

6/30/23

Firm overview

Federated Hermes, Inc. is a leading \$704.0 billion global investment manager (assets under management as of 6/30/23). Guided by our conviction that responsible investing is the best way to create wealth over the long term, Federated Hermes offers world-class investment management and engagement services. Our products span equity, fixed-income, alternative/private markets, multi-asset and liquidity management strategies and a range of separately managed account strategies, all distributed through a network of institutions and intermediaries worldwide.

Composite

Federated Hermes Global Equity Low Carbon SMA

Index

MSCI World Index

Key investment team

Geir Lode
Lewis Grant
Louise Dudley, CFA

Philosophy

The investment philosophy can be captured in four words: pragmatism, sustainability, responsibility and longevity. The team takes a pragmatic view of the investment universe to incorporate a combination of proven, economically justified fundamental characteristics that are attractively priced. We believe the best way to generate strong returns is to combine a systematic approach, which minimizes behavioral biases, with disciplined subjective analysis.

Investment approach

The team invests in a diverse range of companies with attractive combinations of long-term fundamental characteristics and good or improving environmental, social and governance (ESG) characteristics. The team systematically assesses each company's value, growth and quality characteristics in the context of market sentiment. The results are tested through disciplined subjective analysis, which also considers qualitative factors such as leadership quality and how a company manages ESG-related issues.

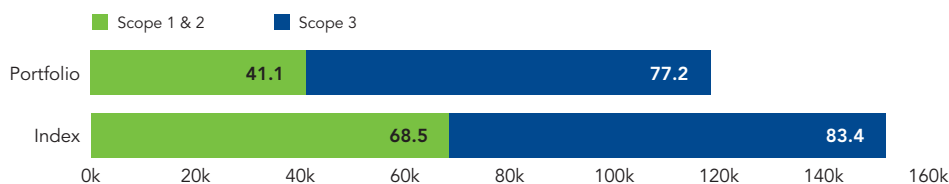
Thematic approach

- Favors companies that support the transition to a low-carbon economy and focus on minimizing further impacts from climate change
- Avoids companies with material exposure to fossil fuels and a high carbon intensity
- Positive bias toward firms with positive or improving ESG characteristics
- Active ownership through EOS at Federated Hermes voting and engagement activities

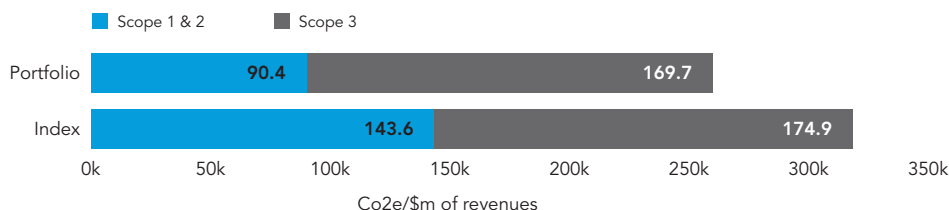
Carbon footprint

The graphs below depict the total carbon emissions and carbon intensity of the portfolio versus the index. Greenhouse gas (GHG) emissions are categorized into three groups, or scopes, by the Greenhouse Gas Protocol - definitions are listed below.

Total carbon emissions*



Carbon intensity**



Scope 1 emissions are all direct GHG emissions by a company. They include fuel combustion, company vehicles and fugitive emissions.

Scope 2 emissions are indirect emissions from the generation of purchased electricity, heat and steam.

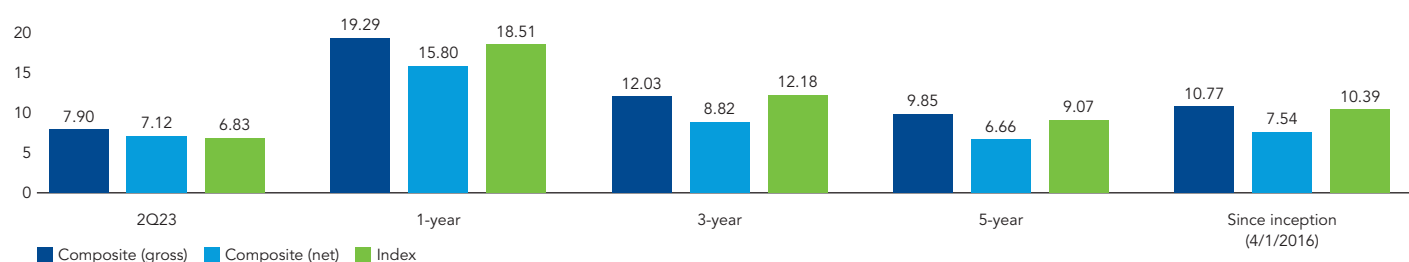
Scope 3 emissions are all other indirect emissions that occur in a company's value chain (for example, purchased goods and services, business travel, employee commuting, waste disposal, etc.)

