

Federated Hermes International Equity Fund

3/31/25

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

\$886.2 million

Ticker symbols

R6 Shares - PEIRX

Institutional Shares - PIUIX

A Shares - PMIEX

C Shares - PIUCX

Key investment team

Martin Schulz

Calvin Zhang

Michael Czekaj, CFA

Richard Winkowski, Jr.**

Dariusz Czoch, CFA**

Robert Ricardo, CFA**

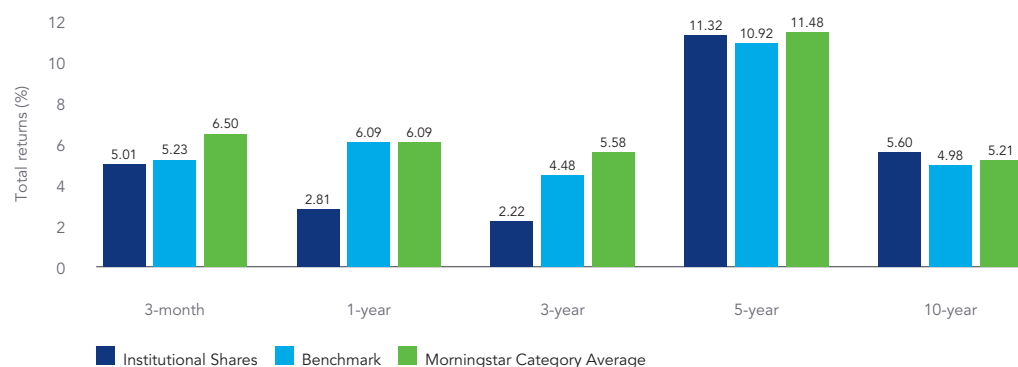
Fund description

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	5.01	5.01	2.82	2.26	11.37	5.63	5.52	1.41	0.90
Institutional Shares	5.01	5.01	2.81	2.22	11.32	5.60	5.51	1.50	0.94
A Shares (NAV)	4.93	4.93	2.53	1.96	11.04	5.31	5.22	1.75	1.19
A Shares (MOP)	-0.85	-0.85	-3.10	0.06	9.79	4.71	5.01	1.75	1.19
Benchmark	5.23	5.23	6.09	4.48	10.92	4.98	—	—	—



Calendar year total returns (%)

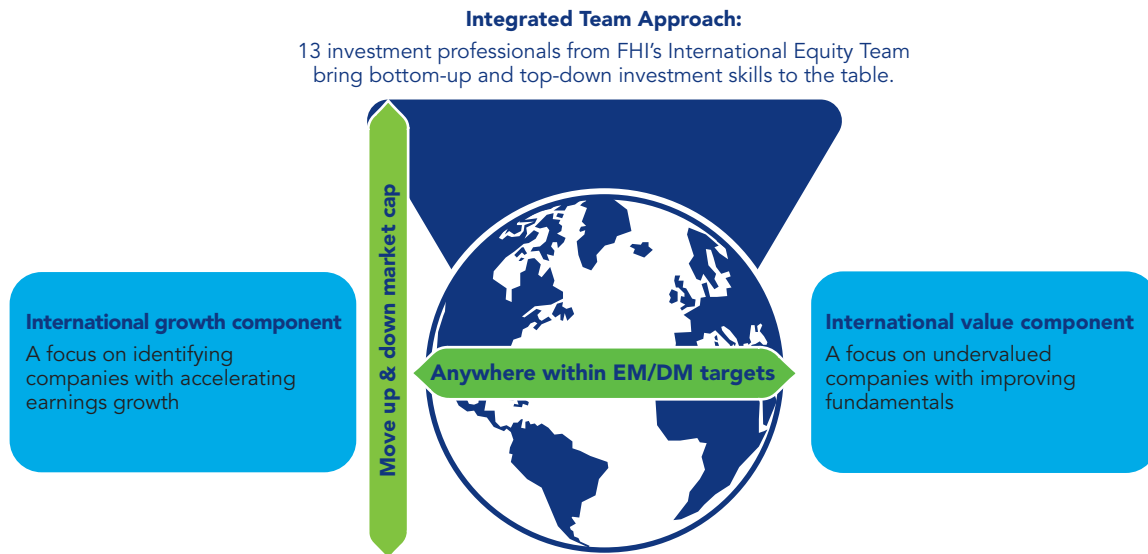
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Institutional Shares	3.22	14.57	-22.38	8.03	21.78	22.53	-12.54	33.27	0.49	1.00
Benchmark	5.53	15.62	-16.00	7.82	10.65	21.51	-14.20	27.19	4.50	-5.66
Morningstar Category Average	4.85	16.25	-15.84	9.72	9.30	21.59	-14.59	25.12	0.79	-1.59

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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 8/1/25 or the date of the fund's next effective prospectus.

