Federated Hermes Impact Opportunities Fund

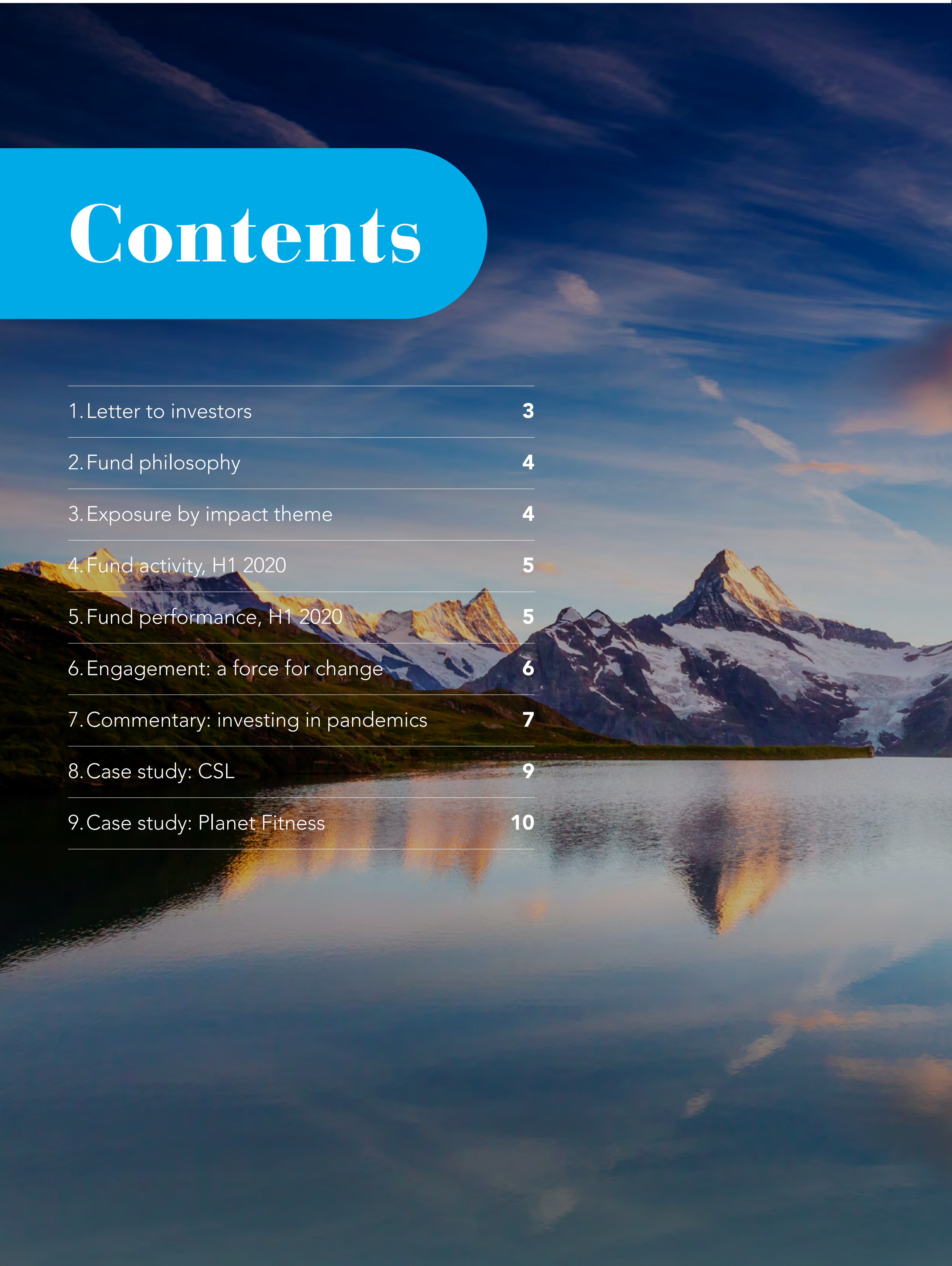
Impact Report, H1 2020

September 2020

Federated Hermes International

www.hermes-investment.com

For professional investors only



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SECTION 1

Letter to investors

Dear investors,

Demand for impact investing has been on the rise: according to the Global Impact Investing Network (GIIN), a study of 1,700 impact investors found that aggregate assets under management increased from $502bn in 2019 to $715bn this year. And as the world wrestles with the unprecedented challenge of the coronavirus pandemic, we have seen this demand accelerate further as the virus has put the need for impact investing under the spotlight.

In the first six months of the year, societies and economies everywhere as well as financial markets were affected by Covid-19. While the full effects of the global pandemic are still unfolding, these events have further cemented my vision for impactful companies – that is, that they are the drivers of future growth, and by investing in these new growth areas, we are buying tomorrow's leaders today.

Against the backdrop of the pandemic, I believe a paradigm shift is taking place: the wider market is beginning to acknowledge that companies providing solutions to the unmet needs of society and the environment are exposed to enduring demand and, in turn, have better growth outlooks. Indeed, this belief is core to our investment philosophy – and it helps us to demonstrate to investors how they are contributing to the betterment of society and the planet as well as the Sustainable Development Goals (SDGs).

Impact investing: a key role to play in reshaping the future

As countries, sectors and supply chains continue to grapple with the pandemic, the outlook remains uncertain for many industries. That said, the volatility that markets experienced in the first half of the year provided us with emergent opportunities: we added a few new holdings to the Fund (see section four for further details on our activity in H1) and I believe there will likely be similar opportunities in the second half of the year.

I am pleased with the resilience that our Fund has demonstrated during this period of tumult (see section five for information about the Fund's performance). We are currently in the midst of the second quarter reporting season, and I am delighted to report that the majority of our holdings have reported earnings above expectations, with some even raising guidance for the full year. This is a testament to our investment philosophy which seeks to identify businesses that are exposed to scalable and enduring demand while providing innovative solutions to world's most pressing needs. We will continue to seek to outperform by investing in long-term holdings succeeding in their core purpose: to generate value by creating positive and sustainable change. And in doing so, active and collaborative corporate engagement will be an essential part of this approach: it results in better alignment between all stakeholders in a business and encourages investors to take a truly long-term perspective. As we work alongside our experienced stewardship team, EOS at Federated Hermes (EOS), we will endeavour to share examples of our engagement progress and discussions in our upcoming quarterly reports.

Having joined the international business of Federated Hermes in February 2020, I feel privileged to be leading an impact investing team which targets truly impactful companies. As client demand for sustainable investment solutions continues to rise, we have bolstered our team with the addition of Jordan Patel, who joined in July as a Senior Analyst.

I would like to take this opportunity to thank you for your ongoing support of the Fund, and I encourage you to delve into the details of this report to find out more about our recent activity and performance, our engagement progress, and how we have been investing in pandemics through our impact themes.

Yours sincerely,
Ingrid Kukuljan,
Head of Impact Investing

SECTION 2

Fund philosophy

We aim to outperform the broad global equity market by:

- **Investing in** companies that provide solutions which have a positive impact on people and the planet
- **Identifying** emerging growth opportunities that meet a structural, underserved need
- **Taking advantage** of market inefficiencies in pricing long-term change

SECTION 3

Exposure by impact theme

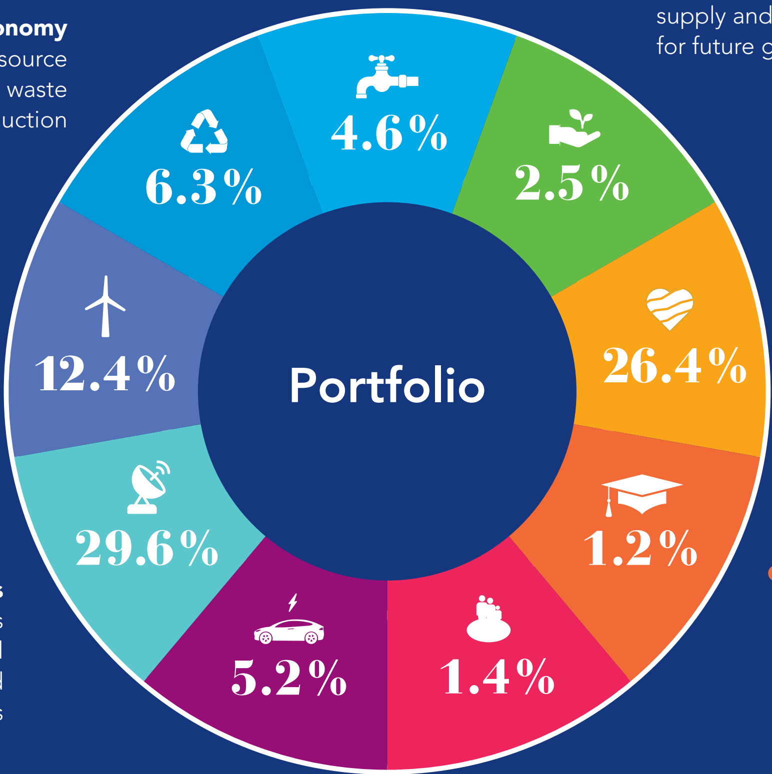
Our holdings fit into one or more of nine impact themes that are aligned with the SDGs.

Water
Improving access to quality water supply and preservation of the resource

Food Security
Ensuring a sustainable food supply and productive farmlands for future generations

Circular Economy
Enhancing resource efficiency and waste reduction

Energy Transition
Transforming the energy system to power a low-carbon economy



Health & Wellbeing
Improving life expectancy and quality

Impact Enablers
Providing crucial solutions and services to impactful companies directly involved in the various themes

Education
Providing opportunities for all – irrespective of wealth, geographical location or ability

Future Mobility
Improving vehicle efficiency to increase low-carbon transportation

Financial Inclusion
Providing financial services to underserved populations

Source: Federated Hermes, as at 30 June 2020. Note: as at 30 June 2020, 6.5% of our exposure was not directly related to any of our nine impact themes, while 3.8% was held as cash.

SECTION 4

Fund activity, H1 2020

The world has changed dramatically in the first six months of 2020: the coronavirus pandemic caused – and continues to cause – significant challenges for the global economy, businesses and communities alike. The uncertainty about the full effects of the virus has also weighed heavily on financial markets. Nevertheless, for impact investors, this period of market volatility has also provided opportunities in some very interesting companies.

In the first six months of the year, we initiated positions in five new holdings: Dexcom, a medical device company with a dominant position in continuous glucose monitoring systems (see our Q1 2020 report for more information); Kingspan, a global leader in high performance insulation products that help to reduce carbon emissions; Straumann, a global leader in dental implants; Blackbaud, a software, cloud and services provider that specifically focuses on non-profit organisations; and Planet Fitness, a leading fitness chain operator in the US that is expanding its global presence (see our case study in section nine for more information).

During this period, we also exited four positions. With better exposure to cell therapies through cash generative businesses elsewhere in the Fund, we offloaded our sub-scale position in Autolus Therapeutics. We also sold our holdings in South African education provider Curro Holdings and banking group ProCredit owing to concerns about their respective business models. In addition, we consolidated our exposure to OEM suppliers, selling our position in Valeo and using the proceeds of the sale to add to our position in Hella. We believe Hella has a stronger financial position and is better exposed to premium German manufacturers. Meanwhile, following significant outperformance, we trimmed our position in Emergent Biosolutions, a multinational specialty biopharmaceutical company.

Figure 1. Portfolio activity in H1 2020

Portfolio additions	Related impact theme
Dexcom	Health & Wellbeing
Kingspan	Energy Transition
Straumann	Health & Wellbeing
Blackbaud	Impact Enabler
Planet Fitness	Health & Wellbeing
Positions offloaded	**Related impact theme**
Autolus Therapeutics	Health & Wellbeing
Curro Holdings	Education
ProCredit	Financial Inclusion
Valeo	Future Mobility

Source: Federated Hermes, as at 30 June 2020.

SECTION 5

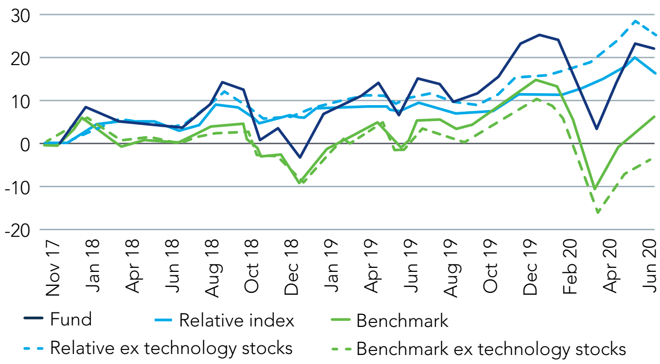
Fund performance, H1 2020

In the six months to 30 June, amid ongoing uncertainty owing to the global coronavirus pandemic, our Fund has shown relative resilience thanks to our focus on companies that are exposed to structural growth markets.

As a high conviction portfolio, our outperformance was largely driven by successful stock selection. Positions in more defensive sectors such as healthcare were particularly supportive, while our positions in more cyclical sectors, such as our exposure to future mobility, experienced weaker performance.

In H1 2020, the Fund has outperformed the benchmark by 4.56% (or 9.50% excluding tech stocks from the benchmark)[1].

Figure 2. Cumulative performance, as at 30 June 2020



	Fund	Benchmark	Relative	Benchmark ex tech stocks	Relative ex tech stocks
3 months	19.01	19.83	-0.82	16.85	2.85
Year-to-date	-2.50	-7.06	4.56	-12.00	9.50
1 year	6.36	1.17	5.19	-5.85	12.21
Since inception	7.93	2.38	5.55	-1.26	9.19

Rolling performance (%)

	30/06/2019-30/06/2020	30/06/2018-30/06/2019	30/06/2017-30/06/2018	30/06/2016-30/06/2017	30/06/2015-30/06/2016
Fund	6.36	11.53	–	–	–

Past performance is not a reliable indicator of future results.
Source: Federated Hermes, as at 30 June 2020. Performance shown F share class USD Accumulating net of all costs and management fees since seeding on 21 December 2017, relative returns calculated arithmetically. Benchmark is the MSCI All Country World IMI index. Inception date is 21 December 2017. Benchmark and relative ex technology stock returns shown as currently the team do not invest in technology stocks. This shows the performance of the fund against the benchmark when excluding these stocks from the benchmark. Shown for illustrative purposes only.

[1] Source: Federated Hermes, as at 30 June 2020. Performance shown is the F share class USD Accumulating net of all costs and management fees.

SECTION 6

Engagement: a force for change

Since our first CEO openly challenged a major UK company to improve its governance, to our current leader Saker Nusseibeh being awarded a CBE for services to responsible business, the international business of Federated Hermes has been at the forefront of responsible investing.

By catalysing corporate governance reform since our 1983 inception and engaging internationally from 1996 onwards, we have always championed investors' interests. In 2004, we established EOS, our stewardship services team. It now has more than $1.1tn of assets under stewardship, and boasts a diverse team with backgrounds including law, banking, sciences, academia, accountancy, climate change and corporate strategy. The team has the collective ability to speak fluently in over 10 languages, thereby enabling local language dialogues when they engage on social, environmental, governance and strategic issues.

Within the Impact Opportunities team, we consider engagement crucial to driving change within and alongside businesses. As a result, active engagement is a core part of our investment process – and, alongside our colleagues at EOS, we aim to engage with all of our portfolio companies. At present, we have not engaged with 28% of the portfolio, which predominantly reflects cash holdings or new holdings, but we will look to engage with our recent portfolio additions in time, where appropriate and necessary.

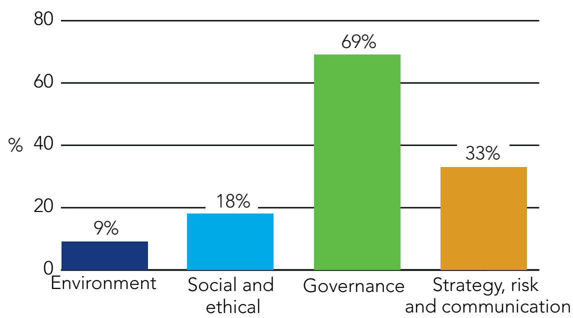
To measure our progress and the achievement of engagement objectives, we use a four-stage milestone strategy (see Figure 3).

Figure 3. Our four-stage milestone system

Engagement progress

As at 30 June 2020, the Fund had engaged with **72%** of companies on a plethora of topics.

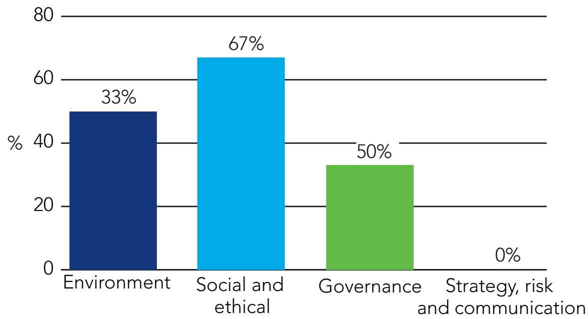
Figure 4. AUM engaged by theme



Source: Federated Hermes, as at 30 June 2020.

The Fund has made progress on its objectives, as documented by theme in figure 5.

Figure 5. Engagement objectives progress by theme



Source: Federated Hermes, as at 30 June 2020.

In focus: our engagement with Novo Nordisk

In recent years, we engaged Danish pharmaceutical company Novo Nordisk on the issue of human capital management. We wanted the company to foster greater diversity to support its strategy. Here we document our past engagements with the company on this issue:

Milestone 1 (Q4 2017): In a meeting with the Head of Sustainability, we discussed the need to promote diversity to support the company's strategy.

Milestone 2 (Q4 2017): The company acknowledged that its workforce has been traditionally homogeneous and that a more diverse workforce could support its strategy better.

Milestone 3 (Q2 2019): The company implemented a diversity talent programme and provided bias training for senior management to accelerate the increase in diverse talent. We proposed that the company should consider appropriate metrics to measure the outputs of these initiatives. In a meeting, the Head of Sustainability confirmed that the company is in the process of reviewing its board skills evaluation process, and it is on track to publish a board skills matrix in its next annual report. We commended the addition of an international female director with strong financial skills to the board. In the last two years, the board has undergone significant changes: it is now composed of three female shareholder-elected directors. The company acknowledged that there is a need to improve diversity beyond board level, and it is exploring how it can accelerate diversity particularly at senior management levels. Disappointingly, it does not plan to set targets to guide this process.

SECTION 7

Commentary: investing in pandemics

Today, the world is confronting the global coronavirus pandemic: so far, it has spread to 188 countries, infecting more than 25m people and killing more than 846,000, in turn putting a severe strain on health systems and economies worldwide.

But amid this crisis, we have a chance to build a better future. For responsible investment strategies, Covid-19 has resulted in a paradigm shift: it has put a focus on the critical need to build resilience in healthcare, food and water security, and across supply chains. It has also put climate change and worker rights under the spotlight.

Impact investing is forward-looking: it aims to identify businesses and organisations pursuing purpose-led activities whose products and services tackle the pressing needs of the global economy and environment. Indeed, our thematic approach to impact investing seeks to identify opportunities created by megatrends – and as a result, we have been investing in pandemics long before the outbreak of Covid-19.

Here we dive into the details of three megatrends, exploring their sub-trends and how they are shaping our investment thinking. We also identify companies that can tackle these challenges and opportunities.

Megatrend: climate change

Climate change is the defining issue of our time: it threatens the lives and livelihoods of billions of people, while natural disasters and extreme weather destroy crops and deplete fisheries, leaving people without income or food. Since 1998, extreme weather events have resulted in 16,000 deaths and economic losses of $142bn every year.[2] To respond to a changing climate, we must build resilience to these threats.

Sustainable technologies can be particularly impactful when it comes to addressing the climate crisis. We see renewable energy, electric vehicles and energy-efficient housing as some of the main pillars in the fight against climate change. In particular, we continue to see a huge opportunity in renewable energy across the globe. Production costs have fallen precipitously: renewable wind can now compete with fossil fuels on an un-subsidised basis. As such, we anticipate double-digit growth in the industry for many years to come.

Portfolio examples: Our exposure ranges from a renewables-focused utility to a wind turbine manufacturer. Ørsted is leading the way in renewable energy. As a global leader in wind technology and bioenergy, it is striving to build an entirely 'green world'. Meanwhile, Kingspan, a recent portfolio addition, helps create energy-efficient housing. The company is a global leader in insulation and its products not only reduce carbon emissions, but some of them are made from recyclable materials. We believe products like these, which can help reduce emissions from buildings, are critical to tackling the climate emergency as buildings account for about 40% of all global carbon emissions[3].

Megatrend: water

For six consecutive years, water crises – that is, a significant decline in the available quality and quantity of fresh water, resulting in harmful effects on human health and/or economic activity – have been listed in the World Economic Forum's top five global risks[4].

One of our impact themes is water and it is aligned to SDG 6 (clean water and sanitation) and SDG 13 (climate action). We believe that improving access to quality water supply and preservation of the resource are critical to the environment. After all, water is essential for agriculture and food security, and it is the lifeblood of our ecosystems.

As one of our most precious natural resources, efficient and sustainable management of water is critical, particularly as climate change is expected to exacerbate water scarcity.

We believe that improving access to quality water supply and preservation of the resource are critical to the environment.

[2] "Brown to green: The G20 transition towards a net-zero emissions economy, 2019," published by Climate Transparency in 2019.
[3] Source: World Green Building Council, as at September 2019.
[4] "The Global Risks Report," published by the World Economic Forum in January 2020.

Portfolio examples: Two of our key holdings, Ecolab and Xylem, help to create positive impacts towards this theme by providing solutions across the water cycle. Ecolab is a global leader in water and sanitation solutions across food service, food processing, hospitality, healthcare, industrial and oil and gas markets. Through its cleaning and sanitation products and analytics capabilities, it helps deliver clean water and safe food to its customers, while reducing their water use, carbon footprint and waste. Meanwhile, Xylem delivers wastewater treatment solutions – and it is a pioneer in creating innovative water technology solutions, including Flygt Concertor, the world's first wastewater pumping system with integrated intelligence. These companies demonstrate how sustainable technologies can be used to produce a better long-term environment.

Diabetes is a large-scale healthcare issue that needs to be tackled through novel healthcare solutions.

Megatrend: health and wellbeing

Noncommunicable diseases (NCDs), including heart disease, stroke, cancer, diabetes and chronic lung disease, are collectively responsible for almost 70% of all deaths worldwide[5]. These diseases have devastating health consequences for individuals and threaten to overwhelm health systems. In addition, the socioeconomic costs associated with NCDs are immense. Prevention and control of these diseases is therefore a major imperative.

One of the highest incidence of chronic diseases, a subtheme of NCDs, is diabetes – 463m adults worldwide are estimated to have diabetes (see our Impact Report, Q1 2020 for more information)[6]. Diabetes is a large-scale healthcare issue that needs to be tackled through novel healthcare solutions which can improve treatment and businesses that can help prevent the root cause of type II diabetes, namely obesity.

Portfolio examples: we invest in pharmaceutical group Novo Nordisk, which provides products for all types of diabetes treatment needs including its new generation of glucagon-like peptide (GLP-1) product. It is developing a portfolio of treatments to address obesity. As such, the company is trying to provide solutions for both the root cause as well as treatment for diabetes. Another holding, Dexcom – a medical devices company – is leading the way in changing the standard of care for glucose monitoring in diabetes through its continuous glucose monitoring (CGM) devices. In doing so, it is seeking to improve the treatment of the illness. Meanwhile, our recent portfolio addition, Planet Fitness, a leading fitness chain operator, is trying to encourage a healthier lifestyle by making fitness accessible to all with its attractive membership rates starting at only US$10 per month.

There has been much debate about how the global coronavirus pandemic has changed the way people live around the world. For many, the lockdown has provided time for reflection – an opportunity to consider what is truly important. For us, we believe the pandemic will serve as a catalyst to accelerate existing trends, thereby increasing the awareness of risks facing economies, the environment and society alike.

One of our investments theses is that we will increasingly see a transfer of funds from governments to the private sector to help address pressing environmental and societal challenges worldwide – issues which governments do not have the capacity or expertise to tackle or have failed in their attempts to do so previously.

The coronavirus has shown us that the private sector can help to tackle a global crisis, as is evident from companies developing healthcare equipment, testing and building hospitals in response to the pandemic. As governments worldwide look to fiscal stimulus to support the re-opening of economies, we believe that companies addressing the SDGs will remain best placed to benefit – and in doing so, they can help shape a sustainable future for all.

