

Semi-Annual Shareholder Report

June 30, 2023



Ticker FMBPX

Federated Hermes Mortgage Strategy Portfolio

A Portfolio of Federated Hermes Managed Pool Series

Not FDIC Insured • May Lose Value • No Bank Guarantee

CONTENTS

Federated Hermes Mortgage Strategy Portfolio 1

 Portfolio of Investments Summary Table 1

 Portfolio of Investments 2

 Financial Highlights 4

 Statement of Assets and Liabilities 5

 Statement of Operations 6

 Statement of Changes in Net Assets 7

 Notes to Financial Statements 8

 Shareholder Expense Example 12

Mortgage Core Fund 13

 Management’s Discussion of Fund Performance 14

 Portfolio of Investments Summary Table 16

 Portfolio of Investments 17

 Financial Highlights 28

 Statement of Assets and Liabilities 29

 Statement of Operations 30

 Statement of Changes in Net Assets 31

 Notes to Financial Statements 32

 Report of Independent Registered Public Accounting Firm 37

 Shareholder Expense Example 38

Evaluation and Approval of Advisory Contract 39

Liquidity Risk Management Program –
Annual Evaluation of Adequacy and Effectiveness 43

Voting Proxies on Fund Portfolio Securities 44

Quarterly Portfolio Schedule 44

Portfolio of Investments Summary Table (unaudited)

At June 30, 2023, the Fund's portfolio composition¹ was as follows:

Portfolio Composition	Percentage of Total Net Assets²
U.S. Government Agency Mortgage-Backed Securities	89.8%
Non-Agency Mortgage-Backed Securities	5.5%
Asset-Backed Securities	2.4%
Agency Risk Transfer Securities	0.3%
Cash Equivalents ³	4.1%
Other Assets and Liabilities—Net ⁴	(2.1)%
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.
- ² As of the date specified above, the Fund owned shares of one or more affiliated investment companies. For purposes of this table, the affiliated investment company (other than an affiliated money market mutual fund) is 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.
- ³ Cash Equivalents include any investments in money market mutual funds and/or overnight repurchase agreements.
- ⁴ Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.

Portfolio of Investments

June 30, 2023 (unaudited)

Shares or Principal Amount		Value
	INVESTMENT COMPANY—99.7%	
50,090,450	¹ Mortgage Core Fund (IDENTIFIED COST \$453,141,494)	\$418,756,162
	REPURCHASE AGREEMENT—0.6%	
\$ 2,313,000	Interest in \$1,976,000,000 joint repurchase agreement 5.06%, dated 6/30/2023 under which Bank of America, N.A. will repurchase securities provided as collateral for \$1,976,833,213 on 7/3/2023. 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 7/20/2052 and the market value of those underlying securities was \$2,016,369,878. (IDENTIFIED COST \$2,313,000)	\$ 2,313,000
	TOTAL INVESTMENT IN SECURITIES—100.3% (IDENTIFIED COST \$455,454,494) ²	421,069,162
	OTHER ASSETS AND LIABILITIES - NET—(0.3)% ³	(1,190,008)
	TOTAL NET ASSETS—100%	\$419,879,154

1 Due to this affiliated holding representing greater than 75% of the Fund's total net assets, a copy of the affiliated holding's most recent Annual Report is included with this Report.

Transactions with affiliated investment companies, which are funds managed by Federated Investment Management Company (the "Adviser") or an affiliate of the Adviser, during the period ended June 30, 2023, were as follows:

	Mortgage Core Fund
Value as of 12/31/2022	\$294,527,987
Purchases at Cost	\$127,601,299
Proceeds from Sales	\$ (900,000)
Change in Unrealized Appreciation/Depreciation	\$ (2,326,903)
Net Realized Gain/(Loss)	\$ (146,221)
Value as of 6/30/2023	\$418,756,162
Shares Held as of 6/30/2023	50,090,450
Dividend Income	\$ 7,001,300

The Fund invests in the Mortgage Core Fund ("Mortgage Core"), a portfolio of Federated Hermes Core Trust ("Core Trust"), which is managed by the Adviser. Core Trust is an open-end management investment company, registered under the Investment Company Act of 1940, as amended (the "Act"), available only to registered investment companies and other institutional investors. The investment objective of Mortgage Core is to provide total return. Federated Hermes, Inc. ("Federated Hermes") receives no advisory or administrative fees from Mortgage Core. Income distributions from Mortgage Core are declared daily and paid monthly. All income distributions are recorded by the Fund as dividend income. Capital gain distributions of Mortgage Core, if any, are declared and paid annually, and are recorded by the Fund as capital gains received. At June 30, 2023, Mortgage Core represents 99.7% of the Fund's net assets. Therefore, the performance of the Fund is directly affected by the performance of Mortgage Core. To illustrate the security holdings, financial condition, results of operations and changes in net assets of Mortgage Core, its financial statements are included within this report. The financial statements of Mortgage Core should be read in conjunction with the Fund's financial statements. The valuation of securities held by Mortgage Core is discussed in the notes to its financial statements.

2 Also represents cost of investments for federal tax purposes.

3 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 June 30, 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 June 30, 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
Investment Company	\$418,756,162	\$ —	\$—	\$418,756,162
Repurchase Agreement	—	2,313,000	—	2,313,000
TOTAL SECURITIES	\$418,756,162	\$2,313,000	\$—	\$421,069,162

See Notes which are an integral part of the Financial Statements

Financial Highlights

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 6/30/2023	Year Ended December 31,				
		2022	2021	2020	2019	2018
Net Asset Value, Beginning of Period	\$8.46	\$9.85	\$10.18	\$9.98	\$9.70	\$9.90
Income From Investment Operations:						
Net investment income (loss)	0.17	0.27	0.22	0.27	0.32	0.30
Net realized and unrealized gain (loss)	(0.02)	(1.40)	(0.32)	0.20	0.28	(0.20)
TOTAL FROM INVESTMENT OPERATIONS	0.15	(1.13)	(0.10)	0.47	0.60	0.10
Less Distributions:						
Distributions from net investment income	(0.17)	(0.26)	(0.22)	(0.27)	(0.32)	(0.30)
Distributions from net realized gain	—	—	(0.01)	—	—	—
TOTAL DISTRIBUTIONS	(0.17)	(0.26)	(0.23)	(0.27)	(0.32)	(0.30)
Net Asset Value, End of Period	\$8.44	\$8.46	\$9.85	\$10.18	\$9.98	\$9.70
Total Return¹	1.78%	(11.54)%	(0.94)%	4.77%	6.29%	1.12%

Ratios to Average Net Assets:

Net expenses ²	0.00% ³	0.00%	0.00%	0.00%	0.00%	0.00%
Net investment income	4.04% ³	3.01%	2.21%	2.68%	3.26%	3.17%
Expense waiver/reimbursement ⁴	0.15% ³	0.17%	0.21%	0.23%	0.24%	0.27%

Supplemental Data:

Net assets, end of period (000 omitted)	\$419,879	\$295,407	\$171,828	\$126,578	\$120,793	\$99,486
Portfolio turnover ⁵	0%	11%	14%	43%	7%	10%

1 Based on net asset value. Total returns for periods of less than one year are not annualized.

2 The Adviser has contractually agreed to reimburse all expenses, excluding extraordinary expenses, incurred by the Fund. Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.

3 Computed on an annualized basis.

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

June 30, 2023 (unaudited)

Assets:

Investment in securities, at value including \$418,756,162 of investments in affiliated holdings* (identified cost \$455,454,494, including \$453,141,494 of identified cost in affiliated holdings)	\$421,069,162
Cash	611
Income receivable from affiliated holdings	1,399,779
Receivable for shares sold	1,627,955
TOTAL ASSETS	424,097,507

Liabilities:

Payable for investments purchased	2,799,779
Payable for shares redeemed	1,730
Income distribution payable	1,372,272
Payable to adviser (Note 5)	1,930
Payable for administrative fee (Note 5)	891
Accrued expenses (Note 5)	41,751
TOTAL LIABILITIES	4,218,353

Net assets for 49,741,871 shares outstanding \$419,879,154

Net Assets Consist of:

Paid-in capital	\$459,428,755
Total distributable earnings (loss)	(39,549,601)
TOTAL NET ASSETS	\$419,879,154

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

\$419,879,154 ÷ 49,741,871 shares outstanding, no par value, unlimited shares authorized \$8.44

* See information listed after the Fund's Portfolio of Investments.

See Notes which are an integral part of the Financial Statements

Statement of Operations

Six Months Ended June 30, 2023 (unaudited)

Investment Income:

Dividends received from affiliated holdings*	\$ 7,001,300
Interest	28,904
TOTAL INCOME	7,030,204

Expenses:

Administrative fee (Note 5)	135,831
Custodian fees	5,944
Transfer agent fees	10,591
Directors'/Trustees' fees (Note 5)	1,450
Auditing fees	16,018
Legal fees	4,804
Portfolio accounting fees	42,030
Share registration costs	21,334
Printing and postage	9,916
Commitment fee	2,914
Miscellaneous (Note 5)	8,884
TOTAL EXPENSES	259,716
Reimbursement of other operating expenses (Note 5)	(259,716)
Net expenses	—
Net investment income	7,030,204

Realized and Unrealized Gain (Loss) on Investments:

Net realized loss on investments in affiliated holdings*	(146,221)
Net change in unrealized depreciation of investments in affiliated holdings*	(2,326,903)
Net realized and unrealized gain (loss) on investments	(2,473,124)
Change in net assets resulting from operations	\$ 4,557,080

* 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

	Six Months Ended (unaudited) 6/30/2023	Year Ended 12/31/2022
Increase (Decrease) in Net Assets		
Operations:		
Net investment income	\$ 7,030,204	\$ 7,112,504
Net realized gain (loss)	(146,221)	(2,886,851)
Net change in unrealized appreciation/depreciation	(2,326,903)	(31,121,729)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	4,557,080	(26,896,076)
Distributions to Shareholders	(7,027,069)	(7,113,868)
Share Transactions:		
Proceeds from sale of shares	145,582,873	213,317,582
Net asset value of shares issued to shareholders in payment of distributions declared	170,095	207,511
Cost of shares redeemed	(18,811,032)	(55,935,840)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	126,941,936	157,589,253
Change in net assets	124,471,947	123,579,309
Net Assets:		
Beginning of period	295,407,207	171,827,898
End of period	\$419,879,154	\$295,407,207

See Notes which are an integral part of the Financial Statements

Notes to Financial Statements

June 30, 2023 (unaudited)

1. ORGANIZATION

Federated Hermes Managed Pool Series (the "Trust") is registered under the Act, as an open-end management investment company. The Trust consists of five portfolios. The financial statements included herein are only those of Federated Hermes Mortgage Strategy Portfolio (the "Fund"), a non-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 investment objective of the Fund is to provide total return by investing primarily in a mortgage-backed securities mutual fund and individual mortgage-backed securities, including collateralized mortgage obligations.

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:

- 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 Federated Investment Management Company (the "Adviser").
- 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 Adviser.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Adviser, 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 Adviser's valuation policies and procedures for the Fund, or if information furnished by a pricing service, in the opinion of the Adviser's 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 Procedures

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

The Adviser, acting through its Valuation Committee, is 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 Adviser and certain of the Adviser's 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 Adviser 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 Adviser. The Trustees periodically review the fair valuations made by the Valuation Committee. The Trustees have also approved the Adviser's 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 Adviser.

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 Adviser and its 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. Distributions of net investment income, if any, are declared daily and paid monthly. 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. The detail of the total fund expense reimbursement of \$259,716 is disclosed in Note 5.

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 six months ended June 30, 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 June 30, 2023, tax years 2019 through 2022 remain subject to examination by the Fund's major tax jurisdictions, which include the United States of America and the Commonwealth of Massachusetts.

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.

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 table summarizes share activity:

	Six Months Ended 6/30/2023	Year Ended 12/31/2022
Shares sold	17,013,791	23,685,150
Shares issued to shareholders in payment of distributions declared	19,910	23,589
Shares redeemed	(2,193,047)	(6,251,194)
NET CHANGE RESULTING FROM FUND SHARE TRANSACTIONS	14,840,654	17,457,545

4. FEDERAL TAX INFORMATION

At June 30, 2023, the cost of investments for federal tax purposes was \$455,454,494. The net unrealized depreciation of investments for federal tax purposes was \$34,385,332. This consists entirely of unrealized depreciation from investments for those securities having an excess of cost over value of \$34,385,332.

As of December 31, 2022, the Fund had a capital loss carryforward of \$147,079 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
\$139,841	\$7,238	\$147,079

5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Adviser Fee

The Adviser provides investment adviser services at no fee because all eligible investors are: (1) in separately managed or wrap fee programs, who often pay a single aggregate fee to the wrap program sponsor for all costs and expenses of the wrap fee programs; or (2) in certain other separately managed accounts and discretionary investment accounts. The Adviser has contractually agreed to reimburse all expenses of the Fund, excluding extraordinary expenses. Acquired fund fees and expenses are not direct obligations of the Fund and are not contractual reimbursements under the investment advisory contract. For the six months ended June 30, 2023, the Adviser reimbursed \$259,716 of operating expenses.

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

For the six months ended June 30, 2023, the annualized fee paid to FAS was 0.078% of average daily net assets of the Fund. For the six months ended June 30, 2023, the Fund's Adviser reimbursed the Fund for any fee paid to FAS.

In addition, FAS may charge certain out-of-pocket expenses to 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 Adviser 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 six months ended June 30, 2023, were as follows:

Purchases	\$69,849,280
Sales	\$ —

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 June 30, 2023, the Fund had no outstanding loans. During the six months ended June 30, 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 June 30, 2023, there were no outstanding loans. During the six months ended June 30, 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. OTHER MATTERS

An outbreak of respiratory disease caused by a novel coronavirus was first detected in China in late 2019 and subsequently spread globally. As of the date of the issuance of these financial statements, this coronavirus has resulted in, and may continue to result in, closed borders, enhanced health screenings, disruptions to healthcare service preparation and delivery, quarantines, cancellations, and disruptions to supply chains, workflow operations and consumer activity, as well as general concern and uncertainty. The impact of this coronavirus has resulted in substantial economic volatility. Health crises caused by outbreaks, such as the coronavirus outbreak, may exacerbate other pre-existing political, social and economic risks. The impact of this outbreak, and other epidemics and pandemics that may arise in the future, could continue to negatively affect the worldwide economy, as well as the economies of individual countries, individual companies (including certain Fund service providers and issuers of the Fund's investments) and the markets in general in significant and unforeseen ways. In addition, governments, their regulatory agencies, or self-regulatory organizations may take actions in response to the pandemic, including significant fiscal and monetary policy changes, that may affect the instruments in which the Fund invests or the issuers of such investments. Any such impact could adversely affect the Fund's performance.

Shareholder Expense Example (unaudited)

As a shareholder of the Fund, you incur ongoing costs, including to the extent applicable, management fees, 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 mutual funds. It is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from January 1, 2023 to June 30, 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 1/1/2023	Ending Account Value 6/30/2023	Expenses Paid During Period ¹
Actual	\$1,000	\$1,017.80	\$0.00
Hypothetical (assuming a 5% return before expenses)	\$1,000	\$1,024.79	\$0.00

¹ Expenses are equal to the Fund’s annualized net expense ratio of 0.00%, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half-year period). The Adviser has contractually agreed to reimburse all expenses, excluding extraordinary expenses, incurred by the Fund. This agreement has no fixed term.

Mortgage Core Fund

FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS

Federated Hermes Mortgage Strategy Portfolio invests primarily in Mortgage Core Fund. Therefore, the Mortgage Core Fund financial statements and notes to financial statements are included on pages 14 through 38.

Management's Discussion of Fund Performance (unaudited)

The total return of the Mortgage Core Fund (the "Fund"), based on net asset value for the 12-month reporting period ended December 31, 2022, was -11.57%. The Bloomberg US Mortgage Backed Securities Index (BMBS),¹ the Fund's broad-based securities market index, returned -11.81% for the same period. The Fund's total return for the most recently completed fiscal year reflected actual cash flows, transaction costs and expenses not reflected in the total return of the BMBS.

During the reporting period, the most significant factors affecting the Fund's performance were (a) interest rate strategy; (b) sector allocation; and (c) security selection.

The following discussion will focus on the Fund's performance relative to the BMBS.

MARKET OVERVIEW

Citing elevated inflation which resulted from pandemic-induced supply/demand imbalances and the Russian invasion of Ukraine, as well as low unemployment, the Federal Reserve (the "Fed") aggressively tightened monetary policy during the reporting period. From extremely accommodative monetary policy at period outset, the Fed moved at a historically rapid pace with seven rate hikes to reduce inflationary pressures. Additionally, quantitative easing policy purchases of securities reached a conclusion, and the portfolio of agency debt, mortgage-backed securities (MBS)² and Treasury securities declined as securities matured. These steps were taken to combat inflation which reached the highest level in 40 years. Market yields spiked in response to Fed actions.

Treasury yields increased across the maturity spectrum and fixed-income investments outside of Treasury securities – the spread sectors – reeled, as slack demand produced wider yield spreads and negative excess returns. Virtually all spread sectors underperformed similar duration Treasury securities with corporate debt (both high-grade and high-yield), MBS (residential and commercial), asset-backed securities (ABS) and agency debt posting lackluster results. The mortgage sector suffered from a lack of demand as commercial bank buying decreased, and the Fed ceased portfolio purchases allowing portfolio holdings to decline as quantitative easing evolved to quantitative tightening. As Treasury yields and mortgage rates increased, mortgage refinance activity collapsed, and MBS average lives extended as homeowners' existing manimortgage rates fell well below the available market rate for 30-year fixed mortgages.

