

Federated Hermes MDT Mid Cap Growth Fund

3/31/24

Fund facts

Performance inception date

R6 Shares	8/23/84
Institutional Shares	8/23/84
A Shares	8/23/84
C Shares	8/16/95

Benchmark

Russell Midcap[®] Growth Index

Morningstar category

Mid-Cap Growth

Lipper classification

Mid-Cap Growth Funds

Fund assets

\$1.1 billion

Ticker symbols

R6 Shares - FGSKX

Institutional Shares - FGSIX

A Shares - FGSAX

C Shares - FGSCX

Key investment team

Daniel Mahr, CFA

Frederick Konopka, CFA

John Paul Lewicke

Damien Zhang, CFA

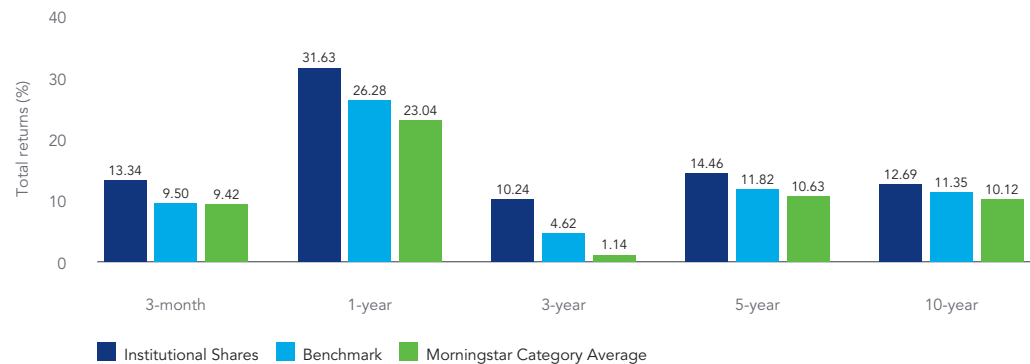
Fund description

The fund pursues capital appreciation by investing in a diversified portfolio of U.S. mid-cap companies from the Russell Midcap[®] 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	13.32	13.32	31.65	10.25	14.47	12.49	10.86	0.94	0.84
Institutional Shares	13.34	13.34	31.63	10.24	14.46	12.69	11.46	1.03	0.85
A Shares (NAV)	13.26	13.26	31.23	9.92	14.13	12.38	11.38	1.24	1.15
A Shares (MOP)	7.03	7.03	24.01	7.87	12.85	11.75	11.22	1.24	1.15
Benchmark	9.50	9.50	26.28	4.62	11.82	11.35	–	–	–



Calendar year total returns (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Institutional Shares	27.44	-24.36	22.90	35.77	28.34	-3.03	24.74	10.21	-4.70	13.93
Benchmark	25.87	-26.72	12.73	35.59	35.47	-4.75	25.27	7.33	-0.20	11.90
Morningstar Category Average	21.37	-27.79	13.05	39.26	32.52	-6.65	23.91	6.03	-0.95	7.00

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 1/1/25 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.



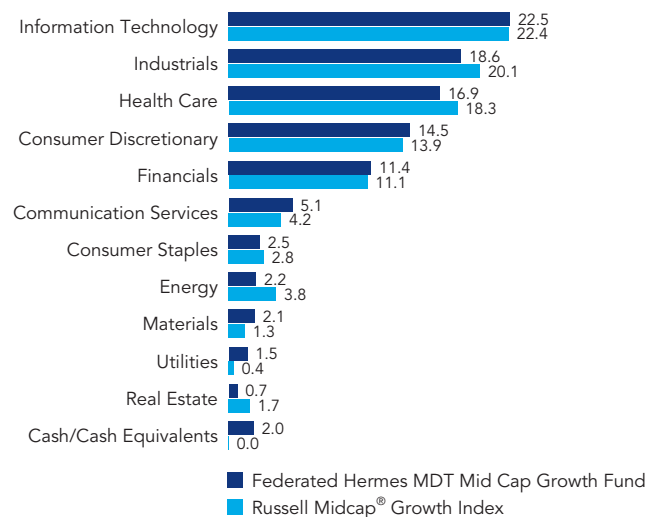
Portfolio statistics

Weighted median P/E (LTM)	29.6x
Weighted median P/E (NTM)	25.3x
Weighted median market cap	\$25.1 b
Weighted median price/book	9.9x
Number of securities	125

Top holdings (%)

Ameriprise Financial, Inc.	3.4
CrowdStrike Holdings, Inc.	3.4
Spotify Technology S.A.	2.9
Wingstop, Inc.	2.8
DoorDash Inc.	2.5
GoDaddy, Inc.	2.5
Nutanix, Inc. - A	2.4
Allison Transmission Holdings, Inc.	2.0
Verisk Analytics, Inc.	2.0
Paychex, Inc.	1.9
Total % of portfolio	25.8

Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 3/31/24 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

