

Federated Hermes U.S. Strategic Dividend ETF | Ticker: FDV



A time-tested approach to dividend investing

Exposure to large- and mid-cap U.S. stocks with high dividend yields above the S&P 500® Index average

- Leverages an investment process demonstrated since 2001
- Access to the 40-60 companies the team determines to have the most potential to sustain and grow high dividends

May lower equity portfolio risk

- Primarily income-producing sector exposure, such as Consumer Staples, Health Care, Utilities and Energy, which tend to have lower market beta
- High dividend stocks have had 60% of the volatility of non-payers:¹ Average rolling 3-year standard deviation, quarterly shift, 3/31/39 to 9/30/22:
 - Fama-French Top 30% Dividend Payers Portfolio: 14.08%
 - Fama-French Non-Dividend Paying Portfolio: 23.82%

Why invest in high dividend stocks now?

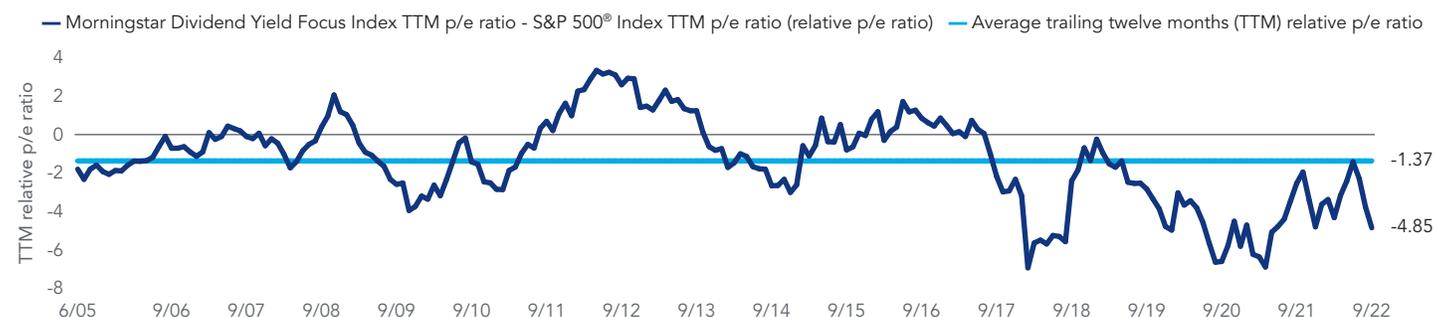
High dividend paying stocks have protected capital in challenging markets

Periods of S&P 500® Index declines of -10% or steeper	6/1/37 - 3/31/38	9/1/46 - 9/30/46	9/1/57 - 12/31/57	3/1/62 - 6/30/62	3/1/66 - 9/30/66	3/1/69 - 6/30/70	3/1/73 - 9/30/74	3/1/77 - 3/31/78	6/1/81 - 6/30/82	12/1/87 - 12/31/87	6/1/90 - 10/31/90	7/1/98 - 8/31/98	9/1/00 - 9/30/02	11/1/07 - 2/28/09	10/1/18 - 12/31/18	1/1/20 - 3/31/20	1/1/22 - 9/30/22
Fama-French non-dividend payers portfolio	-64.26	-18.99	-21.55	-32.13	-16.67	-54.00	-55.15	23.16	-38.19	9.99	-31.33	-23.20	-68.14	-51.43	-18.24	-15.09	-33.57
Fama-French top 30% dividend payers portfolio	-44.33	-9.15	-16.38	-13.68	-18.17	-21.30	-27.32	3.26	-0.08	3.66	-12.94	-9.71	2.77	-55.39	-8.89	-27.87	-7.44
Relative return	19.93	9.84	5.17	18.45	-1.50	32.70	27.83	-19.90	38.11	-6.33	18.39	13.49	70.91	-3.96	9.35	-12.78	26.13

Top 30% dividend payers average relative return during these challenging periods: +14.46%

Includes all S&P 500 declines of -10% or steeper from 6/1/37 to 9/30/22. Sources: Eugene F. Fama & Kenneth R. French, Morningstar, Inc., Federated Hermes analysis. Illustration provided for discussion purposes only. Does not represent ETF investments or performance. **Past performance is no guarantee of future results.**

Valuations are still attractive



As of 9/30/22. Sources: Morningstar, Inc., S&P, Federated Hermes analysis. Illustration provided for discussion purposes only. Does not represent ETF investments or performance. The graphs show the relative valuation of dividend paying stocks, as represented by the Morningstar Dividend Yield Focus Index. Low relative valuations, along with the potential for valuations to revert to their mean indicates that now may be a buying opportunity for dividend paying stocks, as valuations may rise closer to typical historical levels.

Federated Hermes U.S. Strategic Dividend ETF

Benchmark	NYSE ticker	Inception date	Expense ratio ²	
			Before waivers	After waivers
S&P 500 [®] Index	FDV	11/15/22	0.60%	0.50%

Our approach to dividend investing is now available in an ETF focused on U.S. companies only.³

Investment team

- Dedicated to dividend investing
- Fourteen investment professionals
- Average more than 18 years of experience
- Over \$30 billion in dividend-paying assets under management as of 9/30/22
- Led by four portfolio managers who have worked together for over a decade

Our security selection process has been demonstrated over several market cycles since 2001.

- We focus on high quality companies with:
 - » Strong financial condition
 - » Higher dividend yields than S&P 500[®] Index average
 - » Dividend growth potential
 - » A history of strong performance throughout market cycles

¹ As of 9/30/22. Sources: Eugene F. Fama & Kenneth R. French, Morningstar, Inc., Federated Hermes analysis. Data provided for discussion purposes only. Does not represent ETF investments or performance.

² The Adviser and certain of its affiliates on their own initiative have agreed to waive certain amounts of their respective fees and/or reimburse expenses. Total annual fund operating expenses (excluding acquired fund fees and expenses, tax reclaim recovery expenses, interest expense, taxes, litigation expenses, extraordinary expenses, and proxy-related expenses, paid by the Fund, if any) paid by the Fund (after the waivers and/or reimbursements) will not exceed 0.50% (the "Fee Limit"), up to but not including the later of (the "Termination Date"): (a) December 1, 2023; or (b) the date of the Fund's next effective Prospectus. These arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Trustees.

³ The Fund intends to invest exclusively in U.S. issuers (i.e., companies domiciled and/or with operations in the United States, or listed on U.S.-based exchanges. U.S. issuers will be defined as issuers i) that are organized under the laws of U.S. or that maintain their principal place of business in the U.S.; (ii) whose securities are traded principally on U.S. based exchanges; or (iii) that, during the issuer's most recent fiscal year, derived at least 50% of their revenues or profits from goods produced or sold, investments made, or services performed in the U.S. or that have at least 50% of their assets in the U.S.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. To obtain a summary prospectus or prospectus containing this and other information, contact us or visit [FederatedInvestors.com](https://www.federatedinvestors.com). Please carefully read the summary prospectus or the prospectus before investing.

Fund shares are bought and sold on an exchange at market price (not NAV) and are not individually redeemed from the fund. However, shares may be redeemed at NAV directly by certain authorized broker-dealers (Authorized Participants) in very large creation/redemption units. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. Market price returns are based on the official closing price of an ETF share or, if the official closing price isn't available, the midpoint between the national best bid and national best offer ("NBBO") as of the time the ETF calculates the current NAV per share. NAVs are calculated using prices as of 4:00 PM Eastern Time. The returns shown do not represent the returns you would receive if you traded shares at other times.

Although the information provided in this document has been obtained from sources which Federated Hermes believes to be reliable, it does not guarantee accuracy of such information and such information may be incomplete or condensed.

A word about risk

ETFs are subject to risks and fluctuate in value.

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.

Diversification does not assure a profit nor protect against loss.

Definitions

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

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.

Fama-French portfolios formed on D/P at the end of each June using NYSE breakpoints. The dividend yield used to form portfolios in June of year t is the total dividends paid from July of t-1 to June of t per dollar of equity in June of t. Includes all NYSE, AMEX, and NASDAQ stocks for which we have market equity for June of year t, and at least 7 monthly returns (to compute the dividend yield) from July of t-1 to June of t.

Morningstar Dividend Yield Focus Index tracks the top 75 high-yielding stocks that meet screening requirements for quality and financial health.

S&P 500[®] Index is an unmanaged capitalization-weighted index of 500 stocks designated to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.