

# Federated Hermes Global Allocation Fund



## A global, one-stop portfolio

R6 Shares: FSBLX | IS Shares: SBFIX | A Shares: FSTBX

The fund provides investors with a globally diversified, actively-managed, multi-asset portfolio—the all-in-one offering. The fund leverages the full scope of Federated Hermes investment capabilities in the pursuit of competitive risk-adjusted returns over varying market cycles.

### Investment process pillars

#### Equity portfolio

- Leverages Federated Hermes' expertise using systematic approaches to equity security selection
- Pursues alpha through a multi-factor portfolio construction approach which is tailored to countries and sectors globally

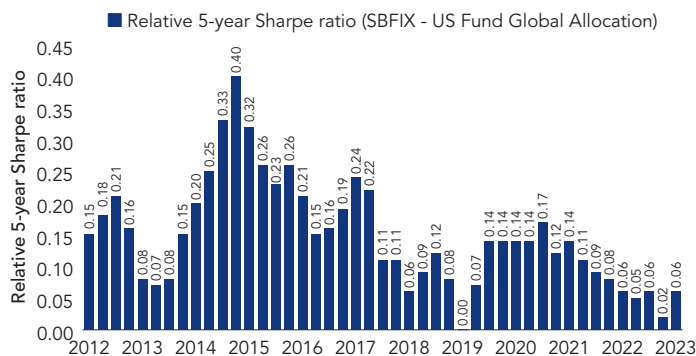
#### Asset allocation

- Leverages the breadth and depth of Federated Hermes' macro expertise in top-down analysis of global markets
- Pursues alpha opportunities across asset classes, regions, countries, sectors and styles

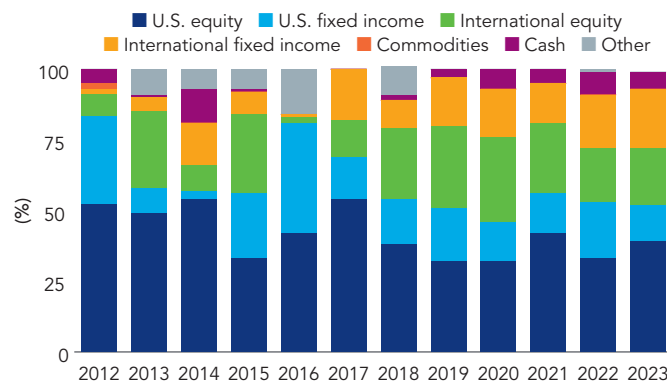
#### Fixed-income portfolio

- Leverages the Federated Hermes Global Fixed Income Group's "Alpha Pod" process to invest globally
- Pursues uncorrelated alpha through security selection, sector allocation, duration management, yield curve strategy and currency management

The fund has consistently delivered better risk-adjusted returns vs. peers



History of tactical allocation decisions



**Left-hand graph:** As of 12/31/23. Sources: Morningstar, Inc. and Federated Hermes analysis. The Morningstar Category for Federated Hermes Global Allocation Fund is Global Allocation. Graph shows the relative difference between the fund's 5-year Sharpe ratio and the Morningstar Category's 5-year Sharpe ratio, rolling quarterly from 12/31/12 to 12/31/23. Sharpe ratio is for IS Shares. Other classes of shares are available whose performance will vary due to different charges and expenses. **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 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.**

**Right-hand graph:** As of 12/31/23. Source: Federated Hermes. Graph shows the portfolio allocation by asset class at each calendar year end. Because this is a managed portfolio, the investment mix will change.

## Investment process backed by long-tenured team and well-resourced firm

Federated Hermes  
Global Allocation  
Fund portfolio  
managers average

22+  
years of  
investment  
experience

17+  
years at  
Federated  
Hermes

Federated Hermes  
backed by

130+  
portfolio  
managers<sup>1</sup>

140+  
analysts/associate  
portfolio  
managers<sup>1</sup>

As of 12/31/23.

<sup>1</sup> Federated Hermes Global Allocation Fund has six portfolio managers and two analysts/associate portfolio managers.

