

9/30/20

**Firm overview**

Federated Hermes, Inc. is a leading \$614.8 billion global investment manager (assets under management as of 9/30/20). 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.

**Composite**

Federated Hermes Kaufmann Large Cap Growth SMA

**Index**

Russell 1000® Growth Index

**Key investment team**

- Hans Utsch
- Barbara Miller
- Jonathan Art
- Mark Bauknight
- Tom Brakel, M.D.
- Stephen DeNichilo, CFA®
- John Ettinger, CFA®
- Vivian Wohl
- Steven Abrahamson

**Objective**

The Kaufmann Large Cap Growth SMA’s objective is capital appreciation.

**Positioning**

The strategy invests primarily in large, high-quality, leading companies that have the potential to grow faster than the economy. The concentrated portfolio of approximately 50 stocks is diversified among sectors and industries and represents the management team’s highest-conviction investment ideas.

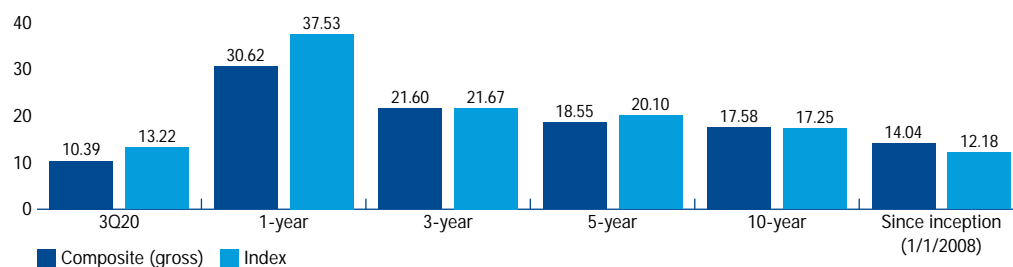
**Philosophy**

We believe an intensive, bottom-up approach to investing emphasizing rigorous company and sector analysis, and focusing on individual stock selection rather than attempting to time the market or mimic the benchmark, can generate strong performance over full market cycles.

**Investment approach**

- Our individual stock selection process focuses on growth companies with demonstrated business models, profitability, a catalyst for price appreciation, the potential for a strong return on assets and credible management.
- The strategy team’s bottom-up, company-by-company selection process is intense, comprehensive and impartial. It involves on-site visits, in-depth industry analysis, and continuous monitoring of trends and company performance. The result is an ability to make solid assessments about a company’s current and future growth potential.
- The strategy capitalizes on the insights and deep market knowledge of an experienced team of managers, analysts and industry specialists focused on identifying companies with the greatest potential to deliver long-term growth.

**Annualized returns (%)\***



Data as of 9/30/20. Information is supplemental to the attached GIPS report.

Total returns for periods of one year or less are cumulative.

\*For a comparison of gross to net returns, see chart on page 3. “Pure” gross-of-fees returns do not reflect the deduction of any expenses, including trading costs. “Pure” gross-of-fees returns are supplemental to net returns. This information is supplemental to the attached GIPS report which should be referred to for the current performance, including the net figures and index changes.

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. Performance data quoted represents past performance which is no guarantee of future results.

## Portfolio characteristics

	Portfolio	Index
<b>Dividend yield** (%)</b>	0.61	0.84
<b>EPS growth (last 3 years)**(%)</b>	32.47	32.56
<b>P/E ratio (FY1)*</b>	39.34x	35.73x
<b>Price/sales ratio*</b>	10.65x	8.28x
<b>Price/book value ratio*</b>	9.41x	13.98x
<b>Price/cash flow ratio*</b>	29.55x	26.12x
<b>Market capitalization (mil.)**</b>	\$281,455	\$662,882
<b>Number of holdings</b>	64	447

## Sector weightings (%)

	Portfolio	Index	Variation
<b>Communication Services</b>	6.34	10.86	-4.52
<b>Consumer Discretionary</b>	13.04	16.47	-3.43
<b>Consumer Staples</b>	0.94	4.77	-3.82
<b>Energy</b>	0.00	0.07	-0.07
<b>Financials</b>	5.73	1.97	3.76
<b>Health Care</b>	25.52	14.04	11.47
<b>Industrials</b>	10.30	4.63	5.67
<b>Information Technology</b>	32.32	44.52	-12.20
<b>Materials</b>	3.50	0.83	2.67
<b>Real Estate</b>	1.26	1.83	-0.58
<b>Utilities</b>	0.00	0.00	-0.02
<b>Cash/cash equivalents</b>	1.07	0.00	1.07

## Top holdings (%)

	Portfolio
<b>Microsoft Corporation</b>	4.44
<b>ServiceNow, Inc.</b>	3.71
<b>Amazon.com, Inc.</b>	3.70
<b>salesforce.com, inc.</b>	3.63
<b>T-Mobile US, Inc.</b>	3.05
<b>Veeva Systems Inc.</b>	2.85
<b>Fidelity National Information Services, Inc.</b>	2.75
<b>Mastercard Incorporated</b>	2.71
<b>Visa Inc.</b>	2.68
<b>Genmab A/S</b>	2.58

## Country weightings (%)

	Portfolio
<b>United States</b>	88.22
<b>Denmark</b>	2.58
<b>China</b>	2.48
<b>Brazil</b>	1.88
<b>Belgium</b>	1.34
<b>Netherlands</b>	1.05
<b>Canada</b>	0.84
<b>Switzerland</b>	0.55

## Calendar year returns (%)\*\*\*

	Composite (gross)	Index
<b>2011</b>	-4.70	2.64
<b>2012</b>	27.94	15.26
<b>2013</b>	38.72	33.48
<b>2014</b>	13.06	13.05
<b>2015</b>	3.99	5.67
<b>2016</b>	5.50	7.08
<b>2017</b>	24.97	30.21
<b>2018</b>	2.24	-1.51
<b>2019</b>	39.46	36.39
<b>2020 (YTD)</b>	19.95	24.33

Portfolio information is derived from a model portfolio managed in the strategy as of 9/30/20. Since this is a managed portfolio and market conditions can fluctuate suddenly and frequently, the portfolio holdings and investment mix will change. Information is supplemental to the attached GIPS report.

\*Weighted Median

\*\*Weighted Average

\*\*\*For a comparison of gross to net returns, see chart on page 3. "Pure" gross-of-fees returns do not reflect the deduction of any expenses, including trading costs. "Pure" gross-of-fees returns are supplemental to net returns. This information is supplemental to the attached GIPS report which should be referred to for the current performance, including the net figures and index changes.

**Past performance is no guarantee of future results.**

## Schedule of rates of return and statistics

Composite	Federated Hermes Kaufmann Large Cap Growth SMA
Index	Russell 1000 Growth Index
Periods ending	9/30/2020

	Returns (%)		
	Composite pure gross return <sup>^</sup>	Index	Net composite return (assuming maximum fee)
<b>Q3 20</b>	10.39	13.22	9.59
<b>YTD</b>	19.95	24.33	17.33
<b>1 Year</b>	30.62	37.53	26.83
<b>3 Years (Annlzd)</b>	21.60	21.67	18.05
<b>5 Years (Annlzd)</b>	18.55	20.10	15.09
<b>7 Years (Annlzd)</b>	16.14	17.39	12.74
<b>10 Years (Annlzd)</b>	17.58	17.25	14.14
<b>Jan 08 - Sep 20 (Annlzd)<sup>^^</sup></b>	14.04	12.18	10.70

	Composite pure gross return (%) <sup>^</sup>	Composite net return (%)	Benchmark return (%)	*Composite 3-yr st dev	*Benchmark 3-yr st dev	Number of portfolios	**Dispersion	Composite assets (\$mil)	Firm assets (\$bil)
<b>2010</b>	24.31	20.69	16.71	24.65	22.11	<5	N/A	233.6	354.3
<b>2011</b>	-4.70	-7.54	2.64	22.12	17.76	<5	N/A	309.1	363.9
<b>2012</b>	27.94	24.23	15.26	18.52	15.66	<5	N/A	372.0	371.3
<b>2013</b>	38.72	34.72	33.48	16.60	12.18	<5	N/A	1,135.6	366.8
<b>2014</b>	13.06	9.74	13.05	12.08	9.59	<5	N/A	1,872.8	349.3
<b>2015</b>	3.99	0.92	5.67	11.26	10.70	<5	N/A	3,421.5	343.4
<b>2016</b>	5.50	2.39	7.08	11.71	11.15	<5	N/A	2,797.4	342.3
<b>2017</b>	24.97	21.34	30.21	10.68	10.54	<5	N/A	0.3	354.7
<b>2018</b>	2.24	-0.79	-1.51	12.62	12.13	<5	N/A	0.3	377.2
<b>2019</b>	39.46	35.44	36.39	13.13	13.07	9	0.00	4.4	503.1

<sup>^</sup>Pure gross returns are shown as supplemental and do not reflect the deduction of transaction costs.

<sup>^^</sup>Represents composite inception period. See additional notes to the schedule of rates of return and statistics.

\*Represents the 3-year annualized standard deviation for both the gross composite and the index returns. Statistic is used to measure the volatility of composite returns.

