

Federated Hermes International Equity Fund

3/31/24

Fund facts

Performance inception date

8/1/97

Benchmark

MSCI ACWI ex USA Index

Morningstar category

Foreign Large Blend

Lipper classification

International Multi-Cap Growth

Fund assets

\$1.4 billion

Ticker symbols

R6 Shares - PEIRX

Institutional Shares - PIUIX

A Shares - PMIEX

C Shares - PIUCX

Key investment team

Martin Schulz

Calvin Zhang

Bernard R. Horn, Jr.

Sumanta Biswas, CFA

Bin Xiao, CFA

Jason Crawshaw

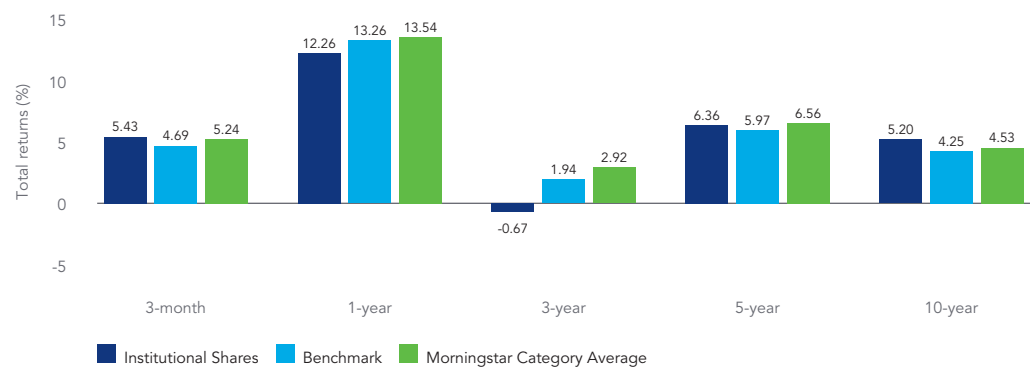
Fund description

The fund seeks long-term capital appreciation by investing primarily in equity securities that are tied to numerous countries throughout the world in both developed and emerging markets. Employing a top-down approach to country selection and a bottom-up security selection process, the fund may invest in companies of any capitalization, and its allocation is typically split between growth and value stocks.

Average annual total returns (%)

Performance shown is before tax.

	3-month	YTD	1-year	3-year	5-year	10-year	Since inception	Expense ratio*	
								Before waivers	After waivers
R6 Shares	5.47	5.47	12.30	-0.62	6.41	5.23	5.62	1.40	0.90
Institutional Shares	5.43	5.43	12.26	-0.67	6.36	5.20	5.61	1.48	0.94
A Shares (NAV)	5.36	5.36	11.98	-0.92	6.09	4.91	5.32	1.73	1.19
A Shares (MOP)	-0.44	-0.44	5.84	-2.77	4.90	4.32	5.10	1.73	1.19
Benchmark	4.69	4.69	13.26	1.94	5.97	4.25	-	-	-



Calendar year total returns (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Institutional Shares	14.57	-22.38	8.03	21.78	22.53	-12.54	33.27	0.49	1.00	-5.12
Benchmark	15.62	-16.00	7.82	10.65	21.51	-14.20	27.19	4.50	-5.66	-3.87
Morningstar Category Average	16.25	-15.84	9.72	9.30	21.59	-14.59	25.12	0.79	-1.59	-4.98

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* 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 8/1/24 or the date of the fund's next effective prospectus.

Investment process – two distinct managers



Portfolio statistics

Weighted median P/E (NTM)	14.2x
Weighted median market cap	\$29.1 b
Weighted median price/book	2.5x
Number of securities	138

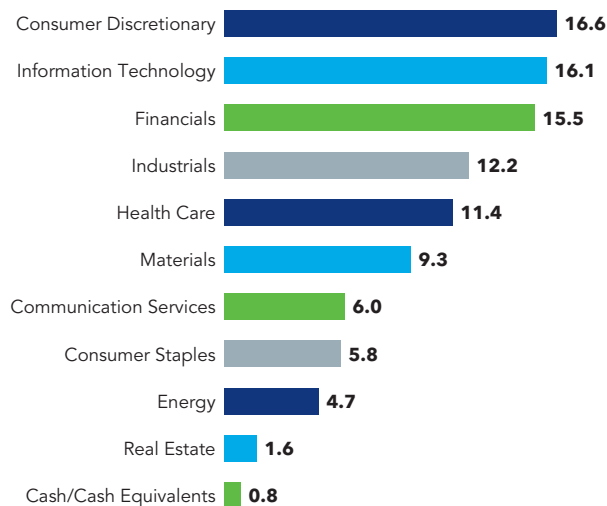
Top holdings (%)

