

Federated Hermes MDT Large Cap Growth Fund

12/31/24

Fund facts

Performance inception date

9/15/05

Benchmark

Russell 1000[®] Growth Index

Morningstar category

Large Growth

Lipper classification

Multi-Cap Growth Funds

Fund assets

\$2.1 billion

Ticker symbols

R6 Shares - QRLGX

Institutional Shares - QILGX

A Shares - QALGX

C Shares - QCLGX

Key investment team

Daniel Mahr, CFA

Damien Zhang, CFA

Frederick Konopka, CFA

John Paul Lewicke

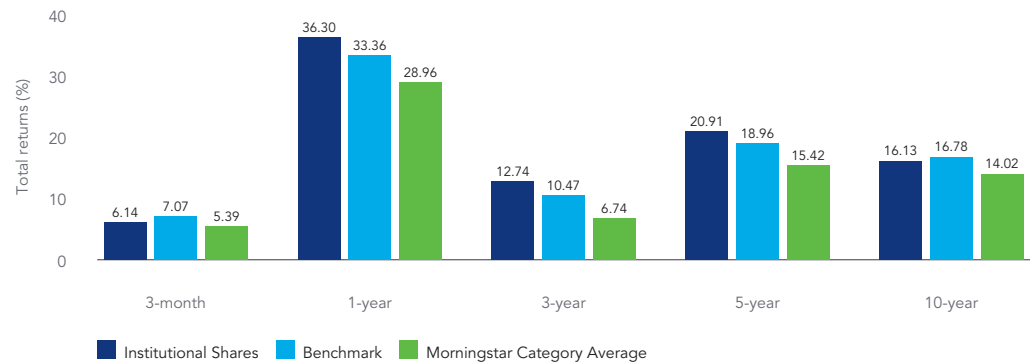
Fund description

The fund pursues capital appreciation by investing in a diversified portfolio of US large-cap companies from the Russell 1000[®] Growth Index. Through a bottom-up, systematic approach, it seeks to remove subjective and emotional influences from the stock selection process.

Average annual total returns (%)

Performance shown is before tax.

	3-month	YTD	1-year	3-year	5-year	10-year	Since inception	Expense ratio*	
								Before waivers	After waivers
R6 Shares	6.11	36.26	36.26	12.73	20.91	16.13	12.00	0.87	0.72
Institutional Shares	6.14	36.30	36.30	12.74	20.91	16.13	12.00	0.89	0.75
A Shares (NAV)	6.08	35.94	35.94	12.46	20.60	15.83	11.71	1.13	1.00
A Shares (MOP)	0.25	28.48	28.48	10.36	19.25	15.18	11.39	1.13	1.00
Benchmark	7.07	33.36	33.36	10.47	18.96	16.78	–	–	–



Calendar year total returns (%)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Institutional Shares	36.30	39.62	-24.69	30.38	38.32	32.01	1.74	25.32	6.59	-3.80
Benchmark	33.36	42.68	-29.14	27.60	38.49	36.39	-1.51	30.21	7.08	5.67
Morningstar Category Average	28.96	36.74	-29.91	20.45	35.86	31.90	-2.09	27.67	3.23	3.60

Performance quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, and for after-tax returns, contact us or visit FederatedHermes.com/us. Maximum offering price figures reflect the maximum sales charge of 5.5% for A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund. Total returns for periods of less than one year are cumulative.

* The fund's expense ratio is from the most recent prospectus. The expense ratio may reflect voluntary fee waivers and/or expense reimbursements determined by the fund's Advisor and its affiliates. The voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 10/1/25 or the date of the fund's next effective prospectus.

Investment process

Alpha forecasting

Utilizes a combination of fundamental and technical factors to predict each stock's potential performance relative to the benchmark based on each company's characteristics.

Portfolio construction

Incorporates multiple benchmark-relative risk controls in an attempt to maximize excess return, net of trading costs.

