

Annual Shareholder Report

December 31, 2023



Share Class

Primary

Service

Federated Hermes Managed Volatility Fund II

A Portfolio of Federated Hermes Insurance Series

Dear Valued Shareholder,

We are pleased to present the Annual Shareholder Report for your fund covering the period from January 1, 2023 through December 31, 2023. This report includes Management's Discussion of Fund Performance, a complete listing of your fund's holdings, performance information and financial statements along with other important fund information.

As a global leader in active, responsible investment management, Federated Hermes is guided by our conviction that responsible investing is the best way to create wealth over the long term. The company provides capabilities across a wide range of asset classes to investors around the world.

In addition, FederatedHermes.com/us offers quick and easy access to valuable resources that include timely fund updates, economic and market insights from our investment strategists and financial planning tools. You can also access many of those insights by following us on Twitter (@FederatedHermes) and LinkedIn.

Thank you for investing with us. We hope you find this information useful and look forward to keeping you informed.

Sincerely,

A handwritten signature in black ink, appearing to read "John B. Fisher".

John B. Fisher, President

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Management's Discussion of Fund Performance (unaudited)

The total return of Federated Hermes Managed Volatility Fund II (the "Fund"), based on net asset value for the 12-month reporting period ended December 31, 2023, was 8.68% for the Primary Shares and 8.33% for the Service Shares. For the same period, the S&P 500[®] Index¹ returned 26.29%, the Russell 1000[®] Value Index (R1000V) returned 11.46%, and the Bloomberg U.S. Aggregate Bond Index (BAB) returned 5.53%. Weighting 40% R1000V, 60% BAB with daily rebalancing, the Fund's custom benchmark (the "Blended Index")² return for the period was 8.00%. The total return of the Morningstar US Insurance Tactical Allocation (MUITA),³ a peer group average for the Fund, was 10.74% during the same period. The Fund's and the MUITA's total returns for the most recently completed fiscal year reflected actual cash flows, transaction costs and expenses, which are not reflected in the total returns of the indexes.

The Fund's investment strategy focused on income-earning investments, specifically equity and fixed-income⁴ securities that have high income potential, and managing the realized volatility of the overall portfolio through: (1) asset allocation, including derivative exposures; (2) sector and security selection for bonds; and (3) security selection for equities. These are the factors that most affected Fund performance relative to the Blended Index in the reporting period. These factors were used in pursuit of the Fund objectives of high current income and moderate capital appreciation, while managing the volatility of the overall portfolio.

The following discussion will focus on the performance of the Fund's Primary Shares relative to the Blended Index.

MARKET OVERVIEW

The reporting period was defined by the U.S. Federal Reserve (the "Fed") continuing to raise interest rates. At the same time, the Fed showed an intense desire to support market financial stability early in 2023 (by intervening during the March banking crisis), and then toward year end signaled interest rate cuts ahead for 2024. Stocks were the primary beneficiary of these developments, but bonds were also able to reach a positive return for the year.

In terms of volatility, the year developed differently for bonds and stocks. Bond volatility remained near the high end of its multi decade range in 2023, as measured by the Merrill Lynch Option Volatility Estimate Index, making a new post global financial crisis high in March of 2023. On the other hand, stock volatility, as measured by the CBOE Volatility Index (VIX Index), decreased during 2023 and ended the year at levels not seen since early 2020. The VIX Index did have two brief increases in March and October, but those were quelled by the two Fed actions discussed above.

On the bond side, the total return of 5.53% for the BAB snapped a two-year negative total return losing streak for the index. U.S. interest rates were volatile throughout the year, and it took a strong fourth quarter of 2023 rally in rates to post positive returns for the year. Specifically, the yield-to-maturity on the Bloomberg U.S. Treasury Index⁵ began the year at 4.08% and hit a low of 3.61% in early May and high of 5.12% in October before closing 2023 at 4.08%. Solid economic growth throughout most of the year kept upward pressure on U.S. rates as investors expected the Fed to maintain a "higher for longer" strategy to help reduce inflation back to the Fed's stated goal of 2%. However, inflation proved less troublesome than most investors had expected with the Fed's preferred inflation measure, Core Personal-Consumption-Expenditures, ending at 3.2% for 2023 compared to 4.7% at the end of 2022.

The cooling inflation backdrop allowed the Fed to slow its target Fed Funds rate increases from 50 basis points to 25 basis points and it did not increase the rate again during the reporting period after the July FOMC meeting. The Fed finished 2023 signaling rate hikes were potentially over for this rate hiking cycle. In addition, the Fed's December Summary of Economic Projections called for three rate cuts in 2024, up from two in its last update in September. With the possibilities of the Fed's rate hiking cycle being over and less probability of a recession in the near term, risk assets rallied into the end of the year.

On the equity side, it was a strong year for returns. Perhaps the most notable skew to U.S. equities in 2023 was the relative underperformance of value stocks and the historically large percentage of the S&P 500 return that was driven by the largest growth stocks. In terms of sectors, the top performing equity sectors were Information Technology, Communication Services, and Consumer Discretionary, while the worst performing sectors were Utilities, Energy, Consumer Staples, and Health Care.

ASSET ALLOCATION, INCLUDING DERIVATIVES⁶ EXPOSURES

During the reporting period, the Fund invested in S&P 500 futures contracts (SP5FUT) for volatility risk management purposes. The goal of the SP5FUT trades was to attempt to achieve a realized Fund annualized volatility of returns of 10%. The actual realized volatility of daily returns for the Fund for the reporting period was 8.93%, within the target range of 8% to 12%. To achieve this, the Fund was long SP5FUT to increase equity exposure for the entire reporting period, with an average, minimum and maximum weight of 34.9%, 5.9% and 58.2%, respectively. The increase in the 2023 Fund return relative to the Blended Index due to the SP5FUT holdings was 4.98% (gross of fees). This was the largest factor affecting Fund performance relative to the Blended Index.

Also, during the reporting period, the Fund invested in S&P 500 equity options (SP5EO), both puts and calls, for volatility risk management purposes. Fund management deemed the market environment for most of the reporting period to be favorable for being long (owning) SP5EO securities, and these securities served as a partial exposure hedge against the SP5FUT holdings mentioned above. The decrease in the 2023 Fund return relative to its Blended Index due to the SP5EO holdings was -3.05% (gross of fees). This was the second largest factor affecting Fund performance relative to the Blended Index.

SECTOR AND SECURITY SELECTION – BONDS

For the reporting period, the fixed income component of the Fund slightly underperformed its benchmark, the BAB. Sector allocation was the largest positive contributor to the Fund's fixed income performance in 2023 due primarily to the out-of-index allocations to high yield⁷ and trade finance loans which more than offset the negative contribution from the under-weight allocation to investment-grade⁸ corporates. Security selection in agency mortgage-backed securities, investment-grade corporates, emerging market, and high yield credits were positive contributors to performance. The fixed income's yield curve⁹ steepening bias was a positive contributor to performance. The fixed income portfolio's duration¹⁰ during the year averaged 99% of the BAB, resulting in the largest negative contribution to performance. This category was not material to Fund performance relative to the Blended Index.

SECURITY SELECTION – EQUITIES

The equity component of the Fund contributed to the Fund's current income objective and underperformed the R1000V during the reporting period. Fund management focused on realization of the Fund's income and total return objectives by purchasing and holding benchmark securities with favorable forward return prospects based primarily on Fund management's quantitative framework. The equity portfolio remained close to sector neutral relative to the R1000V. Relative to the equity component of the Blended Index, the main negative contributors were security selection in the Financials, Industrials, Health Care, and Communication Services sectors, and the main positive contributors were security selection in the Materials, Consumer Staples, and Information Technology sectors. This category was the third largest factor affecting Fund performance relative to the Blended Index.

1 Please see the footnotes to the line graph under "Fund Performance and Growth of a \$10,000 Investment" below for the definition of, and more information about, the S&P 500 Index.

2 Please see the footnotes to the line graph under "Fund Performance and Growth of a \$10,000 Investment" below for the definition of, and more information about, the Blended Index.

3 Please see the footnotes to the line graph below for definitions of, and further information about, the Morningstar peer group average.

4 Bond prices are sensitive to changes in interest rates and a rise in interest rates can cause a decline in their prices.

5 The Bloomberg U.S. Treasury Index measures U.S. dollar-denominated, fixed-rate, nominal debt issued by the U.S. Treasury.*

6 The Fund's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities or other traditional instruments.

7 High-yield, lower-rated securities generally entail greater market, credit and liquidity risks than investment-grade securities and may include higher volatility and a higher risk of default.

8 Investment-grade securities are securities that are rated at least "BBB- (minus)" or unrated securities of a comparable quality. Noninvestment-grade securities are securities that are not rated at least "BBB- (minus)" or unrated securities of a comparable quality. Credit ratings are an indication of the risk that a security will default. They do not protect a security from credit risk. Lower-rated bonds typically offer higher yields to help compensate investors for the increased risk associated with them. Among these risks are lower credit-worthiness, greater price volatility, more risk to principal and income than with higher-rated securities and increased possibilities of default.

9 The yield curve is a graph showing the comparative yields of securities in a particular class according to maturity. Securities on the long end of the yield curve have longer maturities.

10 Duration is a measure of a security's price sensitivity to changes in interest rates. Securities with longer durations are more sensitive to changes in interest rates than securities of shorter durations.

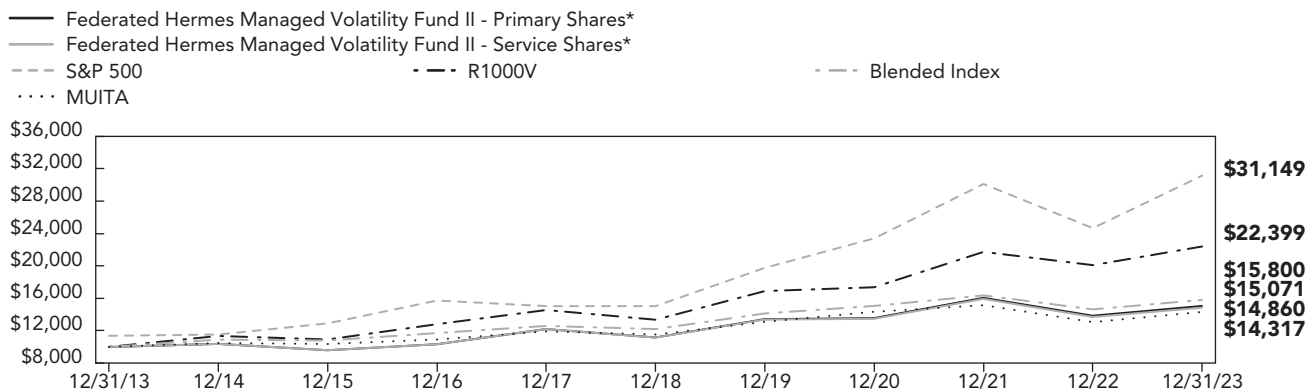
* The index is unmanaged, and it is not possible to invest directly in an index.

FUND PERFORMANCE AND GROWTH OF A \$10,000 INVESTMENT

The graph below illustrates the hypothetical investment of \$10,000¹ in the Federated Hermes Managed Volatility Fund II (the “Fund”) from December 31, 2013 to December 31, 2023, compared to the Standard & Poor’s 500 Index (S&P 500),^{2,3} the Russell 1000® Value Index (R1000V),^{3,4} both broad-based securities market indexes, a blend of indexes comprised of 40% R1000V/60% Bloomberg U.S. Aggregate Bond Index (BAB) (“Blended Index”),^{3,4} and the Morningstar US Insurance Tactical Allocation Funds Average (MUITA).⁵ The Average Annual Total Return table below shows returns averaged over the stated periods.

GROWTH OF A \$10,000 INVESTMENT

Growth of \$10,000 as of December 31, 2023



* The performance of the Primary Shares and Service Shares is substantially similar for the time period shown and, therefore, only one line appears in the graph.

Average Annual Total Returns for the Period Ended 12/31/2023

	1 Year	5 Years	10 Years
Primary Shares	8.68%	6.15%	4.19%
Service Shares ⁶	8.33%	5.88%	4.04%
S&P 500	26.29%	15.69%	12.03%
R1000V	11.46%	10.91%	8.40%
Blended Index	8.00%	5.32%	4.68%
MUITA	10.74%	6.23%	4.26%

Performance data quoted represents past performance which is no guarantee of future results. Investment return and principal value will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Performance of a variable investment option changes over time and current performance may be lower or higher than what is stated. For current to the most recent month end performance, contact your insurance company. The performance information presented does not include the charges and expenses imposed by the insurance company under the variable insurance product contract. The inclusion of such charges would lower performance. Please refer to the variable insurance product prospectus for a complete listing of these expenses. Fund shares are available exclusively as a funding vehicle for life insurance companies writing variable life insurance policies and variable annuity contracts. Variable investment options are not obligations of or guaranteed by any bank and are not federally insured.

- 1 The Fund's performance assumes the reinvestment of all dividends and distributions. The S&P 500, R1000V and the Blended Index have been adjusted to reflect reinvestment of dividends on securities in the indexes.
- 2 The S&P 500 is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- 3 The S&P 500, R1000V and the Blended Index are not adjusted to reflect sales charges, expenses or other fees that the Securities and Exchange Commission (SEC) requires to be reflected in the Fund's performance. The indexes are unmanaged and, unlike the Fund, are not affected by cash flows. It is not possible to invest directly in an index.
- 4 The R1000V measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® Index companies with lower price-to-book ratios and lower expected growth values. The R1000V is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The R1000V is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The Bloomberg U.S. Aggregate Bond Index measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid ARM pass-throughs), asset-backed securities and commercial mortgage-backed securities.
- 5 Morningstar figures represent the average of the total returns reported by all the funds designated by Morningstar as falling into the respective category indicated. They do not reflect sales charges. The Morningstar figures in the Growth of a \$10,000 Investment line graph are based on historical return information published by Morningstar and reflect the return of the funds comprising the category in the year of publication. Because the funds designated by Morningstar as falling into the category can change over time, the Morningstar figures in the line graph may not match the Morningstar figures in the Average Annual Total Returns table, which reflect the return of the funds that currently comprise the category.
- 6 The Fund's Service (S) Class commenced operations on April 26, 2018. For the periods prior to the commencement of operations of the Fund's S class, the performance information shown is for the Fund's Primary (P) class. The performance of the P class has not been adjusted to reflect the expenses applicable to the S class. The total returns of the S class would have been substantially similar to the annual returns for the P class over the same period because the classes are invested in the same portfolio of securities and would differ only to the extent the classes do not have the same expenses. The expenses of the S class are higher than those of the P class; accordingly, the performance of the S class is anticipated to be lower than the performance of the P class.

Portfolio of Investments Summary Tables (unaudited)

At December 31, 2023, the Fund's portfolio composition¹ was as follows:

Portfolio Composition	Percentage of Total Net Assets
Domestic Fixed-Income Securities	45.2%
Domestic Equity Securities	41.4%
International Equity Securities	2.5%
Foreign Governments/Agencies	0.2%
Other Securities Types ²	0.2%
Project and Trade Finance Core Fund	2.2%
Federated Hermes High Income Bond Fund II, Class P	1.4%
Emerging Markets Core Fund	1.2%
Bank Loan Core Fund ³	0.0%
Federated Hermes Short-Intermediate Government Fund, Institutional Shares ³	0.0%
Cash Equivalents ⁴	5.5%
Derivative Contracts ⁵	0.8%
Other Assets and Liabilities—Net ⁶	(0.6)%
TOTAL	100%

At December 31, 2023, the Fund's sector composition⁷ of the Fund's equity holdings was as follows:

Sector Composition of Equity Holdings	Percentage of Equity Securities
Financials	21.9%
Health Care	14.7%
Industrials	13.9%
Information Technology	9.6%
Consumer Staples	7.9%
Energy	7.7%
Real Estate	5.0%
Consumer Discretionary	5.0%
Materials	4.8%
Utilities	4.8%
Communication Services	4.7%
TOTAL	100%

1 See the Fund's Prospectus and Statement of Additional Information for a description of the types of securities in which the Fund invests. As of the date specified above, the Fund owned shares of one or more affiliated investment companies. For purposes of this table, affiliated investment companies (other than an affiliated money market mutual fund) in which the Fund invested greater than 10% of its net assets are not treated as a single portfolio security, but rather the Fund is treated as owning a pro rata portion of each security and each other asset and liability owned by the affiliated investment company. Accordingly, the percentages of total net assets shown in the table will differ from those presented on the Portfolio of Investments. Affiliated investment companies (other than an affiliated money market mutual fund) in which the Fund invested less than 10% of its net assets are listed individually in the table.

2 Other Security Type consists of purchased put options.

3 Represents less than 0.1%.

4 Cash Equivalents include any investments in money market mutual funds and/or overnight repurchase agreements.

5 Based upon net unrealized appreciation (depreciation) or value of the derivative contracts as applicable. Derivative contracts may consist of futures, forwards, options and swaps. The impact of a derivative contract on the Fund's performance may be larger than its unrealized appreciation (depreciation) or value may indicate. In many cases, the notional value or amount of a derivative contract may provide a better indication of the contract's significance to the portfolio. More complete information regarding the Fund's direct investments in derivative contracts, including unrealized appreciation (depreciation), value and notional values or amounts of such contracts, can be found in the table at the end of the Portfolio of Investments included in this Report.

6 Assets, other than investments in securities and derivative contracts, less liabilities. See Statement of Assets and Liabilities.

7 Sector classifications are based upon, and individual portfolio securities are assigned to, the classifications of the Global Industry Classification Standard (GICS) except that the Co-Advisers assign a classification to securities not classified by the GICS and to securities for which the Co-Advisers do not have access to the classification made by the GICS.

Portfolio of Investments

December 31, 2023

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—43.9%	
	Communication Services—2.1%	
33,573	AT&T, Inc.	\$ 563,355
22,830	Comcast Corp., Class A	1,001,095
2,512	Electronic Arts, Inc.	343,667
1,016	¹ Iridium Communications, Inc.	41,818
968	¹ Match Group, Inc.	35,332
1,327	¹ Roku, Inc.	121,633
656	¹ Take-Two Interactive Software, Inc.	105,583
1,148	¹ T-Mobile USA, Inc.	184,059
17,181	Verizon Communications, Inc.	647,724
6,385	Walt Disney Co.	576,502
2,107	¹ Warner Bros. Discovery, Inc.	23,978
980	¹ ZoomInfo Technologies, Inc.	18,120
	TOTAL	3,662,866
	Consumer Discretionary—2.2%	
2,556	¹ Aptiv PLC	229,324
259	Best Buy Co., Inc.	20,274
1,578	BorgWarner, Inc.	56,571
362	¹ Capri Holdings Ltd.	18,187
4,653	Carter's, Inc.	348,463
449	¹ DoorDash, Inc.	44,402
7,207	eBay, Inc.	314,369
555	¹ Etsy, Inc.	44,983
12,351	Ford Motor Co.	150,559
1,326	Gap (The), Inc.	27,727
1,026	Gentex Corp.	33,509
309	Las Vegas Sands Corp.	15,206
19	Lear Corp.	2,683
123	LKQ Corp.	5,878
463	Lowe's Cos., Inc.	103,041
2,168	McDonald's Corp.	642,834
3,865	MGM Resorts International	172,688
28,320	Newell Brands, Inc.	245,818
4	¹ NVR, Inc.	28,002
232	¹ O'Reilly Automotive, Inc.	220,418
1,010	¹ Pet Acquisition LLC	3,192
4,531	Pulte Group, Inc.	467,690
7,002	¹ Rivian Automotive, Inc.	164,267
2,070	¹ Royal Caribbean Cruises, Ltd.	268,044
1,680	Tapestry, Inc.	61,841
17	Thor Industries, Inc.	2,010
623	Toll Brothers, Inc.	64,038
100	Vail Resorts, Inc.	21,347
272	Williams-Sonoma, Inc.	54,884
	TOTAL	3,832,249
	Consumer Staples—3.5%	
14,864	Altria Group, Inc.	599,614
210	Casey's General Stores, Inc.	57,695
1,397	Church and Dwight, Inc.	132,100
1,413	Colgate-Palmolive Co.	112,630
246	Constellation Brands, Inc., Class A	59,471

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Consumer Staples—continued	
2,274	General Mills, Inc.	\$ 148,128
1,154	Hershey Foods Corp.	215,152
2,933	Kimberly-Clark Corp.	356,389
4,511	¹ Maplebear, Inc.	105,873
6,803	Molson Coors Beverage Co., Class B	416,412
3,866	Mondelez International, Inc.	280,014
2,174	PepsiCo, Inc.	369,232
2,061	Philip Morris International, Inc.	193,899
6,735	Procter & Gamble Co.	986,947
3,468	Smucker (J.M.) Co.	438,286
7,898	The Coca-Cola Co.	465,429
7,449	WalMart, Inc.	1,174,335
	TOTAL	6,111,606
	Energy—3.4%	
654	APA Corp.	23,465
5,655	Baker Hughes a GE Co. LLC	193,288
6,293	Chevron Corp.	938,664
7,490	ConocoPhillips	869,364
1,218	Coterra Energy, Inc., Class A	31,083
16,666	Exxon Mobil Corp.	1,666,267
2,891	Hess Corp.	416,767
15,319	Marathon Oil Corp.	370,107
3,929	Marathon Petroleum Corp.	582,906
748	Pioneer Natural Resources, Inc.	168,210
2,244	Schlumberger Ltd.	116,778
2,214	TechnipFMC PLC	44,590
3,000	TXO Energy Partners, LP	54,540
3,563	Valero Energy Corp.	463,190
	TOTAL	5,939,219
	Financials—9.6%	
2,444	Affiliated Managers Group	370,071
1,186	Ally Financial, Inc.	41,415
1,820	American Express Co.	340,959
8,165	American International Group, Inc.	553,179
9,385	Annaly Capital Management, Inc.	181,787
6,463	Axis Capital Holdings Ltd.	357,856
26,185	Bank of America Corp.	881,649
10,075	Bank of New York Mellon Corp.	524,404
5,895	¹ Berkshire Hathaway, Inc., Class B	2,102,511
282	BlackRock, Inc.	228,928
5,498	¹ Brighthouse Financial, Inc.	290,954
200,000	¹ Cab Payments Holdings Ltd.	210,847
843	Charles Schwab Corp.	57,998
7,311	Citigroup, Inc.	376,078
438	Comerica, Inc.	24,445
10,469	Corebridge Financial, Inc.	226,759
4,459	Discover Financial Services	501,192
153	First Citizens Bancshares, Inc., Class A	217,102
947	¹ Fiserv, Inc.	125,799
211	Global Payments, Inc.	26,797
1,339	Goldman Sachs Group, Inc.	516,546
1,558	Hartford Financial Services Group, Inc.	125,232
28,825	Huntington Bancshares, Inc.	366,654

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Financials—continued	
911	Janus Henderson Group PLC	\$ 27,467
10,990	JPMorgan Chase & Co.	1,869,399
829	Lazard Ltd., Class A	28,849
6,419	Lincoln National Corp.	173,120
622	M&T Bank Corp.	85,264
4,801	MetLife, Inc.	317,490
10,865	MGIC Investment Corp.	209,586
3,724	Morgan Stanley	347,263
3,605	Old Republic International Corp.	105,987
5,476	OneMain Holdings, Inc.	269,419
1,152	¹ PayPal Holdings, Inc.	70,744
1,497	PNC Financial Services Group, Inc.	231,810
5,046	Prudential Financial, Inc.	523,321
3,019	Regions Financial Corp.	58,508
423	S&P Global, Inc.	186,340
18,838	SLM Corp.	360,183
6,096	State Street Corp.	472,196
11,574	Synchrony Financial	442,011
2,041	The Travelers Cos., Inc.	388,790
4,985	Truist Financial Corp.	184,046
11,590	Virtu Financial, Inc.	234,813
651	Webster Financial Corp. Waterbury	33,045
21,575	Wells Fargo & Co.	1,061,922
19,044	Western Union Co.	227,005
868	¹ WEX, Inc.	168,869
722	Willis Towers Watson PLC	174,146
	TOTAL	16,900,755
	Health Care—6.4%	
2,628	Abbott Laboratories	289,264
106	Agilent Technologies, Inc.	14,737
7,654	¹ Boston Scientific Corp.	442,478
10,803	Bristol-Myers Squibb Co.	554,302
4,241	Cardinal Health, Inc.	427,493
1,153	¹ Centene Corp.	85,564
3,077	CVS Health Corp.	242,960
2,205	Danaher Corp.	510,105
305	Dentsply Sirona, Inc.	10,855
1,241	Elevance Health, Inc.	585,206
9,946	¹ Exelixis, Inc.	238,605
601	¹ GE HealthCare Technologies, Inc.	46,469
8,375	Gilead Sciences, Inc.	678,459
1,745	HCA Healthcare, Inc.	472,337
571	Humana, Inc.	261,409
1,396	¹ Illumina, Inc.	194,379
247	¹ Incyte Genomics, Inc.	15,509
170	¹ Jazz Pharmaceuticals PLC	20,910
9,696	Johnson & Johnson	1,519,751
1,173	McKesson Corp.	543,076
2,129	Medtronic PLC	175,387
10,953	Merck & Co., Inc.	1,194,096
1,440	¹ Mirati Therapeutics, Inc.	84,600
1,349	¹ Moderna, Inc.	134,158
9,428	Pfizer, Inc.	271,432

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Health Care—continued	
3,801	¹ R1 RCM, Inc.	\$ 40,177
279	¹ Regeneron Pharmaceuticals, Inc.	245,043
20,000	¹ Sagimet Biosciences, Inc.	108,400
1,035	STERIS PLC	227,545
16,031	¹ Teladoc Health, Inc.	345,468
1,350	¹ Tenet Healthcare Corp.	102,019
1,085	The Cigna Group	324,903
562	Thermo Fisher Scientific, Inc.	298,304
756	UnitedHealth Group, Inc.	398,011
610	¹ Vertex Pharmaceuticals, Inc.	248,203
65	Zimmer Biomet Holdings, Inc.	7,910
	TOTAL	11,359,524
	Industrials—6.1%	
5,690	3M Co.	622,031
399	Acuity Brands, Inc.	81,727
1,047	AECOM	96,774
2,940	Allison Transmission Holdings, Inc.	170,961
278	Automatic Data Processing, Inc.	64,766
4,353	¹ Azek Co., Inc.	166,502
2,796	¹ Boeing Co.	728,805
1,121	Broadridge Financial Solutions	230,646
2,791	¹ Builders Firstsource, Inc.	465,930
2,389	C.H. Robinson Worldwide, Inc.	206,386
337	Caterpillar, Inc.	99,641
4,182	¹ Clarivate PLC	38,725
148	¹ Clean Harbors, Inc.	25,827
3,563	CSX Corp.	123,529
3,421	Delta Air Lines, Inc.	137,627
193	Donaldson Co., Inc.	12,613
1,315	Eaton Corp. PLC	316,678
757	Emcor Group, Inc.	163,080
447	Emerson Electric Co.	43,506
15,000	¹ Eurogroup Laminations S.p.A.	64,418
3,509	Expeditors International Washington, Inc.	446,345
435	FedEx Corp.	110,042
2,757	Ferguson PLC	532,294
4,610	Fortune Brands Innovations, Inc.	351,005
915	¹ Gates Industrial Corp PLC	12,279
4,547	General Electric Co.	580,334
2,504	Honeywell International, Inc.	525,114
622	Hubbell, Inc.	204,594
2,175	Hunt (J.B.) Transportation Services, Inc.	434,434
1,678	Ingersoll-Rand, Inc.	129,777
6,302	KBR, Inc.	349,194
2,214	L3Harris Technologies, Inc.	466,313
1,895	Landstar System, Inc.	366,967
3,723	MSC Industrial Direct Co.	376,991
1,783	Otis Worldwide Corp.	159,525
1,066	Owens Corning, Inc.	158,013
730	Parker-Hannifin Corp.	336,311
574	Pentair PLC	41,736
281	Republic Services, Inc.	46,340
1,816	RTX Corp	152,798

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Industrials—continued	
10,000	¹ Skymark Airlines, Inc.	\$ 71,749
997	Trane Technologies PLC	243,168
1,229	TransUnion	84,445
7	United Rentals, Inc.	4,014
734	¹ Veralto Corp.	60,379
2,592	Vertiv Holdings Co.	124,494
448	Waste Management, Inc.	80,237
8,185	¹ Willscot Corp.	364,232
569	¹ XPO, Inc.	49,839
	TOTAL	10,723,135
	Information Technology—4.2%	
3,735	¹ Advanced Micro Devices, Inc.	550,576
1,182	Applied Materials, Inc.	191,567
1,426	¹ AppLovin Corp.	56,826
1,419	¹ CCC Intelligent Solutions Holdings, Inc.	16,162
4,378	¹ Cirrus Logic, Inc.	364,206
21,466	Cisco Systems, Inc.	1,084,462
9,727	¹ DXC Technology Co.	222,457
1,245	¹ GoDaddy, Inc.	132,169
21,026	Hewlett Packard Enterprise Co.	357,022
1,087	IBM Corp.	177,779
18,501	Intel Corp.	929,675
2,000	¹ IONOS SE	38,540
12,981	Juniper Networks, Inc.	382,680
318	Lam Research Corp.	249,077
7,137	Marvell Technology, Inc.	430,432
453	Micron Technology, Inc.	38,659
1,302	MKS Instruments, Inc.	133,937
5,503	¹ Nutanix, Inc.	262,438
4,030	Oracle Corp.	424,883
632	¹ Pure Storage, Inc.	22,537
2,427	¹ Qorvo, Inc.	273,304
513	Qualcomm, Inc.	74,195
2,332	¹ Salesforce, Inc.	613,643
2,013	¹ UiPath, Inc.	50,003
1,394	¹ Verisign, Inc.	287,108
773	¹ Western Digital Corp.	40,482
	TOTAL	7,404,819
	Materials—2.1%	
667	Avery Dennison Corp.	134,841
6,587	Dow, Inc.	361,231
1,756	Ecolab, Inc.	348,303
2,483	Linde PLC	1,019,793
10,000	¹ Lithium Royalty Corp.	67,016
1,891	LyondellBasell Industries N.V.	179,796
844	Mosaic Co./The	30,156
317	Newmarket Corp.	173,028
3,006	Newmont Corp.	124,419
1,630	Nucor Corp.	283,685
3,258	Olin Corp.	175,769
155	Packaging Corp. of America	25,251
173	Reliance Steel & Aluminum Co.	48,385
601	Royal Gold, Inc.	72,697

Shares, Principal Amount or Contracts		Value
	COMMON STOCKS—continued	
	Materials—continued	
2,879	Steel Dynamics, Inc.	\$ 340,010
8,039	WestRock Co.	333,779
	TOTAL	3,718,159
	Real Estate—2.2%	
2,493	Americold Realty Trust, Inc.	75,463
2,936	Apartment Income REIT Corp.	101,967
2,534	Avalonbay Communities, Inc.	474,416
2,638	¹ CBRE Group, Inc.	245,571
4,401	Cubesmart	203,986
498	Digital Realty Trust, Inc.	67,021
630	Equinix, Inc.	507,396
340	Federal Realty Investment Trust	35,037
2,640	First Industrial Realty Trust	139,049
6,483	Host Hotels & Resorts, Inc.	126,224
106	¹ Howard Hughes Holdings, Inc.	9,068
3,419	Iron Mountain, Inc.	239,262
641	ProLogis, Inc.	85,445
1,547	Public Storage	471,835
502	SBA Communications, Corp.	127,352
3,600	Simon Property Group, Inc.	513,504
13,889	Weyerhaeuser Co.	482,921
	TOTAL	3,905,517
	Utilities—2.1%	
3,886	Atmos Energy Corp.	450,387
100	Brookfield Renewable Corp.	2,879
15,331	Clearway Energy, Inc.	392,167
7,077	Clearway Energy, Inc.	194,122
3,900	Consolidated Edison Co.	354,783
6,365	NextEra Energy, Inc.	386,610
9,005	PPL Corp.	244,036
8,043	Public Service Enterprises Group, Inc.	491,829
12,139	UGI Corp.	298,619
11,124	Vistra Corp.	428,497
7,461	Xcel Energy, Inc.	461,911
	TOTAL	3,705,840
	TOTAL COMMON STOCKS (IDENTIFIED COST \$62,843,554)	77,263,689
	U.S. TREASURIES—18.2%	
	Treasury Inflation-Indexed Note—0.0%	
\$ 12,985	U.S. Treasury Inflation-Protected Notes, 1.000%, 2/15/2046	10,633
	U.S. Treasury Bond—2.9%	
150,000	United States Treasury Bond, 1.375%, 11/15/2040	99,676
760,000	United States Treasury Bond, 1.625%, 11/15/2050	453,747
660,000	United States Treasury Bond, 2.375%, 2/15/2042	507,272
20,000	United States Treasury Bond, 2.750%, 11/15/2047	15,595
2,950,000	United States Treasury Bond, 2.875%, 5/15/2052	2,353,831
1,000	United States Treasury Bond, 3.000%, 11/15/2044	828
900,000	United States Treasury Bond, 3.000%, 2/15/2049	734,062
1,100,000	United States Treasury Bond, 3.125%, 5/15/2048	918,156
	TOTAL	5,083,167
	U.S. Treasury Note—15.3%	
330,000	United States Treasury Note, 0.625%, 7/31/2026	302,260
900,000	United States Treasury Note, 0.625%, 8/15/2030	730,133

Shares, Principal Amount or Contracts		Value
	U.S. TREASURIES—continued	
	U.S. Treasury Note—continued	
\$ 200,000	United States Treasury Note, 0.875%, 11/15/2030	\$ 164,344
675,000	United States Treasury Note, 1.250%, 12/31/2026	623,057
300,000	United States Treasury Note, 1.375%, 11/15/2031	249,188
400,000	United States Treasury Note, 1.500%, 1/31/2027	371,395
200,000	United States Treasury Note, 1.625%, 5/15/2031	171,581
900,000	United States Treasury Note, 1.750%, 12/31/2024	873,422
325,000	United States Treasury Note, 1.750%, 3/15/2025	314,041
500,000	United States Treasury Note, 2.125%, 11/30/2024	487,793
1,150,000	United States Treasury Note, 2.250%, 3/31/2024	1,141,285
50,000	United States Treasury Note, 2.250%, 11/15/2027	47,006
3,500,000	United States Treasury Note, 2.500%, 4/30/2024	3,466,777
500,000	United States Treasury Note, 2.500%, 5/31/2024	494,297
3,800,000	United States Treasury Note, 2.625%, 5/31/2027	3,637,906
500,000	United States Treasury Note, 2.750%, 4/30/2027	481,055
5,700,000	United States Treasury Note, 2.750%, 7/31/2027	5,472,063
40,000	United States Treasury Note, 2.875%, 5/31/2025	39,087
680,000	United States Treasury Note, 3.000%, 6/30/2024	672,818
110,000	United States Treasury Note, 3.125%, 8/31/2027	106,923
1,600,000	United States Treasury Note, 3.500%, 2/15/2033	1,552,250
250,000	United States Treasury Note, 3.625%, 3/31/2028	247,296
150,000	United States Treasury Note, 3.875%, 11/30/2027	149,695
750,000	United States Treasury Note, 4.000%, 2/28/2030	753,979
300,000	United States Treasury Note, 4.125%, 7/31/2028	303,109
2,100,000	United States Treasury Note, 4.375%, 11/30/2030	2,160,375
150,000	United States Treasury Note, 4.625%, 6/30/2025	150,345
1,800,000	United States Treasury Note, 5.000%, 9/30/2025	1,818,468
	TOTAL	26,981,948
	TOTAL U.S. TREASURIES (IDENTIFIED COST \$34,242,996)	32,075,748
	CORPORATE BONDS—11.3%	
	Basic Industry - Chemicals—0.1%	
50,000	Albemarle Corp., Sr. Unsecd. Note, 5.450%, 12/1/2044	46,746
75,000	RPM International, Inc., Sr. Unsecd. Note, 4.550%, 3/1/2029	73,989
	TOTAL	120,735
	Basic Industry - Metals & Mining—0.0%	
60,000	Glencore Funding LLC, Sr. Unsecd. Note, 144A, 1.625%, 4/27/2026	55,646
30,000	Glencore Funding LLC, Sr. Unsecd. Note, 144A, 3.375%, 9/23/2051	21,174
	TOTAL	76,820
	Capital Goods - Aerospace & Defense—0.5%	
125,000	Boeing Co., Sr. Unsecd. Note, 2.700%, 2/1/2027	117,929
45,000	Boeing Co., Sr. Unsecd. Note, 3.950%, 8/1/2059	34,473
75,000	HEICO Corp., Sr. Unsecd. Note, 5.350%, 8/1/2033	76,831
85,000	Huntington Ingalls Industries, Inc., Sr. Unsecd. Note, 3.483%, 12/1/2027	80,419
25,000	Leidos, Inc., Sr. Unsecd. Note, Series WI, 3.625%, 5/15/2025	24,375
110,000	Leidos, Inc., Sr. Unsecd. Note, Series WI, 4.375%, 5/15/2030	105,375
100,000	Lockheed Martin Corp., Sr. Unsecd. Note, 4.750%, 2/15/2034	101,832
90,000	Northrop Grumman Corp., Sr. Unsecd. Note, 4.700%, 3/15/2033	90,818
95,000	RTX Corp, Sr. Unsecd. Note, 5.150%, 2/27/2033	96,863
100,000	Textron, Inc., Sr. Unsecd. Note, 3.650%, 3/15/2027	96,035
	TOTAL	824,950
	Capital Goods - Building Materials—0.1%	
35,000	Allegion PLC, Sr. Unsecd. Note, 3.500%, 10/1/2029	32,372
20,000	Allegion US Holdings Co., Inc., Sr. Unsecd. Note, 3.200%, 10/1/2024	19,608

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Capital Goods - Building Materials—continued	
\$ 90,000	Allegion US Holdings Co., Inc., Sr. Unsecd. Note, 3.550%, 10/1/2027	\$ 85,590
25,000	Carrier Global Corp., Sr. Unsecd. Note, 144A, 5.900%, 3/15/2034	27,050
20,000	Carrier Global Corp., Sr. Unsecd. Note, 144A, 6.200%, 3/15/2054	23,143
	TOTAL	187,763
	Capital Goods - Construction Machinery—0.1%	
100,000	CNH Industrial NV, Sr. Unsecd. Note, Series MTN, 3.850%, 11/15/2027	96,407
170,000	John Deere Capital Corp., Sr. Unsecd. Note, Series MTN, 3.450%, 3/7/2029	163,083
	TOTAL	259,490
	Capital Goods - Diversified Manufacturing—0.2%	
45,000	Honeywell International, Inc., Sr. Unsecd. Note, 1.350%, 6/1/2025	43,000
45,000	Honeywell International, Inc., Sr. Unsecd. Note, 2.800%, 6/1/2050	34,246
50,000	Honeywell International, Inc., Sr. Unsecd. Note, 4.500%, 1/15/2034	50,275
65,000	Valmont Industries, Inc., Sr. Unsecd. Note, 5.000%, 10/1/2044	58,785
70,000	Vontier Corp., Sr. Unsecd. Note, Series WI, 1.800%, 4/1/2026	64,438
45,000	Xylem, Inc., Sr. Unsecd. Note, 2.250%, 1/30/2031	38,574
	TOTAL	289,318
	Capital Goods - Packaging—0.1%	
125,000	Packaging Corp of America, Sr. Unsecd. Note, 3.650%, 9/15/2024	123,267
	Communications - Cable & Satellite—0.3%	
50,000	CCO Safari II LLC, 6.484%, 10/23/2045	49,178
25,000	Charter Communications Operating, LLC/Charter Communications Operating Capital Corp., Sec. Fac. Bond, 3.850%, 4/1/2061	15,603
225,000	Comcast Corp., Sr. Unsecd. Note, 3.300%, 2/1/2027	217,196
150,000	Comcast Corp., Sr. Unsecd. Note, 3.950%, 10/15/2025	148,021
90,000	Time Warner Cable, Inc., Company Guarantee, 5.500%, 9/1/2041	77,977
	TOTAL	507,975
	Communications - Media & Entertainment—0.3%	
115,000	Alphabet, Inc., Sr. Unsecd. Note, 2.050%, 8/15/2050	71,933
40,000	Interpublic Group of Cos., Inc., Sr. Unsecd. Note, 5.375%, 6/15/2033	40,648
50,000	Meta Platforms, Inc., Sr. Unsecd. Note, 3.500%, 8/15/2027	48,713
75,000	Meta Platforms, Inc., Sr. Unsecd. Note, 3.850%, 8/15/2032	71,366
65,000	Walt Disney Co., Sr. Unsecd. Note, 3.600%, 1/13/2051	52,293
45,000	Walt Disney Co., Sr. Unsecd. Note, 3.800%, 5/13/2060	36,657
100,000	Warnermedia Holdings, Inc., Sr. Unsecd. Note, 4.279%, 3/15/2032	91,552
100,000	Warnermedia Holdings, Inc., Sr. Unsecd. Note, 5.050%, 3/15/2042	88,208
	TOTAL	501,370
	Communications - Telecom Wireless—0.3%	
50,000	American Tower Corp., Sr. Unsecd. Note, 2.700%, 4/15/2031	42,969
60,000	American Tower Corp., Sr. Unsecd. Note, 3.100%, 6/15/2050	40,969
100,000	Crown Castle, Inc., Sr. Unsecd. Note, 3.250%, 1/15/2051	70,001
105,000	T-Mobile USA, Inc., Series WI, 3.000%, 2/15/2041	78,652
90,000	T-Mobile USA, Inc., Sr. Unsecd. Note, 5.200%, 1/15/2033	92,303
60,000	Vodafone Group PLC, Sr. Unsecd. Note, 4.125%, 5/30/2025	59,239
70,000	Vodafone Group PLC, Sr. Unsecd. Note, 5.250%, 5/30/2048	68,300
	TOTAL	452,433
	Communications - Telecom Wirelines—0.3%	
150,000	AT&T, Inc., Sr. Unsecd. Note, 1.700%, 3/25/2026	140,369
203,000	AT&T, Inc., Sr. Unsecd. Note, 3.800%, 12/1/2057	151,073
45,000	AT&T, Inc., Sr. Unsecd. Note, 5.400%, 2/15/2034	46,427
45,000	Rogers Communications, Inc., Sr. Unsecd. Note, 4.500%, 3/15/2042	39,748
80,000	Verizon Communications, Inc., Sr. Unsecd. Note, 3.400%, 3/22/2041	63,728
100,000	Verizon Communications, Inc., Sr. Unsecd. Note, 4.125%, 8/15/2046	85,728
	TOTAL	527,073

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Consumer Cyclical - Automotive—0.2%	
\$ 75,000	American Honda Finance Corp., Sr. Unsecd. Note, Series GMTN, 5.800%, 10/3/2025	\$ 76,341
150,000	Daimler Trucks Financial NA, Sr. Unsecd. Note, 144A, 2.375%, 12/14/2028	133,712
100,000	General Motors Financial Co., Inc., Sr. Unsecd. Note, 2.400%, 4/10/2028	89,790
60,000	Hyundai Capital America, Sr. Unsecd. Note, 144A, 5.680%, 6/26/2028	61,200
	TOTAL	361,043
	Consumer Cyclical - Retailers—0.2%	
45,000	Advance Auto Parts, Inc., Sr. Unsecd. Note, 1.750%, 10/1/2027	38,657
90,000	Advance Auto Parts, Inc., Sr. Unsecd. Note, Series WI, 3.900%, 4/15/2030	80,785
50,000	AutoNation, Inc., Sr. Unsecd. Note, 3.850%, 3/1/2032	44,465
40,000	AutoZone, Inc., Sr. Unsecd. Note, 3.625%, 4/15/2025	39,308
20,000	AutoZone, Inc., Sr. Unsecd. Note, 4.750%, 2/1/2033	19,697
40,000	Home Depot, Inc., Sr. Unsecd. Note, 2.950%, 6/15/2029	37,621
	TOTAL	260,533
	Consumer Cyclical - Services—0.1%	
65,000	Amazon.com, Inc., Sr. Unsecd. Note, 2.500%, 6/3/2050	43,303
125,000	Amazon.com, Inc., Sr. Unsecd. Note, 3.875%, 8/22/2037	116,117
15,000	Expedia Group, Inc., Sr. Unsecd. Note, Series WI, 2.950%, 3/15/2031	13,208
	TOTAL	172,628
	Consumer Non-Cyclical - Food/Beverage—0.3%	
85,000	Constellation Brands, Inc., Sr. Unsecd. Note, 3.750%, 5/1/2050	67,951
25,000	Flowers Foods, Inc., Sr. Unsecd. Note, 2.400%, 3/15/2031	20,997
100,000	Flowers Foods, Inc., Sr. Unsecd. Note, 3.500%, 10/1/2026	95,964
145,000	International Flavors & Fragrances, Inc., Sr. Unsecd. Note, 144A, 2.300%, 11/1/2030	120,017
70,000	Kraft Heinz Foods Co., Sr. Unsecd. Note, 4.375%, 6/1/2046	61,167
70,000	PepsiCo, Inc., Sr. Unsecd. Note, 2.750%, 10/21/2051	49,798
90,000	Sysco Corp., Sr. Unsecd. Note, 4.450%, 3/15/2048	79,223
	TOTAL	495,117
	Consumer Non-Cyclical - Health Care—0.2%	
27,000	Becton Dickinson & Co., Sr. Unsecd. Note, 3.794%, 5/20/2050	22,023
27,000	Becton Dickinson & Co., Sr. Unsecd. Note, 4.685%, 12/15/2044	25,274
85,000	CVS Health Corp., Sr. Unsecd. Note, 4.250%, 4/1/2050	71,093
60,000	CVS Health Corp., Sr. Unsecd. Note, 5.250%, 2/21/2033	61,357
90,000	Danaher Corp., Sr. Unsecd. Note, 2.600%, 10/1/2050	60,376
65,000	DH Europe Finance II S.a.r.l., Sr. Unsecd. Note, 2.600%, 11/15/2029	58,862
80,000	HCA, Inc., Sec. Fac. Bond, 3.500%, 7/15/2051	56,439
25,000	HCA, Inc., Sr. Unsecd. Note, 5.200%, 6/1/2028	25,272
10,000	Stryker Corp., Sr. Unsecd. Note, 3.500%, 3/15/2026	9,759
	TOTAL	390,455
	Consumer Non-Cyclical - Pharmaceuticals—0.5%	
83,000	Abbott Laboratories, Sr. Unsecd. Note, 3.750%, 11/30/2026	81,826
110,000	Amgen, Inc., Sr. Unsecd. Note, 5.250%, 3/2/2033	112,815
110,000	Amgen, Inc., Sr. Unsecd. Note, 5.650%, 3/2/2053	115,813
75,000	AstraZeneca PLC, Sr. Unsecd. Note, 1.375%, 8/6/2030	62,385
70,000	Biogen, Inc., Sr. Unsecd. Note, 2.250%, 5/1/2030	59,742
75,000	Biogen, Inc., Sr. Unsecd. Note, 3.150%, 5/1/2050	52,724
40,000	Bristol-Myers Squibb Co., Sr. Unsecd. Note, Series WI, 4.250%, 10/26/2049	34,748
30,000	Gilead Sciences, Inc., Sr. Unsecd. Note, 5.250%, 10/15/2033	31,283
60,000	Pfizer Investment Enterprises Pte Ltd., Sr. Unsecd. Note, 4.450%, 5/19/2028	59,991
60,000	Pfizer Investment Enterprises Pte Ltd., Sr. Unsecd. Note, 4.750%, 5/19/2033	60,157
45,000	Pfizer Investment Enterprises Pte Ltd., Sr. Unsecd. Note, 5.300%, 5/19/2053	45,974
91,000	Regeneron Pharmaceuticals, Inc., Sr. Unsecd. Note, 2.800%, 9/15/2050	60,053
115,000	Zoetis, Inc., Sr. Unsecd. Note, 3.000%, 5/15/2050	82,750
	TOTAL	860,261

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Consumer Non-Cyclical - Tobacco—0.1%	
\$ 50,000	BAT Capital Corp., Sr. Unsecd. Note, Series WI, 4.540%, 8/15/2047	\$ 38,472
125,000	Philip Morris International, Inc., Sr. Unsecd. Note, 2.100%, 5/1/2030	107,298
25,000	Philip Morris International, Inc., Sr. Unsecd. Note, 5.750%, 11/17/2032	26,249
55,000	Reynolds American, Inc., Sr. Unsecd. Note, 7.000%, 8/4/2041	57,061
	TOTAL	229,080
	Energy - Independent—0.1%	
55,000	Diamondback Energy, Inc., Sr. Unsecd. Note, 6.250%, 3/15/2033	58,798
80,000	Hess Corp., Sr. Unsecd. Note, 5.600%, 2/15/2041	84,137
60,000	Ovintiv, Inc., Sr. Unsecd. Note, 7.100%, 7/15/2053	66,088
	TOTAL	209,023
	Energy - Integrated—0.0%	
80,000	Chevron Corp., Sr. Unsecd. Note, 3.078%, 5/11/2050	60,479
	Energy - Midstream—0.5%	
45,000	Boardwalk Pipeline Partners LP, Sr. Unsecd. Note, 3.600%, 9/1/2032	39,892
40,000	Boardwalk Pipeline Partners LP, Sr. Unsecd. Note, 4.800%, 5/3/2029	39,205
35,000	Eastern Gas Transmission & Storage, Inc., Sr. Unsecd. Note, 3.000%, 11/15/2029	31,246
115,000	Eastern Gas Transmission & Storage, Inc., Sr. Unsecd. Note, 3.900%, 11/15/2049	85,240
60,000	Energy Transfer LP, Sr. Unsecd. Note, 5.750%, 2/15/2033	61,939
15,000	Energy Transfer Partners LP, Sr. Unsecd. Note, 4.900%, 2/1/2024	14,984
95,000	Energy Transfer Partners LP, Sr. Unsecd. Note, Series 10Y, 4.950%, 6/15/2028	94,723
50,000	Kinder Morgan Energy Partners LP, Sr. Unsecd. Note, 6.375%, 3/1/2041	51,456
110,000	MPLX LP, Sr. Unsecd. Note, 4.950%, 9/1/2032	107,707
75,000	ONEOK, Inc., Sr. Unsecd. Note, 4.950%, 7/13/2047	67,301
20,000	ONEOK, Inc., Sr. Unsecd. Note, 6.100%, 11/15/2032	21,266
110,000	Plains All American Pipeline LP, Sr. Unsecd. Note, 5.150%, 6/1/2042	99,692
100,000	Targa Resources, Inc., Sr. Unsecd. Note, 4.200%, 2/1/2033	92,022
100,000	Williams Partners LP, Sr. Unsecd. Note, 4.900%, 1/15/2045	91,091
	TOTAL	897,764
	Energy - Oil Field Services—0.0%	
85,000	Halliburton Co., Sr. Unsecd. Note, 5.000%, 11/15/2045	82,649
	Energy - Refining—0.1%	
75,000	Marathon Petroleum Corp., Sr. Unsecd. Note, 4.750%, 9/15/2044	67,032
50,000	Phillips 66, Sr. Unsecd. Note, 4.875%, 11/15/2044	47,990
75,000	Valero Energy Corp., Sr. Unsecd. Note, 2.800%, 12/1/2031	63,682
	TOTAL	178,704
	Financial Institution - Banking—2.2%	
100,000	American Express Co., Sr. Unsecd. Note, 4.990%, 5/1/2026	99,746
115,000	Associated Banc-Corp., Sub. Note, 4.250%, 1/15/2025	113,060
135,000	Bank of America Corp., Sr. Unsecd. Note, 2.299%, 7/21/2032	110,285
350,000	Bank of America Corp., Sr. Unsecd. Note, 3.419%, 12/20/2028	329,922
50,000	Bank of America Corp., Sr. Unsecd. Note, 5.288%, 4/25/2034	50,142
75,000	Bank of America Corp., Sub. Note, Series MTN, 4.000%, 1/22/2025	74,046
50,000	Bank of New York Mellon Corp., Sr. Unsecd. Note, Series MTN, 3.992%, 6/13/2028	48,797
75,000	Capital One Financial Corp., Sr. Unsecd. Note, 3.273%, 3/1/2030	67,047
95,000	Citigroup, Inc., Sr. Unsecd. Note, 3.057%, 1/25/2033	81,085
195,000	Citigroup, Inc., Sr. Unsecd. Note, 3.400%, 5/1/2026	188,257
90,000	Citigroup, Inc., Sr. Unsecd. Note, 3.668%, 7/24/2028	85,832
70,000	Citigroup, Inc., Sub., 6.174%, 5/25/2034	72,461
100,000	Fifth Third Bancorp, Sr. Unsecd. Note, 6.361%, 10/27/2028	103,817
50,000	FNB Corp. (PA), Sr. Unsecd. Note, 5.150%, 8/25/2025	49,656
150,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 1.948%, 10/21/2027	137,270
275,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 1.992%, 1/27/2032	222,308
100,000	Huntington Bancshares, Inc., Sr. Unsecd. Note, 4.443%, 8/4/2028	96,981

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Financial Institution - Banking—continued	
\$ 120,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 1.953%, 2/4/2032	\$ 97,579
100,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 2.963%, 1/25/2033	85,728
325,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 3.509%, 1/23/2029	308,189
75,000	JPMorgan Chase & Co., Sr. Unsecd. Note, 5.350%, 6/1/2034	76,112
75,000	M&T Bank Corp., Sr. Unsecd. Note, 5.053%, 1/27/2034	71,095
30,000	M&T Bank Corp., Sr. Unsecd. Note, 7.413%, 10/30/2029	32,294
45,000	Morgan Stanley, Sr. Unsecd. Note, 5.250%, 4/21/2034	45,016
325,000	Morgan Stanley, Sr. Unsecd. Note, Series GMTN, 3.772%, 1/24/2029	310,130
40,000	Morgan Stanley, Sr. Unsecd. Note, Series MTN, 1.794%, 2/13/2032	31,959
55,000	Morgan Stanley, Sr. Unsecd. Note, Series MTN, 1.928%, 4/28/2032	44,250
80,000	Northern Trust Corp., Sub., 6.125%, 11/2/2032	85,941
110,000	PNC Financial Services Group, Inc., Sub Note, 4.626%, 6/6/2033	103,807
45,000	Truist Financial Corp., Sr. Unsecd. Note, Series MTN, 5.122%, 1/26/2034	43,607
50,000	Truist Financial Corp., Sr. Unsecd. Note, Series MTN, 5.867%, 6/8/2034	51,040
125,000	US Bancorp, 4.967%, 7/22/2033	118,564
30,000	US Bancorp, Sr. Unsecd. Note, 5.836%, 6/12/2034	30,959
30,000	Wells Fargo & Co., Sr. Unsecd. Note, 5.389%, 4/24/2034	30,148
100,000	Wells Fargo & Co., Sr. Unsecd. Note, 6.491%, 10/23/2034	108,847
300,000	Wells Fargo & Co., Sr. Unsecd. Note, Series MTN, 3.584%, 5/22/2028	285,958
	TOTAL	3,891,935
	Financial Institution - Broker/Asset Mgr/Exchange—0.1%	
40,000	BlackRock, Inc., Sr. Unsecd. Note, 4.750%, 5/25/2033	40,376
100,000	Jefferies Group LLC, Sr. Unsecd. Note, 2.750%, 10/15/2032	81,976
100,000	Raymond James Financial, Inc., Sr. Unsecd. Note, 4.650%, 4/1/2030	100,852
	TOTAL	223,204
	Financial Institution - Finance Companies—0.1%	
50,000	Air Lease Corp., Sr. Unsecd. Note, 5.300%, 2/1/2028	50,591
85,000	Air Lease Corp., Sr. Unsecd. Note, 5.850%, 12/15/2027	87,269
40,000	Ally Financial, Inc., Sr. Unsecd. Note, 6.848%, 1/3/2030	41,128
	TOTAL	178,988
	Financial Institution - Insurance - Health—0.1%	
90,000	Elevance Health, Inc., Sr. Unsecd. Note, 4.750%, 2/15/2033	90,075
145,000	UnitedHealth Group, Inc., Sr. Unsecd. Note, 3.050%, 5/15/2041	113,388
	TOTAL	203,463
	Financial Institution - Insurance - Life—0.3%	
45,000	Corebridge Financial, Inc., Sr. Unsecd. Note, 5.750%, 1/15/2034	46,031
50,000	CoreBridge Global Funding, Sr. Secd. Note, 144A, 5.900%, 9/19/2028	51,590
10,000	Lincoln National Corp., Sr. Unsecd. Note, 3.400%, 1/15/2031	8,968
110,000	Lincoln National Corp., Sr. Unsecd. Note, 3.625%, 12/12/2026	107,052
100,000	Massachusetts Mutual Life Insurance Co., Sub. Note, 144A, 4.900%, 4/1/2077	85,439
70,000	Pacific Life Insurance Co., Sub. Note, 144A, 4.300%, 10/24/2067	55,652
100,000	Principal Financial Group, Inc., Sr. Unsecd. Note, 2.125%, 6/15/2030	84,513
75,000	Prudential Financial, Inc., Sr. Unsecd. Note, Series MTN, 4.600%, 5/15/2044	69,969
	TOTAL	509,214
	Financial Institution - Insurance - P&C—0.3%	
100,000	Chubb INA Holdings, Inc., Sr. Unsecd. Note, 1.375%, 9/15/2030	82,332
30,000	Chubb INA Holdings, Inc., Sr. Unsecd. Note, 3.350%, 5/3/2026	29,215
125,000	CNA Financial Corp., Sr. Unsecd. Note, 5.500%, 6/15/2033	128,992
200,000	Nationwide Mutual Insurance Co., Sub. Note, 144A, 9.375%, 8/15/2039	264,719
45,000	Travelers Cos., Inc., Sr. Unsecd. Note, 5.450%, 5/25/2053	48,603
	TOTAL	553,861
	Financial Institution - REIT - Apartment—0.2%	
135,000	Avalonbay Communities, Inc., Sr. Unsecd. Note, Series MTN, 3.350%, 5/15/2027	129,073

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Financial Institution - REIT - Apartment—continued	
\$ 135,000	Mid-America Apartment Communities LP, 4.000%, 11/15/2025	\$ 132,692
110,000	UDR, Inc., Sr. Unsecd. Note, Series GMTN, 3.500%, 1/15/2028	103,685
	TOTAL	365,450
	Financial Institution - REIT - Healthcare—0.2%	
100,000	Healthcare Trust of America, Sr. Unsecd. Note, 2.000%, 3/15/2031	80,103
125,000	Physicians Realty Trust, Sr. Unsecd. Note, 3.950%, 1/15/2028	119,203
75,000	Welltower, Inc., Sr. Unsecd. Note, 2.800%, 6/1/2031	65,461
100,000	Welltower, Inc., Sr. Unsecd. Note, 4.250%, 4/1/2026	98,542
	TOTAL	363,309
	Financial Institution - REIT - Office—0.1%	
130,000	Alexandria Real Estate Equities, Inc., Sr. Unsecd. Note, 1.875%, 2/1/2033	101,296
100,000	Boston Properties LP, Sr. Unsecd. Note, 3.650%, 2/1/2026	96,323
40,000	Piedmont Operating Partnership, LP, Sr. Unsecd. Note, 2.750%, 4/1/2032	27,834
	TOTAL	225,453
	Financial Institution - REIT - Other—0.1%	
70,000	WP Carey, Inc., Sr. Unsecd. Note, 3.850%, 7/15/2029	65,763
50,000	WP Carey, Inc., Sr. Unsecd. Note, 4.600%, 4/1/2024	49,793
	TOTAL	115,556
	Financial Institution - REIT - Retail—0.1%	
75,000	Kimco Realty Corp., Sr. Unsecd. Note, 6.400%, 3/1/2034	82,299
135,000	Regency Centers LP, Sr. Unsecd. Note, 4.125%, 3/15/2028	129,668
	TOTAL	211,967
	Technology—0.8%	
165,000	Apple, Inc., Sr. Unsecd. Note, 2.375%, 2/8/2041	120,717
65,000	Apple, Inc., Sr. Unsecd. Note, 2.400%, 8/20/2050	42,662
65,000	Apple, Inc., Sr. Unsecd. Note, 4.000%, 5/10/2028	64,892
112,000	Broadcom, Inc., Sr. Unsecd. Note, 4.110%, 9/15/2028	109,436
20,000	Broadcom, Inc., Sr. Unsecd. Note, 4.150%, 11/15/2030	19,114
5,000	Broadcom, Inc., Sr. Unsecd. Note, 144A, 3.187%, 11/15/2036	4,055
50,000	CDW LLC / CDW Finance, Sr. Unsecd. Note, 2.670%, 12/1/2026	46,827
45,000	Concentrix Corp., Sr. Unsecd. Note, 6.650%, 8/2/2026	46,151
100,000	Equifax, Inc., Sr. Unsecd. Note, 2.600%, 12/1/2024	97,412
30,000	Fidelity National Information Services, Inc., Sr. Unsecd. Note, 4.700%, 7/15/2027	30,018
35,000	Fidelity National Information Services, Inc., Sr. Unsecd. Note, 5.625%, 7/15/2052	35,610
95,000	Fiserv, Inc., Sr. Unsecd. Note, 3.500%, 7/1/2029	89,446
100,000	Lam Research Corp., Sr. Unsecd. Note, 4.000%, 3/15/2029	98,752
65,000	Microsoft Corp., Sr. Unsecd. Note, 2.525%, 6/1/2050	44,430
200,000	Microsoft Corp., Sr. Unsecd. Note, 3.125%, 11/3/2025	195,370
125,000	Oracle Corp., Sr. Unsecd. Note, 3.600%, 4/1/2050	92,697
85,000	Trimble, Inc., Sr. Unsecd. Note, 6.100%, 3/15/2033	91,014
110,000	Verisk Analytics, Inc., Sr. Unsecd. Note, 4.125%, 3/15/2029	107,403
25,000	Verisk Analytics, Inc., Sr. Unsecd. Note, 5.500%, 6/15/2045	24,725
40,000	VMware, Inc., Sr. Unsecd. Note, 1.400%, 8/15/2026	36,599
35,000	VMware, Inc., Sr. Unsecd. Note, 2.200%, 8/15/2031	29,021
	TOTAL	1,426,351
	Technology Services—0.2%	
110,000	Fortinet, Inc., Sr. Unsecd. Note, 1.000%, 3/15/2026	100,919
85,000	Global Payments, Inc., Sr. Unsecd. Note, 4.950%, 8/15/2027	85,189
90,000	Verisign, Inc., Sr. Unsecd. Note, 2.700%, 6/15/2031	77,186
	TOTAL	263,294
	Transportation - Railroads—0.2%	
75,000	Burlington Northern Santa Fe Corp., Sr. Unsecd. Note, 3.000%, 4/1/2025	73,407
75,000	² Burlington Northern Santa Fe Corp., Sr. Unsecd. Note, 5.200% (180-DAY AVERAGE SOFR +2.050%), 4/15/2054	78,147

