

Federated Hermes International Equity Fund

12/31/23

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

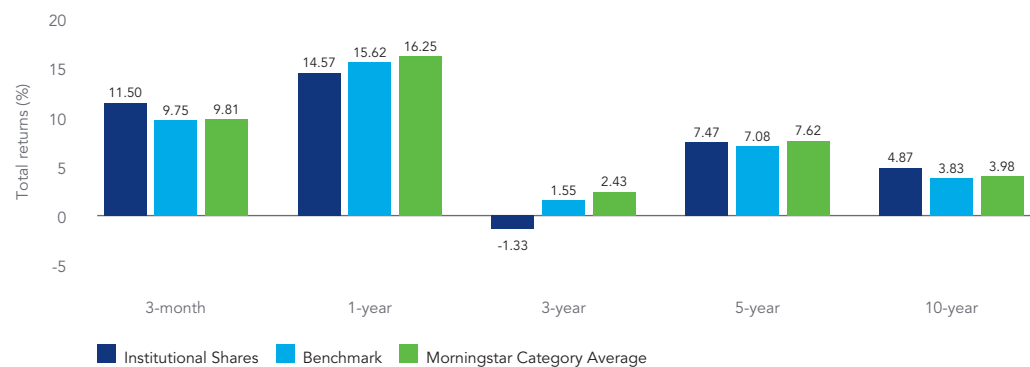
Fund description

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	11.49	14.62	14.62	-1.30	7.50	4.90	5.46	1.40	0.90
Institutional Shares	11.50	14.57	14.57	-1.33	7.47	4.87	5.45	1.48	0.94
A Shares (NAV)	11.46	14.30	14.30	-1.57	7.19	4.58	5.16	1.73	1.19
A Shares (MOP)	5.34	8.02	8.02	-3.40	5.98	3.99	4.94	1.73	1.19
Benchmark	9.75	15.62	15.62	1.55	7.08	3.83	—	—	—



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

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. 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. Total 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 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)	14.0x
Weighted median market cap	\$26.6 b
Weighted median price/book	2.4x
Number of securities	58

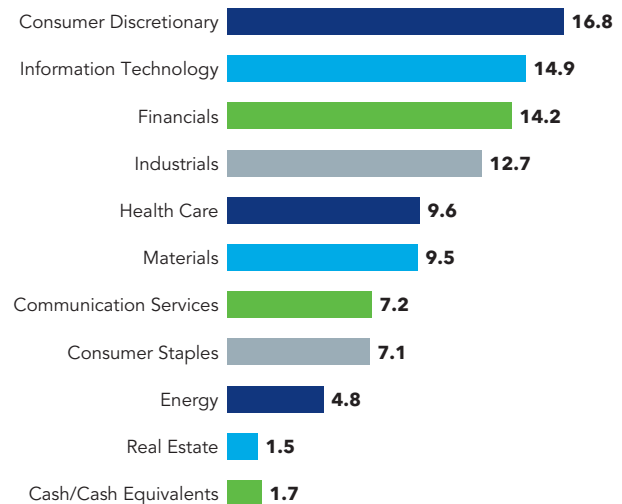
Top holdings (%)

Federated Hermes International Growth Fund <i>United States</i>	51.1
Publicis Groupe <i>France</i>	1.5
Munich Reinsurance Company <i>Germany</i>	1.3
NEXT plc <i>United Kingdom</i>	1.3
SK Hynix, Inc. <i>South Korea</i>	1.3
Linde plc <i>United Kingdom</i>	1.2
Samsung Electronics Co., Ltd. <i>South Korea</i>	1.2
VINCI SA <i>France</i>	1.2
Methanex Corporation <i>Canada</i>	1.1
Popular, Inc. <i>Puerto Rico</i>	1.1
Total % of portfolio	62.3

Top country weightings (%)

Japan	14.4	Ireland	3.5
United Kingdom	9.1	Italy	3.2
France	8.9	Netherlands	2.8
Canada	8.5	Sweden	2.3
South Korea	7.6	Brazil	2.2
Germany	6.7	India	1.8
China	4.2	Denmark	1.7
Norway	3.9	Taiwan	1.6
Switzerland	3.5	Cash/Cash Equivalents	1.7

Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 12/31/23 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 the U.S., driven by weaker performance in emerging markets
- Volatility declined significantly as the U.S. Federal Reserve signaled it would likely begin to cut interest rates in 2024
- The U.S. dollar and energy prices weakened considerably in a reversal from the prior quarter
- Internationally, growth outperformed value
- The Federated Hermes International Equity Fund outperformed its benchmark as both growth and value sleeves outperformed

Looking back

While the U.S. labor market remained resilient, core inflation declined more quickly than expected, and the U.S. Fed surprised the markets in November with a more dovish stance, signaling expectations for rate cuts in 2024. As a result, U.S. 10-year yields and the dollar gave back gains from the prior quarter. Inflation receded as non-OPEC producers drove oil supply growth, compounded by concerns of slowing demand growth. Globally, most central banks remained on hold in the quarter, although a few in APAC hiked rates to combat inflation or defend their currencies, and almost all central banks in Latin America cut rates.

