

# Combined Annual Report and Audited Accounts

*For the financial year ended 31 December 2023*



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## Federated Hermes International Funds plc

*an umbrella fund with segregated liability between sub-funds*

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Federated Hermes Short-Term U.S. Government Securities Fund

Federated Hermes Short-Term U.S. Prime Fund

Federated Hermes Short-Term Euro Prime Fund

Federated Hermes Short-Term Euro Prime Fund is not registered in Switzerland for public offer/distribution. This annual report and audited financial statements may be translated into other languages. Any such translation shall be a direct translation of the English text. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in the translation, the English text will prevail. Any disputes as to the terms thereof shall be governed by, and construed in accordance with, the laws of Ireland.

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## BACKGROUND INFORMATION

Federated Hermes International Funds plc (the "Company")\*, an umbrella fund with segregated liability between sub-funds, is an investment company with variable capital organised under the laws of Ireland as a public limited company.

As of the date of this report, the sub-funds (each a "Fund" and collectively the "Funds") and series established by the Company are set forth below.

The Company's constitution provides that shares ("Shares") of any one Fund may be offered in any one or more series.

### FUNDS AND SERIES

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#### **Federated Hermes Short-Term U.S. Government Securities Fund**

Institutional Services-Dividend Series  
Institutional Series  
Investment-Dividend Series  
Investment-Growth Series

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#### **Federated Hermes Short-Term U.S. Prime Fund**

Institutional Service Series  
Institutional Service Series-Accumulating  
Institutional Series  
Investment-Dividend Series  
Institutional Services-Dividend Series  
Class 1 Shares

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#### **Federated Hermes Short-Term Euro Prime Fund\*\***

Class 2 Shares – Distributing  
Class 3 Shares – Distributing  
Class 5 Shares – Distributing

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With the prior approval of the Central Bank of Ireland (the "Central Bank"), the Company may from time to time establish additional sub-funds and on prior notification to the Central Bank create additional series of the Funds.

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\* The Company is organised pursuant to the Companies Act 2014, as amended (the "Companies Act"), and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations").

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\*\* Commenced operations on 30 May 2023.

## CHAIRMAN'S MESSAGE

Dear Investor:

I am pleased to present the Annual Report to the Shareholders of the Company. This report covers the financial year ended 31 December 2023. The Annual Report begins with an economic overview of the market followed by investment reviews of each Fund prepared by the respective portfolio managers. The Annual Report then sets forth the Company's Audited Financial Statements and the Portfolios of Investments.

We thank you for your confidence in the Company and the Funds as you pursue your financial goals, and we urge you to review this Annual Report carefully, including the economic overview which addresses the complex global economic conditions existing during the reporting period.

Sincerely,



**Michael Boyce**  
Chairman

Date: 28 March 2024

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### DIRECTORS

Michael Boyce (Irish Citizen)  
Joseph L. Kagan (British/South African Citizen)  
Gregory P. Dulski (U.S. Citizen)  
Sylvie McLaughlin (Irish Citizen)  
Patrick M. Wall (Irish Citizen) (effective 1 January 2024)  
Ronan Walsh (Irish Citizen) (until 1 January 2024)  
(The address of the Directors is the registered office of the Company)

### OFFICERS

**Michael Boyce (effective 1 January 2024)**  
Chairman

**Ronan Walsh (until 1 January 2024)**  
Chairman

**Bradwell Limited**  
Company Secretary

## ECONOMIC OVERVIEW

### U.S. MONEY MARKET OVERVIEW (FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023)

The U.S. Federal Reserve ("Fed") began the reporting period continuing its campaign to subdue inflation despite disruptions in the banking sector, a showdown over the U.S. debt limit and concern the additional increases in the federal funds rate would push the U.S. economy into a recession. However, it downshifted the pace and size of the rate hikes as the year progressed.

