

Semi-Annual Financial Statements and Additional Information



June 30, 2024

Share Class

Primary

Service

Federated Hermes Managed Volatility Fund II

A Portfolio of Federated Hermes Insurance Series

Not FDIC Insured • May Lose Value • No Bank Guarantee

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Portfolio of Investments

June 30, 2024 (unaudited)

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—42.2%	
	Communication Services—2.0%	
30,666	AT&T, Inc.	\$ 586,027
19,520	Comcast Corp., Class A	764,403
3,750	Electronic Arts, Inc.	522,487
1,800	¹ Ibotta, Inc.	135,288
10,000	¹ Integral Ad Science Holding Corp.	97,200
539	¹ Iridium Communications, Inc.	14,348
487	¹ Match Group, Inc.	14,795
1,695	¹ Roku, Inc.	101,581
1,049	¹ T-Mobile USA, Inc.	184,813
15,878	Verizon Communications, Inc.	654,809
5,833	Walt Disney Co.	579,159
2,881	¹ Warner Bros. Discovery, Inc.	21,435
	TOTAL	3,676,345
	Consumer Discretionary—2.0%	
1,104	¹ Aptiv PLC	77,744
1,379	BorgWarner, Inc.	44,459
1,356	¹ Carnival Corp.	25,384
2,251	Carter's, Inc.	139,494
888	¹ DoorDash, Inc.	96,597
2,885	eBay, Inc.	154,982
507	¹ Etsy, Inc.	29,903
11,281	Ford Motor Co.	141,464
1,232	Gap (The), Inc.	29,432
5,241	Gentex Corp.	176,674
204	Hasbro, Inc.	11,934
773	Hilton Worldwide Holdings, Inc.	168,669
2,785	Las Vegas Sands Corp.	123,236
17	Lear Corp.	1,942
112	LKQ Corp.	4,658
423	Lowe's Cos., Inc.	93,255
5,788	¹ Mattel, Inc.	94,113
1,980	McDonald's Corp.	504,583
3,530	MGM Resorts International	156,873
25,867	Newell Brands, Inc.	165,807
211	¹ O'Reilly Automotive, Inc.	222,829
8,000	¹ Portillo's, Inc.	77,760
2,988	Pulte Group, Inc.	328,979
8,331	¹ Rivian Automotive, Inc.	111,802
310	Ross Stores, Inc.	45,049
8,500	¹ Savers Value Village, Inc.	104,040
1,534	Tapestry, Inc.	65,640
15	Thor Industries, Inc.	1,402
16,435	V.F. Corp.	221,872
697	Williams-Sonoma, Inc.	196,812
	TOTAL	3,617,388

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Consumer Staples—3.4%	
13,577	Altria Group, Inc.	\$ 618,432
6,953	Archer-Daniels-Midland Co.	420,309
3,000	¹ BBB Foods, Inc.	71,580
4,191	Bunge Global S.A.	447,473
2,766	Colgate-Palmolive Co.	268,413
225	Constellation Brands, Inc., Class A	57,888
786	General Mills, Inc.	49,722
3,417	Ingredion, Inc.	391,930
2,515	Kimberly-Clark Corp.	347,573
5,165	¹ Maplebear, Inc.	166,003
2,701	Molson Coors Beverage Co., Class B	137,292
1,558	Mondelez International, Inc.	101,955
1,280	¹ Oddity Tech Ltd.	50,253
1,706	PepsiCo, Inc.	281,371
1,606	Philip Morris International, Inc.	162,736
6,152	Procter & Gamble Co.	1,014,588
25	Seaboard Corp.	79,018
180	¹ The Boston Beer Co., Inc., Class A	54,909
3,181	The Coca-Cola Co.	202,471
19,171	WalMart, Inc.	1,298,068
	TOTAL	6,221,984
	Energy—3.3%	
3,026	Baker Hughes a GE Co. LLC	106,424
3,640	Chevron Corp.	569,369
6,841	ConocoPhillips	782,474
7,397	Devon Energy Corp.	350,618
1,023	Diamondback Energy, Inc.	204,794
14,384	Exxon Mobil Corp.	1,655,886
742	Hess Corp.	109,460
11,991	Kinder Morgan, Inc.	238,261
13,993	Marathon Oil Corp.	401,179
3,420	Marathon Petroleum Corp.	593,302
5,576	Schlumberger Ltd.	263,076
2,023	TechnipFMC PLC	52,901
3,000	TXO Energy Partners, LP	60,480
2,928	Valero Energy Corp.	458,993
3,265	Williams Cos., Inc.	138,763
	TOTAL	5,985,980
	Financials—9.3%	
2,385	Affiliated Managers Group	372,609
889	American Express Co.	205,848
7,227	American International Group, Inc.	536,532
10,431	Annaly Capital Management, Inc.	198,815
5,586	Axis Capital Holdings Ltd.	394,651
23,918	Bank of America Corp.	951,219
9,040	Bank of New York Mellon Corp.	541,406
5,452	¹ Berkshire Hathaway, Inc., Class B	2,217,874
258	BlackRock, Inc.	203,129
5,367	¹ Brighthouse Financial, Inc.	232,606

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Financials—continued	
770	Charles Schwab Corp.	\$ 56,741
6,678	Citigroup, Inc.	423,786
6,169	Citizens Financial Group, Inc.	222,269
400	Comerica, Inc.	20,416
3,894	Discover Financial Services	509,374
3,359	¹ Euronet Worldwide, Inc.	347,656
2,561	Fidelity National Information Services, Inc.	192,997
944	¹ Fiserv, Inc.	140,694
1,026	Goldman Sachs Group, Inc.	464,080
1,423	Hartford Financial Services Group, Inc.	143,068
26,328	Huntington Bancshares, Inc.	347,003
833	Janus Henderson Group PLC	28,080
10,039	JPMorgan Chase & Co.	2,030,488
1,477	Lincoln National Corp.	45,935
315	M&T Bank Corp.	47,678
1,460	¹ Marex Group PLC	29,200
5,362	MetLife, Inc.	376,359
5,888	MGIC Investment Corp.	126,886
6,019	Morgan Stanley	584,987
4,452	Old Republic International Corp.	137,567
4,427	OneMain Holdings, Inc.	214,665
25,000	¹ Oportun Financial Corp.	72,500
1,053	¹ PayPal Holdings, Inc.	61,106
1,164	PNC Financial Services Group, Inc.	180,979
4,466	Prudential Financial, Inc.	523,370
2,674	Regions Financial Corp.	53,587
734	S&P Global, Inc.	327,364
5,937	State Street Corp.	439,338
9,947	Synchrony Financial	469,399
1,864	The Travelers Cos., Inc.	379,026
4,553	Truist Financial Corp.	176,884
10,587	Virtu Financial, Inc.	237,678
595	Webster Financial Corp. Waterbury	25,936
18,732	Wells Fargo & Co.	1,112,493
17,394	Western Union Co.	212,555
722	¹ WEX, Inc.	127,895
659	Willis Towers Watson PLC	172,750
	TOTAL	16,917,478
	Health Care—6.2%	
3,500	¹ 10X Genomics, Inc.	68,075
2,482	Abbott Laboratories	257,905
578	AbbVie, Inc.	97,676
35,000	¹ AbCellera Biologics, Inc.	103,600
25,000	¹ Adaptive Biotechnologies Corp.	90,500
97	Agilent Technologies, Inc.	12,574
6,000	¹ Alto Neuroscience, Inc.	64,140
2,000	¹ Amphastar Pharmaceuticals, Inc.	80,000
6,991	¹ Boston Scientific Corp.	538,377
2,000	¹ Bridgebio Pharma, Inc.	50,660

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Health Care—continued	
15,776	Bristol-Myers Squibb Co.	\$ 655,177
1,440	^{1,2} Bristol-Myers Squibb Co., Rights	1,008
3,723	Cardinal Health, Inc.	366,045
3,760	¹ Centene Corp.	249,288
2,724	CVS Health Corp.	160,879
2,014	Danaher Corp.	503,198
8,000	¹ Dynavax Technologies Corp.	89,840
432	Elevance Health, Inc.	234,084
10,000	¹ Ex Scientia Ltd., ADR	51,000
5,061	¹ Exelixis, Inc.	113,721
207	¹ GE HealthCare Technologies, Inc.	16,129
7,650	Gilead Sciences, Inc.	524,867
165	¹ GRAIL, Inc.	2,539
1,594	HCA Healthcare, Inc.	512,120
1,911	¹ Hologic, Inc.	141,892
991	¹ Illumina, Inc.	103,441
226	¹ Incyte Genomics, Inc.	13,700
4,000	¹ Inmode Ltd.	72,960
615	¹ Jazz Pharmaceuticals PLC	65,639
8,856	Johnson & Johnson	1,294,393
8,000	¹ Kyverna Therapeutics, Inc.	60,000
2,000	¹ Legend Biotech Corp., ADR	88,580
955	McKesson Corp.	557,758
1,945	Medtronic PLC	153,091
6,000	¹ Mineralys Therapeutics, Inc.	70,200
2,400	¹ Mirum Pharmaceuticals, Inc.	82,056
315	¹ Moderna, Inc.	37,406
8,612	Pfizer, Inc.	240,964
3,600	¹ Progyny, Inc.	102,996
3,470	¹ R1 RCM, Inc.	43,583
336	¹ Regeneron Pharmaceuticals, Inc.	353,146
34,000	¹ Sagimet Biosciences, Inc.	116,280
2,400	¹ Schrodinger, Inc.	46,416
28,000	¹ Sophia Genetics S.A.	128,240
945	STERIS PLC	207,465
17,928	¹ Teladoc Health, Inc.	175,336
2,057	The Cigna Group	679,982
513	Thermo Fisher Scientific, Inc.	283,689
1,788	UnitedHealth Group, Inc.	910,557
558	¹ Vertex Pharmaceuticals, Inc.	261,546
8,000	¹ Waystar Holding Corp.	172,000
60	Zimmer Biomet Holdings, Inc.	6,512
	TOTAL	11,313,230
	Industrials—6.0%	
5,496	3M Co.	561,636
275	Acuity Brands, Inc.	66,396
486	AECOM	42,836
1,609	Allison Transmission Holdings, Inc.	122,123
25,000	¹ Astroscale Holdings, Inc.	153,210

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Industrials—continued	
7,320	¹ Azek Co., Inc.	\$ 308,392
1,106	¹ Boeing Co.	201,303
1,451	Broadridge Financial Solutions	285,847
20	¹ Builders Firstsource, Inc.	2,768
199	Carlisle Cos., Inc.	80,637
308	Caterpillar, Inc.	102,595
1,522	¹ Core & Main, Inc.	74,487
822	¹ Crane Co.	119,174
4,075	CSX Corp.	136,309
1,121	Cummins, Inc.	310,439
1,109	Curtiss Wright Corp.	300,517
176	Donaldson Co., Inc.	12,595
1,201	Eaton Corp. PLC	376,574
689	Emcor Group, Inc.	251,540
3,274	Expeditors International Washington, Inc.	408,562
632	FedEx Corp.	189,499
2,411	Ferguson PLC	466,890
5,084	Fortune Brands Innovations, Inc.	330,155
816	¹ GE Veronna, Inc.	139,952
139	¹ Generac Holdings, Inc.	18,379
3,267	General Electric Co.	519,355
4,857	Graco, Inc.	385,063
2,287	Honeywell International, Inc.	488,366
254	Hubbell, Inc.	92,832
2,528	Hunt (J.B.) Transportation Services, Inc.	404,480
3,254	Ingersoll-Rand, Inc.	295,593
4,200	KBR, Inc.	269,388
1,272	L3Harris Technologies, Inc.	285,666
1,731	Landstar System, Inc.	319,335
159	Lennox International, Inc.	85,062
1,376	MSA Safety, Inc.	258,261
330	Northrop Grumman Corp.	143,863
127	Old Dominion Freight Lines, Inc.	22,428
1,080	Otis Worldwide Corp.	103,961
870	Owens Corning, Inc.	151,136
667	Parker-Hannifin Corp.	337,375
524	Pentair PLC	40,175
8,000	¹ Proficient Auto Logistics, Inc.	128,480
257	Republic Services, Inc.	49,945
3,127	RTX Corp	313,919
1,860	Ryder System, Inc.	230,417
8,000	¹ Shoals Technologies Group, Inc.	49,920
919	Trane Technologies PLC	302,287
136	United Parcel Service, Inc.	18,612
2,927	Vertiv Holdings Co.	253,390
410	Waste Management, Inc.	87,469
5,066	¹ Willscot Corp.	190,684
	TOTAL	10,890,277

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Information Technology—4.6%	
530	Accenture PLC	\$ 160,691
3,248	¹ Advanced Micro Devices, Inc.	526,858
1,080	Applied Materials, Inc.	254,869
670	¹ AppLovin Corp.	55,757
28,000	¹ Cambium Networks Corp.	78,120
1,295	¹ CCC Intelligent Solutions Holdings, Inc.	14,387
20,000	¹ Cerence, Inc.	56,600
8,219	¹ Ciena Corp.	395,991
2,452	¹ Cirrus Logic, Inc.	313,022
11,421	Cisco Systems, Inc.	542,612
8,134	¹ DXC Technology Co.	155,278
7,500	¹ Exosens SAS	170,361
20,000	¹ Gauzy Ltd.	240,400
19,204	Hewlett Packard Enterprise Co.	406,549
1,545	IBM Corp.	267,208
21,806	Intel Corp.	675,332
11,995	Juniper Networks, Inc.	437,338
290	Lam Research Corp.	308,806
6,519	Marvell Technology, Inc.	455,678
1,681	Micron Technology, Inc.	221,102
246	MKS Instruments, Inc.	32,123
5,027	¹ Nutanix, Inc.	285,785
577	¹ Pure Storage, Inc.	37,049
2,217	¹ Qorvo, Inc.	257,261
492	Qualcomm, Inc.	97,997
200,000	¹ Raspberry PI Ltd.	1,012,544
104	Roper Technologies, Inc.	58,621
2,042	¹ Salesforce, Inc.	524,998
6,000	¹ Silvaco Group, Inc.	107,880
8,000	¹ Telos Corp.	32,160
257	Texas Instruments, Inc.	49,711
2,886	¹ Twilio, Inc.	163,954
1,839	¹ UiPath, Inc.	23,318
	TOTAL	8,420,360
	Materials—1.9%	
1,067	Ashland, Inc.	100,821
610	Avery Dennison Corp.	133,376
10,331	¹ Cleveland-Cliffs, Inc.	158,994
6,017	Dow, Inc.	319,202
1,799	Ecolab, Inc.	428,162
219	International Flavors & Fragrances, Inc.	20,851
2,268	Linde PLC	995,221
10,000	¹ Lithium Royalty Corp.	48,244
1,728	LyondellBasell Industries N.V.	165,300
771	Mosaic Co./The	22,282
289	Newmarket Corp.	149,000
1,489	Nucor Corp.	235,381
2,066	Olin Corp.	97,412
141	Packaging Corp. of America	25,741