Overall, these trends led to the outperformance of growth and tech stocks while pressuring energy and value assets. Most countries' stock markets posted gains, supported by a weaker dollar. Developed markets outperformed, particularly Japan, Canada and Western Europe. However, China remained a laggard for the third consecutive quarter as news of the potential tightening of regulations on video games weighed on sentiment toward the end of the quarter and as several headwinds persisted, including weak economic data, a lack of confidence and insufficient policy stimulus, which continued to disappoint investors.

Performance

The Federated Hermes International Equity Fund returned 11.5% (Institutional Shares at NAV) for the quarter ending December 31, 2023. That compares to its benchmark, the MSCI ACWI ex USA Index, which returned 9.8% during the period.

Performance contributors

- Positive country allocation effects came from overweights to South Korea and Puerto Rico along with an underweight to China
- Positive sector allocation effects came from overweights to Information Technology and Materials along with an underweight to Energy

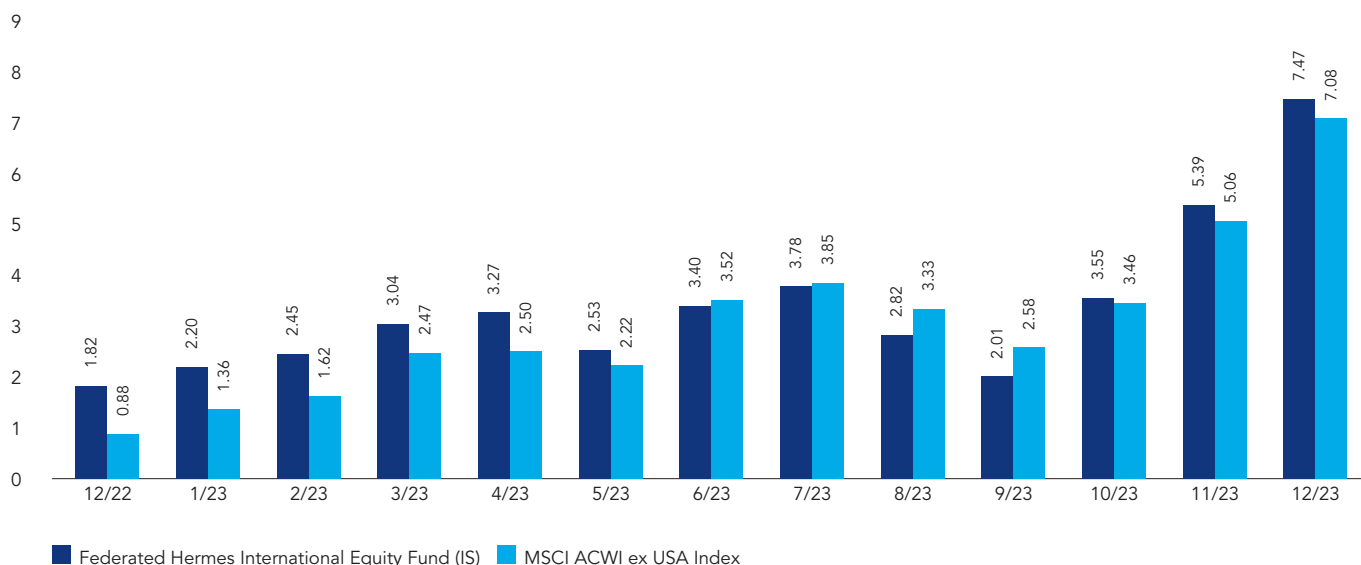
Performance detractors

- Negative country allocation effects came from an overweight to Norway along with underweights to Taiwan and Australia
- Negative sector allocation effects came from overweights to Consumer Discretionary and Communication Services along with an underweight to Utilities

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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

