

# Federated Hermes MDT Large Cap Growth Fund

3/31/26

## 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

\$4.5 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

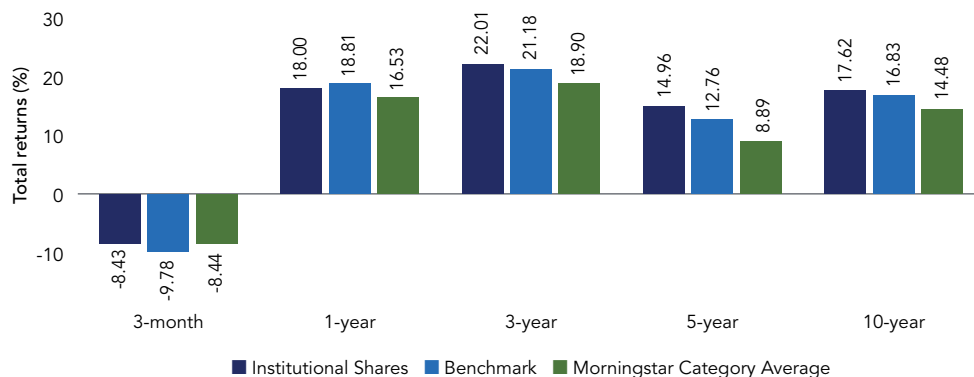
## Fund description

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
<b>R6 Shares</b>	-8.43	-8.43	18.04	22.01	14.96	17.62	11.68	0.79	0.72
<b>Institutional Shares</b>	-8.43	-8.43	18.00	22.01	14.96	17.62	11.68	0.87	0.75
<b>A Shares (NAV)</b>	-8.49	-8.49	17.71	21.70	14.67	17.32	11.39	1.11	1.00
<b>A Shares (MOP)</b>	-13.52	-13.52	11.24	19.42	13.38	16.66	11.08	1.11	1.00
<b>Benchmark</b>	-9.78	-9.78	18.81	21.18	12.76	16.83	-	-	-



## Calendar year total returns (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Institutional Shares</b>	18.45	36.30	39.62	-24.69	30.38	38.32	32.01	1.74	25.32	6.59
<b>Benchmark</b>	18.56	33.36	42.68	-29.14	27.60	38.49	36.39	-1.51	30.21	7.08
<b>Morningstar Category Average</b>	16.10	28.96	36.74	-29.91	20.45	35.86	31.90	-2.09	27.67	3.23

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](https://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 10/1/26 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.



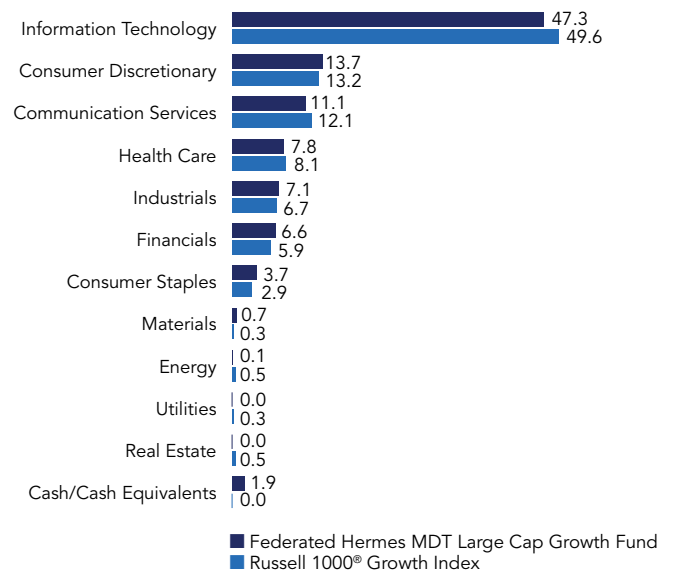
## Portfolio statistics

Weighted median P/E (LTM)	32.1x
Weighted median P/E (NTM)	23.8x
Weighted median market cap	\$349.8 b
Weighted median price/book	13.8x
Number of securities	100

## Top holdings (%)

NVIDIA Corporation	6.7
Apple Inc.	5.7
Alphabet Inc.	5.3
Broadcom Inc.	4.7
Microsoft Corp.	4.5
Amazon.com, Inc.	4.1
Meta Platforms, Inc.	3.8
Costco Wholesale Corporation	3.4
GE Vernova Inc.	3.1
Tesla, Inc.	3.0
Total % of portfolio	44.3

## Sector weightings (%)



Portfolio composition is based on net assets at the close of business on 3/31/26 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

