

# Semi-Annual Financial Statements and Additional Information



January 31, 2026

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Share Class | Ticker

A | QABGX

C | QCBGX

Institutional | QIBGX

R6 | QKBGX

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## Federated Hermes MDT Balanced Fund

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A Portfolio of Federated Hermes MDT Series

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# Portfolio of Investments

January 31, 2026 (unaudited)

Shares or Principal Amount		Value
	<b>COMMON STOCKS—57.7%</b>	
	<b>Communication Services—5.6%</b>	
31,852	Alphabet, Inc., Class A	\$ 10,765,976
19,336	<sup>1</sup> CarGurus, Inc.	626,487
21,112	<sup>1</sup> Cars.com, Inc.	239,832
19,091	Fox Corp.	1,389,443
3,876	Meta Platforms, Inc.	2,777,154
8,972	<sup>1</sup> Netflix, Inc.	749,072
83,798	<sup>1</sup> Optimum Communications, Inc.	128,211
3,126	<sup>1</sup> Reddit, Inc.	563,524
10,465	<sup>1</sup> Trade Desk, Inc./The	317,404
2,654	Verizon Communications, Inc.	118,156
12,922	<sup>1</sup> ZoomInfo Technologies, Inc.	104,022
	TOTAL	17,779,281
	<b>Consumer Discretionary—6.1%</b>	
42,659	Advance Auto Parts, Inc.	2,048,058
17,450	<sup>1</sup> Amazon.com, Inc.	4,175,785
171	<sup>1</sup> AutoZone, Inc.	633,434
246	Booking Holdings, Inc.	1,230,453
6,656	<sup>1</sup> Capri Holdings Ltd.	150,226
7,242	<sup>1</sup> Deckers Outdoor Corp.	864,260
3,646	eBay, Inc.	332,588
3,808	<sup>1</sup> Expedia Group, Inc.	1,008,511
9,237	<sup>1</sup> Five Below, Inc.	1,770,179
22,641	Ford Motor Co.	314,257
15,297	<sup>1</sup> Goodyear Tire & Rubber Co.	143,945
2,210	<sup>1</sup> Lululemon Athletica, Inc.	385,645
644	Murphy USA, Inc.	272,096
5,324	<sup>1</sup> O'Reilly Automotive, Inc.	523,935
3,827	PVH Corp.	238,652
3,176	<sup>1</sup> SharkNinja, Inc.	375,403
3,476	<sup>1</sup> Tesla, Inc.	1,496,105
4,062	TJX Cos., Inc.	608,528
711	<sup>1</sup> Ulta Beauty, Inc.	460,273
30,877	<sup>1</sup> Viking Holdings Ltd.	2,227,775
1,216	Yum! Brands, Inc.	189,088
	TOTAL	19,449,196
	<b>Consumer Staples—2.5%</b>	
11,638	Albertsons Cos., Inc.	193,773
2,710	Coca-Cola Bottling Co.	412,083
1,258	Costco Wholesale Corp.	1,182,834
9,408	<sup>1</sup> Dollar Tree, Inc.	1,106,287
6,706	Estee Lauder Cos., Inc., Class A	773,068
4,179	Kimberly-Clark Corp.	417,858
4,410	Kroger Co.	277,168
21,095	<sup>1</sup> Maplebear, Inc.	783,890
11,387	Philip Morris International, Inc.	2,043,283
7,290	WalMart, Inc.	868,531
	TOTAL	8,058,775
	<b>Energy—1.3%</b>	
4,608	Cheniere Energy, Inc.	974,684

Shares or Principal Amount		Value
	COMMON STOCKS—continued	
	<b>Energy—continued</b>	
5,092	EOG Resources, Inc.	\$ 570,966
11,786	PBF Energy, Inc.	394,360
2,760	Targa Resources, Inc.	554,705
10,462	Weatherford International PLC	984,265
6,979	Williams Cos., Inc.	469,407
	TOTAL	3,948,387
	<b>Financials—8.1%</b>	
592	Aflac, Inc.	65,682
4,958	Ameriprise Financial, Inc.	2,613,808
1,157	<sup>1</sup> Arch Capital Group Ltd.	111,118
16,842	Bank of New York Mellon Corp.	2,019,693
1,512	Cboe Global Markets, Inc.	400,771
3,128	Charles Schwab Corp.	325,062
45,042	<sup>1</sup> Fiserv, Inc.	2,870,527
1,950	Globe Life, Inc.	273,429
487	Goldman Sachs Group, Inc.	455,545
8,918	Interactive Brokers Group, Inc., Class A	667,780
24,198	Jackson Financial, Inc.	2,877,626
1,258	Mastercard, Inc.	677,798
2,977	Morgan Stanley	544,195
106	MSCI, Inc., Class A	64,577
10,570	Northern Trust Corp.	1,579,475
4,923	<sup>1</sup> PayPal Holdings, Inc.	259,393
2,275	Progressive Corp., OH	473,200
19,050	Prudential Financial, Inc.	2,116,645
22,861	State Street Corp.	2,991,590
6,068	Synchrony Financial	440,719
1,347	The Hartford Insurance Group, Inc.	181,926
10,378	The Travelers Cos., Inc.	2,952,645
10,476	Virtu Financial, Inc.	434,859
31,056	Western Union Co.	290,995
	TOTAL	25,689,058
	<b>Health Care—6.1%</b>	
14,292	AbbVie, Inc.	3,187,259
3,612	<sup>1</sup> Align Technology, Inc.	588,864
549	<sup>1</sup> Alnylam Pharmaceuticals, Inc.	185,595
5,471	Amgen, Inc.	1,870,426
7,913	<sup>1</sup> AnaptysBio, Inc.	375,155
1,408	<sup>1</sup> Biogen, Inc.	253,285
1,532	<sup>1</sup> BioMarin Pharmaceutical, Inc.	86,619
1,694	Cardinal Health, Inc.	364,007
3,840	Cencora, Inc.	1,379,405
1,010	<sup>1</sup> Charles River Laboratories International, Inc.	212,585
28,629	<sup>1</sup> Community Health Systems, Inc.	91,899
51,357	<sup>1</sup> Elanco Animal Health, Inc.	1,236,677
1,694	Eli Lilly & Co.	1,756,932
1,983	Gilead Sciences, Inc.	281,487
2,122	Humana, Inc.	414,215
7,715	<sup>1</sup> Illumina, Inc.	1,117,209
10,833	<sup>1</sup> Incyte Genomics, Inc.	1,084,058
2,452	Johnson & Johnson	557,217
3,658	Merck & Co., Inc.	403,368

Shares or Principal Amount		Value
	COMMON STOCKS—continued	
	<b>Health Care—continued</b>	
16,256	<sup>1</sup> Moderna, Inc.	\$ 716,402
5,672	<sup>1</sup> Omniceil, Inc.	275,092
1,834	<sup>1</sup> Regeneron Pharmaceuticals, Inc.	1,359,819
724	Teleflex, Inc.	75,564
2,829	UnitedHealth Group, Inc.	811,725
1,309	<sup>1</sup> Veeva Systems, Inc.	266,931
708	<sup>1</sup> Vertex Pharmaceuticals, Inc.	332,689
4,663	<sup>1</sup> Waystar Holding Corp.	123,849
	TOTAL	19,408,333
	<b>Industrials—5.8%</b>	
1,571	Allegion PLC	259,828
8,207	Allison Transmission Holdings, Inc.	892,101
12,831	Atmus Filtration Technologies, Inc.	743,813
1,548	Booz Allen Hamilton Holding Corp.	136,874
2,734	C.H. Robinson Worldwide, Inc.	532,993
8,625	GE Aerospace	2,646,064
3,852	<sup>1</sup> GE Vernova, Inc.	2,797,977
1,247	General Dynamics Corp.	437,809
4,060	Johnson Controls International PLC	484,196
2,095	Lennox International, Inc.	1,037,193
1,491	Lockheed Martin Corp.	945,622
4,245	Paycom Software, Inc.	572,014
17,484	Pitney Bowes, Inc.	182,358
732	Ryder System, Inc.	140,017
6,476	<sup>1</sup> SPX Technologies, Inc.	1,349,663
806	Trane Technologies PLC	338,987
23,707	<sup>1</sup> Uber Technologies, Inc.	1,897,745
6,303	<sup>1</sup> United Airlines Holdings, Inc.	644,923
22,723	Veralto Corp.	2,249,123
	TOTAL	18,289,300
	<b>Information Technology—17.8%</b>	
3,455	Accenture PLC	910,876
9,705	<sup>1</sup> Adobe, Inc.	2,845,991
2,558	Amphenol Corp., Class A	368,557
36,337	Apple, Inc.	9,428,725
4,913	<sup>1</sup> Arista Networks, Inc.	696,369
13,518	Broadcom, Inc.	4,478,513
338	<sup>1</sup> Cadence Design Systems, Inc.	100,170
4,701	<sup>1</sup> Cirrus Logic, Inc.	612,728
4,989	Cisco Systems, Inc.	390,738
2,931	<sup>1</sup> Commvault Systems, Inc.	251,187
1,676	<sup>1</sup> Credo Technology Group Holding Ltd.	209,969
431	<sup>1</sup> CrowdStrike Holdings, Inc.	190,246
3,506	Dell Technologies, Inc.	401,227
14,042	<sup>1</sup> DXC Technology Co.	202,626
9,485	<sup>1</sup> Enphase Energy, Inc.	350,755
953	<sup>1</sup> Gartner, Inc., Class A	199,758
8,913	<sup>1</sup> GoDaddy, Inc.	895,935
9,508	Hewlett Packard Enterprise Co.	204,612
324	IBM Corp.	99,371
5,350	<sup>1</sup> Life360, Inc.	306,501
293	<sup>1</sup> Lumentum Holdings, Inc.	114,809

Shares or Principal Amount		Value
	COMMON STOCKS—continued	
	<b>Information Technology—continued</b>	
2,739	Microchip Technology, Inc.	\$ 207,945
1,121	Micron Technology, Inc.	465,080
25,417	Microsoft Corp.	10,936,681
622	<sup>1</sup> MongoDB, Inc.	230,967
4,044	NetApp, Inc.	389,639
6,952	<sup>1</sup> Nutanix, Inc.	273,422
46,649	NVIDIA Corp.	8,916,023
1,131	<sup>1</sup> Onto Innovation, Inc.	228,519
2,545	Oracle Corp.	418,856
14,382	<sup>1</sup> Palantir Technologies, Inc.	2,108,257
6,929	<sup>1</sup> Palo Alto Networks, Inc.	1,226,225
5,556	Pegasystems, Inc.	242,742
3,206	Qualcomm, Inc.	485,998
1,477	<sup>1</sup> Rubrik, Inc.	82,638
9,825	Salesforce, Inc.	2,085,749
7,719	<sup>1</sup> ServiceNow, Inc.	903,200
12,135	Skyworks Solutions, Inc.	676,648
2,028	TD SYNnex Corp.	321,783
9,513	Teradyne, Inc.	2,293,109
7,238	Vishay Intertechnology, Inc.	145,846
15,452	Xerox Holdings Corp.	33,840
1,319	<sup>1</sup> Zoom Communications, Inc.	121,480
2,071	<sup>1</sup> Zscaler, Inc.	414,221
	TOTAL	56,468,531
	<b>Materials—1.2%</b>	
1,484	Alcoa Corp.	84,306
34,581	Celanese Corp.	1,536,780
3,359	FMC Corp.	53,072
19,455	Newmont Corp.	2,185,769
	TOTAL	3,859,927
	<b>Real Estate—2.2%</b>	
6,000	Acadia Realty Trust	120,060
3,200	Agree Realty Corp.	231,136
4,500	Cubesmart	168,885
32,500	DiamondRock Hospitality Co.	298,350
1,850	Digital Realty Trust, Inc.	307,007
1,650	EastGroup Properties, Inc.	299,706
240	Equinix, Inc.	197,023
450	Essex Property Trust, Inc.	113,342
2,000	Extra Space Storage, Inc.	275,940
10,000	Host Hotels & Resorts, Inc.	185,300
10,200	Kite Realty Group Trust	239,598
12,500	Macerich Co. (The)	236,625
1,400	Mid-American Apartment Communities, Inc.	188,020
4,200	Omega Healthcare Investors, Inc.	184,296
9,000	Park Hotels & Resorts, Inc.	98,370
6,500	ProLogis, Inc.	848,640
1,200	Public Storage	331,428
3,000	Simon Property Group, Inc.	573,930
16,000	Sunstone Hotel Investors, Inc.	140,320
3,100	Tanger, Inc.	101,432
3,700	Terreno Realty Corp.	227,698

