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Canada Pension Plan Investment Board and Hermes Infrastructure Sign Agreement to Invest £1.6 billion¹ in Associated British Ports

London, U.K./Toronto, Canada (March 31, 2015): Canada Pension Plan Investment Board (CPPIB) and Hermes Infrastructure announced today that they have signed an agreement to invest approximately £1.6 billion (C\$2.9 billion) to acquire a stake in Associated British Ports (ABP) of at least 30%, and may acquire a further 3.33% subject to pre-emption rights.

CPPIB and Hermes Infrastructure, part of Hermes Investment Management, are acquiring this interest in ABP from GS Infrastructure Partners and Infracapital, while Borealis Infrastructure and Government of Singapore Investment Corporation (GIC) remain as ABP shareholders. The transaction is conditional on customary anti-trust clearances and is expected to close in summer 2015.

ABP is the U.K.'s leading ports group; it owns and operates 21 ports in England, Scotland, and Wales. ABP's business as a landlord port owner and operator is underpinned by a diverse cargo base, long-term contracts with a broad mix of blue chip customers and high quality assets.

"We are excited about this unique opportunity to invest in a significant portfolio of landlord ports with a proven track record of steady operational performance," said Cressida Hogg, Managing Director & Global Head of Infrastructure at CPPIB. "This investment is an important addition to our global infrastructure portfolio and fits well with CPPIB's long-term investment mandate. We look forward to working alongside ABP management and our partners Hermes Infrastructure, Borealis Infrastructure and GIC in continuing to grow the ABP business."

Peter Hofbauer, Head of Hermes Infrastructure said, "ABP operates strategic U.K. infrastructure assets and is an excellent fit within Hermes Infrastructure's Core investment strategy. This targets infrastructure businesses that deliver long-term predictable inflation-linked cash flows, with robust cash yield. An investment in ABP is expected to deliver on all of these along with appropriate governance and a high-quality management team. We look forward to supporting the business in making its important contribution to the U.K. economy alongside our partners CPPIB, Borealis Infrastructure and GIC."

A significant investor in the U.K., CPPIB has invested approximately £7.6 billion (C\$14.3 billion) in real estate, infrastructure, public equities, real estate investment funds, and direct investments, as at December 31, 2014.

Hermes Infrastructure, part of Hermes Investment Management which manages £28.6 billion and advises on £134 billion through ESG and stewardship services, invests in high quality infrastructure

¹ The purchase price is dependent upon the final settlement date. Earnings are scheduled to accrue to CPPIB and Hermes Infrastructure on the investment from 31 December 2014.



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assets on behalf of its clients and is focused on delivering enhanced risk-adjusted returns for investors.

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Notes to Editors:

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 18 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, 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, 2014, the CPP Fund totalled C\$238.8 billion, of which C\$13.1 billion represented investments in global infrastructure. For more information about CPPIB, please visit www.cpiib.com.

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 200 clients* across equities, fixed income, alternatives and real estate, with £28.6 billion* assets under management. In Hermes EOS, we have the industry's leading engagement resource, advising on more than £134.0 billion* of assets.

Hermes' investment solutions include:

- **Equities:** Global, Emerging Markets, Small & Mid Cap, Europe, Asia Ex Japan, Greater China



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- **Fixed Income:** Inflation-Linked, Government Bonds, Investment Grade, High Yield
- **Real Estate:** Segregated, Unitised, Debt, UK, US Residential, European, UK PRS
- **Alternatives:** Multi Asset, Infrastructure, Private Equity

*Please note the total AuM figure includes £3.7bn of assets managed or under an advisory agreement by Hermes GPE LLP ("HGPE"), a joint venture between Hermes Fund Managers ("HFM") and GPE Partner Limited. HGPE is an independent entity and not part of the Hermes group. £0.4bn of total group AuM figure represents HFM mandates under advice. Source: Hermes as at 31 December 2014.

Hermes Infrastructure

Hermes Infrastructure, part of Hermes Investment Management, manages approximately £3.1 billion on behalf of clients including the Hermes GPE Infrastructure Fund ("HIF"). Hermes Infrastructure is focused on delivering enhanced risk-adjusted returns for investors through a range of investment strategies and a diversified infrastructure portfolio.