[5] Source: World Health Organisation (see: https://www.who.int/health-topics/noncommunicable-diseases#tab=tab_1)
[6] Source: International Diabetes Federation.

SECTION 8

CSL

CSL develops innovative plasma therapies and influenza vaccines that save and improve lives.

Impact theme **SDG alignment**

3 GOOD HEALTH AND WELL-BEING

Primary SDG target 3.2: By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and well-being.

SDG target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.

Meeting an underserved need

Normally, 55% of our blood's volume is made up of plasma. As the heart pumps blood to cells throughout the body, plasma helps to transport nutrients, hormones and proteins to them. Like blood, plasma can be donated and used to manufacture therapeutic proteins, which treat rare and serious immunodeficiency diseases, coagulation disorders and angioedema. Plasma therapies are lifesaving; however, plasma-deficiency diseases remain vastly under-treated. Research by CLSA estimates that the market for immunoglobulin treatment would be 342m grams every year, if those who required the treatment in the US and European Union received it. That compares to an estimated global immunoglobulin usage of 165m grams in 2017. As such, CSL, a holding aligned to our health and wellbeing theme, provides an innovative solution to an underserved need, and thereby has strong growth potential.

CSL's plasma therapies division, CSL Behring, accounts for 86% of the group's revenue, and it operates more than 250 plasma collection centres worldwide. As demand for plasma-related treatments continues to rise steadily as access to healthcare grows, CSL has ambitious plans to expand the number of its collection centres, with 40 new centres scheduled to open this year.

In addition, one of the group's key growth drivers, human immunoglobulins, features on the World Health Organisation's list of most efficacious, safe and cost-effective medicines for priority conditions.

Plasma therapies: a source of future growth

According to a recent report by Research Dive, the global plasma therapy market is expected to generate a revenue of $424m until 2026, increasing at a compound annual growth rate of 16.3% – post the coronavirus pandemic – from 2019 to 2026[7]. CSL is already a global leader in plasma therapies – and its market share in plasma is growing. Its move into the Chinese market, through acquiring a controlling stake in plasma-derived therapies manufacturer Ruide in 2017, provides the company with low-risk exposure to one of the fastest growing plasma fractionator markets in the world. In China, the plasma market is under-penetrated, but awareness of diseases is increasing. As such, there is a significant growth opportunity in the region in the long term – and CSL's considerable experience in this field and high operational efficiency should prove beneficial. Meanwhile, there is a real structural opportunity in emerging markets, where diseases remain under-diagnosed and the region is under-served. Growth is also supported by high barriers to entry in plasma manufactured products. The company is further bolstered by its strong capital position and, in April, it reaffirmed its 2020 profit guidance.

In addition, CSL runs one of the world's largest manufacturing facilities for producing seasonal and pandemic influenza vaccines – and the merging of its vaccine business with that of Novartis brings considerable potential for growth in this area.

CSL's plasma therapies division accounts for

86% of group revenue

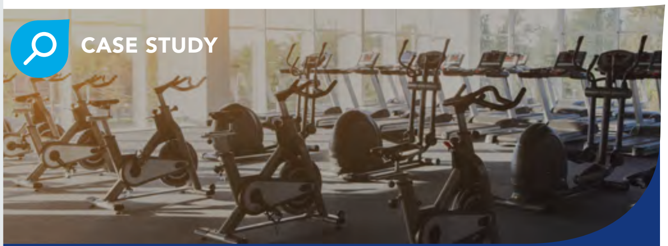
Helping to fight Covid-19

As a global biotech leader, CSL invests heavily in research and development (R&D), with more than 1,700 employees globally working on innovative and improved uses of plasma within immunology and neurology, haematology and thrombosis, respiratory, cardiovascular and metabolic, transplant and influenza vaccines. As part of its efforts to tackle the global coronavirus pandemic, CSL, in collaboration with the University of Queensland, is behind one of more than 100 Covid-19 vaccines currently in development. It is also working on treatments using plasma therapies[8].

[7] "Impact analysis of Covid-19 on plasma therapy market," published by Research Dive in 2020.
[8] "CSL's Global Role in Battling COVID-19," published by CSL in July 2020.