\*\*Standard deviation is calculated using gross returns. Standard deviation is not applicable ("N/A") for any period if fewer than five accounts are in the composite for that period. (See footnote 5)

This composite is comprised of all domestic equity portfolios investing primarily in large cap stocks, concentrating on securities with the strongest growth prospects, utilizing a qualitative, fundamental bottom-up investment process seeking growth companies with strong management teams and leading market share positions. Portfolios in this composite may invest in less developed or emerging markets which generally entail greater political, economic, market, tax, credit and other risks, and generally have greater price volatility than securities issued or traded in developed markets. Portfolios in the composite are generally managed to the Russell 1000 Growth Index, which measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values. Indexes are unmanaged and cannot be invested in directly. Separate accounts eligible for this composite generally have a minimum of \$100,000 at the time of opening and are a part of an asset-based pricing program. This composite was created in November 2017. Federated Hermes has managed portfolios in this investment style since December 2007. Prior to December 2017, this composite consisted of the Federated Hermes Kaufmann Large Cap Growth Composite. Effective December 2017, wrap fee accounts make up 100% of this composite. Performance history prior to December 2017 reflects the ability to use IPOs. Portfolios eligible for this composite after November 2017 will not be permitted to purchase IPOs. Portfolios in this composite implement the strategy using American Depositary Receipts (ADR) versus directly purchasing shares of companies on foreign exchanges. Investments in ADRs entail risks related to daily fluctuations in the value of currency, which may be more volatile in times of increased market risk. Performance for this composite is calculated in U.S. dollars net of foreign withholding taxes on dividends, interest, and capital gains. Individual tax rates may vary dependent on individual residency. Federated Hermes claims compliance with the Global Investment Performance Standards ("GIPS<sup>®</sup>") and has prepared and presented this report in compliance with the GIPS<sup>®</sup> standards. Federated Hermes has been independently verified for the period of January 1, 1992, through June 30, 2020. The verification report is available upon request. A firm that claims compliance with the GIPS<sup>®</sup> standards must establish policies and procedures for complying with all the applicable requirements of the GIPS<sup>®</sup> standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS<sup>®</sup> standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Performance results are presented both net and gross of total wrap fees and reflect the reinvestment of income. "Pure" gross returns are shown as supplemental and do not reflect the deduction of transaction costs. Net returns reflect the deduction of a maximum fee. A fee equal to the highest anticipated wrap fee that a client could pay (3.00% annually as charged by the program sponsor, inclusive of up to a maximum investment advisory fee of 0.70%) is used. This total wrap fee includes all charges for trading costs, portfolio management, custody, and other administrative fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.

## Kaufmann Large Cap Growth SMA

### Notes to the schedule of rates of return and statistics

1. Federated Hermes is a global, independent, multi-strategy investment management firm. For GIPS® purposes, Federated Hermes is defined to include the assets of registered investment companies that are advised or sub-advised by the various Federated Hermes advisory companies. Effective February 3, 2020, for GIPS® purposes the name of the firm was officially changed to Federated Hermes. Firm assets on this report exclude assets affiliated with Hermes GPE and the advisory-only, model-based assets that may be included in other reports providing total firm assets.
2. Interest income and dividends are recognized on an accrual basis. Returns include the reinvestment of all income.
3. All market values and performance information are valued in USD unless currency is denoted in composite description.
4. Annual composite dispersion is measured and presented using the asset weighted standard deviation of the gross returns of all of the portfolios included in the composite over the entire year. Quarterly dispersion is measured using all portfolios included in the composite for that quarter. Prior to March, 2020 with regard to Federated Clover Investment Advisors composites, annual dispersion was measured using the equal weighted standard deviation of the returns of all the portfolios included in the composite over the entire year.
5. Composite dispersion does not measure the risk of the product presented, it simply measures the return variance among portfolios managed in a similar fashion. This variance can be affected by variations in cash flow or specific client parameters among the portfolios comprising the composites, as well as by execution of strategy across accounts.
6. See the composite description language for a discussion on appropriate fees currently applied to calculate composite performance. With regard to the institutional composites not managed by the MDT Advisers and Federated Hermes International teams, for the period July 1, 1992 through September 30, 2009, net of fee performance was calculated monthly by reducing the gross composite return by the highest actual fee of any account in the composite for that month, regardless of investment vehicle. Prior to July 1992, the maximum management fee for third quarter 1992 was used to calculate net of fee performance historically to inception of the composite. For those composites managed by the Federated Hermes International investment team, net composite results are based off model fees using the stated fee schedule. In addition, further fee information can be obtained from the firm's respective Forms ADV Part 2 Brochure Item 5.
7. Additional information regarding the policies for valuing investments, calculating performance, and preparing GIPS reports, as well as a complete list and description of the firm's composites and pooled funds is available upon request.
8. Past performance is not indicative of future results.
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10. See disclosures on the Schedule of Rates of Return and Statistics Reports for additional information.