

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 Equity Mgmt Co. Of Penn
Subadvisor	—

Fees and Expenses as of 04-30-23

Gross Prospectus Expense Ratio	1.08%
Net Prospectus Expense Ratio	0.97%

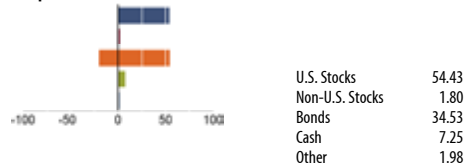
Waiver Data	Type	Exp.Date	%
Expense Ratio	—	05-01-24	0.11

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 03-31-23

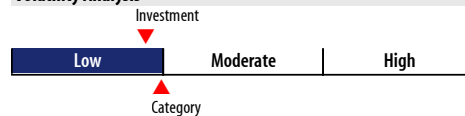
Composition as of 03-31-23



Top 20 Holdings as of 03-31-23

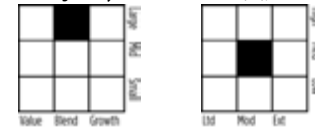
Security	% Assets
Future on E-mini S&P 500 Futures 06-16-23	19.13
10 Year Treasury Note Future June 23 06-21-23	18.53
Federated Mortgage Core Portfolio	14.97
2 Year Treasury Note Future June 23 06-30-23	5.55
United States Treasury Notes 2.75% 07-31-27	2.95
Federated Project and Trade Fin Cor	1.97
United States Treasury Notes 2.625% 05-31-27	1.96
Ultra 10 Year US Treasury Note Future June 23 06-21-23	1.95
United States Treasury Notes 2.5% 04-30-24	1.84
Federated Emerging Markets Core	1.55
Federated Hermes High Income Bond II P	1.53
United States Treasury Notes 4% 02-28-30	1.43
United States Treasury Bonds 2.875% 05-15-52	1.36
Us 5yr Note (Cbt) Jun23 Xcvt 20230630 06-30-23	1.18
United States Treasury Notes 0.25% 09-30-23	1.05
United States Treasury Notes 3.5% 02-15-33	0.97
Exxon Mobil Corp	0.95
Berkshire Hathaway Inc Class B	0.94
Johnson & Johnson	0.81
Meta Platforms Inc Class A	0.74
Total Number of Stock Holdings	276
Total Number of Bond Holdings	295
Annual Turnover Ratio %	51.00
Total Fund Assets (\$mil)	175.71

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 03-31-23(EQ); 03-31-23(F-I)



Statistics as of 03-31-23	Stk Port Avg	S&P 500	Category
P/E Ratio	14.46	19.92	16.95
P/B Ratio	2.44	3.71	2.79
P/C Ratio	8.00	12.78	9.55
GeoAvgCap (\$mil)	91,298.98	223,204.32	110,645.91

Risk Measures as of 06-30-23	Port Avg	S&P 500	Category
3 Yr Std Dev	10.63	18.19	13.18
3 Yr Sharpe Ratio	0.43	0.76	0.34
3 Yr Alpha	1.28	—	1.23
3 Yr Beta	0.81	—	0.89
3 Yr R-squared	85.93	—	71.64

Morningstar Sectors as of 03-31-23

Sector	%Fund	S&P 500
Cyclical	32.17	27.56
Basic Materials	3.61	2.28
Consumer Cyclical	7.87	10.82
Financial Services	16.79	11.97
Real Estate	3.90	2.49
Sensitive	40.11	49.76
Communication Services	8.17	8.39
Energy	7.01	4.11
Industrials	9.61	8.35
Technology	15.32	28.91
Defensive	27.71	22.68
Consumer Defensive	7.38	6.62
Healthcare	15.73	13.48
Utilities	4.60	2.58

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