

Sustainability- related Disclosures

Federated Hermes Investment Funds Plc (“The Company”) Hermes Fund Managers Ireland Limited (“The Manager”) Sustainable Finance Disclosure Regulation (“SFDR”)

Hermes Fund Manager Ireland Limited has delegated investment management to Hermes Investment Management Limited (“The Investment Manager”), an FCA-authorized entity.

The table below outlines how the Investment Manager intends to meet the environmental or social characteristics or sustainable investment objectives as outlined in the relevant Sub-Fund Supplement.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Absolute Return Credit Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the issuer including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including; EOS at Federated Hermes; third party providers, where available, such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager assigns an ESG score to each country and company in the portfolio on a scale of 1 to 5, where companies with a score of 5 are generally excluded from the investment universe. ● The Investment Manager may invest in companies with poor ESG scores where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Asia ex-Japan Equity Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others, as well as company disclosures. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.
Federated Hermes China Equity Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The investment manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Emerging Markets Credit Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including; EOS at Federated Hermes; third party providers, where available, such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager assigns an ESG score to each country and company in the portfolio on a scale of 1 to 5, where companies with a score of 5 are generally excluded from the investment universe. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.
Federated Hermes European Alpha Equity Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager uses Federated Hermes’ proprietary scoring methodology to score a company’s ESG behaviours. This proprietary ESG score favours companies with lower ESG risks and companies with good governance, who are actively improving their focus on ESG issues. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Europe ex-UK Equity Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment..	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager uses Federated Hermes’ proprietary scoring methodology to score a company’s ESG behaviours. This proprietary ESG score favours companies with lower ESG risks and companies with good governance, who are actively improving their focus on ESG issues. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.
Federated Hermes Global Emerging Markets Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources and climate change), social issues (such as human rights) and governance (being the way in which the company is run and employee wellbeing). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager uses Federated Hermes’ proprietary scoring methodology to score a company’s ESG behaviours. This proprietary ESG score favours companies with lower ESG risks and companies with good governance, who are actively improving their focus on ESG issues. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes GEMs SMID Equity Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources and climate change), social issues (such as human rights) and governance (being the way in which the company is run and employee wellbeing). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager uses Federated Hermes’ proprietary scoring methodology to score a company’s ESG behaviours. This proprietary ESG score favours companies with lower ESG risks and companies with good governance, who are actively improving their focus on ESG issues. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.
Federated Hermes Global Equity ESG Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The investment manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth. ● The Investment Manager uses a proprietary quantitative model to assess companies. This model favours companies that have a competitive advantage, with a sustainable business model, that well governed and treat their responsibilities to the environment and society seriously. ● The Investment Manager will generally not invest in Funds with an ESG score in the lowest 20% but may invest in companies with poor ESG scores where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Global Equity Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager uses a proprietary quantitative model to assess companies. This model favours companies that have a competitive advantage, with a sustainable business model, that well governed and treat their responsibilities to the environment and society seriously. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.
Federated Hermes Global High Yield Credit Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the issuer including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including; EOS at Federated Hermes; third party providers, where available, such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager assigns an ESG score to each country and company in the portfolio on a scale of 1 to 5, where companies with a score of 5 are generally excluded from the investment universe. ● The Investment Manager may invest in companies with poor ESG scores where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Global Small Cap Equity Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager believes that quantitative ESG data must be complemented by a fundamental bottom-up review of ESG issues, leveraging its knowledge of and direct contact and engagement with companies. The most material ESG issues to an investment case are identified for each company and an assessment is made as to whether the issues can be qualitatively or quantitatively factored into an investment appraisal and whether the issue identified can be better managed (or capitalised upon) by the company and if so whether change can be brought about as a result of investor engagement. ● The Investment Manager may invest in companies with material ESG issues where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth. ● The Investment Manager may invest in companies with minor ESG issues without undertaking a structured engagement programme but will seek to mitigate those issues as part of the regular dialogue with the company.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Impact Opportunities Equity Fund	The investment objective of the Fund is to achieve long-term capital appreciation by investing in companies which will benefit from meeting the world's environmental and social challenges.	