Federated Hermes International Growth Fund <i>United States</i>	49.8
Daimler Truck Holding AG <i>Germany</i>	1.4
SK Hynix, Inc. <i>South Korea</i>	1.4
Hannover Rueckversicherung SE <i>Germany</i>	1.3
Linde plc <i>United Kingdom</i>	1.3
Lundin Mining Corp. <i>Canada</i>	1.3
Munich Reinsurance Company <i>Germany</i>	1.3
Publicis Groupe <i>France</i>	1.3
Samsung Electronics Co., Ltd. <i>South Korea</i>	1.2
Smurfit Kappa Group PLC <i>Ireland</i>	1.2
Total % of portfolio	61.5

Top country weightings (%)

Japan	16.4	Switzerland	3.1
United Kingdom	8.8	Netherlands	3.1
France	8.2	Italy	3.1
Canada	8.2	Sweden	2.4
Germany	7.2	India	2.0
South Korea	6.9	Taiwan	2.0
Ireland	4.0	Denmark	2.0
China	3.7	Brazil	2.0
Norway	3.6	Israel	1.7

Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 3/31/24 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes. Because this is a managed portfolio, the investment mix will change.

Highlights

- International stock markets underperformed relative to U.S., primarily driven by weaker performance in emerging markets
- Volatility remained low as the global economy showed signs of recovery and the AI theme remained at the forefront of investor's minds
- The U.S. dollar strengthened during the quarter but remained in its midterm range
- Commodities were mixed as oil, copper, and precious metals prices rose, while natural gas and iron ore declined
- Growth outperformed value

Looking back

Despite tempered rate-cut optimism, global markets rallied into the new year as investors chased momentum and anything related to AI, bolstering tech-dominated markets in Asia and pro-cyclical markets in Europe. Improving trade data underscored a nascent upturn in global economic activity, helping fuel optimism as inflationary pressures continued to decline. Due to a resilient U.S. consumer and stickier inflation, U.S. 10-year yields and the dollar staged mild recoveries amid tempered rate-cut expectations. Oil prices rose as OPEC+ output cuts tightened global supplies, compounded by Ukrainian attacks on Russian energy infrastructure, tensions in the Middle East, and demand growth. The Swiss National Bank surprised investors and became the first developed market bank to cut rates this cycle. Some central banks in emerging markets have been cutting rates since last year, but most central banks remained on hold in the quarter.

Overall, these trends led to the outperformance of growth, momentum, and cyclical stocks, especially in tech, while defensive sectors such as Utilities and Consumer Staples fared the worst. For a second consecutive quarter, developed markets outperformed emerging. Japan was the top contributor due to progress in corporate governance reforms, the BOJ's dovish rate hike, a weaker yen supporting exporters, and global inflows. Taiwan and the Netherlands also rallied thanks to a couple of domestic tech leaders. China remained a laggard for the fourth consecutive quarter as the property market remained weak and a slew of disappointing earnings results outweighed the government's attempts to boost market sentiment.

Performance

The Federated Hermes International Equity Fund returned 5.4% (Institutional Shares at NAV) for the quarter, outperforming its benchmark, the MSCI ACWI ex USA Index, which returned 4.7% during the period.

Performance contributors

- An overweight to Ireland along with underweights to China and Switzerland
- Overweights to Information Technology and Consumer Discretionary and an underweight to Utilities