Determined to restore price stability and avert entrenchment of consumer inflation expectations, the Fed increased the fed funds target range numerous times and at clips of 75 and 50 basis-points in 2022. This aggressive approach began to reduce once-soaring inflation, leading the central bank to moderate policy in 2023 in hopes of avoiding a recession. It enacted a smaller, 25 basis-point hike at its February 2023 Federal Open Market Committee ("FOMC") meeting, taking the target range to 4.50%-4.75%. Policymakers did not stray from this ascent throughout the year despite market anxiety following the collapse of Silicon Valley Bank ("SVB") and two other regional banks in March. The breakdown invoked the specter that the tightening regime could be destabilising the financial system. Undeterred, they raised rates by another quarter percentage point that month and, after determining the bank failures were due to poor management instead of rate action, did so again in May.

The focus then turned to the simmering crisis of the federal debt ceiling. In January, U.S. Treasury Secretary Janet Yellen announced that the Treasury Department had reached its \$31.4 trillion debt limit, meaning it could no longer issue securities to fund the government. This forced Treasury to use "extraordinary measures" to meet the country's financial obligations. But political infighting delayed Congress from addressing the issue. For the liquidity markets, the reduced issuance of government securities worsened the existing supply/demand strain on the front end of the U.S. Treasury yield curve. After tense debate, lawmakers in June finally suspended the debt limit until 2025, averting catastrophe. The immediate result was that Treasury embarked on a vast issuance of securities to replenish its coffers, which relieved the pressure on the short end of the yield curve. After skipping a hike at the June FOMC meeting that followed, the Fed raised the target range to a 16-year high of 5-5.25%. However, that would prove to be its last rate action of the year, as policymakers opted to monitor the economy's response to the lagging impact of the tightening campaign.

In fall, economic indicators confounded investors and the Fed, with some pointing to strength and others to recession. Inflation continued to decline, but the labour market bucked expectations with its continued strength. The remainder of the year pitted the markets against the Fed over the prudent path for policy. Investors and traders vacillated between disregarding and kowtowing to the Fed communications, including FOMC statements, the Summary of Economic Projections ("SEP") and Chair Jerome Powell comments. The September SEP indicated another rate hike by year-end; in contrast, the markets expected easing to begin. Fed officials pushed back, reiterating worry that inflation not only might fail to decline to their long-held 2% target, but also could reverse course. Retail sales remained elevated on the back of a stubbornly strong employment and, while deteriorating, economic indicators were not plunging. Somewhat

surprisingly, the Fed seemed to acquiesce in December, as the new SEP forecasted 75 basis-points worth of rate cuts in 2024.

## **EUROPEAN MONEY MARKET OVERVIEW (FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023)**

The reporting period opened with the European Central Bank ("ECB") continuing its aggressive response to high inflation, despite signs this plan could push the already weakening European economy into a recession. While its Governing Council increased the official deposit facility rate by 200 basis points over the course of 2023, ending at 4%, the pace decelerated as the year progressed. Hikes in February and March were 50 basis points, and those in May, June, July and September were 25 basis points.

Typically a tailwind for the banking sector, the step-change in rates by the world's major central banks triggered solvency concerns as the rapid pace of increases caused steep declines in bond valuation. This came to pass in spectacular fashion in March with the failure of Silicon Valley Bank ("SVB") and two other banks in the U.S. Their collapse precipitated a global financial scare that, in Europe, most acutely impacted Credit Suisse. Gravely concerned over the bank's solvency, Swiss National Bank officials compelled UBS to assume ownership. Troubled by the development, the ECB announced plans to improve how it monitors liquidity of European banks. Both the rise in short-term interest rates and apprehension about the health of banks likely were behind the large asset flows into global money market vehicles throughout the reporting period.

The ECB increased rates at its May meeting by 25 basis points—half the size of its previous four hikes and the smallest amount since it started raising rates in July 2022. This coincided with recent data indicating eurozone inflation was waning. But officials were quick to say that the pullback should not suggest the imminent end of their tightening cycle. Communication over the summer reinforced this. In June, policymakers said they expected headline inflation to average around 5% in 2023. While much lower than 2022, it was still far above their 2% objective, leading to another quarter-percentage point hike in both June and July. "We are not thinking about pausing," ECB President Christine Lagarde said in a press conference after the June decision. This hardline stance fueled fears of a recession in the near future, abetted by the likelihood Russia's invasion of Ukraine would drag on, though the threat of an energy crisis receded due to warmer weather and abundant storage of natural gas.

The fall would bring a different tune. The markets viewed the 25 basis-point increase in the September policy meeting as a dovish hike, and the ECB eschewed rate action in October. Policymakers' new mantra for rates became "higher for longer." Similar to the Fed, the ECB wants to see the lagging effect of its contractionary policy fully integrated into the economy before deciding next steps. But as the reporting period ended, the European economy remained weak and inflation continued to decline, making it likely we have seen the last hike in this cycle and that a pivot to easing might arrive soon.

## **INVESTMENT REVIEWS**

### **FEDERATED HERMES SHORT-TERM U.S. GOVERNMENT SECURITIES FUND**

**Investment Objective:** To achieve current income while maintaining stability of principal and liquidity.

The U.S. Federal Reserve ("Fed") began the reporting period targeting a federal funds range of 4.25-4.50% and would tighten another 100 basis points as part of its extraordinary push to quell soaring inflation. Generally speaking, yields of U.S.-based money market mutual funds rose in kind and then remained at elevated levels when the Fed eschewed rate action after it took rates to a 22-year high range of 5.25-5.50% in July. However, in the first half of the year, the front end of the Treasury yield curve was suppressed due to the federal debt-ceiling debate. This was somewhat alleviated by the Fed's Reverse Repo Facility ("RRP"). This provided a floor on overnight rates of 5 basis points above the lower bound of each target range. After the debt limit was suspended, the abundance of Treasury bill issuance that followed boosted yields. Speculation about when policymakers would pivot to easing dominated investment considerations in fourth quarter, with the disparity between the markets and the Fed affecting the shape of the yield curve. The Fed's steady reduction of its balance sheet continued at \$95 billion rolling off each month, though the effect on cash management was negligible. At the end of 2023, RRP was set at 5.30% and market-based yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 5.40%, 5.35%, 5.27% and 4.78%, respectively.

The Fund was managed with a conservative average maturity stance to capture the Fed's rate hikes/sustained high range and to accommodate potential short-term cash flows. Management participated in the RRP when its rate exceeded yields found in the open market. On 31 December 2023, the Fund's weighted average maturity target range was 35-45 days and the net yield on its Institutional Shares was 5.21%.

### **FEDERATED HERMES SHORT-TERM U.S. PRIME FUND**

**Investment Objective:** To achieve current income while maintaining stability of principal and liquidity.

The U.S. Federal Reserve ("Fed") began the reporting period targeting a federal funds range of 4.25-4.50% and would tighten another 100 basis points as part of its extraordinary push to quell soaring inflation. Generally speaking, yields of U.S.-based money market mutual funds rose in kind and then remained at elevated levels when the Fed eschewed rate action after it took rates to a 22-year high range of 5.25-5.50% in July. However, in the first half of the year, the front end of the Treasury yield curve was suppressed due to the federal debt-ceiling debate. After the debt limit was suspended, the abundance of Treasury bill issuance that followed boosted yields. Speculation about when policymakers would pivot to easing dominated investment considerations in fourth quarter, with the disparity between the markets and the Fed affecting the shape of the yield curve. The Fed's steady reduction of its balance sheet continued at \$95 billion rolling off each month, though the effect on cash management was negligible. At the end of 2023, market-based yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 5.40%, 5.35%, 5.27% and 4.78%, respectively; and the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates were 5.47%, 5.45%, 5.36% and 5.17%, respectively.

The Fund took advantage of the increasing yields in liquidity instruments as the reporting period progressed by extending its average maturity several times. On 31 December 2023, the Fund's weighted average maturity target range was 40-50 days. From an issuer perspective, it remained heavily invested in the commercial and bank paper sectors, and overall credit performance was comparably excellent. On 31 December 2023, the net yield of the Fund's Institutional Shares was 5.51%.