*Emissions figures are based on a hypothetical \$1 million portfolio. Actual figures would vary based on individual account size.

**Carbon intensity measures the amount of carbon emissions per \$1 million of revenues.

Data as of 6/30/23. Refer to the attached GIPS® report for additional information.

Annualized returns (%)



Portfolio characteristics

	Portfolio	Index
Weighted avg. mkt. capitalization (bil.)	\$531.1	\$478.3
Market capitalization (bil.)*	\$111.2	\$110.7
EPS growth (3-year)*(%)	21.52	19.31
P/E ratio (NTM)*	22.00x	20.58x
Price/cash flow ratio*	19.64x	17.62x
Price/book value ratio*	6.20x	5.25x
Number of holdings	71	1,512

Sector weightings (%)

	Portfolio	Index
Communication Services	6.50	7.00
Consumer Discretionary	11.76	11.12
Consumer Staples	7.05	7.38
Energy	0.00	4.55
Financials	12.06	14.61
Health Care	15.13	12.79
Industrials	12.24	11.00
Information Technology	24.97	22.23
Materials	5.23	4.13
Real Estate	2.33	2.41
Utilities	0.85	2.78
Cash/Cash Equivalents	1.88	0.00

Top holdings (%)

	Portfolio
Apple Inc.	6.33
Microsoft Corporation	5.29
Novo Nordisk A/S Sponsored ADR Class B	2.71
NVIDIA Corporation	2.69
Alphabet Inc. Class A	2.67
ASML Holding NV ADR	2.60
Procter & Gamble Company	2.36
Amazon.com, Inc.	2.08
Astrazeneca PLC Sponsored ADR	2.05
Atkore Inc.	2.05

Risk statistics

	Portfolio	Index
Beta	0.98	1.00
Tracking error	2.34	0.00
Sharpe ratio	0.61	0.58
Information ratio	0.16	0.00

Country weightings (%)

	Portfolio
United States	69.30
Japan	6.29
United Kingdom	4.90
Netherlands	3.75
Switzerland	3.41
Denmark	2.71
France	2.35
Germany	1.71
Ireland	1.44
Hong Kong	1.16
Canada	1.11
Cash/Cash Equivalents	1.88

Calendar year returns (%)

	Composite (gross)	Composite (net)	Index
2017	23.04	19.46	22.40
2018	-9.30	-12.00	-8.71
2019	28.60	24.87	27.67
2020	20.04	16.54	15.90
2021	22.76	19.42	21.82
2022	-21.34	-23.72	-18.14
2023 (YTD)	17.15	15.45	15.09

*Weighted median

Total returns for periods of one year or less are cumulative.

Refer to the attached GIPS® report for additional information.

Past performance is no guarantee of future results.

Global Equity Low Carbon SMA

Schedule of rates of return and statistics

Composite Federated Hermes Global Equity Low Carbon SMA
 Index MSCI World Index (net)
 Periods ending 6/30/2023

	Returns (%)		
	Composite pure gross return [^]	Index	Net composite return (assuming maximum fee)
Q2 23	7.90	6.83	7.12
YTD	17.15	15.09	15.45
1 Year	19.29	18.51	15.80
3 Years (Annld)	12.03	12.18	8.82
5 Years (Annld)	9.85	9.07	6.66
7 Years (Annld)	11.19	10.62	7.96
Apr 16 - Jun 23 (Annld)^{^^}	10.77	10.39	7.54

	Composite pure gross return (%) [^]	Composite net return (%)	Benchmark return (%)	*Composite 3-yr std dev	*Benchmark 3-yr std dev	Number of portfolios	**Dispersion	Composite assets (\$mil)	Firm assets (\$bil)
2016	7.70	5.32	7.89	N/A	N/A	<5	N/A	115.3	342.3
2017	23.04	19.46	22.40	N/A	N/A	<5	N/A	150.4	354.7
2018	-9.30	-12.00	-8.71	N/A	N/A	<5	N/A	136.1	377.2
2019	28.60	24.87	27.67	11.50	11.14	<5	N/A	174.7	503.1
2020	20.04	16.54	15.90	17.46	18.27	<5	N/A	226.3	585.7
2021	22.76	19.42	21.82	15.96	17.06	<5	N/A	0.3	634.2
2022	-21.34	-23.72	-18.14	19.90	20.43	<5	N/A	0.2	627.4

[^]Pure gross returns are shown as supplemental and do not reflect the deduction of transaction costs.

^{^^}Represents composite inception period. See additional notes to the schedule of rates of return and statistics.

*Represents the 3-year annualized standard deviation for both the gross composite and the index returns. Statistic is used to measure the volatility of composite returns.

**Standard deviation is calculated using gross returns. Standard deviation is not applicable ("N/A") for any period if fewer than five accounts are in the composite for that period. (See footnote 5)

The composite includes all discretionary portfolios following the Global Equity Low Carbon strategy run by the Federated Hermes Global Equities team (London Office) and has an inception date of 1 April 2016. The objective of the strategy is to achieve long term capital appreciation. The strategy aims to take advantage of systematic behavioral biases of market participants while remaining cognizant of the risks associated with the modelling of such behavior. The strategy will not invest in companies that generate a significant portion of income from exposure to carbon-intensive fossil fuels as well as companies engaged in unethical or unsustainable activities. The benchmark is the MSCI World (net) Index, which is designed to measure the equity market performance of all developed countries and covers all large and mid-market capitalization securities. The benchmark is market-cap weighted and rebalanced on a quarterly basis. The return is calculated on a total return basis net of withholding tax. This composite was created in June 2021. Performance shown for 2016 is for a partial period starting 1 April 2016. Prior to July 2021, this composite consisted of the Federated Hermes Global Equity Low Carbon Composite. Effective July 2021, wrap fee accounts make up 100% of this composite. Federated Hermes claims compliance with the Global Investment Performance Standards ("GIPS[®]") and has prepared and presented this report in compliance with the GIPS[®] standards. Federated Hermes has been independently verified for the period of January 1, 1992, through March 31, 2023. The verification report is available upon request. A firm that claims compliance with the GIPS[®] standards must establish policies and procedures for complying with all the applicable requirements of the GIPS[®] standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS[®] standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Performance results are presented both net and gross of total wrap fees and reflect the reinvestment of income. "Pure" gross returns are shown as supplemental and do not reflect the deduction of transaction costs. Net returns reflect the deduction of a maximum fee. A fee equal to the highest anticipated wrap fee that a client could pay (3.00% annually as charged by the program sponsor, inclusive of up to a maximum investment advisory fee of 0.75%) is used. This total wrap fee includes all charges for trading costs, portfolio management, custody and other administrative fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.

Notes to the schedule of rates of return and statistics

Federated Hermes is a global, independent, multi-strategy investment management firm. For GIPS® purposes, Federated Hermes is defined to include the assets of registered investment companies that are advised or sub-advised by the various Federated Hermes advisory companies. Effective September 30, 2020, for GIPS® purposes the name of the firm was officially changed to Federated Hermes. Firm assets on this report exclude assets affiliated with Hermes GPE and the advisory-only, model-based assets that may be included in other reports providing total firm assets.

Interest income and dividends are recognized on an accrual basis. Returns include the reinvestment of all income.

All market values and performance information are valued in USD unless currency is denoted in composite description.

Annual composite dispersion is measured and presented using the asset weighted standard deviation of the gross returns of all of the portfolios included in the composite over the entire year.

See the composite description language for a discussion on appropriate fees currently applied to calculate composite performance. Net composite results are based off model fees using the stated fee schedule. In addition, further fee information can be obtained from the firm's respective Forms ADV Part 2 Brochure Item 5.

Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS® reports, as well as a complete list and description of the firm's composites and pooled funds is available upon request.

Past performance is not indicative of future results.

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See disclosures on the Schedule of Rates of Return and Statistics Reports for additional information.

The strategy is managed by Federated Hermes Limited.

Portfolio information is from a representative portfolio and for illustrative purposes only. Actual account characteristics of individual accounts may be different. Portfolio characteristics are as of 6/30/23 and are based on individual securities in the portfolio on that date. Securities in the portfolio are subject to change. Statistics shown are not indicative of future statistics and are not representative of future portfolio performance.

Since this is a managed portfolio and market conditions can fluctuate suddenly and frequently, the portfolio holdings and investment mix will change.

EPS growth: The estimated average annual growth rate of fiscal year earnings per share for a given corporation.

Price/book value ratio: A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

Price/cash flow ratio: A stock valuation measure calculated by dividing a firm's cash flow per share into the current stock price.

Price-to-earnings ratio (P/E): A ratio comparing the company's current share price, as compared to its earnings-per-share, for the last twelve months (LTM), or estimated for the next 12 months (NTM), current fiscal year (FY1), or next (forward) fiscal year.

Risk considerations

Investing in equities is speculative and involves substantial risk.

Terminology such as "ESG integrated", "sustainable" or "impact", among other terms, is not uniformly defined across the industry. Investment managers may understand and apply ESG factors in different ways, and that the role those factors play in investment decisions also varies. Therefore, we recommend investors understand the role of ESG factors in a strategy to ensure that approach is consistent with their investment objectives. Like any aspect of investment analysis, there is no guarantee that an investment strategy that considers ESG factors will result in performance better than or equal to products that do not consider such factors. Investing and making buy and sell decisions that emphasize ESG factors carries the risk that, under certain market conditions, the fund or strategy may underperform those that do not incorporate such factors explicitly into the decision-making process. The application of ESG criteria may affect exposure to certain sectors or securities and may impact relative investment performance depending on whether such sectors or securities are generally in or out of favor in the market.