



A leader in active, low duration fixed-income investing

A range of short-end strategies for a complex rate environment

Faced with a higher for longer rate environment, investors are concerned about consistency of returns, reliable sources of income and principal loss.

Whether moving up the yield curve to seek greater income or down to reduce rate risk, investors should consider our range of low duration funds for options.

Federated Hermes low duration funds seek to provide:

- **Enhanced yield** over short-term government securities and money market funds
- **Reduced interest-rate risk and volatility** through disciplined duration management
- **Risk management**, the bedrock of Federated Hermes' philosophy
- **Cash flow** through monthly dividends
- **Liquidity**, with daily purchases or redemptions (and intraday liquidity for our active ETFs)

A history of fixed-income investing

Our approach to low duration investing was born out of Federated Hermes' history of capital preservation, dating from its 1971 founding of one of the first money market funds. We are a global asset manager with over \$669 billion¹ in assets under management and have been managing low duration funds for over 40 years.

Our approach

- 1. Active, disciplined process:** Our experience in the short end of the yield curve is expressed in a disciplined investment process. The risk management focus that underlies our money market funds informs our low duration approach. However, we target securities that can optimize yield above money market funds, while seeking to mitigate rate risk with active duration management.*
- 2. Rigorous credit research:** Our in-depth research process assigns internal credit ratings to securities, which we further analyze to identify ones with high risk-adjusted return potential.
- 3. Intensive interest rate analysis:** The funds' duration and yield curve strategies use resources across our fixed-income platform with the goal of limiting portfolio volatility.

**Low duration funds can serve as a complement to money market funds and cash accounts, but they are not designed to be a substitute for these vehicles. Low duration funds are generally suited for investors with a time frame of at least one year.*

Not FDIC Insured • May Lose Value • No Bank Guarantee

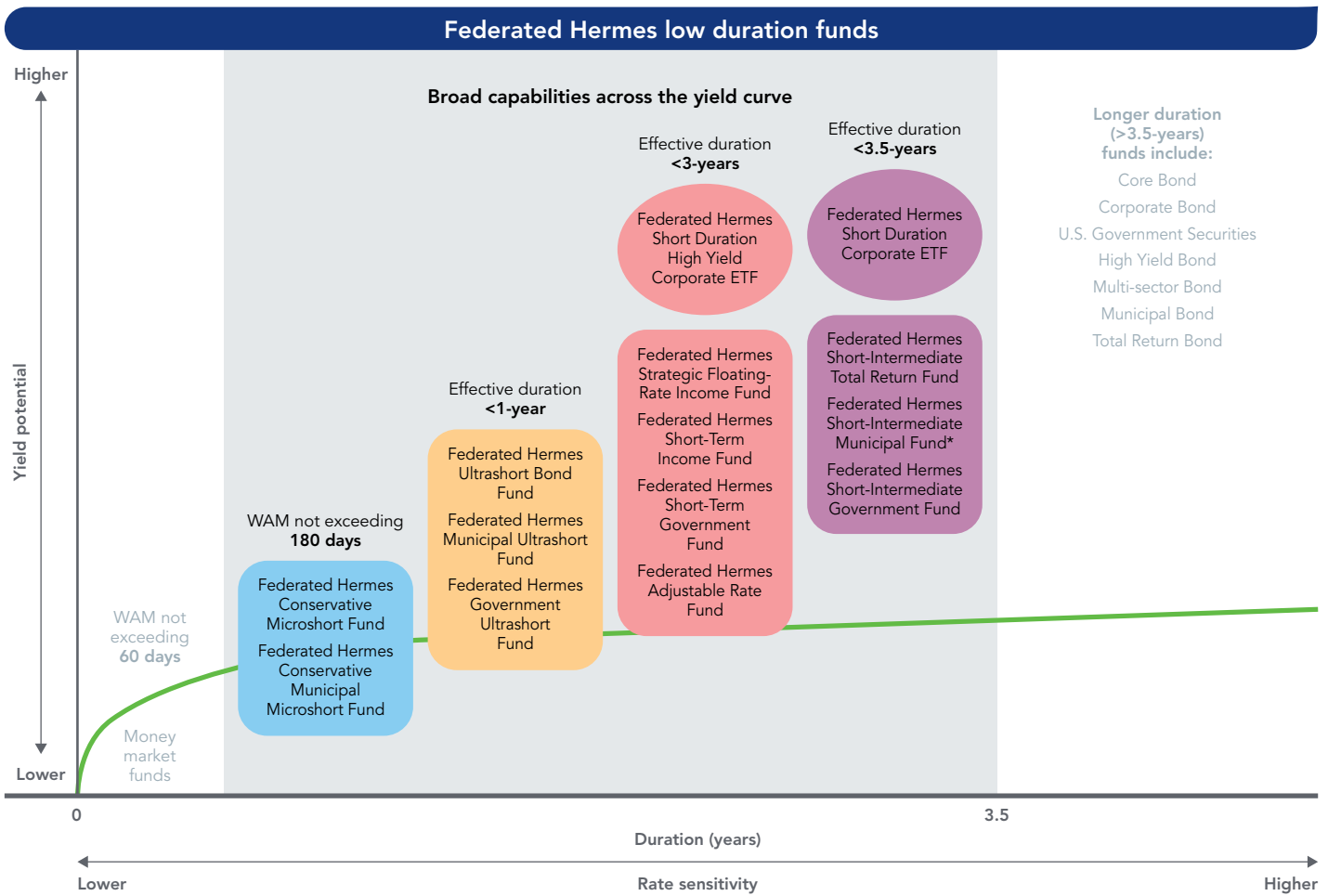
Low duration funds backed by Federated Hermes' resources