#### **FEDERATED HERMES SHORT-TERM EURO PRIME FUND**

**Investment Objective:** To achieve current income while maintaining stability of principal and liquidity.

European Central Bank ("ECB") rate action decelerated as 2023 progressed, moving from 50 basis-point hikes in February and March to 25 basis-point increases in May, June, July and September. Despite concerns about the health of banks and potential for a recession, credit quality remained strong for the institutions in which the Fund invests. Inflation declined over the reporting period and the European economy weakened, making it likely the ECB will not hike rates again in this cycle and that a pivot to easing policy might arrive soon. At the end of 2023, the ECB deposit facility was 4% and the 1-, 3-, 6- and 12-month Euro Short-Term Rate rates were 3.90%, 3.87%, 3.69% and 3.21%, respectively.

The Fund took advantage of the rising yields in the European broad liquidity market due to the ECB rate hike by extending its average maturity as the reporting period progressed. On 31 December 2023, the Fund's weighted average maturity target range was 30-40 days. The Fund invests in high-quality, investment-grade entities, with utmost attention placed on capital preservation and liquidity results. Its portfolio consists of fixed- and floating-rate issuance including sovereign, financials and commercial asset back paper. On 31 December 2023, the net yield of the Fund's C2 Shares was 3.95%.

# DIRECTORS' REPORT

## 1. DATE OF INCORPORATION

The Company was incorporated on 31 December 1990, under registration number 168193, and commenced business on 14 January 1991. The first public investment in the Federated Hermes Short-Term U.S. Government Securities Fund occurred on 4 June 1991.

## 2. PRINCIPAL ACTIVITIES

The Company has been approved by the Central Bank as an undertaking for collective investment in transferable securities ("UCITS") and has been established pursuant to the Companies Act and the UCITS Regulations. The Company is an umbrella fund with segregated liability between sub-funds.

As of the end of the financial year, the Company consisted of three active Funds in respect of which 13 series of Shares were established. Each Fund operated during the reporting year. Effective 11 May 2023, a new sub-fund known as Federated Hermes Short-Term Euro Prime Fund with three underlying share classes—Class 2 Shares-Distributing, Class 3 Shares-Distributing and Class 5 Shares-Distributing—was authorised by the Central Bank.

## 3. BUSINESS REVIEW AND FUTURE DEVELOPMENTS

A detailed review of the business and future developments is included in the Investment Reviews beginning on page 4, and under "Future Prospects" in Note 6 of this Directors' Report. The Company intends to continue promoting and generating interest in its business in the future.

## 4. RESULTS

The results for the year ended 31 December 2023 are stated on pages 9-15 of the Financial Statements.

## 5. DIVIDENDS

The dividend policies for the Funds are detailed in Note 5 on page 22. Details of dividends paid are disclosed in the Statement of Comprehensive Income.

## 6. FUTURE PROSPECTS

The Company continues to seek new distribution channels and markets for its products. In addition, the Company will continue to evaluate potential new products, including new funds and share classes, as opportunities arise.

## 7. DIRECTORS AND COMPANY SECRETARY

As of the date of issuance of this report, the Directors of the Company (the "Directors") are:

Michael Boyce (Irish Citizen) (Independent) (Chairman effective 1 January 2024)

Joseph L. Kagan (British/South African Citizen)

Gregory P. Dulski (U.S. Citizen)

Sylvie McLaughlin (Irish Citizen)

Patrick M. Wall (Irish Citizen) (Independent) (effective 1 January 2024)

Certain Directors of the Company are also directors of Hermes Fund Managers Ireland Limited (the "Manager" or "HFMIL").

Joseph L. Kagan is responsible for legal and company secretarial functions in Federated Hermes Limited ("FHL") and is a member of FHL's Senior Management Team.

Gregory P. Dulski is Chief Regulatory Officer, Head of Government Affairs and member of FHL's Senior Management Team and holds other positions with a number of non-U.S. affiliates of Federated Hermes, Inc. ("Federated Hermes"). Mr. Dulski is responsible for leadership and oversight of FHL's Compliance, Financial Crime and Risk functions, whilst serving as senior counsel of Federated Hermes, which includes advocating with global policy makers and oversight of all legal and regulatory matters impacting Federated Hermes' international operations.

Sylvie McLaughlin, Head of Office of HFMIL, is a qualified solicitor and a member of FHL's Senior Management Team.

