

# In need of dividend income?

## Federated Hermes U.S. Strategic Dividend ETF (FDV)

As of 5/31/24

### Portfolio objective

- Seeks to provide income and long-term capital appreciation.

### Ticker symbol

- FDV

### Key portfolio characteristics

- 4.04% gross weighted average dividend yield
- 67 dividend increases and zero cuts since inception (11/15/22)
- 43 dividend increases and zero cuts in the TTM\*
- 54 portfolio holdings
- Beta: 0.80\*\*
- Invests in U.S. companies only\*\*\*

### Dividend payment history

- 89% of holdings have paid consecutive dividends for 20 years.
- 83% of holdings have paid consecutive dividends for 30 years.
- 50% of holdings have paid consecutive dividends for 50 years.
- 15% of holdings have paid consecutive dividends for 100 years.

### Dividend increase history

- 56% of holdings have raised dividends each year for 10 years.
- 22% of holdings have raised dividends each year for 20 years.
- 11% of holdings have raised dividends each year for 30 years.
- 7% of holdings have raised dividends each year for 50 years.

Holding	Prospective dividend yield (%)^	Dividends paid consecutively since	Consecutive years of dividend increases	TTM* dividend change date	TTM* dividend % change	S&P credit rating
Communication Services 5.57%						
<b>AT&amp;T Inc.</b>	6.09	1893	0	–	–	BBB
<b>Interpublic Group Cos., Inc.</b>	4.21	2011	12	Feb-24	6.5%	BBB
<b>Verizon Communications Inc.</b>	6.46	1893	17	Sep-23	1.9%	BBB+
Consumer Discretionary 3.38%						
<b>Best Buy Co., Inc.</b>	4.43	2004	11	Feb-24	2.2%	BBB+
<b>Darden Restaurants, Inc.</b>	3.48	1995	3	Jun-23	8.3%	BBB
Consumer Staples 18.67%						
<b>Clorox Co.</b>	3.65	1970	22	Jul-23	1.7%	BBB+
<b>Coca-Cola Company</b>	3.08	1920	62	Feb-24	5.4%	A+
<b>Conagra Brands, Inc.</b>	4.69	1977	4	Jul-23	6.1%	BBB-
<b>Hershey Foods Corp.</b>	2.77	1930	15	Feb-24	14.9%	BBB
<b>Kenvue Inc.</b>	4.15	1944	0	–	–	A
<b>Kimberly-Clark Corporation</b>	3.66	1935	52	Jan-24	3.4%	A
<b>PepsiCo, Inc.</b>	3.13	1952	52	Feb-24	7.1%	A+
<b>Philip Morris International Inc.</b>	5.13	1928	16	Sep-23	2.4%	A-
<b>Target Corp.</b>	2.82	1967	21	Jun-23	1.9%	A
Energy 5.44%						
<b>Chevron Corp.</b>	4.02	1912	6	Feb-24	7.9%	AA-
<b>EOG Resources, Inc.</b>	2.92	1990	6	Nov-23	10.3%	A-
<b>Exxon Mobil Corporation</b>	3.24	1911	3	Oct-23	4.4%	AA-
Financials 11.06%						
<b>Huntington Bancshares Incorporated</b>	4.45	1971	0	–	–	BBB+
<b>JPMorgan Chase &amp; Co.</b>	2.27	1972	2	Sep-23 & Mar-24	15.0%	A-
<b>Morgan Stanley</b>	3.48	1993	3	–	–	A-
<b>PNC Financial Services Group, Inc.</b>	3.94	1979	3	Jul-23	3.3%	A-
<b>Truist Financial Corp.</b>	5.51	1980	0	–	–	A-
<b>U.S. Bancorp</b>	4.83	1980	3	Dec-23	2.1%	A
Health Care 14.01%						
<b>AbbVie Inc.</b>	3.85	1924	10	Oct-23	4.7%	A-
<b>Amgen Inc.</b>	2.94	2011	12	Dec-23	5.6%	BBB+
<b>Bristol-Myers Squibb Company</b>	5.84	1933	18	–	–	A
<b>CVS Health Corporation</b>	4.46	1977	3	–	–	BBB
<b>Gilead Sciences, Inc.</b>	4.79	2015	9	Feb-24	2.7%	BBB+
<b>Johnson &amp; Johnson</b>	3.38	1944	62	Apr-24	4.2%	AAA
<b>Merck &amp; Co., Inc.</b>	2.45	1932	13	Nov-23	5.5%	A+
<b>Pfizer Inc.</b>	5.86	1938	14	Dec-23	2.4%	A

continued on next page

\* TTM represents trailing twelve months.

