

Federated Investors, Inc. Launches Federated Hermes SDG Engagement Equity Fund

- **First Hermes ESG strategy to be offered to U.S. investors by Federated**

(PITTSBURGH, Pa., Dec. 6, 2018) — Federated Investors, Inc. (NYSE: FII), one of the nation’s largest investment managers, today announced the launch of the Federated Hermes SDG Engagement Equity Fund, which pursues long-term capital appreciation alongside positive societal impact with a focus on investment in companies that have the willingness and ability to more closely align with the United Nations’ Sustainable Development Goals. The fund invests primarily in equity and equity-related securities of small and mid-capitalization companies domiciled in, or that derive their income from, the United States and foreign markets, including emerging markets.

The Federated Hermes SDG Engagement Equity Fund is the first Hermes strategy to be offered as a U.S. mutual fund following Federated’s July acquisition of a majority interest in London-based Hermes Fund Managers Limited, which operates Hermes Investment Management, a pioneer of strategies that invest according to environmental, social and governance (ESG) factors. The new fund follows the investment strategy of the \$296.9 million¹ Hermes SDG Engagement Fund, launched in December 2017 as a UCITS product, which is not available to U.S. investors.

“We are pleased to introduce the Hermes investment process to U.S. investors through the Federated Hermes SDG Engagement Equity Fund, which invests in small and mid-sized companies with sustainable business models that offer the potential for long-term growth combined with positive benefits for society,” said John B. Fisher, president and chief executive officer of Federated Advisory Companies. “Hermes’ proprietary investment strategies have shown that incorporating ESG factors can contribute to outperformance².”

The fund is managed by Hamish Galpin, who has led the Small & Mid Cap team at Hermes Investment Management Limited since the team’s creation in 2007. He joined Hermes in 1995 as co-manager of the U.K. smaller companies strategies and became lead manager of the Hermes U.K. smaller companies strategies from January 1997 to April 2010. Since the founding of the team, Galpin has gradually assumed a more global perspective, with oversight of the holdings across all of the team’s strategies, and he is now lead manager of the Global Small Cap strategy. Galpin has a background in credit, having started his career in the energy and natural resources division of NatWest Bank, and later moving to Bankers Trust as a credit analyst covering European corporates. Galpin has a bachelor’s degree in civil engineering from Nottingham University.

The Federated Hermes SDG Engagement Equity Fund uses MSCI All Country World SMID Index as its benchmark. It is initially being marketed in IS shares, with A, C and R6 share classes to follow.

MEDIA:
Ed Costello 412-288-7538

MEDIA:
Elizabeth Graner 412-288-7961

ANALYSTS:
Ray Hanley 412-288-1920

Federated Investors, Inc. is one of the largest investment managers in the United States, managing \$437.2 billion in assets as of Sept. 30, 2018. With 129 funds and a variety of separately managed account options, Federated provides comprehensive investment management to more than 9,600 institutions and intermediaries including corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers around the world. For more information, visit FederatedInvestors.com.

###

¹ As of 30 November 2018

² *ESG Investing: A social uprising, Hermes Investment Management*

For more complete information, visit FederatedInvestors.com or contact your investment professional for summary prospectuses or prospectuses. You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the fund's summary prospectus or prospectus, which you should read carefully before investing.

The fund's strategy is to target companies that the adviser or sub-adviser believes will contribute positive societal impact aligned to the UN SDGs. The fund may underperform funds that do not have such a strategy. International investing involves special risks including currency risk, increased volatility, political risks, and differences in auditing and other financial standards. Prices of emerging-market securities can be significantly more volatile than the prices of securities in developed countries, and currency risk and political risks are accentuated in emerging markets,

Federated Securities Corp., Distributor