** Effective May 31, 2025, Richard Winkowski, Jr., Dariusz Czoch and Robert Ricardo were added to manage the Value component of the fund.

Investment process



Portfolio statistics

Weighted median P/E (NTM)	13.3x
Weighted median market cap	\$26.6 b
Weighted median price/book	2.5x
Number of securities	56

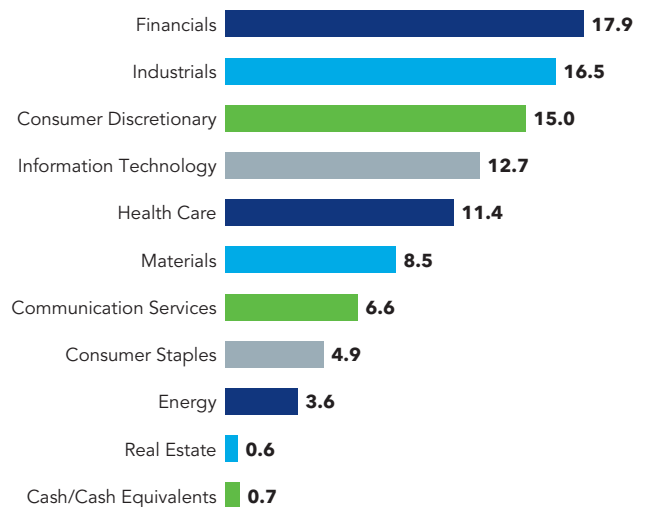
Top holdings (%)

Federated Hermes International Growth Fund <i>United States</i>	49.4
DNB Bank ASA <i>Norway</i>	1.4
Deutsche Telekom AG <i>Germany</i>	1.3
Koninklijke Ahold Delhaize N.V. <i>Netherlands</i>	1.2
Muenchener Rueckversicherungs-Gesellschaft AG <i>Germany</i>	1.2
Hannover Rueck SE <i>Singapore</i>	1.1
Takeda Pharmaceutical Co. Ltd. <i>Japan</i>	1.1
United Overseas Bank Limited <i>Singapore</i>	1.1
Vipshop Holdings Ltd. Sponsored ADR <i>China</i>	1.1
Sony Group Corporation <i>Japan</i>	1.0
Total % of portfolio	59.9

Top country weightings (%)

Japan	13.7	Switzerland	4.3
Germany	8.6	Taiwan	3.7
France	8.5	Ireland	2.4
China	7.6	Singapore	2.3
United Kingdom	7.4	Netherlands	2.2
South Korea	6.2	Belgium	2.0
Canada	5.6	Italy	1.9
Norway	4.6	Argentina	1.5
Sweden	4.4	Cash/Cash Equivalents	2.4

Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 3/31/25 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 outperformed relative to the US.
- Volatility increased compared to the previous quarter as uncertainty around US fiscal and trade policies reigned supreme throughout the quarter.
- The US dollar weakened.
- Commodity prices were mixed as gold, silver, copper, coffee and natural gas rose, while other commodities were flat to down.
- Internationally, value outperformed growth by the widest margin in several quarters.
- The Federated Hermes International Equity Fund underperformed its benchmark as the growth sleeve's outperformance was offset by the value sleeve's underperformance.

Looking back

2024 was politically turbulent and 2025 continued in the same fashion as uncertainty around the Trump administration and US policy direction clouded the entire quarter. The US dollar initially climbed but peaked about a week before President Trump's inauguration. It went straight down for the rest of the quarter. Although tariff risks overwhelmed, most international markets defied expectations and outperformed.

China was a star performer in Asia after the DeepSeek news boosted local sentiment but threw other markets like Korea and Taiwan into a tailspin as investors debated future artificial intelligence capital expenditure (CapEx) levels and the ripple impact on the entire supply chain. Most other markets in Asia underperformed China.

Middle East and North Africa (MENA) markets remained largely unscathed and Europe outperformed. Europe continued to cut rates and benefited from fiscal stimulus and defense spending measures lead by Germany despite initial uncertainty around political willingness following local elections. France saw some political volatility too.

Americas generally outperformed except for Canada, which saw tariff headwinds and political volatility during the quarter.

Fed policy decisions were as expected, but the market was still somewhat disappointed with the lack of cuts. US 10-year bond yields followed the path of the US dollar during the quarter. Yields initially went up but peaked about a week before the inauguration and went straight down the rest of the quarter. Elsewhere abroad, most central banks either cut or held, but a few started and continued hikes. Although inflationary risks are lower than they have been based on latest data, several central banks cited potential inflationary risks as reason for holding.

