

Federated Hermes SDG Engagement Equity Fund

Nasdaq symbol — R6: FHERX | IS: FHESX | A: FHEQX

12/31/21

Product highlights

- Seeks long-term capital appreciation alongside positive societal impact.
- Invests primarily in equity securities of small- and mid-cap companies in both the United States and foreign markets.
- Committed to responsible investment practices through investments that are aligned with the Sustainable Development Goals (SDGs).

Morningstar category

World Small/Mid Stock

Benchmark

MSCI All Country World SMID Index

Key investment team

Hamish Galpin

Fund statistics

Portfolio assets	\$68.2 m
Number of securities	53
Dividends	Paid annually
Weighted median P/E (NTM)	18.9x
Weighted median P/E (LTM)	24.3x
Weighted median market cap	\$6.6 b
Weighted median price/book	3.2x
Active Share	97.3%

Top holdings (%)

Silicon Laboratories Inc., <i>United States</i>	3.1
AMN Healthcare Services, Inc., <i>United States</i>	3.0
Techtronic Industries Company Limited, <i>Hong Kong</i>	2.9
STERIS PLC, <i>United States</i>	2.8
Simpson Manufacturing Co., Inc., <i>United States</i>	2.8
Brunswick Corporation, <i>United States</i>	2.6
Fortune Brands Home & Security, Inc., <i>United States</i>	2.6
Wintrust Financial Corporation, <i>United States</i>	2.6
YAKKO Co., Ltd., <i>Japan</i>	2.6
RPM International Inc., <i>United States</i>	2.5

Sector weightings (%)

Industrials	25.4
Consumer Discretionary	14.2
Materials	13.2
Health Care	12.0
Information Technology	8.6
Financials	8.3
Consumer Staples	5.5
Real Estate	5.4
Utilities	2.1
Communication Services	1.9
Energy	1.3
Cash/Cash Equivalents	2.2

Totals may not add up to 100% due to rounding.

Top country weightings (%)

United States	52.0
United Kingdom	10.6
Japan	9.8
Netherlands	4.9
Hong Kong	2.9
Switzerland	2.2
Sweden	2.0
Finland	2.0
Italy	1.7
Singapore	1.7

Average annual total returns (%)

Performance shown is before tax.

	NAV	Performance inception	Cumulative 3-month	1-year	3-year	Since inception	Expense ratio*	
							Before waivers	After waivers
R6		11/5/18	5.80	17.55	16.89	13.10	1.48	0.89
IS		11/5/18	5.80	17.55	16.89	13.10	1.54	0.94
A		11/5/18	5.76	17.28	16.67	12.90	1.81	1.19
Benchmark			3.30	16.24	19.01	-	-	-
Maximum offering price								
A		11/5/18	-0.08	10.83	14.48	10.90	1.81	1.19

Calendar year total returns (%)

Institutional Shares/NAV

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
NAV	17.55	8.34	25.41	-	-	-	-	-	-	-
Benchmark	16.24	15.67	25.37	-	-	-	-	-	-	-

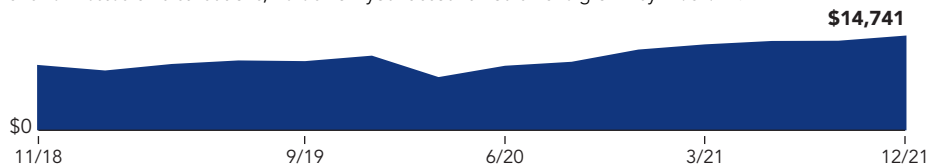
Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, and for after-tax returns, contact us or visit [FederatedInvestors.com](https://www.federatedinvestors.com). Maximum offering price figures reflect the maximum sales charge of 5.5% for A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund.

* The fund's expense ratio is from the most recent prospectus. The expense ratio may reflect voluntary fee waivers and/or expense reimbursements determined by the fund's Advisor and its affiliates. The voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 1/1/23 or the date of the fund's next effective prospectus.

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Growth over time

If you had invested \$10,000 in Institutional Shares on 11/30/18 (month end of the fund's performance inception) and reinvested all distributions, here's how your account would have grown by 12/31/21.



Federated Global Investment Management Corp. is the advisor of the fund and Hermes Investment Management Limited is the sub advisor.

The fund's A Shares commenced operations on November 5, 2019. For the periods prior to the commencement of operations of the A Shares, the performance information is that of the fund's IS Shares. The total returns of the IS Shares have not been adjusted to reflect the higher expenses applicable to the A Shares, but have been adjusted to reflect the A Shares sales load. The A Shares and the IS Shares are invested in the same portfolio of securities and the annual returns would differ only to the extent that the classes do not have the same expenses. It is anticipated that the expenses of the A Shares will be higher than those of the IS Shares; accordingly, the actual total returns of the A Shares are anticipated to be lower than the total returns of the IS Shares.

The fund's R6 Shares commenced operations on June 11, 2021. For the period prior to the commencement of operations of the R6 Shares, the performance information shown is for the fund's Institutional Shares. The performance of the Institutional Shares has not been adjusted to reflect the expenses applicable to the R6 Shares. The performance for the R6 class would be substantially similar to that of the Institutional class over the same period because the classes are invested in the same portfolio of securities and would differ only to the extent the classes do not have the same expenses.

A word about risk

ESG investments may be viewed as "sustainable," "responsible" or "socially conscious," among other names. ESG factors may be utilized and evaluated differently by different investment managers and may mean different things to different people. Investing based in part on ESG factors carries the risk that, under certain market conditions, the investment strategy may underperform strategies that do not utilize such factors. The application of responsible investment criteria may affect exposure to certain sectors or types of investments and may impact relative investment performance depending on whether such sectors or investments are in or out of favor in the market. An investment's ESG performance or an investment manager's assessment of such performance may change over time. The successful application of ESG factors is dependent on an investment manager's skill in properly identifying and analyzing material ESG issues, and the suitability of ESG investments may change over time.

The fund's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional instruments.

Mutual funds are subject to risks and fluctuate in value.

The fund's strategy is to target companies that the adviser or sub-adviser believes will contribute positive societal impact aligned to the SDGs. The fund may underperform funds that do not have such a strategy.

The SDGs are as follows: no poverty; zero hunger; good health and well-being; quality education; gender equality; clean water and sanitation; affordable and clean energy; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; sustainable cities and communities; responsible

consumption and production; climate action; life below water; life on land; peace, justice and strong institutions; and partnership for the goals.

International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

Small company stocks may be less liquid and subject to greater price volatility than large capitalization stocks.

Mid-capitalization companies often have narrower markets and limited managerial and financial resources compared to larger and more established companies.

Definitions

Active share is a measure of the percentage of stock holdings in a portfolio that differ from the benchmark index.

The holdings percentages are based on net assets at the close of business on 12/31/21 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes. Because this is a managed portfolio, the investment mix will change.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Total return would have been lower in the absence of temporary expense waivers or reimbursements.

Growth over time performance is for the fund's Institutional Shares. The fund offers additional share classes whose performance will vary due to differences in charges and expenses.

Weighted median P/E (LTM - latest twelve months) is a ratio comparing share price to earnings per share using data from the previous twelve months.

Weighted median P/E (NTM - next twelve months) in calculating this, individual holdings with values greater than 60 are capped at 60 in accordance with Morningstar's methodology for calculating "weighted Median P/E."

Weighted median market capitalization is the calculation represented by the median market capitalization of the stocks in the portfolio, weighted by the amount of each stock.

Weighted median price/book is a ratio comparing share price to book value or assets minus liabilities.

MSCI ACWI SMID Cap Index captures mid- and small-cap representation across 23 Developed Markets and 24 Emerging Markets countries. With 7,401 constituents, the index covers approximately 28% of the free float-adjusted market capitalization in each country.

Indexes are unmanaged and cannot be invested in directly.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. To obtain a summary prospectus or prospectus containing this and other information, contact us or visit FederatedInvestors.com. Please carefully read the summary prospectus or the prospectus before investing.

Past performance is no guarantee of future results.

Ratings and rating agencies

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the past three years. If the fund is less than three years old, the category is based on the life of the fund. ©2022 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.