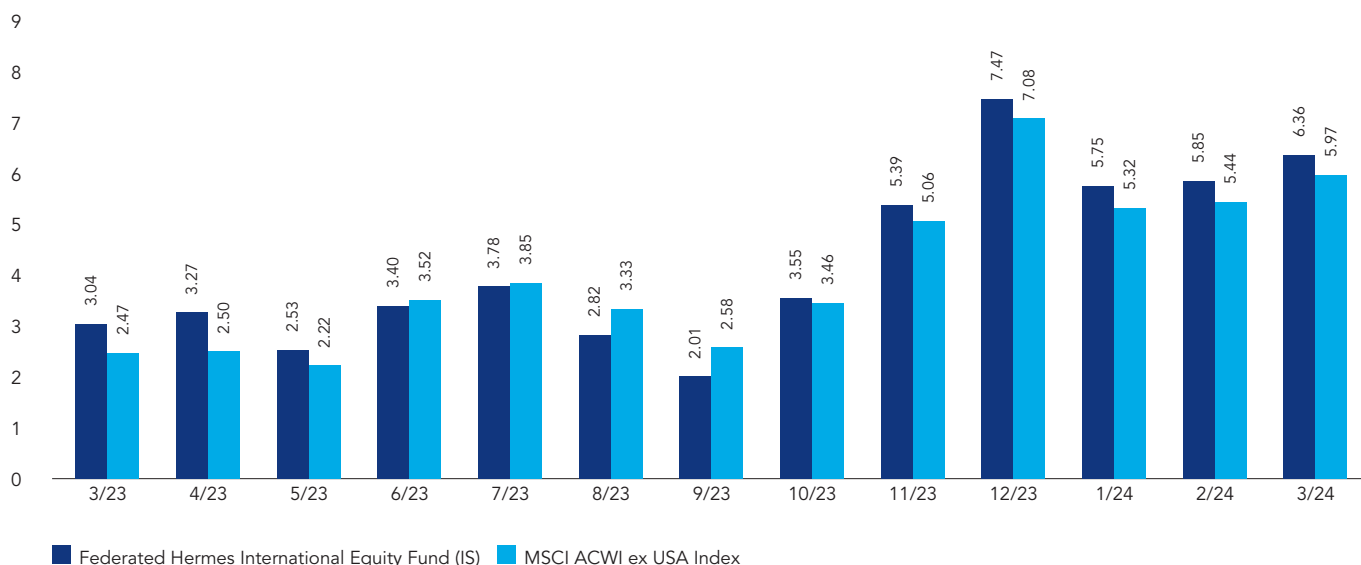
Performance detractors

- Overweights to Norway and Argentina and an underweight to Taiwan
- Overweights to Materials and Communication Services and an underweight to Financials

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See disclosure section for important disclosures and definitions.

5-year rolling returns vs. MSCI ACWI ex USA Index (%)



Source: Morningstar, Inc. Performance for 5-year periods (1-month shift).

Returns are for Institutional Shares. Other classes of shares are available whose performance will vary due to different charges and expenses.

Risk statistics

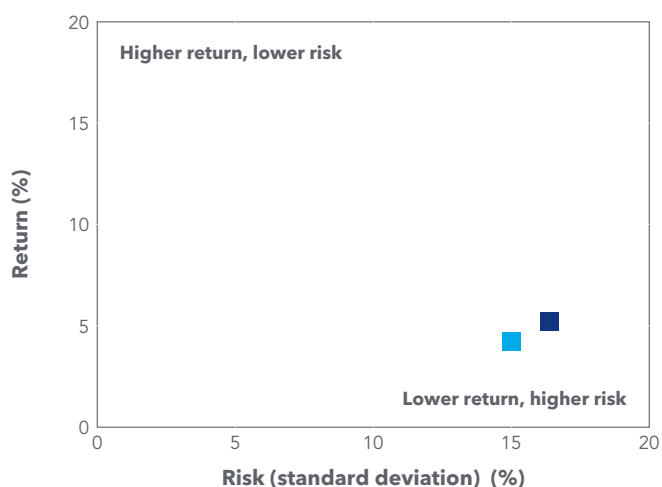
	3-year	5-year	7-year	10-year
Standard deviation	18.19	19.99	18.15	16.37
Beta	1.08	1.11	1.10	1.05
Correlation	0.98	0.98	0.97	0.96
Up capture ratio	103.47	111.69	109.65	104.67
Down capture ratio	115.06	112.50	106.22	100.66

Sources: Federated Hermes, Morningstar, Inc.

Fund vs. MSCI ACWI ex USA Index

See disclosure section for important definitions.

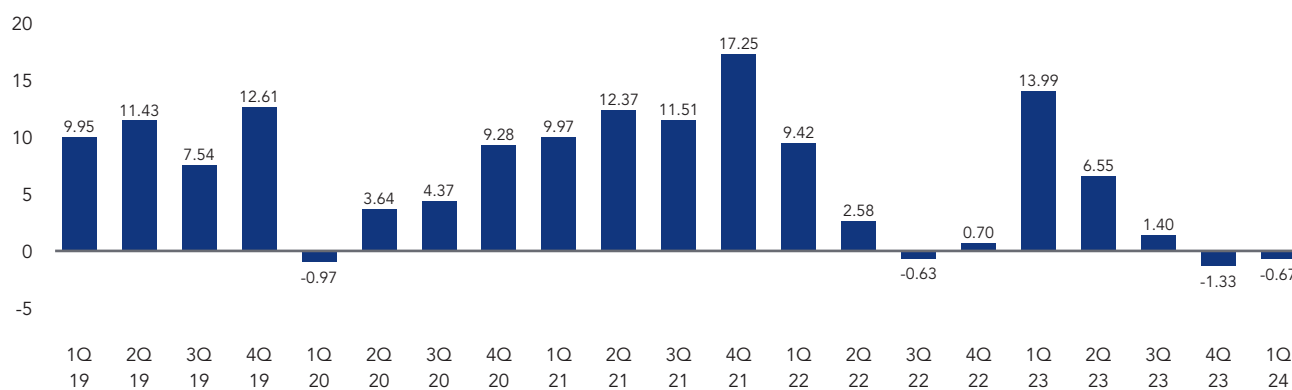
10-year risk/return



	Risk (%)	Return (%)
Federated Hermes International Equity Fund (IS)	16.37	5.20
MSCI ACWI ex USA Index	15.01	4.25

