

Federated Hermes Managed Volatility Fund II — Primary Shares

Investment Strategy from investment's prospectus

The investment seeks high current income and moderate capital appreciation. The fund invests in both equity and fixed-income securities that have high income potential. The analysis seeks to identify securities likely to have predictable returns based on a number of strategies such as valuation, market sentiment, profitability and capital use. It may buy or sell foreign currencies or foreign currency forwards in lieu of or in addition to non-dollar denominated fixed-income securities in order to hedge or increase or decrease its exposure to foreign interest rate and/or currency markets.

Past name: Federated Managed Volatility II.

Category Description: Tactical Allocation

Tactical Allocation portfolios seek to provide capital appreciation and income by actively shifting allocations between asset classes. These portfolios have material shifts across equity regions, and bond sectors on a frequent basis. To qualify for the Tactical Allocation category, the fund must first meet the requirements to be considered in an allocation category. Next, the fund must historically demonstrate material shifts within the primary asset classes either through a gradual shift over three years or through a series of material shifts on a quarterly basis. The cumulative asset class exposure changes must exceed 10% over the measurement period.

Operations

Fund Inception Date	02-10-94
Initial Share Class Inception Date	02-10-94
Advisor	Federated Global Investment Management Corp
Subadvisor	—

Fees and Expenses as of 04-30-22

Gross Prospectus Expense Ratio	0.98%
Net Prospectus Expense Ratio	0.98%

Waiver Data

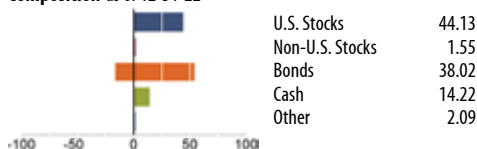
Waiver Data	Type	Exp.Date	%
—	—	—	—

Portfolio Manager(s)

Mark E. Durbiano, CFA. M.B.A., University of Pittsburgh. B.A., Dickinson College. Since 1994.
 Todd A. Abraham, CFA. M.B.A., Loyola College. B.S., Indiana University of Pennsylvania. Since 1999.

Portfolio Analysis as of 12-31-22

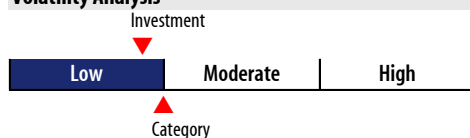
Composition as of 12-31-22



Top 20 Holdings as of 12-31-22

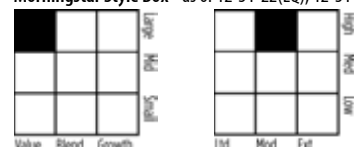
Security	% Assets
Us 10yr Note (Cbt)mar23 Xcvt 20230322 03-22-23	14.41
Federated Mortgage Core Portfolio	12.56
S+p500 Emini Fut Mar23 Xcme 20230317 03-17-23	6.05
Us 2yr Note (Cbt) Mar23 Xcvt 20230331 03-31-23	5.95
Us 10yr Ultra Fut Mar23 Xcvt 20230322 03-22-23	3.43
United States Treasury Notes 2.75% 07-31-27	3.13
United States Treasury Notes 2.625% 05-31-27	2.08
Federated Project and Trade Fin Cor	2.07
United States Treasury Notes 3.875% 11-30-27	2.02
United States Treasury Notes 2.5% 04-30-24	1.97
Us 5yr Note (Cbt) Mar23 Xcvt 20230331 03-31-23	1.88
United States Treasury Bonds 2.875% 05-15-52	1.61
Federated Hermes High Income Bond II P	1.60
Federated Emerging Markets Core	1.39
United States Treasury Notes 0.25% 09-30-23	1.12
United States Treasury Notes 0.125% 06-30-23	1.08
Exxon Mobil Corp	1.03
Berkshire Hathaway Inc Class B	1.02
Johnson & Johnson	1.00
JPMorgan Chase & Co	0.80
Total Number of Stock Holdings	270
Total Number of Bond Holdings	278
Annual Turnover Ratio %	51.00
Total Fund Assets (\$mil)	174.03

Volatility Analysis



In the past, this investment has shown a relatively small range of fluctuations relative to other investments. Based on this measure, currently more than two thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a conservative investment strategy.

Morningstar Style Box™ as of 12-31-22(EQ); 12-31-22(F-I)



Statistics as of 12-31-22

Statistic	Stk Port Avg	S&P 500	Category
P/E Ratio	12.66	18.64	15.44
P/B Ratio	2.14	3.42	2.56
P/C Ratio	6.81	11.19	7.73
GeoAvgCap(\$mil)	66,524.06	188,808.39	90,885.18

Risk Measures as of 03-31-23

Risk Measure	Port Avg	S&P 500	Category
3 Yr Std Dev	10.32	19.23	13.55
3 Yr Sharpe Ratio	0.49	0.92	0.54
3 Yr Alpha	-0.57	—	0.58
3 Yr Beta	0.73	—	0.88
3 Yr R-squared	80.34	—	71.49

Morningstar Sectors as of 12-31-22

Sector	%Fund	S&P 500 %
Cyclical	34.71	27.88
Basic Materials	3.60	2.38
Consumer Cyclical	6.50	10.41
Financial Services	20.09	12.45
Real Estate	4.52	2.64
Sensitive	34.39	47.81
Communication Services	7.10	8.11
Energy	8.62	4.61
Industrials	10.42	8.43
Technology	8.25	26.66
Defensive	30.89	24.31
Consumer Defensive	7.61	7.18
Healthcare	17.48	14.27
Utilities	5.80	2.86

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE