

Federated Hermes Government Obligations Tax-Managed Fund

Automated Shares

Nasdaq symbol: GOAXX | Cusip number: 608919494 | Newspaper listing: GovTxMgAS

9/30/23

Product highlights

- Complies with Rule 2a-7 definition of a government money market fund.
- Not subject to liquidity fees or redemption gates.
- Pursues current income consistent with stability of principal and liquidity.
- Invests primarily in short-term U.S. Treasury and government agency securities that pay interest exempt from state personal income tax.
- Does not invest in repurchase agreements.
- Holds AAAM and Aaa-mf ratings from Standard & Poor's and Moody's, respectively.
- Seeks to place purchase orders with women-, minority-, and veteran-owned broker-dealers, subject to seeking best execution.
- Income may be exempt from state income taxes, depending on individual state tax laws.

Key features

- The fund generally seeks to place purchase orders with women-, minority-, and veteran-owned broker dealers, subject to best execution.
- Increasing use of Diversity & Inclusion (D&I) dealers to purchase securities is intended to further social progress in the financial industry.
- Developing meaningful partnerships with D&I dealers can help bring different perspectives to the financial industry while enhancing market visibility and potential revenue for these firms.

Key investment team

Susan Hill, CFA
John Wyda, CFA

Credit ratings

AAAM Standard & Poor's

Aaa-mf Moody's

Portfolio assets

\$6.8 billion

Share class statistics

Inception date

7/14/15

Federated Hermes fund number

613

Cut-off times

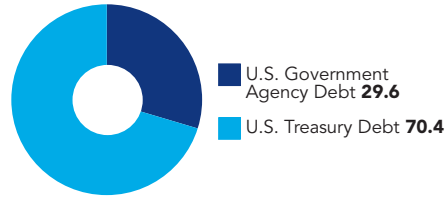
2:00 p.m. ET — purchases

2:00 p.m. ET — redemptions

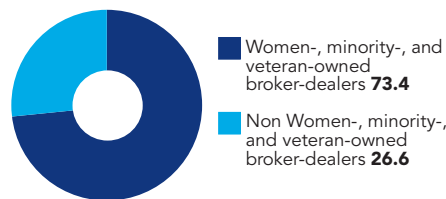
Dividends

Declared daily/paid monthly

Portfolio composition (%)



Purchase transactions by volume YTD (%)



Fund performance

Net yield (%)		Total return (%)											
7-day	4.86	1-year											
Annualized yields (%)	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	
7-day	2.61	3.29	3.69	3.88	4.06	4.21	4.27	4.50	4.62	4.73	4.82	4.86	

Performance quoted represents past performance, which is no guarantee of future results. Investment return will vary. An investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, contact us or visit [FederatedHermes.com/us](https://www.federatedhermes.com/us).

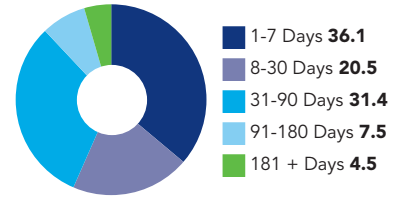
Although not contractually obligated to do so, the advisor and/or certain fund service providers waived all or a portion of their fees or reimbursed the fund for certain operating expenses. These voluntary waivers and reimbursements may be modified or terminated at any time; accordingly, the fund's expenses may vary (i.e., increase or decrease) during the fund's fiscal year. These waivers increase income to the fund and result in a higher return to investors.

Otherwise, the 7-day yield would have been 4.86% and total return would have been lower.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Yield quotations more closely reflect the current earnings of the fund than the total return quotation.

Rule 2a-7 requires that money market funds maintain at least 10% daily liquidity assets and at least 30% weekly liquidity assets. Both requirements are 'point of purchase' requirements. Thus, it is possible that money market funds may, at any given time, have liquidity percentages reflecting less than the 10% and 30% thresholds. In such circumstances, the portfolio manager will be required to purchase securities to meet the requisite liquidity thresholds prior to purchasing longer-dated securities. Additionally, the SEC requirements for what may be defined as 'daily' and 'weekly' differs from the standard maturities used in calculating the 'Effective Maturity Schedule.' Therefore, the percentages in the 2a-7 Liquidity table will generally not equal the amounts shown in the 'Effective Maturity Schedule.'

Effective maturity schedule (%)



2a-7 liquidity

Daily 70.23%
Weekly 71.73%

Weighted average maturity

40 Days

Weighted average life

91 Days

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Portfolio manager commentary

The Federal Reserve pumped the brakes in the third quarter, but indicated it will continue to chase inflation.

In July, the Treasury Dept. continued to issue an immense amount of securities to replenish its coffers following the suspension of the federal debt limit in June. Having met its financial obligations through “extraordinary measures,” it had to raise cash quickly to make whole any accounts in which it had redeemed or suspended investments, and to fund government spending. A sizable portion of the issuance has come in the form of Treasury bills, which have exceeded \$1 trillion. This supply helped to normalize the front end of the Treasury yield curve, which had also experienced dislocations due to mistaken market expectations that the Fed might not only end the tightening campaign but cut rates in 2023.

If the 25 basis-point hike at the July Federal Open Market Committee meeting didn't put this speculation to rest, the markets got further clarity from Fed Chair Jerome Powell's speech at the central bank symposium in Jackson Hole, Wyo. He doubled down on the FOMC's commitment to achieving price

stability and inflation at 2% in the long run, pushing back on speculation the Fed might accept a higher target because of various structural shifts in the global economy. While policymakers have consistently indicated they would risk impairing the U.S. economy and its labor market, Powell maintained this might not be necessary. In the September policy-setting meeting the Fed once again held rates steady in the 5.25-5.50% range. Powell took the occasion to once more tout the plausibility of a soft landing—in which inflation would inch downward without tanking the economy.

Unfortunately, several headwinds emerged as the reporting period closed, including a potential government shutdown, the United Auto Workers strike and rising energy costs that could upset the delicate balance needed to avert a recession.

At the end of the quarter, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 5.37%, 5.46%, 5.55% and 5.47%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 5.39%, 5.56%, 5.75% and 5.94%, respectively.

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Company or any other government agency. The Fund's sponsor is not required to reimburse the Fund for losses, and you should not expect that the sponsor will provide financial support to the Fund at any time, including during periods of market stress.

Pursuant to rules adopted by the Securities and Exchange Commission (SEC) in July 2023, government money market funds are not required to adopt a liquidity fee framework.

Performance shown is for Automated Shares. The fund offers additional share classes whose performance will vary due to differences in charges and expenses. Please consult your financial institution regarding your eligibility to purchase these classes.

A word about risk

Income is subject to federal income tax.

Consult your tax advisor regarding the status of your account under state and local tax laws.

Fund shares are not guaranteed by the U.S. government.

Current and future portfolio holdings are subject to risk.

Definitions

Net yields are based on the average daily income dividend and average net asset value for the 7 days ended on the date of calculation. The 7-day net annualized yield is based on the average net income per share for the 7 days ended on the date of calculation and the offering price on that date.

The fund is a managed portfolio and its holdings are subject to change.

The holdings percentages are based on net assets at the close of business on 9/30/23 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

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.

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.

Repurchase agreements consist of a financial institution selling securities to a fund and agreeing to repurchase them at a mutually agreed upon price and time.

Ratings and rating agencies

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. A money market fund rated AAAM by Standard & Poor's is granted after evaluating a number of factors, including credit quality, market price, exposure and management. Money market funds rated Aaa-mf by Moody's are judged to be of an investment quality similar to Aaa-rated fixed income obligations, that is, they are judged to be of the best quality. For more information on credit ratings, visit standardandpoors.com and moody.com.

Ratings are subject to change and do not remove market risk.

Credit ratings do not provide assurance against default or other loss of money and can change.