

Federated Hermes MDT Market Neutral Fund

Nasdaq symbol — IS: QQMNX | A: QAMNX

12/31/22

Product highlights

- Pursues long-term capital appreciation while limiting exposure to general stock market risk.
- Employs a quantitative model driven by fundamental and technical stock selection variables.
- Maintains long and short exposures in stocks of U.S. companies in an attempt to reduce market volatility.
- Expects returns to be uncorrelated to the returns and direction of the general stock market.

Morningstar category

Long-Short Equity

Benchmark

ICE BofA 3-Month U.S. Treasury Bill Index

Key investment team

Daniel Mahr, CFA
 Frederick Konopka, CFA
 John Paul Lewicke
 Damien Zhang, CFA

Fund statistics

Portfolio assets	\$240.7 m
Dividends	Paid annually
Portfolio beta (Source: 3-year beta vs Russell 3000)**	0.01
(Long) Weighted median market cap	\$7.3 b
(Long) Weighted median P/E (NTM)	21.0x
(Long) Number of securities	195
(Short) Weighted median market cap	\$13.2 b
(Short) Weighted median P/E (NTM)	35.4x
(Short) Number of securities	210

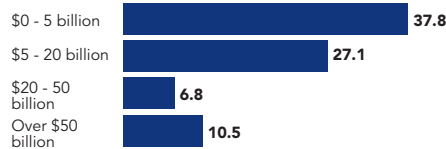
Top holdings (%)

Security	Long	Short
PayPal Holdings, Inc.	2.6	-
Align Technology, Inc.	2.5	-
Expedia Group, Inc.	2.5	-
Semtech Corp.	2.5	-
Zoom Video Communications, Inc.	2.5	-
Block Inc	-	-2.6
Advanced Micro Devices, Inc.	-	-2.5
S&P Global Inc.	-	-2.5
Amazon.com, Inc.	-	-2.4
D.R. Horton, Inc.	-	-2.0

Overall Morningstar Rating™



Market cap - Long (%)



Market cap - Short (%)



Rating is based on risk adjusted total return for Institutional Shares and A Shares out of 177 Funds in Long-Short Equity Category. The overall rating is derived from a weighted average of the fund's three-, five-, and ten-year average annual returns, as applicable.

Sector weightings (%)

Sector	Long	Short	Net**
Communication Services	5.8	-4.8	1.0
Consumer Discretionary	14.6	-14.7	-0.1
Consumer Staples	1.3	-2.1	-0.8
Energy	3.1	-1.8	1.3
Financials	9.8	-8.7	1.1
Health Care	14.2	-13.7	0.5
Industrials	5.8	-5.3	0.5
Information Technology	25.1	-25.2	-0.1
Materials	1.1	-2.0	-0.9
Real Estate	1.5	-1.0	0.5
Utilities	0.0	-0.4	-0.4
Cash/Cash Equivalents	-	-	97.4

**Totals may not add or match due to rounding.

Portfolio composition (%)

Portfolio	Long	Short	Net**
Value	38.8	-36.9	1.9
Growth	43.6	-42.9	0.7

**Totals may not add or match due to rounding.

Average annual total returns (%)

Performance shown is before tax.

NAV	Performance inception	Cumulative 3-month	1-year	3-year	5-year	10-year	Since inception	Expense ratio*	
								Before waivers	After waivers
IS	9/30/08	7.93	9.46	9.02	6.39	7.57	6.03	2.15	1.65
A	9/30/08	7.86	9.18	8.90	6.26	7.41	5.84	2.40	1.90
Benchmark		0.84	1.46	0.72	1.26	0.76	-	-	-
Maximum offering price									
A	9/30/08	1.95	3.20	6.87	5.06	6.80	5.42	2.40	1.90

Calendar year total returns (%)

Institutional Shares/NAV

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
NAV	9.46	22.96	-3.74	11.47	-5.61	7.66	3.53	0.31	8.98	24.88
Benchmark	1.46	0.05	0.67	2.28	1.87	0.86	0.33	0.05	0.04	0.07

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

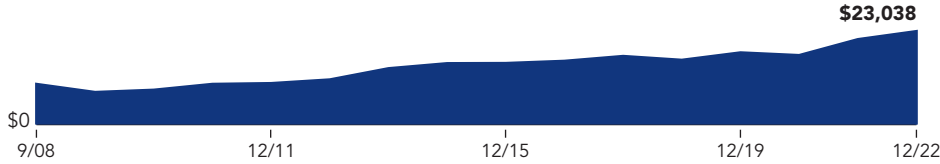
The fund is the successor to the Hancock Horizon Quantitative Long/Short Fund (the "Predecessor Fund") pursuant to a reorganization involving the fund and the Predecessor Fund on 9/24/21. The Predecessor Fund is both the tax and accounting survivor of the reorganization. Prior to the date of the reorganization, the fund had no investment operations. Accordingly, the performance information, including information on fees and expenses and financial information for periods prior to the reorganization (the fund's commencement of operations) is historical information for the Predecessor Fund. **The Predecessor Fund pursued different investment strategies than the fund, so the performance of the fund is likely to differ after the reorganization. References to the fund throughout should be read to include the Predecessor Fund.**

* The fund's expense ratio is from the most recent prospectus. The expense ratio may reflect voluntary fee waivers and/or expense reimbursements determined by the fund's Advisor and/or its affiliates. The voluntary waivers and/or reimbursements, if applicable, are in effect up to but not including the later of 3/1/23 or the date of the fund's next effective prospectus. The expense ratio includes Dividends and Other Expenses Related to Short Sales. If Dividends and Other Expenses Related to Short Sales were excluded, the total net expenses for A and IS Shares would have been 1.34% and 1.09% respectively.

Federated Hermes MDT Market Neutral Fund

Growth over time

If you had invested \$10,000 in Institutional Shares on 9/30/08 (month end of the fund's performance inception) and reinvested all distributions, here's how your account would have grown by 12/31/22.



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***The 3-year beta represents the 3-year beta relative to the Russell 3000 Index. While not the fund's official ICE BofA 3-Month U.S. Treasury Bill Index benchmark, the fund uses the Russell 3000 Index as its representation for the broad equity market. For periods prior to 9/24/21, the figure is based on the historic returns of the Federated Hermes MDT Market Neutral Institutional Composite, which is a performance composite consisting of all private accounts and funds with substantially similar investment objectives, strategies, policies and risks to those of the fund that also are managed by the fund's investment adviser Federated MDTA LLC, and not that of the fund or the predecessor fund. As a market neutral fund, the fund targets a near-zero beta relative to the broad equity market, which was not an objective of the predecessor fund. As a market neutral fund, the fund expects returns to be uncorrelated to the returns and direction of the general stock market, which was not an objective of the predecessor fund.

A word about risk

Mutual funds are subject to risks and fluctuate in value.

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

There is no guarantee that the use of long and short positions will succeed in limiting the fund's exposure to domestic stock market movements, capitalization, sector-swings or other risk factors.

The fund may make short sales of securities, which involves unlimited risk including the possibility that losses may exceed the original amount invested.

The fund may invest in small capitalization (or "small-cap") companies. Small-cap companies may have less liquid stock, a more volatile share price, unproven track records, a limited product or service base and limited access to capital. The above factors could make small-cap companies more likely to fail than larger companies

and increase the volatility of the fund's portfolio, performance and price. Suitable securities of small-cap companies also can have limited availability and cause capacity constraints on investment strategies for funds that invest in them.

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

Definitions

Beta analyzes the market risk of a fund by showing how responsive the fund is to the market. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse in down markets. Usually the higher betas represent riskier investments.

The holdings percentages are based on net assets at the close of business on 12/31/22 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes. Because this is a managed portfolio, the investment mix will change.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Total return would have been lower in the absence of temporary expense waivers or reimbursements.

Growth over time performance is for the fund's Institutional Shares. The fund offers an additional share class whose performance will vary due to differences in charges and expenses.

Weighted median P/E (NTM - next twelve months) in calculating this, individual holdings with values greater than 60 are capped at 60 in accordance with Morningstar's methodology for calculating "weighted Median P/E."

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

ICE BofA 3-Month U.S. Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date.

Indexes are unmanaged and cannot be invested in directly.

Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. To obtain a summary prospectus or prospectus containing this and other information, contact us or visit FederatedInvestors.com. Please carefully read the summary prospectus or the prospectus before investing.

Past performance is no guarantee of future results.

Ratings and rating agencies

Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the past three years. If the fund is less than three years old, the category is based on the life of the fund. ©2023 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take sales charges into account. Federated Hermes MDT Market Neutral Fund was rated against the following numbers of U.S.-domiciled Long-Short Equity funds over the following time periods. Ratings are for A and Institutional Shares; other classes may have different performance characteristics. For the 3-, 5- and 10-year periods ended 12/31/22, the fund's A Shares received 5, 5 and 5 stars and the fund's Institutional Shares received 5, 5 and 5 stars, and was rated among 177, 158 and 69 funds, respectively. Past performance is no guarantee of future results.