Performance

The Federated Hermes International Equity Fund returned +5.0% (Institutional Shares at NAV) for the quarter ending March 31, 2025. That compares to its benchmark, the MSCI ACWI ex-USA index, which returned +5.2% during the period.

Performance contributors

- Positive country allocation effects came from an overweight to Norway and underweights to India and Australia.
- Positive sector allocation effects came from overweight to Materials and Industrials along with an underweight to Real Estate.

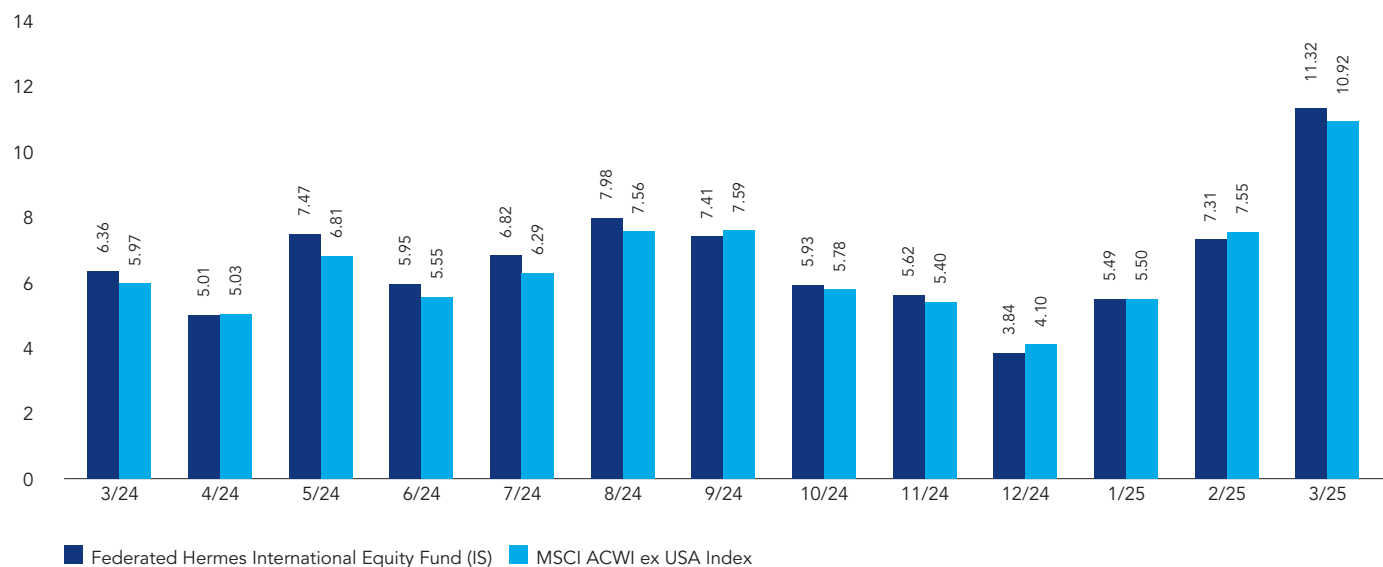
Performance detractors

- Negative country allocation effects came from underweights to Spain, Switzerland and China.
- Negative sector allocation effects came from an overweight to Technology along with underweights to Financials and Utilities.

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See disclosure section for important disclosures and definitions.

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



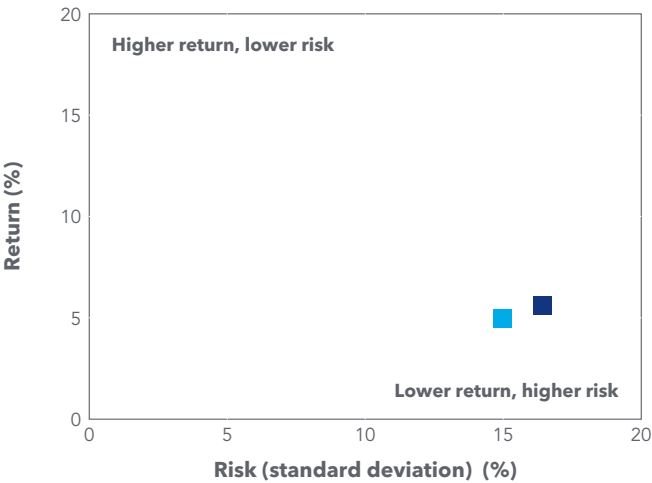
Source: Morningstar, Inc. Performance for 5-year periods (1-month shift).
Returns are for Institutional Shares. Other classes of shares are available whose performance will vary due to different charges and expenses.

