

## **Federated Hermes, Inc. launches four MDT quantitative active ETFs**

- **New products double the number of Federated Hermes ETFs**

(PITTSBURGH, Pa., July 31, 2024) — Federated Hermes, Inc. (NYSE: FHI), a global leader in investment management, today announced the launch of four actively managed ETFs that take a quantitative approach to stock selection. The new products offer investors another way to access the disciplined Federated Hermes MDT investment process, crafted and refined for more than 30 years and now available in an ETF structure.

The new ETFs offer core and style-specific bottom-up strategies based on the Federated Hermes MDT approach, all seeking long-term capital appreciation by investing primarily in stocks of U.S. companies. The new ETFs and their NYSE ticker symbols are:

- Federated Hermes MDT Large Cap Core ETF (FLCC)
- Federated Hermes MDT Large Cap Growth ETF (FLCG)
- Federated Hermes MDT Large Cap Value ETF (FLCV)
- Federated Hermes MDT Small Cap Core ETF (FSCC)

The Federated Hermes MDT stock-selection process utilizes cutting-edge research, technology and daily data from multiple market cycles.

“With the rising appeal of active ETFs and continued interest in our MDT strategies, these new offerings are timely additions to our range of products, building upon Federated Hermes’ ETF capabilities launched in 2021,” said John B. Fisher, president and chief executive officer of Federated Advisory Companies. “Our MDT team has extensive experience in successfully managing and advancing quantitative investment strategies across market cycles, and these new ETFs can be useful in building diversified asset-allocation portfolios.”

The strategies are managed by a veteran portfolio management team: Daniel Mahr, CFA, who serves as Head of the MDT Group and has 22 years of experience; Damien Zhang, CFA, who is Head of MDT Research and has 15 years of experience; Frederick Konopka, CFA, who is Portfolio and Trading Manager and has 27 years of experience; and John Paul Lewicke, who serves as Research Manager and has 17 years of experience. The ETF investment team also manages more than \$10 billion in several Federated Hermes MDT mutual funds, institutional separate accounts and separately managed accounts (SMAs).

“We believe above-market returns can be achieved using an active, systematic investment approach with an analytical edge, which confers the advantages of discipline, testability and repeatability,” said Mahr. “Utilizing advanced modeling techniques, which harness the benefit of machine learning, our investment teams aim to identify a diverse range of unique alpha-seeking opportunities in an effort to drive differentiated active performance. Our research-intensive

approach is differentiated from other quantitative strategies, and we believe the modeling techniques and objective, unemotional nature of our vetting process present advantages over traditional fundamental strategies.”

The four new ETFs follow the launch of Federated Hermes Total Return Bond ETF (NYSE: FTRB) earlier this year, the 2022 launch of Federated Hermes U.S. Strategic Dividend ETF (NYSE: FDV), and the 2021 introduction of Federated Hermes Short Duration High Yield ETF (NYSE: FHYS) and Federated Hermes Short Duration Corporate ETF (NYSE: FCSH).

Federated Hermes, Inc. is a global leader in active, responsible investment management, with \$782.7 billion in assets under management, as of June 30, 2024. We deliver investment solutions that help investors target a broad range of outcomes and provide equity, fixed-income, alternative/private markets, multi-asset and liquidity management strategies to more than 10,000 institutions and intermediaries worldwide. Our clients include corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. Headquartered in Pittsburgh, Federated Hermes has more than 2,000 employees in London, New York, Boston and offices worldwide. For more information, visit [FederatedHermes.com/us](https://FederatedHermes.com/us).

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ETFs are subject to risks and fluctuate in value.

The quantitative models and analysis used by the ETFs may perform differently than expected and may affect ETF performance.

Diversification does not assure a profit nor protect against loss.

Past performance is no guarantee of future results.

Alpha is a measure of how much or how little return is generated, given the risk a portfolio takes.

***For more complete information, visit [FederatedHermes.com/us](https://FederatedHermes.com/us) or contact your investment professional for summary prospectuses or prospectuses. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's summary prospectus or prospectus, which you should read carefully before investing. Prospectuses are available by calling Federated Hermes at 1-800-341-7400 or by visiting [FederatedHermes.com/us](https://FederatedHermes.com/us).***

Fund shares are bought and sold on an exchange at market price (not NAV) and are not individually redeemed from the Fund. However, shares may be redeemed at NAV directly by certain authorized broker-dealers (Authorized Participants) in very large creation/redemption units. Investors purchasing and selling at market price may pay brokerage commissions will reduce returns. Market price returns are based on the official closing price of an ETF share or, if the official closing price isn't available, the midpoint between the national best bid and national best offer ("NBBO") as of the time the ETF calculates the current NAV per share. NAVs are calculated using prices as of 4 p.m. Eastern Time.

Certain statements in this press release, such as those related to performance, investment strategies and uses for products, and investor preferences and demand, constitute or may constitute forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the company, or industry results, to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Any forward-looking statement is inherently subject to significant risks and uncertainties, many of which are difficult to predict and beyond Federated Hermes' control. As a result, no assurance can be given as to future results, levels of activity, performance or achievements, and neither the company nor any other person assumes responsibility for the accuracy and completeness, or updating, of such statements in the future.

Separately managed accounts are made available through Federated Investment Counseling.

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