

**12/31/22**

**Firm overview**

Federated Hermes, Inc. is a leading \$668.9 billion global investment manager (assets under management as of 12/31/22). Guided by our conviction that responsible investing is the best way to create wealth over the long term, Federated Hermes offers world-class investment management and engagement services. Our products span equity, fixed-income, alternative/private markets, multi-asset and liquidity management strategies and a range of separately managed account strategies, all distributed through a network of institutions and intermediaries worldwide.

**Objective**

The strategy's objective is to provide a high level of current income, long-term capital appreciation driven by dividend growth and lower downside risk

- Pursues a substantially higher dividend yield than the broad market average
- Invests in companies that are positioned to increase their dividend distribution over time
- Seeks to offer competitive performance in strong market environments and lower downside risk in periods of broad market weakness

**Investment team**

- 14 investment professionals
- 18+ years average investment experience
- \$35+ billion dividend-paying assets under management as of 12/31/22



**Daniel Peris, Ph.D., CFA**

Senior Vice President  
Senior Portfolio Manager  
Head of Strategic Value Dividend Group



**Deborah Bickerstaff**

Senior Vice President  
Portfolio Manager



**Jared Hoff**

Vice President  
Senior Portfolio Manager



**Michael Tucker**

Senior Vice President  
Senior Portfolio Manager

**Our philosophy**

We believe in owning businesses that are committed to providing investors regular dividend payments. We believe actively seeking out companies that both generate profits and regularly share those profits via dividends, rather than those who opt for share buybacks, can deliver more consistent value to our clients.

We are not a traditional equity value shop; rather, we believe in an income-first approach that seeks to deliver a high current yield and growing income stream to our clients. We believe we can meet the needs of investors seeking current income, as well as those looking for moderate capital appreciation through dividend growth.

**Investment process demonstrated since 2001**

Focus on high-quality companies with:

- Higher dividend yields than S&P 500® Index average
- Dividend growth potential
- Strong balance sheets
- Stable cash flows

The team forecasts each company's cash flow generation and balance sheet strength to project its long-term dividend trajectory. The team's approach is to diversify across the income-producing sectors of the economy, building a focused portfolio of approximately 35-50 holdings. This helps ensure exposure to the most attractive dividend income opportunities in the market.

While there is no assurance that the strategy will achieve its objective, the advisor endeavors to do so by selecting securities in the manner described in this document.

**Dividend yield** represents a stock's annual dividends divided by its current stock price.

**Dividend growth** is the increase of a stock's annual dividend distribution to shareholders over a period of time.

High dividend paying stocks are defined by the Advisor as those with a higher dividend yield than the S&P 500® Index's average dividend yield.

There are no guarantees that dividend-paying stocks will continue to pay dividends. In addition, dividend-paying stocks may not experience the same capital appreciation potential as non-dividend-paying stocks.