Shares or Principal Amount		Value
	COMMON STOCKS—continued	
	<b>Real Estate—continued</b>	
5,800	Ventas, Inc.	\$ 450,486
7,200	VICI Properties, Inc.	202,176
4,100	Welltower, Inc.	772,276
	TOTAL	6,792,044
	<b>Utilities—1.0%</b>	
2,524	American Electric Power Co., Inc.	302,312
10,586	Duke Energy Corp.	1,284,611
9,147	Edison International	569,675
20,266	Exelon Corp.	907,511
1,277	WEC Energy Group, Inc.	141,326
	TOTAL	3,205,435
	TOTAL COMMON STOCKS (IDENTIFIED COST \$144,117,417)	182,948,267
	CORPORATE BONDS—8.0%	
	<b>Basic Industry - Metals &amp; Mining—0.1%</b>	
\$ 200,000	Anglo American Capital PLC, Sr. Unsecd. Note, 144A, 5.500%, 5/2/2033	207,285
15,000	Anglogold Ashanti Holdings PLC, Sr. Note, 6.500%, 4/15/2040	16,126
	TOTAL	223,411
	<b>Capital Goods - Aerospace &amp; Defense—0.2%</b>	
200,000	BAE Systems PLC, Sr. Unsecd. Note, 144A, 3.000%, 9/15/2050	133,627
250,000	L3Harris Technologies, Inc., Sr. Unsecd. Note, 5.500%, 8/15/2054	245,775
300,000	Leidos, Inc., Sr. Unsecd. Note, Series WI, 2.300%, 2/15/2031	270,444
15,000	Spirit AeroSystems, Inc., Sr. Unsecd. Note, 4.600%, 6/15/2028	15,107
40,000	<sup>2</sup> Textron Financial Corp., Jr. Sub. Note, 144A, 5.848% (CME Term SOFR 3 Month +1.996%), 2/15/2042	36,171
	TOTAL	701,124
	<b>Capital Goods - Building Materials—0.1%</b>	
225,000	Allegion US Holdings Co., Inc., Sr. Unsecd. Note, 5.600%, 5/29/2034	235,283
85,000	Carrier Global Corp., Sr. Unsecd. Note, 6.200%, 3/15/2054	92,083
	TOTAL	327,366
	<b>Capital Goods - Construction Machinery—0.2%</b>	
275,000	CNH Industrial Capital America LLC, Sr. Unsecd. Note, 4.375%, 3/7/2031	272,770
255,000	CNH Industrial Capital America LLC, Sr. Unsecd. Note, 4.550%, 4/10/2028	257,171
	TOTAL	529,941
	<b>Capital Goods - Diversified Manufacturing—0.1%</b>	
65,000	Ingersoll-Rand, Inc., Sr. Unsecd. Note, 5.700%, 6/15/2054	65,253
60,000	Lennox International, Inc., Sr. Unsecd. Note, 1.700%, 8/1/2027	58,056
200,000	Siemens Funding B.V., Sr. Unsecd. Note, 144A, 5.200%, 5/28/2035	206,544
	TOTAL	329,853
	<b>Capital Goods - Environmental—0.1%</b>	
190,000	Waste Connections, Inc., Sr. Unsecd. Note, 5.250%, 9/1/2035	196,240
	<b>Communications - Cable &amp; Satellite—0.1%</b>	
300,000	Charter Communications Operating, LLC/Charter Communications Operating Capital Corp., Sec. Fac. Bond, 2.250%, 1/15/2029	281,847
145,000	Comcast Corp., Sr. Unsecd. Note, 2.800%, 1/15/2051	84,564
15,000	Comcast Corp., Sr. Unsecd. Note, 3.900%, 3/1/2038	13,023
10,000	Comcast Corp., Sr. Unsecd. Note, 4.400%, 8/15/2035	9,512
	TOTAL	388,946
	<b>Communications - Media &amp; Entertainment—0.1%</b>	
30,000	Grupo Televisa SAB, Sr. Unsecd. Note, 6.125%, 1/31/2046	23,634
200,000	Meta Platforms, Inc., Sr. Unsecd. Note, 5.550%, 8/15/2064	183,756
	TOTAL	207,390
	<b>Communications - Telecom Wireless—0.4%</b>	
150,000	Crown Castle, Inc., Sr. Unsecd. Note, 3.700%, 6/15/2026	149,772

Shares or Principal Amount		Value
	CORPORATE BONDS—continued	
	<b>Communications - Telecom Wireless—continued</b>	
\$ 350,000	Crown Castle, Inc., Sr. Unsecd. Note, 5.100%, 5/1/2033	\$ 353,776
200,000	Orange S.A., Sr. Unsecd. Note, 144A, 5.000%, 1/13/2036	198,435
300,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 5.050%, 7/15/2033	304,926
180,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 5.500%, 1/15/2055	169,674
250,000	Vodafone Group PLC, Sr. Unsecd. Note, 5.750%, 6/28/2054	243,207
	TOTAL	1,419,790
	<b>Communications - Telecom Wirelines—0.2%</b>	
275,000	AT&T, Inc., Sr. Secd. Note, 6.050%, 8/15/2056	275,432
12,000	AT&T, Inc., Sr. Unsecd. Note, 3.500%, 9/15/2053	8,021
11,000	AT&T, Inc., Sr. Unsecd. Note, 3.650%, 9/15/2059	7,266
5,000	AT&T, Inc., Sr. Unsecd. Note, 4.500%, 5/15/2035	4,791
150,000	Telefonica Emisiones SAU, Sr. Unsecd. Note, 5.520%, 3/1/2049	137,941
90,000	Verizon Communications, Inc., Sr. Unsecd. Note, 3.150%, 3/22/2030	86,313
230,000	Verizon Communications, Inc., Sr. Unsecd. Note, 5.875%, 11/30/2055	227,203
	TOTAL	746,967
	<b>Consumer Cyclical - Automotive—0.3%</b>	
275,000	Ford Motor Credit Co. LLC, Sr. Unsecd. Note, 6.050%, 3/5/2031	284,368
175,000	General Motors Financial Co., Inc., Sr. Unsecd. Note, 3.100%, 1/12/2032	160,341
175,000	General Motors Financial Co., Inc., Sr. Unsecd. Note, 5.750%, 2/8/2031	183,996
225,000	General Motors Financial Co., Inc., Sr. Unsecd. Note, 6.150%, 7/15/2035	238,164
225,000	Hyundai Capital America, Sr. Unsecd. Note, 144A, 5.400%, 6/23/2032	233,885
10,000	Mercedes-Benz Finance NA LLC, Co. Guarantee, 8.500%, 1/18/2031	11,816
	TOTAL	1,112,570
	<b>Consumer Cyclical - Retailers—0.1%</b>	
170,000	AutoNation, Inc., Sr. Unsecd. Note, 4.750%, 6/1/2030	171,577
	<b>Consumer Cyclical - Services—0.1%</b>	
195,000	Amazon.com, Inc., 4.100%, 11/20/2030	195,087
15,000	Expedia Group, Inc., Sr. Unsecd. Note, Series WI, 3.250%, 2/15/2030	14,407
200,000	Sodexo, Inc., Sr. Secd. Note, 144A, 5.800%, 8/15/2035	208,210
10,000	University of Southern California, Sr. Unsecd. Note, 5.250%, 10/1/2111	9,375
	TOTAL	427,079
	<b>Consumer Non-Cyclical - Food/Beverage—0.3%</b>	
30,000	Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide, Inc., Sr. Unsecd. Note, 4.700%, 2/1/2036	29,597
300,000	Constellation Brands, Inc., Sr. Unsecd. Note, 4.900%, 5/1/2033	301,515
300,000	Danone S.A., Sr. Unsecd. Note, 144A, 2.947%, 11/2/2026	297,698
270,000	Heineken NV, Sr. Unsecd. Note, 144A, 3.500%, 1/29/2028	267,747
15,000	Kraft Heinz Foods Co., Sr. Unsecd. Note, 5.200%, 7/15/2045	13,647
	TOTAL	910,204
	<b>Consumer Non-Cyclical - Health Care—0.2%</b>	
200,000	180 Medical, Inc., Sr. Unsecd. Note, 144A, 5.300%, 10/8/2035	198,670
105,000	GE HealthCare Technologies, Inc., Sr. Unsecd. Note, 6.377%, 11/22/2052	113,956
300,000	HCA, Inc., Sr. Unsecd. Note, 5.500%, 6/1/2033	311,517
	TOTAL	624,143
	<b>Consumer Non-Cyclical - Pharmaceuticals—0.2%</b>	
500,000	AbbVie, Inc., Sr. Unsecd. Note, 4.250%, 11/21/2049	412,185
15,000	Amgen, Inc., Sr. Unsecd. Note, 4.400%, 5/1/2045	12,888
10,000	Bristol-Myers Squibb Co., Sr. Unsecd. Note, Series WI, 4.125%, 6/15/2039	9,040
15,000	Johnson & Johnson, Sr. Unsecd. Note, 3.550%, 3/1/2036	13,774
260,000	Pfizer, Inc., Sr. Unsecd. Note, 4.200%, 11/15/2030	260,714
	TOTAL	708,601
	<b>Consumer Non-Cyclical - Tobacco—0.2%</b>	
450,000	Philip Morris International, Inc., Sr. Unsecd. Note, 5.750%, 11/17/2032	480,670