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Materials—continued	
139	PPG Industries, Inc.	\$ 17,499
549	Royal Gold, Inc.	68,713
38,947	SSR Mining, Inc.	175,651
913	Steel Dynamics, Inc.	118,233
3,583	WestRock Co.	180,082
	TOTAL	3,460,165
	Real Estate—1.7%	
1,915	Avalonbay Communities, Inc.	396,194
2,409	¹ CBRE Group, Inc.	214,666
1,775	Digital Realty Trust, Inc.	269,889
576	Equinix, Inc.	435,802
5,922	Host Hotels & Resorts, Inc.	106,478
1,014	Iron Mountain, Inc.	90,875
102	Jones Lang LaSalle, Inc.	20,939
1,413	Public Storage	406,449
1,303	SBA Communications Corp.	255,779
3,288	Simon Property Group, Inc.	499,118
12,686	Weyerhaeuser Co.	360,155
	TOTAL	3,056,344
	Utilities—1.8%	
7,140	CenterPoint Energy, Inc.	221,197
14,003	Clearway Energy, Inc.	317,308
6,464	Clearway Energy, Inc.	159,596
653	Duke Energy Corp.	65,450
4,079	Entergy Corp.	436,453
6,838	NextEra Energy, Inc.	484,199
3,895	NRG Energy, Inc.	303,265
6,804	Public Service Enterprises Group, Inc.	501,455
16,097	UGI Corp.	368,621
8,257	Xcel Energy, Inc.	441,007
	TOTAL	3,298,551
	TOTAL COMMON STOCKS (IDENTIFIED COST \$60,973,861)	76,858,102
	U.S. TREASURIES—15.5%	
	Treasury Inflation-Indexed Note—0.0%	
\$ 13,232	U.S. Treasury Inflation-Protected Notes, 1.000%, 2/15/2046	10,327
	U.S. Treasury Bond—3.1%	
150,000	United States Treasury Bond, 1.375%, 11/15/2040	94,602
760,000	United States Treasury Bond, 1.625%, 11/15/2050	415,972
660,000	United States Treasury Bond, 2.375%, 2/15/2042	480,316
20,000	United States Treasury Bond, 2.750%, 11/15/2047	14,537
2,950,000	United States Treasury Bond, 2.875%, 5/15/2052	2,162,368
1,000	United States Treasury Bond, 3.000%, 11/15/2044	781
900,000	United States Treasury Bond, 3.000%, 2/15/2049	681,590
1,100,000	United States Treasury Bond, 3.125%, 5/15/2048	855,104
475,000	United States Treasury Bond, 4.250%, 2/15/2054	452,442
370,000	United States Treasury Bond, 4.500%, 2/15/2044	362,969
	TOTAL	5,520,681

Shares, Principal Amount or Contracts		Value
	U.S. TREASURIES—continued	
	U.S. Treasury Note—12.4%	
\$ 330,000	United States Treasury Note, 0.625%, 7/31/2026	\$ 303,520
200,000	United States Treasury Note, 0.875%, 11/15/2030	161,666
675,000	United States Treasury Note, 1.250%, 12/31/2026	622,189
300,000	United States Treasury Note, 1.375%, 11/15/2031	243,890
400,000	United States Treasury Note, 1.500%, 1/31/2027	370,108
200,000	United States Treasury Note, 1.625%, 5/15/2031	167,783
900,000	United States Treasury Note, 1.750%, 12/31/2024	884,136
325,000	United States Treasury Note, 1.750%, 3/15/2025	317,151
500,000	United States Treasury Note, 2.125%, 11/30/2024	493,546
50,000	United States Treasury Note, 2.250%, 11/15/2027	46,516
3,800,000	United States Treasury Note, 2.625%, 5/31/2027	3,603,193
500,000	United States Treasury Note, 2.750%, 4/30/2027	476,282
5,700,000	United States Treasury Note, 2.750%, 7/31/2027	5,411,691
40,000	United States Treasury Note, 2.875%, 5/31/2025	39,177
110,000	United States Treasury Note, 3.125%, 8/31/2027	105,536
250,000	United States Treasury Note, 3.625%, 3/31/2028	242,930
150,000	United States Treasury Note, 3.875%, 11/30/2027	147,105
1,500,000	United States Treasury Note, 4.000%, 1/31/2029	1,476,459
300,000	United States Treasury Note, 4.125%, 7/31/2028	296,694
270,000	United States Treasury Note, 4.125%, 3/31/2031	266,296
600,000	United States Treasury Note, 4.250%, 2/28/2029	597,178
1,600,000	United States Treasury Note, 4.375%, 11/30/2030	1,601,125
750,000	United States Treasury Note, 4.500%, 5/31/2029	754,985
150,000	United States Treasury Note, 4.625%, 6/30/2025	149,268
750,000	United States Treasury Note, 4.625%, 2/28/2026	747,228
500,000	United States Treasury Note, 4.625%, 4/30/2029	505,627
750,000	United States Treasury Note, 4.875%, 4/30/2026	751,087
1,800,000	United States Treasury Note, 5.000%, 9/30/2025	1,799,036
	TOTAL	22,581,402
	TOTAL U.S. TREASURIES (IDENTIFIED COST \$30,612,627)	28,112,410
	CORPORATE BONDS—14.8%	
	Basic Industry - Chemicals—0.1%	
100,000	Albemarle Corp., Sr. Unsecd. Note, 5.450%, 12/1/2044	91,566
100,000	RPM International, Inc., Sr. Unsecd. Note, 4.550%, 3/1/2029	96,751
	TOTAL	188,317
	Basic Industry - Metals & Mining—0.2%	
100,000	Freeport-McMoRan, Inc., Sr. Unsecd. Note, 5.400%, 11/14/2034	98,433
70,000	Glencore Funding LLC, 144A, 5.893%, 4/4/2054	67,373
60,000	Glencore Funding LLC, Sr. Unsecd. Note, 144A, 1.625%, 4/27/2026	56,123
30,000	Glencore Funding LLC, Sr. Unsecd. Note, 144A, 3.375%, 9/23/2051	19,479
50,000	Steel Dynamics, Inc., Sr. Unsecd. Note, 5.375%, 8/15/2034	49,177
	TOTAL	290,585
	Capital Goods - Aerospace & Defense—0.6%	
125,000	Boeing Co., Sr. Unsecd. Note, 2.700%, 2/1/2027	115,277
45,000	Boeing Co., Sr. Unsecd. Note, 3.950%, 8/1/2059	28,700
50,000	Boeing Co., Sr. Unsecd. Note, 144A, 6.528%, 5/1/2034	51,220
60,000	Boeing Co., Sr. Unsecd. Note, 144A, 6.858%, 5/1/2054	61,620
75,000	HEICO Corp., Sr. Unsecd. Note, 5.350%, 8/1/2033	74,378

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Capital Goods - Aerospace & Defense—continued	
\$ 135,000	Huntington Ingalls Industries, Inc., Sr. Unsecd. Note, 3.483%, 12/1/2027	\$ 127,247
25,000	Leidos, Inc., Sr. Unsecd. Note, Series WI, 3.625%, 5/15/2025	24,562
135,000	Leidos, Inc., Sr. Unsecd. Note, Series WI, 4.375%, 5/15/2030	127,680
120,000	Lockheed Martin Corp., Sr. Unsecd. Note, 4.750%, 2/15/2034	116,896
105,000	Northrop Grumman Corp., Sr. Unsecd. Note, 4.700%, 3/15/2033	101,354
95,000	RTX Corp., Sr. Unsecd. Note, 5.150%, 2/27/2033	94,055
125,000	Textron, Inc., Sr. Unsecd. Note, 3.650%, 3/15/2027	119,815
	TOTAL	1,042,804
	Capital Goods - Building Materials—0.1%	
35,000	Allegion PLC, Sr. Unsecd. Note, 3.500%, 10/1/2029	32,361
20,000	Allegion US Holdings Co., Inc., Sr. Unsecd. Note, 3.200%, 10/1/2024	19,858
115,000	Allegion US Holdings Co., Inc., Sr. Unsecd. Note, 3.550%, 10/1/2027	109,013
25,000	Carrier Global Corp., Sr. Unsecd. Note, 5.900%, 3/15/2034	26,104
50,000	Carrier Global Corp., Sr. Unsecd. Note, 6.200%, 3/15/2054	53,581
	TOTAL	240,917
	Capital Goods - Construction Machinery—0.2%	
120,000	CNH Industrial NV, Sr. Unsecd. Note, Series MTN, 3.850%, 11/15/2027	114,967
145,000	John Deere Capital Corp., Sr. Unsecd. Note, Series MTN, 2.800%, 7/18/2029	131,437
60,000	John Deere Capital Corp., Sr. Unsecd. Note, Series MTN, 3.450%, 3/7/2029	56,574
	TOTAL	302,978
	Capital Goods - Diversified Manufacturing—0.2%	
45,000	Honeywell International, Inc., Sr. Unsecd. Note, 1.350%, 6/1/2025	43,407
70,000	Honeywell International, Inc., Sr. Unsecd. Note, 2.800%, 6/1/2050	46,151
60,000	Honeywell International, Inc., Sr. Unsecd. Note, 4.500%, 1/15/2034	57,626
20,000	Ingersoll-Rand, Inc., Sr. Unsecd. Note, 5.450%, 6/15/2034	20,182
20,000	Ingersoll-Rand, Inc., Sr. Unsecd. Note, 5.700%, 6/15/2054	20,148
115,000	Valmont Industries, Inc., Sr. Unsecd. Note, 5.000%, 10/1/2044	104,520
70,000	Vontier Corp., Sr. Unsecd. Note, Series WI, 1.800%, 4/1/2026	65,523
50,000	Wabtec Corp., Sr. Unsecd. Note, 5.611%, 3/11/2034	50,311
45,000	Xylem, Inc., Sr. Unsecd. Note, 2.250%, 1/30/2031	37,785
	TOTAL	445,653
	Capital Goods - Packaging—0.1%	
125,000	Packaging Corp of America, Sr. Unsecd. Note, 3.650%, 9/15/2024	124,392
	Communications - Cable & Satellite—0.4%	
100,000	CCO Safari II LLC, 6.484%, 10/23/2045	91,428
25,000	Charter Communications Operating, LLC/Charter Communications Operating Capital Corp., Sec. Fac. Bond, 3.850%, 4/1/2061	14,613
100,000	Charter Communications Operating, LLC/Charter Communications Operating Capital Corp., Sec. Fac. Bond, 4.800%, 3/1/2050	73,431
275,000	Comcast Corp., Sr. Unsecd. Note, 3.300%, 2/1/2027	263,677
150,000	Comcast Corp., Sr. Unsecd. Note, 3.950%, 10/15/2025	147,684
130,000	Comcast Corp., Sr. Unsecd. Note, 5.650%, 6/1/2054	129,872
115,000	Time Warner Cable, Inc., Company Guarantee, 5.500%, 9/1/2041	95,858
	TOTAL	816,563
	Communications - Media & Entertainment—0.3%	
60,000	Interpublic Group of Cos., Inc., Sr. Unsecd. Note, 5.375%, 6/15/2033	59,154
100,000	Meta Platforms, Inc., Sr. Unsecd. Note, 3.500%, 8/15/2027	96,039
75,000	Meta Platforms, Inc., Sr. Unsecd. Note, 3.850%, 8/15/2032	69,756
90,000	Walt Disney Co., Sr. Unsecd. Note, 3.600%, 1/13/2051	67,131
45,000	Walt Disney Co., Sr. Unsecd. Note, 3.800%, 5/13/2060	33,373
125,000	Warnermedia Holdings, Inc., Sr. Unsecd. Note, 4.279%, 3/15/2032	109,143

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Communications - Media & Entertainment—continued	
\$ 125,000	Warnermedia Holdings, Inc., Sr. Unsecd. Note, 5.050%, 3/15/2042	\$ 101,731
	TOTAL	536,327
	Communications - Telecom Wireless—0.4%	
50,000	American Tower Corp., Sr. Unsecd. Note, 2.700%, 4/15/2031	42,316
90,000	American Tower Corp., Sr. Unsecd. Note, 3.100%, 6/15/2050	58,169
150,000	Crown Castle, Inc., Sr. Unsecd. Note, 3.250%, 1/15/2051	99,693
130,000	T-Mobile USA, Inc., Series WI, 3.000%, 2/15/2041	93,077
75,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 5.150%, 4/15/2034	73,743
90,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 5.200%, 1/15/2033	89,083
60,000	Vodafone Group PLC, Sr. Unsecd. Note, 4.125%, 5/30/2025	59,292
95,000	Vodafone Group PLC, Sr. Unsecd. Note, 5.250%, 5/30/2048	87,612
50,000	Vodafone Group PLC, Sr. Unsecd. Note, 5.750%, 6/28/2054	48,456
	TOTAL	651,441
	Communications - Telecom Wirelines—0.4%	
175,000	AT&T, Inc., Sr. Unsecd. Note, 1.700%, 3/25/2026	164,341
253,000	AT&T, Inc., Sr. Unsecd. Note, 3.800%, 12/1/2057	176,895
55,000	AT&T, Inc., Sr. Unsecd. Note, 5.400%, 2/15/2034	55,025
80,000	Rogers Communications, Inc., Sr. Unsecd. Note, 4.500%, 3/15/2042	67,800
100,000	Rogers Communications, Inc., Sr. Unsecd. Note, 4.550%, 3/15/2052	81,697
80,000	Verizon Communications, Inc., Sr. Unsecd. Note, 3.400%, 3/22/2041	61,212
150,000	Verizon Communications, Inc., Sr. Unsecd. Note, 4.125%, 8/15/2046	121,375
	TOTAL	728,345
	Consumer Cyclical - Automotive—0.4%	
75,000	American Honda Finance Corp., Sr. Unsecd. Note, Series GMTN, 5.800%, 10/3/2025	75,399
150,000	Daimler Trucks Financial NA, Sr. Unsecd. Note, 144A, 2.375%, 12/14/2028	133,708
200,000	Ford Motor Co., Sr. Unsecd. Note, 6.100%, 8/19/2032	199,851
125,000	General Motors Financial Co., Inc., Sr. Unsecd. Note, 2.400%, 4/10/2028	112,132
125,000	General Motors Financial Co., Inc., Sr. Unsecd. Note, 5.750%, 2/8/2031	125,377
100,000	Hyundai Capital America, Sr. Unsecd. Note, 144A, 5.300%, 1/8/2029	99,632
60,000	Hyundai Capital America, Sr. Unsecd. Note, 144A, 5.680%, 6/26/2028	60,655
	TOTAL	806,754
	Consumer Cyclical - Retailers—0.2%	
45,000	Advance Auto Parts, Inc., Sr. Unsecd. Note, 1.750%, 10/1/2027	39,394
90,000	Advance Auto Parts, Inc., Sr. Unsecd. Note, Series WI, 3.900%, 4/15/2030	81,392
185,000	AutoNation, Inc., Sr. Unsecd. Note, 3.850%, 3/1/2032	164,394
40,000	AutoZone, Inc., Sr. Unsecd. Note, 3.625%, 4/15/2025	39,399
30,000	AutoZone, Inc., Sr. Unsecd. Note, 4.750%, 2/1/2033	28,704
55,000	Home Depot, Inc., Sr. Unsecd. Note, 2.950%, 6/15/2029	50,402
	TOTAL	403,685
	Consumer Cyclical - Services—0.2%	
115,000	Amazon.com, Inc., Sr. Unsecd. Note, 2.500%, 6/3/2050	70,392
125,000	Amazon.com, Inc., Sr. Unsecd. Note, 3.875%, 8/22/2037	110,441
15,000	Expedia Group, Inc., Sr. Unsecd. Note, Series WI, 2.950%, 3/15/2031	12,977
135,000	Expedia Group, Inc., Sr. Unsecd. Note, Series WI, 3.250%, 2/15/2030	121,739
	TOTAL	315,549
	Consumer Non-Cyclical - Food/Beverage—0.4%	
65,000	Campbell Soup Co., Sr. Unsecd. Note, 5.200%, 3/21/2029	65,059
85,000	Constellation Brands, Inc., Sr. Unsecd. Note, 3.750%, 5/1/2050	62,766
40,000	Constellation Brands, Inc., Sr. Unsecd. Note, 4.800%, 1/15/2029	39,437