Shares, Principal Amount or Contracts		Value
	CORPORATE BONDS—continued	
	Transportation - Railroads—continued	
\$ 110,000	Canadian Pacific Railway Co., Sr. Unsecd. Note, 3.500%, 5/1/2050	\$ 84,572
65,000	Union Pacific Corp., Sr. Unsecd. Note, 2.375%, 5/20/2031	56,535
100,000	Union Pacific Corp., Sr. Unsecd. Note, 2.400%, 2/5/2030	89,112
	TOTAL	381,773
	Transportation - Services—0.3%	
45,000	Enterprise Rent-A-Car USA Finance Co., Sr. Unsecd. Note, 144A, 4.600%, 5/1/2028	44,750
70,000	Enterprise Rent-A-Car USA Finance Co., Sr. Unsecd. Note, 144A, 4.900%, 5/1/2033	69,944
65,000	FedEx Corp., Sr. Unsecd. Note, 3.250%, 5/15/2041	50,315
80,000	GXO Logistics, Inc., Sr. Unsecd. Note, Series WI, 1.650%, 7/15/2026	72,152
80,000	GXO Logistics, Inc., Sr. Unsecd. Note, Series WI, 2.650%, 7/15/2031	65,708
30,000	Penske Truck Leasing Co. LP & PTL Finance Corp., Sr. Unsecd. Note, 144A, 5.550%, 5/1/2028	30,486
70,000	Penske Truck Leasing Co. LP & PTL Finance Corp., Sr. Unsecd. Note, 144A, 5.700%, 2/1/2028	71,571
50,000	Ryder System, Inc., Sr. Unsecd. Note, Series MTN, 2.850%, 3/1/2027	47,035
75,000	Ryder System, Inc., Sr. Unsecd. Note, Series MTN, 5.250%, 6/1/2028	76,044
	TOTAL	528,005
	Utility - Electric—1.1%	
165,000	Ameren Corp., Sr. Unsecd. Note, 1.750%, 3/15/2028	145,893
50,000	American Electric Power Co., Inc., Jr. Sub. Note, 2.031%, 3/15/2024	49,596
60,000	American Electric Power Co., Inc., Sr. Unsecd. Note, 5.625%, 3/1/2033	62,543
100,000	Black Hills Corp., Sr. Unsecd. Note, 2.500%, 6/15/2030	84,198
75,000	Constellation Energy Generation LLC, Sr. Unsecd. Note, 5.800%, 3/1/2033	78,887
15,000	Constellation Energy Generation LLC, Sr. Unsecd. Note, 6.500%, 10/1/2053	16,946
65,000	Dominion Energy, Inc., Jr. Sub. Note, 3.071%, 8/15/2024	63,950
100,000	Duke Energy Corp., Sr. Unsecd. Note, 2.650%, 9/1/2026	94,957
125,000	Duke Energy Corp., Sr. Unsecd. Note, 3.750%, 9/1/2046	96,650
75,000	Emera US Finance LP, Sr. Unsecd. Note, 3.550%, 6/15/2026	72,306
50,000	Emera US Finance LP, Sr. Unsecd. Note, 4.750%, 6/15/2046	41,276
100,000	Enel Finance International S.A., Co. Guarantee, 144A, 6.000%, 10/7/2039	101,891
190,000	Evergy Metro, Inc., Sr. Unsecd. Note, 4.200%, 3/15/2048	160,308
25,000	Exelon Corp., Sr. Unsecd. Note, 4.100%, 3/15/2052	20,275
100,000	Exelon Corp., Sr. Unsecd. Note, 4.700%, 4/15/2050	90,170
100,000	FirstEnergy Transmission LLC, Sr. Unsecd. Note, 144A, 4.550%, 4/1/2049	86,738
93,000	Fortis, Inc./Canada, Sr. Unsecd. Note, 3.055%, 10/4/2026	88,343
50,000	National Rural Utilities Cooperative Finance Corp., Sr. Sub. Note, 5.250%, 4/20/2046	48,085
200,000	NextEra Energy Capital Holdings, Inc., Sr. Unsecd. Note, 2.250%, 6/1/2030	171,202
65,000	NiSource Finance Corp., Sr. Unsecd. Note, 4.375%, 5/15/2047	56,193
10,000	NiSource, Inc., Sr. Unsecd. Note, 5.250%, 3/30/2028	10,201
100,000	PPL Capital Funding, Inc., Sr. Unsecd. Note, 3.100%, 5/15/2026	95,903
125,000	Puget Energy, Inc., Sec. Fac. Bond, 2.379%, 6/15/2028	111,833
100,000	Southern Co., Jr. Sub. Note, Series B, 4.000%, 1/15/2051	95,271
20,000	WEC Energy Group, Inc., Sr. Unsecd. Note, 5.150%, 10/1/2027	20,305
	TOTAL	1,963,920
	Utility - Natural Gas—0.3%	
25,000	Enbridge, Inc., Sr. Unsecd. Note, 6.700%, 11/15/2053	29,110
40,000	National Fuel Gas Co., Sr. Unsecd. Note, 2.950%, 3/1/2031	33,544
70,000	National Fuel Gas Co., Sr. Unsecd. Note, 5.500%, 1/15/2026	70,137
130,000	Sempra Energy, Sr. Unsecd. Note, 3.700%, 4/1/2029	123,960
120,000	Southern Natural Gas, Sr. Unsecd. Note, 144A, 4.800%, 3/15/2047	100,944
90,000	TransCanada PipeLines Ltd., Sr. Secd. Note, 5.100%, 3/15/2049	85,956
	TOTAL	443,651
	TOTAL CORPORATE BONDS (IDENTIFIED COST \$21,346,288)	19,918,324

Shares, Principal Amount or Contracts		Value
	COLLATERALIZED MORTGAGE OBLIGATIONS—0.7%	
	Agency—0.2%	
\$ 290,000	FREMF Mortgage Trust 2015-K49 REMIC, Class B, 3.720%, 10/25/2048	\$ 281,204
	Commercial Mortgage—0.4%	
110,000	Bank 2022-BNK40, Class A4, 3.393%, 3/15/2064	97,868
85,000	Bank, Class A4, 3.488%, 11/15/2050	79,820
200,000	Benchmark Mortgage Trust 2020-B19, Class A5, 1.850%, 9/15/2053	158,968
50,000	Commercial Mortgage Trust 2015-DC1, Class AM, 3.724%, 2/10/2048	46,736
200,000	Fontainebleau Miami Beach Trust, Class B, 3.447%, 12/10/2036	193,794
100,000	JPMDB Commercial Mortgage Securities Trust 2016-C4, Class A3, 3.141%, 12/15/2049	92,089
	TOTAL	669,275
	Federal Home Loan Mortgage Corporation—0.1%	
225,506	Federal Home Loan Mortgage Corp. REMIC, Series K105, Class A1, 1.536%, 9/25/2029	203,341
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS (IDENTIFIED COST \$1,276,153)	1,153,820
	FOREIGN GOVERNMENTS/AGENCIES—0.2%	
	Sovereign—0.2%	
200,000	Mexico, Government of, 3.750%, 1/11/2028	192,770
100,000	Poland, Government of, Sr. Unsecd. Note, 4.000%, 1/22/2024	99,804
	TOTAL FOREIGN GOVERNMENTS/AGENCIES (IDENTIFIED COST \$298,558)	292,574
	MORTGAGE-BACKED SECURITIES—0.0%	
	Government National Mortgage Association—0.0%	
2,718	Government National Mortgage Association, Pool 2796, 7.000%, 8/20/2029	2,804
1,708	Government National Mortgage Association, Pool 3040, 7.000%, 2/20/2031	1,776
4,776	Government National Mortgage Association, Pool 3188, 6.500%, 1/20/2032	4,930
5,970	Government National Mortgage Association, Pool 3239, 6.500%, 5/20/2032	6,177
	TOTAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$15,132)	15,687
	ADJUSTABLE RATE MORTGAGE—0.0%	
	Federal National Mortgage Association—0.0%	
1,515	² Federal National Mortgage Association ARM, 6.094%, 9/1/2037 (IDENTIFIED COST \$1,519)	1,546
	PURCHASED CALL OPTION—0.1%	
70,000	¹ SPDR S&P 500 ETF Trust (CALL-Option), Notional Amount \$333,888,100 Exercise Price \$485, Expiration Date 1/19/2024 (IDENTIFIED COST \$144,927)	142,800
	PURCHASED PUT OPTION—0.1%	
50,000	¹ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$238,491,500 Exercise Price \$470, Expiration Date 1/19/2024 (IDENTIFIED COST \$104,020)	117,250
	INVESTMENT COMPANIES—20.2%	
1,739	Bank Loan Core Fund	15,220
260,626	Emerging Markets Core Fund	2,150,161
434,303	Federated Hermes High Income Bond Fund II, Class P	2,458,157
1,124	Federated Hermes Short-Intermediate Government Fund, Institutional Shares	11,048
3,182,360	Mortgage Core Fund	26,890,940
443,371	Project and Trade Finance Core Fund	3,897,234
	TOTAL INVESTMENT COMPANIES (IDENTIFIED COST \$36,160,485)	35,422,760
	REPURCHASE AGREEMENT—5.2%	
\$9,192,000	Interest in \$1,800,000,000 joint repurchase agreement 5.34%, dated 12/29/2023 under which Bank of Montreal will repurchase securities provided as collateral for \$1,801,068,000 on 1/2/2024. The securities provided as collateral at the end of the period held with BNY Mellon as tri-party agent, were U.S. Government Agency securities with various maturities to 2/20/2073 and the market value of those underlying securities was \$1,855,100,040. (IDENTIFIED COST \$9,192,000)	9,192,000
	TOTAL INVESTMENT IN SECURITIES—99.9% (IDENTIFIED COST \$165,625,632)³	175,596,198
	OTHER ASSETS AND LIABILITIES - NET—0.1%⁴	213,176
	TOTAL NET ASSETS—100%	\$175,809,374

At December 31, 2023, the Fund had the following outstanding futures contracts:

Description	Number of Contracts	Notional Value	Expiration Date	Value and Unrealized Appreciation (Depreciation)
Long Futures:				
S&P 500 E-Mini Long Futures	280	\$67,480,000	March 2024	\$1,932,849
United States Treasury Notes 2-Year Long Futures	60	\$12,354,844	March 2024	\$ 69,725
United States Treasury Notes 5-Year Long Futures	80	\$ 8,701,875	March 2024	\$ 198,570
United States Treasury Notes 10-Year Ultra Long Futures	5	\$ 590,078	March 2024	\$ 27,006
Short Futures:				
United States Treasury Notes 10-Year Short Futures	235	\$26,529,297	March 2024	\$ (703,801)
United States Treasury Ultra Bond Short Futures	14	\$ 1,870,312	March 2024	\$ (165,913)
NET UNREALIZED APPRECIATION ON FUTURES CONTRACTS				\$1,358,436

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

Affiliated fund holdings are investment companies which are managed by Federated Investment Management Company and Federated Equity Management Company of Pennsylvania (collectively, the "Co-Advisers") or an affiliate of the Co-Advisers. Transactions with affiliated fund holdings during the period ended December 31, 2023, were as follows:

Affiliates	Value as of 12/31/2022	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation/Depreciation	Net Realized Gain/(Loss)	Value as of 12/31/2023	Shares Held as of 12/31/2023	Dividend Income
Bank Loan Core Fund	\$ 13,706	\$ 1,366	\$ —	\$ 148	\$ —	\$ 15,220	1,739	\$ 1,366
Emerging Markets Core Fund	\$ 2,389,776	\$ 879,754	\$(1,210,000)	\$ 309,309	\$(218,678)	\$ 2,150,161	260,626	\$ 179,736
Federated Hermes High Income Bond Fund II, Class P	\$ 2,753,671	\$ 166,459	\$(600,000)	\$ 99,244	\$ 38,783	\$ 2,458,157	434,303	\$ 166,458
Federated Hermes Short-Intermediate Government Fund, Institutional Shares	\$ 10,633	\$ 390	\$ —	\$ 25	\$ —	\$ 11,048	1,124	\$ 361
Mortgage Core Fund	\$21,642,062	\$ 9,753,886	\$(4,850,000)	\$ 920,744	\$(575,752)	\$26,890,940	3,182,360	\$1,103,886
Project and Trade Finance Core Fund	\$ 3,567,737	\$ 274,730	\$ —	\$ 54,767	\$ —	\$ 3,897,234	443,371	\$ 274,793
TOTAL OF AFFILIATED TRANSACTIONS	\$30,377,585	\$11,076,585	\$(6,660,000)	\$1,384,237	\$(755,647)	\$35,422,760	4,323,523	\$1,726,600

1 Non-income-producing security.

2 Floating/adjustable note with current rate and current maturity or next reset date shown. Adjustable rate mortgage security coupons are based on the weighted average note rates of the underlying mortgages less the guarantee and servicing fees. These securities do not indicate an index and spread in their description above.

3 The cost of investments for federal tax purposes amounts to \$167,954,690.

4 Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.

Note: The categories of investments are shown as a percentage of total net assets at December 31, 2023.

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 December 31, 2023, in valuing the Fund's assets carried at fair value:

Valuation Inputs

	Level 1— Quoted Prices	Level 2— Other Significant Observable Inputs	Level 3— Significant Unobservable Inputs	Total
Equity Securities:				
Common Stocks				
Domestic	\$ 72,734,688	\$ —	\$—	\$ 72,734,688
International	4,143,447	385,554	—	4,529,001
Debt Securities:				
U.S. Treasuries	—	32,075,748	—	32,075,748
Corporate Bonds	—	19,918,324	—	19,918,324
Collateralized Mortgage Obligations	—	1,153,820	—	1,153,820
Foreign Governments/Agencies	—	292,574	—	292,574
Mortgage-Backed Securities	—	15,687	—	15,687
Adjustable Rate Mortgage	—	1,546	—	1,546
Purchased Call Option	142,800	—	—	142,800
Purchased Put Option	117,250	—	—	117,250
Investment Companies¹	31,525,526	—	—	35,422,760
Repurchase Agreement	—	9,192,000	—	9,192,000
TOTAL SECURITIES	\$108,663,711	\$63,035,253	\$—	\$175,596,198
Other Financial Instruments:²				
Assets	\$ 2,228,150	\$ —	\$—	\$ 2,228,150
Liabilities	(869,714)	—	—	(869,714)
TOTAL OTHER FINANCIAL INSTRUMENTS	\$ 1,358,436	\$ —	\$—	\$ 1,358,436

1 As permitted by U.S. generally accepted accounting principles (GAAP), an Investment Company valued at \$3,897,234 is measured at fair value using the net assets value (NAV) per share practical expedient and has not been categorized in the chart above but is included in the Total column. The amount included herein is intended to permit reconciliation of the fair value classifications to the amounts presented on the Statement of Assets and Liabilities. 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:

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

See Notes which are an integral part of the Financial Statements

Financial Highlights – Primary Shares

(For a Share Outstanding Throughout Each Period)

	Year Ended December 31,				
	2023	2022	2021	2020	2019
Net Asset Value, Beginning of Period	\$8.46	\$12.90	\$11.09	\$11.30	\$9.60
Income From Investment Operations:					
Net investment income (loss) ¹	0.20	0.16	0.19	0.19	0.24
Net realized and unrealized gain (loss)	0.52	(1.72)	1.83	(0.13)	1.68
TOTAL FROM INVESTMENT OPERATIONS	0.72	(1.56)	2.02	0.06	1.92
Less Distributions:					
Distributions from net investment income	(0.16)	(0.21)	(0.21)	(0.27)	(0.22)
Distributions from net realized gain	—	(2.67)	—	—	—
TOTAL DISTRIBUTIONS	(0.16)	(2.88)	(0.21)	(0.27)	(0.22)
Net Asset Value, End of Period	\$9.02	\$8.46	\$12.90	\$11.09	\$11.30
Total Return²	8.68%	(13.75)%	18.51%	0.93%	20.23%
Ratios to Average Net Assets:					
Net expenses ³	0.95%	0.95%	0.93%	0.92%	0.91%
Net investment income	2.39%	1.72%	1.58%	1.82%	2.28%
Expense waiver/reimbursement ⁴	0.13%	0.11%	0.02%	0.01%	0.02%
Supplemental Data:					
Net assets, end of period (000 omitted)	\$174,228	\$173,194	\$217,682	\$586,281	\$651,498
Portfolio turnover ⁵	47%	51%	60%	61%	47%

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

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

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

4 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.

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

See Notes which are an integral part of the Financial Statements

Financial Highlights – Service Shares

(For a Share Outstanding Throughout Each Period)

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

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

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

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

4 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.

5 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

December 31, 2023

Assets:

Investment in securities, at value including \$35,422,760 of investments in affiliated holdings* (identified cost \$165,625,632, including \$36,160,485 of identified cost in affiliated holdings)	\$175,596,198
Cash	992
Due from broker (Note 2)	2,000
Income receivable	570,628
Income receivable from affiliated holdings	135,981
Receivable for investments sold	22,272
Receivable for shares sold	42,205
TOTAL ASSETS	176,370,276

Liabilities:

Payable for investments purchased	280,955
Payable for shares redeemed	13,740
Payable for variation margin on futures contracts	150,107
Payable for investment adviser fee (Note 5)	8,791
Payable for administrative fee (Note 5)	2,154
Payable for auditing fees	30,490
Payable for custodian fees	21,734
Payable for portfolio accounting fees	33,059
Payable for distribution services fee (Note 5)	329
Accrued expenses (Note 5)	19,543
TOTAL LIABILITIES	560,902

Net assets for 19,492,825 shares outstanding	\$175,809,374
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Net Assets Consist of:

Paid-in capital	\$181,832,256
Total distributable earnings (loss)	(6,022,882)
TOTAL NET ASSETS	\$175,809,374

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

Primary Shares:

\$174,227,840 ÷ 19,320,979 shares outstanding, no par value, unlimited shares authorized	\$9.02
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Service Shares:

\$1,581,534 ÷ 171,846 shares outstanding, no par value, unlimited shares authorized	\$9.20
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* See information listed after the Fund's Portfolio of Investments.

See Notes which are an integral part of the Financial Statements

Statement of Operations

Year Ended December 31, 2023

Investment Income:

Dividends (including \$1,726,600 received from affiliated holdings*and net of foreign taxes withheld of \$386)	\$ 3,338,627
Interest	2,394,528
TOTAL INCOME	5,733,155

Expenses:

Investment adviser fee (Note 5)	1,286,764
Administrative fee (Note 5)	269,409
Custodian fees	42,448
Transfer agent fees	17,483
Directors'/Trustees' fees (Note 5)	2,057
Auditing fees	38,113
Legal fees	14,010
Portfolio accounting fees	125,306
Distribution services fee (Note 5)	3,883
Printing and postage	33,357
Miscellaneous (Note 5)	29,065
TOTAL EXPENSES	1,861,895
Waiver/reimbursement of investment adviser fee (Note 5)	(219,165)
Net expenses	1,642,730
Net investment income	4,090,425

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

Net realized loss on investments (including net realized loss of \$(755,647) on sales of investments in affiliated holdings*)	(3,828,193)
Net realized gain on foreign currency transactions	3,330
Net realized gain on futures contracts	7,368,276
Net change in unrealized appreciation of investments (including net change in unrealized depreciation of \$1,384,237 on investments in affiliated holdings*)	5,739,915
Net change in unrealized appreciation of translation of assets and liabilities in foreign currency	(75)
Net change in unrealized appreciation of futures contracts	875,257
Net realized and unrealized gain (loss) on investments, foreign currency transactions and futures contracts	10,158,510
Change in net assets resulting from operations	\$14,248,935

* 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

Year Ended December 31	2023	2022
Increase (Decrease) in Net Assets		
Operations:		
Net investment income	\$ 4,090,425	\$ 3,233,732
Net realized gain (loss)	3,543,413	(9,154,345)
Net change in unrealized appreciation/depreciation	6,615,097	(23,779,774)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	14,248,935	(29,700,387)
Distributions to Shareholders:		
Primary Shares	(3,205,320)	(47,808,168)
Service Shares	(24,674)	(400,234)
CHANGE IN NET ASSETS RESULTING FROM DISTRIBUTIONS TO SHAREHOLDERS	(3,229,994)	(48,208,402)
Share Transactions:		
Proceeds from sale of shares	3,643,010	5,130,009
Net asset value of shares issued to shareholders in payment of distributions declared	3,229,994	48,208,376
Cost of shares redeemed	(16,852,254)	(20,291,100)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	(9,979,250)	33,047,285
Change in net assets	1,039,691	(44,861,504)
Net Assets:		
Beginning of period	174,769,683	219,631,187
End of period	\$175,809,374	\$174,769,683

See Notes which are an integral part of the Financial Statements

Notes to Financial Statements

December 31, 2023

1. ORGANIZATION

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

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

2. SIGNIFICANT ACCOUNTING POLICIES

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

Investment Valuation

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

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

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

Fair Valuation and Significant Events Procedures

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

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

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

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

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

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

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

Repurchase Agreements

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

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

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

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

Investment Income, Gains and Losses, Expenses and Distributions

Investment transactions are accounted for on a trade-date basis. Realized gains and losses from investment transactions are recorded on an identified-cost basis. Interest income and expenses are accrued daily. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Foreign dividends are recorded on the ex-dividend date or when the Fund is informed of the ex-dividend date. Positive or negative inflation adjustments on Treasury Inflation-Protected Securities are included in interest income. Distributions of net investment income, if any, are declared and paid annually. Non-cash dividends included in dividend income, if any, are recorded at fair value. Amortization/accretion of premium and discount is included in investment income. Gains and losses realized on principal payment of mortgage-backed securities (paydown gains and losses) are classified as part of investment income. Investment income, realized and unrealized gains and losses, and certain fund-level expenses are allocated to each class based on relative average daily net assets, except that select classes will bear certain expenses unique to those classes. The detail of the total fund expense waiver/reimbursement of \$219,165 is disclosed in Note 5.

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

Federal Taxes

It is the Fund's policy to comply with the Subchapter M provision of the Internal Revenue Code of 1986 (the "Code") and to distribute to shareholders each year substantially all of its income. Accordingly, no provision for federal income tax is necessary. As of and during the year ended December 31, 2023, 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 December 31, 2023, tax years 2020 through 2023 remain subject to examination by the Fund's major tax jurisdictions, which include the United States of America and the Commonwealth of Massachusetts.

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

When-Issued and Delayed-Delivery Transactions

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

Futures Contracts

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

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

The average notional value of long and short futures contracts held by the Fund throughout the period was \$80,306,685 and \$26,606,601, respectively. This is based on amounts held as of each month-end throughout the fiscal 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 fiscal year end, resulting from changes in the exchange rate.

Option Contracts

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

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

At December 31, 2023, the Fund had no outstanding written option contracts.

The average market value of purchased put and call options held by the Fund throughout the period was \$319,121 and \$10,985, respectively. This is based on amounts held as of each month-end throughout the fiscal period.

Restricted Securities

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

Additional Disclosure Related to Derivative Instruments

Fair Value of Derivative Instruments

	Assets		Liabilities	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Derivatives not accounted for as hedging instruments under ASC Topic 815				
Interest rate contracts		\$ —	Payable for variation margin on futures contracts	\$ 574,413*
Equity contracts		—	Payable for variation margin on futures contracts	(1,932,849)*
Equity contracts	Purchased options, within Investment in securities at value	260,050		—
Total derivatives not accounted for as hedging instruments under ASC Topic 815		\$260,050		\$(1,358,436)

* Includes cumulative (appreciation)/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 Year Ended December 31, 2023

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

	Futures Contracts	Purchased Options Contracts ¹	Total
Interest rate contracts	\$1,214,119	\$ —	\$1,214,119
Equity contracts	6,154,157	(5,042,810)	1,111,347
TOTAL	\$7,368,276	\$(5,042,810)	\$2,325,466

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

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

	Futures Contracts	Purchased Options Contracts ¹	Total
Interest rate contracts	\$(1,095,738)	\$ —	\$(1,095,738)
Equity contracts	1,970,995	34,526	2,005,521
TOTAL	\$ 875,257	\$34,526	\$ 909,783

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

Other

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

3. SHARES OF BENEFICIAL INTEREST

The following tables summarize share activity:

	Year Ended 12/31/2023		Year Ended 12/31/2022	
Primary Shares:	Shares	Amount	Shares	Amount
Shares sold	427,564	\$ 3,625,602	530,991	\$ 4,916,770
Shares issued to shareholders in payment of distributions declared	388,995	3,205,320	5,219,233	47,808,168
Shares redeemed	(1,957,443)	(16,716,743)	(2,158,898)	(19,972,108)
NET CHANGE RESULTING FROM PRIMARY SHARE TRANSACTIONS	(1,140,884)	\$ (9,885,821)	3,591,326	\$ 32,752,830

	Year Ended 12/31/2023		Year Ended 12/31/2022	
Service Shares:	Shares	Amount	Shares	Amount
Shares sold	2,011	\$ 17,408	21,072	\$ 213,239
Shares issued to shareholders in payment of distributions declared	2,930	24,674	42,757	400,208
Shares redeemed	(15,657)	(135,511)	(32,386)	(318,992)
NET CHANGE RESULTING FROM SERVICE SHARE TRANSACTIONS	(10,716)	\$ (93,429)	31,443	\$ 294,455
NET CHANGE RESULTING FROM TOTAL FUND SHARE TRANSACTIONS	(1,151,600)	\$ (9,979,250)	3,622,769	\$ 33,047,285

4. FEDERAL TAX INFORMATION

The tax character of distributions as reported on the Statement of Changes in Net Assets for the years ended December 31, 2023 and 2022, was as follows:

	2023	2022
Ordinary income	\$3,229,994	\$20,666,153
Long-term capital gains	\$ —	\$27,542,249

As of December 31, 2023, the components of distributable earnings on a tax-basis were as follows:

Undistributed ordinary income	\$ 4,094,082
Net unrealized appreciation	\$ 7,641,508
Capital loss carryforwards	\$(17,758,472)
TOTAL	\$ (6,022,882)

At December 31, 2023, the cost of investments for federal tax purposes was \$167,954,690. The net unrealized appreciation of investments for federal tax purposes was \$7,641,508. This consists of unrealized appreciation from investments for those securities having an excess of value over cost of \$14,992,028 and unrealized depreciation from investments for those securities having an excess of cost over value of \$7,350,520. The amounts presented are inclusive of derivative contracts. The difference between book-basis and tax-basis net unrealized appreciation is attributable to differing treatments for discount accretion/premium amortization on debt securities, the deferral of losses on wash sales and mark-to-market of futures contracts.

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

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

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

The Fund used capital loss carryforwards of \$4,616,824 to offset capital gains realized during the year ended December 31, 2023.

5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Adviser Fee

The co-advisory agreement between the Fund and the Co-Advisers provides for an annual fee equal to 0.75% of the Fund's average daily net assets. Subject to the terms described in the Expense Limitation note, the Co-Advisers may voluntarily choose to waive any portion of their fee and/or reimburse certain operating expenses of the Fund for competitive reasons such as to maintain the Fund's expense ratio, or as and when appropriate, to maintain positive or zero net yields. For the year ended December 31, 2023, the Co-Advisers voluntarily waived \$205,311 of their fee.

The Co-Advisers have agreed to reimburse the Fund for certain investment adviser fees as a result of transactions in other affiliated investment companies. For the year ended December 31, 2023, the Co-Advisers reimbursed \$13,854.

Administrative Fee

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

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

In addition to the fees described above, the Fund agrees to pay FAS an annual Administrative Service Charge of \$125,000 for administrative and compliance services related to commodities Futures Trading Commission Rule 4.5. For the year ended December 31, 2023, the annualized fee paid to FAS was 0.157% of average daily net assets of the Fund.

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

Expense Limitation

The Co-Advisers and certain of their affiliates (which may include, FAS and FSC) on their own initiative have agreed to waive certain amounts of their respective fees and/or reimburse expenses. Effective May 1, 2023, total annual fund operating expenses (as shown in the financial highlights, excluding interest expense, proxy-related expenses and extraordinary expenses, if any) paid by the Fund's Primary Shares and Service Shares (after the voluntary waivers and/or reimbursements) will not exceed 0.95% and 1.20% (the "Fee Limit"), respectively, up to but not including the later of (the "Termination Date"): (a) May 1, 2024; or (b) the date of the Fund's next effective Prospectus. While the Co-Advisers and their applicable affiliates currently do not anticipate terminating or increasing these arrangements prior to the Termination Date, these arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Trustees.

Distribution Services Fee

The Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Act. Under the terms of the Plan, the Fund will compensate Federated Securities Corp. (FSC), the principal distributor, from the daily net assets of the Fund's Service Shares to finance activities intended to result in the sale of these shares. The Plan provides that the Fund may incur distribution expenses at 0.25% of average daily net assets, annually, to compensate FSC. For the year ended December 31, 2023, distribution services fees for the Fund were as follows:

	Distribution Services Fees Incurred
Service Shares	\$3,883

When FSC receives fees, it may pay some or all of them to financial intermediaries whose customers purchase shares. For the year ended December 31, 2023, FSC did not retain any fees paid by the Fund.

Directors'/Trustees' and Miscellaneous Fees

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

6. INVESTMENT TRANSACTIONS

Purchases and sales of investments, excluding long-term U.S. government securities and short-term obligations, for the year ended December 31, 2023, were as follows:

Purchases	\$64,510,740
Sales	\$55,088,703

7. LINE OF CREDIT

The Fund participates with certain other Federated Hermes Funds, on a several basis, in an up to \$500,000,000 unsecured, 364-day, committed, revolving line of credit (LOC) agreement dated June 21, 2023. 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 December 31, 2023, the Fund had no outstanding loans. During the year ended December 31, 2023, the Fund did not utilize the LOC.

8. INTERFUND LENDING

Pursuant to an Exemptive Order issued by the Securities and Exchange Commission, the Fund, along with other funds advised by subsidiaries of Federated Hermes, Inc., may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from other participating affiliated funds. As of December 31, 2023, there were no outstanding loans. During the year ended December 31, 2023, the program was not utilized.

9. INDEMNIFICATIONS

Under the Fund's organizational documents, its Officers and Directors/Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund (other than liabilities arising out of their willful misfeasance, bad faith, gross negligence or reckless disregard of their duties to the Fund). In addition, in the normal course of business, the Fund provides certain indemnifications under arrangements with third parties. Typically, obligations to indemnify a third party arise in the context of an arrangement entered into by the Fund under which the Fund agrees to indemnify such third party for certain liabilities arising out of actions taken pursuant to the arrangement, provided the third party's actions are not deemed to have breached an agreed-upon standard of care (such as willful misfeasance, bad faith, gross negligence or reckless disregard of their duties under the contract). The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet arisen. The Fund does not anticipate any material claims or losses pursuant to these arrangements at this time, and accordingly expects the risk of loss to be remote.

10. FEDERAL TAX INFORMATION (UNAUDITED)

Of the ordinary income distributions made by the Fund during the year ended December 31, 2023, 48.82% qualify for the dividend received deduction available to corporate shareholders. 51.18% of total ordinary income distributions are eligible to be treated as business interest income for purposes of 163(j) and the regulations thereunder.

Report of Independent Registered Public Accounting Firm

TO THE BOARD OF TRUSTEES OF FEDERATED HERMES INSURANCE SERIES AND THE SHAREHOLDERS OF FEDERATED HERMES MANAGED VOLATILITY FUND II:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Federated Hermes Managed Volatility Fund II (the Fund), a portfolio of Federated Hermes Insurance Series, including the portfolio of investments, as of December 31, 2023, the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years in the five-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of December 31, 2023, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of December 31, 2023, by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

KPMG LLP

We have served as the auditor for one or more of Federated Hermes' investment companies since 2006.

Boston, Massachusetts
February 15, 2024

Shareholder Expense Example (unaudited)

As a shareholder of the Fund, you incur ongoing costs, including management fees and to the extent applicable, distribution (12b-1) fees and/or other service fees and other Fund expenses. This Example is intended to help you to understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds used as variable investment options. It is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from July 1, 2023 to December 31, 2023.

ACTUAL EXPENSES

The first section of the table below provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to *estimate* the expenses that you incurred over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first section under the heading entitled “Expenses Paid During Period” to estimate the expenses attributable to your investment during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The second section of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an *assumed* rate of return of 5% per year before expenses, which is not the Fund’s actual return. Thus, you should *not* use the hypothetical account values and expenses to estimate the actual ending account balance or your expenses for the period. Rather, these figures are required to be provided to enable you to compare the ongoing costs of investing in the Fund with other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only. Therefore, the second section of the table is useful in comparing ongoing costs only, and will not help you determine the relative *total* costs of owning different funds.

	Beginning Account Value 7/1/2023	Ending Account Value 12/31/2023	Expenses Paid During Period
Actual:			
Primary Shares	\$1,000	\$1,042.80	\$4.89
Service Shares	\$1,000	\$1,040.70	\$6.17
Hypothetical (assuming a 5% return before expenses):			
Primary Shares	\$1,000	\$1,020.42	\$4.84
Service Shares	\$1,000	\$1,019.16	\$6.11

- 1 Expenses are equal to the Fund’s annualized net expense ratios, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half-year period). The expenses shown in the table do not include the charges and expenses imposed by the insurance company under the variable insurance product contract. Please refer to the variable insurance product prospectus for a complete listing of these expenses. The annualized net expense ratios are as follows:

Primary Shares	0.95%
Service Shares	1.20%

Board of Trustees and Trust Officers

The Board of Trustees is responsible for managing the Trust's business affairs and for exercising all the Trust's powers except those reserved for the shareholders. The following tables give information about each Trustee and the senior officers of the Fund. Where required, the tables separately list Trustees who are "interested persons" of the Fund (i.e., "Interested" Trustees) and those who are not (i.e., "Independent" Trustees). Unless otherwise noted, the address of each person listed is 1001 Liberty Avenue, Pittsburgh, PA 15222-3779. The address of all Independent Trustees listed is 4000 Ericsson Drive, Warrendale, PA 15086-7561; Attention: Mutual Fund Board. As of December 31, 2023, the Trust comprised six portfolio(s), and the Federated Hermes Fund Family consisted of 33 investment companies (comprising 101 portfolios). Unless otherwise noted, each Officer is elected annually. Unless otherwise noted, each Trustee oversees all portfolios in the Federated Hermes Fund Family and serves for an indefinite term. The Fund's Statement of Additional Information includes additional information about the Trust and the Trustees and is available, without charge and upon request, by calling 1-800-341-7400, Option #4.

INTERESTED TRUSTEES BACKGROUND

Name Birth Date Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held and Previous Position(s)
J. Christopher Donahue* Birth Date: April 11, 1949 TRUSTEE Indefinite Term Began serving: September 1993	Principal Occupations: Principal Executive Officer and President of certain of the Funds in the Federated Hermes Fund Family; Director or Trustee of the Funds in the Federated Hermes Fund Family; President, Chief Executive Officer and Director, Federated Hermes, Inc.; Chairman and Trustee, Federated Investment Management Company; Trustee, Federated Investment Counseling; Chairman and Director, Federated Global Investment Management Corp.; Chairman and Trustee, Federated Equity Management Company of Pennsylvania; Trustee, Federated Shareholder Services Company; Director, Federated Services Company. Previous Positions: President, Federated Investment Counseling; President and Chief Executive Officer, Federated Investment Management Company, Federated Global Investment Management Corp. and Passport Research, Ltd; Chairman, Passport Research, Ltd.
Thomas R. Donahue* Birth Date: October 20, 1958 TRUSTEE Indefinite Term Began serving: May 2016	Principal Occupations: Director or Trustee of certain of the funds in the Federated Hermes Fund Family; Chief Financial Officer, Treasurer, Vice President and Assistant Secretary, Federated Hermes, Inc.; Chairman and Trustee, Federated Administrative Services; Chairman and Director, Federated Administrative Services, Inc.; Trustee and Treasurer, Federated Advisory Services Company; Director or Trustee and Treasurer, Federated Equity Management Company of Pennsylvania, Federated Global Investment Management Corp., Federated Investment Counseling, and Federated Investment Management Company; Director, MDTA LLC; Director, Executive Vice President and Assistant Secretary, Federated Securities Corp.; Director or Trustee and Chairman, Federated Services Company and Federated Shareholder Services Company; and Director and President, FII Holdings, Inc. Previous Positions: Director, Federated Hermes, Inc.; Assistant Secretary, Federated Investment Management Company, Federated Global Investment Management Company and Passport Research, LTD; Treasurer, Passport Research, LTD; Executive Vice President, Federated Securities Corp.; and Treasurer, FII Holdings, Inc.

* Family relationships and reasons for "interested" status: J. Christopher Donahue and Thomas R. Donahue are brothers. Both are "interested" due to their beneficial ownership of shares of Federated Hermes, Inc. and the positions they hold with Federated Hermes, Inc. and its subsidiaries.

INDEPENDENT TRUSTEES BACKGROUND

Name Birth Date Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held, Previous Position(s) and Qualifications
G. Thomas Hough Birth Date: February 28, 1955 TRUSTEE Indefinite Term Began serving: August 2015	Principal Occupations: Director or Trustee and Chair of the Board of Directors or Trustees of the Federated Hermes Fund Family; formerly, Vice Chair, Ernst & Young LLP (public accounting firm) (Retired). Other Directorships Held: Director, Chair of the Audit Committee, Member of the Compensation Committee, Equifax, Inc.; Lead Director, Member of the Audit and Nominating and Corporate Governance Committees, Haverly Furniture Companies, Inc.; formerly, Director, Member of Governance and Compensation Committees, Publix Super Markets, Inc. Qualifications: Mr. Hough has served in accounting, business management and directorship positions throughout his career. Mr. Hough most recently held the position of Americas Vice Chair of Assurance with Ernst & Young LLP (public accounting firm). Mr. Hough serves on the President's Cabinet and Business School Board of Visitors for the University of Alabama. Mr. Hough previously served on the Business School Board of Visitors for Wake Forest University, and he previously served as an Executive Committee member of the United States Golf Association.

Name	Birth Date	Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held, Previous Position(s) and Qualifications
Maureen Lally-Green	Birth Date: July 5, 1949	TRUSTEE Indefinite Term Began serving: August 2009	<p>Principal Occupations: Director or Trustee of the Federated Hermes Fund Family; Adjunct Professor of Law, Emerita, Duquesne University School of Law; formerly, Dean of the Duquesne University School of Law and Professor of Law and Interim Dean of the Duquesne University School of Law; formerly, Associate General Secretary and Director, Office of Church Relations, Diocese of Pittsburgh.</p> <p>Other Directorships Held: Director, CNX Resources Corporation (natural gas).</p> <p>Qualifications: Judge Lally-Green has served in various legal and business roles and directorship positions throughout her career. Judge Lally-Green previously held the position of Dean of the School of Law of Duquesne University (as well as Interim Dean). Judge Lally-Green previously served as Director of the Office of Church Relations and later as Associate General Secretary for the Diocese of Pittsburgh, a member of the Superior Court of Pennsylvania and as a Professor of Law, Duquesne University School of Law. Judge Lally-Green was appointed by the Supreme Court of Pennsylvania and previously served on the Supreme Court's Board of Continuing Judicial Education and the Supreme Court's Appellate Court Procedural Rules Committee. Judge Lally-Green was then appointed by the Supreme Court of Pennsylvania and currently serves on the Judicial Ethics Advisory Board. Judge Lally-Green also currently holds the positions on not for profit or for profit boards of directors as follows: Director and Chair, UPMC Mercy Hospital; Regent, Saint Vincent Seminary; Member, Pennsylvania State Board of Education (public); Director, Catholic Charities, Pittsburgh; and Director, CNX Resources Corporation (natural gas). Judge Lally-Green has held the positions of: Director, Auberle; Director, Epilepsy Foundation of Western and Central Pennsylvania; Director, Ireland Institute of Pittsburgh; Director, Saint Thomas More Society; Director and Chair, Catholic High Schools of the Diocese of Pittsburgh, Inc.; Director, Pennsylvania Bar Institute; Director, Saint Vincent College; Director and Chair, North Catholic High School, Inc.; Director and Vice Chair, Our Campaign for the Church Alive!, Inc.; and Director and Vice Chair, Saint Francis University.</p>
Thomas M. O'Neill	Birth Date: June 14, 1951	TRUSTEE Indefinite Term Began serving: August 2006	<p>Principal Occupations: Director or Trustee and Chair of the Audit Committee of the Federated Hermes Fund Family; Sole Proprietor, Navigator Management Company (investment and strategic consulting).</p> <p>Other Directorships Held: None.</p> <p>Qualifications: Mr. O'Neill has served in several business, mutual fund and financial management roles and directorship positions throughout his career. Mr. O'Neill serves as Director, Medicines for Humanity. Mr. O'Neill previously served as Chief Executive Officer and President, Managing Director and Chief Investment Officer, Fleet Investment Advisors; President and Chief Executive Officer, Aeltus Investment Management, Inc.; General Partner, Hellman, Jordan Management Co., Boston, MA; Chief Investment Officer, The Putnam Companies, Boston, MA; Credit Analyst and Lending Officer, Fleet Bank; Director and Consultant, EZE Castle Software (investment order management software); Director, Midway Pacific (lumber); and Director, The Golisano Children's Museum of Naples, Florida.</p>
Madelyn A. Reilly	Birth Date: February 2, 1956	TRUSTEE Indefinite Term Began serving: November 2020	<p>Principal Occupations: Director or Trustee of the Federated Hermes Fund Family; formerly, Senior Vice President for Legal Affairs, General Counsel and Secretary of Board of Directors, Duquesne University (Retired).</p> <p>Other Directorships Held: None.</p> <p>Qualifications: Ms. Reilly has served in various business and legal management roles throughout her career. Ms. Reilly previously served as Senior Vice President for Legal Affairs, General Counsel and Secretary of Board of Directors and Director of Risk Management and Associate General Counsel, Duquesne University. Prior to her work at Duquesne University, Ms. Reilly served as Assistant General Counsel of Compliance and Enterprise Risk as well as Senior Counsel of Environment, Health and Safety, PPG Industries. Ms. Reilly currently serves as a member of the Board of Directors of UPMC Mercy Hospital, and as a member of the Board of Directors of Catholic Charities, Pittsburgh.</p>
P. Jerome Richey	Birth Date: February 23, 1949	TRUSTEE Indefinite Term Began serving: October 2013	<p>Principal Occupations: Director or Trustee of the Federated Hermes Fund Family; Retired; formerly, Senior Vice Chancellor and Chief Legal Officer, University of Pittsburgh and Executive Vice President and Chief Legal Officer, CONSOL Energy Inc. (now split into two separate publicly traded companies known as CONSOL Energy Inc. and CNX Resources Corp.).</p> <p>Other Directorships Held: None.</p> <p>Qualifications: Mr. Richey has served in several business and legal management roles and directorship positions throughout his career. Mr. Richey most recently held the positions of Senior Vice Chancellor and Chief Legal Officer, University of Pittsburgh. Mr. Richey previously served as Chairman of the Board, Epilepsy Foundation of Western Pennsylvania and Chairman of the Board, World Affairs Council of Pittsburgh. Mr. Richey previously served as Chief Legal Officer and Executive Vice President, CONSOL Energy Inc. and CNX Gas Company; and Board Member, Ethics Counsel and Shareholder, Buchanan Ingersoll & Rooney PC (a law firm).</p>
John S. Walsh	Birth Date:	November 28, 1957 TRUSTEE Indefinite Term Began serving: January 1999	<p>Principal Occupations: Director or Trustee of the Federated Hermes Fund Family; President and Director, Heat Wagon, Inc. (manufacturer of construction temporary heaters); President and Director, Manufacturers Products, Inc. (distributor of portable construction heaters); President, Portable Heater Parts, a division of Manufacturers Products, Inc.</p> <p>Other Directorships Held: None.</p> <p>Qualifications: Mr. Walsh has served in several business management roles and directorship positions throughout his career. Mr. Walsh previously served as Vice President, Walsh & Kelly, Inc. (paving contractors).</p>

OFFICERS

Name Birth Date Address Positions Held with Trust Date Service Began	Principal Occupation(s) for Past Five Years and Previous Position(s)
Lori A. Hensler Birth Date: January 6, 1967 TREASURER Officer since: April 2013	<p>Principal Occupations: Principal Financial Officer and Treasurer of the Federated Hermes Fund Family; Senior Vice President, Federated Administrative Services; Financial and Operations Principal for Federated Securities Corp.; and Assistant Treasurer, Federated Investors Trust Company. Ms. Hensler has received the Certified Public Accountant designation.</p> <p>Previous Positions: Controller of Federated Hermes, Inc.; Senior Vice President and Assistant Treasurer, Federated Investors Management Company; Treasurer, Federated Investors Trust Company; Assistant Treasurer, Federated Administrative Services, Federated Administrative Services, Inc., Federated Securities Corp., Edgewood Services, Inc., Federated Advisory Services Company, Federated Equity Management Company of Pennsylvania, Federated Global Investment Management Corp., Federated Investment Counseling, Federated Investment Management Company, Passport Research, Ltd., and Federated MDTA, LLC; Financial and Operations Principal for Federated Securities Corp., Edgewood Services, Inc. and Southpointe Distribution Services, Inc.</p>
Peter J. Germain Birth Date: September 3, 1959 CHIEF LEGAL OFFICER, SECRETARY AND EXECUTIVE VICE PRESIDENT Officer since: January 2005	<p>Principal Occupations: Mr. Germain is Chief Legal Officer, Secretary and Executive Vice President of the Federated Hermes Fund Family. He is General Counsel, Chief Legal Officer, Secretary and Executive Vice President, Federated Hermes, Inc.; Trustee and Senior Vice President, Federated Investors Management Company; Trustee and President, Federated Administrative Services; Director and President, Federated Administrative Services, Inc.; Director and Vice President, Federated Securities Corp.; Director and Secretary, Federated Private Asset Management, Inc.; Secretary, Federated Shareholder Services Company; and Secretary, Retirement Plan Service Company of America. Mr. Germain joined Federated Hermes, Inc. in 1984 and is a member of the Pennsylvania Bar Association.</p> <p>Previous Positions: Deputy General Counsel, Special Counsel, Managing Director of Mutual Fund Services, Federated Hermes, Inc.; Senior Vice President, Federated Services Company; and Senior Corporate Counsel, Federated Hermes, Inc.</p>
John B. Fisher Birth Date: May 16, 1956 PRESIDENT Officer since: November 2004	<p>Principal Occupations: Principal Executive Officer and President of certain of the Funds in the Federated Hermes Fund Family; Director or Trustee of certain of the Funds in the Federated Hermes Fund Family; Director and Vice President, Federated Hermes, Inc.; President, Director/Trustee and CEO, Federated Advisory Services Company, Federated Equity Management Company of Pennsylvania, Federated Global Investment Management Corp., Federated Investment Counseling, Federated Investment Management Company, and Federated MDTA LLC; Director, Federated Investors Trust Company.</p> <p>Previous Positions: President and Director of the Institutional Sales Division of Federated Securities Corp.; President and CEO of Passport Research, Ltd.; Director and President, Technology, Federated Services Company.</p>
Stephen Van Meter Birth Date: June 5, 1975 CHIEF COMPLIANCE OFFICER AND SENIOR VICE PRESIDENT Officer since: July 2015	<p>Principal Occupations: Senior Vice President and Chief Compliance Officer of the Federated Hermes Fund Family; Vice President and Chief Compliance Officer of Federated Hermes, Inc. and Chief Compliance Officer of certain of its subsidiaries. Mr. Van Meter joined Federated Hermes, Inc. in October 2011. He holds FINRA licenses under Series 3, 7, 24 and 66.</p> <p>Previous Positions: Mr. Van Meter previously held the position of Compliance Operating Officer, Federated Hermes, Inc. Prior to joining Federated Hermes, Inc., Mr. Van Meter served at the United States Securities and Exchange Commission in the positions of Senior Counsel, Office of Chief Counsel, Division of Investment Management and Senior Counsel, Division of Enforcement.</p>
Stephen F. Auth Birth Date: September 13, 1956 101 Park Avenue 41 st Floor New York, NY 10178 CHIEF INVESTMENT OFFICER Officer since: November 2002	<p>Principal Occupations: Stephen F. Auth is Chief Investment Officer of various Funds in the Federated Hermes Fund Family; Executive Vice President, Federated Investment Counseling, Federated Global Investment Management Corp. and Federated Equity Management Company of Pennsylvania.</p> <p>Previous Positions: Executive Vice President, Federated Investment Management Company and Passport Research, Ltd. (investment advisory subsidiary of Federated); Senior Vice President, Global Portfolio Management Services Division; Senior Vice President, Federated Investment Management Company and Passport Research, Ltd.; Senior Managing Director and Portfolio Manager, Prudential Investments.</p>
Robert J. Ostrowski Birth Date: April 26, 1963 CHIEF INVESTMENT OFFICER Officer since: May 2004	<p>Principal Occupations: Robert J. Ostrowski joined Federated Hermes, Inc. in 1987 as an Investment Analyst and became a Portfolio Manager in 1990. He was named Chief Investment Officer of Federated Hermes' taxable fixed-income products in 2004 and also serves as a Senior Portfolio Manager. Mr. Ostrowski became an Executive Vice President of the Fund's Adviser in 2009 and served as a Senior Vice President of the Fund's Adviser from 1997 to 2009. Mr. Ostrowski has received the Chartered Financial Analyst designation. He received his M.S. in Industrial Administration from Carnegie Mellon University.</p>
Deborah A. Cunningham Birth Date: September 15, 1959 CHIEF INVESTMENT OFFICER Officer since: June 2012	<p>Principal Occupations: Deborah A. Cunningham was named Chief Investment Officer of Federated Hermes' money market products in 2004. She joined Federated Hermes in 1981 and has been a Senior Portfolio Manager since 1997 and an Executive Vice President of the Fund's Adviser since 2009. Ms. Cunningham has received the Chartered Financial Analyst designation and holds an M.S.B.A. in Finance from Robert Morris College.</p>

Evaluation and Approval of Advisory Contract – May 2023

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

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

Information Received and Review Process

At the request of the Independent Trustees, the Fund’s Chief Compliance Officer (the “CCO”) furnished to the Board in advance of its May Meetings an independent written evaluation of the Fund’s management fee (the “CCO Fee Evaluation Report”). The Board considered the CCO Fee Evaluation Report, along with other information, in evaluating the reasonableness of the Fund’s management fee and in determining to approve the continuation of the Contract. The CCO, in preparing the CCO Fee Evaluation Report, has the authority to retain consultants, experts or staff as reasonably necessary to assist in the performance of his duties, reports directly to the Board, and can be terminated only with the approval of a majority of the Independent Trustees. At the request of the Independent Trustees, the CCO Fee Evaluation Report followed the same general approach and covered the same topics as that of the report that had previously been delivered by the CCO in his capacity as “Senior Officer” prior to the elimination of the Senior Officer position in December 2017.

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

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

The Board also considered judicial decisions concerning allegedly excessive investment advisory fees charged to other registered funds in evaluating the Contract. Using these judicial decisions as a guide, the Board observed that the following factors may be relevant to an adviser’s fiduciary duty with respect to its receipt of compensation from a fund: (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 fee and expense structures, 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 noted that the Securities and Exchange Commission ("SEC") disclosure requirements regarding the basis for a fund board's approval of the fund's investment advisory contract generally align with the factors listed above. The Board was guided by these factors in its evaluation of the Contract to the extent it considered them to be appropriate and relevant, as discussed further below. Also, in weighing these factors, the Board considered the aggregate advisory fee paid by the Fund for the services of all Co-Advisers in addition to considering the allocation of that aggregate fee among the Co-Advisers and the rationale for that allocation. The Board considered and weighed these factors in light of its substantial accumulated experience in governing the Fund and working with Federated Hermes on matters relating to the oversight of the other funds advised by Federated Hermes (each, a "Federated Hermes Fund" and, collectively, the "Federated Hermes Funds").

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

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

Nature, Extent and Quality of Services

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

In addition, the Board considered the financial resources and overall reputation of Federated Hermes and its willingness to consider and make investments in personnel, infrastructure, technology, cybersecurity, business continuity planning and operational enhancements that are designed to benefit the Federated Hermes Funds. The Board noted that the significant acquisition of Hermes Fund Managers Limited by Federated Hermes has deepened Federated Hermes' investment management expertise and capabilities and expanded its access to analytical resources related to environmental, social and governance ("ESG") factors and issuer engagement on ESG matters. The Board considered Federated Hermes' oversight of the securities lending program for the Federated Hermes Funds that engage in securities lending and noted the income

earned by the Federated Hermes Funds that participate in such program. In addition, the Board considered the quality of Federated Hermes' communications with the Board and responsiveness to Board inquiries and requests made from time to time with respect to the Federated Hermes Funds. The Board also considered that Federated Hermes is responsible for providing the Federated Hermes Funds' officers.

The Board received and evaluated information regarding Federated Hermes' regulatory and compliance environment. The Board considered Federated Hermes' compliance program and compliance history and reports from the CCO about Federated Hermes' compliance with applicable laws and regulations, including responses to regulatory developments and any compliance or other issues raised by regulatory agencies. The Board also noted Federated Hermes' support of the Federated Hermes Funds' compliance control structure and the compliance-related resources devoted by Federated Hermes in support of the Fund's obligations pursuant to Rule 38a-1 under the Investment Company Act of 1940, including Federated Hermes' commitment to respond to rulemaking and other regulatory initiatives of the SEC. The Board considered Federated Hermes' approach to internal audits and risk management with respect to the Federated Hermes Funds and its day-to-day oversight of the Federated Hermes Funds' compliance with their investment objectives and policies as well as with applicable laws and regulations, noting that regulatory and other developments had over time led, and continue to lead, to an increase in the scope of Federated Hermes' oversight in this regard, including in connection with the implementation of new rules on derivatives risk management and fair valuation.

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

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

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

Fund Investment Performance

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

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

For the periods ended December 31, 2022, the Fund's performance fell below the Performance Peer Group median for the three-year and five-year periods, and was above the Performance Peer Group median for the one-year period. The Board discussed the Fund's performance with the Co-Advisers and recognized the efforts being taken by the Co-Advisers in the context of other factors considered relevant by the Board.

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

Fund Expenses

The Board considered the advisory fee and overall expense structure of the Fund and the comparative fee and expense information that had been provided in connection with the May Meetings. In this regard, the Board was presented with, and considered, information regarding the contractual advisory fee rates, total expense ratios and each element of the Fund's total expense ratio (i.e., gross and net advisory fees, administrative fees, custody fees, portfolio accounting fees and transfer agency fees) relative to an appropriate group of peer funds compiled by Federated Hermes from the 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 with comparable investment programs more heavily than non-registered fund products or services because such comparisons are believed to be more relevant. The Board considered that other registered funds are the products most like the Fund, in that they are readily available to Fund shareholders as alternative investment vehicles, and they are the type of investment vehicle, in fact, chosen and maintained by the Fund's shareholders. The Board noted that the range of such other registered funds' fees and expenses, therefore, appears to be a relevant indicator of what investors have found to be reasonable in the marketplace in which the Fund competes.

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

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

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

Profitability

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

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

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

Economies of Scale

The Board received and considered information about the notion of possible realization of "economies of scale" as a fund grows larger, the difficulties of determining 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 and use of data. The Board noted that Federated Hermes' investments in these areas are extensive and are designed to provide enhanced 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 in recent years, which has resulted in benefits being realized by shareholders.

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

Other Benefits

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

Conclusions

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

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

Liquidity Risk Management Program – Annual Evaluation of Adequacy and Effectiveness

In accordance with Rule 22e-4 under the Investment Company Act of 1940, as amended (the “Liquidity Rule”), Federated Hermes Insurance Series (the “Trust”) has adopted and implemented a liquidity risk management program (the “Program”) for Federated Hermes Managed Volatility Fund II (the “Fund” and, collectively with the other non-money market open-end funds advised by Federated Hermes, the “Federated Hermes Funds”). The Program seeks to assess and manage the Fund’s liquidity risk. “Liquidity risk” is defined under the Liquidity Rule as the risk that the Fund is unable to meet redemption requests without significantly diluting remaining investors’ interests in the Fund. The Board of Trustees of the Trust (the “Board”) has approved the designation of each Federated Hermes Fund’s investment adviser as the administrator for the Program (the “Administrator”) with respect to that Fund. The Administrator, in turn, has delegated day-to-day responsibility for the administration of the Program to multiple Liquidity Risk Management Committees, which are comprised of representatives from certain divisions within Federated Hermes.

The Program is comprised of various components designed to support the assessment and/or management of liquidity risk, including: (1) the periodic assessment (no less frequently than annually) of certain factors that influence the Fund’s liquidity risk; (2) the periodic classification (no less frequently than monthly) of the Fund’s investments into one of four liquidity categories that reflect an estimate of their liquidity under current market conditions; (3) a 15% limit on the acquisition of “illiquid investments” (as defined under the Liquidity Rule); (4) to the extent a Fund does not invest primarily in “highly liquid investments” (as defined under the Liquidity Rule), the determination of a minimum percentage of the Fund’s assets that generally will be invested in highly liquid investments (an “HLIM”); (5) if a Fund has established an HLIM, the periodic review (no less frequently than annually) of the HLIM and the adoption of policies and procedures for responding to a shortfall of the Fund’s highly liquid investments below its HLIM; and (6) periodic reporting to the Board.

At its meetings in May 2023, the Board received and reviewed a written report (the “Report”) from the Federated Hermes Funds’ Chief Compliance Officer and Chief Risk Officer, on behalf of the Administrator, concerning the operation of the Program for the period from April 1, 2022 through March 31, 2023 (the “Period”). The Report addressed the operation of the Program and assessed the adequacy and effectiveness of its implementation, including, where applicable, the operation of any HLIM established for a Federated Hermes Fund. There were no material changes to the Program during the Period. The Report summarized the operation of the Program and the information and factors considered by the Administrator in assessing whether the Program has been adequately and effectively implemented with respect to the Federated Hermes Funds. Such information and factors included, among other things:

- confirmation that it was not necessary for the Fund to utilize, and the Fund did not utilize, any alternative funding sources that were available to the Federated Hermes Funds during the Period, such as the Federated Hermes Funds’ interfund lending facility, redemptions in-kind, reverse repurchase agreement transactions, redemptions delayed beyond the normal T+1 settlement but within seven days of the redemption request, and committed lines of credit;
- the periodic classifications of the Fund’s investments into one of four liquidity categories and the methodologies and inputs used to classify the investments, including the Fund’s reasonably anticipated trade size;
- the analysis received from a third-party liquidity assessment vendor that is taken into account in the process of determining the liquidity classifications of the Fund’s investments, and the results of the Administrator’s evaluation of the services performed by the vendor in support of this process, including the Administrator’s view that the methodologies utilized by the vendor continue to be appropriate;
- the fact that the Fund invested primarily in highly liquid investments during the Period and, therefore, was not required to establish, and has not established, an HLIM and the operation of the procedures for monitoring the status of the Fund as investing primarily in highly liquid investments;
- the fact that the Fund invested no more than 15% of its assets in illiquid investments during the Period, and the operation of the procedures for monitoring this limit;
- the fact that there were no liquidity events during the Period that materially affected the Fund’s liquidity risk;
- the impact on liquidity and management of liquidity risk, if any, caused by extended non-U.S. market closures and confirmation that there were no issues for any of the affected Federated Hermes Funds in meeting shareholder redemptions at any time during these temporary non-U.S. market closures.

Based on this review, the Administrator concluded that the Program is operating effectively to assess and manage the Fund’s liquidity risk, and that the Program has been and continues to be adequately and effectively implemented to monitor and, as applicable, respond to the Fund’s liquidity developments.

Voting Proxies on Fund Portfolio Securities

A description of the policies and procedures that the Fund uses to determine how to vote proxies, if any, relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling 1-800-341-7400, Option #4. A report on "Form N-PX" of how the Fund voted any such proxies during the most recent 12-month period ended June 30 is available via the Proxy Voting Record (Form N-PX) link associated with the Fund and share class name at FederatedHermes.com/us/FundInformation. Form N-PX filings are also available at the SEC's website at sec.gov.

Quarterly Portfolio Schedule

Each fiscal quarter, the Fund will file with the SEC a complete schedule of its monthly portfolio holdings on "Form N-PORT." The Fund's holdings as of the end of the third month of every fiscal quarter, as reported on Form N-PORT, will be publicly available on the SEC's website at sec.gov within 60 days of the end of the fiscal quarter upon filing. You may also access this information via the link to the Fund and share class name at FederatedHermes.com/us.

Notes

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

This Report 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.



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