

Federated Hermes International Leaders Fund

6/30/25

Fund facts

Performance inception date

9/30/98

Benchmark

MSCI EAFE Index

Morningstar category

Foreign Large Blend

Lipper classification

International Large-Cap Core

Fund assets

\$1.5 billion

Ticker symbols

R6 Shares - FGRSX

Institutional Shares - FGFLX

A Shares - FGFAV

C Shares - FGFCX

R Shares - FGFRX

Key investment team

Richard Winkowski, Jr.

Dariusz Czocho, CFA

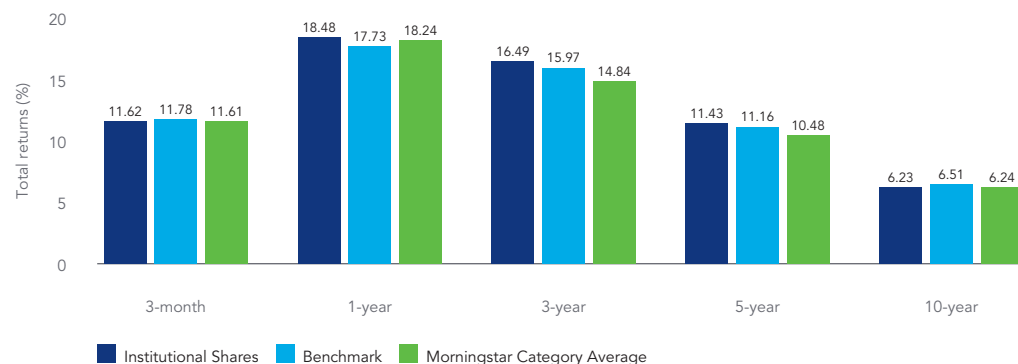
Fund description

The fund seeks to provide long-term capital growth by investing primarily in developed-market stocks of high-quality, foreign companies that appear to be trading below their intrinsic value. Its high-conviction portfolio typically consists of 55 to 80 companies.

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	11.60	23.81	18.54	16.54	11.49	6.28	8.14	0.88	0.74
Institutional Shares	11.62	23.81	18.48	16.49	11.43	6.23	8.10	0.96	0.79
A Shares (NAV)	11.52	23.61	18.14	16.15	11.13	5.94	8.16	1.23	1.09
A Shares (MOP)	5.38	16.80	11.64	13.97	9.88	5.35	7.94	1.23	1.09
Benchmark	11.78	19.45	17.73	15.97	11.16	6.51	—	—	—



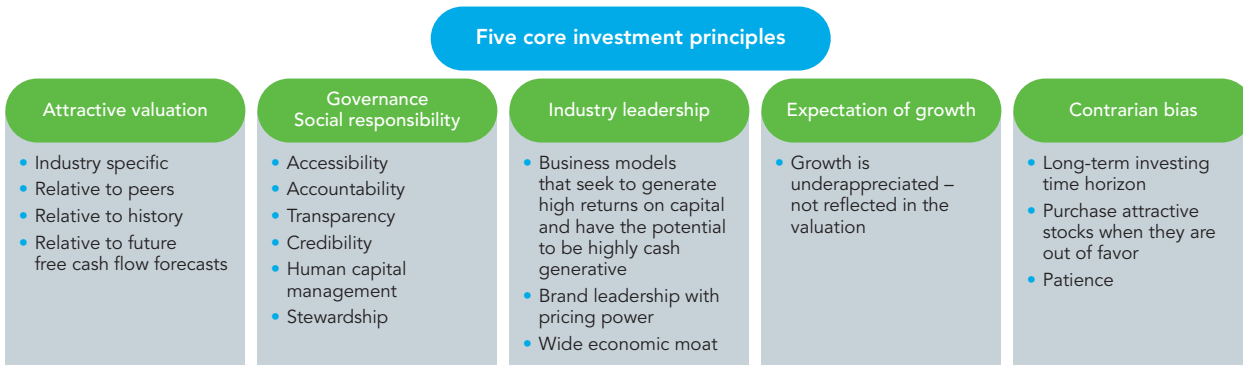
Calendar year total returns (%)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Institutional Shares	-0.98	17.35	-8.83	5.02	15.77	27.02	-20.66	28.30	-2.68	-1.94
Benchmark	3.82	18.24	-14.45	11.26	7.82	22.01	-13.79	25.03	1.00	-0.81
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 2/1/26 or the date of the fund's next effective prospectus.

Investment process



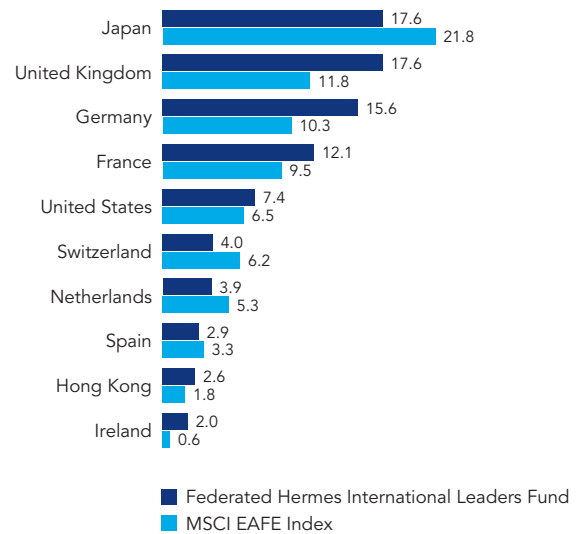
Portfolio statistics

Weighted median P/E (LTM)	19.4x
Weighted median P/E (NTM)	14.7x
Weighted median market cap	\$62.0 b
Weighted median price/book	2.2x
Number of securities	85

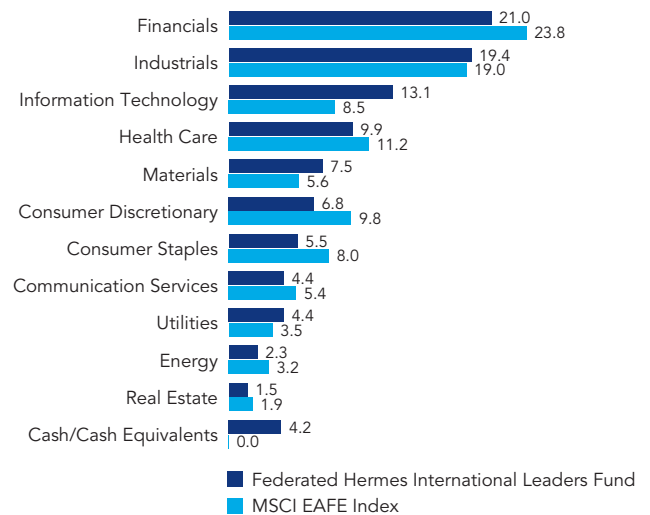
Top holdings (%)

Siemens Aktiengesellschaft <i>Germany</i>	3.1
AstraZeneca PLC <i>United Kingdom</i>	2.8
Hitachi, Ltd. <i>Japan</i>	2.1
Kerry Group plc <i>Ireland</i>	2.0
Melrose Industries PLC <i>United Kingdom</i>	2.0
HSBC Holdings PLC <i>United Kingdom</i>	1.9
Keyence Corporation <i>Japan</i>	1.9
SSE PLC <i>United Kingdom</i>	1.8
Capgemini SE <i>France</i>	1.7
DSM-Firmenich AG <i>Switzerland</i>	1.7
Total % of portfolio	21.0

Top country weightings (%)



Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 6/30/25 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

- Conflicts in Middle East and Ukraine
- Tariffs
- Defense spending
- Inflation

Looking Back

Tensions in the Middle East escalated following several missile strikes exchanged between Israel and Iran. The US, seeking to dismantle Iran's nuclear weapons capabilities, briefly joined the offensive by targeting three of Iran's nuclear facilities. With nearly 20% of global crude supply flowing through the region, the strikes drove crude oil prices to an eight-month high before eventually retreating. While a truce between Israel and Iran was quickly reached, questions remained on the stability of the region. In Ukraine, hostilities with Russia continued without any indications of a cease fire agreement.