- Large-cap growth stocks underperformed large-cap value stocks
- Strong stock selection among and an underweight to mature companies with very high analyst conviction contributed the most to outperformance
- The fund ended the quarter roughly sector-neutral to the benchmark

## Looking back

US equity markets experienced increased volatility during the first quarter of 2026. Investor concerns around AI-impacts on software companies weighed on technology stocks over the first several weeks of the period. Rising geopolitical risks related to the Middle East conflict spurred equity volatility higher over the last part of the quarter. Markets globally fell on the back of this conflict, largely due to burgeoning inflation risks. Within the broad equity market, Energy was the strongest performing sector as oil prices in March experienced the largest monthly increase in decades. Other notable sectors delivering a positive return for the quarter included Materials, Utilities, and Consumer Staples. Consumer Discretionary, Information Technology and Financials were the weakest performing sectors for the period. Value-oriented segments outperformed, particularly higher dividend-paying stocks. Smaller-cap and lower-volatility stocks also outperformed. The Russell Midcap Index (+1.29%) and the small-cap Russell 2000 Index (+0.89%) outperformed the mega-cap Russell Top 200 Index (-5.54%) and the broad market Russell 3000 Index (-3.96%).

## Performance

Federated Hermes MDT Large Cap Growth Fund (Institutional Shares) returned -8.43% in the first quarter of 2026, outperforming the -9.78% return of its benchmark, the Russell 1000 Growth Index.

### Performance contributors

- Strong stock selection among and an underweight to mature companies with very high analyst conviction
- Favorable stock selection in the Consumer Discretionary, Information Technology and Materials sectors
- Strong performers overweighted by the fund: Teradyne Inc. and GE Vernova Inc.
- Weak performer underweighted by the fund: Microsoft Corporation

### Performance detractors

- Weak stock selection among and an underweight to companies with improving earnings to price and negative analyst conviction
- Unfavorable stock selection in the Communication Services sector
- Weak performers overweighted by the fund: Adobe Inc., Salesforce Inc. and QUALCOMM Incorporated

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## How we are positioned

The fund ended the quarter roughly sector-neutral to the benchmark, as intended by our multi-layered risk management. Within the sectors, there were overweight positions of the software & services industry and the consumer staples distribution & retail industry. There were underweight positions of the technology hardware & equipment industry and the semiconductors & semiconductor equipment industry.

See disclosure section for important disclosures and definitions.

### Risk statistics

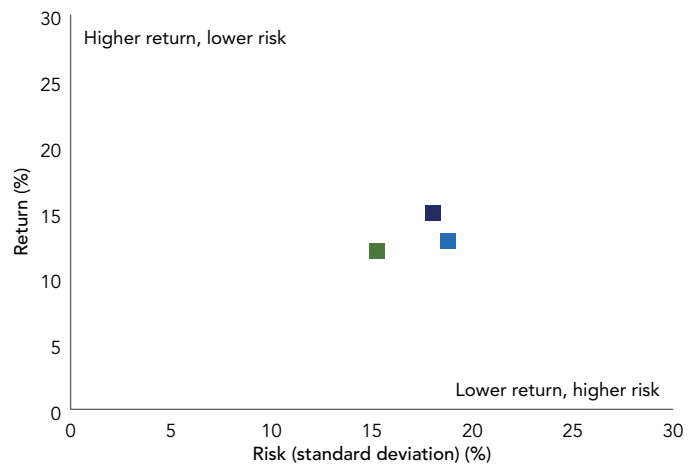
	3-year	5-year	7-year	10-year
<b>Standard deviation</b>	15.18	18.58	18.99	17.42
<b>Alpha</b>	1.01	2.16	1.03	0.85
<b>Beta</b>	0.98	0.98	0.98	0.99
<b>Correlation</b>	0.98	0.99	0.99	0.98
<b>R2</b>	95.58	97.04	97.44	96.75
<b>Up capture ratio</b>	99.58	101.29	99.10	99.83
<b>Down capture ratio</b>	93.96	93.12	94.94	95.82
<b>Sharpe ratio</b>	1.07	0.59	0.77	0.85
<b>Tracking error</b>	3.20	3.21	3.06	3.14

Sources: Federated Hermes, Inc., Morningstar, Inc.

