

Hermes and CPPIB Announce an Extension to their Regional JV through Paradise Birmingham

Toronto, Canada/London, United Kingdom (March 7, 2016) - Hermes Investment Management, the £23 billion manager focused on delivering superior, sustainable, risk adjusted returns to its clients – responsibly, and Canada Pension Plan Investment Board (CPPIB), a professional investment management organization that invests on behalf of 19 million Canada Pension Plan contributors and beneficiaries, have announced that CPPIB is committing to a 50% share in the £150 million first phase of the £1 billion Paradise Birmingham development.

The 1.8-million square-foot project, which is one of the largest development projects in the U.K., is currently jointly owned by Hermes Investment Management and Birmingham City Council. It will represent an extension of Hermes Investment Management and CPPIB's regional JV at Wellington Place in Leeds.

Argent is the developer for the mixed-use development which will include offices, shops, cafes, restaurants and a hotel across 10 buildings. The first phase of the project, which started in late 2015, includes the development of two new office buildings, which were granted planning permission in autumn last year, major infrastructure improvements and public realm around Chamberlain Square, as well as the demolition of existing buildings.

Chris Taylor, Head of Private Markets at Hermes Investment Management, said: "The partnership with CPPIB is testament to our well-established relationship and the confidence that we are seeing in Birmingham as a leading business destination. The opportunity at Paradise builds on our work with CPPIB at Wellington Place in Leeds and will open the door to a further extension of our JV."

Andrea Orlandi, Managing Director and Head of Real Estate Investments Europe, CPPIB, added: "This new joint venture in Birmingham builds on, and extends our strong relationship with Hermes Investment Management, and provides an excellent example of CPPIB's partnership strategy. The Paradise Birmingham development is a high-quality real estate investment in an important region in the U.K., and fits well with our long-term investment approach."

Rob Groves, Senior Projects Director at Argent, said: "This announcement is yet another strong indicator of the exceptional quality and confidence in the success of the Paradise development. The physical transformation of this important part of Birmingham's city centre has been well underway since January 2015 and will see the delivery of over 350,000 sq ft of office space in our first two Grade A speculative buildings which will be ready for occupation in late 2018."

For further information, please contact:

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Notes to Editors:

Hermes Investment Management

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

Hermes manages assets on behalf of more than 280 clients* across equities, fixed income, alternatives and real estate, with £23 billion* assets under management. In Hermes EOS, we have the industry's leading engagement resource, advising on more than £154.7 billion* of assets.

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 gives 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:

- **Private markets** - International real estate, pooled funds, segregated mandates, UK commercial real estate, UK commercial real estate debt, UK private rental sector real estate, infrastructure and private equity
- **High active share equities** - Asia, global emerging markets, Europe, global, and small and mid cap
- **Specialist fixed income** - Absolute return credit, global high yield bonds, multi strategy credit
- **Multi asset** - Multi asset inflation
- **Responsible investment services** - Corporate engagement, intelligent voting and public policy engagement

* Source: Hermes as at 31 December 2015 with exception of one fund valued at £144.5m which is estimated as at 31 December. Please note the total AuM figure includes £4.4 billion 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. £0.2 billion of total group AuM figure represents HFM mandates under advice.

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 19 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 and São Paulo, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At December 31, 2015, the CPP Fund totalled C\$282.6 billion. For more information about CPPIB, please visit www.cpiib.com or follow us on [LinkedIn](#) or [Twitter](#).

Argent

Argent (Property Development) Services LLP is one of the UK's best respected property development companies.

Argent developed and managed Brindleyplace which offers more than 1.1 million sq ft of office space, 30 restaurants, bars and cafés as well as leisure and recreational facilities. Brindleyplace is internationally recognised as an award winning benchmark for urban regeneration and has been responsible for leading the way in Birmingham's continued transformation.

The Argent team – now restructured as a Partnership - has been developing for 30 years. Argent has built a strong track record in mixed use developments that combine office, residential, retail, leisure, hotels, cafés, restaurants and managed open space; and has become a leading practitioner of city centre regeneration. It aims to be the most respected and successful developer in the UK.

Argent focuses on just a few, exceptional schemes at any one time, working with landowners and other partners. In addition to the eight million sq ft emerging at King's Cross in London, Argent's CV includes the rejuvenation of Piccadilly (One Piccadilly Gardens, Piccadilly Place, The Hub, The Hive) and One St Peter's Square in Manchester; Brindleyplace and Paradise Circus in Birmingham; the redevelopment of brownfield sites in the Thames Valley; and major commercial developments in the City of London.

For further information visit: www.argentllp.co.uk