Federated Hermes Clover
Small Value Fund


6/30/20

Product highlights
- Pursues capital appreciation.
- Invests primarily in stocks of high-quality, small-cap companies trading at attractive values relative to cash flow, book value, financial strength and historical valuations.
- Selects stocks through a disciplined and repeatable investment process combining intensive screening and rigorous first-hand analysis.
- Serves as a core small-value stock holding.

Morningstar category
Small Value

Benchmark
Russell 2000® Value Index

Key investment team
Stephen Gutch, CFA®

Yields
30-day yield - R6 0.92%
30-day yield - IS 0.85%
30-day yield - A 0.56%
30-day yield - C -0.21%
30-day yield - R 0.59%

Fund statistics
Portfolio assets $207.6 m
Number of securities 95
Dividends Paid annually
Weighted average market cap $2.5 b
Weighted average price/book 2.7
Weighted average P/E (NTM) 21.7x
Weighted average P/E (LTM) 22.3x
Weighted average P/CF 10.0x

Top holdings (%)
Rexnord Corp. 2.4
Hostess Brands, Inc. 2.3
First Interstate BancSystem, Inc., Class A 2.1
Thor Industries, Inc. 2.1
Asbury Automotive Group, Inc. 2.0
 Nexstar Media Group, Inc. 1.9
Primo Water Corp. 1.8
Spire, Inc. 1.7
TCF Financial Corporation 1.7
WNS Holdings Ltd. - ADR 1.7

Average annual total returns (%)
Performance shown is before tax.

Calendar year total returns (%)

Expense ratio*
NAV Performance inception Cumulative 3-month 1-year 3-year 5-year 10-year Since inception Before waivers After waivers
R6 2/28/96 23.48 -15.40 -4.68 0.00 6.78 8.78 1.09 0.95
IS 2/28/96 23.49 -15.43 -4.73 0.01 6.93 8.85 1.18 1.02
A 2/28/96 23.45 -15.67 -4.98 -0.24 6.66 8.73 1.48 1.27
C 2/28/96 23.18 -16.29 -5.69 -0.99 5.86 8.39 2.20 2.08
R 2/28/96 23.42 -15.69 -5.01 -0.28 6.52 8.49 1.72 1.41
Benchmark 18.91 -17.48 -4.35 1.26 7.82 - - -
Maximum offering price
A 2/28/96 16.66 -20.31 -6.76 -1.37 6.05 8.47 1.48 1.27
C 2/28/96 22.18 -17.13 -5.69 -0.99 5.86 8.39 2.20 2.08

Not FDIC Insured • May Lose Value • No Bank Guarantee
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Growth over time

If you had invested $10,000 in A Shares on 2/29/96 (month end of the fund’s performance inception) and reinvested all distributions, here’s how your account would have grown by 6/30/20.

![Graph showing growth over time]

$76,622

The performance information provided for the periods prior to August 28, 2009 is historical information of the Touchstone Diversified Small Cap Value Fund (the “Touchstone Small Fund”). The fund is the successor to the Touchstone Small Fund pursuant to a reorganization that took place on August 28, 2009.

The fund’s R Shares commenced operations on December 1, 2010. For the period prior to the commencement of operations for the R Shares, the performance information shown is for the fund’s A Shares adjusted to reflect the expenses of the R Shares. In addition, the performance information shown has been adjusted to reflect the absence of sales charges applicable to the A Shares.

The fund’s R6 Shares commenced operations on March 29, 2016. For the period prior to the commencement of operations for the R6 Shares, the performance information shown is for the A Shares adjusted to reflect the expenses of the R6 class for each year for which the expenses of the R6 would have exceeded the actual expenses paid by the fund’s A Shares. The performance information has also been adjusted to reflect the absence of sales charges applicable to the A Shares.

As of June 29, 2020, the fund was renamed Federated Hermes Clover Small Value Fund.

A word about risk

Mutual funds are subject to risks and fluctuate in value. Because the fund invests in smaller companies, it may be more volatile, and subject to greater short-term risk, than funds that invest in larger companies. Smaller companies may have limited resources, product lines and markets and their securities may trade less frequently and in more limited volumes than securities of larger companies. Value stocks may lag growth stocks in performance at limited volumes than securities of larger companies. The Russell 2000® Value Index includes those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth values. Russell 2000 Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect value characteristics.

Definitions

The holdings percentages are based on net assets at the close of business on 6/30/20 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.

30-day yield (also known as “SEC yield”) is a compounded and annualized figure calculated according to a formula set by the SEC. The formula requires use of a specific methodology for calculating dividends and interest earned, and expenses accrued, during the period, and reflects the maximum offering price per fund share. The standardized computation is designed to facilitate yield comparisons among different funds. In the absence of temporary expense waivers or reimbursements, the 30-day yield would have been 0.71% for R6 Shares, 0.61% for Institutional Shares, 0.35% for A Shares, -0.42% for C Shares, and 0.13% for R Shares.

Growth over time performance is for the fund’s A Shares. Figures do not reflect the 5.5% maximum sales charge. The fund offers additional share classes whose performance will vary due to differences in charges and expenses.

Weighted average P/E (LTM - Last twelve months) is a ratio comparing current share price to trailing 12-month earnings per share.

Weighted average P/E (NTM - next twelve months) is an averaging comparing share price to earnings per share with values greater than 75 are capped at 75 and excludes negatives.

Weighted average market capitalization is calculated as the average market capitalization of the stocks within the portfolio, weighted by the amount of each stock owned.

Weighted average price/cash flow is a ratio comparing current share price to trailing 12-month cash flow per share.

Weighted average price/book is a ratio comparing share price to book value, or total assets minus total liabilities. Russell 2000® Value Index measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth values.

Ratings and rating agencies

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the past three years. If the fund is less than three years old, the category is based on the life of the fund. ©2020 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

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