

Federated Hermes Short-Term Euro Prime Fund

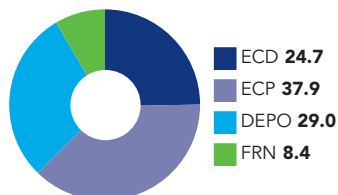
Class 5 DIS

S&P Global Ratings AAAM rated

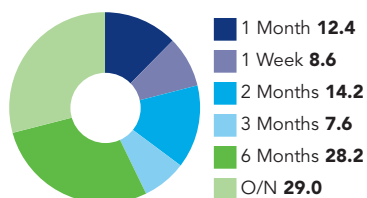
Federated
Hermes

31 May 2024

Portfolio composition (%)



Effective maturity schedule (%)



Weighted average maturity

46 Days

Weighted average life

54 Days

Liquidity**

| | |
|--------|--------|
| Daily | 29.27% |
| Weekly | 37.93% |

**Calculated in accordance with Regulation of the European Parliament and of the Council on Money Market Funds.

Fund information

| | |
|-----------------|--|
| Domicile | Ireland |
| Structure | OEIC UCITS |
| Launch date | 31 May 2023 |
| Dealing cut off | 1:00 p.m. (Ireland Time) on each Dealing Day |
| Fund currency | Euro |
| Sales charge | None |
| Fund volume | €52.0 million |

Key investment team

Gary Skedje
Joanne Bartell
Paige Wilhelm
Deborah A. Cunningham, CFA

Investment objective and strategy

The investment objective of Federated Hermes Short-Term Euro Prime Fund is to achieve current income while maintaining stability of principal and liquidity. The fund pursues its investment objective of the fund by investing in a portfolio of high quality short-term debt securities which comply with the criteria for money market instruments as set out in the Regulations. The maximum weighted average maturity of the securities in the fund's portfolio will not exceed 60 days. The weighted average life of the fund's portfolio will be limited to 120 days or less. The securities in which the fund invests are restricted to securities which have a legal maturity at issuance of 397 days or less or residual maturity until the legal redemption date of less than or equal to 397 days.

Investment manager's report

The euro area was lifted out of a brief recession by an expansion of 0.3% quarter-on-quarter in the first quarter of the year, following two in which GDP contracted. But recovery is expected to be gradual, as this was partly driven by temporary factors. Spain's growth was strongest at 0.7% followed by Germany, France and Italy. Employment was also stronger with a growth rate of 0.3% in the first quarter. Unemployment remained at a record low of 6.4%. Negotiated wage growth, a key indicator for the European Central Bank (ECB), rose in the first quarter from 4.5% to 4.7% year-on-year.

This was broadly in line with expectations and is expected to slow in the coming months.

The ECB's recent forecast of inflation to reach its 2% target sooner than previously projected was temporarily derailed by data released month-end as headline Harmonised Index of Consumer Prices (HICP), another key indicator, pushed higher at 2.6% in May from 2.4% in April. Increases in inflation were seen in Germany, France and Spain. These were driven by energy costs, though the wider picture still points to continued disinflation for the remainder of this year. The core figure also rose to 2.9% from 2.7%.

Service inflation was higher at 4.1% from 3.7%, broadly due to base effects on cheaper fixed transport costs out of Germany.

However, France was showing signs of cooling inflation, coming in at 2.7% from 3% in April. Forward looking indicators gradually see inflation moving lower across the board.

As wage growth softens and inflation continues a downward trend, the ECB seems to be firm in its plan to start easing by 25 basis points in June followed by a pause, keeping borrowing costs steady throughout July and on hold for longer than anticipated earlier in the month. Market expectations are for two rate cuts by year-end.

Average annual total returns (%)

(See important legal information)

| Cumulative 1-month | Cumulative 3-month | Cumulative year to date | Since inception |
|--------------------|--------------------|-------------------------|-----------------|
| 0.32 | 0.96 | 1.60 | 3.74 |

Past performance is no guarantee of future performance and the value of investments and income (yield) from them may fall as well as rise and investors may not get back the amount originally invested.

Although the fund attempts to maintain a stable net asset value of US \$1.00, there is no guarantee it will be able to do so. The fund's yield may vary.

Rolling year performance (%)

| 31/05/2023 - 31/05/2024 | 31/05/2022 - 31/05/2023 | 31/05/2021 - 31/05/2022 | 31/05/2020 - 31/05/2021 | 31/05/2019 - 31/05/2020 |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 3.74 | - | - | - | - |

Share class details

| ISIN | WKN | Bloomberg | Dividend | Ongoing charges* |
|--------------|--------|-----------|---------------------------------|------------------|
| IE000NIP9TE8 | A3EF00 | FEHSTE5 | Declared daily and paid monthly | 20 b.p. |

* As of 8 March 2024, the manager of the fund, Hermes Fund Management Ireland Limited, receives an annual management fee equal to the sum of 1.00% of the fund's average daily net assets which fee shall accrue daily and be paid monthly in arrears. The management agreement provides that the manager may voluntarily undertake to reduce or waive its management fee or to make other arrangements to reduce expenses of the fund to the extent that such expenses exceed such lower expense limitation as the manager may, by notice to the Company, voluntarily declare to be effective.