- **Strength:** \$500+ billion in actively managed liquidity and fixed-income strategies¹
- **History:** Over 50 years of seeking attractive income and stability for clients
- **Depth:** More than 130 investment professionals, with portfolio managers averaging 20 years of tenure at Federated Hermes¹
- The **Short Term Investments Committee** meets monthly to strategize, provide insights and discuss investment opportunities.



A wide range of capabilities

We have a full suite of low duration funds that fit a variety of income and risk management needs — whether it's seeking incremental yield by moving out the yield curve for your liquidity strategies or decreasing your portfolio's rate sensitivity by moving down the yield curve.



Source: Federated Hermes

The chart above is not drawn to scale and is for illustrative and informational purposes only; it does not represent the actual yield or duration exposure of these funds. WAM is weighted average maturity.

*The fund's duration may exceed 3.5 years. Please see the fund's prospectus for more information.



Low duration fund ²	Duration/maturity target	Ticker
Microshort		
Federated Hermes Conservative Microshort Fund	Weighted average maturity generally less than 180 days	IS Shares: FHCOX
Federated Hermes Conservative Municipal Microshort Fund	Weighted average maturity generally less than 180 days	IS Shares: FHMIX
Ultrashort		
Federated Hermes Government Ultrashort Fund	Weighted average duration of 1 year or less	IS Shares: FGUSX A Shares: FGUAX
Federated Hermes Municipal Ultrashort Fund	Weighted average duration of 1 year or less	IS Shares: FMUSX A Shares: FMUUX
Federated Hermes Ultrashort Bond Fund	Weighted average duration of 1 year or less	IS Shares: FULIX A Shares: FULAX
Short duration		
Federated Hermes Adjustable Rate Fund	Please refer to prospectus	IS Shares: FEUNX A Shares: FEUGX
Federated Hermes Floating Rate Strategic Income Fund	Weighted average duration range of -2 to 3 years	IS Shares: FFRSX A Shares: FRSAX
Federated Hermes Short-Intermediate Municipal Fund	Weighted average duration of less than 5 years	IS Shares: FSHIX A Shares: FMTAX
Federated Hermes Short-Intermediate Total Return Bond Fund	Weighted average duration is expected to be within a range of 1.5 to 3.5 years	IS Shares: FGCIX A Shares: FGCAIX
Federated Hermes Short-Term Government Fund	The fund emphasizes short-term government securities with maturities between 1 and 3 years	IS Shares: FSGVX
Federated Hermes Short-Term Income Fund	Weighted average duration between 1 and 3 years	IS Shares: FSTYX A Shares: FTIAX
Active ETF		
Federated Hermes Short Duration Corporate ETF	Weighted average duration is targeted within a range of 1.5 to 3.5 years	FCSH
Federated Hermes Short Duration High Yield ETF	Weighted average duration is expected to be less than 3 years	FHYS

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](https://www.federatedinvestors.com). Please carefully read the summary prospectus or the prospectus before investing.

¹ As of 12/31/22.

² These funds are not "money market" mutual funds. Some money market mutual funds attempt to maintain a stable net asset value through compliance with relevant Securities and Exchange Commission (SEC) rules. These funds are not governed by those rules and their shares will fluctuate in value.

ETF 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. The returns shown do not represent the returns you would receive if you traded shares at other times. Shares may trade at a premium or discount to their NAV in the secondary market. 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 4:00 PM Eastern Time.

A word about risk

Prices of emerging markets securities can be significantly more volatile than the prices of securities in developed countries, and currency risk and political risks are accentuated in emerging markets.

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

High-yield, lower-rated securities generally entail greater market, credit/default and liquidity risks, and may be more volatile than investment-grade securities.

Issuers of fixed-income securities may fail to pay interest or principal on those securities when due, which may reduce the value of the fund's portfolio holdings, its share price and its performance.

Definitions

Duration is a measure of a security's price sensitivity to changes in interest rates. Securities with longer durations are more sensitive to changes in interest rates than securities of shorter durations.

Yield curve is a graph showing the comparative yields of securities in a particular class according to maturity. Securities on the long end of the yield curve have longer maturities.