Trading review

Proposed trades are reviewed daily to help ensure they reflect accurate, up-to-date information.

Ongoing research

Continuous research is conducted to look for opportunities that can strengthen the investment process and ensure strategies remain robust.



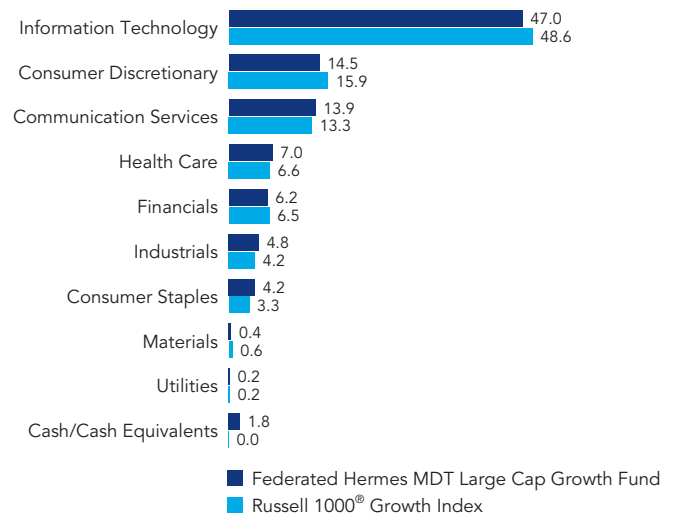
Portfolio statistics

Weighted median P/E (LTM)	41.2x
Weighted median P/E (NTM)	31.2x
Weighted median market cap	\$381.0 b
Weighted median price/book	16.3x
Number of securities	99

Top holdings (%)

Microsoft Corp.	7.4
NVIDIA Corporation	7.4
Apple Inc.	7.3
Alphabet Inc.	5.0
Amazon.com, Inc.	4.9
Meta Platforms, Inc.	3.9
Tesla, Inc.	3.5
Qualcomm, Inc.	3.1
Arista Networks, Inc.	2.6
Costco Wholesale Corporation	2.6
Total % of portfolio	47.7

Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 12/31/24 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes. Because this is a managed portfolio, the investment mix will change.

Highlights

- Growth stocks outperformed value stocks in the Russell 1000 Index this quarter
- An overweight to companies with positive analyst conviction and high structural earnings contributed the most to underperformance
- The fund ended the quarter roughly sector-neutral to benchmark

Looking back

US equities closed out 2024 in fine fashion as the S&P 500 delivered its fifth consecutive quarter of positive total returns, leaving the index with its best two-year return since the late 1990s. Equities moved higher in November after the US Presidential election; the broad-based rally was led by smaller cap stocks. However, US stocks cooled in December after the US Federal Reserve signaled a smaller number of interest rate cuts in 2025 than previously expected by the market. Consumer discretionary, communication services, financials, and information technology stocks led returns for the quarter, while materials, health care and real estate stocks were the notable laggards. Higher beta, larger cap, growth-oriented equity segments outperformed. The broad market Russell 3000 Index returned 2.63% for the fourth quarter. The mega-cap Russell Top 200 Index (+3.35%) outpaced the Russell Midcap Index (0.62%) and the small-cap Russell 2000 Index (+0.33%). The Russell 3000 Growth Index (+6.82%) handily beat the Russell 3000 Value Index (-1.94%).

Performance

Federated Hermes MDT Large Cap Growth Fund (Institutional Shares) returned 6.14% in the fourth quarter of 2024, underperforming the 7.07% return of its benchmark, the Russell 1000 Growth Index.

Performance contributors

- Strong stock selection among companies with positive analyst conviction and low structural earnings
- Favorable stock selection in the Communication Services sector
- Strong performers overweighted by the fund: AppLovin Corp. (Class A) and GoDaddy, Inc. (Class A)
- Weak performer underweighted by the fund: Microsoft Corporation

Performance detractors

- An overweight to companies with positive analyst conviction and high structural earnings
- Unfavorable stock selection in the Consumer Discretionary sector
- Weak performers overweighted by the fund: Qualcomm Incorporated and Veralto Corporation
- Strong performer underweighted by the fund: Broadcom Inc.

