

Federated Hermes, Inc. Launches Small- and Mid-Cap Fund

- Federated Hermes U.S. SMID Fund and related SMA expand equity lineup

(PITTSBURGH, Pa., July 6, 2020) — Federated Hermes, Inc. (NYSE: FHI), a leading global investment manager, today announced the launch of the Federated Hermes U.S. SMID Fund, as well as a model-delivery separately managed account (SMA) portfolio that shares the same investment strategy. The fund becomes the sixth Federated Hermes mutual fund for U.S. investors modeled after **products from the firm’s London**-based international business.

The actively managed Federated Hermes U.S. SMID Fund pursues long-term capital appreciation by seeking to identify high-quality companies that possess a durable competitive advantage. The fund invests in a blend of growth-and value-oriented equity securities, primarily of small- and mid-capitalization companies in the U.S. The fund also integrates environmental, social and governance factors into its investment process.

The fund follows the investment strategy of the \$1.1 billion¹ London-based Federated Hermes US Small & Mid Cap Companies strategy, launched in October 1987. In addition to the new fund, the strategy is available to U.S. investors as a Federated Hermes SMA model portfolio, which became available on July 6, 2020. A UCITS version of the strategy, the Federated Hermes US SMID Equity Fund, was launched in September 2012.

The Federated Hermes U.S. SMID Fund is managed by Mark Sherlock, CFA, FCA, portfolio manager and head of the U.S. equities team at Hermes Investment Management Limited in London. Co-managers on the fund are Henry Biddle, CFA, ACA; Alex Knox, ACA; and Michael Russell, CFA. The London-based portfolio management team brings nearly 80 years of combined industry experience to the fund.

“We are seeing growing interest from our U.S. clients in actively managed equity strategies, and this new fund complements our existing products while expanding the availability of the fully ESG-integrated investment processes of our London office,” said John B. Fisher, president and chief executive officer of Federated Advisory Companies. “The strategy’s investment approach provides investors with the opportunity for strong long-term, risk-adjusted performance.”

The Federated Hermes U.S. SMID Fund uses the Russell 2500 Index as its benchmark. The new fund is initially being marketed in IS shares, with A, C and R6 share classes to follow.

Federated Hermes, Inc. is a leading global investment manager with \$605.8 billion in assets under management as of March 31, 2020. Guided by our conviction that responsible investing is the best way to create wealth over the long term, our investment solutions span 163 equity, fixed-income, alternative/private markets, multi-asset and liquidity management strategies and a range of separately managed account strategies. Providing world-class active investment management and engagement services to more than 11,000 institutions and intermediaries, our clients include

corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. Headquartered in Pittsburgh, Federated Hermes' more than 1,900 employees include those in London, New York, Boston and several other offices worldwide. For more information, visit FederatedHermes.com.

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¹As of March 31, 2020.

For more complete information, visit FederatedInvestors.com or contact your investment professional for summary prospectuses or prospectuses. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's summary prospectus or prospectus, which you should read carefully before investing.

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.

Small company stocks may be less liquid and subject to greater price volatility than large capitalization stocks.

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

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