During the reporting period, the 2- and 10-year U.S. Treasury yields increased 370 and 237 basis points to yield 4.43% and 3.88%, respectively.³

INTEREST RATE STRATEGY

The Fund decreased effective duration,⁴ relative to the BMBS, to reduce the anticipated impact of higher market yields. The lower portfolio sensitivity to interest rates proved beneficial as Treasury yields climbed. Interest rate strategy made a positive contribution to Fund performance during the period. During the reporting period, the Fund invested in Treasury futures contracts for duration and yield curve purposes. The impact to performance was minimal, totaling -3 basis points for the fiscal year.

SECTOR ALLOCATION

Allocations to conventional MBS, which include those issued by Fannie Mae and Freddie Mac as well as a cash position, were beneficial. Overall, sector allocation made a positive contribution to Fund performance.

SECURITY SELECTION

Security selection, notably in non-government-guaranteed mortgage securities, proved detrimental. Additionally, securities offering varying degrees of prepayment protection underperformed as call protection value declined. Security selection acted as a drag on Fund performance.

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 BMBS.

2 The value of some mortgage-backed securities may be particularly sensitive to changes in prevailing interest rates, and although the securities are generally supported by some form of government or private insurance, there is no assurance that private guarantors or insurers will meet their obligations.

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

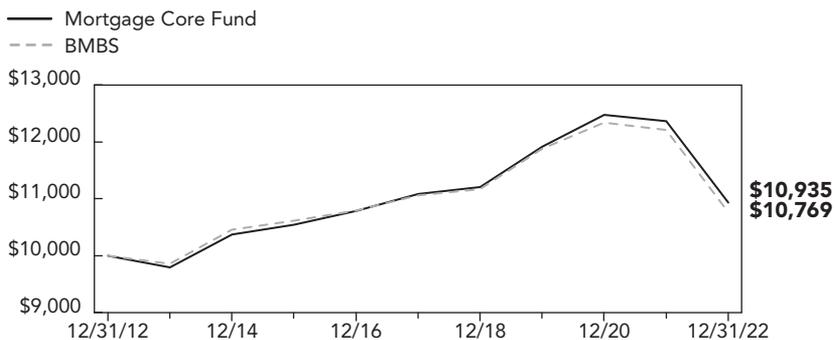
4 Duration is a measure of a security's price sensitivity to changes in interest rates. Securities with longer durations are more sensitive to changes in interest rates than securities of shorter durations.

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

The graph below illustrates the hypothetical investment of \$10,000¹ in the Mortgage Core Fund (the “Fund”) from December 31, 2012 to December 31, 2022, compared to the Bloomberg US Mortgage Backed Securities Index (BMBS).² 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, 2022



Average Annual Total Returns for the Period Ended 12/31/2022

	1 Year	5 Years	10 Years
Fund	-11.57%	-0.27%	0.90%
BMBS	-11.81%	-0.53%	0.74%

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. Mutual fund performance changes over time and current performance may be lower or higher than what is stated. For current to the most recent month-end performance and after-tax returns, call 1-800-341-7400. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Mutual funds 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 BMBS has been adjusted to reflect reinvestment of dividends on securities in the index.

2 The BMBS covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid ARM) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA) and Freddie Mac (FHLMC). The index is not adjusted to reflect sales loads, expenses or other fees that the Securities and Exchange Commission requires to be reflected in the Fund’s performance. The index is unmanaged and, unlike the Fund, is not affected by cash flows. It is not possible to invest directly in an index.

Portfolio of Investments Summary Table (unaudited)

At December 31, 2022, the Fund's portfolio composition¹ was as follows:

Security Type	Percentage of Total Net Assets
U.S. Government Agency Mortgage-Backed Securities	90.0%
Non-Agency Mortgage-Backed Securities	4.4%
Asset-Backed Securities	2.8%
Derivative Contracts ²	0.0%
Cash Equivalents ³	3.7%
Other Assets and Liabilities—Net ⁴	(0.9)%
TOTAL	100%

1 See the Fund's Private Offering Memorandum for a description of the principal types of securities in which the Fund invests.

2 Represents less than 0.1%.

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

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

Portfolio of Investments

December 31, 2022

Principal Amount or Shares		Value
	MORTGAGE-BACKED SECURITIES—90.0%	
	Federal Home Loan Mortgage Corporation—33.4%	
\$ 5,830,291	2.000%, 5/1/2035	\$ 5,224,147
3,067,968	2.000%, 7/1/2035	2,740,379
18,088,964	2.000%, 11/1/2035	16,163,128
35,877,327	2.000%, 4/1/2036	32,136,140
15,779,375	2.000%, 11/1/2036	14,099,428
8,815,172	2.000%, 8/1/2050	7,265,467
10,921,265	2.000%, 9/1/2050	8,984,246
17,494,462	2.000%, 9/1/2050	14,490,012
29,593,363	2.000%, 11/1/2050	24,344,619
25,436,305	2.000%, 12/1/2050	20,869,224
3,284,258	2.000%, 3/1/2051	2,698,676
7,074,589	2.000%, 4/1/2051	5,802,138
44,736,223	2.000%, 4/1/2051	36,759,767
16,218,448	2.000%, 5/1/2051	13,301,363
35,176,482	2.000%, 1/1/2052	29,003,460
95,658,416	2.000%, 1/1/2052	78,602,549
1,606,498	2.500%, 10/1/2049	1,379,742
6,690,140	2.500%, 5/1/2050	5,775,103
8,124,960	2.500%, 9/1/2050	6,952,739
74,164,598	2.500%, 9/1/2051	63,012,630
72,908,933	2.500%, 10/1/2051	62,036,913
2,807,128	2.500%, 1/1/2052	2,409,150
13,168,505	2.500%, 2/1/2052	11,219,250
25,964,968	2.500%, 2/1/2052	22,068,787
11,958,302	2.500%, 2/1/2052	10,188,186
29,832,189	2.500%, 4/1/2052	25,607,420
1,484,970	3.000%, 4/1/2031	1,415,265
2,310,828	3.000%, 6/1/2032	2,197,302
2,738,841	3.000%, 6/1/2032	2,604,288
25,422,609	3.000%, 6/1/2033	24,141,874
1,827,904	3.000%, 7/1/2033	1,738,103
13,540,229	3.000%, 1/1/2043	12,319,749
472,872	3.000%, 6/1/2045	426,850
4,483,383	3.000%, 10/1/2045	4,048,440
641,778	3.000%, 5/1/2046	579,117
11,802,906	3.000%, 6/1/2046	10,561,981
4,923,578	3.000%, 6/1/2046	4,458,239
5,542,339	3.000%, 7/1/2046	5,037,572
1,834,468	3.000%, 9/1/2046	1,639,304
4,471,076	3.000%, 10/1/2046	4,034,532
4,547,714	3.000%, 10/1/2046	4,098,002
3,524,571	3.000%, 11/1/2046	3,169,427
2,609,136	3.000%, 11/1/2046	2,331,557
5,360,485	3.000%, 12/1/2046	4,832,076
7,628,467	3.000%, 5/1/2047	6,874,109
9,686,121	3.000%, 4/1/2052	8,574,670
38,615,739	3.000%, 6/1/2052	33,955,430

Principal Amount or Shares		Value
MORTGAGE-BACKED SECURITIES—continued		
Federal Home Loan Mortgage Corporation—continued		
\$ 117,283	3.500%, 6/1/2026	\$ 114,471
163,951	3.500%, 6/1/2026	159,875
58,036	3.500%, 7/1/2026	56,496
3,991,951	3.500%, 7/1/2042	3,736,585
3,624,293	3.500%, 9/1/2043	3,389,428
1,547,252	3.500%, 5/1/2046	1,442,558
17,467,814	3.500%, 7/1/2046	16,209,449
11,006,875	3.500%, 11/1/2047	10,220,829
5,735,905	3.500%, 11/1/2047	5,315,526
2,185,518	3.500%, 12/1/2047	2,014,415
11,269,586	3.500%, 12/1/2047	10,507,040
6,010,085	3.500%, 2/1/2048	5,590,271
8,840,792	3.500%, 2/1/2048	8,253,639
13,295,456	3.500%, 12/1/2049	12,140,620
8,359,202	3.500%, 5/1/2051	7,639,461
14,727,969	3.500%, 7/1/2051	13,469,072
64,770,456	3.500%, 4/1/2052	58,925,428
7,949,834	3.500%, 5/1/2052	7,232,423
35,537	4.000%, 5/1/2024	35,216
349,313	4.000%, 8/1/2025	344,475
50,742	4.000%, 5/1/2026	49,932
640,187	4.000%, 5/1/2026	629,977
690,332	4.000%, 12/1/2040	668,292
526,632	4.000%, 1/1/2042	509,296
3,041,946	4.000%, 11/1/2047	2,912,686
3,055,028	4.000%, 5/1/2048	2,918,530
31,357,332	4.000%, 6/1/2052	29,495,732
9,712,710	4.000%, 7/1/2052	9,120,916
16,882,873	4.000%, 8/1/2052	15,854,203
28,028	4.500%, 7/1/2024	27,827
29,884	4.500%, 8/1/2024	29,670
59,134	4.500%, 9/1/2024	58,712
33,476	4.500%, 9/1/2024	33,237
41,400	4.500%, 6/1/2025	41,084
37,782,312	4.500%, 10/1/2037	37,554,533
431,103	4.500%, 11/1/2039	426,962
1,289,777	4.500%, 5/1/2040	1,277,847
126,896	4.500%, 6/1/2040	125,729
186,421	4.500%, 7/1/2040	184,712
388,185	4.500%, 8/1/2040	384,542
705,892	4.500%, 8/1/2040	699,334
2,191,274	4.500%, 9/1/2040	2,171,188
430,341	4.500%, 7/1/2041	426,398
386,687	4.500%, 7/1/2041	383,135
274,269	4.500%, 7/1/2041	271,749
1,766,405	4.500%, 10/1/2048	1,729,563
9,284,035	4.500%, 7/1/2052	8,993,932
38,767,645	4.500%, 8/1/2052	37,404,815
3,982	5.000%, 6/1/2023	3,970
11,903	5.000%, 7/1/2023	11,867

