

Federated Hermes International Equity Fund

12/31/24

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

\$937.8 million

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

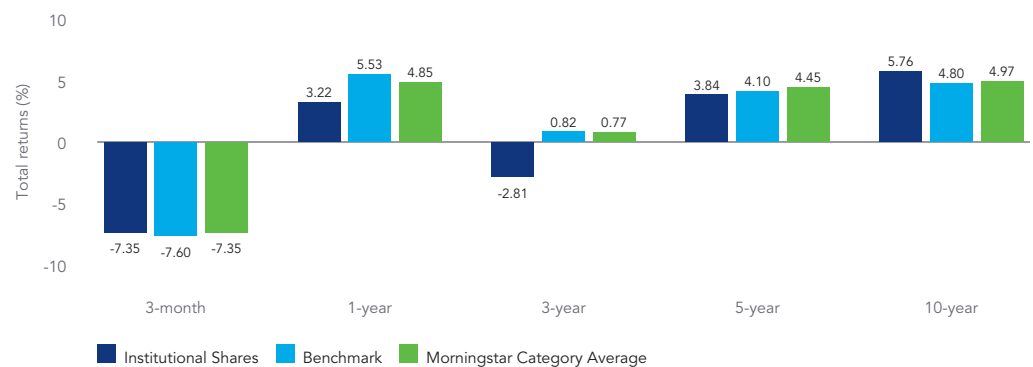
Fund description

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	-7.34	3.27	3.27	-2.78	3.88	5.79	5.38	1.41	0.90
Institutional Shares	-7.35	3.22	3.22	-2.81	3.84	5.76	5.37	1.50	0.94
A Shares (NAV)	-7.41	2.95	2.95	-3.06	3.59	5.47	5.08	1.75	1.19
A Shares (MOP)	-12.50	-2.72	-2.72	-4.88	2.42	4.88	4.87	1.75	1.19
Benchmark	-7.60	5.53	5.53	0.82	4.10	4.80	-	-	-



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.

Investment process – two distinct managers



Portfolio statistics

Weighted median P/E (NTM)	14.0x
Weighted median market cap	\$27.6 b
Weighted median price/book	2.5x
Number of securities	57

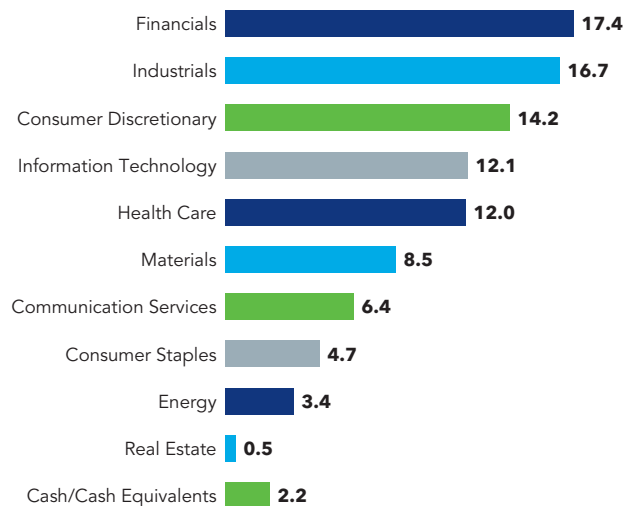
Top holdings (%)

Federated Hermes International Growth Fund <i>United States</i>	49.4
Deutsche Telekom AG <i>Germany</i>	1.2
Eni S.p.A. <i>Italy</i>	1.1
Itochu Corporation <i>Japan</i>	1.1
Munchener Ruckversicherungs-Gesellschaft AG <i>Germany</i>	1.1
ORIX Corporation <i>Japan</i>	1.1
SKF AB Class B <i>Sweden</i>	1.1
Sony Group Corporation <i>Japan</i>	1.1
Takeda Pharmaceutical Co. Ltd. <i>Japan</i>	1.1
Daimler Truck Holding AG <i>Japan</i>	1.0
Total % of portfolio	59.3

Top country weightings (%)

Japan	14.6	Sweden	3.9
France	8.9	Taiwan	2.5
Germany	7.8	India	2.1
United Kingdom	7.0	Italy	2.1
Canada	6.7	Singapore	1.9
South Korea	6.4	Belgium	1.9
China	6.1	Ireland	1.9
Norway	4.5	Netherlands	1.7
Switzerland	4.0	Cash/Cash Equivalents	2.2

Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 12/31/24 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 the US as the emerging markets and developed markets lagged
- Volatility remained subdued, although the US Federal Reserve disappointed investors by guiding for fewer rate cuts in 2025
- The US dollar strengthened
- Commodity prices were mixed as energy prices rose while most metals prices fell
- Internationally, value slightly outperformed growth
- The Federated Hermes International Equity Fund slightly outperformed its benchmark as the growth sleeve's outperformance offset the value sleeve's underperformance

Looking back

Wrapping up a politically turbulent year in which more than 40% of the world's population voted, politics continued to dominate headlines, especially in South Korea which experienced a brief but chaotic six hours of martial law and impeached two presidents. In the US, President-elect Donald Trump emerged the clear victor, securing the popular vote and Republican majorities in both chambers of Congress. The US dollar and equities initially rallied on rising optimism for business-friendly and fiscally expansionary policies including deregulation and extensions of the 2017 tax cuts. However, in combination with Trump's proposals for stricter trade and immigration policies, reflation risk resurfaced. Most emerging markets declined, partly driven by uncertainty around US tariffs and a stronger dollar.

The US Fed cut rates as expected but disappointed markets with fewer future cuts. US 10-year bond yields rose by nearly 80 basis points, and the US dollar strengthened, resulting in restrictive global liquidity conditions. Most central banks cut interest rates, but Brazil stood out for hiking rates, resulting in Brazil's markets massively underperforming. Meanwhile, the AI trade found new life as Taiwanese semiconductor stocks benefited from custom chip demand, although slowing economic growth in India and lackluster stimulus in China weighed on the broader emerging markets index. By sector, these trends led to the outperformance of Tech and Financials, while Materials fared the worst.

Performance

The Federated Hermes International Equity Fund returned -7.4% (Institutional Shares at NAV) for the quarter ending December 31, 2024. That compares to its benchmark, the MSCI ACWI ex USA index, which returned -7.6% during the period.

Performance contributors

- Positive country allocation effects came from an overweight to Israel along with underweights to Australia and India.
- Positive sector allocation effects came from underweights to Utilities, Consumer Staples, and Real Estate.

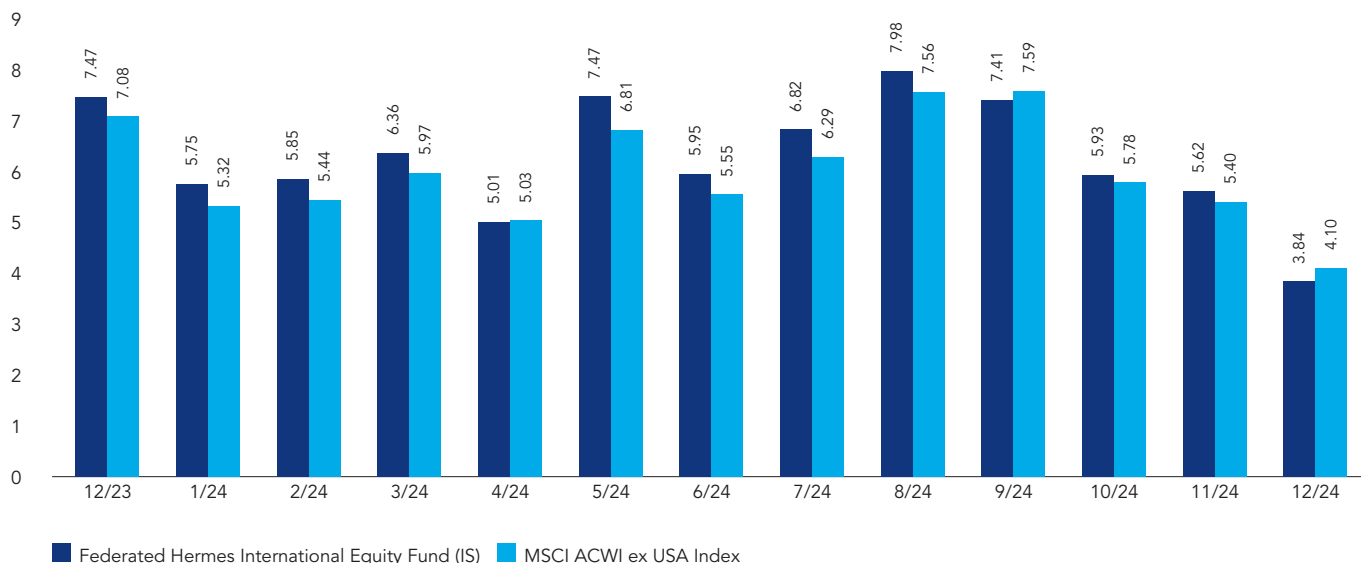
Performance detractors

- Negative country allocation effects came from overweights to South Korea and Argentina along with an underweight to Taiwan.
- Negative sector allocation effects came from overweights to Materials and Health Care along with 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