\*\* 5-year weighted average beta of underlying stocks vs. the S&P 500® Index.

\*\*\* U.S. companies refers to those domiciled and/or with operations in the United States, or listed on U.S.-based exchanges.

**^Dividend yield is only one component of available portfolio characteristics and it is not and should not be viewed as a statement of current or future performance of the fund.**

Dividend changes prior to sale in the TTM\*: On 7/27/23, Stanley Black & Decker, Inc. increased its dividend by 1.3%.

**Past performance is no guarantee of future results. For current fund performance, visit [FederatedHermes.com/us](https://FederatedHermes.com/us).**

**Not FDIC Insured • May Lose Value • No Bank Guarantee**

## Federated Hermes U.S. Strategic Dividend ETF (FDV)

Holding	Prospective dividend yield (%) <sup>^</sup>	Dividends paid consecutively since	Consecutive years of dividend increases	TTM* dividend change date	TTM* dividend % change	S&P credit rating
Industrials 5.40%						
<b>Lockheed Martin Corporation</b>	2.68	1984	21	Oct-23	5.0%	A-
<b>MSC Industrial Direct Co., Inc.</b>	3.86	2003	2	–	–	-1
<b>Paychex, Inc.</b>	3.26	1988	4	May-24	10.1%	IG1 <sup>2</sup>
<b>United Parcel Service, Inc.</b>	4.69	1970	15	Jan-24	0.6%	A
Information Technology 7.02%						
<b>Cisco Systems, Inc.</b>	3.44	2011	13	Feb-24	2.6%	AA-
<b>Corning Inc.</b>	3.01	1977	9	–	–	BBB+
<b>Skyworks Solutions, Inc.</b>	2.94	2014	10	–	–	BBB-
<b>Texas Instruments, Inc.</b>	2.67	1962	20	Sep-23	4.8%	A+
Materials 3.70%						
<b>Arcor PLC</b>	4.92	1922	4	Oct-23	2.0%	BBB
<b>LyondellBasell Industries N.V.</b>	5.39	2011	4	May-24	7.2%	BBB
Real Estate 5.72%						
<b>Kimco Realty Corporation</b>	4.90	1992	4	–	–	BBB+
<b>NNN Reit, Inc.</b>	5.32	1985	34	Jul-23	2.7%	BBB+
<b>ProLogis Inc.</b>	3.29	1994	10	Feb-24	10.3%	A
Utilities 19.39%						
<b>American Electric Power Co., Inc.</b>	3.90	1910	11	Oct-23	6.0%	BBB+
<b>Dominion Energy, Inc.</b>	4.95	1925	0	–	–	BBB+
<b>Duke Energy Corporation</b>	3.96	1926	16	Jul-23	2.0%	BBB+
<b>Entergy Corp.</b>	4.02	1988	9	Oct-23	5.6%	BBB+
<b>Evergy, Inc.</b>	4.70	1980	18	Nov-23	4.9%	BBB+
<b>NextEra Energy Inc.</b>	2.57	1980	30	–	–	A-
<b>PPL Corporation</b>	3.51	1946	2	Feb-24	7.3%	A-
<b>Public Service Enterprises Group, Inc.</b>	3.17	1978	13	Feb-24	5.3%	BBB+
<b>Southern Company</b>	3.59	1948	23	Apr-24	2.9%	A-
<b>WEC Energy Group, Inc.</b>	4.12	1986	20	Dec-23	7.1%	A-

\* TTM represents trailing twelve months.

<sup>^</sup>Dividend yield is only one component of available portfolio characteristics and it is not and should not be viewed as a statement of current or future performance of the fund.