Principal Amount or Shares		Value
	MORTGAGE-BACKED SECURITIES—continued	
	Federal Home Loan Mortgage Corporation—continued	
\$ 3,786	5.000%, 7/1/2023	\$ 3,775
3,574	5.000%, 7/1/2025	3,561
792,193	5.000%, 1/1/2034	795,336
273,753	5.000%, 5/1/2034	274,841
944	5.000%, 11/1/2035	950
305,748	5.000%, 4/1/2036	307,969
377	5.000%, 4/1/2036	380
5,404	5.000%, 4/1/2036	5,433
62,012	5.000%, 4/1/2036	62,479
72,610	5.000%, 5/1/2036	73,266
52,732	5.000%, 6/1/2036	53,108
117,692	5.000%, 6/1/2036	118,280
302,317	5.000%, 12/1/2037	304,966
50,886	5.000%, 5/1/2038	51,336
27,506	5.000%, 6/1/2038	27,747
53,357	5.000%, 9/1/2038	53,847
50,174	5.000%, 2/1/2039	50,643
48,245	5.000%, 6/1/2039	48,724
1,442,862	5.000%, 10/1/2039	1,458,007
127,787	5.000%, 2/1/2040	129,192
217,831	5.000%, 8/1/2040	220,385
37,024,669	5.000%, 10/1/2052	36,594,028
674,562	5.500%, 5/1/2034	690,253
21,822	5.500%, 3/1/2036	22,530
55,209	5.500%, 3/1/2036	56,856
11,270	5.500%, 3/1/2036	11,637
80,881	5.500%, 3/1/2036	83,044
165,429	5.500%, 6/1/2036	170,774
82,346	5.500%, 6/1/2036	85,024
31,917	5.500%, 6/1/2036	32,846
78,584	5.500%, 9/1/2037	81,177
133,424	5.500%, 9/1/2037	137,773
93,182	5.500%, 12/1/2037	96,237
11,710	5.500%, 3/1/2038	12,108
5,038,742	5.500%, 9/1/2052	5,070,068
30,000,892	5.500%, 12/1/2052	30,095,530
7,550	6.000%, 7/1/2029	7,680
17,743	6.000%, 2/1/2032	18,268
11,212	6.000%, 5/1/2036	11,666
31,740	6.000%, 8/1/2037	33,180
194,765	6.000%, 9/1/2037	203,128
4,073	6.500%, 6/1/2029	4,206
1,488	6.500%, 7/1/2029	1,537
128,839	6.500%, 11/1/2036	137,043
342,487	6.500%, 10/1/2037	365,819
1,426	6.500%, 4/1/2038	1,523
1,173	6.500%, 4/1/2038	1,254
6,742	7.000%, 4/1/2032	7,074
106,872	7.000%, 4/1/2032	113,722
23,282	7.000%, 9/1/2037	25,380

Principal Amount or Shares		Value
MORTGAGE-BACKED SECURITIES—continued		
Federal Home Loan Mortgage Corporation—continued		
\$ 10,781	7.500%, 10/1/2029	\$ 11,313
6,253	7.500%, 11/1/2029	6,574
7,352	7.500%, 4/1/2031	7,484
10,611	7.500%, 5/1/2031	11,312
1,432	8.000%, 3/1/2030	1,516
23,837	8.000%, 1/1/2031	25,173
25,953	8.000%, 2/1/2031	27,767
13,338	8.000%, 3/1/2031	14,229
513	8.500%, 9/1/2025	527
129	8.500%, 9/1/2025	132
	TOTAL	1,061,691,814
Federal National Mortgage Association—54.2%		
7,147,266	2.000%, 12/1/2034	6,419,837
10,384,073	2.000%, 7/1/2035	9,304,496
6,178,413	2.000%, 4/1/2036	5,526,423
31,615,733	2.000%, 5/1/2036	28,220,134
39,770,302	2.000%, 7/1/2050	32,716,554
8,254,174	2.000%, 8/1/2050	6,790,196
11,205,848	2.000%, 10/1/2050	9,218,354
27,099,546	2.000%, 11/1/2050	22,293,111
12,726,948	2.000%, 3/1/2051	10,485,577
8,745,286	2.000%, 5/1/2051	7,177,806
331,975,753	2.000%, 5/1/2051	272,784,576
18,949,490	2.000%, 6/1/2051	15,641,863
17,362,971	2.000%, 7/1/2051	14,272,584
15,649,186	2.000%, 10/1/2051	12,819,818
126,767,793	2.000%, 2/1/2052	103,610,525
76,035,957	2.000%, 2/1/2052	62,407,485
5,639,563	2.500%, 9/1/2035	5,187,795
23,460,837	2.500%, 7/1/2036	21,640,112
9,175,016	2.500%, 11/1/2036	8,434,299
2,651,108	2.500%, 12/1/2036	2,443,706
2,237,583	2.500%, 12/1/2049	1,921,051
3,361,383	2.500%, 7/1/2050	2,879,574
7,003,292	2.500%, 9/1/2050	5,995,087
15,941,967	2.500%, 9/1/2050	13,641,955
36,772,583	2.500%, 10/1/2050	31,375,324
13,884,286	2.500%, 11/1/2050	11,850,773
17,642,906	2.500%, 2/1/2051	15,034,088
21,754,650	2.500%, 2/1/2051	18,537,838
17,689,085	2.500%, 4/1/2051	15,059,620
15,748,249	2.500%, 5/1/2051	13,407,287
15,918,494	2.500%, 6/1/2051	13,604,458
44,709,800	2.500%, 9/1/2051	38,084,688
17,487,460	2.500%, 10/1/2051	14,852,444
82,391,309	2.500%, 10/1/2051	70,182,540
24,917,585	2.500%, 1/1/2052	21,244,758
8,317,669	2.500%, 1/1/2052	7,069,559
67,158,053	2.500%, 1/1/2052	57,080,631
9,148,704	2.500%, 2/1/2052	7,768,745

Principal Amount or Shares		Value
	MORTGAGE-BACKED SECURITIES—continued	
	Federal National Mortgage Association—continued	
\$ 7,132,438	2.500%, 3/1/2052	\$ 6,076,666
33,087,303	2.500%, 5/1/2052	28,184,417
1,137,581	3.000%, 2/1/2032	1,079,703
2,421,181	3.000%, 8/1/2043	2,196,133
1,676,812	3.000%, 9/1/2043	1,520,953
6,476,044	3.000%, 8/1/2046	5,835,646
3,074,461	3.000%, 9/1/2046	2,771,397
2,663,537	3.000%, 10/1/2046	2,395,153
1,441,572	3.000%, 10/1/2046	1,288,207
2,863,330	3.000%, 11/1/2046	2,574,814
2,657,498	3.000%, 11/1/2046	2,374,774
3,459,043	3.000%, 11/1/2046	3,111,583
876,457	3.000%, 1/1/2047	787,595
14,418,928	3.000%, 1/1/2047	12,966,044
761,348	3.000%, 2/1/2047	686,298
4,406,276	3.000%, 3/1/2047	3,962,290
8,739,692	3.000%, 3/1/2047	7,867,254
1,104,707	3.000%, 4/1/2047	986,490
5,799,604	3.000%, 12/1/2047	5,226,096
8,995,879	3.000%, 12/1/2047	8,109,112
3,567,120	3.000%, 2/1/2048	3,173,132
1,068,955	3.000%, 2/1/2048	951,891
1,227,993	3.000%, 11/1/2049	1,093,129
2,522,791	3.000%, 5/1/2051	2,244,543
126,210,049	3.000%, 5/1/2051	111,165,837
44,922,885	3.000%, 12/1/2051	39,561,069
38,298,503	3.000%, 12/1/2051	33,847,030
20,191,062	3.000%, 4/1/2052	17,867,894
73,562	3.500%, 11/1/2025	71,867
110,331	3.500%, 11/1/2025	107,789
116,841	3.500%, 12/1/2025	113,988
130,996	3.500%, 1/1/2026	127,857
34,939	3.500%, 1/1/2026	34,102
6,834,464	3.500%, 9/1/2042	6,391,801
11,043,393	3.500%, 7/1/2045	10,282,348
4,445,556	3.500%, 8/1/2046	4,109,187
4,190,591	3.500%, 8/1/2046	3,901,800
7,258,066	3.500%, 9/1/2046	6,780,564
4,620,221	3.500%, 2/1/2047	4,280,165
7,074,931	3.500%, 11/1/2047	6,556,416
7,328,824	3.500%, 12/1/2047	6,819,184
3,601,031	3.500%, 4/1/2048	3,332,613
12,830,587	3.500%, 5/1/2051	11,906,283
14,767,875	3.500%, 7/1/2051	13,533,257
48,150,502	3.500%, 6/1/2052	43,820,342
90,001	4.000%, 12/1/2025	88,714
117,455	4.000%, 7/1/2026	115,515
29,917,218	4.000%, 11/1/2037	29,193,320
1,072,556	4.000%, 2/1/2041	1,037,887
794,833	4.000%, 3/1/2046	766,523

Principal Amount or Shares		Value
	MORTGAGE-BACKED SECURITIES—continued	
	Federal National Mortgage Association—continued	
\$ 1,035,134	4.000%, 7/1/2046	\$ 997,683
2,291,230	4.000%, 11/1/2046	2,203,966
3,287,732	4.000%, 10/1/2047	3,147,412
5,108,417	4.000%, 10/1/2047	4,891,349
2,734,990	4.000%, 11/1/2047	2,614,501
2,937,864	4.000%, 1/1/2048	2,821,519
3,348,286	4.000%, 2/1/2048	3,201,825
3,748,467	4.000%, 2/1/2048	3,584,500
7,305,599	4.000%, 2/1/2048	6,995,167
1,199,640	4.000%, 2/1/2048	1,142,667
3,174,312	4.000%, 2/1/2048	3,032,981
1,982,294	4.000%, 3/1/2048	1,888,150
1,205,476	4.000%, 3/1/2048	1,154,064
2,878,166	4.000%, 5/1/2048	2,746,872
677,854	4.000%, 6/1/2048	646,932
2,519,405	4.000%, 6/1/2048	2,404,477
1,392,087	4.000%, 7/1/2048	1,323,255
14,452,674	4.000%, 4/1/2052	13,617,240
12,738,535	4.000%, 5/1/2052	11,970,340
35,273,888	4.000%, 7/1/2052	33,135,680
28,681,841	4.000%, 7/1/2052	26,952,188
16,858,380	4.000%, 9/1/2052	15,831,203
91,895	4.500%, 2/1/2039	90,955
486,186	4.500%, 5/1/2040	481,706
1,215,687	4.500%, 10/1/2040	1,204,541
147,816	4.500%, 11/1/2040	146,460
1,600,742	4.500%, 4/1/2041	1,586,057
794,050	4.500%, 6/1/2041	786,762
13,000,336	4.500%, 5/1/2052	12,547,388
6,928,268	4.500%, 6/1/2052	6,684,713
8,163,091	4.500%, 8/1/2052	7,878,679
17,363	5.000%, 5/1/2023	17,310
4,703	5.000%, 8/1/2023	4,688
45,812	5.000%, 11/1/2023	45,617
1,031,129	5.000%, 2/1/2036	1,038,327
567,414	5.000%, 7/1/2040	573,923
570,834	5.000%, 10/1/2041	577,843
42,572,829	5.000%, 8/1/2052	42,037,079
25,164	5.500%, 1/1/2032	25,679
16,471	5.500%, 1/1/2032	16,817
247,244	5.500%, 9/1/2034	253,613
681,554	5.500%, 12/1/2034	699,120
22,083	5.500%, 4/1/2035	22,637
292,088	5.500%, 11/1/2035	300,515
135,926	5.500%, 1/1/2036	139,898
50,734	5.500%, 3/1/2036	52,235
230,897	5.500%, 4/1/2036	237,577
351,840	5.500%, 4/1/2036	362,258
191,599	5.500%, 5/1/2036	197,864
73,637	5.500%, 9/1/2036	75,834

Principal Amount or Shares		Value
MORTGAGE-BACKED SECURITIES—continued		
Federal National Mortgage Association—continued		
\$ 244,748	5.500%, 8/1/2037	\$ 252,161
124,337	5.500%, 7/1/2038	128,419
349,531	5.500%, 4/1/2041	361,523
9,818,082	5.500%, 9/1/2052	9,885,871
8,862,705	5.500%, 11/1/2052	8,890,662
5,799	6.000%, 1/1/2029	5,899
7,546	6.000%, 2/1/2029	7,676
2,513	6.000%, 2/1/2029	2,548
3,538	6.000%, 4/1/2029	3,614
9,076	6.000%, 5/1/2029	9,271
4,567	6.000%, 5/1/2029	4,649
394,791	6.000%, 7/1/2034	409,706
212,757	6.000%, 11/1/2034	220,560
98,917	6.000%, 7/1/2036	103,345
26,051	6.000%, 7/1/2036	27,153
94,847	6.000%, 10/1/2037	99,224
39,527	6.000%, 6/1/2038	41,408
510,714	6.000%, 7/1/2038	534,479
46,113	6.000%, 9/1/2038	48,276
30,584	6.000%, 10/1/2038	32,082
289,552	6.000%, 2/1/2039	303,858
12,823	6.500%, 9/1/2028	13,046
2,196	6.500%, 8/1/2029	2,262
4,232	6.500%, 6/1/2031	4,412
11,550	6.500%, 6/1/2031	12,002
1,726	6.500%, 6/1/2031	1,794
1,879	6.500%, 6/1/2031	1,912
2,380	6.500%, 1/1/2032	2,478
35,242	6.500%, 3/1/2032	36,811
112,949	6.500%, 4/1/2032	118,164
14,558	6.500%, 5/1/2032	15,270
140,914	6.500%, 7/1/2036	149,733
3,095	6.500%, 8/1/2036	3,267
12,850	6.500%, 9/1/2036	13,724
23,422	6.500%, 12/1/2036	24,898
58,267	6.500%, 9/1/2037	62,359
193	6.500%, 12/1/2037	206
31,289	6.500%, 10/1/2038	33,453
40	7.000%, 7/1/2023	40
454	7.000%, 2/1/2024	454
171	7.000%, 5/1/2024	172
781	7.000%, 7/1/2024	787
577	7.000%, 7/1/2025	584
7,725	7.000%, 9/1/2031	8,135
5,007	7.000%, 9/1/2031	5,314
76,816	7.000%, 11/1/2031	81,622
5,405	7.000%, 12/1/2031	5,739
21,382	7.000%, 1/1/2032	21,594
23,595	7.000%, 2/1/2032	25,027
24,438	7.000%, 3/1/2032	25,968

Principal Amount or Shares		Value
MORTGAGE-BACKED SECURITIES—continued		
Federal National Mortgage Association—continued		
\$ 45,741	7.000%, 3/1/2032	\$ 47,592
4,741	7.000%, 4/1/2032	5,044
13,915	7.000%, 4/1/2032	14,675
101,615	7.000%, 4/1/2032	108,218
152,494	7.000%, 6/1/2037	166,098
735	7.500%, 1/1/2030	774
5,755	7.500%, 9/1/2030	6,078
5,637	7.500%, 5/1/2031	5,985
2,317	7.500%, 6/1/2031	2,465
21,795	7.500%, 8/1/2031	23,240
32,483	7.500%, 1/1/2032	33,980
2,663	7.500%, 6/1/2033	2,777
528	8.000%, 10/1/2026	530
1,333	8.000%, 11/1/2029	1,411
141	9.000%, 6/1/2025	144
	TOTAL	1,727,115,031
Government National Mortgage Association—2.4%		
6,101,695	3.000%, 1/20/2047	5,525,163
44,688,912	3.000%, 9/20/2050	39,851,905
702,235	3.500%, 8/15/2043	657,663
455,129	3.500%, 8/15/2043	426,241
8,402,468	3.500%, 3/20/2047	7,795,448
10,488,328	3.500%, 11/20/2047	9,724,064
647,404	4.000%, 9/15/2040	621,404
1,749,591	4.000%, 10/15/2040	1,681,147
827,897	4.000%, 1/15/2041	794,766
1,095,551	4.000%, 10/15/2041	1,051,249
2,991,085	4.000%, 6/15/2048	2,849,002
174,455	4.500%, 1/15/2039	171,535
110,554	4.500%, 6/15/2039	108,785
488,801	4.500%, 10/15/2039	481,052
186,219	4.500%, 1/15/2040	183,256
108,644	4.500%, 6/15/2040	106,944
66,063	4.500%, 9/15/2040	65,019
97,540	4.500%, 2/15/2041	96,018
557,491	4.500%, 3/15/2041	548,754
48,490	4.500%, 5/15/2041	47,723
1,819,376	4.500%, 6/20/2041	1,800,788
348,826	4.500%, 9/15/2041	344,123
359,386	4.500%, 10/15/2043	354,091
320,776	5.000%, 1/15/2039	321,506
244,757	5.000%, 5/15/2039	245,431
339,606	5.000%, 8/20/2039	342,812
114,866	5.500%, 12/15/2038	117,778
82,595	5.500%, 12/20/2038	84,979
161,648	5.500%, 1/15/2039	166,138
162,788	5.500%, 2/15/2039	167,268
5,558	6.000%, 10/15/2028	5,653
4,326	6.000%, 3/15/2029	4,417
53,975	6.000%, 2/15/2036	56,144