<p>MSCI All Country World Investable Market Index</p> <p>The benchmark is not aligned to the Fund's sustainable investment objective.</p>	<ul style="list-style-type: none"> ● The Investment Manager will seek to identify and invest in companies which stand to benefit the development of solutions to such societal challenges as water shortages, environmental degradation, waste management, the search for sustainable energy sources, healthcare needs, aging populations, demographic change and the achievement of financial inclusion and global equality. ● The analysis of companies is based on proven economic factors as well as on impact opportunity and sustainability characteristics. An example of the impact opportunity would be a company which invests in an innovative new solution to such issues as water shortages or waste management will have a significant "first mover" advantage and consequential potential for significant returns if it successfully develops and markets such solution(s). ● The Investment Manager will also have regard to financial sustainability, and long-term value creation when evaluating companies for investment. The Investment Manager bases its sustainable investment strategy on the belief that a company can achieve impact in three ways: (i) providing innovative new products; (ii) broadening access of existing products through preferential pricing or supplying to places where it was not supplied before; or (iii) operating in a way that by itself creates substantial benefits, for example through the company's treatment of employees and the environment. ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance ("ESG") qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies' own Disclosures. ● The Investment Manager may invest in companies with poor ESG ratings where the company has shown a desire to improve their ESG behaviours have good governance and meet the impact and sustainability characteristics outlined above. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Multi-Strategy Credit Fund	This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.	N/A	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the issuer including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including; EOS at Federated Hermes; third party providers, where available, such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager assigns an ESG score to each country and company in the portfolio on a scale of 1 to 5, where companies with a score of 5 are generally excluded from the investment universe. ● The Investment Manager may invest in companies with poor ESG scores where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.
Federated Hermes SDG Engagement Equity Fund	The investment objective of the Fund is to provide total return, through a combination of income and capital growth over a rolling period of any five years, whilst delivering positive societal impact as outlined in further detail in the Investment Strategy below.	<p>MSCI All Country World SMID Index</p> <p>The benchmark is not aligned to the Fund’s sustainable investment objective.</p>	<ul style="list-style-type: none"> ● The Investment Manager will seek companies that also display the potential to be receptive to and benefit from active corporate engagement that will contribute to the UN SDGs. It is anticipated that by identifying solutions to meeting specific UN SDGs, companies will be able to incrementally improve long-term financial returns and resilience by generating either additional revenue or higher productivity by delivering, for example, improved health or educational outcomes for their employees and local community. ● The UN SDGs are as follows: no poverty; zero hunger; good health and well-being; quality education; gender equality; clean water and sanitation; affordable and clean energy; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; sustainable cities and communities; responsible consumption and production; climate action; life below water; life on land; peace, justice and strong institutions; and partnership for the goals. ● The Investment Manager’s in-house stewardship team and EOS will support both the identification of, and engagement with, suitable companies that meet the criteria outlined above and further below. ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager may invest in companies with poor ESG ratings where the company has good potential to improve on its environmental and social characteristics and hence make a contribution, or greater contribution, to the attainment the UN SDGs.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
<p>Federated Hermes SDG Engagement High Yield Credit Fund</p>	<p>The investment objective of the Fund is to provide long-term capital appreciation alongside positive societal impact, as outlined in further detail in the Investment Strategy in the supplement for the Fund.</p>	<p>ICE BofA Merrill Lynch Global HY Constrained Index</p> <p>The benchmark is not aligned to the Fund's sustainable investment objective.</p>	<ul style="list-style-type: none"> ● The Investment Manager will seek companies that also display the potential to be receptive to and benefit from active corporate engagement that will contribute to the UN SDGs. It is anticipated that by identifying solutions to meeting specific UN SDGs, companies will be able to incrementally improve long-term financial returns and resilience by generating either additional revenue or higher productivity by delivering, for example, improved health or educational outcomes for their employees and local community. ● The UN SDGs are as follows: no poverty; zero hunger; good health and well-being; quality education; gender equality; clean water and sanitation; affordable and clean energy; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; sustainable cities and communities; responsible consumption and production; climate action; life below water; life on land; peace, justice and strong institutions; and partnership for the goals. ● The Investment Manager's in-house stewardship team and EOS will support both the identification of, and engagement with, suitable companies that meet the criteria outlined above and further below. ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance ("ESG") qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including; EOS at Federated Hermes; third party providers, where available, such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies' own Disclosures. ● The Investment Manager may invest in companies with poor ESG ratings where the company has good potential to improve on its environmental and social characteristics and hence make a contribution, or greater contribution, to the attainment the UN SDGs.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