Fund vs. Russell 1000® Growth Index

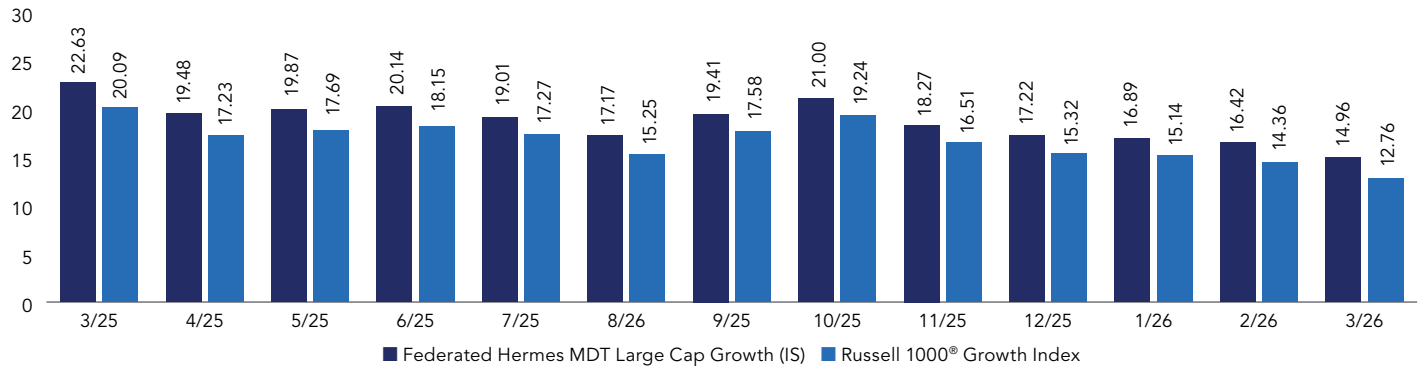
See disclosure section for important definitions.

### 5-year risk/return



	Risk (%)	Return (%)
Federated Hermes MDT Large Cap Growth Fund (IS)	18.58	14.96
Russell 1000® Growth Index	18.77	12.76
S&P 500®	15.26	12.06

### 5-year rolling returns vs. Russell 1000® Growth Index (%)

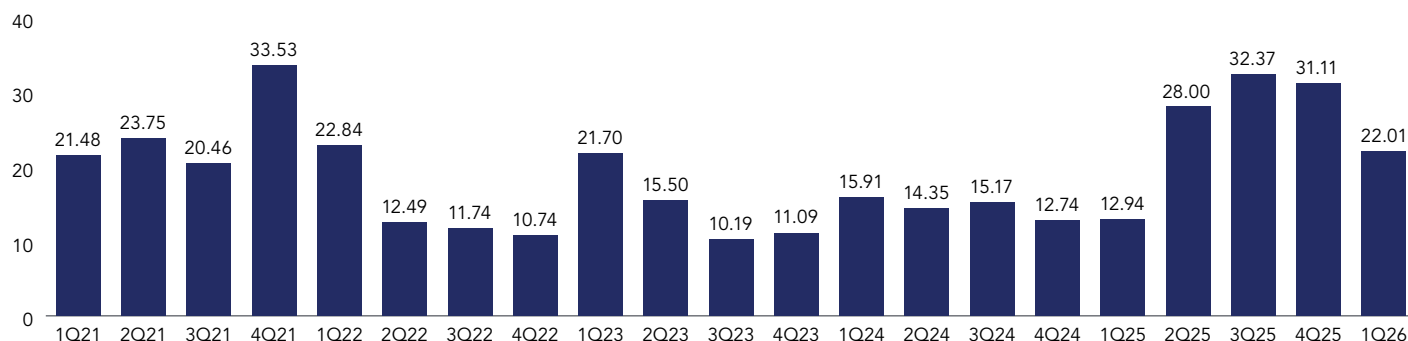


Source: Morningstar, Inc. Performance represents 5-year periods (1-month shift).

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
<b>R6 Shares</b>	Morningstar Category % Rank	40	–	–	–
	Morningstar Category Rank	369 of 1,077 funds	–	–	–
<b>IS Shares</b>	Morningstar Category % Rank	40	21	1	7
	Morningstar Category Rank	371 of 1,077 funds	177 of 998 funds	8 of 937 funds	38 of 763 funds
<b>A Shares</b>	Morningstar Category % Rank	42	25	2	9
	Morningstar Category Rank	402 of 1,077 funds	203 of 998 funds	11 of 937 funds	48 of 763 funds
Lipper Multi-Cap Growth Funds		1-year	3-year	5-year	10-year
<b>R6 Shares</b>	Lipper Classification % Rank	31	–	–	–
	Lipper Classification Rank	100 of 322 funds	–	–	–
<b>IS Shares</b>	Lipper Classification % Rank	32	20	2	6
	Lipper Classification Rank	101 of 322 funds	60 of 306 funds	4 of 279 funds	13 of 219 funds
<b>A Shares</b>	Lipper Classification % Rank	34	22	2	8
	Lipper Classification Rank	107 of 322 funds	67 of 306 funds	5 of 279 funds	17 of 219 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 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://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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