Principal Amount or Shares		Value
	MORTGAGE-BACKED SECURITIES—continued	
	Government National Mortgage Association—continued	
\$ 93,274	6.000%, 4/15/2036	\$ 97,209
77,758	6.000%, 6/15/2037	81,018
9,168	6.500%, 10/15/2028	9,416
3,570	6.500%, 10/15/2028	3,603
4,034	6.500%, 11/15/2028	4,132
4,206	6.500%, 12/15/2028	4,303
2,213	6.500%, 2/15/2029	2,274
9,008	6.500%, 3/15/2029	9,217
21,330	6.500%, 9/15/2031	22,119
49,385	6.500%, 2/15/2032	51,337
7,778	7.000%, 11/15/2027	7,962
4,967	7.000%, 6/15/2028	5,114
9,088	7.000%, 11/15/2028	9,348
6,138	7.000%, 1/15/2029	6,325
6,066	7.000%, 5/15/2029	6,282
453	7.000%, 10/15/2029	459
17,597	7.000%, 5/15/2030	18,225
12,332	7.000%, 11/15/2030	12,833
7,565	7.000%, 12/15/2030	7,817
9,135	7.000%, 8/15/2031	9,511
34,883	7.000%, 10/15/2031	36,481
9,485	7.000%, 12/15/2031	9,951
7,993	7.500%, 8/15/2029	8,336
33,639	7.500%, 10/15/2029	35,156
1,557	7.500%, 10/15/2030	1,627
5,948	7.500%, 1/15/2031	6,286
677	8.000%, 8/15/2029	714
2,080	8.000%, 10/15/2029	2,194
7,469	8.000%, 11/15/2029	7,883
6,826	8.000%, 1/15/2030	7,165
2,734	8.000%, 10/15/2030	2,881
62,986	8.000%, 11/15/2030	66,821
3,068	8.500%, 5/15/2029	3,252
	TOTAL	77,355,517
	TOTAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$2,955,245,523)	2,866,162,362
	COLLATERALIZED MORTGAGE OBLIGATIONS—4.4%	
	Non-Agency Mortgage-Backed Securities—4.4%	
460,152	Countrywide Home Loans 2005-21, Class A2, 5.500%, 10/25/2035	288,713
221,662	Credit Suisse Mortgage Trust 2007-4, Class 4A2, 5.500%, 6/25/2037	23,072
35,944,375	GS Mortgage-Backed Securities 2022-PJ3, Class A4, 2.500%, 8/25/2052	28,763,925
37,409,743	JP Morgan Mortgage Trust 2022-1, Class A2, 3.000%, 7/25/2052	31,289,740
37,398,256	JP Morgan Mortgage Trust 2022-2, Class A3, 2.500%, 8/25/2052	29,903,997
42,621,064	JP Morgan Mortgage Trust 2022-3, Class A3, 2.500%, 8/25/2052	34,080,204
138,138	Residential Funding Mortgage Securities I 2005-SA3, Class 3A, 3.748%, 8/25/2035	122,417
1,784,903	Sequoia Mortgage Trust 2012-6, Class A2, 1.808%, 12/25/2042	1,463,865
3,039,115	Sequoia Mortgage Trust 2013-2, Class A, 1.874%, 2/25/2043	2,477,958
14,827,125	Sequoia Mortgage Trust 2021-3, Class A1, 2.500%, 5/25/2051	11,930,044
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS (IDENTIFIED COST \$165,958,227)	140,343,935

Principal Amount or Shares		Value
	ASSET-BACKED SECURITIES—2.8%	
	Auto Receivables—0.0%	
\$ 522,911	Tesla Auto Lease Trust 2020-A, Class A3, 0.680%, 12/20/2023	\$ 521,179
	Single Family Rental Securities—1.6%	
14,739,416	Home Partners of America Trust 2022-1, Class B, 4.330%, 4/17/2039	13,509,930
16,726,000	Progress Residential Trust 2022-SFR1, Class E1, 3.930%, 2/17/2041	13,082,010
14,000,000	Progress Residential Trust 2022-SFR2, Class D, 3.945%, 4/17/2027	12,707,729
14,808,453	Progress Residential Trust 2022-SFR4, Class B, 4.788%, 5/17/2041	13,310,071
	TOTAL	52,609,740
	Student Loans—1.2%	
4,237,524	Navigent Student Loan Trust 2020-FA, Class A, 1.220%, 7/15/2069	3,874,486
8,700,256	Navigent Student Loan Trust 2020-GA, Class A, 1.170%, 9/16/2069	7,499,444
7,136,133	Navigent Student Loan Trust 2020-HA, Class A, 1.310%, 1/15/2069	6,340,469
8,998,589	¹ SMB Private Education Loan Trust 2018-A, Class A2B, 5.117% (1-month USLIBOR +0.800%), 2/15/2036	8,755,088
10,985,330	¹ SMB Private Education Loan Trust 2020-BA, Class A1B, 5.417% (1-month USLIBOR +1.100%), 7/15/2053	10,752,745
	TOTAL	37,222,232
	TOTAL ASSET-BACKED SECURITIES (IDENTIFIED COST \$100,193,602)	90,353,151
	INVESTMENT COMPANY—3.7%	
117,293,489	Federated Hermes Government Obligations Fund, Premier Shares, 4.15% ² (IDENTIFIED COST \$117,293,489)	117,293,489
	TOTAL INVESTMENT IN SECURITIES—100.9% (IDENTIFIED COST \$3,338,690,841) ³	3,214,152,937
	OTHER ASSETS AND LIABILITIES - NET—(0.9)% ⁴	(29,876,844)
	TOTAL NET ASSETS—100%	\$3,184,276,093

At December 31, 2022, the Fund had the following outstanding futures contracts:

Description	Number of Contracts	Notional Value	Expiration Date	Value and Unrealized Appreciation (Depreciation)
Long Futures:				
United States Treasury Notes 10-Year Ultra Long Futures	300	\$35,484,375	March 2023	\$ (764,768)
United States Treasury Notes 10-Year Long Futures	250	\$28,074,219	March 2023	\$ (466,025)
Short Futures:				
United States Treasury Ultra Bond Short Futures	100	\$13,431,250	March 2023	\$ 87,943
NET UNREALIZED DEPRECIATION ON FUTURES CONTRACTS				\$(1,142,850)

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

Affiliated fund holdings are investment companies which are managed by the Adviser or an affiliate of the Adviser. Transactions with affiliated fund holdings during the period ended December 31, 2022, were as follows:

	Federated Hermes Government Obligations Fund, Premier Shares
Value as of 12/31/2021	\$ 1,233,856,835
Purchases at Cost	\$ 2,978,910,262
Proceeds from Sales	\$(4,095,473,608)
Change in Unrealized Appreciation/Depreciation	\$ —
Net Realized Gain/(Loss)	\$ —
Value as of 12/31/2022	\$ 117,293,489
Shares Held as of 12/31/2022	117,293,489
Dividend Income	\$ 3,373,291

- 1 Floating/variable note with current rate and current maturity or next reset date shown.
- 2 7-day net yield.
- 3 The cost of investments for federal tax purposes amounts to \$3,338,473,621.
- 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, 2022.

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, 2022, 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
Debt Securities:				
Mortgage-Backed Securities	\$ —	\$2,866,162,362	\$—	\$2,866,162,362
Collateralized Mortgage Obligations	—	140,343,935	—	140,343,935
Asset-Backed Securities	—	90,353,151	—	90,353,151
Investment Company	117,293,489	—	—	117,293,489
TOTAL SECURITIES	\$117,293,489	\$3,096,859,448	\$—	\$3,214,152,937
Other Financial Instruments:¹				
Assets	\$ 87,943	\$ —	\$—	\$ 87,943
Liabilities	(1,230,793)	—	—	(1,230,793)
TOTAL OTHER FINANCIAL INSTRUMENTS	\$ (1,142,850)	\$ —	\$—	\$ (1,142,850)

- 1 Other financial instruments are futures contracts.

The following acronym(s) are used throughout this portfolio:

LIBOR—London Interbank Offered Rate

See Notes which are an integral part of the Financial Statements

Financial Highlights

(For a Share Outstanding Throughout Each Period)

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Net Asset Value, Beginning of Period	\$9.76	\$10.07	\$9.88	\$9.60	\$9.80
Income From Investment Operations:					
Net investment income (loss) ¹	0.25	0.17	0.24	0.32	0.30
Net realized and unrealized gain (loss)	(1.37)	(0.26)	0.22	0.28	(0.20)
TOTAL FROM INVESTMENT OPERATIONS	(1.12)	(0.09)	0.46	0.60	0.10
Less Distributions:					
Distributions from net investment income	(0.26)	(0.22)	(0.27)	(0.32)	(0.30)
Net Asset Value, End of Period	\$8.38	\$9.76	\$10.07	\$9.88	\$9.60
Total Return²	(11.57)%	(0.89)%	4.70%	6.33%	1.10%

Ratios to Average Net Assets:

Net expenses ³	0.02%	0.02%	0.02%	0.03%	0.03%
Net investment income	2.78%	1.72%	2.42%	3.25%	3.18%
Expense waiver/reimbursement ⁴	—%	—%	—%	—%	—%

Supplemental Data:

Net assets, end of period (000 omitted)	\$3,184,276	\$3,204,459	\$2,143,118	\$2,528,865	\$2,815,951
Portfolio turnover ⁵	204%	351%	257%	130%	109%
Portfolio turnover (excluding purchases and sales from dollar-roll transactions) ⁵	123%	65%	72%	100%	109%

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

2 Based on net asset value.

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, 2022

Assets:

Investment in securities, at value including \$117,293,489 of investments in an affiliated holding* (identified cost \$3,338,690,841)	\$3,214,152,937
Due from broker (Note 2)	1,027,500
Income receivable	8,295,042
Income receivable from an affiliated holding	447,907
TOTAL ASSETS	3,223,923,386

Liabilities:

Payable for investments purchased	29,773,895
Payable for variation margin on futures contracts	3,904
Income distribution payable	9,713,947
Accrued expenses (Note 5)	155,547
TOTAL LIABILITIES	39,647,293

Net assets for 379,865,050 shares outstanding \$3,184,276,093

Net Assets Consist of:

Paid-in capital	\$3,671,066,599
Total distributable earnings (loss)	(486,790,506)
TOTAL NET ASSETS	\$3,184,276,093

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

\$3,184,276,093 ÷ 379,865,050 shares outstanding, no par value, unlimited shares authorized \$8.38

* 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, 2022

Investment Income:

Interest	\$ 94,023,824
Dividends received from an affiliated holding*	3,373,291
TOTAL INCOME	97,397,115

Expenses:

Administrative fee (Note 5)	4,837
Custodian fees	146,911
Transfer agent fees	212,324
Directors'/Trustees' fees (Note 5)	21,401
Auditing fees	32,199
Legal fees	9,422
Portfolio accounting fees	257,815
Printing and postage	19,642
Miscellaneous (Note 5)	29,569
TOTAL EXPENSES	734,120
Net investment income	96,662,995

Realized and Unrealized Gain (Loss) on Investments and Futures Contracts:

Net realized loss on investments	(306,588,703)
Net realized gain on futures contracts	52
Net change in unrealized appreciation of investments	(167,777,609)
Net change in unrealized appreciation of futures contracts	(1,142,850)
Net realized and unrealized gain (loss) on investments and futures contracts	(475,509,110)
Change in net assets resulting from operations	\$(378,846,115)

* 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	2022	2021
Increase (Decrease) in Net Assets		
Operations:		
Net investment income	\$ 96,662,995	\$ 43,750,066
Net realized gain (loss)	(306,588,651)	(9,894,595)
Net change in unrealized appreciation/depreciation	(168,920,459)	(58,278,254)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	(378,846,115)	(24,422,783)
Distributions to Shareholders	(102,200,096)	(56,034,731)
Share Transactions:		
Proceeds from sale of shares	2,040,715,935	1,365,048,740
Net asset value of shares issued to shareholders in payment of distributions declared	13,900,330	8,562,706
Cost of shares redeemed	(1,593,752,933)	(231,813,060)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	460,863,332	1,141,798,386
Change in net assets	(20,182,879)	1,061,340,872
Net Assets:		
Beginning of period	3,204,458,972	2,143,118,100
End of period	\$ 3,184,276,093	\$3,204,458,972

See Notes which are an integral part of the Financial Statements

Notes to Financial Statements

December 31, 2022

1. ORGANIZATION

Federated Hermes Core Trust (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 four portfolios. The financial statements included herein are only those of Mortgage Core Fund (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 investment objective of the Fund is to provide total return. The Fund is an investment vehicle used by other Federated Hermes funds that invest some of their assets in mortgage-backed securities. Currently, shares of the Fund are being offered for investment only to investment companies, insurance company separate accounts, common or commingled trust funds or similar organizations or parties that are "accredited investors" within the meaning of Regulation D of the Securities Act of 1933, as amended (the "1933 Act").

Prior to February 25, 2021, the name of the Fund was Federated Mortgage Core Portfolio.

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:

- Fixed-income securities are fair valued using price evaluations provided by a pricing service approved by Federated Investment Management Company (the "Adviser").
- 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.
- 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.
- 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 Adviser.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Adviser, 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 Adviser's valuation policies and procedures for the Fund, or if information furnished by a pricing service, in the opinion of the Adviser's 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 Procedures

Pursuant to Rule 2a-5 under the Act, the Fund's Board of Trustees (the "Trustees") have designated the Adviser as the Fund's valuation designee to perform any fair value determinations for securities and other assets held by the Fund. The Adviser is subject to the Trustees' oversight and certain reporting and other requirements intended to provide the Trustees the information needed to oversee the Adviser's fair value determinations.

The Adviser, acting through its Valuation Committee, is 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 Adviser and certain of the Adviser's 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 Adviser 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 Adviser. The Trustees periodically review the fair valuations made by the Valuation Committee. The Trustees have also approved the Adviser's 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 Adviser.

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 Adviser and its 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.

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. Distributions of net investment income, if any, are declared daily and paid monthly. 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.

Federal Taxes

It is the Fund’s policy to comply with the Subchapter M provision of the Internal Revenue Code (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, 2022, 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, 2022, tax years 2019 through 2022 remain subject to examination by the Fund’s major tax jurisdictions, which include the United States of America and the Commonwealth of Massachusetts.

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.

The Fund may transact in To Be Announced Securities (TBAs). As with other delayed-delivery transactions, a seller agrees to issue TBAs at a future date. However, the seller does not specify the particular securities to be delivered. Instead, the Fund agrees to accept any security that meets specified terms such as issuer, interest rate and terms of underlying mortgages. The Fund records TBAs on the trade date utilizing information associated with the specified terms of the transaction as opposed to the specific mortgages. TBAs are marked to market daily and begin earning interest on the settlement date. Losses may occur due to the fact that the actual underlying mortgages received may be less favorable than those anticipated by the Fund.

Dollar-Roll Transactions

The Fund engages in dollar-roll transactions in which the Fund sells mortgage-backed securities with a commitment to buy similar (same type, coupon and maturity), but not identical mortgage-backed securities on a future date. Both securities involved are TBA mortgage-backed securities. The Fund treats dollar-roll transactions as purchases and sales. Dollar-rolls are subject to interest rate risks and credit risks.

Futures Contracts

The Fund purchases and sells financial futures contracts to manage duration and sector/asset class 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 \$4,889,123 and \$1,033,173, 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 1933 Act; 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 Adviser.

Additional Disclosure Related to Derivative Instruments

Fair Value of Derivative Instruments

	Liabilities	
	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	\$1,142,850*

* Includes cumulative net 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, 2022

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

	Futures Contracts
Interest rate contracts	\$52

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

	Futures Contracts
Interest rate contracts	\$(1,142,850)

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 table summarizes share activity:

	Year Ended 12/31/2022	Year Ended 12/31/2021
Shares sold	229,727,001	137,902,805
Shares issued to shareholders in payment of distributions declared	1,598,040	864,504
Shares redeemed	(179,640,289)	(23,434,485)
NET CHANGE RESULTING FROM FUND SHARE TRANSACTIONS	51,684,752	115,332,824

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, 2022 and 2021, was as follows:

	2022	2021
Ordinary income	\$102,200,096	\$56,034,731

As of December 31, 2022, the components of distributable earnings on a tax-basis were as follows:

Undistributed ordinary income	\$ 100,877
Net unrealized depreciation	\$(124,320,684)
Capital loss carryforwards	\$(362,570,699)
TOTAL	\$(486,790,506)

At December 31, 2022, the cost of investments for federal tax purposes was \$3,338,473,621. The net unrealized depreciation of investments for federal tax purposes was \$124,320,684. This consists of unrealized appreciation from investments for those securities having an excess of value over cost of \$24,498,068 and unrealized depreciation from investments for those securities having an excess of cost over value of \$148,818,752. The amounts presented are inclusive of derivative contracts. The difference between book-basis and tax-basis net unrealized depreciation is attributable to differing treatments for dollar-roll transactions, mark-to-market on futures contracts and principal loss adjustments.

As of December 31, 2022, the Fund had a capital loss carryforward of \$362,570,699 which will reduce the Fund's taxable income arising from future net realized gains on investments, if any, to the extent permitted by the Internal Revenue Code of 1986, 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
\$285,947,761	\$76,622,938	\$362,570,699

5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Adviser Fee

The Adviser, subject to the direction of the Trustees, provides investment adviser services at no fee, because all investors in the Fund are other Federated Hermes Funds, insurance company separate accounts, common or commingled trust funds or similar organizations or entities that are "accredited investors" within the meaning of Regulation D of the 1933 Act. The Fund pays operating expenses associated with the operation and maintenance of the Fund (excluding fees and expenses that may be charged by the Adviser and its affiliates). Although not contractually obligated to do so, the Adviser intends to voluntarily reimburse operating expenses (excluding extraordinary expenses and proxy-related expenses paid by the Fund, if any) such that the Fund will only bear such expenses in an amount of up to 0.15% of the Fund's average daily net assets. The Adviser can modify or terminate this voluntary reimbursement at any time at its sole discretion.