Shares, Principal Amount or Contracts		Value
CORPORATE BONDS—continued		
Consumer Non-Cyclical - Food/Beverage—continued		
\$ 25,000	Flowers Foods, Inc., Sr. Unsecd. Note, 2.400%, 3/15/2031	\$ 20,841
125,000	Flowers Foods, Inc., Sr. Unsecd. Note, 3.500%, 10/1/2026	120,108
145,000	International Flavors & Fragrances, Inc., Sr. Unsecd. Note, 144A, 2.300%, 11/1/2030	120,962
95,000	Kraft Heinz Foods Co., Sr. Unsecd. Note, 4.375%, 6/1/2046	77,340
70,000	PepsiCo, Inc., Sr. Unsecd. Note, 2.750%, 10/21/2051	44,492
115,000	Sysco Corp., Sr. Unsecd. Note, 4.450%, 3/15/2048	95,704
150,000	Tyson Foods, Inc., Sr. Unsecd. Note, 5.700%, 3/15/2034	149,496
	TOTAL	796,205
Consumer Non-Cyclical - Health Care—0.3%		
52,000	Becton Dickinson & Co., Sr. Unsecd. Note, 3.794%, 5/20/2050	39,409
27,000	Becton Dickinson & Co., Sr. Unsecd. Note, 4.685%, 12/15/2044	23,809
85,000	CVS Health Corp., Sr. Unsecd. Note, 4.250%, 4/1/2050	64,739
60,000	CVS Health Corp., Sr. Unsecd. Note, 5.250%, 2/21/2033	58,615
50,000	CVS Health Corp., Sr. Unsecd. Note, 6.050%, 6/1/2054	49,070
115,000	Danaher Corp., Sr. Unsecd. Note, 2.600%, 10/1/2050	70,452
65,000	DH Europe Finance II S.a.r.l., Sr. Unsecd. Note, 2.600%, 11/15/2029	57,987
80,000	HCA, Inc., Sec. Fac. Bond, 3.500%, 7/15/2051	53,523
25,000	HCA, Inc., Sr. Unsecd. Note, 5.200%, 6/1/2028	24,907
100,000	HCA, Inc., Sr. Unsecd. Note, 6.000%, 4/1/2054	98,872
10,000	Stryker Corp., Sr. Unsecd. Note, 3.500%, 3/15/2026	9,710
	TOTAL	551,093
Consumer Non-Cyclical - Pharmaceuticals—0.7%		
98,000	Abbott Laboratories, Sr. Unsecd. Note, 3.750%, 11/30/2026	95,608
150,000	AbbVie, Inc., Sr. Unsecd. Note, 4.250%, 11/21/2049	125,093
130,000	Amgen, Inc., Sr. Unsecd. Note, 5.250%, 3/2/2033	129,685
135,000	Amgen, Inc., Sr. Unsecd. Note, 5.650%, 3/2/2053	133,047
90,000	AstraZeneca PLC, Sr. Unsecd. Note, 1.375%, 8/6/2030	73,584
85,000	Biogen, Inc., Sr. Unsecd. Note, 2.250%, 5/1/2030	72,380
100,000	Biogen, Inc., Sr. Unsecd. Note, 3.150%, 5/1/2050	64,482
75,000	Bristol-Myers Squibb Co., Sr. Sub. Secd. Note, 5.550%, 2/22/2054	73,994
70,000	Bristol-Myers Squibb Co., Sr. Unsecd. Note, 3.700%, 3/15/2052	51,334
40,000	Bristol-Myers Squibb Co., Sr. Unsecd. Note, Series WI, 4.250%, 10/26/2049	32,584
30,000	Gilead Sciences, Inc., Sr. Unsecd. Note, 5.250%, 10/15/2033	30,233
70,000	Pfizer Investment Enterprises Pte Ltd., Sr. Unsecd. Note, 4.450%, 5/19/2028	68,787
70,000	Pfizer Investment Enterprises Pte Ltd., Sr. Unsecd. Note, 4.750%, 5/19/2033	68,235
60,000	Pfizer Investment Enterprises Pte Ltd., Sr. Unsecd. Note, 5.300%, 5/19/2053	57,913
116,000	Regeneron Pharmaceuticals, Inc., Sr. Unsecd. Note, 2.800%, 9/15/2050	71,160
140,000	Zoetis, Inc., Sr. Unsecd. Note, 3.000%, 5/15/2050	91,520
	TOTAL	1,239,639
Consumer Non-Cyclical - Tobacco—0.1%		
85,000	BAT Capital Corp., Sr. Unsecd. Note, Series WI, 4.540%, 8/15/2047	65,513
125,000	Philip Morris International, Inc., Sr. Unsecd. Note, 2.100%, 5/1/2030	105,896
25,000	Philip Morris International, Inc., Sr. Unsecd. Note, 5.750%, 11/17/2032	25,538
55,000	Reynolds American, Inc., Sr. Unsecd. Note, 7.000%, 8/4/2041	56,931
	TOTAL	253,878
Energy - Independent—0.3%		
135,000	Apache Corp., Sr. Unsecd. Note, 5.100%, 9/1/2040	115,299
50,000	Diamondback Energy, Inc., Sr. Unsecd. Note, 5.750%, 4/18/2054	48,506
65,000	Diamondback Energy, Inc., Sr. Unsecd. Note, 6.250%, 3/15/2033	68,019

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Energy - Independent—continued	
\$ 95,000	Hess Corp., Sr. Unsecd. Note, 5.600%, 2/15/2041	\$ 94,764
125,000	Occidental Petroleum Corp., Sr. Unsecd. Note, 6.600%, 3/15/2046	130,482
95,000	Ovintiv, Inc., Sr. Unsecd. Note, 7.100%, 7/15/2053	104,314
	TOTAL	561,384
	Energy - Integrated—0.1%	
95,000	Chevron Corp., Sr. Unsecd. Note, 3.078%, 5/11/2050	64,897
200,000	Eni SpA, Sr. Unsecd. Note, 144A, 5.500%, 5/15/2034	198,235
	TOTAL	263,132
	Energy - Midstream—0.8%	
45,000	Boardwalk Pipeline Partners LP, Sr. Unsecd. Note, 3.600%, 9/1/2032	38,831
60,000	Boardwalk Pipeline Partners LP, Sr. Unsecd. Note, 4.800%, 5/3/2029	58,733
65,000	Columbia Pipeline Holding Co. LLC, Sr. Unsecd. Note, 144A, 5.681%, 1/15/2034	64,060
75,000	Enbridge, Inc., Sr. Unsecd. Note, 5.950%, 4/5/2054	74,471
25,000	Enbridge, Inc., Sr. Unsecd. Note, 6.700%, 11/15/2053	27,320
15,000	Energy Transfer LP, Sr. Unsecd. Note, 5.550%, 5/15/2034	14,855
70,000	Energy Transfer LP, Sr. Unsecd. Note, 5.750%, 2/15/2033	70,765
115,000	Energy Transfer LP, Sr. Unsecd. Note, Series 10Y, 4.950%, 6/15/2028	113,522
65,000	Kinder Morgan Energy Partners LP, Sr. Unsecd. Note, 6.375%, 3/1/2041	66,191
130,000	MPLX LP, Sr. Unsecd. Note, 4.950%, 9/1/2032	124,442
40,000	National Fuel Gas Co., Sr. Unsecd. Note, 2.950%, 3/1/2031	33,609
70,000	National Fuel Gas Co., Sr. Unsecd. Note, 5.500%, 1/15/2026	69,809
75,000	ONEOK, Inc., Sr. Unsecd. Note, 4.950%, 7/13/2047	64,133
20,000	ONEOK, Inc., Sr. Unsecd. Note, 6.100%, 11/15/2032	20,681
50,000	ONEOK, Inc., Sr. Unsecd. Note, 6.625%, 9/1/2053	53,398
135,000	Plains All American Pipeline LP, Sr. Unsecd. Note, 5.150%, 6/1/2042	119,722
120,000	Southern Natural Gas, Sr. Unsecd. Note, 144A, 4.800%, 3/15/2047	99,239
140,000	Targa Resources, Inc., Sr. Unsecd. Note, 4.200%, 2/1/2033	125,948
115,000	TransCanada Pipelines Ltd., Sr. Secd. Note, 5.100%, 3/15/2049	104,558
125,000	Williams Cos., Inc., Sr. Unsecd. Note, 4.900%, 1/15/2045	109,223
	TOTAL	1,453,510
	Energy - Oil Field Services—0.1%	
110,000	Halliburton Co., Sr. Unsecd. Note, 5.000%, 11/15/2045	99,667
	Energy - Refining—0.1%	
90,000	Marathon Petroleum Corp., Sr. Unsecd. Note, 4.750%, 9/15/2044	76,892
65,000	Phillips 66, Sr. Unsecd. Note, 4.875%, 11/15/2044	57,606
90,000	Valero Energy Corp., Sr. Unsecd. Note, 2.800%, 12/1/2031	76,427
	TOTAL	210,925
	Financial Institution - Banking—3.0%	
135,000	American Express Co., Sr. Unsecd. Note, 4.990%, 5/1/2026	134,245
115,000	Associated Banc-Corp., Sub. Note, 4.250%, 1/15/2025	113,796
135,000	Bank of America Corp., Sr. Unsecd. Note, 2.299%, 7/21/2032	110,557
450,000	Bank of America Corp., Sr. Unsecd. Note, 3.419%, 12/20/2028	423,275
50,000	Bank of America Corp., Sr. Unsecd. Note, 5.288%, 4/25/2034	49,505
140,000	Bank of America Corp., Sr. Unsecd. Note, 5.468%, 1/23/2035	139,910
75,000	Bank of America Corp., Sub. Note, Series MTN, 4.000%, 1/22/2025	74,299
50,000	Bank of New York Mellon Corp., Sr. Unsecd. Note, Series MTN, 3.992%, 6/13/2028	48,369
75,000	Capital One Financial Corp., Sr. Unsecd. Note, 3.273%, 3/1/2030	67,721
95,000	Citigroup, Inc., Sr. Unsecd. Note, 3.057%, 1/25/2033	80,722
195,000	Citigroup, Inc., Sr. Unsecd. Note, 3.400%, 5/1/2026	188,448

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Financial Institution - Banking—continued	
\$ 165,000	Citigroup, Inc., Sr. Unsecd. Note, 3.668%, 7/24/2028	\$ 157,330
85,000	Citigroup, Inc., Sub., 6.174%, 5/25/2034	86,489
135,000	Citizens Financial Group, Inc., Sr. Unsecd. Note, 5.841%, 1/23/2030	134,605
100,000	Comerica, Inc., Sr. Unsecd. Note, 5.982%, 1/30/2030	98,556
125,000	Fifth Third Bancorp, Sr. Unsecd. Note, 6.361%, 10/27/2028	127,771
50,000	FNB Corp. (PA), Sr. Unsecd. Note, 5.150%, 8/25/2025	49,309
175,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 1.948%, 10/21/2027	161,637
325,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 1.992%, 1/27/2032	263,871
140,000	Huntington Bancshares, Inc., Sr. Unsecd. Note, 4.443%, 8/4/2028	135,657
120,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 1.953%, 2/4/2032	97,650
100,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 2.963%, 1/25/2033	85,296
400,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 3.509%, 1/23/2029	378,423
90,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 5.350%, 6/1/2034	89,650
100,000	KeyCorp, Sr. Unsecd. Note, 6.401%, 3/6/2035	101,433
75,000	M&T Bank Corp., Sr. Unsecd. Note, 5.053%, 1/27/2034	69,443
20,000	M&T Bank Corp., Sr. Unsecd. Note, 6.082%, 3/13/2032	19,944
60,000	M&T Bank Corp., Sr. Unsecd. Note, 7.413%, 10/30/2029	63,149
45,000	Morgan Stanley, Sr. Unsecd. Note, 5.250%, 4/21/2034	44,317
75,000	Morgan Stanley, Sr. Unsecd. Note, 5.466%, 1/18/2035	74,832
15,000	Morgan Stanley, Sr. Unsecd. Note, 5.831%, 4/19/2035	15,382
390,000	Morgan Stanley, Sr. Unsecd. Note, Series GMTN, 3.772%, 1/24/2029	371,375
40,000	Morgan Stanley, Sr. Unsecd. Note, Series MTN, 1.794%, 2/13/2032	32,117
55,000	Morgan Stanley, Sr. Unsecd. Note, Series MTN, 1.928%, 4/28/2032	44,210
80,000	Northern Trust Corp., Sub Note, 6.125%, 11/2/2032	84,042
135,000	PNC Financial Services Group, Inc., Sub Note., 4.626%, 6/6/2033	125,038
105,000	Regions Financial Corp., Sr. Unsecd. Note, 5.722%, 6/6/2030	104,966
45,000	Truist Financial Corp., Sr. Unsecd. Note, Series MTN, 5.122%, 1/26/2034	43,119
50,000	Truist Financial Corp., Sr. Unsecd. Note, Series MTN, 5.711%, 1/24/2035	49,804
75,000	Truist Financial Corp., Sr. Unsecd. Note, Series MTN, 5.867%, 6/8/2034	75,608
150,000	US Bancorp, 4.967%, 7/22/2033	141,518
30,000	US Bancorp, Sr. Unsecd. Note, 5.836%, 6/12/2034	30,431
40,000	Wells Fargo & Co., Sr. Unsecd. Note, 5.389%, 4/24/2034	39,559
50,000	Wells Fargo & Co., Sr. Unsecd. Note, 5.499%, 1/23/2035	49,845
120,000	Wells Fargo & Co., Sr. Unsecd. Note, 5.707%, 4/22/2028	121,066
100,000	Wells Fargo & Co., Sr. Unsecd. Note, 6.491%, 10/23/2034	106,646
300,000	Wells Fargo & Co., Sr. Unsecd. Note, Series MTN, 3.584%, 5/22/2028	285,807
	TOTAL	5,390,742
	Financial Institution - Broker/Asset Mgr/Exchange—0.1%	
40,000	BlackRock, Inc., Sr. Unsecd. Note, 4.750%, 5/25/2033	39,243
100,000	Jefferies Group LLC, Sr. Unsecd. Note, 2.750%, 10/15/2032	79,965
100,000	Raymond James Financial, Inc., Sr. Unsecd. Note, 4.650%, 4/1/2030	97,814
	TOTAL	217,022
	Financial Institution - Finance Companies—0.3%	
150,000	AerCap Ireland Capital Ltd. / AerCap Global Aviation Trust, Sr. Unsecd. Note, 5.300%, 1/19/2034	146,983
50,000	Air Lease Corp., Sr. Unsecd. Note, 5.300%, 2/1/2028	49,916
110,000	Air Lease Corp., Sr. Unsecd. Note, 5.850%, 12/15/2027	111,432
70,000	Ally Financial, Inc., Sr. Unsecd. Note, 6.848%, 1/3/2030	71,955
80,000	Jefferies Financial Group, Inc., Sr. Unsecd. Note, 6.200%, 4/14/2034	81,070
	TOTAL	461,356

