

12/31/25

**Firm overview**

Federated Hermes, Inc. is a leading \$902.6 billion global investment manager (assets under management as of 12/31/25). 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 CW Henderson Intermediate Municipal SMA

**Index**

Bloomberg Municipal Bond Intermediate-Short 1-10 Year Index

**Key investment team**

Craig Henderson  
Matthew Andrews  
David Beck  
Francis Michl  
Beth Dougherty  
Weston Hirschey

**Customization options**

National municipal  
State preference

**Objective**

Seeks to generate tax-exempt income with a focus on capital preservation and total return.

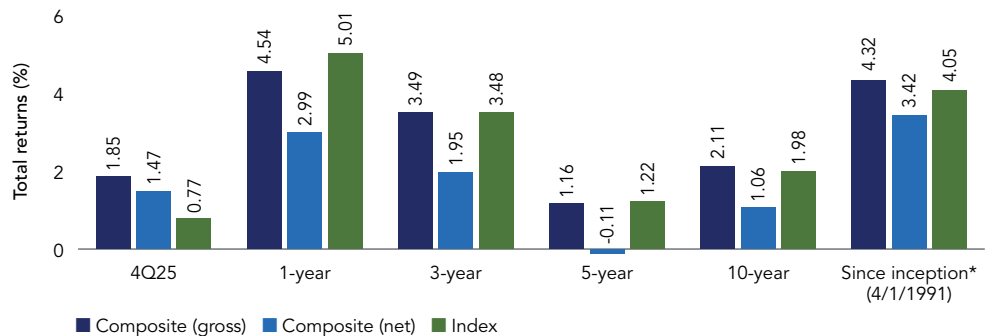
**Philosophy**

We view municipal bond separately managed account portfolios as a lower risk component of an investor's asset allocation and thus believe that a high quality, tax-efficient approach offers the potential for a balance between mitigating volatility and generating attractive tax-exempt income.

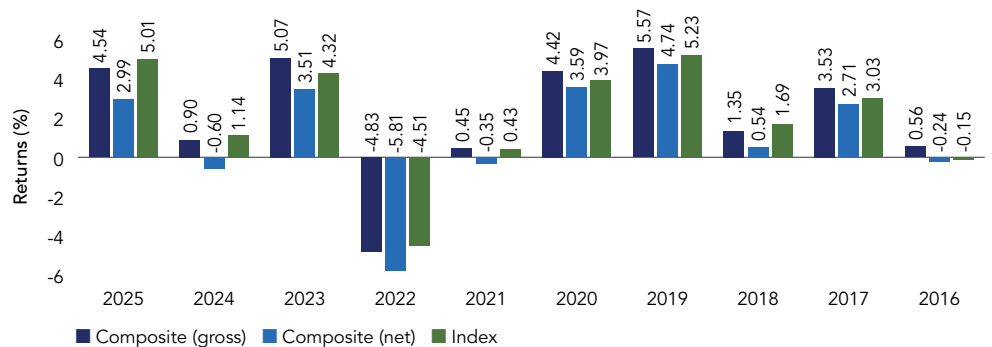
**Positioning**

- Active management while considering the tax efficiency of portfolio repositioning.
- Barbell structure to provide the potential for enhanced risk and return characteristics vs. laddered strategies.
- Modified duration typically ranges from 3.5 to 4.5 years.
- Invests primarily in highly rated (AAA and AA-rated securities) tax-exempt general obligation bonds, essential service revenue bonds and higher education bonds.
- Proactively harvests tax losses during periods of volatility.

**Annualized returns (%)**



**Calendar year returns (%)**



\* Prior to the July 1993 inception of the index, the Bloomberg 5-Year General Obligation Index is used.

Data as of 12/31/25. Refer to the attached GIPS® report for additional information.

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

While there is no assurance that the strategy will achieve its objective, the advisor endeavors to do so by selecting securities in the manner described in this document. Performance data quoted represents past performance, which is not indicative of future results.

## Portfolio characteristics

	Portfolio
<b>Modified duration (years)</b>	4.07
<b>Weighted average life (years)</b>	4.90
<b>Weighted average maturity (years)</b>	9.02
<b>Yield to worst (%)</b>	2.99
<b>Weighted average coupon (%)</b>	4.94
<b>Weighted average market price</b>	\$107.33

## Sector weightings (%)

	Portfolio
<b>Dedicated Tax</b>	4.0
<b>Local Government</b>	42.5
<b>Pre-refunded</b>	0.4
<b>State Government</b>	8.4
<b>Water/Sewage</b>	13.6
<b>Other</b>	31.1

## Duration profile (%)

	Portfolio
<b>0–1 Years</b>	30.81
<b>1–2 Years</b>	5.81
<b>2–3 Years</b>	2.62
<b>3–4 Years</b>	3.04
<b>4–5 Years</b>	6.77
<b>5–6 Years</b>	13.69
<b>6–7 Years</b>	19.40
<b>7–8 Years</b>	17.64
<b>8–9 Years</b>	0.23

## Quality breakdown (%)

	Portfolio
<b>AAA</b>	38.69
<b>AA</b>	55.05
<b>A</b>	0.76
<b>SP-1+</b>	3.62
<b>Cash/Cash Equivalents</b>	1.87

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

Portfolio characteristics and risk statistics do not show the impact of fees or expenses that an investor would have paid.