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How we are positioned

The fund ended the fourth quarter roughly sector-neutral to the benchmark, as intended by our multi-layered risk management. Within the sectors, there was an overweight position in the software & services industry and underweight positions in the semiconductors & semiconductor equipment industry and the consumer discretionary distribution & retail industry.

See *disclosure section for important disclosures and definitions.*

Risk statistics

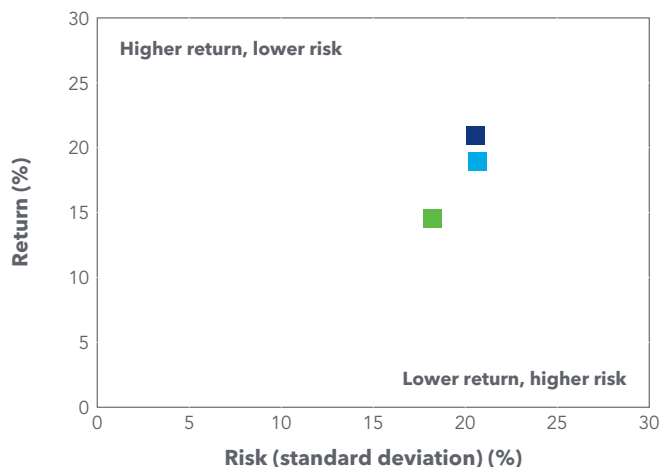
	3-year	5-year	7-year	10-year
Standard deviation	20.45	20.58	19.45	17.39
Alpha	2.19	1.89	1.30	-0.42
Beta	0.98	0.98	0.99	0.99
Correlation	0.98	0.99	0.99	0.98
R²	96.91	97.70	97.52	96.40
Up capture ratio	101.01	101.85	100.79	97.88
Down capture ratio	93.43	95.87	95.70	99.35
Sharpe ratio	0.40	0.87	0.85	0.68
Tracking error	3.59	3.13	3.06	3.29

Sources: Federated Hermes, Morningstar, Inc.

Fund vs. Russell 1000[®] Growth Index

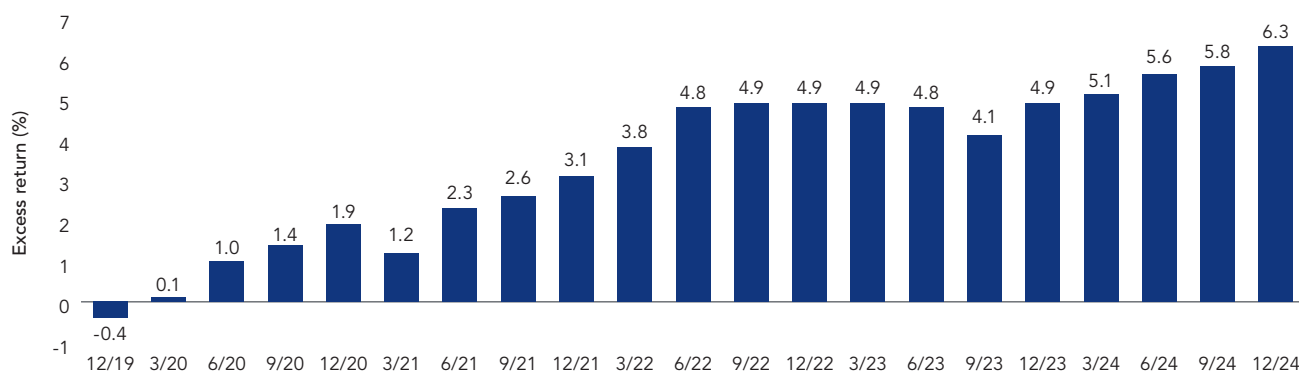
See disclosure section for important definitions.