Federated Hermes Sustainable Global Equity Fund	The investment objectives of the Fund are to: (i) achieve capital growth over a rolling five year period; and (ii) have a reduced environmental footprint compared to the Index.	<p>MSCI All Country World Index</p> <p>The benchmark is not aligned to the Fund's sustainable investment objective.</p>	<ul style="list-style-type: none"> ● The Fund aims to reduce the environmental footprint in comparison to the Index (as defined below) and this is measured (using available third party data relating to the carbon, water and waste metrics detailed below) by comparing the following characteristics of the companies in respect of which the Fund holds equity with the Index: (i) total carbon emissions normalised by the market value of the portfolio, expressed in tons CO₂ per \$ million invested; (ii) the total waste (landfill, nuclear and incinerated) for a portfolio normalised by the market value of the portfolio, tonnes per \$ million invested; and (iii) the total water used (cooling, processed and purchased) normalised by the market value of the portfolio, m³ per \$ million invested. ● The Investment Manager targets companies identified as 'sustainable leaders' in order to capture the growth of such companies. Our definition of a 'sustainable leader' is predicated on three primary considerations. <ul style="list-style-type: none"> – Firstly, the business model, considering how suppliers, buyers, market entrants, substitute products and competitor rivalry affect the profitability of a company. – Secondly, considering how well companies manage environmental, social and governance ("ESG") factors, (for example including how companies limit their emissions, how they ensure product safety, how they manage diversity in the workforce and how the board is structured). The Investment Manager uses a proprietary framework to consider the material ESG risks and opportunities for each company, and use the breadth and depth of our engagement data to put our analysis in context. As a result of the consideration of ESG factors, the Fund's weighted average ESG rating will always be better than the weighted ESG rating of the Index after eliminating the worst 20% of securities. – Thirdly, consideration is seeking to understand the broader benefit or cost of each company. As well as looking at companies which do no significant harm, the Investment Manager also looks beyond this and, where appropriate, the portfolio will actively target those companies seeking to improve their effect on people and the planet through their products or services. ● The Investment Manager assesses the financially material ESG characteristics of a company by considering a variety of sources including; EOS at Federated Hermes; third party providers, where available, such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies' own Disclosures. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Fund	Sustainable Objective	Benchmark	Environmental and Social Characteristics and Investment Strategy
<p>Federated Hermes Unconstrained Credit Fund</p>	<p>This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.</p>	<p>N/A</p>	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the issuer including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including; EOS at Federated Hermes; third party providers, where available, such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager assigns an ESG score to each country and company in the portfolio on a scale of 1 to 5, where companies with a score of 5 are generally excluded from the investment universe. ● The Investment Manager may invest in companies with poor ESG scores where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.
<p>Federated Hermes US SMID Equity Fund</p>	<p>This Fund, through its ESG and stewardship integration approach, promotes environmental and/or social characteristics, but does not have as its objective sustainable investment.</p>	<p>N/A</p>	<ul style="list-style-type: none"> ● The Investment Manager will undertake an assessment of the material Environmental, Social and Governance (“ESG”) qualities of the company including; environmental items (such as the impact on natural resources), social issues (such as human rights) and governance (being the way in which the company is run). ● The Investment Manager assesses the material ESG characteristics of a company by considering a variety of sources including EOS at Federated Hermes and third party providers such as ISS, CDP, MSCI, Sustainalytics and Trucost amongst others; and companies’ own Disclosures. ● The Investment Manager uses Federated Hermes’ proprietary scoring methodology to score a company’s ESG behaviours. This proprietary ESG score favours companies with lower ESG risks and companies with good governance, who are actively improving their focus on ESG issues. ● The Investment Manager may invest in companies with poor ESG credentials where the company has shown a desire to improve their ESG behaviours and can demonstrate good corporate governance practices and/or a willingness to engage in issues if they arise. ● The Investment Manager integrates the insights from EOS at Federated Hermes, the dedicated stewardship team, with the ultimate aim to reduce underperformance from poor ESG behaviours. EOS encourages companies to improve their ESG practices and act responsibly and thereby create sustainable wealth.

Federated Hermes

Federated Hermes is a global leader in active, responsible investing.

Guided by our conviction that responsible investing is the best way to create long-term wealth, we provide specialised capabilities across equity, fixed income and private markets, multi-asset and liquidity management strategies, and world-leading stewardship.

Our goals are to help people invest and retire better, to help clients achieve better risk-adjusted returns, and to contribute to positive outcomes that benefit the wider world.

All activities previously carried out by Hermes now form the international business of Federated Hermes. Our brand has evolved, but we still offer the same distinct investment propositions and pioneering responsible investment and stewardship services for which we are renowned – in addition to important new strategies from the entire group.

Our investment and stewardship capabilities:

- **Active equities:** global and regional
- **Fixed income:** across regions, sectors and the yield curve
- **Liquidity:** solutions driven by four decades of experience
- **Private markets:** real estate, infrastructure, private equity and debt
- **Stewardship:** corporate engagement, proxy voting, policy advocacy

For more information, visit www.hermes-investment.com or connect with us on social media:

