Federated Hermes MDT Market Neutral ETF

Ticker symbol — MKTN | Listing exchange — NYSE | Cusip — 31423L875

9/30/26

Product highlights

- Pursues long-term capital appreciation while limiting exposure to general stock market risk by maintaining long and short stock exposures.
- Employs a quantitative model driven by fundamental and technical stock selection variables.

Morningstar category

Equity Market Neutral

Benchmark

ICE BofA US 3-Month Treasury Bill Index

Key investment team

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

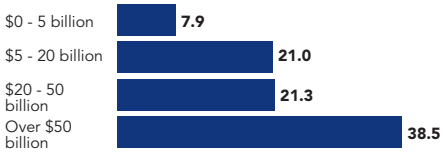
Fund statistics

Portfolio assets	$144.4 m
Dividends	Paid annually
Portfolio beta *(Source: 5 yr weighted avg beta of underlying stocks vs Russell 3000® Index)***	0.11
(Long) Weighted median market cap	$45.4 b
(Long) Weighted median P/E (NTM)	17.7x
(Long) Number of securities	219
(Short) Weighted median market cap	$26.4 b
(Short) Weighted median P/E (NTM)	22.2x
(Short) Number of securities	179

Top holdings (%)

CrowdStrike Holdings, Inc.	2.8
Fortinet, Inc.	2.4
AbbVie Inc.	2.3
GE Aerospace	2.3
Fiserv, Inc.	2.2
Brown & Brown, Inc.	-1.7
Flutter Entertainment PLC	-1.8
Zscaler, Inc.	-1.8
KKR & Co., Inc Class COMMON	-1.9
Ares Management Corporation	-2.0

Market cap - Long (%)



Market cap - Short (%)



Sector weightings (%)**

Sector	Long	Short	Net
Communication Services	3.9	-3.2	0.7
Consumer Discretionary	11.2	-8.9	2.3
Consumer Staples	2.8	-2.8	0.0
Energy	2.3	-2.2	0.1
Financials	16.6	-13.1	3.5
Health Care	14.9	-12.0	2.9
Industrials	10.0	-6.9	3.1
Information Technology	20.9	-13.7	7.2
Materials	2.7	-2.7	0.0
Real Estate	2.4	-1.8	0.6
Utilities	1.1	-1.7	-0.6
Cash/Cash Equivalents	-	-	80.2

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

Portfolio composition (%)**

Portfolio	Long	Short	Net
Value	56.3	-40.5	15.8
Growth	32.8	-28.8	4.0

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

Average annual total returns (%)

	Performance inception	Cumulative 3-month	1-year	Since inception	Expense ratio*, † Before waivers	After waivers
NAV	9/24/25	7.52	12.25	12.18	2.27	1.94
Market price	9/24/25	7.47	12.24	12.30	2.27	1.94
Benchmark		0.89	3.65	-	-	-

Calendar year total returns (%)

NAV

	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017
NAV	8.65	-	-	-	-	-	-	-	-	-
Benchmark	2.65	4.18	-	-	-	-	-	-	-	-

Performance quoted represents past performance, which is no guarantee of future results. Fund performance changes over time and current performance may be lower or higher than what is stated. Investment return and principal value will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Performance includes reinvestment of dividends and other earnings. To view performance current to the most recent month-end contact us or visit FederatedHermes.com.

The market price return is calculated from closing prices as determined by the fund's listing exchange. The returns shown do not represent the returns you would receive if you traded shares at other times.

*** 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 3/1/27 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 would have been 0.98%.**

†Includes acquired fund fees and other expenses.

ETF

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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 FederatedHermes.com. Please carefully read the summary prospectus or the prospectus before investing.

Past performance is no guarantee of future results.

Fund shares are bought and sold on an exchange at market price (not NAV) and are not individually redeemed from the fund. However, shares may be redeemed at NAV directly by certain authorized broker-dealers (Authorized Participants) in very large creation/redemption units. The returns shown do not represent the returns you would receive if you traded shares at other times. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns. Market price returns are based on the official closing price of an ETF share or, if the official closing price isn't available, the midpoint between the national best bid and national best offer ("NBBO") as of the time the ETF calculates the current NAV per share. NAVs are calculated using prices as of the end of regular trading on the New York Stock Exchange (normally 4:00pm Eastern Time). Recent information, including information about the fund's NAV, market price, premiums and discounts, and bid-ask spreads, is included on the fund's website at FederatedHermes.com.

Although the information provided in this document has been obtained from sources which Federated Hermes believes to be reliable, it does not guarantee accuracy of such information and such information may be incomplete or condensed.

***The 5-year beta represents the 5-year beta of the underlying stocks in the portfolio relative to the Russell 3000® Index. While not the fund's broad-based securities market index ICE BofA US 3-Month Treasury Bill Index benchmark, the fund uses the Russell 3000® Index as its representation for the broad equity market. As a market neutral fund, the fund expects returns to be uncorrelated to the returns and direction of the general stock market.

A word about risk

Diversification does not assure a profit nor protect against loss.

ETFs are subject to risks and fluctuate in value.

The value of equity securities in the fund's portfolio will fluctuate and, as a result, the fund's share price may decline. Equity securities may decline in value because of an increase in interest rates or changes in the stock market.

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

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

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

Growth stocks tend to have higher valuations and thus are typically more volatile than value stocks. Growth stocks also may not pay dividends or may pay lower dividends than value stocks.

Value stocks tend to have higher dividends and thus have a higher income-related component in their total return than growth stocks. Value stocks also may lag growth stocks in performance, particularly in late stages of a market advance.

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

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.

Definitions

The holdings percentages are based on net assets at the close of business on 9/30/26 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 holdings 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 expense waivers or reimbursements.

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.

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 US 3-Month 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.

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. ©2026 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.

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