- Mid cap growth stocks outperformed mid cap value stocks
- Favorable stock selection among stocks with positive analyst conviction and favorable structural earnings contributed the most to outperformance
- Fund ended the quarter roughly sector-neutral to benchmark

Looking back

U.S. equities continued to surge higher to start 2024, with the S&P 500 delivering its strongest first quarter return since 2019. Positive economic data, including a persistently strong labor market, helped market sentiment – even though the number of expected interest rate cuts in 2024 was recalibrated lower. Healthy corporate earnings also helped share prices for the period. U.S. equity returns have been periodically driven by a narrow set of large cap tech stocks over the recent years, though the market rally was broader-based in the first quarter. Nonetheless, momentum was the dominant U.S. equity theme to start 2024. The broad market Russell 3000 Index rose 10.02% for the period, led by larger-cap, growth-oriented segments. The mega-cap Russell Top 200 returned 10.84%, outpacing the Russell MidCap (+8.60%) and small-cap Russell 2000 (+5.18%). The Russell 3000 Growth Index (+11.23%) outperformed the Russell 3000 Value Index (+8.62%) during the quarter.

Performance

Federated Hermes MDT Mid Cap Growth Fund (IS Shares) returned 13.34% in the first quarter of 2024, outperforming the 9.50% return of its benchmark, the Russell MidCap Growth Index.

Performance contributors

- Favorable stock selection among stocks with positive analyst conviction and favorable structural earnings
- Favorable stock selection in the Information Technology, Consumer Discretionary and Industrials sectors
- Strong performers overweighted by the fund: Vistra Corp., Wingstop Inc. and Allison Transmission Holdings, Inc.

Performance detractors

- Underweight to stocks with weak structural earnings, positive cash flow and high relative price trend
- Unfavorable stock selection in the Materials sector
- Weak performer overweighted by the fund: Zscaler, Inc.
- Strong performer underweighted by the fund: Palantir Technologies Inc. (Class A)

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How we are positioned

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

See disclosure section for important disclosures and definitions.

Risk statistics

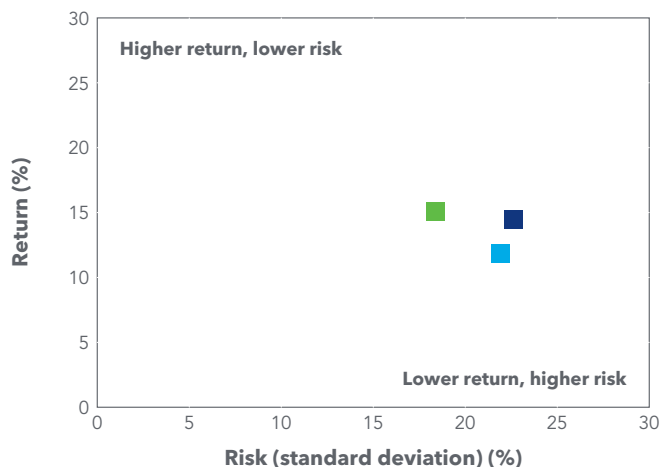
	3-year	5-year	7-year	10-year
Standard deviation	22.52	22.64	21.02	18.87
Alpha	5.36	2.33	1.55	1.14
Beta	1.02	1.02	1.02	1.02
Correlation	0.98	0.98	0.98	0.98
R²	96.36	96.85	96.50	95.09
Up capture ratio	110.23	104.90	103.68	103.27
Down capture ratio	93.11	97.35	97.76	98.57
Sharpe ratio	0.31	0.53	0.59	0.59
Tracking error	4.29	4.03	3.96	4.19

Sources: Federated Hermes, Morningstar, Inc.

Fund vs. Russell Midcap[®] Growth Index

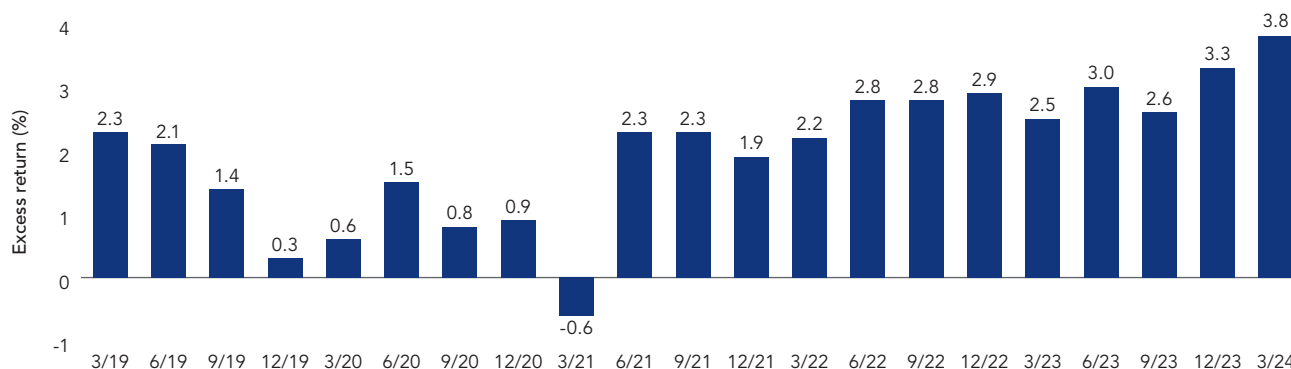
See disclosure section for important definitions.

