

# Federated Hermes Adjustable Rate Fund

## Portfolio of Investments

November 30, 2023 (unaudited)

Principal Amount or Shares		Value
	<sup>1</sup> COLLATERALIZED MORTGAGE OBLIGATIONS—71.7%	
	<b>Federal Home Loan Mortgage Corporation—24.6%</b>	
\$ 64,765	REMIC, Series 2380, Class FL, 6.038% (30-DAY AVERAGE SOFR +0.714%), 11/15/2031	\$ 64,582
84,964	REMIC, Series 2434, Class FA, 6.438% (30-DAY AVERAGE SOFR +1.114%), 3/15/2032	85,093
30,198	REMIC, Series 2448, Class FA, 6.438% (30-DAY AVERAGE SOFR +1.114%), 1/15/2032	30,247
31,951	REMIC, Series 2452, Class FC, 6.438% (30-DAY AVERAGE SOFR +1.114%), 1/15/2032	32,003
99,442	REMIC, Series 2459, Class FP, 6.438% (30-DAY AVERAGE SOFR +1.114%), 6/15/2032	99,601
26,703	REMIC, Series 2470, Class EF, 6.438% (30-DAY AVERAGE SOFR +1.114%), 3/15/2032	26,743
119,804	REMIC, Series 2475, Class F, 6.438% (30-DAY AVERAGE SOFR +1.114%), 2/15/2032	119,985
82,944	REMIC, Series 2475, Class FD, 5.988% (30-DAY AVERAGE SOFR +0.664%), 6/15/2031	82,529
73,577	REMIC, Series 2480, Class NF, 6.438% (30-DAY AVERAGE SOFR +1.114%), 1/15/2032	73,686
26,293	REMIC, Series 2498, Class AF, 6.438% (30-DAY AVERAGE SOFR +1.114%), 3/15/2032	26,333
87,640	REMIC, Series 3085, Class UF, 5.888% (30-DAY AVERAGE SOFR +0.564%), 12/15/2035	86,036
218,624	REMIC, Series 3156, Class HF, 5.923% (30-DAY AVERAGE SOFR +0.599%), 8/15/2035	214,820
363,634	REMIC, Series 3208, Class FD, 5.838% (30-DAY AVERAGE SOFR +0.514%), 8/15/2036	356,445
353,806	REMIC, Series 3208, Class FG, 5.838% (30-DAY AVERAGE SOFR +0.514%), 8/15/2036	346,811
80,461	REMIC, Series 3213, Class GF, 5.868% (30-DAY AVERAGE SOFR +0.544%), 9/15/2036	78,847
507,515	REMIC, Series 3284, Class AF, 5.748% (30-DAY AVERAGE SOFR +0.424%), 3/15/2037	494,928
759,445	REMIC, Series 3314, Class FE, 5.708% (30-DAY AVERAGE SOFR +0.384%), 5/15/2037	738,499
639,322	REMIC, Series 3346, Class FT, 5.788% (30-DAY AVERAGE SOFR +0.464%), 10/15/2033	628,247
236,005	REMIC, Series 3380, Class FP, 5.788% (30-DAY AVERAGE SOFR +0.464%), 11/15/2036	230,744
278,072	REMIC, Series 3550, Class GF, 6.188% (30-DAY AVERAGE SOFR +0.864%), 7/15/2039	275,870
363,058	REMIC, Series 3556, Class FA, 6.348% (30-DAY AVERAGE SOFR +1.024%), 7/15/2037	362,714
150,621	REMIC, Series 3593, Class CF, 6.038% (30-DAY AVERAGE SOFR +0.714%), 2/15/2036	149,009
1,035,230	REMIC, Series 4242, Class F, 5.838% (30-DAY AVERAGE SOFR +0.514%), 8/15/2043	1,002,116
3,395,039	REMIC, Series 4255, Class KF, 5.888% (30-DAY AVERAGE SOFR +0.564%), 10/15/2043	3,302,945
1,740,924	REMIC, Series 4508, Class CF, 5.838% (30-DAY AVERAGE SOFR +0.514%), 9/15/2045	1,701,082
1,574,938	REMIC, Series 4752, Class PF, 5.738% (30-DAY AVERAGE SOFR +0.414%), 11/15/2047	1,491,354
3,989,631	REMIC, Series 4803, Class FA, 5.738% (30-DAY AVERAGE SOFR +0.414%), 6/15/2048	3,812,203
614,369	REMIC, Series 4829, Class FA, 5.688% (30-DAY AVERAGE SOFR +0.364%), 7/15/2037	595,168
1,244,017	REMIC, Series 4845, Class WF, 5.738% (30-DAY AVERAGE SOFR +0.414%), 12/15/2048	1,207,474
1,063,208	REMIC, Series 4915, Class FG, 5.892% (30-DAY AVERAGE SOFR +0.564%), 9/25/2049	1,027,642
855,936	REMIC, Series 4921, Class FN, 5.892% (30-DAY AVERAGE SOFR +0.564%), 10/25/2049	817,668
527,168	REMIC, Series 4959, Class JF, 5.892% (30-DAY AVERAGE SOFR +0.564%), 3/25/2050	509,575
6,783,380	REMIC, Series 4983, Class FJ, 5.892% (30-DAY AVERAGE SOFR +0.564%), 6/25/2050	6,446,396
2,346,447	REMIC, Series 4998, Class KF, 5.678% (30-DAY AVERAGE SOFR +0.350%), 8/25/2050	2,228,252
	<b>TOTAL</b>	<b>28,745,647</b>
	<b>Federal National Mortgage Association—42.8%</b>	
70,369	REMIC, Series 2001-32, Class FA, 5.992% (30-DAY AVERAGE SOFR +0.664%), 7/25/2031	70,128
36,890	REMIC, Series 2001-57, Class FA, 5.892% (30-DAY AVERAGE SOFR +0.564%), 6/25/2031	36,453
29,614	REMIC, Series 2001-62, Class FC, 6.092% (30-DAY AVERAGE SOFR +0.764%), 11/25/2031	29,546
37,487	REMIC, Series 2001-71, Class FS, 6.042% (30-DAY AVERAGE SOFR +0.714%), 11/25/2031	37,279
127,488	REMIC, Series 2002-7, Class FG, 6.342% (30-DAY AVERAGE SOFR +1.014%), 1/25/2032	127,391
62,309	REMIC, Series 2002-8, Class FA, 6.189% (30-DAY AVERAGE SOFR +0.864%), 3/18/2032	62,172
76,375	REMIC, Series 2002-52, Class FG, 5.942% (30-DAY AVERAGE SOFR +0.614%), 9/25/2032	75,738
205,793	REMIC, Series 2002-58, Class FG, 6.442% (30-DAY AVERAGE SOFR +1.114%), 8/25/2032	206,191
33,441	REMIC, Series 2002-60, Class FH, 6.442% (30-DAY AVERAGE SOFR +1.114%), 8/25/2032	33,506

Principal Amount or Shares		Value
	<sup>1</sup> COLLATERALIZED MORTGAGE OBLIGATIONS—continued	
	<b>Federal National Mortgage Association—continued</b>	
\$ 66,558	REMIC, Series 2002-77, Class FA, 6.439% (30-DAY AVERAGE SOFR +1.114%), 12/18/2032	\$ 66,668
27,656	REMIC, Series 2002-77, Class FG, 5.989% (30-DAY AVERAGE SOFR +0.664%), 12/18/2032	27,432
73,230	REMIC, Series 2005-67, Class FM, 5.792% (30-DAY AVERAGE SOFR +0.464%), 8/25/2035	72,605
1,395,141	REMIC, Series 2005-95, Class FH, 5.742% (30-DAY AVERAGE SOFR +0.414%), 11/25/2035	1,364,505
431,976	REMIC, Series 2006-103, Class FB, 5.842% (30-DAY AVERAGE SOFR +0.514%), 10/25/2036	423,157
106,421	REMIC, Series 2006-11, Class FB, 5.742% (30-DAY AVERAGE SOFR +0.414%), 3/25/2036	104,901
887,424	REMIC, Series 2006-123, Class CF, 5.702% (30-DAY AVERAGE SOFR +0.374%), 1/25/2037	865,226
2,149,741	REMIC, Series 2006-42, Class CF, 5.892% (30-DAY AVERAGE SOFR +0.564%), 6/25/2036	2,113,255
1,138,903	REMIC, Series 2006-50, Class FE, 5.842% (30-DAY AVERAGE SOFR +0.514%), 6/25/2036	1,118,385
400,668	REMIC, Series 2006-65, Class DF, 5.792% (30-DAY AVERAGE SOFR +0.464%), 7/25/2036	393,040
157,846	REMIC, Series 2006-76, Class QF, 5.842% (30-DAY AVERAGE SOFR +0.514%), 8/25/2036	155,037
1,047,091	REMIC, Series 2006-81, Class FA, 5.792% (30-DAY AVERAGE SOFR +0.464%), 9/25/2036	1,025,264
516,413	REMIC, Series 2006-85, Class PF, 5.822% (30-DAY AVERAGE SOFR +0.494%), 9/25/2036	506,937
1,384,416	REMIC, Series 2006-W1, Class 2AF1, 5.662% (30-DAY AVERAGE SOFR +0.334%), 2/25/2046	1,367,788
74,069	REMIC, Series 2007-20, Class F, 5.702% (30-DAY AVERAGE SOFR +0.374%), 3/25/2037	72,233
845,184	REMIC, Series 2007-71, Class WF, 5.892% (30-DAY AVERAGE SOFR +0.564%), 7/25/2037	830,251
180,000	REMIC, Series 2007-88, Class FW, 5.992% (30-DAY AVERAGE SOFR +0.664%), 9/25/2037	176,809
52,731	REMIC, Series 2007-102, Class FA, 6.012% (30-DAY AVERAGE SOFR +0.684%), 11/25/2037	51,928
214,927	REMIC, Series 2008-69, Class FB, 6.442% (30-DAY AVERAGE SOFR +1.114%), 6/25/2037	214,699
24,135	REMIC, Series 2008-75, Class DF, 6.692% (30-DAY AVERAGE SOFR +1.364%), 9/25/2038	24,282
386,707	REMIC, Series 2009-78, Class UF, 6.212% (30-DAY AVERAGE SOFR +0.884%), 10/25/2039	383,803
588,510	REMIC, Series 2009-87, Class FX, 6.192% (30-DAY AVERAGE SOFR +0.864%), 11/25/2039	585,099
702,213	REMIC, Series 2009-87, Class HF, 6.292% (30-DAY AVERAGE SOFR +0.964%), 11/25/2039	697,512
