Federated Hermes Limited

Sustainable

Federated Hermes Sustainable European Equity Fund

Factsheet 31 May 2023

Objective: The investment objective of the Fund is to achieve long-term capital growth over a period of five years, whilst also having a reduced environmental footprint compared to the Benchmark and this is measured using carbon, water and waste metrics.

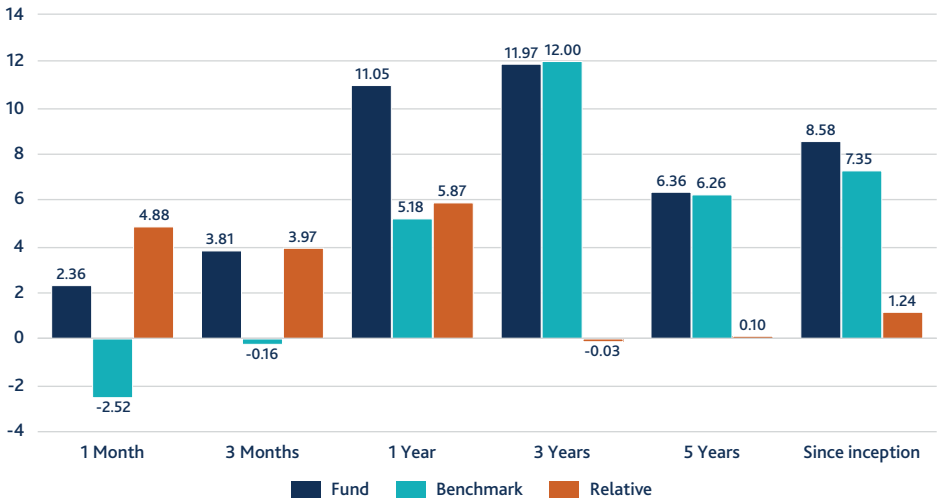
Investment Approach: The investment manager seeks to achieve its objective by investing in profitable companies that are undergoing or driving transformational change whose products, services and activities help to create a more sustainable future. This approach is strengthened by best-in-class integration of environmental, social and governance factors and outcomes-focused engagement that creates an unconstrained, concentrated portfolio of long-term sustainable investments.

Fund information

Fund type	UCITS
Inception date	15 January 2010
Fund size (m)	£100.4 / €116.2 A$191.6 / US$124.1 S$168.1
Lead Portfolio Manager	James Rutherford
Co-Portfolio Manager	Chi Chan
Investment Analysts	Richard Board Miras Mami
Benchmark	MSCI Europe Net
IA sector	Europe Including UK
No. of holdings	29
Concentration of top 10 holdings (%)	47.56
Base currency	Euro
Pricing	Daily
Valuation point	Midday
Ongoing Charge (%)	0.91
Share class	F Euro Accm
Min. investment	£100,000 or currency equivalent
ISIN	IE00B3T5ZC38
Valoren	12247338
WKN	A1JZ2U
Bloomberg ticker	HSEAFEA
Morningstar Rating	★★★
Citywire Rating	CITYWIRE +
FundCalibre Rating	ELITE FUND rated by FundCalibre.com
FE Crown Fund Rating	FE fundinfo Crown Fund Rating

Share classes - whether Accm or Dist, hedged or unhedged - are available in other currencies. Ongoing Charge as at 31 December 2022 (estimated number). Morningstar as at 30 April 2023. Citywire UK as at 30 April 2023, ratings have been awarded to the Portfolio Managers based on their risk-adjusted performance track record. FE Crown Fund Rating as at 01 January 2023. FundCalibre Rating as at 31 May 2023.

Fund performance as at 31 May 2023 (%)



Performance over one year is annualised with relative data calculated arithmetically

Performance as at 31 May 2023 (%)

	YTD	2022	2021	2020	2019	2018
Fund	12.81	-16.65	28.06	6.44	28.71	-13.89
Benchmark	8.51	-9.49	25.13	-3.32	27.52	-10.12

Rolling year performance (%)

	31/05/22 to 31/05/23	31/05/21 to 31/05/22	31/05/20 to 31/05/21	31/05/19 to 31/05/20	31/05/18 to 31/05/19
Fund	11.05	-4.29	32.09	4.89	-7.55
	31/05/17 to 31/05/18	**31/05/16 to 31/05/17**	**31/05/15 to 31/05/16**	**31/05/14 to 31/05/15**	**31/05/13 to 31/05/14**
Fund	0.73	15.72	-9.30	21.47	13.11

Prior to 29 October 2021 the Fund was called the Federated Hermes European Alpha Equity Fund with an objective of aiming to increase the value of your investment over a rolling period of any five years. After this date the fund converted to the Federated Hermes Sustainable European Equity Fund which included the addition of a secondary objective to have a reduced environmental footprint compared to the Benchmark. Prior to 26th June 2020, Federated Hermes European Alpha Equity Fund was named Hermes European Alpha Equity Fund. Performance not available for all of the above period. On 1 January 2020 the benchmark was changed from FTSE All World Europe Index to MSCI Europe Index. Fund performance shown is valued at midday, the benchmark is valued at close of business. Performance shown is the F share class Euro Accumulating net of all costs and management fees since seeding on 12 November 2012, prior track record is the Z share class Sterling Accumulating, fee and currency adjusted since inception net of all costs. Subscription and redemption fees are not included in the performance figures.

Federated Hermes Limited

Federated Hermes Sustainable European Equity Fund

Factsheet 31 May 2023

Absolute portfolio exposures

Top 10 holdings (%)

	Fund	Benchmark
ASML	7.35	2.95
Novo Nordisk	7.08	2.71
SAP	5.20	1.39
Schneider Electric	4.52	0.95
ASM International	4.39	0.21
Lonza Group	3.94	0.47
Edenred	3.92	0.16
Sodexo	3.80	0.10
Wolters Kluwer	3.73	0.30
Sika	3.64	0.41

Sector allocation (%)

	Fund	Benchmark
Industrials	25.63	14.97
Information Technology	24.16	8.02
Health Care	22.94	16.15
Financials	10.27	16.28
Materials	7.94	6.75
Consumer Discretionary	7.71	11.10
Consumer Staples	0.00	12.64
Energy	0.00	5.66
Utilities	0.00	4.34
Communication Services	0.00	3.33
Real Estate	0.00	0.75

Top 10 country allocation (%)

	Fund	Benchmark
France	22.44	18.75
United Kingdom	18.70	22.59
Germany	16.01	12.97
Netherlands	15.46	7.10
Switzerland	11.88	15.67
Denmark	9.83	4.78
Sweden	2.33	4.97
Norway	1.99	0.94
Spain	0.00	3.92
Italy	0.00	3.71

Cash has been omitted from the sector & country allocations

Federated Hermes

Federated Hermes is a global asset manager guided by the conviction that responsible investing is the best way to create long-term wealth.

The group offers access to capabilities that span equity, fixed income, private markets, multi-asset and liquidity management strategies, in addition to experienced stewardship.

Before making any investment (new or continuous) please consult a financial advisor as to its suitability.

Contact us:

If you have any questions, please let us know using the contact details below:

United Kingdom +44 (0)20 7702 0888
Europe: +44 (0)20 7702 0888
Australia +61 (2) 8051 3083
Asia +65 6850 0670

Enquiries:
marketing@federatedhermes.com

SAI GLOBAL
ISO 14001
Environmental

Federated Hermes Limited

Federated Hermes Sustainable European Equity Fund

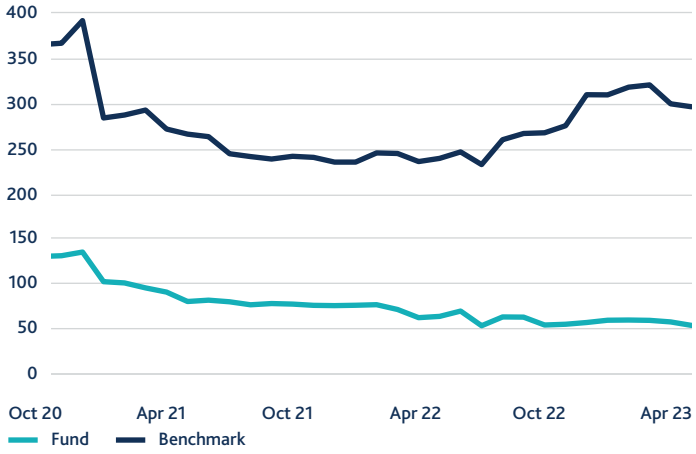
Factsheet 31 May 2023

Environmental performance

(Base currency: Euro)

	Fund	Benchmark
Carbon Footprint (Tonnes CO2 per million invested in base currency)	53.21	296.03
Water Footprint (m^3 per million invested in base currency)	6,769	22,549
Waste Footprint (Tonnes per million invested in base currency)	1.27	6.27

Carbon Footprint
(Tonnes CO2 per million invested in base currency)



To measure the Fund's environmental performance the key performance indicators used are carbon, water and waste footprints. All three footprints measure the respective environmental impact of the companies within the Fund for every million units of currency invested. Carbon footprint accounts for both direct and indirect greenhouse gas emissions, which are covered in industry-standard definitions for Scope 1, 2 and 3 emissions[1]. The water footprint accounts for both direct and indirect[2] water usage and the waste footprint accounts for waste that is incinerated, nuclear or sent to a landfill. The Fund's environmental performance is compared to that of the benchmark. For example, a smaller carbon footprint figure than the benchmark's is evidence that the Fund's emissions, adjusted for the market value held in the Fund, are lower than those of the benchmark. The measures shown in the table are accurate as of the end of the previous month. The chart shows the Fund's carbon footprint relative to the benchmark's over time.

Sources: Trucost. [1]Scope 1 relates to emissions from sources owned or controlled by the company. Scope 2 addresses indirect emissions associated with the generation of imported or purchased electricity, heat and/or steam. Scope 3 captures other indirect emissions that are a consequence of the company's activities but are generated by sources owned or controlled by another entity, such as employee business travel. [2]Direct water relates to water used for cooling and processing, plus purchased water from a utility company. Indirect water relates to water used for cooling and processing by the supply chain.

Stewardship

Engagement coverage and progress



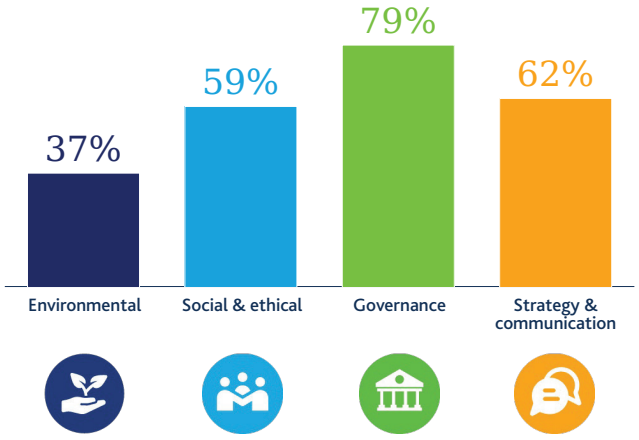


The stewardship data show engagement coverage, progress and voting activity for the past 12 months as at the end of the previous month.

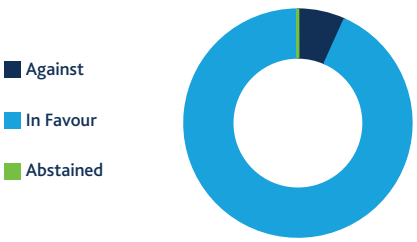
Engagement coverage: shows the proportion of Fund AUM engaged by our stewardship team, EOS at Federated Hermes (EOS). A higher value confirms that more assets are currently being engaged on material ESG and strategic considerations to develop more sustainable business practices and effect positive change.
Engagement progress: expresses the success of engagements with Fund assets. The percentage value confirms the proportion of engagements that have progressed one milestone under EOS's proprietary tracking system.
AUM engaged by theme: conveys the ESG and strategic topics that assets have been engaged on over the past 12 months.
Voting activity: estimates voting activity at shareholder meetings based on Fund holdings at the end of the period. Votes are categorised as where the Fund either voted against management's recommendations on at least one resolution, entirely in favour of management's proposals, or abstained. EOS provides recommendations to the Fund on voting.

Source: EOS at Federated Hermes. Data is averaged over a 12-month rolling period.

Percentage of AUM engaged by theme



Voting activity (%)



Federated Hermes Limited

Federated Hermes Sustainable European Equity Fund

Factsheet 31 May 2023

Risk profile

- Past performance is not a reliable guide to future performance.
- The value of investments and income may go down as well as up and you may not get back the original amount invested.
- Emerging Markets Risk: The performance of the Fund may have some dependence on the economic environment of emerging markets which may negatively affect the value of the Fund.
- Sustainability Risk: The Fund has environmental and/or social characteristics and so may perform differently to other Funds, as its exposures reflect its sustainability criteria.
- For more information on risks please refer to the Key Investor Information Document / Key Information Document and Prospectus.

Glossary of terms

Accm or Accumulating	Instead of income derived from the fund's shares being paid to investors as dividends, this income is re-invested within the fund to buy further shares.
Active ESG	Responsible, active investing for long-term performance. In seeking traditional financial objectives, these Funds employ responsible-investment approaches.
Benchmark	A standard against which the performance of a fund can be measured. Generally, broad market stock and bond indexes are used for this purpose.
Bloomberg Ticker	A string of characters or numbers to identify a listed company or entity on financial services news services.
Citywire Rating	Provides a rating of individual fund manager performance, rather than rating funds. Fewer than 25% of managers tracked qualify for a Citywire Fund Manager Rating. The ratings range downwards from AAA to AA, A and +.
COB	Close of business.
Dist or Distributing	Income derived from the funds shares being paid to investors as dividends.
Engagement	A purposeful, long-term and proactive dialogue between a company or asset and its investors, aiming to influence or change the way it is run in order to enhance its value and generate positive environmental and social outcomes. As a pioneer of effective stewardship, the international business of Federated Hermes believes that this practice lies at the heart of long-term investment. Our Responsibility Office oversees the integration of stewardship into all our investment activities.
EOS at Federated Hermes (EOS)	A pioneer of effective stewardship and provider. Founded in 2004 on a legacy dating back to 1983, EOS provides investors worldwide with the following services: engagement, voting, public policy advocacy, responsible-investment policy advice and portfolio screening.
FE Crown Fund Rating	Ratings are compiled using three key measurements of a fund's performance. A five FE Crown Fund Rating reflects the highest tier.
Future	A financial contract obligating the buyer to purchase an asset (or the seller to sell an asset) at a pre-determined future date & price.
IA Sector	The IA sectors divide funds available in the UK, including some offshore (EU) funds, into smaller groups, to allow you to make like-for-like comparisons between funds in a sector.
Impact	Mission-led investment strategies to deliver positive impact. Applying responsible-investment approaches, these Funds focus on companies generating positive impact or undergoing positive transformation benefiting people and the planet.
ISIN	International Securities Identification Numbers (ISIN) uniquely identify a financial security for trading and settlement purposes.
Morningstar Rating	A ranking ranging from one to five stars, with five being the best, given to publicly traded funds by the investment research firm Morningstar.
Ongoing Charge	Estimated charges taken from the Fund over one year.
Overweight / Underweight	A situation where a portfolio holds an excess or lesser amount of a particular security when compared to the security's weight in the underlying benchmark portfolio.
Portfolio Exposures	A measurement of how much a fund is invested in a particular financial security and/or market sector and/or industry. The measurement is usually represented as a percentage of the overall fund or a percentage relative to its benchmark.
Sustainable	Thematic and values-based approaches for sustainable outcomes. With financial and sustainability objectives, these Funds use responsible-investment approaches with greater exposure to ESG leaders and use of industry exclusions.
Valuation Point	The time at which the assets of a fund are priced.

Federated Hermes Limited

Federated Hermes Sustainable European Equity Fund

Factsheet 31 May 2023

Disclaimer

This is a marketing communication. This document does not constitute a solicitation or offer to any person to buy or sell any related securities, financial instruments or products; nor does it constitute an offer to purchase securities to any person in the United States or to any US Person as such term is defined under the US Securities Exchange Act of 1933. It pays no regard to an individual's investment objectives or financial needs of any recipient. No action should be taken or omitted to be taken based on this document. Tax treatment depends on personal circumstances and may change. This document is not advice on legal, taxation or investment matters so investors must rely on their own examination of such matters or seek advice. Before making any investment (new or continuous), please consult a professional and/or investment adviser as to its suitability. All figures, unless otherwise indicated, are sourced from Federated Hermes. Whilst Federated Hermes has attempted to ensure the accuracy of the data it is reporting, it makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information reported. The data contained in this document is for informational purposes only, and should not be relied upon to make investment decisions. Federated Hermes Limited shall not be liable for any loss or damage resulting from the use of any information contained on these pages. All performance includes reinvestment of dividends and other earnings.

Federated Hermes Investment Funds plc ("FHIF") is an open-ended investment company with variable capital and with segregated liability between its sub-funds (each, a "Fund"). FHIF is incorporated in Ireland and authorised by the Central Bank of Ireland ("CBI"). HIF appoints Hermes Fund Managers Ireland Limited ("HFMIL") as its management company. HFMIL is authorised and regulated by the CBI.

Further information on investment products and any associated risks can be found in the relevant Fund's Key Investor Information Document / Key Information Document, the prospectus and any supplements, the articles of association and the annual and semi-annual reports. In the case of any inconsistency between the descriptions or terms in this document and the prospectus, the prospectus shall prevail. Details of the Manager's Remuneration Policy and Sustainable Policies are available on the Policies and Disclosures page at https://www.hermes-investment.com/ie/hermes-ireland-policies-and-disclosures, including: (a) a description of how remuneration and benefits are calculated; and b) Sustainability related policy and disclosures. These documents are available free of charge (i) at the office of the Administrator, Northern Trust International Fund Administration Services (Ireland) Limited, Georges Court, 54- 62 Townsend Street, Dublin 2, Ireland. Tel (+ 353) 1 434 5002 / Fax (+ 353) 1 531 8595; (ii) at https://www.hermes-investment.com/ie; (iii) at the office of its representative in Switzerland (ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, www.acolin.com). The paying agent in Switzerland is NPB Neue Privat Bank AG, Limmatquai 1 / am Bellevue ,CH-8024 Zürich. The information provided herein does not constitute an offer of the Fund in Switzerland pursuant to the Swiss Financial Services Act ("FinSA") and its implementing ordinance. This is solely anadvertisement for the Fund pursuant to FinSA and its implementing ordinance. The costs for hedged share classes with be higher than the costs for non-hedged share classes. Refer to the prospectus or offering documents before making any final investment decisions and consider all fund characteristics and not just ESG characteristics.

Issued and approved by Hermes Fund Managers Ireland Limited ("HFMIL") which is authorised and regulated by the Central Bank of Ireland. Registered address: 7/8 Upper Mount Street, Dublin 2, Ireland, DO2 FT59. HFMIL appoints Hermes Investment Management Limited ("HIML") to undertake distribution activities in respect of the Fund in certain jurisdictions. HIML is authorised and regulated by the Financial Conduct Authority. Registered address: Sixth Floor, 150 Cheapside, London EC2V 6ET. Telephone calls may be recorded for training and monitoring purposes. Potential investors in the United Kingdom are advised that compensation may not be available under the United Kingdom Financial Services Compensation Scheme.