Federated Hermes is the ultimate parent company of the Manager, Federated Investment Counseling (the "Adviser") and Federated Administrative Services, Inc. ("FASI").

Bradwell Limited held the office of Company Secretary throughout the financial year.

## 8. INTERESTS OF THE DIRECTORS AND COMPANY SECRETARY

Neither the Directors nor the Company Secretary had any beneficial interest in the share capital of the Company during the financial year ended 31 December 2023. In addition, no consideration was paid to a third party for the services of any of the Directors during the financial year ended 31 December 2023. Ronan Walsh (until 1 January 2024) and Michael Boyce each hold one subscriber share in the Company on trust for the Manager.

## 9. DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for overseeing the preparation of the Directors' Report and the financial statements in accordance with applicable law and regulations. Irish company law requires the Directors to oversee the preparation of the financial statements for each financial year. These financial statements have been prepared in accordance with accounting standards generally accepted in Ireland ("Irish GAAP") as issued by the Financial Reporting Council, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the UCITS Regulations, the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations") and the Companies Act. Under Irish company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the end of the financial year, the profit or loss of the Company for the financial year and otherwise comply with the Companies Act.

In preparing these financial statements, the Directors are required to:

- oversee the selection of suitable accounting policies and ensure that such policies are applied consistently;
- ensure that judgements and estimates applied are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and



- oversee the preparation of the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that adequate accounting records are kept which: are sufficient to correctly explain and record the transactions of the Company; enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and enable the Directors to ensure that the financial statements and Directors' Report comply with the requirements of the Companies Act and enable the financial statements to be audited. The Directors, relying on assistance from Federated Hermes, are responsible for the maintenance and integrity of the corporate and financial information relating to the Company included at [FederatedHermes.com/us/ucits](https://FederatedHermes.com/us/ucits). The Directors are also responsible for safeguarding the assets of the Company and in fulfilment of this responsibility have appointed the Bank of New York Mellon SA/NV, Dublin Branch (the "Depository") to safekeep the Company's assets in accordance with the Company's constitution. In addition, the Directors are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## 10. AUDIT INFORMATION STATEMENT

In accordance with Section 330 of the Companies Act, the Directors confirm that as at the date of this report:

- so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

## 11. ACCOUNTING RECORDS

The Manager has appointed an experienced fund administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") to keep the Company's accounting records. As at 31 December 2023, the accounting records are maintained at the Administrator's office at One Dockland Central, Guild Street, International Financial Services Centre, Dublin 1, D01 E4X0, Ireland.

## 12. SEGREGATED LIABILITY

The Company is an umbrella fund with segregated liability between sub-funds and under Irish law the Company will not be subject to cross liability between the sub-funds.

Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated liability between the sub-funds would be upheld.

## 13. AUDITORS

The Company's auditors, Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 383(2) of the Companies Act.

## 14. PROSPECTUS

As at 31 December 2023, the current prospectus for the Company and its sub-funds was issued and dated 15 August 2023.

## 15. EMPLOYEES

The Company had no employees during the year ended 31 December 2023 (31 December 2022: None).

## 16. RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of certain investment risks of the Company are listed in Note 12 ("*Risks Associated with Financial Instruments*"), including market risk, price risk, interest rate risk, credit risk, liquidity risk and currency risk. In order to manage such risks, the Company shall comply with the investment restrictions and diversification limits provided for in the Company's prospectus, as well as in the UCITS Regulations.

## 17. CONNECTED PERSONS TRANSACTIONS

For the purpose of Regulation 42 of the Central Bank UCITS Regulations a "connected person" means the management company or depositary to a UCITS; and the delegates, or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate.

Regulation 43 of the Central Bank UCITS Regulations "Restrictions on transactions with connected persons" requires that any transaction between a UCITS and a connected person is conducted at arm's length and be in the best interests of the shareholders of the UCITS.

The Board of Directors is satisfied that (i) there are arrangements in place, evidenced by written procedures, to ensure that the obligations that are prescribed by Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with a connected person; and (ii) all transactions with connected persons entered into during the period to which the report relates complied with the obligations that are prescribed by Regulation 43(1) of the Central Bank UCITS Regulations. The Company did not engage in any connected person transactions during the financial year ended 31 December 2023.

