

Federated Hermes Kaufmann

**An intensive,
bottom-up
focus on growth**

[Federated Hermes Kaufmann Small Cap](#)

[Federated Hermes Kaufmann](#)

[Federated Hermes Kaufmann Large Cap](#)

Why growth—at any time and in any market

Investors with virtually any long-term financial goal—from retirement to protecting assets from inflation—may want to allocate at least some portion of their portfolios for growth. The true power of growth investing rests with the ability to compound earnings at an above-average rate. The challenge is identifying those stocks capable of doing so over at least a three- to five-year time horizon. This underscores the value of Federated Hermes Kaufmann's emphasis on pursuing exceptional, long-term growth opportunities.

The Federated Hermes Kaufmann approach

The Federated Hermes Kaufmann team is focused on companies poised for growth and profitability over a three- to five-year horizon, which aligns with the team's average holding period. A key characteristic shared by these companies is the ability to achieve growth ahead of the curve and to sustain it through well-executed innovation. To find them, the team employs its bottom-up approach that includes frequent conversations with key managers and employees, regular on-site visits and industry analysis as well as thorough fundamental research. The team's selection process is intense and impartial, drawing on its long experience of making solid assessments about a company's true—and continuing—growth potential. In addition, while it's difficult for some investors to gain access to the dynamic initial public offering (IPO) market, IPOs represent a major source of new ideas for the Federated Hermes Kaufmann team.

What we believe sets us apart

We believe Federated Hermes Kaufmann has several distinct attributes that differentiate us from certain peers, beginning with our long-term commitment to finding acyclical growth stocks in all market environments without focusing on the index or style factors. Our commitment is built into the investment team's flat structure, which enables us to operate efficiently and allocate capital from the bottom up. This allows portfolio managers to truly "own" their respective sectors and allocate capital as they see fit when there are attractive opportunities within their area of specialization. Additionally, since there are no degrees of separation between our analyst and decision-making teams, we can respond to capital markets movements. The team communicates constantly, and checks and balances help ensure only the best ideas are implemented in the portfolio.

Solid, well-researched companies with long-term prospects

Small-, mid- and large-cap growth companies can work together to deliver an important source of diversification in any portfolio. But to satisfy the Federated Hermes Kaufmann team, a company needs to demonstrate exceptional qualities:

Qualitative

- Helmed by committed, resourceful management
- Demonstrating leadership within the market
- Offering sustainable competitive advantages
- Focusing on increasing shareholder value

Quantitative

- Above-average earnings-per-share growth rate
- Strong returns on capital and cash flows
- Trading at attractive prices
- A clear path to positive free cash flow

Even successful companies must remain flexible and innovative

Customer preferences change, the competitive landscape intensifies and new technologies are launched. These events define a dynamic marketplace and can test the mettle of a company of any size. While the Federated Hermes Kaufmann team's stock selection process is geared to find quality companies for the long term, every holding is continually re-evaluated for its staying power and ability to grow. A hallmark of the Federated Hermes Kaufmann team's investment approach is knowing when to buy a company and knowing when to sell.

The ability to find great companies and put them to work for investors has distinguished the Federated Hermes Kaufmann team for more than 35 years.

Three ways to pursue growth

Led by one of the industry's most-experienced growth teams, the Federated Hermes Kaufmann lineup spans the market capitalization spectrum.



Federated Hermes Kaufmann Small Cap

- Targets small companies capable of delivering exceptional new products and profitability over the long term.

Federated Hermes Kaufmann

- Seeks out small- and mid-cap companies that will shape their industries for years to come.

Federated Hermes Kaufmann Large Cap

- Invests in large companies that, despite their size, remain focused on innovation, product development, market expansion and industry leadership.

Past performance is no guarantee of future results.

Small-cap companies may have less liquid stock, a more volatile share price, unproven track records, a limited product or service base and limited access to capital. The above factors could make small-cap companies more likely to fail than larger companies and increase the volatility of the fund's portfolio, performance and price. Suitable securities of small-cap companies also can have limited availability and cause capacity constraints on investment strategies for funds that invest in them.

Large-cap companies may have fewer opportunities to expand the market for their products or services, may focus their competitive efforts on maintaining or expanding their market share, and may be less capable of responding quickly to competitive challenges. The above factors could result in the share price of large-cap companies lagging the overall stock market or growth in the general economy, and, as a result, could have a negative effect on the fund's portfolio, performance and share price.

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

Federated Hermes Kaufmann team

Portfolio managers



Hans Utsch
Senior Portfolio Manager
Co-Head of Kaufmann Group

- Investment experience: 63 years
- B.A., Amherst College
- MBA, Columbia University
- Joined Federated Hermes: 2001



Tom Brakel, M.D.
Senior Portfolio Manager

- Investment experience: 28 years
- M.D., Erasmus University Rotterdam, the Netherlands
- MBA, Stanford University
- Joined Federated Hermes: 2003



Jordan Stuart
Investment Director

- Investment experience: 19 years
- B.S., The Pennsylvania State University
- MBA, Drexel University, LeBow College of Business
- Joined Federated Hermes: 2014



John Ettinger, CFA
Senior Portfolio Manager
Co-Head of Kaufmann Group

- Investment experience: 31 years
- B.A., Duke University
- Joined Federated Hermes: 2001



Stephen DeNichilo, CFA
Senior Portfolio Manager

- Investment experience: 27 years
- B.S., Villanova University
- MBA, Fordham University
- Joined Federated Hermes: 2012



Elizabeth Gorman
Investment Director
Associate

- Investment experience: 25 years
- B.A., Bryn Mawr College
- Joined Federated Hermes: 2001



Steven Abrahamson
Senior Portfolio Manager

- Investment experience: 34 years
- B.S., Bucknell University
- MBA, Duke University, Fuqua School of Business
- Joined Federated Hermes: 2001



Barbara Miller
Senior Portfolio Manager

- Investment experience: 33 years
- B.A., Brown University
- MBA, Harvard Business School
- Joined Federated Hermes: 2002

Investment analysts

Syed Talha Saleem, CFA
Investment Analyst

- Investment experience: 10 years
- B.E., The Cooper Union
- Joined Federated Hermes: 2021

Stephen Cai

Investment Analyst

- Investment experience: 8 years
- B.S., Georgia Institute of Technology
- MBA, The Wharton School, University of Pennsylvania
- Joined Federated Hermes: 2024

Breana Roberts

Investment Analyst

- Investment experience: 6 years
- B.A., New York University
- Joined Federated Hermes: 2019



Aditi Singhania, Ph.D.
Portfolio Manager

- Investment experience: 12 years
- Ph.D., Columbia University
- Joined Federated Hermes: 2018

We invite you to learn more about the Federated Hermes Kaufmann approach to discovering the best opportunities among small-, mid- and large-cap growth companies.

For more complete information, visit FederatedHermes.com/us or contact your investment professional for a summary prospectus or a prospectus. 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.

Diversification does not assure a profit nor protect against a loss.

The value of equity securities in the funds' portfolio will fluctuate and, as a result, the funds' share price may decline. Equity securities may decline in value because of an increase in interest rates or changes in the stock market.

Investing in IPOs involves special risks such as limited liquidity and increased volatility.

There is no guarantee that any investment approach will be successful.

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

Growth stocks tend to have higher valuations and thus are typically more volatile than value stocks. Growth stocks also may not pay dividends or may pay lower dividends than value stocks.

The funds' use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional instruments.

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

Separately managed accounts are available through Federated Investment Counseling, a registered investment advisor.