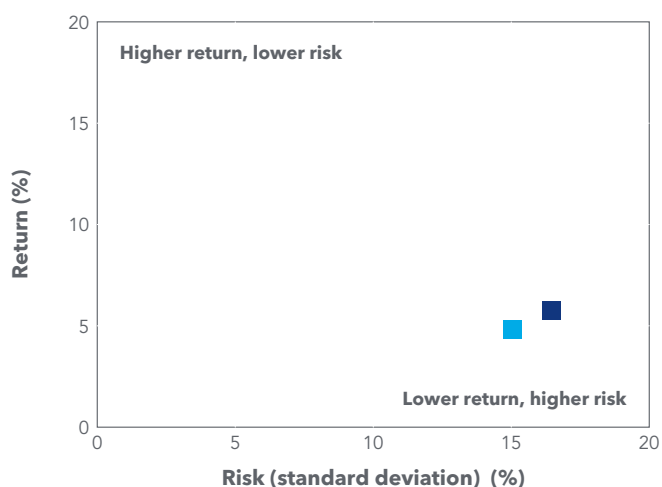
	3-year	5-year	7-year	10-year
Standard deviation	18.02	19.67	18.27	16.47
Beta	1.08	1.11	1.10	1.06
Correlation	0.97	0.97	0.97	0.97
Up capture ratio	101.65	109.61	106.86	105.43
Down capture ratio	118.00	112.06	106.70	101.69

Sources: Federated Hermes, Morningstar, Inc.

Fund vs. MSCI ACWI ex USA Index

See disclosure section for important definitions.

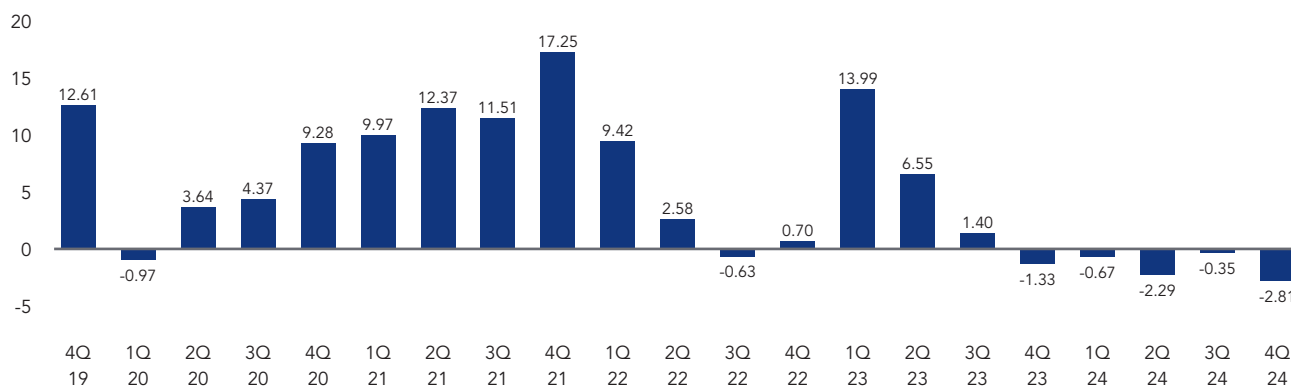
10-year risk/return



	Risk (%)	Return (%)
Federated Hermes International Equity Fund (IS)	16.47	5.76
MSCI ACWI ex USA Index	15.03	4.80

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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	72	95	70	-
	Morningstar Category Rank	492 of 699 funds	615 of 648 funds	416 of 618 funds	-
IS Shares	Morningstar Category % Rank	73	95	71	18
	Morningstar Category Rank	499 of 699 funds	617 of 648 funds	425 of 618 funds	74 of 421 funds
A Shares	Morningstar Category % Rank	77	96	75	27
	Morningstar Category Rank	528 of 699 funds	623 of 648 funds	462 of 618 funds	103 of 421 funds

Lipper International Multi-Cap Growth Funds		1-year	3-year	5-year	10-year
R6 Shares	Lipper Classification % Rank	59	44	42	-
	Lipper Classification Rank	89 of 151 funds	66 of 150 funds	60 of 145 funds	-
IS Shares	Lipper Classification % Rank	60	45	43	30
	Lipper Classification Rank	90 of 151 funds	67 of 150 funds	62 of 145 funds	30 of 101 funds
A Shares	Lipper Classification % Rank	62	48	50	42
	Lipper Classification Rank	93 of 151 funds	71 of 150 funds	72 of 145 funds	42 of 101 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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