Shares or Principal Amount		Value
	CORPORATE BONDS—continued	
	<b>Energy - Independent—0.2%</b>	
\$ 50,000	APA Corp., Sr. Unsecd. Note, 6.100%, 2/15/2035	\$ 51,561
125,000	Cimarex Energy Co., Sr. Unsecd. Note, 3.900%, 5/15/2027	122,854
5,000	ConocoPhillips Co., Sr. Unsecd. Note, 4.025%, 3/15/2062	3,644
15,000	EQT Corp., Sr. Unsecd. Note, 3.900%, 10/1/2027	14,951
250,000	Occidental Petroleum Corp., 5.550%, 10/1/2034	255,867
125,000	Ovintiv, Inc., Sr. Unsecd. Note, 7.100%, 7/15/2053	135,431
	TOTAL	584,308
	<b>Energy - Integrated—0.2%</b>	
300,000	BP Capital Markets America, Inc., Sr. Unsecd. Note, 3.937%, 9/21/2028	300,416
170,000	BP Capital Markets America, Inc., Sr. Unsecd. Note, 4.893%, 9/11/2033	172,299
150,000	Cenovus Energy, Inc., Sr. Unsecd. Note, 5.400%, 3/20/2036	149,873
	TOTAL	622,588
	<b>Energy - Midstream—0.6%</b>	
125,000	Boardwalk Pipeline Partners LP, Sr. Unsecd. Note, 3.600%, 9/1/2032	117,000
400,000	Enbridge, Inc., Sr. Unsecd. Note, 5.200%, 11/20/2035	401,580
275,000	Enbridge, Inc., Sr. Unsecd. Note, 5.950%, 4/5/2054	278,270
20,000	Energy Transfer LP, Sr. Unsecd. Note, 5.500%, 6/1/2027	20,309
115,000	Energy Transfer LP, Sr. Unsecd. Note, 5.950%, 5/15/2054	109,737
10,000	Energy Transfer LP, Sr. Unsecd. Note, 6.125%, 12/15/2045	9,949
170,000	Enterprise Products Operating LLC, Sr. Unsecd. Note, 3.950%, 2/15/2027	170,156
20,000	Kinder Morgan Energy Partners LP, Sr. Unsecd. Note, Series MTN, 6.950%, 1/15/2038	22,703
40,000	MPLX LP, Sr. Unsecd. Note, 4.125%, 3/1/2027	40,039
5,000	MPLX LP, Sr. Unsecd. Note, 4.500%, 4/15/2038	4,557
70,000	Targa Resources, Inc., Sr. Unsecd. Note, 4.200%, 2/1/2033	66,986
325,000	Targa Resources, Inc., Sr. Unsecd. Note, 5.650%, 2/15/2036	333,915
5,000	TransCanada PipeLines Ltd., Sr. Unsecd. Note, 6.200%, 10/15/2037	5,342
10,000	Western Midstream Operating, LP, Sr. Unsecd. Note, 4.750%, 8/15/2028	10,129
250,000	Williams Cos., Inc., Sr. Unsecd. Note, 5.300%, 9/30/2035	253,708
	TOTAL	1,844,380
	<b>Energy - Refining—0.0%</b>	
15,000	Marathon Petroleum Corp., Sr. Unsecd. Note, 4.500%, 4/1/2048	12,082
10,000	Marathon Petroleum Corp., Sr. Unsecd. Note, 6.500%, 3/1/2041	10,700
15,000	Valero Energy Corp., Sr. Unsecd. Note, 4.350%, 6/1/2028	15,090
	TOTAL	37,872
	<b>Financial Institution - Banking—1.3%</b>	
350,000	Bank of America Corp., Sr. Unsecd. Note, 5.288%, 4/25/2034	359,650
300,000	Bank of America Corp., Sr. Unsecd. Note, Series GMTN, 3.500%, 4/19/2026	299,770
15,000	Bank of America Corp., Sub., Series MTN, 4.450%, 3/3/2026	15,011
70,000	Bank of New York Mellon Corp., Sr. Unsecd. Note, 5.316%, 6/6/2036	72,175
165,000	Citigroup, Inc., Sr. Unsecd. Note, 3.057%, 1/25/2033	151,121
170,000	Citigroup, Inc., Sr. Unsecd. Note, 3.400%, 5/1/2026	169,850
15,000	Citigroup, Inc., Sub. Note, 4.450%, 9/29/2027	15,100
75,000	Citizens Financial Group, Inc., Sr. Unsecd. Note, 5.841%, 1/23/2030	78,241
30,000	Comerica, Inc., 3.800%, 7/22/2026	29,878
215,000	FNB Corp. (PA), 5.722%, 12/11/2030	219,956
150,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 6.250%, 2/1/2041	163,149
15,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 3.882%, 7/24/2038	13,431
150,000	KeyCorp, Sr. Unsecd. Note, 6.401%, 3/6/2035	162,583
100,000	M&T Bank Corp., Sr. Unsecd. Note, Series MTN, 5.385%, 1/16/2036	101,437
100,000	Morgan Stanley, Sr. Unsecd. Note, 2.943%, 1/21/2033	91,171
350,000	Morgan Stanley, Sr. Unsecd. Note, 4.465%, 11/19/2031	350,210
180,000	Morgan Stanley, Sr. Unsecd. Note, 5.250%, 4/21/2034	184,736

Shares or Principal Amount		Value
	CORPORATE BONDS—continued	
	<b>Financial Institution - Banking—continued</b>	
\$ 105,000	Morgan Stanley, Sr. Unsecd. Note, 5.831%, 4/19/2035	\$ 111,104
240,000	PNC Financial Services Group, Inc., Sr. Unsecd. Note, 5.582%, 6/12/2029	248,484
165,000	Regions Financial Corp., Sr. Unsecd. Note, 5.722%, 6/6/2030	172,407
10,000	State Street Corp., Sub. Deb., 3.031%, 11/1/2034	9,497
160,000	Synovus Financial Corp., Sr. Unsecd. Note, 6.168%, 11/1/2030	166,828
205,000	Truist Financial Corp., Sr. Unsecd. Note, 4.597%, 1/27/2032	205,568
300,000	U.S. Bancorp, Sr. Unsecd. Note, 5.836%, 6/12/2034	318,025
250,000	U.S. Bancorp, Sr. Unsecd. Note, Series MTN, 1.375%, 7/22/2030	221,414
10,000	Wells Fargo & Co., Series MTN, 4.100%, 6/3/2026	10,006
200,000	Wells Fargo & Co., Sr. Unsecd. Note, 5.499%, 1/23/2035	207,557
10,000	Westpac Banking Corp. Ltd., Sub., Series GMTN, 4.322%, 11/23/2031	9,998
	TOTAL	4,158,357
	<b>Financial Institution - Broker/Asset Mgr/Exchange—0.0%</b>	
70,000	Nuveen LLC, Sr. Unsecd. Note, 144A, 4.000%, 11/1/2028	70,077
	<b>Financial Institution - Finance Companies—0.1%</b>	
220,000	Air Lease Corp., Sr. Unsecd. Note, 5.850%, 12/15/2027	226,719
	<b>Financial Institution - Insurance - Health—0.2%</b>	
300,000	UnitedHealth Group, Inc., Sr. Unsecd. Note, 4.750%, 5/15/2052	257,918
250,000	UnitedHealth Group, Inc., Sr. Unsecd. Note, 5.150%, 7/15/2034	255,141
	TOTAL	513,059
	<b>Financial Institution - Insurance - Life—0.2%</b>	
400,000	AIA Group Ltd., Sub., 144A, 3.200%, 9/16/2040	314,006
15,000	MetLife, Inc., Jr. Sub. Note, 6.400%, 12/15/2036	15,747
10,000	MetLife, Inc., Jr. Sub. Note, 10.750%, 8/1/2039	13,338
15,000	Penn Mutual Life Insurance Co., Sr. Note, 144A, 7.625%, 6/15/2040	17,435
350,000	PRICOA Global Funding I, Secured Note, 144A, 4.350%, 11/25/2030	350,570
50,000	Prudential Financial, Inc., Sr. Unsecd. Note, Series MTN, 6.200%, 11/15/2040	52,874
	TOTAL	763,970
	<b>Financial Institution - Insurance - P&amp;C—0.0%</b>	
10,000	Berkshire Hathaway Finance Corp., Sr. Unsecd. Note, 4.200%, 8/15/2048	8,288
55,000	Nationwide Mutual Insurance Co., Sub., 144A, 4.350%, 4/30/2050	43,245
	TOTAL	51,533
	<b>Financial Institution - REIT - Apartment—0.2%</b>	
250,000	Avalonbay Communities, Inc., Sr. Unsecd. Note, 5.000%, 8/1/2035	252,183
60,000	Camden Property Trust, Sr. Unsecd. Note, 2.800%, 5/15/2030	56,643
200,000	UDR, Inc., Sr. Unsecd. Note, Series MTN, 2.100%, 8/1/2032	171,567
70,000	UDR, Inc., Sr. Unsecd. Note, Series MTN, 2.950%, 9/1/2026	69,620
	TOTAL	550,013
	<b>Financial Institution - REIT - Healthcare—0.1%</b>	
275,000	Welltower OP LLC, Sr. Unsecd. Note, 5.125%, 7/1/2035	279,340
185,000	Welltower, Inc., Sr. Unsecd. Note, 2.700%, 2/15/2027	182,927
	TOTAL	462,267
	<b>Financial Institution - REIT - Office—0.1%</b>	
70,000	Alexandria Real Estate Equities, Inc., Sr. Unsecd. Note, 3.950%, 1/15/2028	69,868
200,000	Alexandria Real Estate Equities, Inc., Sr. Unsecd. Note, 5.500%, 10/1/2035	203,544
	TOTAL	273,412
	<b>Financial Institution - REIT - Other—0.0%</b>	
70,000	Host Hotels & Resorts LP, Sr. Unsecd. Note, 5.700%, 7/1/2034	72,324
	<b>Financial Institution - REIT - Retail—0.1%</b>	
275,000	Kimco Realty Corp., Sr. Unsecd. Note, 5.300%, 2/1/2036	281,359
	<b>Technology—0.6%</b>	
10,000	Apple, Inc., Sr. Unsecd. Note, 3.850%, 5/4/2043	8,428

Shares or Principal Amount		Value
	CORPORATE BONDS—continued	
	<b>Technology—continued</b>	
\$ 165,000	Autodesk, Inc., Sr. Unsecd. Note, 5.300%, 6/15/2035	\$ 168,436
70,000	Broadcom, Inc., Sr. Unsecd. Note, 3.750%, 2/15/2051	52,863
220,000	Broadcom, Inc., Sr. Unsecd. Note, 144A, 4.150%, 4/15/2032	215,256
20,000	Corning, Inc., Unsecd. Note, 4.750%, 3/15/2042	18,493
34,000	Dell International LLC / EMC Corp., Sr. Unsecd. Note, 6.020%, 6/15/2026	34,100
110,000	Fiserv, Inc., Sr. Unsecd. Note, 3.500%, 7/1/2029	106,924
5,000	Global Payments, Inc., Sr. Unsecd. Note, 3.200%, 8/15/2029	4,781
205,000	Global Payments, Inc., Sr. Unsecd. Note, 5.550%, 11/15/2035	203,357
75,000	Micron Technology, Inc., Sr. Unsecd. Note, 6.050%, 11/1/2035	80,632
7,000	Microsoft Corp., Sr. Unsecd. Note, 2.921%, 3/17/2052	4,564
8,000	Microsoft Corp., Sr. Unsecd. Note, 3.450%, 8/8/2036	7,250
190,000	Oracle Corp., Sr. Unsecd. Note, 5.375%, 9/27/2054	152,780
200,000	Oracle Corp., Sr. Unsecd. Note, 6.125%, 8/3/2065	174,665
500,000	Oracle Corp., Sr. Unsecd. Note, 6.250%, 11/9/2032	522,102
175,000	Roper Technologies, Inc., Sr. Unsecd. Note, 2.000%, 6/30/2030	158,392
15,000	Visa, Inc., Sr. Unsecd. Note, 4.150%, 12/14/2035	14,484
	TOTAL	1,927,507
	<b>Transportation - Railroads—0.1%</b>	
225,000	Canadian Pacific Railway Co., Sr. Unsecd. Note, 3.125%, 6/1/2026	224,086
	<b>Transportation - Services—0.2%</b>	
15,000	Enterprise Rent-A-Car USA Finance Co., Sr. Unsecd. Note, 144A, 5.625%, 3/15/2042	15,273
20,000	FedEx Corp., Sr. Unsecd. Note, 3.900%, 2/1/2035	18,674
210,000	Penske Truck Leasing Co. LP & PTL Finance Corp., Sr. Unsecd. Note, 144A, 5.550%, 5/1/2028	215,894
275,000	United Parcel Service, Inc., Sr. Unsecd. Note, 5.950%, 5/14/2055	284,247
	TOTAL	534,088
	<b>Utility - Electric—0.7%</b>	
200,000	Alabama Power Co., Sr. Unsecd. Note, 3.000%, 3/15/2052	129,609
90,000	Ameren Corp., Sr. Unsecd. Note, 1.950%, 3/15/2027	88,077
70,000	Electricite de France S.A., Note, 144A, 5.600%, 1/27/2040	70,000
300,000	Electricite de France S.A., Sr. Unsecd. Note, 144A, 4.500%, 9/21/2028	302,389
140,000	Emera US Finance LP, Sr. Unsecd. Note, 4.750%, 6/15/2046	119,803
170,000	EverSource Energy, Sr. Unsecd. Note, 3.350%, 3/15/2026	169,865
200,000	Exelon Corp., Sr. Unsecd. Note, 3.400%, 4/15/2026	199,798
110,000	National Rural Utilities Cooperative Finance Corp., Sr. Sub. Note, 5.250%, 4/20/2046	110,474
25,000	National Rural Utilities Cooperative Finance Corp., Sr. Unsecd. Note, Series MTNC, 8.000%, 3/1/2032	29,755
200,000	NextEra Energy Capital Holdings, Inc., Sr. Unsecd. Note, 5.900%, 3/15/2055	201,325
250,000	PPL Capital Funding, Inc., Sr. Unsecd. Note, 3.100%, 5/15/2026	249,420
175,000	Southern Co., Sr. Unsecd. Note, 3.250%, 7/1/2026	174,669
250,000	Virginia Electric & Power Co., Sr. Unsecd. Note, 5.450%, 4/1/2053	238,887
103,000	WEC Energy Group, Inc., Sr. Unsecd. Note, 1.800%, 10/15/2030	91,799
170,000	WEC Energy Group, Inc., Sr. Unsecd. Note, 5.150%, 10/1/2027	173,173
	TOTAL	2,349,043
	<b>Utility - Natural Gas Distributor—0.1%</b>	
300,000	Southern California Gas Co., Term Loan - 1st Lien, 5.450%, 6/15/2035	311,540
	<b>Utility - Other—0.0%</b>	
125,000	National Grid-SP PLC, Sr. Unsecd. Note, 5.602%, 6/12/2028	129,270
	TOTAL CORPORATE BONDS (IDENTIFIED COST \$25,880,906)	25,493,644
	U.S. TREASURIES—7.0%	
	<b>Treasury Inflation-Indexed Note—0.5%</b>	
611,010	U.S. Treasury Inflation-Protected Notes, 1.625%, 4/15/2030	620,368
1,009,570	U.S. Treasury Inflation-Protected Notes, 1.875%, 7/15/2035	1,012,980
	TOTAL	1,633,348