Administrative Fee

Federated Administrative Services (FAS), under the Administrative Services Agreement, provides the Fund with administrative personnel and services. FAS does not charge the Fund a fee but is entitled to reimbursement for certain out-of-pocket expenses.

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 Adviser 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.

Affiliated Shares of Beneficial Interest

As of December 31, 2022, a majority of the shares of beneficial interest outstanding are owned by other affiliated investment companies.

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, 2022, were as follows:

Purchases	\$230,629,412
Sales	\$ 83,749,152

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 22, 2022. 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, 2022, the Fund had no outstanding loans. During the year ended December 31, 2022, 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, 2022, there were no outstanding loans. During the year ended December 31, 2022, 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. OTHER MATTERS

An outbreak of respiratory disease caused by a novel coronavirus was first detected in China in late 2019 and subsequently spread globally. As of the date of the issuance of these financial statements, this coronavirus has resulted in, and may continue to result in, closed borders, enhanced health screenings, disruptions to healthcare service preparation and delivery, quarantines, cancellations, and disruptions to supply chains, workflow operations and consumer activity, as well as general concern and uncertainty. The impact of this coronavirus has resulted in substantial economic volatility. Health crises caused by outbreaks, such as the coronavirus outbreak, may exacerbate other pre-existing political, social and economic risks. The impact of this outbreak, and other epidemics and pandemics that may arise in the future, could continue to negatively affect the worldwide economy, as well as the economies of individual countries, individual companies (including certain Fund service providers and issuers of the Fund's investments) and the markets in general in significant and unforeseen ways. In addition, governments, their regulatory agencies, or self-regulatory organizations may take actions in response to the pandemic, including significant fiscal and monetary policy changes, that may affect the instruments in which the Fund invests or the issuers of such investments. Any such impact could adversely affect the Fund's performance.

11. RECENT ACCOUNTING PRONOUNCEMENTS

In December 2022, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2022-06 "Reference Rate Reform (Topic 848)". ASU No. 2022-06 updates and clarifies ASU No. 2020-04, which provides optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of LIBOR and other interbank-offered reference rates. The temporary relief provided by ASU No. 2022-06 is effective immediately for certain reference rate-related contract modifications that occur through December 31, 2024. Management does not expect ASU No. 2022-06 to have a material impact on the financial statements.

Report of Independent Registered Public Accounting Firm

TO THE SHAREHOLDERS AND THE BOARD OF TRUSTEES OF MORTGAGE CORE FUND:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Mortgage Core Fund (the “Fund”) (one of the portfolios constituting Federated Hermes Core Trust (the “Trust”)), including the portfolio of investments, as of December 31, 2022, and the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the portfolios constituting Federated Hermes Core Trust) at December 31, 2022, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Trust’s management. Our responsibility is to express an opinion on the Fund’s financial statements 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 Trust 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 standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust’s internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of December 31, 2022, by correspondence with the custodian, brokers, and others; when replies were not received from brokers or others, 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. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more Federated Hermes investment companies since 1979.

Boston, Massachusetts
February 22, 2023

Shareholder Expense Example (unaudited)

As a shareholder of the Fund, you incur ongoing costs, including to the extent applicable, management fees, 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 mutual funds. 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, 2022 to December 31, 2022.

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 7/1/2022	Ending Account Value 12/31/2022	Expenses Paid During Period ¹
Actual	\$1,000	\$ 965.80	\$0.10
Hypothetical (assuming a 5% return before expenses)	\$1,000	\$1,025.10	\$0.10

¹ Expenses are equal to the Fund’s annualized net expense ratio of 0.02%, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half-year period).

Evaluation and Approval of Advisory Contract – May 2023

FEDERATED HERMES MORTGAGE STRATEGY PORTFOLIO (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 (the “Adviser”) (the “Contract”) for an additional one-year term. 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 arrangement. The information, factors and conclusions that formed the basis for the Board’s approval are summarized below.

The Board considered that the Fund is distinctive in that it is used to implement particular investment strategies that are offered to investors in certain separately managed or wrap fee accounts or programs, or certain other discretionary investment accounts, and may also be offered to other funds (each, a “Federated Hermes Fund” and, collectively the “Federated Hermes Funds”) advised by the Adviser or its affiliates (collectively, “Federated Hermes”).

In addition, the Board considered that the Adviser does not charge an investment advisory fee for its services, although Federated Hermes may receive compensation for managing assets invested in the Fund.

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 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 Adviser’s 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, with due regard for contractual or voluntary expense limitations (if any); the financial condition of Federated Hermes; the Adviser’s 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. 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 Federated Hermes Funds.

In determining to approve the continuation of the Contract, 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 Adviser 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. The Board considered the Adviser's 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 Adviser, including the execution of portfolio transactions and the selection of brokers for those transactions. The Board also considered the Adviser's ability to deliver competitive investment performance for the Fund when compared to the Fund's benchmark index, which was deemed by the Board to be a useful indicator of how the Adviser is 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 Adviser 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 Adviser's 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.

For the one-year, three-year and five-year periods ended December 31, 2022, the Fund outperformed its benchmark index.

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

Fund Expenses

The Board considered that the Adviser does not charge an investment advisory fee to this Fund for its services and has agreed to reimburse the Fund's expenses so that total operating expenses are zero. Because the Adviser does not charge the Fund an investment advisory fee and the Fund's total operating expenses will remain at zero due to reimbursement of expenses, the Board noted that it did not consider fee comparisons to other registered funds or other types of clients of Federated Hermes to be relevant to its evaluation.

Profitability

The Board received and considered profitability information furnished by Federated Hermes. The Board considered that the Adviser does not charge an investment advisory fee to the Fund and noted, therefore, that the Adviser does not profit from providing advisory services to the Fund under the Contract.

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

Because of the distinctive nature of the Fund as primarily an internal product with an advisory fee of zero, the Board noted that it did not consider the assessment of whether economies of scale would be realized if the Fund were to grow to a sufficient size to be particularly relevant to its evaluation.

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, although an affiliate of the Adviser charges the Fund an administrative services fee and also the affiliate is entitled to reimbursement for certain out-of-pocket expenses incurred in providing administrative services to the Fund, Federated Hermes reimburses all such fees and expenses to the Fund.

In connection with the Board's governance of other 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 certain of 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 Managed Pool Series (the “Trust”) has adopted and implemented a liquidity risk management program (the “Program”) for Federated Hermes Mortgage Strategy Portfolio (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, as well as a report on "Form N-PX" of how the Fund voted any such proxies during the most recent 12-month period ended June 30, are 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 Report (Form N-PX) link associated with the Fund at FederatedHermes.com/us/FundInformation. Select a product name, then click "Documents" and click on "Proxy Voting Record Report." 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 at FederatedHermes.com/us. Select a product name, then click "Documents" and select "Form N-PORT."

Mutual funds 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 mutual funds 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.

IMPORTANT NOTICE ABOUT FUND DOCUMENT DELIVERY

In an effort to reduce costs and avoid duplicate mailings, the Fund(s) intend to deliver a single copy of certain documents to each household in which more than one shareholder of the Fund(s) resides (so-called "householding"), as permitted by applicable rules. The Fund's "householding" program covers its/their Prospectus and Statement of Additional Information, and supplements to each, as well as Semi-Annual and Annual Shareholder Reports and any Proxies or information statements. Shareholders must give their written consent to participate in the "householding" program. The Fund is also permitted to treat a shareholder as having given consent ("implied consent") if (i) shareholders with the same last name, or believed to be members of the same family, reside at the same street address or receive mail at the same post office box, (ii) the Fund gives notice of its intent to "household" at least sixty (60) days before it begins "householding" and (iii) none of the shareholders in the household have notified the Fund(s) or their agent of the desire to "opt out" of "householding." Shareholders who have granted written consent, or have been deemed to have granted implied consent, can revoke that consent and opt out of "householding" at any time: shareholders who purchased shares through an intermediary should contact their representative; other shareholders may call the Fund at 1-800-341-7400, Option #4.

Sign up for Electronic Delivery!

A faster way to receive documents.

If you purchased shares through a financial intermediary (bank or broker-dealer), please contact your representative to set up e-delivery. Otherwise, contact the Fund at 1-800-341-7400, Option #4.



Federated Hermes Mortgage Strategy Portfolio
Federated Hermes Funds
4000 Ericsson Drive
Warrendale, PA 15086-7561

Contact us at [FederatedHermes.com/us](https://www.federatedhermes.com/us)
or call 1-800-341-7400.

Federated Securities Corp., Distributor

CUSIP 31421P407

38886 (8/23)

© 2023 Federated Hermes, Inc.

