermes GPE LLP ("HGPE"), a joint venture between Hermes Fund Managers Limited ("HFM") and GPE Partner Limited. HGPE is an independent entity and not part of the Hermes group. £0.1bn of total group AUM figure represents HFM mandates under advice. Source: Hermes as at 31 March 2017 with the exception of one portfolio totalling £10.6m valued as at 28 February 2017.

About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 20 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, São Paulo and Sydney, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At March 31, 2017, the CPP Fund totalled \$316.7 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#) or [Twitter](#).

MEPC Limited provides, creates and develops the right buildings and working environments for modern organisations, helping companies grow, succeed and belong to vibrant business communities. By investing in long term relationship with customers, MEPC understands the ever changing needs of business and delivers property solutions that are fit for purpose.

The business estates managed by MEPC accommodate over 350 organisations and circa 10,000 people working in manufacturing, professional services, and leading edge science and technology. The on-site teams consistently exceed expectations through their professionalism, dedication and approachability.

Investors benefit from this unique approach to working with occupiers which produces consistent class leading returns.

Milton Park is home to over 9,000 people and 250 organisations. As one of Europe's largest business parks, Milton Park accommodates all types of business, from manufacturing and medical services to mobile technology. By having such a large and eclectic variety of companies and individuals, creates an environment that is inclusive, as well as exclusive.

MEPC is the manager and developer of Milton Park. For further information, please visit www.miltonpark.co.uk