Shares or Principal Amount		Value
	U.S. TREASURIES—continued	
	<b>U.S. Treasury Bond—1.0%</b>	
\$ 340,000	United States Treasury Bond, 2.250%, 2/15/2052	\$ 205,488
125,000	United States Treasury Bond, 3.000%, 8/15/2052	89,121
50,000	United States Treasury Bond, 3.250%, 5/15/2042	41,547
225,000	United States Treasury Bond, 3.375%, 8/15/2042	189,598
350,000	United States Treasury Bond, 4.125%, 8/15/2053	308,383
475,000	United States Treasury Bond, 4.250%, 8/15/2054	427,352
485,000	United States Treasury Bond, 4.500%, 11/15/2054	455,142
750,000	United States Treasury Bond, 4.625%, 2/15/2055	718,711
500,000	United States Treasury Bond, 4.625%, 11/15/2055	479,062
225,000	United States Treasury Bond, 4.750%, 8/15/2055	220,113
	TOTAL	3,134,517
	<b>U.S. Treasury Note—5.5%</b>	
500,000	United States Treasury Note, 2.375%, 3/31/2029	481,405
500,000	United States Treasury Note, 2.750%, 5/31/2029	486,055
550,000	United States Treasury Note, 3.125%, 8/31/2029	539,902
600,000	United States Treasury Note, 3.375%, 11/30/2027	598,361
1,300,000	United States Treasury Note, 3.500%, 9/30/2027	1,299,407
800,000	United States Treasury Note, 3.500%, 10/31/2027	799,520
200,000	United States Treasury Note, 3.625%, 8/31/2027	200,286
300,000	United States Treasury Note, 3.625%, 8/31/2030	298,102
1,100,000	United States Treasury Note, 3.625%, 9/30/2030	1,092,781
300,000	United States Treasury Note, 3.625%, 10/31/2030	297,937
1,250,000	United States Treasury Note, 3.625%, 12/31/2030	1,240,430
300,000	United States Treasury Note, 3.750%, 10/31/2032	295,406
1,400,000	United States Treasury Note, 3.875%, 12/31/2027	1,408,759
150,000	United States Treasury Note, 3.875%, 6/15/2028	151,066
1,320,000	United States Treasury Note, 3.875%, 6/30/2030	1,326,394
500,000	United States Treasury Note, 3.875%, 12/31/2032	495,703
200,000	United States Treasury Note, 4.000%, 2/28/2030	202,063
525,000	United States Treasury Note, 4.000%, 3/31/2030	530,332
100,000	United States Treasury Note, 4.000%, 7/31/2030	100,977
175,000	United States Treasury Note, 4.000%, 6/30/2032	175,287
55,000	United States Treasury Note, 4.000%, 2/15/2034	54,553
1,000,000	United States Treasury Note, 4.000%, 11/15/2035	979,531
295,000	United States Treasury Note, 4.125%, 7/31/2028	298,895
1,675,000	<sup>3</sup> United States Treasury Note, 4.125%, 10/31/2029	1,699,863
450,000	United States Treasury Note, 4.125%, 2/29/2032	454,500
50,000	United States Treasury Note, 4.250%, 8/15/2035	50,063
350,000	United States Treasury Note, 4.375%, 11/30/2030	358,859
75,000	United States Treasury Note, 4.375%, 5/15/2034	76,230
1,400,000	United States Treasury Note, 4.500%, 12/31/2031	1,442,875
	TOTAL	17,435,542
	TOTAL U.S. TREASURIES (IDENTIFIED COST \$22,420,519)	22,203,407
	ASSET-BACKED SECURITIES—2.6%	
	<b>Auto Receivables—1.2%</b>	
300,000	AmeriCredit Automobile Receivables Trust 2025-1, Class A3, 4.120%, 5/20/2030	301,420
285,000	BMW Vehicle Lease Trust 2024-2, Class A4, 4.210%, 2/25/2028	286,482
225,793	Citizens Auto Receivables Trust 2024-2, Class A3, 5.330%, 8/15/2028	227,319
300,000	Ford Credit Auto Owner Trust/Ford Credit 2023-2, Class SUB, 5.920%, 2/15/2036	310,699
300,000	General Motors 2024-2A, Class B, 5.350%, 3/15/2031	302,993
203,059	Huntington Auto Trust 2024-1A, Class A3, 5.230%, 1/16/2029	205,149
150,000	LAD Auto Receivables Trust 2025-2A, Class C, 4.700%, 8/16/2032	151,340

Shares or Principal Amount		Value
	ASSET-BACKED SECURITIES—continued	
	<b>Auto Receivables—continued</b>	
\$ 140,547	M&T Bank Auto Receivables Trust 2024-1A, Class A3, 5.220%, 2/17/2032	\$ 142,039
250,068	Santander Drive Auto Receivables Trust 2023-1, Class C, 5.090%, 5/15/2030	251,127
250,000	Santander Drive Auto Receivables Trust 2023-3, Class C, 5.770%, 11/15/2030	254,532
178,706	Securitized Term Auto Receivables Trust 2025-A, Class B, 5.038%, 7/25/2031	180,798
225,000	SFS Auto Receivables Securitization Trust 2023-1A, Class C, 5.970%, 2/20/2031	230,368
250,000	Stellantis Financial Underwritten Enhanced Lease Trust 2025-AA, Class A4, 4.500%, 3/20/2029	252,052
250,000	Toyota Auto Loan Extended Note 2023-1A, Class A, 4.930%, 6/25/2036	255,673
323,647	Truist Bank Auto Credit-Linked Notes Series 2025-1, Class B, 4.728%, 9/26/2033	325,402
	TOTAL	3,677,393
	<b>Credit Card—0.2%</b>	
345,000	First National Master Note Trust 2023-1, Class A, 5.130%, 4/15/2029	345,861
400,000	Master Credit Card Trust 2022-2A, Class C, 2.730%, 7/21/2028	390,101
	TOTAL	735,962
	<b>Equipment Lease—0.9%</b>	
200,000	Dell Equipment Finance Trust 2023-2, Class C, 6.060%, 1/22/2029	200,347
185,000	Dell Equipment Finance Trust 2025-1, Class A3, 4.610%, 2/24/2031	187,074
375,000	Dell Equipment Finance Trust 2025-2, Class C, 4.530%, 3/24/2031	376,145
300,000	DLLAA LLC 2025-1A, Class A4, 5.080%, 4/20/2033	308,526
300,000	DLLAD LLC 2024-1A, Class A4, 5.380%, 9/22/2031	310,289
200,000	DLLMT LLC 2023-1A, Class A4, 5.350%, 3/20/2031	202,140
280,000	Great America Leasing Receivables 2025-1, Class A4, 4.580%, 1/15/2032	284,200
400,000	HPEFS Equipment Trust 2024-2A, Class C, 5.520%, 10/20/2031	406,357
300,000	Kubota Credit Owner Trust 2023-2A, Class A4, 5.230%, 6/15/2028	305,327
300,000	MMAF Equipment Finance LLC 2023-A, Class A4, 5.500%, 12/13/2038	306,004
	TOTAL	2,886,409
	<b>Other—0.3%</b>	
225,000	PFS Financing Corp. 2023-B, Class A, 5.270%, 5/15/2028	226,210
300,000	PFS Financing Corp. 2024-F, Class A, 4.750%, 8/15/2029	304,015
225,000	PFS Financing Corp. 2025-D, Class A, 4.470%, 5/15/2030	227,742
200,000	PFS Financing Corp. 2025-F, Class A, 4.400%, 8/15/2030	202,210
	TOTAL	960,177
	<b>Student Loans—0.0%</b>	
111,819	Navigent Student Loan Trust 2021-A, Class A, 0.840%, 5/15/2069	103,381
	TOTAL ASSET-BACKED SECURITIES (IDENTIFIED COST \$8,277,301)	8,363,322
	COLLATERALIZED MORTGAGE OBLIGATIONS—1.6%	
	<b>Federal Home Loan Mortgage Corporation—0.7%</b>	
1,003	Federal Home Loan Mortgage Corp. REMIC, Series 2497, Class JH, 6.000%, 9/15/2032	1,040
167,382	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5396, Class FG, 4.697% (30-DAY AVERAGE SOFR +1.000%), 4/25/2054	168,210
233,304	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5402, Class FB, 4.797% (30-DAY AVERAGE SOFR +1.100%), 4/25/2054	235,177
138,625	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5417, Class FC, 4.897% (30-DAY AVERAGE SOFR +1.200%), 6/25/2054	139,666
106,464	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5426, Class FB, 4.897% (30-DAY AVERAGE SOFR +1.200%), 6/25/2054	107,094
316,312	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5440, Class WF, 4.847% (30-DAY AVERAGE SOFR +1.150%), 8/25/2054	319,972
154,755	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5484, Class FB, 4.897% (30-DAY AVERAGE SOFR +1.200%), 12/25/2054	155,744
134,349	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5499, Class FN, 4.697% (30-DAY AVERAGE SOFR +1.000%), 2/25/2055	134,359
309,266	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5511, Class JF, 4.847% (30-DAY AVERAGE SOFR +1.150%), 3/25/2055	310,246
610,411	<sup>2</sup> Federal Home Loan Mortgage Corp. REMIC, Series 5522, Class BF, 4.747% (30-DAY AVERAGE SOFR +1.050%), 3/25/2055	613,912
	TOTAL	2,185,420
	<b>Federal National Mortgage Association—0.2%</b>	
44	Federal National Mortgage Association REMIC, Series 2003-35, Class UC, 3.750%, 5/25/2033	43
302,225	<sup>2</sup> Federal National Mortgage Association REMIC, Series 2024-82, Class HF, 4.897% (30-DAY AVERAGE SOFR +1.200%), 11/25/2054	303,808

Shares or Principal Amount		Value
	COLLATERALIZED MORTGAGE OBLIGATIONS—continued	
	<b>Federal National Mortgage Association—continued</b>	
\$ 310,948	<sup>2</sup> Federal National Mortgage Association REMIC, Series 2025-18, Class WF, 4.797% (30-DAY AVERAGE SOFR +1.100%), 9/25/2054	\$ 313,066
	TOTAL	616,917
	<b>Government National Mortgage Association—0.6%</b>	
383,564	<sup>2</sup> Government National Mortgage Association REMIC, Series 2023-65, Class FQ, 4.603% (30-DAY AVERAGE SOFR +0.900%), 5/20/2053	385,229
335,889	<sup>2</sup> Government National Mortgage Association REMIC, Series 2023-83, Class DF, 4.683% (30-DAY AVERAGE SOFR +0.980%), 6/20/2053	337,864
501,043	<sup>2</sup> Government National Mortgage Association REMIC, Series 2024-71, Class AF, 5.098% (30-DAY AVERAGE SOFR +0.000%), 4/20/2054	501,362
695,120	<sup>2</sup> Government National Mortgage Association REMIC, Series 2025-169, Class AF, 4.703% (30-DAY AVERAGE SOFR +1.000%), 10/20/2055	700,090
	TOTAL	1,924,545
	<b>Non-Agency Mortgage—0.1%</b>	
327,014	GS Mortgage-Backed Securities Trust 2023-PJ1, Class A4, 3.500%, 2/25/2053	297,813
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS (IDENTIFIED COST \$4,998,923)	5,024,695
	COMMERCIAL MORTGAGE-BACKED SECURITIES—1.2%	
	<b>Commercial Mortgage—0.9%</b>	
150,000	Bank 2023-BNK46, Class A4, 5.745%, 8/15/2056	159,012
300,000	Bank 2024-BNK48, Class A4, 4.775%, 10/15/2057	301,509
248,770	Barclays Commercial Mortgage S 2024-5C27, Class A2, 5.550%, 7/15/2057	257,186
250,000	Barclays Commercial Mortgage S 2025-C35, Class A4, 5.289%, 7/15/2058	256,033
200,000	BMO Mortgage Trust 2023-5C1, Class A3, 6.534%, 8/15/2056	209,064
200,000	BMO Mortgage Trust 2023-C4, Class A5, 5.116%, 2/15/2056	204,084
300,000	BMO Mortgage Trust 2025-5C11, Class A2, 5.187%, 7/15/2058	307,268
350,000	BMO Mortgage Trust 2025-5C12, Class A2, 4.698%, 10/15/2058	352,363
250,000	<sup>2</sup> JW Commercial Mortgage Trust 2 2024-BERY, Class A, 5.273% (CME Term SOFR 1 Month +1.593%), 11/15/2039	250,701
225,000	<sup>2</sup> ORL Trust 2024-GLKS, Class A, 5.172% (CME Term SOFR 1 Month +1.492%), 12/15/2039	225,563
225,000	Wells Fargo Commercial Mortgage Trust 2024-5C2, Class A2, 5.439%, 11/15/2057	231,795
	TOTAL	2,754,578
	<b>Federal Home Loan Mortgage Corporation—0.3%</b>	
186,911	Federal Home Loan Mortgage Corp. REMIC, Series K106, Class A1, 1.783%, 10/25/2029	178,830
250,000	Federal Home Loan Mortgage Corp. REMIC, Series K161, Class A2, 4.900%, 10/25/2033	257,917
350,000	Federal Home Loan Mortgage Corp. REMIC, Series K737, Class A2, 2.525%, 10/25/2026	346,894
200,000	Federal Home Loan Mortgage Corp. REMIC, Series K754, Class A2, 4.940%, 11/25/2030	206,879
	TOTAL	990,520
	TOTAL COMMERCIAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$3,725,816)	3,745,098
	MORTGAGE-BACKED SECURITIES—0.1%	
	<b>Federal Home Loan Mortgage Corporation—0.0%</b>	
15,872	Federal Home Loan Mortgage Corp., Pool G07801, 4.000%, 10/1/2044	15,458
	<b>Federal National Mortgage Association—0.1%</b>	
3,719	Federal National Mortgage Association, Pool 357761, 5.500%, 5/1/2035	3,857
375	Federal National Mortgage Association, Pool 728709, 5.500%, 7/1/2033	388
16,059	Federal National Mortgage Association, Pool 932864, 4.000%, 12/1/2040	15,744
28,246	Federal National Mortgage Association, Pool AB7859, 3.500%, 2/1/2043	26,881
20,446	Federal National Mortgage Association, Pool AD6938, 4.500%, 6/1/2040	20,605
10,402	Federal National Mortgage Association, Pool AQ0945, 3.000%, 11/1/2042	9,596
12,290	Federal National Mortgage Association, Pool AT2127, 3.000%, 4/1/2043	11,338
2,508	Federal National Mortgage Association, Pool AT7861, 3.000%, 6/1/2028	2,484
11,003	Federal National Mortgage Association, Pool BM4388, 4.000%, 8/1/2048	10,638
6,607	Federal National Mortgage Association, Pool BM5024, 3.000%, 11/1/2048	5,982
8,516	Federal National Mortgage Association, Pool BM5246, 3.500%, 11/1/2048	7,947

Shares or Principal Amount		Value
	MORTGAGE-BACKED SECURITIES—continued	
	<b>Federal National Mortgage Association—continued</b>	
\$ 11,074	Federal National Mortgage Association, Pool CA0833, 3.500%, 12/1/2047	\$ 10,342
8,000	Federal National Mortgage Association, Pool CA4427, 3.000%, 10/1/2049	7,191
5,318	Federal National Mortgage Association, Pool FM0008, 3.500%, 8/1/2049	4,981
17,164	Federal National Mortgage Association, Pool FM1000, 3.000%, 4/1/2047	15,627
7,943	Federal National Mortgage Association, Pool FM1221, 3.500%, 7/1/2049	7,443
10,922	Federal National Mortgage Association, Pool MA0500, 5.000%, 8/1/2040	11,178
13,324	Federal National Mortgage Association, Pool MA0666, 4.500%, 3/1/2041	13,421
17,271	Federal National Mortgage Association, Pool MA1430, 3.000%, 5/1/2043	15,914
12,154	Federal National Mortgage Association, Pool MA2803, 2.500%, 11/1/2031	11,774
	TOTAL	213,331
	<b>Government National Mortgage Association—0.0%</b>	
9,641	Government National Mortgage Association, Pool MA0625, 3.500%, 12/20/2042	9,148
6,142	Government National Mortgage Association, Pool MA1376, 4.000%, 10/20/2043	5,962
	TOTAL	15,110
	TOTAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$260,412)	243,899
	MUNICIPAL BOND—0.0%	
30,000	Texas State Transportation Commission - State Highway Fund, 5.178%, 4/1/2030 (IDENTIFIED COST \$31,827)	30,619
	EXCHANGE-TRADED FUNDS—7.5%	
102,000	iShares Core MSCI Emerging Markets ETF	7,401,120
163,800	iShares MSCI EAFE ETF	16,501,212
	TOTAL EXCHANGE-TRADED FUNDS (IDENTIFIED COST \$19,221,933)	23,902,332
	INVESTMENT COMPANIES—14.2%	
127,678	Bank Loan Core Fund	1,082,706
344,568	Emerging Markets Core Fund	3,142,463
4,814,147	Federated Hermes Government Obligations Fund, Premier Shares, 3.59% <sup>4</sup>	4,814,147
523,061	High Yield Bond Core Fund	2,991,909
2,724,266	Mortgage Core Fund	23,156,262
1,102,161	Project and Trade Finance Core Fund	9,842,294
	TOTAL INVESTMENT COMPANIES (IDENTIFIED COST \$45,050,274)	45,029,781
	TOTAL INVESTMENT IN SECURITIES—99.9% (IDENTIFIED COST \$273,985,328) <sup>5</sup>	316,985,064
	OTHER ASSETS AND LIABILITIES - NET—0.1% <sup>6</sup>	273,386
	NET ASSETS—100%	\$317,258,450

At January 31, 2026, the Fund had the following outstanding futures contracts:

Description	Number of Contracts	Notional Value	Expiration Date	Value and Unrealized Appreciation (Depreciation)
<b>Long Futures:</b>				
United States Treasury Long Bond Long Futures	1	\$ 115,125	March 2026	\$ (1,772)
United States Treasury Notes 2-Year Long Futures	42	\$8,756,672	March 2026	\$ (8,876)
United States Treasury Notes 5-Year Long Futures	22	\$2,396,453	March 2026	\$ (11,175)
United States Treasury Notes 10-Year Long Futures	2	\$ 223,656	March 2026	\$ 6
United States Treasury Notes 10-Year Ultra Long Futures	36	\$4,109,625	March 2026	\$ (51,010)
United States Treasury Ultra Bond Long Futures	33	\$3,875,438	March 2026	\$ (28,340)
NET UNREALIZED DEPRECIATION ON FUTURES CONTRACTS				\$(101,167)

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

Transactions with affiliated investment companies, which are funds managed by the Adviser or an affiliate of the Adviser, during the period ended January 31, 2026, were as follows:

Affiliates	Value as of 7/31/2025	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation/ Depreciation	Net Realized Gain/ (Loss)	Value as of 1/31/2026	Shares Held as of 1/31/2026	Dividend Income
Bank Loan Core Fund	\$ 2,754,459	\$ 200,619	\$ (1,857,000)	\$ (10,984)	\$ (4,388)	\$ 1,082,706	127,678	\$ 50,788
Emerging Markets Core Fund	\$ 3,284,591	\$ 417,060	\$ (630,000)	\$ 22,893	\$ 47,919	\$ 3,142,463	344,568	\$ 156,575
Federated Hermes Government Obligations Fund, Premier Shares	\$ 8,948,486	\$40,118,722	\$(44,253,061)	\$ —	\$ —	\$ 4,814,147	4,814,147	\$ 194,342
High Yield Bond Core Fund	\$ 2,641,252	\$ 337,698	\$ —	\$ 12,959	\$ —	\$ 2,991,909	523,061	\$ 86,790
Mortgage Core Fund	\$21,002,335	\$ 2,495,478	\$ (980,000)	\$824,913	\$(186,464)	\$23,156,262	2,724,266	\$ 542,929
Project and Trade Finance Core Fund	\$ 7,796,906	\$ 2,035,771	\$ —	\$ 9,617	\$ —	\$ 9,842,294	1,102,161	\$ 302,280
<b>TOTAL OF AFFILIATED TRANSACTIONS</b>	<b>\$46,428,029</b>	<b>\$45,605,348</b>	<b>\$(47,720,061)</b>	<b>\$859,398</b>	<b>\$(142,933)</b>	<b>\$45,029,781</b>	<b>9,635,881</b>	<b>\$1,333,704</b>

- 1 *Non-income-producing security.*
- 2 *Floating/variable note with current rate and current maturity or next reset date shown.*
- 3 *All or a portion of this security is pledged as collateral to ensure the Fund is able to satisfy the obligations of its outstanding futures contracts.*
- 4 *7-day net yield.*
- 5 *Also represents cost of investments for federal tax purposes.*
- 6 *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 net assets at January 31, 2026.

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 January 31, 2026, 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
<b>Equity Securities:</b>				
Common Stocks				
Domestic	\$182,562,622	\$ —	\$—	\$182,562,622
International	385,645	—	—	385,645
<b>Debt Securities:</b>				
Corporate Bonds	—	25,493,644	—	25,493,644
U.S. Treasuries	—	22,203,407	—	22,203,407
Asset-Backed Securities	—	8,363,322	—	8,363,322
Collateralized Mortgage Obligations	—	5,024,695	—	5,024,695
Commercial Mortgage-Backed Securities	—	3,745,098	—	3,745,098
Mortgage-Backed Securities	—	243,899	—	243,899
Municipal Bond	—	30,619	—	30,619
<b>Exchange-Traded Funds</b>	23,902,332	—	—	23,902,332
<b>Investment Companies</b>	35,187,487	—	—	35,187,487
<b>Other Investments<sup>1</sup></b>	—	—	—	9,842,294
<b>TOTAL SECURITIES</b>	<b>\$242,038,086</b>	<b>\$65,104,684</b>	<b>\$—</b>	<b>\$316,985,064</b>
<b>Other Financial Instruments:<sup>2</sup></b>				
Assets	\$ 6	\$ —	\$—	\$ 6
Liabilities	(101,173)	—	—	(101,173)
<b>TOTAL OTHER FINANCIAL INSTRUMENTS</b>	<b>\$ (101,167)</b>	<b>\$ —</b>	<b>\$—</b>	<b>\$ (101,167)</b>

1 As permitted by U.S. generally accepted accounting principles (GAAP), an Investment Company valued at \$9,842,294 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:

ETF —Exchange-Traded Fund  
 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

See Notes which are an integral part of the Financial Statements

## Financial Highlights – Class A Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 1/31/2026	Year Ended July 31,				
		2025	2024	2023	2022	2021
<b>Net Asset Value, Beginning of Period</b>	<b>\$22.97</b>	<b>\$22.38</b>	<b>\$19.51</b>	<b>\$19.57</b>	<b>\$23.18</b>	<b>\$19.59</b>
<b>Income From Investment Operations:</b>						
Net investment income (loss) <sup>1</sup>	0.17	0.33	0.30	0.28	0.16	0.16
Net realized and unrealized gain (loss)	1.15	2.53	2.86	0.85	(1.60)	4.30
<b>TOTAL FROM INVESTMENT OPERATIONS</b>	<b>1.32</b>	<b>2.86</b>	<b>3.16</b>	<b>1.13</b>	<b>(1.44)</b>	<b>4.46</b>
<b>Less Distributions:</b>						
Distributions from net investment income	(0.28)	(0.31)	(0.29)	(0.09)	(0.13)	(0.07)
Distributions from net realized gain	(1.65)	(1.96)	—	(1.10)	(2.04)	(0.80)
<b>TOTAL DISTRIBUTIONS</b>	<b>(1.93)</b>	<b>(2.27)</b>	<b>(0.29)</b>	<b>(1.19)</b>	<b>(2.17)</b>	<b>(0.87)</b>
<b>Net Asset Value, End of Period</b>	<b>\$22.36</b>	<b>\$22.97</b>	<b>\$22.38</b>	<b>\$19.51</b>	<b>\$19.57</b>	<b>\$23.18</b>
<b>Total Return<sup>2</sup></b>	<b>5.80%</b>	<b>13.31%</b>	<b>16.36%</b>	<b>6.28%</b>	<b>(7.05)%</b>	<b>23.31%</b>
<b>Ratios to Average Net Assets:</b>						
Net expenses <sup>3</sup>	1.27% <sup>4</sup>	1.30%	1.31%	1.31%	1.30%	1.31%
Net investment income	1.43% <sup>4</sup>	1.47%	1.46%	1.48%	0.73%	0.77%
Expense waiver/reimbursement <sup>5</sup>	0.00% <sup>4,6</sup>	0.00% <sup>6</sup>	0.01%	0.04%	0.01%	0.04%
<b>Supplemental Data:</b>						
Net assets, end of period (000 omitted)	\$159,410	\$151,074	\$130,833	\$115,519	\$114,889	\$124,559
Portfolio turnover <sup>7</sup>	24%	82%	68%	104%	110%	61%

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

2 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. 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 Represents less than 0.01%.

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

See Notes which are an integral part of the Financial Statements

## Financial Highlights – Class C Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 1/31/2026	Year Ended July 31,				
		2025	2024	2023	2022	2021
<b>Net Asset Value, Beginning of Period</b>	<b>\$22.31</b>	<b>\$21.81</b>	<b>\$19.02</b>	<b>\$19.16</b>	<b>\$22.78</b>	<b>\$19.35</b>
<b>Income From Investment Operations:</b>						
Net investment income (loss) <sup>1</sup>	0.07	0.15	0.14	0.14	(0.01)	0.00 <sup>2</sup>
Net realized and unrealized gain (loss)	1.13	2.46	2.78	0.82	(1.57)	4.23
TOTAL FROM INVESTMENT OPERATIONS	1.20	2.61	2.92	0.96	(1.58)	4.23
<b>Less Distributions:</b>						
Distributions from net investment income	(0.14)	(0.15)	(0.13)	—	—	—
Distributions from net realized gain	(1.65)	(1.96)	—	(1.10)	(2.04)	(0.80)
TOTAL DISTRIBUTIONS	(1.79)	(2.11)	(0.13)	(1.10)	(2.04)	(0.80)
<b>Net Asset Value, End of Period</b>	<b>\$21.72</b>	<b>\$22.31</b>	<b>\$21.81</b>	<b>\$19.02</b>	<b>\$19.16</b>	<b>\$22.78</b>
<b>Total Return<sup>3</sup></b>	<b>5.40%</b>	<b>12.44%</b>	<b>15.46%</b>	<b>5.45%</b>	<b>(7.76)%</b>	<b>22.37%</b>
<b>Ratios to Average Net Assets:</b>						
Net expenses <sup>4</sup>	2.05% <sup>5</sup>	2.08%	2.08%	2.10%	2.06%	2.06%
Net investment income (loss)	0.66% <sup>5</sup>	0.69%	0.70%	0.69%	(0.05)%	0.01%
Expense waiver/reimbursement <sup>6</sup>	0.00% <sup>5,7</sup>	0.00% <sup>7</sup>	0.00% <sup>7</sup>	0.01%	0.01%	0.05%
<b>Supplemental Data:</b>						
Net assets, end of period (000 omitted)	\$17,493	\$15,267	\$12,272	\$11,890	\$13,503	\$16,941
Portfolio turnover <sup>8</sup>	24%	82%	68%	104%	110%	61%

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

2 Represents less than \$0.01.

3 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods of less than one year are not annualized.

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

5 Computed on an annualized basis.

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

7 Represents less than 0.01%.

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

See Notes which are an integral part of the Financial Statements

## Financial Highlights – Institutional Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 1/31/2026	Year Ended July 31,				
		2025	2024	2023	2022	2021
<b>Net Asset Value, Beginning of Period</b>	<b>\$23.08</b>	<b>\$22.47</b>	<b>\$19.62</b>	<b>\$19.67</b>	<b>\$23.28</b>	<b>\$19.67</b>
<b>Income From Investment Operations:</b>						
Net investment income (loss) <sup>1</sup>	0.20	0.38	0.35	0.33	0.21	0.22
Net realized and unrealized gain (loss)	1.15	2.55	2.87	0.86	(1.60)	4.30
TOTAL FROM INVESTMENT OPERATIONS	1.35	2.93	3.22	1.19	(1.39)	4.52
<b>Less Distributions:</b>						
Distributions from net investment income	(0.33)	(0.36)	(0.37)	(0.14)	(0.18)	(0.11)
Distributions from net realized gain	(1.65)	(1.96)	—	(1.10)	(2.04)	(0.80)
TOTAL DISTRIBUTIONS	(1.98)	(2.32)	(0.37)	(1.24)	(2.22)	(0.91)
<b>Net Asset Value, End of Period</b>	<b>\$22.45</b>	<b>\$23.08</b>	<b>\$22.47</b>	<b>\$19.62</b>	<b>\$19.67</b>	<b>\$23.28</b>
<b>Total Return<sup>2</sup></b>	<b>5.90%</b>	<b>13.60%</b>	<b>16.62%</b>	<b>6.57%</b>	<b>(6.82)%</b>	<b>23.59%</b>
<b>Ratios to Average Net Assets:</b>						
Net expenses <sup>3</sup>	1.04% <sup>4</sup>	1.06%	1.06%	1.06%	1.06%	1.06%
Net investment income	1.66% <sup>4</sup>	1.71%	1.72%	1.74%	0.97%	1.02%
Expense waiver/reimbursement <sup>5</sup>	0.00% <sup>4,6</sup>	0.02%	0.02%	0.04%	0.01%	0.04%
<b>Supplemental Data:</b>						
Net assets, end of period (000 omitted)	\$123,346	\$99,413	\$81,187	\$69,433	\$65,157	\$73,997
Portfolio turnover <sup>7</sup>	24%	82%	68%	104%	110%	61%

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

2 Based on net asset value. 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 Represents less than 0.01%.

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

See Notes which are an integral part of the Financial Statements

## Financial Highlights – Class R6 Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 1/31/2026	Year Ended July 31,				
		2025	2024	2023	2022	2021
<b>Net Asset Value, Beginning of Period</b>	<b>\$23.01</b>	<b>\$22.40</b>	<b>\$19.56</b>	<b>\$19.63</b>	<b>\$23.24</b>	<b>\$19.61</b>
<b>Income From Investment Operations:</b>						
Net investment income (loss) <sup>1</sup>	0.20	0.39	0.36	0.32	0.22	0.22
Net realized and unrealized gain (loss)	1.16	2.55	2.85	0.87	(1.61)	4.31
TOTAL FROM INVESTMENT OPERATIONS	1.36	2.94	3.21	1.19	(1.39)	4.53
<b>Less Distributions:</b>						
Distributions from net investment income	(0.34)	(0.37)	(0.37)	(0.16)	(0.18)	(0.10)
Distributions from net realized gain	(1.65)	(1.96)	—	(1.10)	(2.04)	(0.80)
TOTAL DISTRIBUTIONS	(1.99)	(2.33)	(0.37)	(1.26)	(2.22)	(0.90)
<b>Net Asset Value, End of Period</b>	<b>\$22.38</b>	<b>\$23.01</b>	<b>\$22.40</b>	<b>\$19.56</b>	<b>\$19.63</b>	<b>\$23.24</b>
<b>Total Return<sup>2</sup></b>	<b>5.95%</b>	<b>13.70%</b>	<b>16.66%</b>	<b>6.59%</b>	<b>(6.81)%</b>	<b>23.70%</b>
<b>Ratios to Average Net Assets:</b>						
Net expenses <sup>3</sup>	0.98% <sup>4</sup>	1.02%	1.02%	1.04%	1.01%	1.05%
Net investment income	1.72% <sup>4</sup>	1.77%	1.75%	1.76%	1.05%	1.03%
Expense waiver/reimbursement <sup>5</sup>	0.00% <sup>4,6</sup>	0.00% <sup>6</sup>	0.00% <sup>6</sup>	0.01%	0.01%	0.01%
<b>Supplemental Data:</b>						
Net assets, end of period (000 omitted)	\$17,010	\$15,769	\$3,279	\$2,648	\$2,286	\$1,836
Portfolio turnover <sup>7</sup>	24%	82%	68%	104%	110%	61%

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

2 Based on net asset value. 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 Represents less than 0.01%.

7 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

January 31, 2026 (unaudited)

## Assets:

Investment in securities, at value including \$45,029,781 of investments in affiliated holdings* (identified cost \$273,985,328, including \$45,050,274 of identified cost in affiliated holdings)	\$316,985,064
Income receivable	807,795
Income receivable from affiliated holdings	27,232
Receivable for investments sold	1,428,016
Receivable for shares sold	295,054
Receivable for variation margin on futures contracts	8,420
<b>TOTAL ASSETS</b>	<b>319,551,581</b>

## Liabilities:

Payable for investments purchased	1,894,047
Payable for shares redeemed	197,995
Payable for investment adviser fee (Note 5)	13,060
Payable for administrative fee (Note 5)	1,347
Payable for distribution services fee (Note 5)	11,043
Payable for other service fees (Notes 2 and 5)	71,585
Accrued expenses (Note 5)	104,054
<b>TOTAL LIABILITIES</b>	<b>2,293,131</b>

Net assets for 14,186,636 shares outstanding	\$317,258,450
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## Net Assets Consist of:

Paid-in capital	\$274,870,762
Total distributable earnings (loss)	42,387,688
<b>NET ASSETS</b>	<b>\$317,258,450</b>

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

### Class A Shares:

Net asset value per share ( $\$159,409,932 \div 7,128,081$ shares outstanding), no par value, unlimited shares authorized	\$22.36
Offering price per share (100/95.50 of \$22.36)	\$23.41
Redemption proceeds per share	\$22.36

### Class C Shares:

Net asset value per share ( $\$17,492,508 \div 805,331$ shares outstanding), no par value, unlimited shares authorized	\$21.72
Offering price per share	\$21.72
Redemption proceeds per share (99.00/100 of \$21.72)	\$21.50

### Institutional Shares:

Net asset value per share ( $\$123,346,023 \div 5,493,149$ shares outstanding), no par value, unlimited shares authorized	\$22.45
Offering price per share	\$22.45
Redemption proceeds per share	\$22.45

### Class R6 Shares:

Net asset value per share ( $\$17,009,987 \div 760,075$ shares outstanding), no par value, unlimited shares authorized	\$22.38
Offering price per share	\$22.38
Redemption proceeds per share	\$22.38

\* 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 January 31, 2026 (unaudited)

## Investment Income:

Dividends (including \$1,328,953 received from affiliated holdings*)	\$ 2,677,033
Interest	1,416,861
Net income on securities loaned (includes \$4,751 earned from affiliated holdings related to cash collateral balances*) (Note 2)	3,965
<b>TOTAL INCOME</b>	<b>4,097,859</b>

## Expenses:

Investment adviser fee (Note 5)	1,136,667
Administrative fee (Note 5)	120,921
Custodian fees	22,706
Transfer agent fees (Note 2)	120,847
Directors'/Trustees' fees (Note 5)	1,495
Auditing fees	20,854
Legal fees	5,602
Portfolio accounting fees	68,546
Distribution services fee (Note 5)	61,885
Other service fees (Notes 2 and 5)	208,930
Share registration costs	42,364
Printing and postage	13,854
Miscellaneous (Note 5)	15,601
<b>TOTAL EXPENSES</b>	<b>1,840,272</b>
Reimbursement of investment adviser fee (Note 5)	(3,432)
<b>Net expenses</b>	<b>1,836,840</b>
<b>Net investment income</b>	<b>2,261,019</b>

## Realized and Unrealized Gain (Loss) on Investments and Futures Contracts:

Net realized gain on investments (including net realized loss of \$(142,933) on sales of investments in affiliated holdings*)	5,108,945
Net realized gain on futures contracts	200,359
Net change in unrealized appreciation of investments (including net change in unrealized depreciation of \$859,398 on investments in affiliated holdings*)	9,262,891
Net change in unrealized depreciation of futures contracts	(45,018)
<b>Net realized and unrealized gain (loss) on investments and futures contracts</b>	<b>14,527,177</b>
<b>Change in net assets resulting from operations</b>	<b>\$16,788,196</b>

\* 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

	<b>Six Months Ended (unaudited) 1/31/2026</b>	<b>Year Ended 7/31/2025</b>
<b>Increase (Decrease) in Net Assets</b>		
<b>Operations:</b>		
Net investment income	\$ 2,261,019	\$ 3,806,413
Net realized gain (loss)	5,309,304	23,320,533
Net change in unrealized appreciation/depreciation	9,217,873	4,617,900
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	16,788,196	31,744,846
<b>Distributions to Shareholders:</b>		
Class A Shares	(12,892,556)	(13,282,003)
Class C Shares	(1,296,405)	(1,193,607)
Institutional Shares	(9,577,043)	(9,038,895)
Class R6 Shares	(1,415,203)	(349,350)
CHANGE IN NET ASSETS RESULTING FROM DISTRIBUTIONS TO SHAREHOLDERS	(25,181,207)	(23,863,855)
<b>Share Transactions:</b>		
Proceeds from sale of shares	47,370,295	75,322,293
Net asset value of shares issued to shareholders in payment of distributions declared	24,826,337	23,238,496
Cost of shares redeemed	(28,069,780)	(52,487,147)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	44,126,852	46,073,642
Change in net assets	35,733,841	53,954,633
<b>Net Assets:</b>		
Beginning of period	281,524,609	227,569,976
End of period	\$317,258,450	\$281,524,609

See Notes which are an integral part of the Financial Statements

# Notes to Financial Statements

January 31, 2026 (unaudited)

## 1. ORGANIZATION

Federated Hermes MDT 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 five portfolios. The financial statements included herein are only those of Federated Hermes MDT Balanced Fund (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 four classes of shares: Class A Shares, Class C Shares, Institutional Shares and Class R6 Shares. All shares of the Fund have equal rights with respect to voting, except on class-specific matters. The investment objective of the Fund is the possibility of long-term growth of capital and income.

## 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 GAAP.

### Investment Valuation

In calculating its NAV, the Fund generally values investments as follows:

- Equity securities and exchange-traded funds 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.
- Fixed-income securities are fair valued using price evaluations provided by a pricing service approved by Federated MDTA LLC (the "Adviser").
- 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.
- 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 Adviser.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Adviser, 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 Adviser's valuation policies and procedures for the Fund, or if information furnished by a pricing service, in the opinion of the Adviser's 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 Adviser as the Fund's valuation designee to perform any fair value determinations for securities and other assets held by the Fund. The Adviser is subject to the Trustees' oversight and certain reporting and other requirements intended to provide the Trustees the information needed to oversee the Adviser's fair value determinations.

The Adviser, acting through its Valuation Committee, is 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 Adviser and certain of the Adviser's 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 Adviser 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 Adviser. The Trustees periodically review the fair valuations made by the Valuation Committee. The Trustees have also approved the Adviser's 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 Adviser.

The Adviser has 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 Adviser has 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 Adviser. 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. Certain repurchase agreements may be structured as loans secured by a security interest or lien on the eligible securities. 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 Adviser and its 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.

### 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. 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. Positive or negative inflation adjustments on Treasury Inflation-Protected Securities are included in interest income. Distributions of net investment income and capital gains, if any, are declared and paid at least annually. Non-cash dividends included in dividend income, if any, are recorded at fair value. 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 reimbursement of \$3,432 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.

### Transfer Agent Fees

For the six months ended January 31, 2026, transfer agent fees for the Fund were as follows:

	<b>Transfer Agent Fees Incurred</b>
Class A Shares	\$ 60,131
Class C Shares	7,807
Institutional Shares	50,606
Class R6 Shares	2,303
TOTAL	\$120,847

## Other Service Fees

The Fund may pay other service fees up to 0.25% of the average daily net assets of the Fund's Class A Shares and Class C Shares to financial intermediaries or to Federated Shareholder Services Company (FSSC) for providing services to shareholders and maintaining shareholder accounts. Subject to the terms described in the Expense Limitation note, FSSC may voluntarily reimburse the Fund for other service fees.

For the six months ended January 31, 2026, other service fees for the Fund were as follows:

	<b>Other Service Fees Incurred</b>
Class A Shares	\$188,301
Class C Shares	20,629
TOTAL	\$208,930

## Federal Taxes

It is the Fund's policy to comply with the Subchapter M provision of the Internal Revenue Code of 1986 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 January 31, 2026, 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 January 31, 2026, tax years 2022 through 2025 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 currency, duration, market, security and yield curve risks. Upon entering into a financial futures contract with a broker, the Fund is required to deposit with a broker, either a specified amount of cash, which is shown as due from broker in the Statement of Assets and Liabilities or U.S. government securities. 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 \$43,461,518 and \$1,295,304, 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.

## Securities Lending

The Fund participates in a securities lending program providing for the lending of equity securities to qualified brokers. The term of the loans within the program is one year or less. The Fund receives cash collateral for securities loaned, which generally is invested in an affiliated money market fund. Collateral is maintained at a minimum level of 100% of the market value of investments loaned, plus interest, if applicable. In accordance with the Fund's securities lending agreement, the market value of securities on loan is determined each day at the close of business and any additional collateral required to cover the value of securities on loan is delivered to the Fund

on the next business day. Earnings from collateral invested in affiliated holdings as presented parenthetically on the Statement of Operations do not reflect fees and rebates and are allocated between the borrower of the security, the securities lending agent, as a fee for its services under the program and the Fund, according to agreed-upon rates. The Fund will not have the right to vote on securities while they are on loan. However, the Fund will attempt to terminate a loan in an effort to reacquire the securities in time to vote on matters that are deemed to be material by the Adviser. There can be no assurance that the Fund will have sufficient notice of such matters to be able to terminate the loan in time to vote thereon.

At January 31, 2026, the Fund had no securities on loan.

### 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 Adviser.

### Additional Disclosure Related to Derivative Instruments

#### Fair Value of Derivative Instruments

	Assets	
	Statement of Assets and Liabilities Location	Fair Value
Derivatives not accounted for as hedging instruments under ASC Topic 815		
Interest rate contracts	Receivable for variation margin on futures contracts	\$(101,167)*

\* Includes cumulative net depreciation 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 January 31, 2026

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

	Futures Contracts
Interest rate contracts	\$200,359

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

	Futures Contracts
Interest rate contracts	\$(45,018)

### 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 1/31/2026		Year Ended 7/31/2025	
	Shares	Amount	Shares	Amount
<b>Class A Shares:</b>				
Shares sold	425,963	\$ 9,902,400	1,123,636	\$ 24,782,310
Shares issued to shareholders in payment of distributions declared	561,684	12,661,028	580,962	12,838,576
Shares redeemed	(436,707)	(10,109,654)	(974,496)	(21,636,858)
NET CHANGE RESULTING FROM CLASS A SHARE TRANSACTIONS	550,940	\$ 12,453,774	730,102	\$ 15,984,028

	Six Months Ended 1/31/2026		Year Ended 7/31/2025	
	Shares	Amount	Shares	Amount
<b>Class C Shares:</b>				
Shares sold	129,951	\$ 2,908,751	244,632	\$ 5,274,772
Shares issued to shareholders in payment of distributions declared	58,286	1,272,346	52,980	1,136,699
Shares redeemed	(67,208)	(1,512,283)	(176,009)	(3,833,123)
NET CHANGE RESULTING FROM CLASS C SHARE TRANSACTIONS	121,029	\$ 2,668,814	121,603	\$ 2,578,348

	Six Months Ended 1/31/2026		Year Ended 7/31/2025	
	Shares	Amount	Shares	Amount
<b>Institutional Shares:</b>				
Shares sold	1,416,877	\$ 32,975,588	1,435,513	\$ 32,243,774
Shares issued to shareholders in payment of distributions declared	418,470	9,477,772	401,466	8,913,886
Shares redeemed	(650,184)	(15,148,162)	(1,142,633)	(25,209,362)
NET CHANGE RESULTING FROM INSTITUTIONAL SHARE TRANSACTIONS	1,185,163	\$ 27,305,198	694,346	\$ 15,948,298

	Six Months Ended 1/31/2026		Year Ended 7/31/2025	
	Shares	Amount	Shares	Amount
<b>Class R6 Shares:</b>				
Shares sold	68,022	\$ 1,583,556	606,064	\$ 13,021,437
Shares issued to shareholders in payment of distributions declared	62,683	1,415,191	15,786	349,335
Shares redeemed	(56,092)	(1,299,681)	(82,743)	(1,807,804)
NET CHANGE RESULTING FROM CLASS R6 SHARE TRANSACTIONS	74,613	\$ 1,699,066	539,107	\$ 11,562,968
NET CHANGE RESULTING FROM TOTAL FUND SHARE TRANSACTIONS	1,931,745	\$ 44,126,852	2,085,158	\$ 46,073,642

#### 4. FEDERAL TAX INFORMATION

At January 31, 2026, the cost of investments for federal tax purposes was \$273,985,328. The net unrealized appreciation of investments for federal tax purposes was \$42,898,569. This consists of unrealized appreciation from investments for those securities having an excess of value over cost of \$50,462,584 and unrealized depreciation from investments for those securities having an excess of cost over value of \$7,564,015. The amounts presented are inclusive of derivative contracts.

At July 31, 2025, for federal income tax purposes, the Fund had \$601 in straddle loss deferrals.

#### 5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

##### Investment Adviser Fee

The advisory agreement between the Fund and the Adviser 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 Adviser may voluntarily choose to waive any portion of its 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.

The Adviser has 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 January 31, 2026, the Adviser reimbursed \$3,432.

Certain of the Fund's assets are managed by Federated Investment Management Company (the "Sub-Adviser"). Under the terms of a sub-advisory agreement between the Adviser and the Sub-Adviser, the Sub-Adviser receives an allocable portion of the Fund's adviser fee. The fee is paid by the Adviser out of its resources and is not an incremental Fund expense. For the six months ended January 31, 2026, the Sub-Adviser earned a fee of \$131,894.

##### 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

Subject to the terms described in the Expense Limitation note, FAS may voluntarily choose to waive any portion of its fee. For the six months ended January 31, 2026, the annualized fee paid to FAS was 0.080% of average daily net assets of the Fund.

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

### 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 Class A Shares and Class C Shares to finance activities intended to result in the sale of these shares. The Plan provides that the Fund may incur distribution expenses at the following percentages of average daily net assets annually, to compensate FSC:

	Percentage of Average Daily Net Assets of Class
Class A Shares	0.05%
Class C Shares	0.75%

Subject to the terms described in the Expense Limitation note, FSC may voluntarily choose to waive any portion of its fee. For the six months ended January 31, 2026, distribution services fees for the Fund were as follows:

	Distribution Services Fees Incurred
Class C Shares	\$61,885

When FSC receives fees, it may pay some or all of them to financial intermediaries whose customers purchase shares. For the six months ended January 31, 2026, FSC retained \$19,366 of fees paid by the Fund. For the six months ended January 31, 2026, the Fund's Class A Shares did not incur a distribution services fee; however, it may begin to incur this fee upon approval of the Trustees.

### Sales Charges

Front-end sales charges and contingent deferred sales charges (CDSC) do not represent expenses of the Fund. They are deducted from the proceeds of sales of Fund shares prior to investment or from redemption proceeds prior to remittance, as applicable. For the six months ended January 31, 2026, FSC retained \$6,377 in sales charges from the sale of Class A Shares. FSC also retained \$2,023 of CDSC relating to redemptions of Class A Shares and \$3,563 relating to redemptions of Class C Shares, respectively.

### Other Service Fees

For the six months ended January 31, 2026, FSSC received \$9,870 of the other service fees disclosed in Note 2.

### Expense Limitation

The Adviser and certain of its affiliates (which may include FSC, FAS and FSSC) 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, extraordinary expenses and proxy-related expenses, if any) paid by the Fund's Class A Shares, Class C Shares, Institutional Shares and Class R6 Shares (after the voluntary waivers and/or reimbursements) will not exceed 1.31%, 2.10%, 1.06% and 1.05% (the "Fee Limit"), respectively, up to but not including the later of (the "Termination Date"): (a) October 1, 2026; or (b) the date of the Fund's next effective Prospectus. While the Adviser and its 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 approval of the Trustees.

### 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 Adviser 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 January 31, 2026, were as follows:

Purchases	\$75,738,463
Sales	\$52,571,112

## 7. CONCENTRATION OF RISK

The Fund may invest a portion of its assets in securities of companies that are deemed by the Fund's management to be classified in similar business sectors. Economic developments may have an effect on the liquidity and volatility of the portfolio securities.

A substantial part of the Fund's portfolio may be comprised of entities in the Information Technology sector. As a result, the Fund may be more susceptible to any economic, business, political or other developments which generally affect these entities.

## **8. 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 17, 2025. 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 January 31, 2026, the Fund had no outstanding loans. During the six months ended January 31, 2026, the Fund did not utilize the LOC.

## **9. 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 January 31, 2026, there were no outstanding loans. During the six months ended January 31, 2026, the program was not utilized.

## **10. OPERATING SEGMENTS**

An operating segment is defined as a component of a public entity that engages in business activities from which it may recognize revenues and incur expenses, has operating results that are regularly reviewed by the public entity's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and has discrete financial information available. A management committee of the Adviser acts as the CODM. The Fund represents a single operating segment, as the CODM monitors the operating results of the Fund as a whole and the strategic asset allocation is determined based on the investment objective of the Fund and executed by the Fund's portfolio management team. The financial information in the form of the Fund's portfolio composition, total returns, expense ratios and changes in net assets (i.e., changes in net assets resulting from operations, subscriptions and redemptions) which is reviewed by the CODM to assess the Fund's performance in comparison to the Fund's benchmarks and to make resource allocation decisions for the Fund's single segment is consistent with the information presented in these financial statements. Segment assets are reflected on the accompanying Statement of Assets and Liabilities as "total assets" and significant segment expenses are listed on the accompanying Statement of Operations.

## **11. 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 2025

### **FEDERATED HERMES MDT BALANCED FUND (THE “FUND”)**

At its meetings in May 2025 (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, as amended, (the “Independent Trustees”), reviewed and unanimously approved the continuation of the investment advisory contract between the Fund and Federated MDTA LLC (the “Adviser”) and the investment sub-advisory contract between the Adviser and Federated Investment Management Company (the “Sub-Adviser” and together with the Adviser, the “Advisers”) with respect to the Fund (together, the “Contracts”) for an additional one-year term. The Board’s determination to approve the continuation of the Contracts reflects the exercise of its business judgment after considering such information deemed necessary to evaluate the terms of the Contracts and 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 report regarding data related to the Fund’s management fee (the “CCO Management Fee Report”). The Board considered the CCO Management Fee Report, along with other information, in evaluating the reasonableness of the Fund’s management fee and in determining to approve the continuation of the Contracts.

In addition to the CCO Management Fee Report, the Board considered information specifically prepared in connection with the approval of the continuation of the Contracts 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 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 Contracts, which included detailed information about the Fund and Federated Hermes furnished to the Board at its meetings throughout the year.

The Board’s consideration of the Contracts 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 Advisers’ investment philosophy, personnel and processes; (5) the Fund’s investment objective 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; (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 Adviser’s 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 Contracts. 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 Contracts to the extent it

considered them to be appropriate and relevant, as discussed further below. 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 Contracts. 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 Contracts was based on a comprehensive consideration of all information provided to the Board throughout the year. The Board recognized that its evaluation process is evolutionary and that the factors considered and the 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 Contracts 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 Advisers and the resources of Federated Hermes dedicated to the Fund. In this regard, the Board evaluated, among other things, the terms of the Contracts and the full range of services provided to the Fund by Federated Hermes. The Board considered the 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 Advisers, including the execution of portfolio transactions and the selection of brokers for those transactions. The Board also considered the Advisers’ ability to deliver competitive investment performance for the Fund when compared to the Fund’s Performance Peer Group (as defined below).

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 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, as amended, 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 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 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, performance attribution information and commentary on the effect of market conditions. The Board noted that it evaluated investment performance at meetings throughout the year and received reports from Federated Hermes regarding the performance of certain Federated Hermes Funds as well as Federated Hermes' explanations for less favorable performance and any specific actions Federated Hermes had taken, or had determined 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. ("Morningstar"), an independent fund ranking organization (the "Performance Peer Group"). The Board noted the CCO's statement that comparisons to fund peer groups may be helpful, though not conclusive, in evaluating the performance of the Advisers in managing the Fund.

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.

The Board considered that for the one-year, three-year and five-year periods ended December 31, 2024, the Fund's performance was above the median of the Performance Peer Group.

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

### **Fund Expenses**

The Board considered the advisory fee, sub-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, net 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, and other expenses of the Fund and noted the position of the Fund's fee rates relative to its Expense Peer Group. In this regard, the Board noted that the contractual advisory fee rate was above the median of the Expense Peer Group, but the Board noted the applicable waivers and reimbursements, and that the overall expense structure of the Fund remained competitive in the context of other factors considered by the Board. In this regard, the Board considered that, while comparisons to the Fund's Expense Peer Group are relevant in judging the reasonableness of advisory fees, the quantitative focus of the management of the Fund makes fee and expense comparisons to the Expense Group particularly difficult. The Board further considered that, although the Fund's advisory fee was above the median of the Expense Peer Group, the funds in the Expense Peer Group varied widely in terms of the complexity of their management, and the management of the Fund is among the more complex funds relative to the Expense Peer Group.

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 Advisers or their affiliates serve as sub-adviser. The Board noted the CCO's statement that non-registered fund clients are inherently different products due to the following differences, among others: (i) types of targeted investors; (ii) applicable laws and regulations; (iii) legal structures; (iv) average account sizes; (v) portfolio management techniques made necessary by different cash flows and different associated costs; (vi) 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; (vii) SEC mandated risk management programs with respect to fund liquidity and use of derivatives; (viii) questions on regulatory reporting; (ix) a variety of different administrative responsibilities; and (x) degrees of risk associated with management. 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 statement 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 emphasized that differences in fees for providing advisory services to other types of clients may not be appropriate when judging the appropriateness of the Federated Hermes Funds' advisory fees because of the different services provided.

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 statement that, while the cost allocation report applies consistent allocation processes for purposes of general comparison of funds, the inherent difficulties in arbitrarily allocating costs lacks precision and may cause the report to be unreliable because a single change in an allocation estimate can 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 statement 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 Contracts 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 statement that the estimated profitability to the Adviser from its relationship with the Fund was not unreasonable in relation to the services provided.

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 statement that, based on such profitability information, Federated Hermes' profit margins did not appear to be excessive and that Federated Hermes appeared financially sound, with the resources available to fulfill its contractual obligations.

### **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 has been active in managing expenses of the Federated Hermes Funds 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 believes that this information is relevant to consider 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 considered that Federated Hermes may derive a benefit to its reputation as an adviser to the Fund, which may help in attracting other clients and investment personnel. 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 the CCO’s presentation and statements and the information accompanying the CCO Management Fee Report. The Board recognized that its 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.

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 Contracts. The Board based its determination to approve the Contracts 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.

Notes

*Mutual funds 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 mutual funds 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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