## 18. CORPORATE GOVERNANCE STATEMENT

### General Principles

The Board of Directors has assessed the measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by Irish Funds (formerly, the Irish Funds Industry Association) in December 2011 (the "IF Code"). The Directors adopted the corporate governance practices and procedures in the IF Code with effect from 22 August 2012.

## 19. GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposure to price, credit and liquidity risk are described as part of Note 12.

The Company has considerable financial resources in the form of highly liquid investments and cash balances. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.



After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

Accordingly, the financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss.

## 20. DIRECTORS' COMPLIANCE STATEMENT

It is the policy of the Company to comply with its relevant obligations (as defined in the Companies Act). As required by Section 225(2) of the Companies Act, the Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations. The Directors have drawn up a compliance policy statement as defined in Section 225(3)(a) of the Companies Act and a compliance policy which refers to the arrangements and structures that are in place and which are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations. These arrangements and structures were reviewed by the Company during the financial year. In discharging their responsibilities under

Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

## 21. DATA PROTECTION

The General Data Protection Regulation (Regulation (EU) 2016/679) came into effect on 25 May 2018. A copy of the Company's data protection notice is available at [FederatedHermes.com/us/ucits](https://FederatedHermes.com/us/ucits).

## 22. SIGNIFICANT AND SUBSEQUENT EVENTS

Other than any events listed in Note 24, to the Audited Financial Statements, there were no other known significant events impacting the Company during the financial year, 1 January 2023 to 31 December 2023.

Other than any events listed in Note 25, to the Audited Financial Statements, there were no other known significant events impacting the Company subsequent to the financial year ended 31 December 2023 and up to 28 March 2024.



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Michael Boyce  
Director  
on behalf of the Board



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Patrick M. Wall  
Director  
on behalf of the Board

Date: 28 March 2024

# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## STATEMENT OF COMPREHENSIVE INCOME

For the financial years ended 31 December 2023 and 31 December 2022

		<b>Federated Hermes Short-Term U.S. Government Securities Fund Financial Year Ended 31 December 2023</b>	<b>Federated Hermes Short-Term U.S. Government Securities Fund Financial Year Ended 31 December 2022</b>	<b>Federated Hermes Short-Term U.S. Prime Fund Financial Year Ended 31 December 2023</b>	<b>Federated Hermes Short-Term U.S. Prime Fund Financial Year Ended 31 December 2022</b>
	<b>Notes</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>INCOME – CONTINUING OPERATIONS</b>					
Interest & Dividend Income		3,385,867	2,049,438	64,712,855	25,811,712
Repurchase Agreement Interest Income		30,731,006	9,412,708	12,561,383	3,986,885
<b>Net Gain/(Loss) on Financial Assets at Fair Value Through Profit or Loss</b>					
Net Realised Gain/(Loss) on Investments	3	—	—	16,379	16,937
Net Unrealised Gain/(Loss) on Investments	3	—	—	939,197	(262,850)
		34,116,873	11,462,146	78,229,814	29,552,684
<b>EXPENSES – CONTINUING OPERATIONS</b>					
Management Fees	17	(6,712,602)	(7,320,066)	(14,164,130)	(16,044,428)
Fund Administration Fees	19	(96,036)	(116,536)	(253,441)	(239,865)
Transfer Agency Fees	19	(142,047)	(108,226)	(173,298)	(144,525)
Depository Fees	20	(74,644)	(120,866)	(177,131)	(238,305)
Directors' Fees	17	(23,454)	(16,477)	(23,453)	(16,477)
Auditors' Remuneration	4	(47,237)	(46,033)	(47,238)	(46,033)
Legal Fees		(140,560)	(177,934)	(116,572)	(223,422)
Other Expenses		(103,843)	(100,078)	(92,540)	(115,408)
		(7,340,423)	(8,006,216)	(15,047,803)	(17,068,463)
Waiver of Management Fees	17	3,670,217	3,859,626	6,062,096	6,869,095
Reimbursement of Other Expenditures and Assumption Fees	17	—	1,316,870	353	2,053,681
<b>Net Operating Expenses Before Finance Costs</b>		<b>(3,670,206)</b>	<b>(2,829,720)</b>	<b>(8,985,354)</b>	<b>(8,145,687)</b>
<b>Net Investment Income Before Finance Costs</b>		<b>30,446,667</b>	<b>8,632,426</b>	<b>69,244,460</b>	<b>21,406,997</b>
<b>Finance Costs</b>					
Distributions to Shareholders	5	(27,711,792)	(8,459,893)	(68,300,343)	(21,635,533)
<b>Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations</b>		<b>2,734,875</b>	<b>172,533</b>	<b>944,117</b>	<b>(228,536)</b>