SECTION 9

CASE STUDY



Planet Fitness

Planet Fitness is a leading US fitness chain operator which seeks to cultivate an affordable environment where everyone can exercise.

Impact theme **SDG alignment**

Primary SDG target 3.4: By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and wellbeing.

Making a positive impact on people

Regular exercise helps improve peoples' overall health, fitness, and quality of life. It also helps to prevent chronic illnesses, such as type 2 diabetes and heart disease, and obesity. Covid-19 has further increased the awareness of the benefits associated with exercising, as it can cause more severe symptoms and complications in people with obesity-related conditions.

We recently added Planet Fitness, a leading fitness chain operator in the US with an expanding global presence, to our portfolio. By making fitness more accessible to all and encouraging heathier eating, the company can improve life expectancy and quality, thereby creating positive impact.

Planet Fitness has a unique value proposition in the market, with its average membership rate only 25% of the industry-wide average. The group operates 2,059 stores (as of 30 June 2020), offering personal fitness training programmes for its members as well as providing sauna and massage facilities. Planet Fitness has a leading market share in the US, accounting for 5% of about 40,000 health clubs and 22% of health club members, and it plans to increase its store count to 4,000 in the US and 300 in Canada to help broaden access to fitness[9]. In the next three years alone, it has committed to opening 500 new stores. Together, its attractive pricing points as well as its large and growing unit presence make the company's business model highly attractive and defensible, thereby making fitness more accessible.

Planet Fitness' average membership rate is **25%** of the industry average

In 2019, the group recorded revenues of just under $700m, an increase of $280m on the previous year, and its membership doubled from 7.1m to 15.2m (as of 30 June 2020)[10]. It is a highly cash generative company with a strong balance sheet ($424m in cash as of 30 June 2020), which should help it grow its market share as it navigates the Covid-19 crisis.

In 2019, revenues rose by $280m to just under **$700m**

The future of fitness

In the last decade, global fitness industry revenues have grown at a compound annual growth rate of 3%[11]. In the US, this figure was 6%[12]. By 2018, there were over 180m global health club memberships, and over 60m in the US. Global revenue industry-wide totalled $94bn in 2019[13] – and this growth is expected to continue once trends normalise and gyms reopen as coronavirus lockdown measures lift around the world.

Planet Fitness is likely to emerge from the current coronavirus-induced downturn stronger than before. That's because the fitness industry has proven resilient during recessionary periods in the past, recording revenue growth of 2% in the US during the Great Recession in 2008-2009, as people tend to exercise when they are out of employment or suffering from increased stress levels[14]. What's more, in 2017, Planet Fitness was forced to close 11 gyms for up to six months owing to the impact of Hurricane Maria. During that period, members were not charged, the company had few cancellations, and, within 12 months, these locations had generated higher monthly revenues than before they closed[15]. During the current period of uncertainty, the group could also benefit thanks to its attractive pricing as other gym-goers may look to trade-down. Planet Fitness also moved quickly to freeze memberships when lockdowns were enforced, which should help it to retain its members.

We believe that Planet Fitness is well-positioned to benefit from any material dislocation in the fitness space as a result of Covid-19. While the virus creates a headwind for all gyms, those businesses lacking strong cash balances may be forced to shutter their doors permanently. In turn, this could present opportunities for Planet Fitness: its franchises could acquire more stores and, should its membership model resonate with value-oriented consumers, gym-goers could look to trade-down from boutique and high-end gyms. Indeed, this could help Planet Fitness increase its market share substantially from its current level of 22% to close to 30% in next few years.

Beyond the coronavirus pandemic, we believe Planet Fitness has a durable franchise model with the potential to sustain its normalised earnings per share growth, driven by strong double-digit store expansion, margin expansion and healthy cash returns.

[9, 11, 12, 13, 14] "Research note: "In A Universe Of Black Holes, This Planet Will Continue To Shine," published by Jefferies in April 2020
[10] Source: Planet Fitness, as at 30 June 2020.
[15] Research note: "A Planet for the Taking – Highlights from Mgmt Call," published by Jefferies in April 2020.from Mgmt Call," published by Jefferies in April 2020.

Federated Hermes International

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

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