Global trade faced potential disruption following President Trump's announcement of new tariff rates impacting US imports aimed at narrowing the US trade deficit. Despite ongoing negotiations, trade distortions developed as manufacturers rushed to build inventories as consumers accelerated purchases to avoid higher costs. Trade talks remained ongoing with resolutions expected in the coming weeks.

At NATO's annual summit, the 32 member countries agreed to increase core defense spending to 3.5% of GDP, with an additional 1.5% allocated to security and infrastructure by 2035. The increase followed pressure from the US, which insisted that member nations increase their contributions.

In the European Union, June's headline inflation came in at 2.0%, aligning with the ECB's target, driven by lower energy costs and a stronger euro. However, services inflation of 3.3% remained elevated despite easing wages and moderating economic activity. In Germany, business sentiment improved as public spending is set to increase following recent fiscal policy changes. France's economy remained under pressure with low business confidence and economic growth trailing its European peers.

In Japan, policymakers remained cautious as increases in nominal wages and investments coincided with risks from US tariffs and elevated food prices. Government officials talked with the Bank of Japan about remaining flexible ahead of potential rate hikes needed to stem inflation.

Performance

The Federated Hermes International Leaders Fund (Institutional Shares at NAV) returned 11.62% for the quarter ending June 30, 2025. That compares to its benchmark, the MSCI EAFE Index, which returned 11.78% during the period. As a result, the fund underperformed the benchmark by 0.16%.

Performance contributors

- Stock selection within Information Technology, Industrials, Materials, Financials and Utilities contributed positively along with the Fund's underweight to Energy
- Within Information Technology, Advantest Corp., NEC Corp. and Taiwan Semiconductor Manufacturing Co were the largest contributors
- Within Industrials, IHI Corp. and Rheinmetall AG were noteworthy contributors
- In Materials, Heidelberg Materials AG was the main contributor
- In Utilities, SSE PLC was the key contributor

Performance detractors

- Stock selection within Communication Services, Health Care and Consumer Staples detracted
- Within Communication Services, Deutsche Telekom AG was the main detractor
- In Health Care, Sanofi SA and AstraZeneca Plc were the largest detractors
- Within Consumer Discretionary, Alibaba Group Holding Ltd was the key detractor
- In Consumer Staples, Beiersdorf AG was the notable detractor