In Australia: This Factsheet relates to interests in the Fund ("Fund") named on the Factsheet. Federated Hermes Investment Funds Plc is the issuer of interests in the Fund ("Issuer"). Both Hermes Investment Management Ltd and Federated Investors Australia Services Ltd ACN 161 230 637 ("FIAS") are the distributors of the Fund. ("Distributors"). None of the Fund or the Manager hold an Australian financial services licence under the Corporations Act 2001 (Cth) ("Corporations Act"). HIML operates under the relevant class order relief from the Australian Securities and Investments Commission ("ASIC") while FIAS holds an AFS licence (Licence Number - 433831). The offer of interests in the Fund ("Interests") is only made in circumstances under which no disclosure is required under Chapter 6D and Part 7.9 of the Corporations Act. Nothing in this Factsheet is, or purports to be, an offer to a person to whom disclosure would be required under Chapter 6D or Part 7.9 of the Corporations Act. This Factsheet is not a disclosure document under Chapter 6D of the Corporations Act or a product disclosure statement for the purposes of Part 7.9 of the Corporations Act. This Factsheet has not been and will not be lodged with ASIC and does not contain all the information that a disclosure document or a product disclosure statement is required to contain. The distribution of this Factsheet in Australia has not been authorised by ASIC or any other regulatory authority in Australia. In addition, the Fund is not a registered managed investment scheme, as defined in the Corporations Act. This Factsheet is provided for general information purposes only and is not intended to constitute, and does not constitute, the provision of any financial product advice or recommendation and must not be relied upon as such. This Factsheet is not intended to influence a person in making a decision in relation to a particular financial product or class of financial products, or an interest in a particular financial product or class of financial products. This Factsheet has been prepared without taking account of your objectives, financial situation or needs and you should obtain independent professional financial advice that considers your circumstances before making any financial or investment decisions.

In Hong Kong: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. The fund is not authorised under Section 104 of the Securities and Futures Ordinance of Hong Kong by the Securities and Futures Commission of Hong Kong.Accordingly the distribution of this document, and the placement of interests in the fund in Hong Kong, is restricted. This document may only be distributed, circulated or issued to persons who are professional investors under the Securities and Futures Ordinance and any rules made under that Ordinance or as otherwise permitted by the Securities and Futures Ordinance.

In Singapore: This document and the information contained herein shall not constitute an offer to sell or the solicitation of any offer to buy which may only be made at the time a qualified offeree receives a Hermes Investment Funds Public Limited Company prospectus, as supplemented with the global supplement, the relevant fund supplement, and the relevant Singapore supplement (the "prospectus"), describing the offering and the related subscription agreement. In the case of any inconsistency between the descriptions or terms in this document and the prospectus, the prospectus shall control. Securities shall not be offered or sold in any jurisdiction in which such offer, solicitation or sale would be unlawful until the requirements of the laws of such jurisdiction have been satisfied. For the avoidance of doubt, this document has not been prepared for delivery to and review by persons to whom any offer of units in a scheme is to be made so as to assist them in making an investment decision. This document and the information contained herein shall not constitute part of any information memorandum. Without prejudice to anything contained herein, neither this document nor any copy of it may be taken or transmitted into any country where the distribution or dissemination is prohibited. This document is being furnished on a confidential basis and solely for information and may not be reproduced, disclosed, or distributed to any other person. This document has not been reviewed by the Monetary Authority of Singapore.

In Spain: This communication has been prepared solely for information purposes and does not constitute a prospectus. While attention has been paid to the contents of this communication, no guarantee, warranty or representation, express or implied, is given to the accuracy, correctness or completeness thereof. This communication and information contained herein must not be copied, reproduced, distributed or passed to any person other than the recipient without Hermes Fund Managers Ireland Limited´s prior written consent. Neither Hermes Fund Managers Ireland Limited, its branches, subsidiaries or affiliates, nor any other company or unit belonging to the Hermes Group, nor any of its directors or employees can be held directly or indirectly liable or responsible with respect to this communication. Federated Hermes Investment Funds PLC ("the Company"), is duly registered with the Spanish Securities Market Commission ("CNMV") under number 1394 (www.cnmv.es), where an updated list of the authorised distributors of the Company in Spain ("the Spanish Distributors") can be found. This document only contains brief information on the Sub-Fund and does not disclose all of the risks and other significant aspects relevant to a potential investment in the Sub-Fund. In addition, a copy of the report on the planned types of marketing in Spain must be provided using the form published on the CNMV website. All mandatory official documentation shall be available through the Spanish Distributors, in hard copy or by electronic means, and also available upon request by dialling +44(0)20 7702 0888, writing to marketing@federatedhermes.com or consulting https://www.hermes-investment.com/es/, where you may also obtain updated information on the net asset value of the relevant shares available in Spain.

Benchmark source: MSCI. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.