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3-year rolling returns - IS (%)



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Category rankings

Morningstar Foreign Large Blend Category		1-year	3-year	5-year	10-year
R6 Shares	Morningstar Category % Rank	70	92	57	-
	Morningstar Category Rank	469 of 748 funds	641 of 696 funds	382 of 646 funds	-
IS Shares	Morningstar Category % Rank	70	93	58	20
	Morningstar Category Rank	472 of 748 funds	645 of 696 funds	394 of 646 funds	75 of 425 funds
A Shares	Morningstar Category % Rank	72	94	63	30
	Morningstar Category Rank	491 of 748 funds	651 of 696 funds	435 of 646 funds	115 of 425 funds

Lipper International Multi-Cap Growth Funds		1-year	3-year	5-year	10-year
R6 Shares	Lipper Classification % Rank	36	46	46	-
	Lipper Classification Rank	68 of 189 funds	84 of 183 funds	79 of 173 funds	-
IS Shares	Lipper Classification % Rank	37	47	49	36
	Lipper Classification Rank	69 of 189 funds	86 of 183 funds	85 of 173 funds	45 of 125 funds
A Shares	Lipper Classification % Rank	40	52	56	48
	Lipper Classification Rank	76 of 189 funds	94 of 183 funds	97 of 173 funds	60 of 125 funds

Past performance is no guarantee of future results. Rankings are based on total return and do not take sales charges into account.

Federated Hermes International Equity Fund

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. Please carefully read the summary prospectus or prospectus before investing.

The fund is the successor to the PNC International Equity Fund ("predecessor fund"), a portfolio of PNC Funds, pursuant to a reorganization involving the Fund and the predecessor fund on November 15, 2019. Prior to the date of the reorganization, the fund had no investment operations. Accordingly, the performance information, for periods prior to the reorganization is historical information for the predecessor fund. The predecessor fund was managed by the same portfolio management team as the fund, had an identical investment objective and substantially identical strategies, policies and restrictions.

A word about risk

Mutual funds are subject to risks and fluctuate in value.

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

Prices of emerging market and frontier market 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.

Due to their relatively high valuations, growth stocks are typically more volatile than value stocks.

Value stocks tend to have higher dividends and thus have a higher income-related component in their total return than growth stocks. Value stocks also may lag growth stocks in performance at times, particularly in late stages of a market advance.

The fund's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional instruments.

Definitions

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.

Correlation is the degree to which one variable (here, the fund's returns) fluctuates relative to another (the returns of the fund's benchmark). Correlation ranges from 1.00, when two variables move identically in the same direction, to -1.00, when two variables move identically in the opposite direction.

Standard deviation is a historical measure of the variability of returns relative to the average annual return. A higher number indicates higher overall volatility.

Up capture ratio/down capture ratio is a measure of how well a manager was able to replicate or improve on periods of positive benchmark returns and how badly the manager was affected by periods of negative benchmark returns. The up-market capture ratio is a measure of a manager's performance in up markets relative to the index during the

same period. For example, a ratio value of 115 indicates that the manager has outperformed the market index by 15% in periods when the index has risen. The down-market capture ratio is the direct opposite of the up-market capture ratio, gauging performance of the manager relative to the index in down markets. A ratio value of 80 would indicate the manager had declined on 80% as much as the declining overall market, indicating relative outperformance.

Weighted median P/E (NTM—next 12 months) is a ratio comparing share price to earnings-per-share using estimated data for the next 12 months.

Weighted median market cap is the calculation representing the median market capitalization of the stocks in the portfolio, weighted by the amount of each stock.

Weighted median price/book is a ratio comparing share price to book value or assets minus liabilities.

MSCI ACWI ex USA Index captures large- and mid-cap representation across 22 of 23 developed markets (DM) countries (excluding the U.S.) and 27 emerging markets (EM) countries. The index covers approximately 85% of the global equity opportunity set outside the U.S.

Indexes are unmanaged and cannot be invested in directly.

Ratings and rating agencies

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