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Top portfolio issuers

Credit Agricole Group
Mitsubishi UFJ Financial Group, Inc.
Groupe Credit Mutuel
DZ Bank AG Deutsche Zentral-Genossenschaftsbank
Sumitomo Mitsui Financial Group, Inc.
Bank of Montreal
Toyota Motor Corp.
BNP Paribas SA
Pohjola Group PLC

These holdings may not be indicative of future portfolio composition. Because this is a managed portfolio, the investment mix will change. References to specific securities or industries should not be considered investment advice or a recommendation.

About Federated Hermes

A financial industry pioneer since 1955, Federated Hermes, Inc. ("Federated Hermes," formerly, "Federated Investors, Inc.") is one of the largest US investment managers. Known for our stability, diligence and diverse product line, Federated Hermes takes the long view, believing that doing business the right way over time will present opportunity for future growth. We apply the same approach to managing our international undertakings, which began in 1984 with the launch of one of the first international equity funds. Since then Federated Hermes has established a host of international funds and offices, including Hermes Fund Managers Ireland Limited in Dublin to manage Irish domiciled UCITS, Federated Hermes (UK) LLP (formerly Federated Investors (UK) LLP), to manage UK-domiciled UCITS, as well as the Federated Hermes Short-Term Daily U.S. Dollar Fund, Ltd., based in the Cayman Islands. Highly experienced investment professionals direct our operations, and we continually look to increase our robust global footprint through organic growth and strategic acquisitions.

Definitions

Maturity: is the date on which the life of a transaction or financial instrument ends, after which it must either be renewed or it will cease to exist.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Total return was not calculated according to the BVI method.

Weighted average life: is calculated in the same manner as the Weighted Average Maturity (WAM), but is based solely on the periods of time remaining until the securities held in the fund's portfolio (a) are scheduled to be repaid or (b) would be repaid upon a demand by the fund without reference to when interest rates of securities within the fund are scheduled to be readjusted.

Weighted average maturity: is the mean average of the periods of time remaining until the securities held in the fund's portfolio (a) are scheduled to be repaid, (b) would be repaid upon a demand by the fund or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates if their scheduled maturity is 397 days or less, and the later of the two dates if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

Important legal information

Federated Hermes International Funds plc (the "Company") is organized pursuant to the Companies Act 2014, as amended (the "Companies Acts"), and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations"). The Company is incorporated in Ireland under C.R.O. No. 168193. The Company is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds.

Source: Federated Hermes, Inc. Past performance may not be a reliable guide to future performance. The value of an investment can go down as well as up and return on your investment will therefore be variable. Income (yield) may fluctuate in accordance with market conditions and taxation arrangements. Changes in exchange rates may have an adverse effect on the value price or income of the product, depending on an investor's home currency.

An AAAM rating by S&P Global Ratings is obtained after S&P evaluates a number of factors, including credit quality, market price exposure and management. S&P monitors the portfolio weekly for developments that could cause changes in the ratings. Fitch's money market fund ratings are an assessment of a money market fund's capacity to preserve principal and provide liquidity through limiting credit, market and liquidity risk. Ratings are based on an evaluation of several factors, including credit quality, diversification, and maturity of assets in the portfolio, as well as management strength and operational capabilities. Ratings are subject to change and do not remove market risks.

These shares have not been registered under the US Securities Act of 1933 (the "1933 Act"), as amended, or the US Investment Company Act of 1940, as amended, and may not be directly or indirectly offered or sold in the US or for the benefit of a US Person (as determined by Regulation S under the 1933 Act). This document is produced for information purposes only and does not constitute an offer to buy or a solicitation to sell, nor shall it form the basis of or be relied upon in connection with any contract or commitment whatsoever or to be taken as investment advice. Potential investors should read the key investor information documents/key information documents and the prospectus for the fund carefully and consult their own advisors before investing in the fund.

For more information about the fund, please call your financial intermediary for a prospectus, KIID/KID, semi-annual report and/or annual report, or visit [FederatedHermes.com/us/ucits](https://www.federatedhermes.com/us/ucits). The prospectus is available in English, French and German, and the KIID/KID is available in English, French and German. You should carefully consider the fund's investment objectives, risks, charges, and expenses before you invest. Full details of this fund are set out in the prospectus, which you should read carefully before investing. Any objective of the fund will be treated as a target only and should not be considered as an assurance or guarantee of performance of the fund or any part of it.

Issued and approved by Hermes Fund Managers Ireland Limited ("HFMI") which is authorised and regulated by the Central Bank of Ireland. Registered address: 7/8 Upper Mount Street, Dublin 2, Ireland, D02 FT59. HFMI appoints Hermes Investment Management Limited ("HIML") to undertake distribution activities in respect of the Fund in certain jurisdictions. HIML is authorised and regulated by the Financial Conduct Authority. Registered address: Sixth Floor, 150 Cheapside, London EC2V 6ET. Telephone calls may be recorded for training and monitoring purposes. Potential investors in the United Kingdom are advised that compensation may not be available under the United Kingdom Financial Services Compensation Scheme.

Further information

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