

Press Release**Federated Hermes, Inc. and BT Pension Scheme announce \$1 billion private equity mandate**

(PITTSBURGH, Pa., May 17, 2022) — Federated Hermes, Inc. (NYSE: FHI), a global leader in active, responsible investing, has been awarded \$1 billion private equity mandate from BT Pension Scheme (BTPS), **one of the UK’s largest occupational pension schemes**.

The mandate, called Horizon III, will be managed by Hermes GPE LLP, a specialist global private equity investor and wholly owned subsidiary of Federated Hermes, and will be invested over three years.

Horizon III will pursue the global thematically diversified strategy through a proven 50/50 funds and direct co-investment model established following similarly sized investment allocations managed for BTPS — Horizon I (2015) and Horizon II (2018).

Hermes GPE has invested more than \$11 billion across almost 300 funds and more than 260 co-investments. Its thematic investment strategy focuses on generating risk-adjusted returns by exploiting the opportunities created by four global economic megatrends largely independent of underlying economic cycles: the net zero economy; accelerating technological innovation; demographic and societal change; and the global center of gravity shift. This approach has to date delivered consistent risk-adjusted returns for BTPS.

J. Christopher Donahue, president and chief executive officer at Federated Hermes commented: “BTPS is an important customer across our private markets platform and the Horizon III **mandate demonstrates BTPS’s** continued confidence in the ability of Federated Hermes to deliver its investment objectives in a very competitive global private equity market.

“As Federated Hermes continues to invest in its private markets business, which includes private equity, real estate, private debt and infrastructure, we recognize its importance to customers around the globe.”

Morten Nilsson, chief executive officer for BT Pension Scheme Management commented: “The Horizon mandates have delivered consistent, sustainable returns for the Scheme throughout market cycles. Horizon III demonstrates our continued commitment to this asset class with investments that meet our long-term sustainability goals.”

Peter Gale, chief investment officer and head of Hermes GPE, commented: “**We have been** constructing private equity portfolios for BTPS since the 2000s, which showcases our pension scheme roots. Our dynamic investment approach combines top-down macroeconomic

considerations with bottom-up detailed research that clearly resonates with BTPS and we work closely with its investment team to ensure private equity plays an effective role in **the Scheme's** asset allocation strategy."

Similar to prior investments by BTPS and other investors, the value of investments can vary over time due to additional investment, redemptions or market fluctuations in the value of portfolio holdings over time.

Notes to editors

Federated Hermes, Inc. is a global leader in active, responsible investment management, with \$631.1 billion in assets under management. We deliver investment solutions that help investors target a broad range of outcomes and provide equity, fixed-income, alternative/private markets, multi-asset and liquidity management strategies to more than 11,000 institutions and intermediaries worldwide. Our clients include corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers. At Federated Hermes, responsibility is central to our client relationships, our long-term perspective and our fiduciary **mindset. It's part of our heritage and the foundation of our future. Headquartered in Pittsburgh,** Federated Hermes has nearly 2,000 employees in London, New York, Boston and offices worldwide. For more information, visit [FederatedHermes.com](https://www.federatedhermes.com).

Hermes GPE is the private equity arm of Federated Hermes. We are an active and long-time investor in global private equity, with a track record which spans over 30 years. We focus on fund investments and co-investments in mid-market buyouts and growth businesses, currently managing c\$6bn of assets via managed accounts, pooled funds and side cars. We work in partnership with a wide range of Limited Partners and General Partners across the globe, from offices in London, New York and Singapore. We employ a forward looking global thematic investment strategy, backing managers and fast-growing companies that operate in sectors set to benefit most from trends that are reshaping global economic activity, using a well-established and disciplined investment process.

BT Pension Scheme is one of the UK's largest corporate defined benefit pension schemes with assets of £57 billion, (as of 30 June, 2021) and 274,292 scheme members. For more information, visit [btps.co.uk](https://www.btps.co.uk).

This press release is issued and approved by BT Pension Scheme Limited of 1 America Square, 17 Crosswall, London EC3N 2LB. This document is not an offer to sell or an invitation to apply for any product or service of BTPSM Limited.

*Certain statements in this press release, such as those related to growth opportunities for investing in **Federated Hermes' private markets business constitute forward**-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the company, or industry results, to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Other risks and uncertainties include*

those discussed in the company's annual and quarterly reports as filed with the Securities and Exchange Commission. As a result, no assurance can be given as to future results, levels of activity, performance or achievements, and neither the company nor any other person assumes responsibility for the accuracy and completeness of such statements in the future.