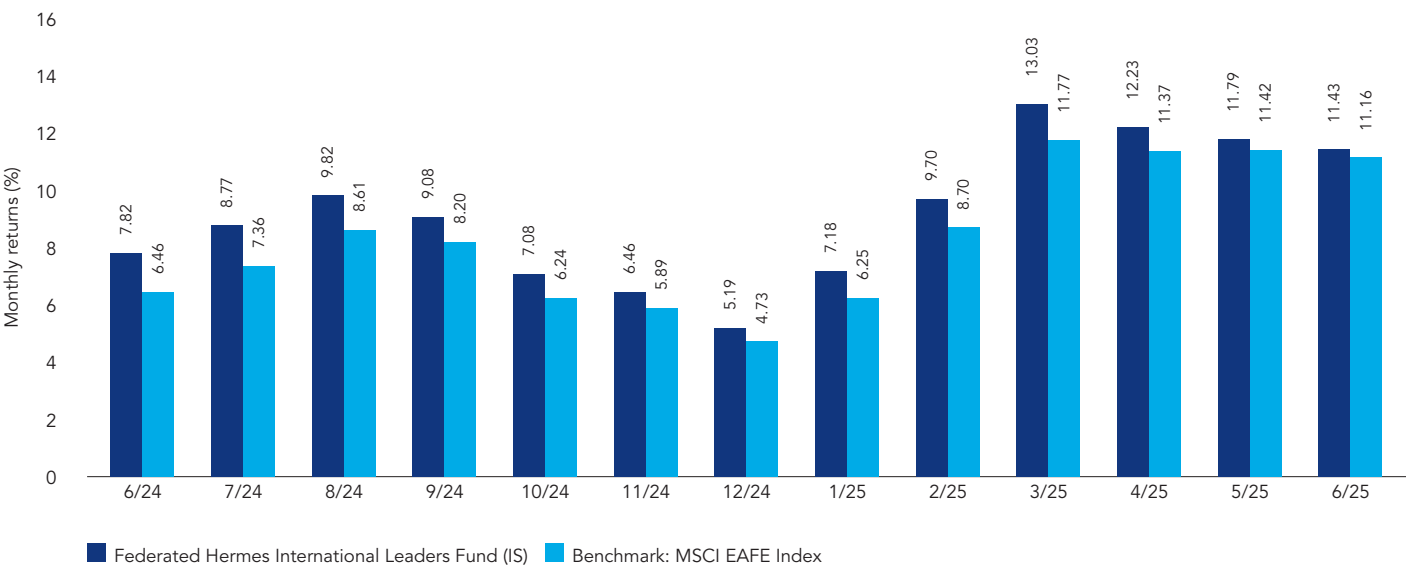
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How we are positioned

As we head into the second half of 2025, we see compelling reasons for international stocks to continue outperforming US equities. A weaker US dollar is likely to persist against major currencies, driven by central banks diversifying away from US Treasuries, ongoing uncertainty around US economic policies, rising national debt and persistent tariff disputes. Valuations further favor international stocks, as the US market remains relatively expensive compared to the global peers. Additionally, we're seeing the early stages of a broader shift toward international equities. After five years of foreign investors pouring over \$1.5 trillion into US stocks, many are now rebalancing their portfolios, redirecting capital to their home markets, particularly in Europe. Meanwhile, emerging markets stand out as attractive opportunities, bolstered by a weaker dollar, and more compelling valuations, setting the stage for strong investment potential in the second half of 2025.

See disclosure section for important disclosures and definitions.

5-year rolling returns vs. MSCI EAFE 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.

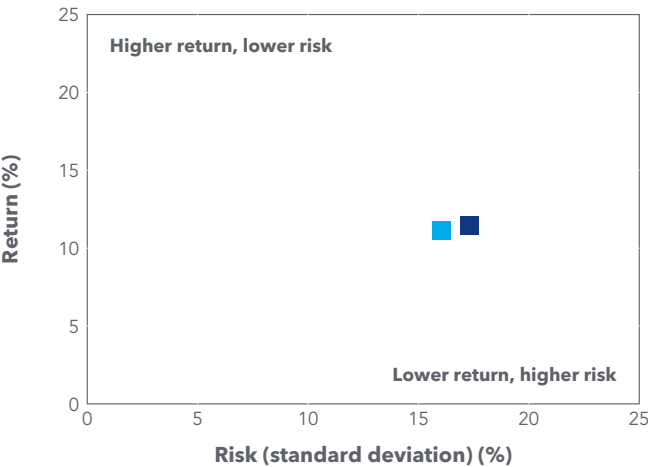
Risk statistics

	3-year	5-year	7-year	10-year
Standard deviation	16.82	17.31	18.11	16.91
Alpha	-0.07	0.06	0.35	-0.40
Beta	1.07	1.04	1.07	1.07
R ²	94.59	93.34	94.18	93.28

Sources: Federated Hermes, Inc., Morningstar, Inc.
Fund vs. MSCI EAFE Index

See disclosure section for important definitions.

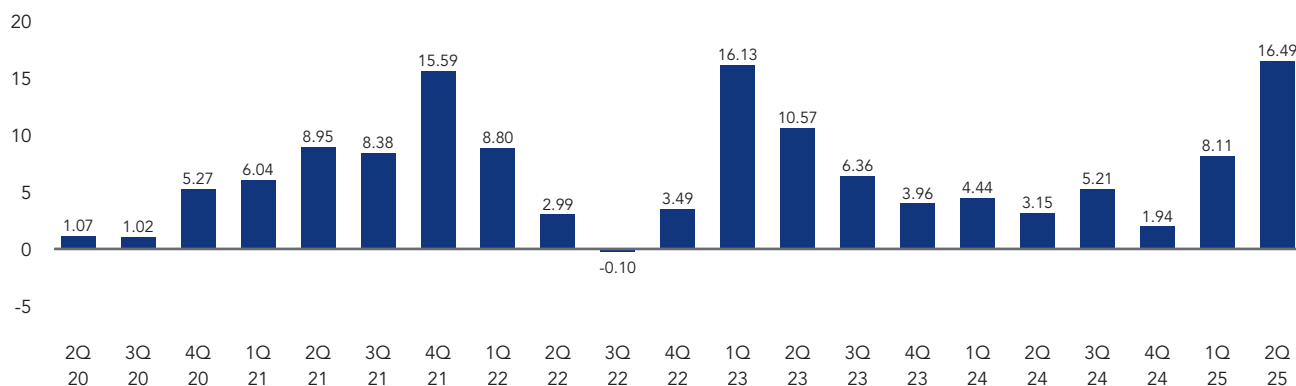
5-year risk/return



	Risk (%)	Return (%)
Federated Hermes International Leaders Fund (IS)	17.31	11.43
MSCI EAFE Index	16.04	11.16

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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	44	17	26	52
	Morningstar Category Rank	286 of 693 funds	115 of 658 funds	159 of 622 funds	208 of 448 funds
IS Shares	Morningstar Category % Rank	45	18	27	54
	Morningstar Category Rank	295 of 693 funds	125 of 658 funds	170 of 622 funds	216 of 448 funds
A Shares	Morningstar Category % Rank	54	25	39	67
	Morningstar Category Rank	361 of 693 funds	158 of 658 funds	234 of 622 funds	283 of 448 funds

Lipper International Large-Cap Core		1-year	3-year	5-year	10-year
R6 Shares	Lipper Classification % Rank	36	21	28	43
	Lipper Classification Rank	109 of 303 funds	59 of 284 funds	75 of 271 funds	82 of 191 funds
IS Shares	Lipper Classification % Rank	38	23	30	44
	Lipper Classification Rank	114 of 303 funds	65 of 284 funds	80 of 271 funds	84 of 191 funds
A Shares	Lipper Classification % Rank	51	29	44	61
	Lipper Classification Rank	153 of 303 funds	81 of 284 funds	118 of 271 funds	116 of 191 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 Leaders 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's Institutional Shares commenced operations on June 21, 2010. For the period prior to the commencement of operations for 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 August 8, 2013. For the period prior to the commencement of operations of the R6 Shares, the R6 Shares performance information shown is for the A Shares. The performance of the A Shares has not been adjusted to reflect the expenses of 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 reflect the absence of sales charges and to remove any voluntary waiver of fund expenses related to the A Shares that may have occurred during the period prior to the commencement of operations of the R6 Shares.

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.

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

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.

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.

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

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.

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.

R-squared indicates what percentage of a portfolio's movement in performance is explained by movement in performance of the market. R-squared ranges from 0 to 100, and a score of 100 suggests that all movements of a portfolio's performance are completely explained by movements in the market as measured by the fund's benchmark.

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

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 P/E (LTM—latest 12 months) is a ratio comparing share price to earnings per share using data from the previous 12 months.

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

MSCI EAFE Index is an equity index which captures large- and mid-cap representation across developed markets countries around the world, excluding the US and Canada. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

Indexes are unmanaged and cannot be invested in directly.

Ratings and rating agencies

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