5-year risk/return



	Risk (%)	Return (%)
■ Federated Hermes MDT Large Cap Growth Fund (IS)	20.58	20.91
■ Russell 1000 [®] Growth Index	20.67	18.96
■ S&P 500 [®]	18.21	14.53

5-year rolling excess performance vs. Morningstar Large Cap Growth Category Average

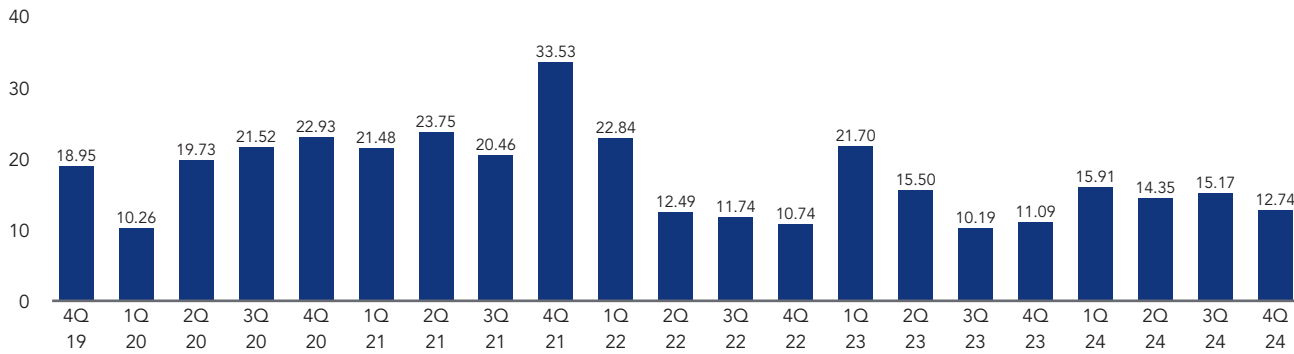


Source: Morningstar, Inc. Performance represents 5-year periods (3-month shift).

Returns are for Institutional Shares. Other classes of shares are available whose performance will vary due to different charges and expenses.

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3-year rolling returns - IS (%)



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Category rankings

Morningstar Large Growth Category		1-year	3-year	5-year	10-year
IS Shares	Morningstar Category % Rank	13	1	4	14
	Morningstar Category Rank	143 of 1,088 funds	6 of 1,020 funds	19 of 952 funds	82 of 748 funds
A Shares	Morningstar Category % Rank	15	1	4	17
	Morningstar Category Rank	157 of 1,088 funds	8 of 1,020 funds	24 of 952 funds	102 of 748 funds
R6 Shares	Morningstar Category % Rank	–	–	–	–
	Morningstar Category Rank	–	–	–	–

Lipper Multi-Cap Growth Funds		1-year	3-year	5-year	10-year
IS Shares	Lipper Classification % Rank	22	2	3	9
	Lipper Classification Rank	77 of 349 funds	5 of 329 funds	8 of 298 funds	19 of 228 funds
A Shares	Lipper Classification % Rank	24	2	4	12
	Lipper Classification Rank	81 of 349 funds	6 of 329 funds	11 of 298 funds	27 of 228 funds
R6 Shares	Lipper Classification % Rank	–	–	–	–
	Lipper Classification Rank	–	–	–	–

Past performance is no guarantee of future results. Rankings are based on total return and do not take sales charges into account.

Federated Hermes MDT Large Cap Growth Fund

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. To obtain a summary prospectus or a prospectus containing this and other information, contact us or visit [FederatedHermes.com/us](https://www.federatedhermes.com/us). Please carefully read the summary prospectus or the prospectus before investing.

The fund is the successor to MDT Large Cap Growth Fund pursuant to a reorganization that took place on December 8, 2006. Prior to that date, the fund had no investment operations. Accordingly, the performance information shown for periods prior to that date is that of MDT Large Cap Growth Fund.