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Financial Institution - Insurance - Health—0.1%	
\$ 115,000	Elevance Health, Inc., Sr. Unsecd. Note, 4.750%, 2/15/2033	\$ 111,104
180,000	UnitedHealth Group, Inc., Sr. Unsecd. Note, 3.050%, 5/15/2041	132,936
	TOTAL	244,040
	Financial Institution - Insurance - Life—0.4%	
45,000	Corebridge Financial, Inc., Sr. Unsecd. Note, 5.750%, 1/15/2034	45,326
90,000	CoreBridge Global Funding, Sr. Secd. Note, 144A, 5.900%, 9/19/2028	91,954
35,000	Lincoln National Corp., Sr. Unsecd. Note, 3.400%, 1/15/2031	30,830
110,000	Lincoln National Corp., Sr. Unsecd. Note, 3.625%, 12/12/2026	105,295
100,000	Massachusetts Mutual Life Insurance Co., Sub. Note, 144A, 4.900%, 4/1/2077	83,488
50,000	Pacific Life Global Funding II, Sr. Secd. Note, 144A, 4.900%, 1/11/2029	49,596
70,000	Pacific Life Insurance Co., Sub. Note, 144A, 4.300%, 10/24/2067	54,719
125,000	Principal Financial Group, Inc., Sr. Unsecd. Note, 2.125%, 6/15/2030	104,497
100,000	Prudential Financial, Inc., Sr. Unsecd. Note, Series MTN, 4.600%, 5/15/2044	87,259
	TOTAL	652,964
	Financial Institution - Insurance - P&C—0.4%	
110,000	Aon North America, Inc., 5.750%, 3/1/2054	107,682
100,000	Chubb INA Holdings, Inc., Sr. Unsecd. Note, 1.375%, 9/15/2030	81,577
30,000	Chubb INA Holdings, Inc., Sr. Unsecd. Note, 3.350%, 5/3/2026	29,049
150,000	CNA Financial Corp., Sr. Unsecd. Note, 5.500%, 6/15/2033	149,696
200,000	Nationwide Mutual Insurance Co., Sub. Note, 144A, 9.375%, 8/15/2039	253,883
60,000	The Travelers Cos., Inc., Sr. Unsecd. Note, 5.450%, 5/25/2053	60,110
	TOTAL	681,997
	Financial Institution - REIT - Apartment—0.3%	
135,000	Avalonbay Communities, Inc., Sr. Unsecd. Note, Series MTN, 3.350%, 5/15/2027	128,830
90,000	Camden Property Trust, Sr. Unsecd. Note, 4.900%, 1/15/2034	86,152
135,000	Mid-America Apartment Communities LP, 4.000%, 11/15/2025	132,490
70,000	Mid-America Apartment Communities LP, Sr. Unsecd. Note, 5.300%, 2/15/2032	69,729
135,000	UDR, Inc., Sr. Unsecd. Note, Series GMTN, 3.500%, 1/15/2028	127,326
	TOTAL	544,527
	Financial Institution - REIT - Healthcare—0.2%	
100,000	Healthcare Trust of America, Sr. Unsecd. Note, 2.000%, 3/15/2031	78,839
125,000	Physicians Realty Trust, Sr. Unsecd. Note, 3.950%, 1/15/2028	119,595
75,000	Welltower, Inc., Sr. Unsecd. Note, 2.800%, 6/1/2031	64,046
100,000	Welltower, Inc., Sr. Unsecd. Note, 4.250%, 4/1/2026	98,009
	TOTAL	360,489
	Financial Institution - REIT - Office—0.1%	
155,000	Alexandria Real Estate Equities, Inc., Sr. Unsecd. Note, 1.875%, 2/1/2033	116,674
100,000	Boston Properties LP, Sr. Unsecd. Note, 3.650%, 2/1/2026	96,563
40,000	Piedmont Operating Partnership, LP, Sr. Unsecd. Note, 2.750%, 4/1/2032	29,358
	TOTAL	242,595
	Financial Institution - REIT - Other—0.1%	
65,000	Host Hotels & Resorts LP, Sr. Unsecd. Note, 5.700%, 7/1/2034	63,920
85,000	WP Carey, Inc., Sr. Unsecd. Note, 3.850%, 7/15/2029	79,401
	TOTAL	143,321
	Financial Institution - REIT - Retail—0.1%	
90,000	Kimco Realty Corp., Sr. Unsecd. Note, 6.400%, 3/1/2034	95,173
160,000	Regency Centers LP, Sr. Unsecd. Note, 4.125%, 3/15/2028	154,129
	TOTAL	249,302

Shares, Principal Amount or Contracts		Value
CORPORATE BONDS—continued		
Technology—1.1%		
\$ 115,000	Alphabet, Inc., Sr. Unsecd. Note, 2.050%, 8/15/2050	\$ 65,449
215,000	Apple, Inc., Sr. Unsecd. Note, 2.375%, 2/8/2041	148,572
65,000	Apple, Inc., Sr. Unsecd. Note, 2.400%, 8/20/2050	39,407
80,000	Apple, Inc., Sr. Unsecd. Note, 4.000%, 5/10/2028	78,361
137,000	Broadcom, Inc., Sr. Unsecd. Note, 4.110%, 9/15/2028	132,226
20,000	Broadcom, Inc., Sr. Unsecd. Note, 4.150%, 11/15/2030	18,897
5,000	Broadcom, Inc., Sr. Unsecd. Note, 144A, 3.187%, 11/15/2036	3,959
50,000	CDW LLC / CDW Finance, Sr. Unsecd. Note, 2.670%, 12/1/2026	46,828
75,000	Cisco Systems, Inc., Sr. Unsecd. Note, 4.800%, 2/26/2027	74,815
45,000	Concentrix Corp., Sr. Unsecd. Note, 6.650%, 8/2/2026	45,480
100,000	Equifax, Inc., Sr. Unsecd. Note, 2.600%, 12/1/2024	98,692
120,000	Fiserv, Inc., Sr. Unsecd. Note, 3.500%, 7/1/2029	110,990
110,000	Fortinet, Inc., Sr. Unsecd. Note, 1.000%, 3/15/2026	102,160
100,000	Global Payments, Inc., Sr. Unsecd. Note, 4.950%, 8/15/2027	99,043
100,000	Lam Research Corp., Sr. Unsecd. Note, 4.000%, 3/15/2029	96,232
65,000	Microchip Technology, Inc., Sr. Unsecd. Note, 5.050%, 3/15/2029	64,494
65,000	Microsoft Corp., Sr. Unsecd. Note, 2.525%, 6/1/2050	41,076
200,000	Microsoft Corp., Sr. Unsecd. Note, 3.125%, 11/3/2025	195,128
175,000	Oracle Corp., Sr. Unsecd. Note, 3.600%, 4/1/2050	122,592
100,000	Trimble, Inc., Sr. Unsecd. Note, 6.100%, 3/15/2033	103,607
140,000	Verisign, Inc., Sr. Unsecd. Note, 2.700%, 6/15/2031	117,215
110,000	Verisk Analytics, Inc., Sr. Unsecd. Note, 4.125%, 3/15/2029	105,824
40,000	Verisk Analytics, Inc., Sr. Unsecd. Note, 5.500%, 6/15/2045	38,908
40,000	VMware, Inc., Sr. Unsecd. Note, 1.400%, 8/15/2026	36,840
35,000	VMware, Inc., Sr. Unsecd. Note, 2.200%, 8/15/2031	28,452
	TOTAL	2,015,247
Transportation - Railroads—0.2%		
75,000	Burlington Northern Santa Fe Corp., Sr. Unsecd. Note, 3.000%, 4/1/2025	73,717
75,000	³ Burlington Northern Santa Fe Corp., Sr. Unsecd. Note, 5.200% (180-DAY AVERAGE SOFR +0.000%), 4/15/2054	71,906
135,000	Canadian Pacific Railway Co., Sr. Unsecd. Note, 3.500%, 5/1/2050	97,325
65,000	Union Pacific Corp., Sr. Unsecd. Note, 2.375%, 5/20/2031	55,204
125,000	Union Pacific Corp., Sr. Unsecd. Note, 2.400%, 2/5/2030	109,453
	TOTAL	407,605
Transportation - Services—0.3%		
45,000	Enterprise Rent-A-Car USA Finance Co., Sr. Unsecd. Note, 144A, 4.600%, 5/1/2028	44,305
80,000	Enterprise Rent-A-Car USA Finance Co., Sr. Unsecd. Note, 144A, 4.900%, 5/1/2033	77,893
80,000	FedEx Corp., Sr. Unsecd. Note, 3.250%, 5/15/2041	58,767
80,000	GXO Logistics, Inc., Sr. Unsecd. Note, Series WI, 1.650%, 7/15/2026	73,789
80,000	GXO Logistics, Inc., Sr. Unsecd. Note, Series WI, 2.650%, 7/15/2031	64,921
30,000	Penske Truck Leasing Co. LP & PTL Finance Corp., Sr. Unsecd. Note, 144A, 5.550%, 5/1/2028	30,222
105,000	Penske Truck Leasing Co. LP & PTL Finance Corp., Sr. Unsecd. Note, 144A, 5.700%, 2/1/2028	105,981
75,000	Ryder System, Inc., Sr. Unsecd. Note, Series MTN, 2.850%, 3/1/2027	70,689
75,000	Ryder System, Inc., Sr. Unsecd. Note, Series MTN, 5.250%, 6/1/2028	75,180
	TOTAL	601,747
Utility - Electric—1.2%		
165,000	Ameren Corp., Sr. Unsecd. Note, 1.750%, 3/15/2028	145,684
70,000	American Electric Power Co., Inc., Sr. Unsecd. Note, 5.625%, 3/1/2033	69,790
100,000	Black Hills Corp., Sr. Unsecd. Note, 2.500%, 6/15/2030	84,446
75,000	Constellation Energy Generation LLC, Sr. Unsecd. Note, 5.800%, 3/1/2033	76,573

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Utility - Electric—continued	
\$ 25,000	Constellation Energy Generation LLC, Sr. Unsecd. Note, 6.500%, 10/1/2053	\$ 26,561
65,000	Dominion Energy, Inc., Jr. Sub. Note, 3.071%, 8/15/2024	64,746
125,000	Duke Energy Corp., Sr. Unsecd. Note, 2.650%, 9/1/2026	118,204
125,000	Duke Energy Corp., Sr. Unsecd. Note, 3.750%, 9/1/2046	91,124
110,000	Duke Energy Corp., Sr. Unsecd. Note, 5.000%, 8/15/2052	95,656
75,000	Emera US Finance LP, Sr. Unsecd. Note, 3.550%, 6/15/2026	71,962
50,000	Emera US Finance LP, Sr. Unsecd. Note, 4.750%, 6/15/2046	41,183
100,000	Enel Finance International S.A., Co. Guarantee, 144A, 6.000%, 10/7/2039	98,756
190,000	Energy Metro, Inc., Sr. Unsecd. Note, 4.200%, 3/15/2048	152,026
25,000	Exelon Corp., Sr. Unsecd. Note, 4.100%, 3/15/2052	19,251
125,000	Exelon Corp., Sr. Unsecd. Note, 4.700%, 4/15/2050	105,559
120,000	FirstEnergy Transmission LLC, Sr. Unsecd. Note, 144A, 4.550%, 4/1/2049	99,340
93,000	Fortis, Inc. / Canada, Sr. Unsecd. Note, 3.055%, 10/4/2026	88,278
70,000	National Rural Utilities Cooperative Finance Corp., Sr. Sub. Note, 5.250%, 4/20/2046	68,369
235,000	NextEra Energy Capital Holdings, Inc., Sr. Unsecd. Note, 2.250%, 6/1/2030	200,447
80,000	NiSource Finance Corp., Sr. Unsecd. Note, 4.375%, 5/15/2047	64,430
10,000	NiSource, Inc., Sr. Unsecd. Note, 5.250%, 3/30/2028	9,993
100,000	PPL Capital Funding, Inc., Sr. Unsecd. Note, 3.100%, 5/15/2026	96,003
125,000	Puget Energy, Inc., Sec. Fac. Bond, 2.379%, 6/15/2028	111,700
100,000	Southern Co., Jr. Sub. Note, Series B, 4.000%, 1/15/2051	97,167
20,000	WEC Energy Group, Inc., Sr. Unsecd. Note, 5.150%, 10/1/2027	19,951
	TOTAL	2,117,199
	Utility - Natural Gas—0.2%	
45,000	Eastern Gas Transmission & Storage, Inc., Sr. Unsecd. Note, 3.000%, 11/15/2029	40,429
145,000	Eastern Gas Transmission & Storage, Inc., Sr. Unsecd. Note, 3.900%, 11/15/2049	102,784
155,000	Sempra Energy, Sr. Unsecd. Note, 3.700%, 4/1/2029	145,261
	TOTAL	288,474
	TOTAL CORPORATE BONDS (IDENTIFIED COST \$28,799,891)	
		26,942,370
	COLLATERALIZED MORTGAGE OBLIGATIONS—0.6%	
	Agency—0.1%	
290,000	FREMF Mortgage Trust 2015-K49 REMIC, Class B, 3.848%, 10/25/2048	283,494
	Commercial Mortgage—0.4%	
110,000	Bank 2022-BNK40, Class A4, 3.393%, 3/15/2064	96,722
85,000	Bank, Class A4, 3.488%, 11/15/2050	78,231
200,000	Benchmark Mortgage Trust 2020-B19, Class A5, 1.850%, 9/15/2053	161,361
50,000	Commercial Mortgage Trust 2015-DC1, Class AM, 3.724%, 2/10/2048	47,746
200,000	Fontainebleau Miami Beach Trust, Class B, 3.447%, 12/10/2036	196,487
100,000	JPMDB Commercial Mortgage Securities Trust 2016-C4, Class A3, 3.141%, 12/15/2049	92,669
	TOTAL	673,216
	Federal Home Loan Mortgage Corporation—0.1%	
221,543	FHLMC REMIC, Series K105, Class A1, 1.536%, 9/25/2029	200,125
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS (IDENTIFIED COST \$1,273,022)	
		1,156,835
	FOREIGN GOVERNMENTS/AGENCY—0.1%	
	Sovereign—0.1%	
200,000	Mexico, Government of, 3.750%, 1/11/2028 (IDENTIFIED COST \$198,669)	189,025

Shares, Principal Amount or Contracts		Value
	MORTGAGE-BACKED SECURITIES—0.0%	
	Government National Mortgage Association—0.0%	
\$ 2,355	Government National Mortgage Association, Pool 2796, 7.000%, 8/20/2029	\$ 2,405
1,474	Government National Mortgage Association, Pool 3040, 7.000%, 2/20/2031	1,516
4,401	Government National Mortgage Association, Pool 3188, 6.500%, 1/20/2032	4,500
5,534	Government National Mortgage Association, Pool 3239, 6.500%, 5/20/2032	5,669
	TOTAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$13,727)	14,090
	ADJUSTABLE RATE MORTGAGE—0.0%	
	Federal National Mortgage Association—0.0%	
1,480	³ Federal National Mortgage Association ARM, 6.094%, 9/1/2037 (IDENTIFIED COST \$1,483)	1,522
	PURCHASED PUT OPTIONS—0.2%	
1,200	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$15,261,600, Exercise Price \$490, Expiration Date 7/19/2024	22,200
1,200	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$15,261,600, Exercise Price \$530, Expiration Date 7/12/2024	93,600
300	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$3,815,400, Exercise Price \$530, Expiration Date 7/5/2024	4,650
600	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$7,630,800, Exercise Price \$505, Expiration Date 7/19/2024	18,300
600	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$7,630,800, Exercise Price \$515, Expiration Date 7/19/2024	29,700
600	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$7,630,800, Exercise Price \$520, Expiration Date 8/16/2024	135,900
600	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$7,630,800, Exercise Price \$520, Expiration Date 8/2/2024	89,700
1,200	¹ SPDR S&P 500 Index (PUT-Option), Notional Amount \$15,261,600, Exercise Price \$520, Expiration Date 7/5/2024	7,800
	TOTAL PURCHASED PUT OPTIONS (IDENTIFIED COST \$799,724)	401,850
	INVESTMENT COMPANIES—22.2%	
54,830	Bank Loan Core Fund	478,667
362,156	Emerging Markets Core Fund	3,042,107
536,439	Federated Hermes High Income Bond Fund II, Class P	2,923,595
1,145	Federated Hermes Short-Intermediate Government Fund, Institutional Shares	10,994
3,550,787	Mortgage Core Fund	29,009,928
552,344	Project and Trade Finance Core Fund	4,882,722
	TOTAL INVESTMENT COMPANIES (IDENTIFIED COST \$41,971,285)	40,348,013
	REPURCHASE AGREEMENT—3.5%	
\$6,333,000	Interest in \$1,187,000,000 joint repurchase agreement 5.33%, dated 6/28/2024 under which Bank of America, N.A. will repurchase securities provided as collateral for \$1,187,527,226 on 7/1/2024. The securities provided as collateral at the end of the period held with BNY Mellon as tri-party agent, were U.S. Government Agency securities with various maturities to 5/20/2052 and the market value of those underlying securities was \$1,211,277,770. (IDENTIFIED COST \$6,333,000)	6,333,000
	TOTAL INVESTMENT IN SECURITIES—99.1% (IDENTIFIED COST \$170,977,289) ⁴	180,357,217
	OTHER ASSETS AND LIABILITIES - NET—0.9% ⁵	1,621,334
	TOTAL NET ASSETS—100%	\$181,978,551

At June 30, 2024, the Fund had the following outstanding futures contracts:

Description	Number of Contracts	Notional Value	Expiration Date	Value and Unrealized Appreciation (Depreciation)
Long Futures:				
S&P 500 E-Mini Long Futures	380	\$104,908,500	September 2024	\$269,604
United States Treasury Notes 2-Year Long Futures	45	\$ 9,189,844	September 2024	\$ 23,343
United States Treasury Notes 5-Year Long Futures	115	\$ 12,256,485	September 2024	\$ 65,505
United States Treasury Notes 10-Year Long Futures	19	\$ 2,089,703	September 2024	\$ 19,108
Short Futures:				
United States Treasury Ultra Bond Short Futures	29	\$ 3,634,969	September 2024	\$ (97,643)
NET UNREALIZED APPRECIATION ON FUTURES CONTRACTS				\$279,917

Net Unrealized Appreciation on Futures Contracts is included in "Other Assets and Liabilities—Net."

Affiliated fund holdings are investment companies which are managed by Federated Investment Management Company and Federated Equity Management Company of Pennsylvania (collectively, the "Co-Advisers") or an affiliate of the Co-Advisers. Transactions with affiliated fund holdings during the period ended June 30, 2024, were as follows:

Affiliates	Value as of 12/31/2023	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation/Depreciation	Net Realized Gain/(Loss)	Value as of 6/30/2024	Shares Held as of 6/30/2024	Dividend Income
Bank Loan Core Fund	\$ 15,220	\$ 464,028	\$—	\$ (581)	\$—	\$ 478,667	54,830	\$ 14,025
Emerging Markets Core Fund	\$ 2,150,161	\$ 843,437	\$—	\$ 48,509	\$—	\$ 3,042,107	362,156	\$ 93,420
Federated Hermes High Income Bond Fund II, Class P	\$ 2,458,157	\$ 567,009	\$—	\$(101,571)	\$—	\$ 2,923,595	536,439	\$ 157,009
Federated Hermes Short-Intermediate Government Fund, Institutional Shares	\$ 11,048	\$ 205	\$—	\$ (259)	\$—	\$ 10,994	1,145	\$ 234
Mortgage Core Fund	\$26,890,940	\$2,974,471	\$—	\$(855,483)	\$—	\$29,009,928	3,550,787	\$ 649,754
Project and Trade Finance Core Fund	\$ 3,897,234	\$ 961,650	\$—	\$ 23,838	\$—	\$ 4,882,722	552,344	\$ 161,669
TOTAL OF AFFILIATED TRANSACTIONS	\$35,422,760	\$5,810,800	\$—	\$(885,547)	\$—	\$40,348,013	5,057,701	\$1,076,111

- 1 Non-income-producing security.
- 2 Market quotations and price evaluations are not available. Fair value determined using significant unobservable inputs in accordance with procedures established by and under the general supervision of the Fund's Co-Advisers acting through their Valuation Committee.
- 3 Floating/adjustable note with current rate and current maturity or next reset date shown. Adjustable rate mortgage security coupons are based on the weighted average note rates of the underlying mortgages less the guarantee and servicing fees. These securities do not indicate an index and spread in their description above.
- 4 The cost of investments for federal tax purposes amounts to \$170,889,899.
- 5 Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.

Note: The categories of investments are shown as a percentage of total net assets at June 30, 2024.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1—quoted prices in active markets for identical securities.

Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Also includes securities valued at amortized cost.

Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used, as of June 30, 2024, in valuing the Fund's assets carried at fair value:

Valuation Inputs

	Level 1— Quoted Prices	Level 2— Other Significant Observable Inputs	Level 3— Significant Unobservable Inputs	Total
Equity Securities:				
Common Stocks				
Domestic	\$ 72,264,748	\$ —	\$ 1,008	\$ 72,265,756
International	4,592,346	—	—	4,592,346
Debt Securities:				
U.S. Treasuries	—	28,112,410	—	28,112,410
Corporate Bonds	—	26,942,370	—	26,942,370
Collateralized Mortgage Obligations	—	1,156,835	—	1,156,835
Foreign Governments/Agency	—	189,025	—	189,025
Mortgage-Backed Securities	—	14,090	—	14,090
Adjustable Rate Mortgage	—	1,522	—	1,522
Purchased Put Options	401,850	—	—	401,850
Investment Companies	35,465,291	—	—	35,465,291
Other Investments ¹	—	—	—	4,882,722
Repurchase Agreement	—	6,333,000	—	6,333,000
TOTAL SECURITIES	\$ 112,724,235	\$ 62,749,252	\$ 1,008	\$ 180,357,217
Other Financial Instruments:²				
Assets	\$ 377,560	\$ —	\$ —	\$ 377,560
Liabilities	(97,643)	—	—	(97,643)
TOTAL OTHER FINANCIAL INSTRUMENTS	\$ 279,917	\$ —	\$ —	\$ 279,917

1 As permitted by U.S. generally accepted accounting principles (GAAP), an Investment Company valued at \$4,882,722 is measured at fair value using the net asset value (NAV) per share practical expedient and has not been categorized in the fair value hierarchy chart above. The price of shares redeemed of Project and Trade Finance Core Fund (PTCORE), a portfolio of Federated Hermes Core Trust III, may be determined as of the closing NAV of the fund up to twenty-four days after receipt of a shareholder redemption request. The investment objective of PTCORE is to provide total return. Copies of the PTCORE financial statements are available on the EDGAR database on the SEC's website or upon request from the Fund.

2 Other financial instruments are futures contracts.

The following acronym(s) are used throughout this portfolio:

ADR —American Depositary Receipt
 ARM —Adjustable Rate Mortgage
 ETF —Exchange-Traded Fund
 FHLMC—Federal Home Loan Mortgage Corporation
 FREMF—Freddie Mac Multifamily K-Deals
 GMTN —Global Medium Term Note
 MTN —Medium Term Note
 REIT —Real Estate Investment Trust
 REMIC —Real Estate Mortgage Investment Conduit
 SOFR —Secured Overnight Financing Rate
 SPDR —Standard & Poor's Depositary Receipt

See Notes which are an integral part of the Financial Statements

Financial Highlights – Primary Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 6/30/2024	Year Ended December 31,				
		2023	2022	2021	2020	2019
Net Asset Value, Beginning of Period	\$9.02	\$8.46	\$12.90	\$11.09	\$11.30	\$9.60
Income From Investment Operations:						
Net investment income (loss) ¹	0.12	0.20	0.16	0.19	0.19	0.24
Net realized and unrealized gain (loss)	0.53	0.52	(1.72)	1.83	(0.13)	1.68
TOTAL FROM INVESTMENT OPERATIONS	0.65	0.72	(1.56)	2.02	0.06	1.92
Less Distributions:						
Distributions from net investment income	(0.21)	(0.16)	(0.21)	(0.21)	(0.27)	(0.22)
Distributions from net realized gain	—	—	(2.67)	—	—	—
TOTAL DISTRIBUTIONS	(0.21)	(0.16)	(2.88)	(0.21)	(0.27)	(0.22)
Net Asset Value, End of Period	\$9.46	\$9.02	\$8.46	\$12.90	\$11.09	\$11.30
Total Return²	7.28%	8.68%	(13.75)%	18.51%	0.93%	20.23%

Ratios to Average Net Assets:

Net expenses ³	0.95% ⁴	0.95%	0.95%	0.93%	0.92%	0.91%
Net investment income	2.58% ⁴	2.39%	1.72%	1.58%	1.82%	2.28%
Expense waiver/reimbursement ⁵	0.12% ⁴	0.13%	0.11%	0.02%	0.01%	0.02%

Supplemental Data:

Net assets, end of period (000 omitted)	\$180,580	\$174,228	\$173,194	\$217,682	\$586,281	\$651,498
Portfolio turnover ⁶	30%	47%	51%	60%	61%	47%

- 1 Per share numbers have been calculated using the average shares method.
- 2 Based on net asset value. Total returns do not reflect any additional fees or expenses that may be imposed by separate accounts of insurance companies or in connection with any variable annuity or variable life insurance contract. Total returns for periods of less than one year are not annualized.
- 3 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.
- 4 Computed on an annualized basis.
- 5 This expense decrease is reflected in both the net expense and the net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.
- 6 Securities that mature are considered sales for purposes of this calculation.

See Notes which are an integral part of the Financial Statements

Financial Highlights – Service Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 6/30/2024	Year Ended December 31,				
		2023	2022	2021	2020	2019
Net Asset Value, Beginning of Period	\$9.20	\$8.63	\$12.90	\$11.09	\$11.27	\$9.59
Income From Investment Operations:						
Net investment income (loss) ¹	0.11	0.19	0.14	0.16	0.16	0.21
Net realized and unrealized gain (loss)	0.55	0.52	(1.74)	1.84	(0.12)	1.68
TOTAL FROM INVESTMENT OPERATIONS	0.66	0.71	(1.60)	2.00	0.04	1.89
Less Distributions:						
Distributions from net investment income	(0.19)	(0.14)	—	(0.19)	(0.22)	(0.21)
Distributions from net realized gain	—	—	(2.67)	—	—	—
TOTAL DISTRIBUTIONS	(0.19)	(0.14)	(2.67)	(0.19)	(0.22)	(0.21)
Net Asset Value, End of Period	\$9.67	\$9.20	\$8.63	\$12.90	\$11.09	\$11.27
Total Return²	7.20%	8.33%	(14.00)%	18.25%	0.71%	19.92%
Ratios to Average Net Assets:						
Net expenses ³	1.20% ⁴	1.20%	1.20%	1.16%	1.17%	1.16%
Net investment income	2.33% ⁴	2.14%	1.47%	1.38%	1.57%	2.03%
Expense waiver/reimbursement ⁵	0.12% ⁴	0.13%	0.11%	0.02%	0.01%	0.02%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$1,399	\$1,581	\$1,576	\$1,949	\$39,680	\$44,161
Portfolio turnover ⁶	30%	47%	51%	60%	61%	47%

1 Per share numbers have been calculated using the average shares method.

2 Based on net asset value. Total returns do not reflect any additional fees or expenses that may be imposed by separate accounts of insurance companies or in connection with any variable annuity or variable life insurance contract. Total returns for periods of less than one year are not annualized.

3 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.

4 Computed on an annualized basis.

5 This expense decrease is reflected in both the net expense and the net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.

6 Securities that mature are considered sales for purposes of this calculation.

See Notes which are an integral part of the Financial Statements

Statement of Assets and Liabilities

June 30, 2024 (unaudited)

Assets:

Investment in securities, at value including \$40,348,013 of investments in affiliated holdings* (identified cost \$170,977,289, including \$41,971,285 of identified cost in affiliated holdings)	\$180,357,217
Cash	1,943
Due from broker (Note 2)	2,000
Income receivable	660,408
Income receivable from affiliated holdings	168,653
Receivable for investments sold	2,597,772
Receivable for shares sold	14,383
TOTAL ASSETS	183,802,376

Liabilities:

Payable for investments purchased	1,205,630
Payable for shares redeemed	98,607
Payable for variation margin on futures contracts	436,100
Payable for investment adviser fee (Note 5)	9,463
Payable for administrative fee (Note 5)	2,185
Payable for portfolio accounting fees	21,209
Payable for distribution services fee (Note 5)	287
Accrued expenses (Note 5)	50,344
TOTAL LIABILITIES	1,823,825

Net assets for 19,235,264 shares outstanding	\$181,978,551
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Net Assets Consist of:

Paid-in capital	\$179,468,646
Total distributable earnings (loss)	2,509,905
TOTAL NET ASSETS	\$181,978,551

Net Asset Value, Offering Price and Redemption Proceeds Per Share:

Primary Shares:

\$180,580,003 ÷ 19,090,641 shares outstanding, no par value, unlimited shares authorized	\$9.46
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Service Shares:

\$1,398,548 ÷ 144,623 shares outstanding, no par value, unlimited shares authorized	\$9.67
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* See information listed after the Fund's Portfolio of Investments.

See Notes which are an integral part of the Financial Statements

Statement of Operations

Six Months Ended June 30, 2024 (unaudited)

Investment Income:

Dividends (including \$1,076,111 received from affiliated holdings* and net of foreign taxes withheld of \$192)	\$ 1,892,954
Interest	1,262,749
TOTAL INCOME	3,155,703

Expenses:

Investment adviser fee (Note 5)	669,917
Administrative fee (Note 5)	135,927
Custodian fees	20,110
Transfer agent fees	8,398
Directors'/Trustees' fees (Note 5)	902
Auditing fees	18,952
Legal fees	6,553
Portfolio accounting fees	62,356
Distribution services fee (Note 5)	1,930
Printing and postage	19,914
Miscellaneous (Note 5)	12,945
TOTAL EXPENSES	957,904
Waiver/reimbursement of investment adviser fee (Note 5)	(103,036)
Net expenses	854,868
Net investment income	2,300,835

Realized and Unrealized Gain (Loss) on Investments, Foreign Currency Transactions, Foreign Exchange Contracts and Futures Contracts:

Net realized gain on investments	2,507,022
Net realized loss on foreign currency transactions	(1,283)
Net realized gain on foreign exchange contracts	448
Net realized gain on futures contracts	9,493,692
Net change in unrealized appreciation of investments (including net change in unrealized depreciation of \$(885,547) on investments in affiliated holdings*)	(590,638)
Net change in unrealized appreciation of futures contracts	(1,078,519)
Net realized and unrealized gain (loss) on investments, foreign currency transactions, foreign exchange contracts and futures contracts	10,330,722
Change in net assets resulting from operations	\$12,631,557

* See information listed after the Fund's Portfolio of Investments.

See Notes which are an integral part of the Financial Statements

Statement of Changes in Net Assets

	Six Months Ended (unaudited) 6/30/2024	Year Ended 12/31/2023
Increase (Decrease) in Net Assets		
Operations:		
Net investment income	\$ 2,300,835	\$ 4,090,425
Net realized gain (loss)	11,999,879	3,543,413
Net change in unrealized appreciation/depreciation	(1,669,157)	6,615,097
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	12,631,557	14,248,935
Distributions to Shareholders:		
Primary Shares	(4,066,627)	(3,205,320)
Service Shares	(32,143)	(24,674)
CHANGE IN NET ASSETS RESULTING FROM DISTRIBUTIONS TO SHAREHOLDERS	(4,098,770)	(3,229,994)
Share Transactions:		
Proceeds from sale of shares	2,930,018	3,643,010
Net asset value of shares issued to shareholders in payment of distributions declared	4,098,768	3,229,994
Cost of shares redeemed	(9,392,396)	(16,852,254)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	(2,363,610)	(9,979,250)
Change in net assets	6,169,177	1,039,691
Net Assets:		
Beginning of period	175,809,374	174,769,683
End of period	\$181,978,551	\$175,809,374

See Notes which are an integral part of the Financial Statements

Notes to Financial Statements

June 30, 2024 (unaudited)

1. ORGANIZATION

Federated Hermes Insurance Series (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust consists of six portfolios. The financial statements included herein are only those of Federated Hermes Managed Volatility Fund II (the "Fund"), a diversified portfolio. The financial statements of the other portfolios are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. Each portfolio pays its own expenses. The Fund offers two classes of shares: Primary Shares and Service Shares. All shares of the Fund have equal rights with respect to voting, except on class-specific matters. Fund shares are available exclusively as a funding vehicle for life insurance companies writing variable life insurance policies and variable annuity contracts. The investment objective of the Fund is to achieve high current income and moderate capital appreciation. The Co-Advisers each are registered as a "commodity pool operator" with respect to operation of the Fund.