<sup>1</sup>No corporate bond issuance.

<sup>2</sup>Bloomberg Issuer Default Risk Rating, S&P Global Ratings does not provide a rating for Paychex, Inc.

Sources: Bloomberg, FactSet and company websites of current holdings.

Information as of 5/31/24. The fund is a managed portfolio and holdings are subject to change.

Credit ratings do not protect against market risk.

**Past performance is no guarantee of future results. For current fund performance, visit [FederatedHermes.com/us](https://www.federatedhermes.com/us).**

## Federated Hermes U.S. Strategic Dividend ETF (FDV)

### Average annual total returns (%) as of 5/31/24

	Monthly (as of 5/31/24)				Quarterly (as of 3/31/24)				Expense ratio*	
	NYSE ticker	3-month	1-year	Since inception (11/15/22)	3-month	1-year	Since inception (11/15/22)	30-day yield	Before waivers	After waivers
<b>NAV</b>	FDV	5.75	13.60	3.21	5.27	6.31	3.13	3.51	0.62	0.50
<b>Market price</b>	FDV	5.53	13.40	3.61	6.15	7.29	4.24	3.50	0.62	0.50

**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 sold or 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 [FederatedHermes.com/us](https://FederatedHermes.com/us).**

Returns for periods of less than one year are cumulative.

\* 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 1/1/25 or the date of the fund's next effective prospectus.

The market price return is calculated from closing prices as determined by the fund's listing exchange. The returns shown do not represent the returns you would receive if you traded shares at other times.

30-day yield (also known as "SEC yield") is a compounded and annualized figure calculated according to a formula set by the SEC. The formula requires use of a specific methodology for calculating dividends and interest earned, and expenses accrued, during the period. The standardized computation is designed to facilitate yield comparisons among different funds. In the absence of temporary expense waivers or reimbursements, the 30-day yield would have been 3.40% at market price and 3.41% at net asset value.

Although the information provided in this document has been obtained from sources which Federated Hermes believes to be reliable, it does not guarantee accuracy of such information and such information may be incomplete or condensed.

Prospective dividend yield is calculated by taking the most recent declared dividend payment multiplied by the number of dividend payments typically made during the year for each holding divided by the current share price for each security.

Weighted average dividend yield is the prospective dividend yield for each security averaged based on the percentages of the securities in the portfolio. Prospective dividend yield is calculated by taking the most recent declared dividend payment multiplied by the number of dividend payments typically made during the year for each holding divided by the current share price for each security. This is calculated based on a snapshot in time and may change due to fluctuations in share prices, dividends actually paid and changes in holdings in the portfolio.

Beta measures a portfolio's volatility relative to the market. A beta greater than 1.00 suggests the portfolio has historically been more volatile than the market as measured by the fund's benchmark. A beta less than 1.00 suggests the portfolio has historically had less volatility relative to the market.

The ratings provided are sourced from securities ratings agency S&P Global Ratings (S&P). S&P makes the following credit rating classifications: A or better are considered to be high credit quality; credit ratings of BBB are good credit quality and the lowest category of investment grade; credit ratings BB and below are lower-rated securities ("junk bonds"); and credit ratings of CCC or below have high default risk. A modifier of 1 or + indicates that the obligation ranks in the higher end of its rating category and a modifier of 3 or - indicates a ranking in the lower end of the category.

The Bloomberg Issuer Default Risk model generates the probability of default over the next year. The model categorizes stocks based on three categories: Investment Grade, High Yield, and Distressed. The highest rating (lowest probability of default) for an Investment Grade stock is IG1, the lowest rating is IG10.

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. Recent information, including information about the fund's NAV, market price, premiums and discounts, and bid-ask spreads, is included on the fund's website at [FederatedHermes.com/us](https://FederatedHermes.com/us).

Diversification does not assure a profit nor protect against loss.

**There are no guarantees that dividend-paying stocks will continue to pay dividends. In addition, dividend-paying stocks may not experience the same capital appreciation potential as non-dividend-paying stocks.**

**This material must be preceded or accompanied by a prospectus.**

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