The fund's R6 Shares commenced operations on May 29, 2024. For the periods prior to the commencement of operations of the R6 Shares, the performance information shown is for the Institutional Shares. The performance of the Institutional Shares has not been adjusted to reflect the expenses applicable to the R6 Shares since the R6 Shares have a lower expense ratio than the expense ratio of the Institutional Shares.

A word about risk

Mutual funds are subject to risks and fluctuate in value.

The quantitative models and analysis used by the fund's adviser may perform differently than expected and negatively affect fund performance.

Diversification does not assure a profit nor protect against a loss.

The value of equity securities in the fund's portfolio will fluctuate and, as a result, the fund's share price may decline. Equity securities may decline in value because of an increase in interest rates or changes in the stock market.

Because the fund may allocate relatively more assets to certain industry sectors than others, the fund's performance may be more susceptible to any developments which affect those sectors emphasized by the fund.

Large-cap companies may have fewer opportunities to expand the market for their products or services, may focus their competitive efforts on maintaining or expanding their market share, and may be less capable of responding quickly to competitive challenges. The above factors could result in the share price of large-cap companies lagging the overall stock market or growth in the general economy, and, as a result, could have a negative effect on the fund's portfolio, performance and share price.

Growth stocks tend to have higher valuations and thus are typically more volatile than value stocks. Growth stocks also may not pay dividends or may pay lower dividends than value stocks.

Definitions

Alpha shows how much or how little return is generated, given the risk a portfolio takes. A portfolio with an alpha greater than 0 has earned more than expected given its beta—meaning the portfolio has generated excess return without increasing risk. A portfolio with a negative alpha is producing a lower return than would be expected given its risk.

Beta measures a portfolio's volatility relative to the market. A beta greater than 1.00 suggests the portfolio has historically been more volatile than the market as measured by the fund's benchmark. A beta less than 1.00 suggests the portfolio has historically had less volatility relative to the market.

Correlation is the degree to which one variable (here, the fund's returns) fluctuates relative to another (the returns of the fund's benchmark). Correlation ranges from 1.00, when two variables move identically in the same direction, to -1.00, when two variables move identically in the opposite direction.

R-squared indicates what percentage of a portfolio's movement in performance is explained by movement in performance of the market. R-squared ranges from 0 to 100, and a score of 100 suggests that all movements of a portfolio's performance are completely explained by movements in the market as measured by the fund's benchmark.

Sharpe ratio is calculated by dividing a fund's annualized excess return by the fund's annualized standard deviation. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

Standard deviation is a historical measure of the variability of returns relative to the average annual return. A higher number indicates higher overall volatility.

Tracking error is the difference between a portfolio's returns and the benchmark or index it was meant to mimic or beat.

Up capture ratio/down capture ratio is a measure of how well a manager was able to replicate or improve on periods of positive benchmark returns and how badly the manager was affected by periods of negative benchmark returns. The up-market capture ratio is a measure of a manager's performance in up markets relative to the index during the same period. For example, a ratio value of 115 indicates that the manager has outperformed the market index by 15% in periods when the index has risen. The down-market capture ratio is the direct opposite of the up-market capture ratio, gauging performance of the manager relative to the index in down markets. A ratio value of 80 would indicate the manager had declined on 80% as much as the declining overall market, indicating relative outperformance.

Weighted median P/E (LTM—latest 12 months) is a ratio comparing share price to earnings per share using data from the previous 12 months.

Weighted median P/E (NTM—next 12 months) is a ratio comparing share price to earnings-per-share using estimated data for the next 12 months.

Weighted median market cap is the calculation representing the median market capitalization of the stocks in the portfolio, weighted by the amount of each stock.

Weighted median price/book is a ratio comparing share price to book value or assets minus liabilities.

Russell 1000® Growth Index measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

S&P 500® is an unmanaged capitalization-weighted index of 500 stocks designated to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Indexes are unmanaged and cannot be invested in directly.

Ratings and rating agencies

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