Effective April 30, 2023, Federated Global Investment Management Corp. resigned as Co-Adviser of the Fund. Federated Investment Management Company and Federated Equity Management Company of Pennsylvania remain as Co-Advisers to the Fund. Effective the same date, a service agreement between Federated Investment Management Company (FIMCO) and Federated Hermes (UK) LLP (Federated UK) pursuant to which Federated UK provided certain non-discretionary credit research and analysis services to FIMCO was terminated. Fees, if any, paid to Federated UK for these services were paid by FIMCO and not by the Fund.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. These policies are in conformity with U.S. generally accepted accounting principles (GAAP).

Investment Valuation

In calculating its net asset value (NAV), the Fund generally values investments as follows:

- Equity securities listed on an exchange or traded through a regulated market system are valued at their last reported sale price or official closing price in their principal exchange or market.
- Shares of other mutual funds or non-exchange-traded investment companies are valued based upon their reported NAVs, or NAV per share practical expedient, as applicable.
- Fixed-income securities are fair valued using price evaluations provided by a pricing service approved by the Co-Advisers.
- Derivative contracts listed on exchanges are valued at their reported settlement or closing price, except that options are valued at the mean of closing bid and ask quotations.
- Over-the-counter (OTC) derivative contracts are fair valued using price evaluations provided by a pricing service approved by the Co-Advisers.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Co-Advisers, certain factors may be considered, such as: the last traded or purchase price of the security, information obtained by contacting the issuer or dealers, analysis of the issuer's financial statements or other available documents, fundamental analytical data, the nature and duration of restrictions on disposition, the movement of the market in which the security is normally traded, public trading in similar securities or derivative contracts of the issuer or comparable issuers, movement of a relevant index, or other factors including but not limited to industry changes and relevant government actions.

If any price, quotation, price evaluation or other pricing source is not readily available when the NAV is calculated, if the Fund cannot obtain price evaluations from a pricing service or from more than one dealer for an investment within a reasonable period of time as set forth in the Co-Advisers' valuation policies and procedures for the Fund, or if information furnished by a pricing service, in the opinion of the Co-Advisers' valuation committee ("Valuation Committee"), is deemed not representative of the fair value of such security, the Fund uses the fair value of the investment determined in accordance with the procedures described below. There can be no assurance that the Fund could obtain the fair value assigned to an investment if it sold the investment at approximately the time at which the Fund determines its NAV per share, and the actual value obtained could be materially different.

Fair Valuation and Significant Events Procedures

Pursuant to Rule 2a-5 under the Act, the Fund's Board of Trustees (the "Trustees") has designated the Co-Advisers as the Fund's valuation designee to perform any fair value determinations for securities and other assets held by the Fund. The Co-Advisers are subject to the Trustees oversight and certain reporting and other requirements intended to provide the Trustees the information needed to oversee the Co-Advisers' fair value determinations.

The Co-Advisers acting through their Valuation Committee, are responsible for determining the fair value of investments for which market quotations are not readily available. The Valuation Committee is comprised of officers of the Co-Advisers and certain of the Co-Advisers' affiliated companies and determines fair value and oversees the calculation of the NAV. The Valuation Committee is also authorized to use pricing services to provide fair value evaluations of the current value of certain investments for purposes of calculating the NAV. The Valuation Committee employs various methods for reviewing third-party pricing-service evaluations including periodic reviews of third-party pricing services' policies, procedures and valuation methods (including key inputs, methods, models and assumptions), transactional back-testing, comparisons of evaluations of different pricing services, and review of price challenges by the Co-Advisers based on recent market activity. In the event that market quotations and price evaluations are not available for an

investment, the Valuation Committee determines the fair value of the investment in accordance with procedures adopted by the Co-Advisers. The Trustees periodically review the fair valuations made by the Valuation Committee. The Trustees have also approved the Co-Advisers' fair valuation and significant events procedures as part of the Fund's compliance program and will review any changes made to the procedures.

Factors considered by pricing services in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers and general market conditions. Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and ask for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for any U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. The Fund normally uses mid evaluations for any other types of fixed-income securities and any OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in accordance with procedures adopted by the Co-Advisers.

The Co-Advisers have also adopted procedures requiring an investment to be priced at its fair value whenever the Valuation Committee determines that a significant event affecting the value of the investment has occurred between the time as of which the price of the investment would otherwise be determined and the time as of which the NAV is computed. An event is considered significant if there is both an affirmative expectation that the investment's value will change in response to the event and a reasonable basis for quantifying the resulting change in value. Examples of significant events that may occur after the close of the principal market on which a security is traded, or after the time of a price evaluation provided by a pricing service or a dealer, include:

- With respect to securities traded principally in foreign markets, significant trends in U.S. equity markets or in the trading of foreign securities index futures contracts;
- Political or other developments affecting the economy or markets in which an issuer conducts its operations or its securities are traded;
- Announcements concerning matters such as acquisitions, recapitalizations, litigation developments, or a natural disaster affecting the issuer's operations or regulatory changes or market developments affecting the issuer's industry.

The Co-Advisers have adopted procedures whereby the Valuation Committee uses a pricing service to provide factors to update the fair value of equity securities traded principally in foreign markets from the time of the close of their respective foreign stock exchanges to the pricing time of the Fund. For other significant events, the Fund may seek to obtain more current quotations or price evaluations from alternative pricing sources. If a reliable alternative pricing source is not available, the Valuation Committee will determine the fair value of the investment in accordance with the fair valuation procedures approved by the Co-Advisers. The Trustees periodically review fair valuations made in response to significant events.

Repurchase Agreements

The Fund may invest in repurchase agreements for short-term liquidity purposes. It is the policy of the Fund to require the other party to a repurchase agreement to transfer to the Fund's custodian or sub-custodian eligible securities or cash with a market value (after transaction costs) at least equal to the repurchase price to be paid under the repurchase agreement. The eligible securities are transferred to accounts with the custodian or sub-custodian in which the Fund holds a "securities entitlement" and exercises "control" as those terms are defined in the Uniform Commercial Code. The Fund has established procedures for monitoring the market value of the transferred securities and requiring the transfer of additional eligible securities if necessary to equal at least the repurchase price. These procedures also allow the other party to require securities to be transferred from the account to the extent that their market value exceeds the repurchase price or in exchange for other eligible securities of equivalent market value.

The insolvency of the other party or other failure to repurchase the securities may delay the disposition of the underlying securities or cause the Fund to receive less than the full repurchase price. Under the terms of the repurchase agreement, any amounts received by the Fund in excess of the repurchase price and related transaction costs must be remitted to the other party.

The Fund may enter into repurchase agreements in which eligible securities are transferred into joint trading accounts maintained by the custodian or sub-custodian for investment companies and other clients advised by the Fund's Co-Advisers and their affiliates. The Fund will participate on a pro rata basis with the other investment companies and clients in its share of the securities transferred under such repurchase agreements and in its share of proceeds from any repurchase or other disposition of such securities.

Repurchase agreements are subject to Master Netting Agreements which are agreements between the Fund and its counterparties that provide for the net settlement of all transactions and collateral with the Fund, through a single payment, in the event of default or termination. Amounts presented on the Portfolio of Investments and Statement of Assets and Liabilities are not net settlement amounts but gross. As indicated above, the cash or securities to be repurchased, as shown on the Portfolio of Investments, exceeds the repurchase price to be paid under the agreement reducing the net settlement amount to zero.

Investment Income, Gains and Losses, Expenses and Distributions

Investment transactions are accounted for on a trade-date basis. Realized gains and losses from investment transactions are recorded on an identified-cost basis. Interest income and expenses are accrued daily. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Foreign dividends are recorded on the ex-dividend date or when the Fund is informed of the ex-dividend date. Positive or negative inflation adjustments on Treasury Inflation-Protected Securities are included in interest income. Distributions of net investment income, if any, are declared and paid annually. Non-cash dividends included in dividend income, if any, are recorded at fair value. Amortization/accretion of premium and discount is included in investment income. Gains and losses realized on principal payment of mortgage-backed securities (paydown gains and losses) are classified as part of investment income. Investment income, realized and unrealized gains and losses, and certain fund-level expenses are allocated to each class based on relative average daily net assets, except that select classes will bear certain expenses unique to those classes. The detail of the total fund expense waiver/reimbursement of \$103,036 is disclosed in Note 5.

Dividends are declared separately for each class. No class has preferential dividend rights; differences in per share dividend rates are generally due to differences in separate class expenses.

Federal Taxes

It is the Fund's policy to comply with the Subchapter M provision of the Internal Revenue Code of 1986 (the "Code") and to distribute to shareholders each year substantially all of its income. Accordingly, no provision for federal income tax is necessary. As of and during the six months ended June 30, 2024, the Fund did not have a liability for any uncertain tax positions. The Fund recognizes interest and penalties, if any, related to tax liabilities as income tax expense in the Statement of Operations. As of June 30, 2024, tax years 2020 through 2023 remain subject to examination by the Fund's major tax jurisdictions, which include the United States of America and the Commonwealth of Massachusetts.

The Fund may be subject to taxes imposed by governments of countries in which it invests. Such taxes are generally based on either income or gains earned or repatriated. The Fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains as income and/or gains are earned.

When-Issued and Delayed-Delivery Transactions

The Fund may engage in when-issued or delayed-delivery transactions. The Fund records when-issued securities on the trade date and maintains security positions such that sufficient liquid assets will be available to make payment for the securities purchased. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily and begin earning interest on the settlement date. Losses may occur on these transactions due to changes in market conditions or the failure of counterparties to perform under the contract.

Futures Contracts

The Fund purchases and sells financial futures contracts to seek to increase return and to manage duration, market and yield curve risks. Upon entering into a financial futures contract with a broker, the Fund is required to deposit with a broker, either U.S. government securities or a specified amount of cash, which is shown as due from broker in the Statement of Assets and Liabilities. Futures contracts are valued daily and unrealized gains or losses are recorded in a "variation margin" account. The Fund receives from or pays to the broker a specified amount of cash based upon changes in the variation margin account. When a contract is closed, the Fund recognizes a realized gain or loss. Futures contracts have market risks, including the risk that the change in the value of the contract may not correlate with the changes in the value of the underlying securities. There is minimal counterparty risk to the Fund since futures contracts are exchange-traded and the exchange's clearinghouse, as counterparty to all exchange-traded futures contracts, guarantees the futures contracts against default.

Futures contracts outstanding at period end are listed after the Fund's Portfolio of Investments.

The average notional value of long and short futures contracts held by the Fund throughout the period was \$97,730,117 and \$9,718,757, respectively. This is based on amounts held as of each month-end throughout the six-month period.

Foreign Currency Translation

The accounting records of the Fund are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the rates of exchange of such currencies against U.S. dollars on the date of valuation. Purchases and sales of securities, income and expenses are translated at the rate of exchange quoted on the respective date that such transactions are recorded. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities at period end, resulting from changes in the exchange rate.

Option Contracts

The Fund buys or sells put and call options to seek to increase return and to manage market risk. The seller ("writer") of an option receives a payment or premium, from the buyer, which the writer keeps regardless of whether the buyer exercises the option. When the Fund writes a put or call option, an amount equal to the premium received is recorded as a liability and subsequently marked to market to reflect the current value of the option written. Premiums received from writing options which expire are treated as realized gains. The Fund, as a writer of an option, bears the market risk of an unfavorable change in the price of the underlying reference instrument. When the Fund purchases a put or call option, an amount equal to the premium paid is recorded as an increase to the cost of the investment and subsequently marked to market to reflect the current value of the option purchased. Premiums paid for purchasing options which expire are treated as realized losses. Premiums received/paid for writing/purchasing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying reference instrument to determine the realized gain or loss. The risk associated with purchasing put and call options is limited to the premium paid. Options can trade on securities or commodities exchanges. In this case, the exchange sets all the terms of the contract except for the price. Most exchanges require investors to maintain margin accounts through their brokers to cover their potential obligations to the exchange. This protects investors against potential defaults by the counterparty.

Purchased option contracts outstanding at period-end are listed in the Fund's Portfolio of Investments.

At June 30, 2024, the Fund had no outstanding written option contracts.

The average market value of purchased put and call options held by the Fund throughout the period was \$246,600 and \$20,400, respectively. This is based on amounts held as of each month-end throughout the six-month period.

Restricted Securities

The Fund may purchase securities which are considered restricted. Restricted securities are securities that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) are subject to contractual restrictions on public sales. In some cases, when a security cannot be offered for public sale without first being registered, the issuer of the restricted security has agreed to register such securities for resale, at the issuer's expense, either upon demand by the Fund or in connection with another registered offering of the securities. Many such restricted securities may be resold in the secondary market in transactions exempt from registration. Restricted securities may be determined to be liquid under criteria established by the Trustees. The Fund will not incur any registration costs upon such resales. The Fund's restricted securities, like other securities, are priced in accordance with procedures established by and under the general supervision of the Co-Advisers.

Additional Disclosure Related to Derivative Instruments

Fair Value of Derivative Instruments

	Assets		Liabilities	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Derivatives not accounted for as hedging instruments under ASC Topic 815				
Interest rate contracts		\$ —	Payable for variation margin on futures contracts	\$ (10,313)*
Equity contracts		—	Payable for variation margin on futures contracts	(269,604)*
Equity contracts	Purchased options, within Investment in securities, at value	401,850		—
Total derivatives not accounted for as hedging instruments under ASC Topic 815		\$401,850		\$(279,917)

* Includes cumulative net appreciation of futures contracts as reported in the footnotes to the Portfolio of Investments. Only the current day's variation margin is reported within the Statement of Assets and Liabilities.

The Effect of Derivative Instruments on the Statement of Operations for the Six Months Ended June 30, 2024

Amount of Realized Gain or (Loss) on Derivatives Recognized in Income

	Futures Contracts	Foreign Exchange Contracts	Purchased Options Contracts ¹	Total
Interest rate contracts	\$ (299,277)	\$ —	\$ —	\$ (299,277)
Equity contracts	9,792,969	—	(2,517,683)	7,275,286
Foreign exchange contracts	—	448	—	448
TOTAL	\$9,493,692	\$448	\$(2,517,683)	\$6,976,457

¹ The net realized loss on Purchased Options Contracts is found within the Net realized gain on investments on the Statement of Operations.

Change in Unrealized Appreciation or (Depreciation) on Derivatives Recognized in Income

	Futures Contracts	Purchased Options Contracts ¹	Total
Interest rate contracts	\$ 584,726	\$ —	\$ 584,726
Equity contracts	(1,663,245)	(408,977)	(2,072,222)
TOTAL	\$(1,078,519)	\$(408,977)	\$(1,487,496)

¹ The net change in unrealized depreciation of Purchased Options Contracts is found within the Net change in unrealized appreciation of investments on the Statement of Operations.

Other

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets, liabilities, expenses and revenues reported in the financial statements. Actual results could differ materially from those estimated. The Fund applies investment company accounting and reporting guidance.