5-year risk/return



	Risk (%)	Return (%)
■ Federated Hermes MDT Mid Cap Growth Fund (IS)	22.64	14.46
■ Russell Midcap [®] Growth Index	21.91	11.82
■ S&P 500 [®] Index	18.37	15.05

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

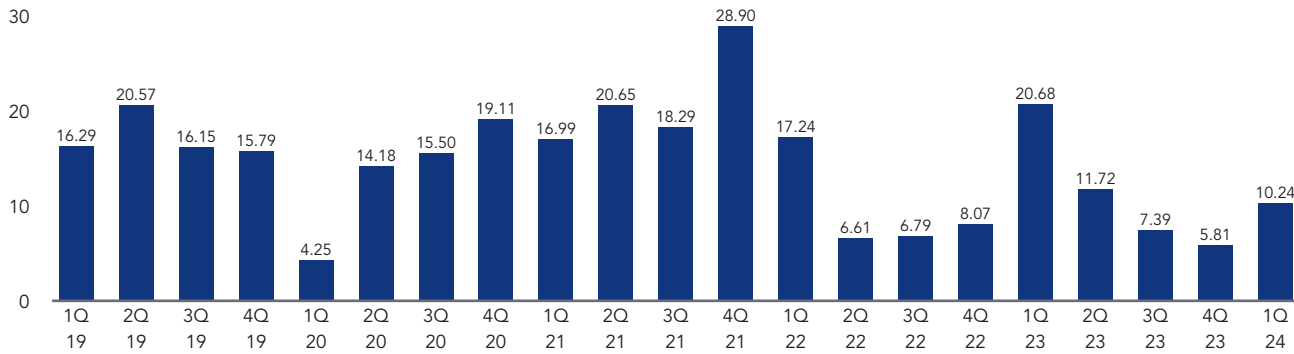


Source: Morningstar, Inc. Performance for 5-year periods (3-month step).

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 Mid-Cap Growth Category		1-year	3-year	5-year	10-year
R6 Shares	Morningstar Category % Rank	9	2	6	7
	Morningstar Category Rank	34 of 549 funds	8 of 520 funds	21 of 489 funds	27 of 393 funds
IS Shares	Morningstar Category % Rank	9	2	7	5
	Morningstar Category Rank	35 of 549 funds	9 of 520 funds	22 of 489 funds	20 of 393 funds
A Shares	Morningstar Category % Rank	9	2	8	7
	Morningstar Category Rank	38 of 549 funds	10 of 520 funds	31 of 489 funds	31 of 393 funds

Lipper Mid-Cap Growth Funds		1-year	3-year	5-year	10-year
R6 Shares	Lipper Classification % Rank	6	2	2	5
	Lipper Classification Rank	22 of 378 funds	5 of 349 funds	6 of 327 funds	13 of 266 funds
IS Shares	Lipper Classification % Rank	7	2	3	3
	Lipper Classification Rank	23 of 378 funds	6 of 349 funds	7 of 327 funds	8 of 266 funds
A Shares	Lipper Classification % Rank	7	2	4	7
	Lipper Classification Rank	26 of 378 funds	7 of 349 funds	13 of 327 funds	17 of 266 funds

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 Mid 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's Institutional Shares commenced operations on January 29, 2010. For the period prior to the commencement of operations for the Institutional Shares, the performance information shown is for the fund's A Shares. The performance of the A Shares has not been adjusted to reflect the expenses of the Institutional Shares since the Institutional Shares have a lower expense ratio than the expense ratio of the A Shares. The performance of the A Shares has been adjusted to remove any voluntary waiver of the fund's expenses related to the A Shares that may have occurred during the period prior to the commencement of operations of the Institutional Shares. The performance information shown also has been adjusted to reflect the absence of sales charges applicable to the A Shares.

The fund's R Shares, re-designated as R6 Shares on September 1, 2016, commenced operations on December 12, 2006. For the period prior to the commencement of operations of the R Shares (now known as R6 Shares), the performance information shown is for the fund's A Shares, adjusted to reflect the expenses of the R Shares, and the performance information shown for the R6 Shares prior to September 1, 2016 reflects the higher R Shares expenses. The performance information shown also has been adjusted to reflect the absence of sales charges applicable to the A Shares. See the prospectus for other fees and expenses that apply to a continued investment in the fund.

A word about risk

Mutual funds are subject to risks and fluctuate in value.

Mid-capitalization companies often have narrower markets and limited managerial and financial resources compared to larger and more established companies.

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

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 Midcap® Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with higher price-to-book ratios and higher forecasted growth values. It is constructed to provide a comprehensive and unbiased barometer of the mid-cap growth market. The index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap growth market.

S&P 500® Index 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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