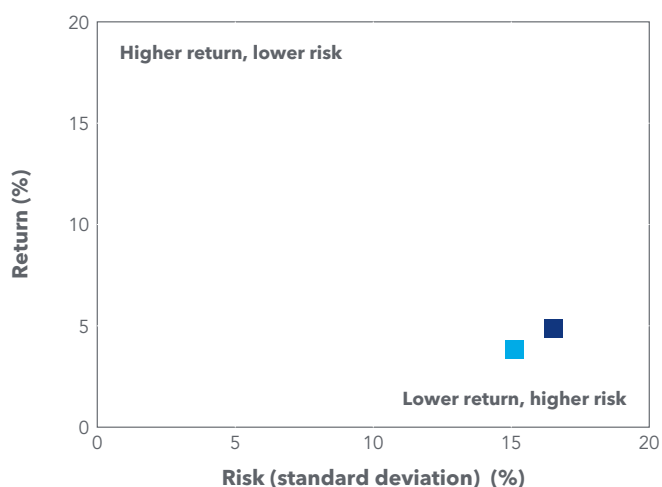
	3-year	5-year	7-year	10-year
Standard deviation	18.09	20.22	18.20	16.52
Beta	1.08	1.11	1.11	1.05
Correlation	0.98	0.98	0.97	0.96
Up capture ratio	103.29	111.79	110.17	104.40
Down capture ratio	116.26	113.21	106.75	99.84

Sources: Federated Hermes, Morningstar, Inc.

Fund vs. MSCI ACWI ex USA Index

See disclosure section for important definitions.

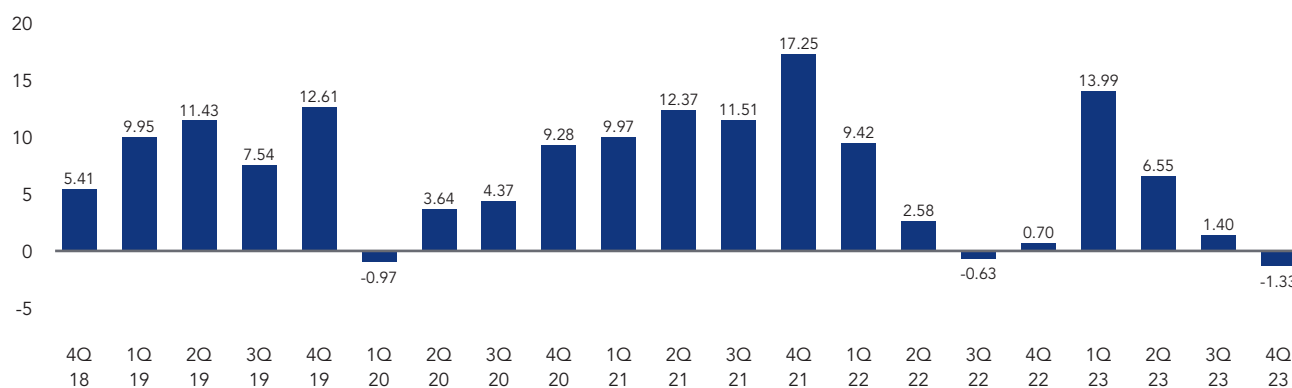
10-year risk/return



	Risk (%)	Return (%)
■ Federated Hermes International Equity Fund (IS)	16.52	4.87
■ MSCI ACWI ex USA Index	15.11	3.83

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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	76	94	57	-
	Morningstar Category Rank	521 of 744 funds	658 of 698 funds	374 of 642 funds	-
IS Shares	Morningstar Category % Rank	77	94	57	13
	Morningstar Category Rank	524 of 744 funds	660 of 698 funds	377 of 642 funds	48 of 421 funds
A Shares	Morningstar Category % Rank	78	95	65	21
	Morningstar Category Rank	545 of 744 funds	665 of 698 funds	443 of 642 funds	77 of 421 funds

Lipper International Multi-Cap Growth Funds		1-year	3-year	5-year	10-year
R6 Shares	Lipper Classification % Rank	65	50	57	-
	Lipper Classification Rank	150 of 235 funds	114 of 229 funds	122 of 216 funds	-
IS Shares	Lipper Classification % Rank	65	51	58	27
	Lipper Classification Rank	151 of 235 funds	116 of 229 funds	124 of 216 funds	42 of 159 funds
A Shares	Lipper Classification % Rank	68	52	63	37
	Lipper Classification Rank	157 of 235 funds	118 of 229 funds	134 of 216 funds	57 of 159 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 average dividend yield is a weighted average of the dividends of all the stocks in a portfolio.

Weighted average EPS growth next 5 years is the weighted average annual growth rate of fiscal year earnings-per-share for the next five years for a given corporation.

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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