Data as of 12/31/25. Refer to the attached GIPS® report for additional information.

**Past performance is no guarantee of future results.**

## Schedule of rates of return and statistics

Composite Federated Hermes CW Henderson Intermediate Municipal SMA  
 Index Bloomberg Municipal Bond Intermediate Short 1–10 Year Index  
 Periods ending 12/31/2025

## Returns (%)

	Composite pure gross return <sup>^</sup>	Index	Net composite return (assuming maximum fee)
<b>Q4 25</b>	1.85	0.77	1.47
<b>1 Year</b>	4.54	5.01	2.99
<b>3 Years (Annldz)</b>	3.49	3.48	1.95
<b>5 Years (Annldz)</b>	1.16	1.22	-0.11
<b>7 Years (Annldz)</b>	2.24	2.17	1.09
<b>10 Years (Annldz)</b>	2.11	1.98	1.06
<b>15 Years (Annldz)</b>	2.57	2.37	1.59
<b>20 Years (Annldz)</b>	3.03	2.91	2.09
<b>Apr 91 - Dec 25 (Annldz)<sup>^^</sup></b>	4.32	4.05	3.42

	Composite pure gross return (%) <sup>^</sup>	Composite net return (%)	Benchmark return (%)	*Composite 3-yr std dev	*Benchmark 3-yr std dev	Number of portfolios	Dispersion <sup>**</sup>	Bundled fee <sup>^^^</sup>	Composite assets (\$mil)	Firm assets (\$bil)
<b>2016</b>	0.56	-0.24	-0.15	2.13	2.16	565	0.25	41%	2,332.9	3.1
<b>2017</b>	3.53	2.71	3.03	2.13	2.27	577	0.21	45%	2,360.4	3.2
<b>2018</b>	1.35	0.54	1.69	2.27	2.28	604	0.18	46%	2,484.8	3.3
<b>2019</b>	5.57	4.74	5.23	1.79	1.76	646	0.22	51%	2,808.3	3.6
<b>2020</b>	4.42	3.59	3.97	2.59	2.56	747	0.46	49%	3,112.2	3.9
<b>2021</b>	0.45	-0.35	0.43	2.56	2.55	766	0.21	55%	3,218.5	4.0
<b>2022</b>	-4.83	-5.81	-4.51	4.30	4.07	717	0.32	77%	2,887.5	627.4
<b>2023</b>	5.07	3.51	4.32	5.06	4.60	783	0.44	78%	3,193.0	720.0
<b>2024</b>	0.90	-0.60	1.14	5.20	4.78	759	0.25	77%	2,838.5	792.2
<b>2025</b>	4.54	2.99	5.01	3.98	3.58	821	0.26	77%	3,083.8	860.5

<sup>^</sup> Pure gross returns are shown as supplemental and do not reflect the deduction of transaction costs.

<sup>^^</sup> Represents composite inception period. See additional notes to the schedule of rates of return and statistics.

<sup>^^^</sup> Prior to October 2022, wrap accounts were identified as only portfolios with a single contract relationship. Following acquisition in October 2022, wrap accounts are including both dual contract and single contract relationships.

\* 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)