3. SHARES OF BENEFICIAL INTEREST

The following tables summarize share activity:

	Six Months Ended 6/30/2024		Year Ended 12/31/2023	
	Shares	Amount	Shares	Amount
Primary Shares:				
Shares sold	313,166	\$ 2,910,799	427,564	\$ 3,625,602
Shares issued to shareholders in payment of distributions declared	436,802	4,066,627	388,995	3,205,320
Shares redeemed	(980,306)	(9,083,009)	(1,957,443)	(16,716,743)
NET CHANGE RESULTING FROM PRIMARY SHARE TRANSACTIONS	(230,338)	\$(2,105,583)	(1,140,884)	\$ (9,885,821)

	Six Months Ended 6/30/2024		Year Ended 12/31/2023	
	Shares	Amount	Shares	Amount
Service Shares:				
Shares sold	2,039	\$ 19,219	2,011	\$ 17,408
Shares issued to shareholders in payment of distributions declared	3,373	32,141	2,930	24,674
Shares redeemed	(32,635)	(309,387)	(15,657)	(135,511)
NET CHANGE RESULTING FROM SERVICE SHARE TRANSACTIONS	(27,223)	\$ (258,027)	(10,716)	\$ (93,429)
NET CHANGE RESULTING FROM TOTAL FUND SHARE TRANSACTIONS	(257,561)	\$(2,363,610)	(1,151,600)	\$ (9,979,250)

4. FEDERAL TAX INFORMATION

At June 30, 2024, the cost of investments for federal tax purposes was \$170,889,899. The net unrealized appreciation of investments for federal tax purposes was \$9,747,235. This consists of unrealized appreciation from investments for those securities having an excess of value over cost of \$19,420,610 and unrealized depreciation from investments for those securities having an excess of cost over value of \$9,673,375. The amounts presented are inclusive of derivative contracts.

As of December 31, 2023, the Fund had a capital loss carryforward of \$17,758,472 which will reduce the Fund's taxable income arising from future net realized gains on investments, if any, to the extent permitted by the Code, thereby reducing the amount of distributions to shareholders which would otherwise be necessary to relieve the Fund of any liability for federal income tax. Pursuant to the Code, these net capital losses retain their character as either short-term or long-term and do not expire.

The following schedule summarizes the Fund's capital loss carryforwards:

Short-Term	Long-Term	Total
\$5,409,679	\$12,348,793	\$17,758,472

5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Adviser Fee

The co-advisory agreement between the Fund and the Co-Advisers provides for an annual fee equal to 0.75% of the Fund's average daily net assets. Subject to the terms described in the Expense Limitation note, the Co-Advisers may voluntarily choose to waive any portion of their fee and/or reimburse certain operating expenses of the Fund for competitive reasons such as to maintain the Fund's expense ratio, or as and when appropriate, to maintain positive or zero net yields. For the six months ended June 30, 2024, the Co-Advisers voluntarily waived \$95,686 of their fee.

The Co-Advisers have agreed to reimburse the Fund for certain investment adviser fees as a result of transactions in other affiliated investment companies. For the six months ended June 30, 2024, the Co-Advisers reimbursed \$7,350.

Administrative Fee

Federated Administrative Services (FAS), under the Administrative Services Agreement, provides the Fund with administrative personnel and services. For purposes of determining the appropriate rate breakpoint, "Investment Complex" is defined as all of the Federated Hermes Funds subject to a fee under the Administrative Services Agreement. The fee paid to FAS is based on the average daily net assets of the Investment Complex as specified below:

Administrative Fee	Average Daily Net Assets of the Investment Complex
0.100%	on assets up to \$50 billion
0.075%	on assets over \$50 billion

In addition to the fees described above, the Fund agrees to pay FAS an annual Administrative Service Charge of \$125,000 for administrative and compliance services related to commodities Futures Trading Commission Rule 4.5. For the six months ended June 30, 2024, the annualized fee paid to FAS was 0.152% of average daily net assets of the Fund.

In addition, FAS may charge certain out-of-pocket expenses to the Fund.

Expense Limitation

The Co-Advisers and certain of their affiliates (which may include, FAS and FSC) on their own initiative have agreed to waive certain amounts of their respective fees and/or reimburse expenses. Total annual fund operating expenses (as shown in the financial highlights, excluding interest expense, proxy-related expenses and extraordinary expenses, if any) paid by the Fund's Primary Shares and Service Shares (after the voluntary waivers and/or reimbursements) will not exceed 0.95% and 1.20% (the "Fee Limit"), respectively, up to but not including the later of (the "Termination Date"): (a) May 1, 2025; or (b) the date of the Fund's next effective Prospectus. While the Co-Advisers and their applicable affiliates currently do not anticipate terminating or increasing these arrangements prior to the Termination Date, these arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Trustees.

Distribution Services Fee

The Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Act. Under the terms of the Plan, the Fund will compensate Federated Securities Corp. (FSC), the principal distributor, from the daily net assets of the Fund's Service Shares to finance activities intended to result in the sale of these shares. The Plan provides that the Fund may incur distribution expenses at 0.25% of average daily net assets, annually, to compensate FSC. For the six months ended June 30, 2024, distribution services fees for the Fund were as follows:

	Distribution Services Fees Incurred
Service Shares	\$1,930

When FSC receives fees, it may pay some or all of them to financial intermediaries whose customers purchase shares. For the six months ended June 30, 2024, FSC did not retain any fees paid by the Fund.

Directors'/Trustees' and Miscellaneous Fees

Certain Officers and Trustees of the Fund are Officers and Directors or Trustees of certain of the above companies. To efficiently facilitate payment, Independent Directors'/Trustees' fees and certain expenses related to conducting meetings of the Directors/Trustees and other miscellaneous expenses are paid by an affiliate of the Co-Advisers which in due course are reimbursed by the Fund. These expenses related to conducting meetings of the Directors/Trustees and other miscellaneous expenses may be included in Accrued and Miscellaneous Expenses on the Statement of Assets and Liabilities and Statement of Operations, respectively.

6. INVESTMENT TRANSACTIONS

Purchases and sales of investments, excluding long-term U.S. government securities and short-term obligations, for the six months ended June 30, 2024, were as follows:

Purchases	\$42,345,106
Sales	\$36,191,830

7. LINE OF CREDIT

The Fund participates with certain other Federated Hermes Funds, on a several basis, in an up to \$500,000,000 unsecured, 364-day, committed, revolving line of credit (LOC) agreement dated June 18, 2024. The LOC was made available to temporarily finance the repurchase or redemption of shares of the Fund, failed trades, payment of dividends, settlement of trades and for other short-term, temporary or emergency general business purposes. The Fund cannot borrow under the LOC if an inter-fund loan is outstanding. The Fund's ability to borrow under the LOC also is subject to the limitations of the Act and various conditions precedent that must be satisfied before the Fund can borrow. Loans under the LOC are charged interest at a fluctuating rate per annum equal to (a) the highest, on any day, of (i) the federal funds effective rate, (ii) the published secured overnight financing rate plus an assigned percentage, and (iii) 0.0%, plus (b) a margin. Any fund eligible to borrow under the LOC pays its pro rata share of a commitment fee based on the amount of the lenders' commitment that has not been utilized, quarterly in arrears and at maturity. As of June 30, 2024, the Fund had no outstanding loans. During the six months ended June 30, 2024, the Fund did not utilize the LOC.

8. INTERFUND LENDING

Pursuant to an Exemptive Order issued by the Securities and Exchange Commission, the Fund, along with other funds advised by subsidiaries of Federated Hermes, Inc., may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from other participating affiliated funds. As of June 30, 2024, there were no outstanding loans. During the six months ended June 30, 2024, the program was not utilized.

9. INDEMNIFICATIONS

Under the Fund's organizational documents, its Officers and Directors/Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund (other than liabilities arising out of their willful misfeasance, bad faith, gross negligence or reckless disregard of their duties to the Fund). In addition, in the normal course of business, the Fund provides certain indemnifications under arrangements with third parties. Typically, obligations to indemnify a third party arise in the context of an arrangement entered into by the Fund under which the Fund agrees to indemnify such third party for certain liabilities arising out of actions taken pursuant to

the arrangement, provided the third party's actions are not deemed to have breached an agreed-upon standard of care (such as willful misfeasance, bad faith, gross negligence or reckless disregard of their duties under the contract). The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet arisen. The Fund does not anticipate any material claims or losses pursuant to these arrangements at this time, and accordingly expects the risk of loss to be remote.

Evaluation and Approval of Advisory Contract – May 2024

FEDERATED HERMES MANAGED VOLATILITY FUND II (THE “FUND”)

At its meetings in May 2024 (the “May Meetings”), the Fund’s Board of Trustees (the “Board”), including those Trustees who are not “interested persons” of the Fund, as defined in the Investment Company Act of 1940 (the “Independent Trustees”), reviewed and unanimously approved the continuation of the investment advisory contract between the Fund and Federated Investment Management Company and Federated Equity Management Company of Pennsylvania (the “Adviser”), under which they will serve as co-advisers to the Fund (the “Co-Advisers”) (the “Contract”) for an additional one-year term. The Board noted the resignation of Federated Global Investment Management Corp., the Fund’s former co-adviser, effective April 30, 2023. The Board’s determination to approve the continuation of the Contract reflects the exercise of its business judgment after considering all of the information and factors believed to be relevant and appropriate on whether to approve the continuation of the existing arrangements. The information, factors and conclusions that formed the basis for the Board’s approval are summarized below.

Information Received and Review Process

At the request of the Independent Trustees, the Fund’s Chief Compliance Officer (the “CCO”) furnished to the Board in advance of its May Meetings an independent written evaluation of the Fund’s management fee (the “CCO Fee Evaluation Report”). The Board considered the CCO Fee Evaluation Report, along with other information, in evaluating the reasonableness of the Fund’s management fee and in determining to approve the continuation of the Contract.

In addition to the extensive materials that comprise and accompany the CCO Fee Evaluation Report, the Board considered information specifically prepared in connection with the approval of the continuation of the Contract that was presented at the May Meetings. In this regard, in the months preceding the May Meetings, the Board requested and reviewed written responses and supporting materials prepared by the Co-Advisers and their affiliates (collectively, “Federated Hermes”) in response to requests posed to Federated Hermes by independent legal counsel on behalf of the Independent Trustees encompassing a wide variety of topics, including those summarized below. The Board also considered such additional matters as the Independent Trustees deemed reasonably necessary to evaluate the Contract, which included detailed information about the Fund and Federated Hermes furnished to the Board at its meetings throughout the year and in between regularly scheduled meetings on particular matters as the need arose.

The Board’s consideration of the Contract included review of materials and information covering the following matters, among others: (1) copies of the Contracts; (2) the nature, quality and extent of the advisory and other services provided to the Fund by Federated Hermes; (3) Federated Hermes’ business and operations; (4) the Co-Advisers’ investment philosophy, personnel and processes; (5) the Fund’s investment objectives and strategies; (6) the Fund’s short-term and long-term performance - in absolute terms (both on a gross basis and net of expenses) and relative to an appropriate group of peer funds and its benchmark index; (7) the Fund’s fees and expenses, including the advisory fee and the overall expense structure of the Fund - in absolute terms and relative to an appropriate group of peer funds, with due regard for contractual or voluntary expense limitations (if any); (8) the financial condition of Federated Hermes; (9) the Co-Advisers’ profitability with respect to managing the Fund; (10) distribution and sales activity for the Fund; and (11) the use and allocation of brokerage commissions derived from trading the Fund’s portfolio securities (if any).

The Board also considered judicial decisions concerning allegedly excessive investment advisory fees charged to other registered funds in evaluating the Contract. Using these judicial decisions as a guide, the Board considered several factors it deemed relevant to an adviser’s fiduciary duty with respect to its receipt of compensation from a fund, including: (1) the nature and quality of the services provided by the adviser to the fund and its shareholders, including the performance of the fund, its benchmark and comparable funds; (2) the adviser’s cost of providing the services and the profitability to the adviser of providing advisory services to the fund; (3) the extent to which the adviser may realize “economies of scale” as the fund grows larger and, if such economies of scale exist, whether they have been appropriately shared with the fund and its shareholders or the family of funds; (4) any “fall-out” benefits that accrue to the adviser because of its relationship with the fund, including research services received from brokers that execute fund trades and any fees paid to affiliates of the adviser for services rendered to the fund; (5) comparative fees and expenses, including a comparison of management fees paid to the adviser with those paid by similar funds managed by the same adviser or other advisers as well as management fees charged to institutional and other advisory clients of the same adviser for what might be viewed as like services; and (6) the extent of care, conscientiousness and independence with which the fund’s board members perform their duties and their expertise, including whether they are fully informed about all facts the board deems relevant to its consideration of the adviser’s services and fees. The Board considered that the Securities and Exchange Commission (“SEC”) disclosure requirements regarding the basis for a fund board’s approval of the fund’s investment advisory contract generally align with the factors listed above. The Board was guided by these factors in its evaluation of the Contract to the extent it considered them to be appropriate and relevant, as discussed further below. Also, in weighing these factors, the Board considered the aggregate advisory fee paid by the Fund for the services of all Co-Advisers in addition to considering the

allocation of that aggregate fee among the Co-Advisers and the rationale for that allocation. The Board considered and weighed these factors in light of its substantial accumulated experience in governing the Fund and working with Federated Hermes on matters relating to the oversight of the other funds advised by Federated Hermes (each, a “Federated Hermes Fund” and, collectively, the “Federated Hermes Funds”).

In addition, the Board considered the preferences and expectations of Fund shareholders and the potential disruptions of the Fund’s operations and various risks, uncertainties and other effects that could occur as a result of a decision to terminate or not renew the Contract. In particular, the Board recognized that many shareholders likely have invested in the Fund based on the strength of Federated Hermes’ industry standing and reputation and with the expectation that Federated Hermes will have a continuing role in providing advisory services to the Fund. Thus, the Board observed that there are a range of investment options available to the Fund’s shareholders in the marketplace and such shareholders, having had the opportunity to consider other investment options, have effectively selected Federated Hermes by virtue of investing in the Fund.

In determining to approve the continuation of the Contracts, the members of the Board reviewed and evaluated information and factors they believed to be relevant and appropriate through the exercise of their reasonable business judgment. While individual members of the Board may have weighed certain factors differently, the Board’s determination to approve the continuation of the Contract was based on a comprehensive consideration of all information provided to the Board throughout the year and specifically with respect to the continuation of the Contract. The Board recognized that its evaluation process is evolutionary and that the factors considered and emphasis placed on relevant factors may change in recognition of changing circumstances in the registered fund marketplace. The Independent Trustees were assisted throughout the evaluation process by independent legal counsel. In connection with their deliberations at the May Meetings, the Independent Trustees met separately in executive session with their independent legal counsel and without management present to review the relevant materials and consider their responsibilities under applicable laws. In addition, senior management representatives of Federated Hermes also met with the Independent Trustees and their independent legal counsel to discuss the materials and presentations furnished to the Board at the May Meetings. The Board considered the approval of the Contract for the Fund as part of its consideration of agreements for funds across the family of Federated Hermes Funds, but its approvals were made on a fund-by-fund basis.

Nature, Extent and Quality of Services

The Board considered the nature, extent and quality of the services provided to the Fund by the Co-Advisers and the resources of Federated Hermes dedicated to the Fund. In this regard, the Board evaluated, among other things, the terms of the Contract and the full range of services provided to the Fund by Federated Hermes. In particular, the Board considered the services provided by the Co-Advisers in the aggregate, to the extent that the Co-Advisers collaborate in the implementation of the Fund’s strategy, as well as separately, to the extent to which specific services provided by a Co-Adviser are distinguishable and subject to meaningful assessment. The Board considered the Co-Advisers’ personnel, investment philosophy and process, investment research capabilities and resources, trade operations capabilities, experience and performance track record. The Board reviewed the qualifications, backgrounds and responsibilities of the portfolio management team primarily responsible for the day-to-day management of the Fund and evaluated Federated Hermes’ ability and experience in attracting and retaining qualified personnel to service the Fund. The Board considered the trading operations by the Co-Advisers, including the execution of portfolio transactions and the selection of brokers for those transactions. The Board also considered the Co-Advisers’ ability to deliver competitive investment performance for the Fund when compared to the Fund’s Performance Peer Group (as defined below), which was deemed by the Board to be a useful indicator of how the Co-Advisers are executing the Fund’s investment program.

In addition, the Board considered the financial resources and overall reputation of Federated Hermes and its willingness to consider and make investments in personnel, infrastructure, technology, cybersecurity, business continuity planning and operational enhancements that are designed to benefit the Federated Hermes Funds. The Board noted the benefits of the previous significant acquisition of Hermes Fund Managers Limited by Federated Hermes, which has deepened Federated Hermes’ investment management expertise and capabilities and expanded its access to analytical resources related to environmental, social and governance (“ESG”) factors and issuer engagement on ESG matters where appropriate. The Board considered Federated Hermes’ oversight of the securities lending program for the Federated Hermes Funds that engage in securities lending and noted the income earned by the Federated Hermes Funds that participate in such program. In addition, the Board considered the quality of Federated Hermes’ communications with the Board and responsiveness to Board inquiries and requests made from time to time with respect to the Federated Hermes Funds. The Board also considered that Federated Hermes is responsible for providing the Federated Hermes Funds’ officers.

The Board received and evaluated information regarding Federated Hermes’ regulatory and compliance environment. The Board considered Federated Hermes’ compliance program and compliance history and reports from the CCO about Federated Hermes’ compliance with applicable laws and regulations, including responses to regulatory developments and any compliance or other issues raised by regulatory agencies. The Board also noted Federated Hermes’ support of the

Federated Hermes Funds' compliance control structure and the compliance-related resources devoted by Federated Hermes in support of the Fund's obligations pursuant to Rule 38a-1 under the Investment Company Act of 1940, including Federated Hermes' commitment to respond to rulemaking and other regulatory initiatives of the SEC. The Board considered Federated Hermes' approach to internal audits and risk management with respect to the Federated Hermes Funds and its day-to-day oversight of the Federated Hermes Funds' compliance with their investment objectives and policies as well as with applicable laws and regulations, noting that regulatory and other developments had over time led, and continue to lead, to an increase in the scope of Federated Hermes' oversight in this regard.

In addition, the Board noted Federated Hermes' commitment to maintaining high quality systems and expending substantial resources to prepare for and respond to ongoing changes due to the market, regulatory and control environments in which the Fund and its service providers operate.

The Board considered Federated Hermes' efforts to provide shareholders in the Federated Hermes Funds with a comprehensive array of funds with different investment objectives, policies and strategies. The Board considered the expenses that Federated Hermes had incurred, as well as the entrepreneurial and other risks assumed by Federated Hermes, in sponsoring and providing on-going services to new funds to expand these opportunities for shareholders. The Board noted the benefits to shareholders of being part of the family of Federated Hermes Funds, which include the general right to exchange investments between the same class of shares without the incurrence of additional sales charges.

Based on these considerations, the Board concluded that it was satisfied with the nature, extent, and quality of the services provided by the Co-Advisers to the Fund.

Fund Investment Performance

The Board considered the investment performance of the Fund. In evaluating the Fund's investment performance, the Board considered performance results in light of the Fund's investment objective, strategies and risks. The Board considered detailed investment reports on, and the Co-Advisers' analysis of, the Fund's performance over different time periods that were provided to the Board throughout the year and in connection with the May Meetings. These reports included, among other items, information on the Fund's gross and net returns, the Fund's investment performance compared to one or more relevant categories or groups of peer funds and the Fund's benchmark index, performance attribution information and commentary on the effect of market conditions. The Board considered that, in its evaluation of investment performance at meetings throughout the year, it focused particular attention on information indicating less favorable performance of certain Federated Hermes Funds for specific time periods and discussed with Federated Hermes the reasons for such performance as well as any specific actions Federated Hermes had taken, or had agreed to take, to seek to enhance Fund investment performance and the results of those actions.

The Board also reviewed comparative information regarding the performance of other registered funds in the category of peer funds selected by Morningstar, Inc. (the "Morningstar"), an independent fund ranking organization (the "Performance Peer Group"). The Board noted the CCO's view that comparisons to fund peer groups may be helpful, though not conclusive, in evaluating the performance of the Co-Advisers in managing the Fund. The Board considered the CCO's view that, in evaluating such comparisons, in some cases there may be differences in the funds' objectives or investment management techniques, or the costs to implement the funds, even within the same Performance Peer Group. In this connection, the Board considered that the longevity and experience of the Fund's portfolio management team and their extensive bottom-up approach to investing may limit the utility of comparisons to other equity mutual funds.

The Board also considered comparative performance data from Lipper, Inc. that was included in reports provided to the Board throughout the year. The Board noted that differences may exist between the Performance Peer Group and Lipper peers and that the results of these performance comparisons may vary.

For the periods ended December 31, 2023, the Fund's performance fell below the Performance Peer Group median for the one-year period, and was above the Performance Peer Group median for the three-year and five-year periods. The Board discussed the Fund's performance with the Co-Advisers, including the reasons for and any plans to seek to improve the Fund's performance, and recognized the efforts being taken by the Co-Advisers in the context of other factors considered relevant by the Board.

Based on these considerations, the Board concluded that it had continued confidence in the Co-Advisers' overall capabilities to manage the Fund.

Fund Expenses

The Board considered the advisory fee and overall expense structure of the Fund and the comparative fee and expense information that had been provided in connection with the May Meetings. In this regard, the Board was presented with, and considered, information regarding the contractual advisory fee rates, total expense ratios and each element of the Fund's total expense ratio (i.e., gross and net advisory fees, administrative fees, custody fees, portfolio accounting fees and transfer agency fees) relative to an appropriate group of peer funds compiled by Federated Hermes from the overall

category of peer funds selected by Morningstar (the “Expense Peer Group”). The Board received a description of the methodology used to select the Expense Peer Group from the overall Morningstar category. The Board also reviewed comparative information regarding the fees and expenses of the broader group of funds in the overall Morningstar category.

While mindful that courts have cautioned against giving too much weight to comparative information concerning fees charged to funds by other advisers, the use of comparisons between the Fund and its Expense Peer Group assisted the Board in its evaluation of the Fund’s fees and expenses. The Board focused on comparisons with other registered funds more heavily than non-registered fund products or services because such comparisons are believed to be more relevant. The Board considered that other registered funds are the products most like the Fund, in that they are readily available to Fund shareholders as alternative investment vehicles, and they are the type of investment vehicle, in fact, chosen and maintained by the Fund’s shareholders. The Board noted that the range of such other registered funds’ fees and expenses, therefore, appears to be a relevant indicator of what investors have found to be reasonable in the marketplace in which the Fund competes.

The Board reviewed the contractual advisory fee rate, net advisory fee rate and other expenses of the Fund and noted the position of the Fund’s contractual advisory fee rate and other expenses relative to its Expense Peer Group. In this regard, the Board noted that the contractual advisory fee rate was below the median of the Expense Peer Group, and the Board was satisfied that the overall expense structure of the Fund remained competitive.

The Board also received and considered information about the nature and extent of services offered and fees charged by Federated Hermes to other types of clients with investment strategies similar to those of the Federated Hermes Funds, including non-registered fund clients (such as institutional separate accounts) and third-party unaffiliated registered funds for which any of the Co-Advisers or their affiliates serve as sub-adviser. The Board noted the CCO’s conclusion that non-registered fund clients are inherently different products due to the following differences, among others: (i) different types of targeted investors; (ii) different applicable laws and regulations; (iii) different legal structures; (iv) different average account sizes and portfolio management techniques made necessary by different cash flows and different associated costs; (v) the time spent by portfolio managers and their teams (among other personnel across various departments, including legal, compliance and risk management) in reviewing securities pricing; (vi) different SEC mandated risk management programs with respect to fund liquidity and use of derivatives; (vii) different administrative responsibilities; (ix) different degrees of risk associated with management; and (viii) a variety of different costs. The Board also considered information regarding the differences in the nature of the services required for Federated Hermes to manage its proprietary registered fund business versus managing a discrete pool of assets as a sub-adviser to another institution’s registered fund, noting the CCO’s view that Federated Hermes generally performs significant additional services and assumes substantially greater risks in managing the Fund and other Federated Hermes Funds than in its role as sub-adviser to an unaffiliated third-party registered fund. The Board noted that the CCO did not consider the fees for providing advisory services to other types of clients to be determinative in judging the appropriateness of the Federated Hermes Funds’ advisory fees.

In the case of the Fund, the Board noted that Federated Hermes does not manage any other types of clients that are comparable to the Fund.

Based on these considerations, the Board concluded that the fees and total operating expenses of the Fund, in conjunction with other matters considered, are reasonable in light of the services provided.

Profitability

The Board received and considered profitability information furnished by Federated Hermes. Such profitability information included revenues reported on a fund-by-fund basis and estimates of the allocation of expenses made on a fund-by-fund basis, using allocation methodologies specified by the CCO and described to the Board. The Board considered the CCO’s view that, while these cost allocation reports apply consistent allocation processes, the inherent difficulties in allocating costs on a fund-by-fund basis continues to cause the CCO to question the precision of the process and to conclude that such reports may be unreliable because a single change in an allocation estimate may dramatically alter the resulting estimate of cost and/or profitability of a Federated Hermes Fund and may produce unintended consequences. In addition, the Board considered the CCO’s view that the allocation methodologies used by Federated Hermes in estimating profitability for purposes of reporting to the Board in connection with the continuation of the Contract are consistent with the methodologies previously reviewed by an independent consultant. The Board noted that the independent consultant had previously conducted a review of the allocation methodologies and reported to the Board that, although there is no single best method to allocate expenses, the methodologies used by Federated Hermes are reasonable. The Board considered the CCO’s view that the estimated profitability to the Co-Advisers from their relationships with the Fund was not unreasonable in relation to the services provided.

The Board considered that the Contract provides for payment of a single advisory fee by the Fund for all services provided by the Co-Advisers. The Board further considered that the Contract permits the Co-Advisers to allocate the advisory fee in a manner commensurate with the services they provide to the Fund. Throughout the year, as well as in connection with its May Meetings, the Board considered the fee allocation and the Co-Advisers' analysis as to whether the allocation of fees among the Co-Advisers continued to be a reasonable proxy for and measurement of the level of resources and services provided by each Co-Adviser toward the management of the Fund. The Board noted the reallocation of the advisory fee among the remaining Co-Advisers in connection with the resignation of Federated Global Investment Management Corp., the Fund's former co-adviser, effective April 30, 2023.

The Board also reviewed information compiled by Federated Hermes comparing its profitability information to other publicly-held fund management companies, including information regarding profitability trends over time. The Board recognized that profitability comparisons among fund management companies are difficult because of the variation in the type of comparative information that is publicly available, and the profitability of any fund management company is affected by numerous factors. The Board considered the CCO's conclusion that, based on such profitability information, Federated Hermes' profit margins did not appear to be excessive. The Board also considered the CCO's view that Federated Hermes appeared financially sound, with the resources necessary to fulfill its obligations under its contracts with the Federated Hermes Funds.

Economies of Scale

The Board received and considered information about the notion of possible realization of "economies of scale" as a fund grows larger, the difficulties of isolating and quantifying economies of scale at an individual fund level, and the extent to which potential scale benefits are shared with shareholders. In this regard, the Board considered that Federated Hermes has made significant and long-term investments in areas that support all of the Federated Hermes Funds, such as: portfolio management, investment research and trading operations; shareholder services; compliance; business continuity, cybersecurity and information security programs; internal audit and risk management functions; and technology, systems capabilities and use of data. The Board noted that Federated Hermes' investments in these areas are extensive and are designed to provide enhanced or expanded services to the Federated Hermes Funds and their shareholders. The Board considered that the benefits of these investments are likely to be shared with the family of Federated Hermes Funds as a whole. In addition, the Board considered that fee waivers and expense reimbursements are another means for potential economies of scale to be shared with shareholders and can provide protection from an increase in expenses if a Federated Hermes Fund's assets decline. The Board considered that, in order for the Federated Hermes Funds to remain competitive in the marketplace, Federated Hermes has frequently waived fees and/or reimbursed expenses for the Federated Hermes Funds and has disclosed to shareholders and/or reported to the Board its intention to do so (or continue to do so) in the future. The Board also considered that Federated Hermes Funds has been active in managing expenses of the Federated Hermes in recent years, which has resulted in benefits being realized by shareholders.

The Board also received and considered information on adviser-paid fees (commonly referred to as "revenue sharing" payments) that was provided to the Board throughout the year and in connection with the May Meetings. The Board considered that Federated Hermes and the CCO believe that this information is relevant to considering whether Federated Hermes had an incentive to either not apply breakpoints, or to apply breakpoints, at higher levels, but should not be considered when evaluating the reasonableness of advisory fees. The Board also noted the absence of any applicable regulatory or industry guidelines on economies of scale, which is compounded by the lack of any uniform methodology or pattern with respect to structuring fund advisory fees with breakpoints that serve to reduce the fees as a fund attains a certain size.

Other Benefits

The Board considered information regarding the compensation and other ancillary (or "fall-out") benefits that Federated Hermes derived from its relationships with the Federated Hermes Funds. The Board noted that, in addition to receiving advisory fees under the Federated Hermes Funds' investment advisory contracts, Federated Hermes' affiliates also receive fees for providing other services to the Federated Hermes Funds under separate service contracts including for serving as the Federated Hermes Funds' administrator and distributor. In this regard, the Board considered that Federated Hermes' affiliates provide distribution and shareholder services to the Federated Hermes Funds, for which they may be compensated through distribution and servicing fees paid pursuant to Rule 12b-1 plans or otherwise. The Board also received and considered information detailing the benefits, if any, that Federated Hermes may derive from its receipt of research services from brokers who execute portfolio trades for the Federated Hermes Funds.

Conclusions

The Board considered: (i) the CCO's conclusion that his observations and the information accompanying the CCO Fee Evaluation Report show that the management fee for the Fund is reasonable; and (ii) the CCO's recommendation that the Board approve the management fee. The Board noted that, under these circumstances, no changes were recommended to, and no objection was raised to the continuation of, the Contract by the CCO. The CCO also recognized that the Board's evaluation of the Federated Hermes Funds' advisory and sub-advisory arrangements is a continuing and ongoing process that is informed by the information that the Board requests and receives from management throughout the course of the year and, in this regard, the CCO noted certain items, and management has committed to reviewing certain items, for future reporting to the Board as the Board continues its ongoing oversight of the Federated Hermes Funds.

On the basis of the information and factors summarized above, among other information and factors deemed relevant by the Board, and the evaluation thereof, the Board, including the Independent Trustees, unanimously voted to approve the continuation of the Contract. The Board based its determination to approve the Contract on the totality of the circumstances and relevant factors and with a view of past and future long-term considerations. Not all of the factors and considerations identified above were necessarily deemed to be relevant to the Fund, nor did the Board consider any one of them to be determinative.

Variable investment options are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in variable investment options involves investment risk, including the possible loss of principal.

This information is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's Prospectus, which contains facts concerning its objective and policies, management fees, expenses and other information.

IMPORTANT NOTICE ABOUT FUND DOCUMENT DELIVERY

In an effort to reduce costs and avoid duplicate mailings, the Fund(s) intend to deliver a single copy of certain documents to each household in which more than one shareholder of the Fund(s) resides (so-called "householding"), as permitted by applicable rules. The Fund's "householding" program covers its/their Prospectus and Statement of Additional Information, and supplements to each, as well as Semi-Annual and Annual Shareholder Reports and any Proxies or information statements. Shareholders must give their written consent to participate in the "householding" program. The Fund is also permitted to treat a shareholder as having given consent ("implied consent") if (i) shareholders with the same last name, or believed to be members of the same family, reside at the same street address or receive mail at the same post office box, (ii) the Fund gives notice of its intent to "household" at least sixty (60) days before it begins "householding" and (iii) none of the shareholders in the household have notified the Fund(s) or their agent of the desire to "opt out" of "householding." Shareholders who have granted written consent, or have been deemed to have granted implied consent, can revoke that consent and opt out of "householding" at any time: shareholders who purchased shares through an intermediary should contact their representative; other shareholders may call the Fund at 1-800-341-7400, Option #4.



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