974,939	REMIC, Series 2009-106, Class FN, 6.192% (30-DAY AVERAGE SOFR +0.864%), 1/25/2040	968,102
309,791	REMIC, Series 2010-39, Class EF, 5.962% (30-DAY AVERAGE SOFR +0.634%), 6/25/2037	305,220
1,953,955	REMIC, Series 2010-68, Class BF, 5.942% (30-DAY AVERAGE SOFR +0.614%), 7/25/2040	1,913,660
1,077,792	REMIC, Series 2011-4, Class PF, 5.992% (30-DAY AVERAGE SOFR +0.664%), 2/25/2041	1,063,912
359,010	REMIC, Series 2012-65, Class FB, 5.962% (30-DAY AVERAGE SOFR +0.634%), 6/25/2042	350,335
971,028	REMIC, Series 2012-122, Class LF, 5.842% (30-DAY AVERAGE SOFR +0.514%), 11/25/2042	944,123
1,329,000	REMIC, Series 2012-130, Class DF, 5.842% (30-DAY AVERAGE SOFR +0.514%), 12/25/2042	1,282,214
1,402,958	REMIC, Series 2014-20, Class FB, 5.842% (30-DAY AVERAGE SOFR +0.514%), 4/25/2044	1,366,315
942,029	REMIC, Series 2016-32, Class FA, 5.842% (30-DAY AVERAGE SOFR +0.514%), 10/25/2034	926,032
797,889	REMIC, Series 2016-83, Class FA, 5.942% (30-DAY AVERAGE SOFR +0.614%), 11/25/2046	773,990
595,659	REMIC, Series 2017-96, Class FA, 5.842% (30-DAY AVERAGE SOFR +0.000%), 12/25/2057	561,409
1,605,002	REMIC, Series 2018-15, Class JF, 5.742% (30-DAY AVERAGE SOFR +0.414%), 3/25/2048	1,529,795
4,295,271	REMIC, Series 2018-57, Class FL, 5.742% (30-DAY AVERAGE SOFR +0.414%), 8/25/2048	4,112,896
2,402,350	REMIC, Series 2018-70, Class HF, 5.792% (30-DAY AVERAGE SOFR +0.464%), 10/25/2058	2,328,008
2,506,602	REMIC, Series 2019-5, Class FA, 5.842% (30-DAY AVERAGE SOFR +0.514%), 3/25/2049	2,433,873
2,497,438	REMIC, Series 2019-21, Class FB, 5.892% (30-DAY AVERAGE SOFR +0.564%), 5/25/2049	2,413,793
3,589,333	REMIC, Series 2019-25, Class PF, 5.600% (30-DAY AVERAGE SOFR +0.564%), 6/25/2049	3,478,299
1,730,790	REMIC, Series 2019-33, Class FB, 5.892% (30-DAY AVERAGE SOFR +0.564%), 7/25/2049	1,673,160
425,258	REMIC, Series 2019-41, Class FC, 5.892% (30-DAY AVERAGE SOFR +0.564%), 8/25/2049	409,639
1,327,177	REMIC, Series 2019-42, Class LF, 5.792% (30-DAY AVERAGE SOFR +0.464%), 8/25/2049	1,312,550
4,848,763	REMIC, Series 2020-27, Class FD, 5.892% (30-DAY AVERAGE SOFR +0.564%), 5/25/2050	4,665,823
1,842,980	REMIC, Series 2020-34, Class FA, 5.892% (30-DAY AVERAGE SOFR +0.564%), 6/25/2050	1,774,803
	TOTAL	49,907,171
	<b>Government National Mortgage Association—3.0%</b>	
293,506	REMIC, Series 2012-42, Class HF, 5.815% (CME Term SOFR 1 Month +0.484%), 3/20/2042	284,927
1,323,916	REMIC, Series 2014-2, Class BF, 5.795% (CME Term SOFR 1 Month +0.464%), 1/20/2044	1,289,694

Principal Amount or Shares		Value
	<sup>1</sup> COLLATERALIZED MORTGAGE OBLIGATIONS—continued	
	<b>Government National Mortgage Association—continued</b>	
\$1,980,196	REMIC, Series 2015-119, Class FN, 5.695% (CME Term SOFR 1 Month +0.364%), 8/20/2045	\$ 1,892,391
	TOTAL	3,467,012
	<b>Non-Agency Mortgage—1.3%</b>	
1,701,014	JP Morgan Mortgage Trust 2021-1, Class A11, 5.970% (30-DAY AVERAGE SOFR +0.650%), 6/25/2051	1,551,416
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS (IDENTIFIED COST \$86,127,692)	83,671,246
	COMMERCIAL MORTGAGE-BACKED SECURITIES—11.1%	
	<sup>1</sup> <b>Agency Commercial Mortgage-Backed Securities—11.1%</b>	
726,884	FHLMC REMIC, Series KF90, Class AS, 5.699% (30-DAY AVERAGE SOFR +0.380%), 9/25/2030	716,549
1,834,572	FHLMC REMIC, Series KF94, Class AL, 5.734% (30-DAY AVERAGE SOFR +0.414%), 11/25/2030	1,822,854
1,575,000	FHLMC REMIC, Series KF148, Class AS, 6.159% (30-DAY AVERAGE SOFR +0.840%), 11/25/2032	1,578,837
1,999,575	FHLMC REMIC, Series KF149, Class AS, 5.959% (30-DAY AVERAGE SOFR +0.640%), 12/25/2032	1,989,276
1,999,534	FHLMC REMIC, Series KF154, Class AS, 5.999% (30-DAY AVERAGE SOFR +0.680%), 3/25/2033	1,989,735
2,000,000	FHLMC REMIC, Series KF155, Class AS, 5.989% (30-DAY AVERAGE SOFR +0.670%), 2/25/2030	1,997,666
2,650,000	FHLMC REMIC, Series KF157, Class AS, 5.700% (30-DAY AVERAGE SOFR +0.660%), 4/25/2033	2,627,519
171,895	FNMA REMIC, Series 2020-M5, Class FA, 5.894% (30-DAY AVERAGE SOFR +0.574%), 1/25/2027	171,674
	TOTAL COMMERCIAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$12,957,218)	12,894,110
	<sup>1</sup> ADJUSTABLE RATE MORTGAGES—8.0%	
	<b>Federal Home Loan Mortgage Corporation ARM—3.1%</b>	
638,001	4.483%, 2/1/2035	641,094
245,124	4.640%, 7/1/2038	245,851
376,677	5.092%, 4/1/2037	380,756
410,214	5.225%, 4/1/2034	413,073
485,706	5.254%, 5/1/2035	489,931
567,140	5.385%, 10/1/2033	570,841
481,559	5.597%, 8/1/2035	484,740
420,638	6.006%, 11/1/2034	422,923
	TOTAL	3,649,209
	<b>Federal National Mortgage Association ARM—4.9%</b>	
111,440	3.887%, 12/1/2034	112,560
215,168	4.085%, 11/1/2039	218,224
535,361	4.119%, 1/1/2040	544,049
248,226	4.123%, 12/1/2034	250,204
345,917	4.195%, 2/1/2042	353,240
146,245	4.340%, 12/1/2033	147,098
67,577	4.431%, 5/1/2035	67,753
30,949	4.513%, 2/1/2036	31,282
1,870	4.715%, 7/1/2027	1,858
199,019	4.735%, 9/1/2033	198,793
228,110	4.776%, 6/1/2034	229,300
129,501	4.870%, 7/1/2035	130,761
23,664	4.872%, 4/1/2034	23,921
24,760	5.105%, 5/1/2038	24,975
27,273	5.112%, 5/1/2035	27,674
187,006	5.201%, 1/1/2035	188,482
317,714	5.251%, 7/1/2035	319,905
564,764	5.313%, 10/1/2035	570,295
77,993	5.315%, 5/1/2035	78,986
101,408	5.340%, 6/1/2033	102,324
418,306	5.415%, 5/1/2039	417,057

Principal Amount or Shares		Value
	<sup>1</sup> ADJUSTABLE RATE MORTGAGES—continued	
	<b>Federal National Mortgage Association ARM—continued</b>	
\$ 452,178	5.465%, 10/1/2034	\$ 451,835
111,234	5.565%, 10/1/2037	111,715
177,954	5.732%, 7/1/2035	180,838
144,599	5.896%, 7/1/2035	146,411
85,356	6.143%, 10/1/2035	85,850
248,553	6.307%, 1/1/2035	250,026
170,325	6.398%, 10/1/2035	169,656
46,514	6.706%, 11/1/2035	46,789
167,330	7.210%, 8/1/2034	168,596
	TOTAL	5,650,457
	<b>Government National Mortgage Association ARM—0.0%</b>	
14,398	2.750%, 10/20/2029	13,980
7,413	3.625%, 1/20/2030	7,273
8,191	3.875%, 5/20/2029	8,027
	TOTAL	29,280
	TOTAL ADJUSTABLE RATE MORTGAGES (IDENTIFIED COST \$9,600,571)	9,328,946
	MORTGAGE-BACKED SECURITIES—2.5%	
	<b>Federal National Mortgage Association—0.4%</b>	
485,686	4.000%, 4/1/2053	441,256
510	5.000%, 1/1/2024	509
	TOTAL	441,765
	<b>Government National Mortgage Association—0.4%</b>	
496,665	5.500%, 8/20/2053	493,475
	<b>Uniform Mortgage-Backed Securities, TBA—1.7%</b>	
2,000,000	<sup>2</sup> 6.500%, 12/20/2053	2,033,780
	TOTAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$2,958,270)	2,969,020
	ASSET-BACKED SECURITIES—2.4%	
	<b>Auto Receivables—0.7%</b>	
810,143	<sup>1</sup> Chesapeake Funding II LLC 2023-1A, Class A2, 6.574% (30-DAY AVERAGE SOFR +1.250%), 5/15/2035	810,446
	<b>Student Loans—1.7%</b>	
261,485	Navigent Student Loan Trust 2020-HA, Class A, 1.310%, 1/15/2069	237,697
755,458	Navigent Student Loan Trust 2021-FA, Class A, 1.110%, 2/18/2070	631,559
791,885	Navigent Student Loan Trust 2021-GA, Class A, 1.580%, 4/15/2070	672,627
466,067	<sup>1</sup> SMB Private Education Loan Trust 2020-BA, Class A1B, 6.537% (CME Term SOFR 1 Month +1.214%), 7/15/2053	461,357
	TOTAL	2,003,240
	TOTAL ASSET-BACKED SECURITIES (IDENTIFIED COST \$3,083,682)	2,813,686
	INVESTMENT COMPANY—7.4%	
8,689,513	Federated Hermes Government Obligations Fund, Premier Shares, 5.28% <sup>3</sup> (IDENTIFIED COST \$8,689,513)	8,689,513
	TOTAL INVESTMENT IN SECURITIES—103.1% (IDENTIFIED COST \$123,416,946)	120,366,521
	OTHER ASSETS AND LIABILITIES - NET—(3.1)% <sup>4</sup>	(3,627,962)
	TOTAL NET ASSETS—100%	\$116,738,559

Transactions with affiliated investment companies, which are funds managed by the Adviser or an affiliate of the Adviser, during the period ended November 30, 2023, were as follows:

	<b>Federated Hermes Government Obligations Fund, Premier Shares</b>
Value as of 8/31/2023	\$ 2,462,587
Purchases at Cost	\$ 24,401,087
Proceeds from Sales	\$(18,174,161)
Change in Unrealized Appreciation/Depreciation	\$ —
Net Realized Gain/(Loss)	\$ —
Value as of 11/30/2023	\$ 8,689,513
Shares Held as of 11/30/2023	8,689,513
Dividend Income	\$ 41,993

- 1 *Floating/adjustable note with current rate and current maturity or next reset date shown. Adjustable rate mortgage security coupons are based on the weighted average note rates of the underlying mortgages less the guarantee and servicing fees. These securities do not indicate an index and spread in their description above.*
- 2 *All or a portion of these To Be Announced Securities (TBAs) are subject to dollar-roll transactions.*
- 3 *7-day net yield.*
- 4 *Assets, other than investments in securities, less liabilities.*

Note: The categories of investments are shown as a percentage of total net assets at November 30, 2023.

### **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 the 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.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Trustees, 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 valuation policies and procedures for the Fund or if information furnished by a pricing service, in the opinion of the 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 Investment Company Act of 1940, 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.

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 November 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
<b>Debt Securities:</b>				
Collateralized Mortgage Obligations	\$ —	\$ 83,671,246	\$—	\$ 83,671,246
Commercial Mortgage-Backed Securities	—	12,894,110	—	12,894,110
Adjustable Rate Mortgages	—	9,328,946	—	9,328,946
Mortgage-Backed Securities	—	2,969,020	—	2,969,020
Asset-Backed Securities	—	2,813,686	—	2,813,686
<b>Investment Company</b>	8,689,513	—	—	8,689,513
<b>TOTAL SECURITIES</b>	<b>\$8,689,513</b>	<b>\$111,677,008</b>	<b>\$—</b>	<b>\$120,366,521</b>

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

ARM —Adjustable Rate Mortgage

FHLMC—Federal Home Loan Mortgage Corporation

FNMA —Federal National Mortgage Association

LIBOR —London Interbank Offered Rate

REMIC —Real Estate Mortgage Investment Conduit

SOFR —Secured Overnight Financing Rate

Portfolio holdings are shown as of the date indicated and are unaudited. Since market conditions fluctuate suddenly and frequently, the portfolio holdings may change and this list is not indicative of future portfolio composition. These portfolio holdings are not intended to be and do not constitute recommendations that others buy, sell, or hold any of the securities listed.

For more complete information on the fund, visit [FederatedHermes.com/us](https://FederatedHermes.com/us) for a prospectus or a summary prospectus. You should consider the fund’s investment objectives, risks, charges, and expenses carefully before you invest. Information about these and other important subjects is in the fund’s prospectus or summary prospectus, which you should read carefully before investing.

**NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE**

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