This composite is comprised of accounts with durations that typically fall within a range of 3.5-5 years. Management of portfolios in this composite seeks to protect wealth and maximize total returns on an after-tax basis by utilizing actively managed, barbell structured portfolios to provide the potential for enhanced risk/return characteristics. Portfolios invest primarily in highly rated, tax-exempt general obligation bonds, essential service revenue bonds and higher education bonds. The composite includes all discretionary fee paying and non-fee-paying portfolios that are primarily invested in the intended strategy. Accounts eligible for this composite have a minimum of \$1 million at the time of opening. Effective January 2024 and retroactive to the July 1993 inception of the index, the composite's official benchmark is the Bloomberg Municipal Bond Intermediate-Short 1-10 Year index. Because this index was not available at inception of the composite, the Bloomberg 5-Year General Obligation index was originally chosen. The investment team believes the 1-10 Year is more descriptive of their investment universe and approach given it includes a broader range of municipal bond sectors and has duration that has historically centered around 4 years. The Bloomberg Municipal Bond Intermediate-Short 1-10 Year index is the municipal short/intermediate (1-10) year component of the Municipal Bond Index. The Bloomberg Municipal Bond index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Indexes are unmanaged and cannot be invested in directly. The returns of the benchmark are provided to represent the investment environment existing during the period shown. For comparison purposes, the index does not include any trading expenses, management fees or other costs. Both institutional separate accounts or accounts that have wrapped or bundled fees are eligible for this composite as long as they follow this style and are fully discretionary. This composite was created in March 1991. Portfolios have been managed in this investment style since March 1991. Firm assets prior to October 2022 are of an acquired entity of Federated Hermes. Performance presented prior to October 2022 occurred while the Portfolio Management Team members were affiliated with a prior firm. The investment management team has managed the composite since its inception, and the investment process has not changed. Performance has been linked to the historical performance earned at C.W. Henderson & Associates. Performance shown for 1991 is for a partial period starting April 1, 1991. 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 3/31/2025. 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. Effective September 2022 a fee equal to the highest anticipated wrap fee that a client could pay (1.50% annually as charged by the program sponsor, inclusive of up to a maximum investment advisory fee of 0.35%) is used; prior to acquisition that annual highest anticipated fee was 0.80%. 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

1. 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.
2. Interest income and dividends are recognized on an accrual basis. Returns include the reinvestment of all income.
3. All market values and performance information are valued in USD unless currency is denoted in composite description.
4. 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. Prior to January 2023, annual dispersion for the CW Henderson composites was measured using the equal weighted standard deviation of the returns of all the portfolios included in the composite over the entire year. Effective January 2023 this was changed to asset weighted. Prior to March 2020 with regard to Federated Clover Investment Advisors composites, annual dispersion was measured using the equal weighted standard deviation of the returns of all the portfolios included in the composite over the entire year.
5. Composite dispersion does not measure the risk of the product presented; it simply measures the return variance among portfolios managed in a similar fashion. This variance can be affected by variations in cash flow or specific client parameters among the portfolios comprising the composites, as well as by execution of strategy across accounts.
6. See the composite description language for a discussion on appropriate fees currently applied to calculate composite performance. With regard to the institutional composites not managed by the MDT Advisers and Federated Hermes London office teams, for the period July 1, 1992 through September 30, 2009, net of fee performance was calculated monthly by reducing the gross composite return by the highest actual fee of any account in the composite for that month, regardless of investment vehicle. Prior to July 1992, the maximum management fee for third quarter 1992 was used to calculate net of fee performance historically to inception of the composite. For those composites managed by the Federated Hermes London office investment team, 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.
7. 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.
8. Past performance is not indicative of future results.
9. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
10. See disclosures on the Schedule of Rates of Return and Statistics Reports for additional information.

Effective January 2024, and retroactive to the July 1993 inception of the index, the composite's official benchmark is the Bloomberg Municipal Bond Intermediate-Short 1-10 Year index. Because this index was not available at the inception of the composite, the original benchmark, the Bloomberg 5-Year General Obligation Index, is used for periods prior to July 1993.

Portfolio information is derived from an aggregation of all accounts that comprise the composite. Actual account characteristics of individual accounts may be different. Portfolio characteristics are as of 12/31/25 and are based on individual securities held across client accounts on that date.

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.

**Modified duration:** A measure of a security's price sensitivity to changes in interest rates calculated by assuming that a callable bond will be redeemed on the appropriate call date if the bond is priced to a call date or at maturity if priced to maturity.

**Weighted average coupon:** This figure is calculated by weighting each bond's coupon by its relative size in the portfolio. This figure indicates whether the portfolio has more high- or low-coupon bonds.

**Weighted average life (WAL):** The average time a dollar of principal is outstanding at an assumed prepayment rate.

**Weighted average maturity:** Is the average time to maturity of debt securities held in the fund.

**Yield to worst (YTW):** On a corporate bond, the yield to worst is the lowest yield that a buyer can expect among the reasonable alternatives, such as yield to maturity, yield to call, and yield to refunding.

**Index descriptions** (An index is unmanaged and has no expenses, and it is not possible to invest directly in an index.)

**Bloomberg Municipal Bond Intermediate-Short 1-10 Year Index:** Is the Municipal Short/Intermediate (1-10) component of the Municipal Bond Index. The Bloomberg Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market.

### Risk considerations

Bond prices are sensitive to changes in interest rates and a rise in interest rates can cause a decline in their prices.

Income generated by municipal bonds may be subject to the federal alternative minimum tax (AMT) and state and local taxes.