Not FDIC Insured • May Lose Value • No Bank Guarantee

# Federated Hermes Global Allocation Fund

Average annual total returns (%) as of 3/31/24

	Ticker symbol	1-year	3-year	5-year	10-year	Since inception 12/31/68	Expense ratio*	
							Before waivers	After waivers
<b>R6 Shares</b>	FSBLX	12.87	1.94	5.76	4.69	7.14	1.11	0.84
<b>Institutional Shares</b>	SBFIX	12.94	1.92	5.74	4.74	7.08	1.17	0.86
<b>A Shares (NAV)</b>	FSTBX	12.58	1.64	5.44	4.44	7.10	1.45	1.15
<b>A Shares (MOP)</b>	FSTBX	6.41	-0.26	4.26	3.85	6.99	1.45	1.15
<b>60% MSCI All Country World Index/ 40% Bloomberg Global Aggregate Index</b>	-	13.71	2.28	6.18	5.29	-	-	-

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 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). Maximum offering price figures reflect the maximum sales charge of 5.5% for A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund.

\*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 2/1/25 or the date of the fund's next effective prospectus.

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 [FederatedHermes.com/us](https://FederatedHermes.com/us). Please carefully read the summary prospectus or the prospectus before investing.

Past performance is no guarantee of future results.

The performance information shown for periods prior to September 5, 2008 reflects historical performance data for Federated Stock and Bond Fund, Inc. (the "Predecessor Fund") prior to its reorganization into Federated Asset Allocation Fund (formerly, Federated Stock and Bond Fund) on September 5, 2008. The fund is the successor to the Predecessor Fund pursuant to the reorganization.

The fund's Institutional Shares commenced operations on June 12, 2009. For the period prior to the commencement of operations of the Institutional Shares, the performance information shown is for the fund's A Shares. The performance of the A Shares has not been adjusted to reflect the expenses of the Institutional Shares since the Institutional Shares have a lower expense ratio than the expense ratio of the A Shares. The performance of the A Shares has been adjusted to reflect the absence of sales charges and to remove any voluntary waiver of the fund's expenses related to the A Shares that may have occurred during the period prior to the commencement of operations of the Institutional Shares.

The fund's R6 Shares commenced operations on June 29, 2016. For the period prior to the commencement of operations of the R6 Shares, the performance information shown is for the fund's A Shares. The performance of the A Shares has not been adjusted to reflect the expenses applicable to the R6 Shares since the R6 Shares have a lower expense ratio than the expense ratio of the A Shares. The performance of the A Shares has been adjusted to remove any voluntary waiver of fund expenses related to the A Shares that may have occurred during the periods prior to the commencement of operations of the R6 class and to reflect the differences in sales loads and charges imposed on the purchase and redemption of the fund's A and R6 Shares.

## Definitions

**Alpha** shows how much or how little return is generated, given the risk a portfolio takes. A portfolio with an alpha greater than 0 has earned more than expected given its beta — meaning the portfolio has generated excess return without increasing risk. A portfolio with a negative alpha is producing a lower return than would be expected given its risk.

**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.

**Sharpe ratio** is calculated by dividing a fund's annualized excess return by the fund's annualized standard deviation. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

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

**Bloomberg Global Aggregate Index** is a measure of global investment grade debt from twenty-four different local currency markets. This multi-currency benchmark includes fixed-rate treasury, government-related, corporate and securitized bonds from both developed and emerging markets issuers.

**MSCI All Country World Index** captures large- and mid-cap representation across 23 developed markets countries and 23 emerging markets countries. The index covers approximately 85% of the global investable equity opportunity set.

Indexes are unmanaged and cannot be invested in directly.

## A word about risk

Mutual funds are subject to risks and fluctuate in value.

Diversification does not assure a profit nor protect against loss.

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

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

International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards.

The fund may make short sales of securities, which involves unlimited risk including the possibility that losses may exceed the original amount invested.

## Ratings and rating agencies

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the past three years. If the fund is less than three years old, the category is based on the life of the fund. ©2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.