Risk statistics

	3-year	5-year	7-year	10-year
Standard deviation	17.78	17.57	18.09	16.41
Beta	1.07	1.11	1.10	1.06
Correlation	0.97	0.97	0.97	0.97
Up capture ratio	103.02	109.16	106.30	104.98
Down capture ratio	114.18	112.25	108.34	102.89

Sources: Federated Hermes, Morningstar, Inc.
Fund vs. MSCI ACWI ex USA Index
See disclosure section for important definitions.

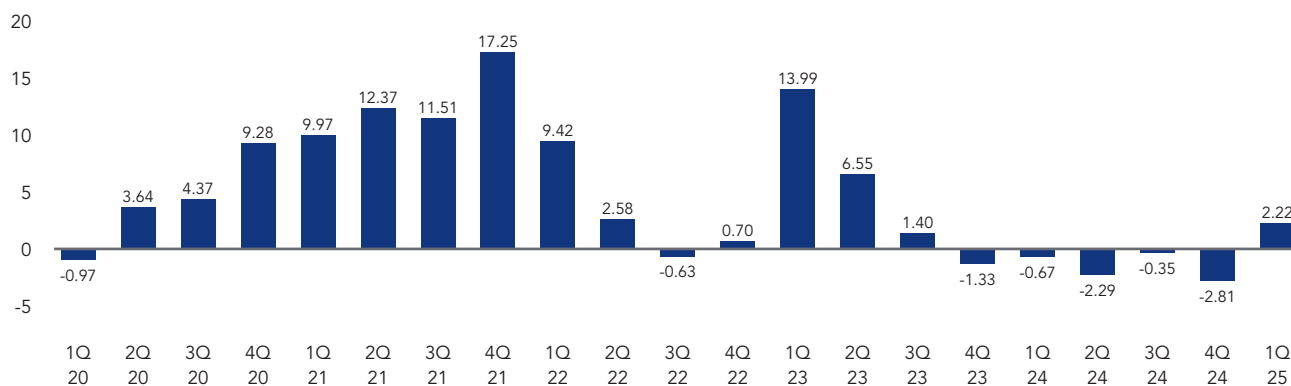
10-year risk/return



	Risk (%)	Return (%)
Federated Hermes International Equity Fund (IS)	16.41	5.60
MSCI ACWI ex USA Index	14.99	4.98

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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	87	95	58	–
	Morningstar Category Rank	600 of 692 funds	621 of 651 funds	351 of 615 funds	–
IS Shares	Morningstar Category % Rank	87	96	59	33
	Morningstar Category Rank	602 of 692 funds	622 of 651 funds	358 of 615 funds	123 of 425 funds
A Shares	Morningstar Category % Rank	89	97	66	50
	Morningstar Category Rank	622 of 692 funds	631 of 651 funds	396 of 615 funds	184 of 425 funds

Lipper International Multi-Cap Growth Funds		1-year	3-year	5-year	10-year
R6 Shares	Lipper Classification % Rank	56	52	14	–
	Lipper Classification Rank	82 of 147 funds	75 of 146 funds	18 of 137 funds	–
IS Shares	Lipper Classification % Rank	57	53	16	31
	Lipper Classification Rank	83 of 147 funds	77 of 146 funds	21 of 137 funds	30 of 98 funds
A Shares	Lipper Classification % Rank	58	55	21	39
	Lipper Classification Rank	85 of 147 funds	80 of 146 funds	28 of 137 funds	38 of 98 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 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.

Growth stocks tend to have higher valuations and thus are typically more volatile than value stocks. Growth stocks also may not pay dividends or may pay lower dividends 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, 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.

Diversification does not assure a profit nor protect against a loss.

The quantitative models and analysis used by the fund's adviser may perform differently than expected and negatively affect fund performance.

The value of equity securities in the fund's portfolio will fluctuate and, as a result, the fund's share price may decline. Equity securities may decline in value because of an increase in interest rates or changes in the stock market.

Mid-cap companies often have narrower markets and limited managerial and financial resources compared to larger and more established companies.

Small-cap companies may have less liquid stock, a more volatile share price, unproven track records, a limited product or service base and limited access to capital. The above factors could make small-cap companies more likely to fail than larger companies and increase the volatility of the fund's portfolio, performance and price. Suitable securities of small-cap companies also can have limited availability and cause capacity constraints on investment strategies for funds that invest in them.

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 US) and 27 emerging markets (EM) countries. The index covers approximately 85% of the global equity opportunity set outside the US.

Indexes are unmanaged and cannot be invested in directly.

Ratings and rating agencies

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