

# In Need of Dividends?

## Federated Hermes International Strategic Value Dividend Fund As of 10/31/20

### Access to income with growth potential

Federated Hermes International Strategic Value Dividend Fund offers investors a portfolio of dividend-paying companies outside of the U.S. with strong dividend growth potential.

### Notable highlights

- Federated Hermes International Strategic Value Dividend Fund provided a gross weighted average dividend yield of 5.25% at month-end.
- October 2020 trailing twelve months: 30 companies within the portfolio raised their dividends. Only two companies within the portfolio cut their dividends.

### Consecutive annual dividend payments

Of the 41 stocks in the portfolio:

- 93% have paid consecutive annual dividends for the past 10 years.
- 76% have done so for the past 20 years.
- 29% have notably done so for the past 50 years.

| Holding                                      | TTM*<br>dividend<br>yield | Country     | Dividends paid<br>consecutively<br>since | TTM*<br>dividend<br>change date | TTM*<br>dividend<br>% change | S&P<br>credit<br>rating |
|--|---------------------------|-------------|--|---------------------------------|------------------------------|-------------------------|
| <b>Communication Services 17.33%</b>         |                           |             |  |                                 |                              |                         |
| <b>BCE, Inc.</b>                             | 6.22                      | Canada      | 1949                                     | Feb-20                          | 5.0%                         | BBB+                    |
| <b>Elisa Oyj</b>                             | 4.38                      | Finland     | 2005                                     | Jan-20                          | 5.7%                         | BBB+                    |
| <b>HKT Trust and HKT Ltd.</b>                | 7.03                      | Hong Kong   | 2012                                     | Aug-20                          | 1.9%                         | BBB                     |
| <b>Telef Brasil</b>                          | 7.42                      | Brazil**    | 1998                                     | –                               | –                            | brAAA                   |
| <b>Telenor ASA</b>                           | 5.91                      | Norway      | 2010                                     | Jan-20                          | 3.6%                         | A-                      |
| <b>Telus Corp.</b>                           | 5.11                      | Canada      | 1999                                     | Nov-19                          | 3.6%                         | BBB+                    |
| <b>Vodafone Group PLC</b>                    | 7.87                      | U.K.        | 1990                                     | –                               | –                            | BBB                     |
| <b>Consumer Staples 16.04%</b>               |                           |             |  |                                 |                              |                         |
| <b>British American Tobacco PLC</b>          | 8.59                      | U.K.        | 1998                                     | Feb-20                          | 3.6%                         | BBB+                    |
| <b>Danone</b>                                | 4.43                      | France      | 1988                                     | –                               | –                            | BBB+                    |
| <b>Kimberly-Clark De Mexico</b>              | 5.07                      | Mexico      | 1965                                     | –                               | –                            | BBB+                    |
| <b>Nestle SA</b>                             | 2.62                      | Switzerland | 1959                                     | –                               | –                            | AA-                     |
| <b>Philip Morris International Inc.</b>      | 6.76                      | U.S.        | 1928                                     | Sep-20                          | 2.6%                         | A                       |
| <b>Unilever PLC</b>                          | 3.38                      | U.K.        | 1949                                     | –                               | –                            | A+                      |
| <b>Wal-Mart de Mexico SAB de CV</b>          | 3.49                      | Mexico      | 2001                                     | –                               | –                            | -1                      |
| <b>Energy 5.95%</b>                          |                           |             |  |                                 |                              |                         |
| <b>Enbridge Inc.</b>                         | 8.83                      | Canada      | 1953                                     | Dec-19                          | 9.8%                         | BBB+                    |
| <b>TC Energy Corporation</b>                 | 6.18                      | Canada      | 1985                                     | Feb-20                          | 8.0%                         | BBB+                    |
| <b>Financials 20.54%</b>                     |                           |             |  |                                 |                              |                         |
| <b>Admiral Group PLC</b>                     | 5.36                      | U.K.        | 2004                                     | Aug-20                          | 14.3%                        | A+ <sup>2</sup>         |
| <b>Bank of Montreal</b>                      | 5.34                      | Canada      | 1922                                     | Dec-19                          | 2.9%                         | A+                      |
| <b>Canadian Imperial Bank of Commerce</b>    | 5.88                      | Canada      | 1868                                     | Feb-20                          | 1.4%                         | A+                      |
| <b>Munich Re Group</b>                       | 4.88                      | Germany     | 1952                                     | Feb-20                          | 5.9%                         | AA-                     |
| <b>Royal Bank of Canada</b>                  | 4.64                      | Canada      | 1870                                     | –                               | –                            | AA-                     |
| <b>Scor SE<sup>3</sup></b>                   | –                         | France      | 2005                                     | May-20                          | –                            | AA-                     |
| <b>Zurich Insurance Group AG</b>             | 6.58                      | Switzerland | 1999                                     | Feb-20                          | 5.3%                         | AA-                     |
| <b>Health Care 11.63%</b>                    |                           |             |  |                                 |                              |                         |
| <b>AstraZeneca PLC</b>                       | 2.79                      | U.K.        | 1993                                     | –                               | –                            | BBB+                    |
| <b>GlaxoSmithKline PLC</b>                   | 6.19                      | U.K.        | 1889                                     | –                               | –                            | A                       |
| <b>Novartis AG</b>                           | 4.13                      | Switzerland | 1997                                     | –                               | –                            | AA-                     |
| <b>Orion Oyj</b>                             | 4.08                      | Finland     | 1992                                     | –                               | –                            | -1                      |
| <b>Roche Holding AG</b>                      | 3.05                      | Switzerland | 1990                                     | Jan-20                          | 3.4%                         | AA                      |
| <b>Sanofi</b>                                | 4.07                      | France      | 1985                                     | Feb-20                          | 2.6%                         | AA                      |
| <b>Sonic Healthcare Ltd.</b>                 | 2.44                      | Australia   | 1994                                     | –                               | –                            | -1                      |
| <b>Information Technology 2.15%</b>          |                           |             |  |                                 |                              |                         |
| <b>International Business Machines Corp.</b> | 5.84                      | U.S.        | 1916                                     | Apr-20                          | 0.6%                         | A                       |
| <b>Real Estate 0.73%</b>                     |                           |             |  |                                 |                              |                         |
| <b>Vonovia SE</b>                            | 2.86                      | Germany     | 2013                                     | Nov-19                          | 9.0%                         | BBB+                    |

continued on next page

\* TTM represents trailing twelve months.

\*\* Dividend growth not quantifiable for Brazilian investments due to the payment of irregular dividends.

<sup>1</sup>No corporate bond issuance.

<sup>2</sup>Rating of parent company, holding is not rated.

<sup>3</sup>Scor SE complied with the French regulator's guidance that insurance companies must refrain from proposing the distribution of dividends before October 2020. Dividend yield is to be determined.

October 2020 TTM\*: Six companies had a dividend change prior to the sale in the trailing twelve months. On 11/7/19, Siemens AG increased its dividend by 2.6%. On 2/5/20, BNP Paribas SA increased its dividend by 2.6%. On 2/27/20, Engie increased its dividend by 6.7%. On 4/9/20, Mondi PLC cut its dividend by 64.1%. On 8/3/20, NTT DOCOMO, Inc. increased its dividend by 6.7%. On 8/4/20, BP PLC cut its dividend by 50.0%.

**Past performance is no guarantee of future results. For current fund performance, visit [FederatedInvestors.com](https://www.federatedinvestors.com).**

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## Federated Hermes International Strategic Value Dividend Fund

| Holding                  | TTM*<br>dividend<br>yield | Country | Dividends paid<br>consecutively<br>since | TTM*<br>dividend<br>change date | TTM*<br>dividend<br>% change | S&P<br>credit<br>rating |
|--------------------------|---------------------------|---------|--|---------------------------------|------------------------------|-------------------------|
| <b>Utilities 24.12%</b>  |                           |         |  |                                 |                              |                         |
| <b>E.On SE</b>           | 5.14                      | Germany | 1985                                     | –                               | –                            | BBB                     |
| <b>Emera, Inc.</b>       | 4.80                      | Canada  | 1992                                     | Sep-20                          | 4.1%                         | BBB                     |
| <b>ENEL S.p.A.</b>       | 4.80                      | Italy   | 2000                                     | Nov-19                          | 17.1%                        | BBB+                    |
| <b>Fortis, Inc.</b>      | 3.84                      | Canada  | 1972                                     | Sep-20                          | 5.8%                         | A-                      |
| <b>Iberdrola SA</b>      | 3.95                      | Spain   | 1985                                     | Feb-20                          | 14.0%                        | BBB+                    |
| <b>Italgas S.p.A.</b>    | 5.16                      | Italy   | 2017                                     | Mar-20                          | 9.4%                         | Baa2 <sup>4</sup>       |
| <b>National Grid PLC</b> | 5.29                      | U.K.    | 1996                                     | Nov-19                          | 2.6%                         | A-                      |
| <b>Snam S.p.A.</b>       | 5.67                      | Italy   | 2001                                     | Mar-20                          | 5.0%                         | BBB+                    |
| <b>Terna S.p.A.</b>      | 4.30                      | Italy   | 2004                                     | Nov-19                          | 7.0%                         | BBB+                    |

Sources: Bloomberg, FactSet and company websites of current holdings.

\* TTM represents trailing twelve months.

Information as of 10/31/20. The fund is a managed portfolio and holdings are subject to change.

Credit ratings do not protect against market risk.

<sup>4</sup>Moody's rating, S&P does not provide a rating for Italgas SpA.

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### Average annual total returns (%) as of 10/31/20

|                             | Ticker<br>symbol | Monthly (as of 10/31/20) |        |        |         |         | Since<br>inception<br>(6/4/08) | Quarterly (as of 9/30/20) |        |         |                    |                 | Expense ratio***  |                  |
|-----------------------------|------------------|--------------------------|--------|--------|---------|---------|--------------------------------|---------------------------|--------|---------|--------------------|-----------------|-------------------|------------------|
|                             |                  | 3-month                  | 1-year | 5-year | 10-year | 3-month |                                | 1-year                    | 5-year | 10-year | Since<br>inception | 30-day<br>yield | Before<br>waivers | After<br>waivers |
| <b>R6 Shares</b>            | IVFLX            | -4.99                    | -9.69  | 0.04   | 1.73    | -3.37   | 3.14                           | -3.07                     | 2.12   | 2.61    | -3.00              | 4.01            | 0.94              | 0.85             |
| <b>Institutional Shares</b> | IVFIX            | -5.29                    | -9.96  | 0.07   | 1.99    | 0.08    | 3.14                           | -3.08                     | 2.14   | 2.89    | 0.49               | 4.01            | 1.01              | 0.86             |
| <b>A Shares (NAV)</b>       | IVFAX            | -5.06                    | -9.93  | -0.12  | 1.78    | -0.13   | 2.75                           | -3.62                     | 1.84   | 2.65    | 0.25               | 3.76            | 1.29              | 1.11             |
| <b>A Shares (MOP)</b>       | IVFAX            | -10.33                   | -14.78 | -1.26  | 1.20    | -0.59   | -2.82                          | -8.91                     | 0.67   | 2.07    | -0.21              | 3.54            | 1.29              | 1.11             |

**Performance quoted represents past performance which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, and for after-tax returns, contact us or visit [FederatedInvestors.com](http://FederatedInvestors.com). Maximum offering price figures reflect the maximum sales charge of 5.5% for A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund.** Total returns for periods of less than one year are cumulative.

\*\*\* 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 2/1/21 or the date of the fund's next effective prospectus.

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. The figure is compounded and annualized. In the absence of temporary expense waivers or reimbursements, the 30-day yield would have been 3.35% at maximum offering price and 3.57% at net asset value for A Shares, 3.83% for Institutional Shares and 3.84% for R6 Shares.

The fund's R6 Shares commenced operations on January 27, 2017. For the period prior to the commencement of operations of the R6 Shares, the performance information shown is for the fund's Institutional Shares adjusted to remove any voluntary waiver of fund expenses related to the fund's Institutional Shares that may have occurred during the periods prior to the commencement of operations of the fund's R6 Shares.

**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.**

As of June 29, 2020, the fund was renamed Federated Hermes International Strategic Value Dividend Fund.

The ratings provided are sourced from securities ratings agencies Standard and Poors and Moody's. Standard and Poor's and (Moody's), respectively, make the following credit rating classifications: A (A) or better are considered to be high credit quality; credit ratings of BBB (Baa) are good credit quality and the lowest category of investment grade; credit ratings BB (Ba) and below are lower-rated securities ("junk bonds"); and credit ratings of CCC (Caa) or below have high default risk. A modifier of 1 or + indicates that the obligation ranks in the higher end of its rating category and a modifier of 3 or - indicates a ranking in the lower end of the category.

Because the fund may allocate relatively more assets to certain industry sectors than others, the fund's performance may be more susceptible to any developments which affect those sectors emphasized by the fund.

International investing involves special risks including currency risk, increased volatility, political risks and differences in auditing and other financial standards.

**This material must be preceded or accompanied by a prospectus.**