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of the Financial Statements.

# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## STATEMENT OF COMPREHENSIVE INCOME

For the financial years ended 31 December 2023 and 31 December 2022

	Notes	Federated Hermes Short-Term Euro Prime Fund* Financial Year Ended 31 December 2023 €	Company Total Financial Year Ended 31 December 2023 US\$	Company Total Financial Year Ended 31 December 2022 US\$
INCOME – CONTINUING OPERATIONS				
Interest & Dividend Income		1,063,226	69,249,361	27,861,150
Repurchase Agreement Interest Income		—	43,292,389	13,399,593
<b>Net Gain/(Loss) on Financial Assets at Fair Value Through Profit or Loss</b>				
Net Realised Gain/(Loss) on Investments	3	—	16,379	16,937
Net Unrealised Gain/(Loss) on Investments	3	(3,463)	935,449	(262,850)
		1,059,763	113,493,578	41,014,830
EXPENSES – CONTINUING OPERATIONS				
Management Fees	17	(274,743)	(21,174,063)	(23,364,494)
Fund Administration Fees	19	(45,534)	(398,755)	(356,401)
Transfer Agency Fees	19	(40,204)	(358,854)	(252,751)
Depositary Fees	20	(68,486)	(325,892)	(359,171)
Directors' Fees	17	(11,051)	(58,866)	(32,954)
Auditors' Remuneration	4	(40,185)	(137,964)	(92,066)
Legal Fees		(130,263)	(398,105)	(401,356)
Other Expenses		(30,074)	(228,929)	(215,486)
		(640,540)	(23,081,428)	(25,074,679)
Waiver of Management Fees	17	274,743	10,029,644	10,728,721
Reimbursement of Other Expenditures and Assumption Fees	17	342,444	370,951	3,370,551
<b>Net Operating Expenses Before Finance Costs</b>		<b>(23,353)</b>	<b>(12,680,833)</b>	<b>(10,975,407)</b>
<b>Net Investment Income Before Finance Costs</b>		<b>1,036,410</b>	<b>100,812,745</b>	<b>30,039,423</b>
<b>Finance Costs</b>				
Distributions to Shareholders	5	(1,039,871)	(97,137,499)	(30,095,426)
<b>Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations</b>		<b>(3,461)</b>	<b>3,675,246</b>	<b>(56,003)</b>

\* Commenced operations on 30 May 2023.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of the Financial Statements.

# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2023 and 31 December 2022

		<b>Federated Hermes Short-Term U.S. Government Securities Fund as at 31 December 2023</b>	<b>Federated Hermes Short-Term U.S. Government Securities Fund as at 31 December 2022</b>	<b>Federated Hermes Short-Term U.S. Prime Fund as at 31 December 2023</b>	<b>Federated Hermes Short-Term U.S. Prime Fund as at 31 December 2022</b>
	<b>Notes</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>FINANCIAL ASSETS</b>					
Balances due from Brokers – Repurchase Agreements	8, 12	600,000,000	514,000,000	197,000,000	329,000,000
Financial Assets at Fair Value through Profit or Loss	3	72,019,324	162,721,256	1,149,984,161	1,284,660,184
<b>Current Assets:</b>					
Cash and Cash Equivalents	7	542,859	32,666	620,243	524,901
Income Receivable	6	484,668	274,002	4,614,966	2,927,905
Other Debtors		27,235	7,067	2,165	7,242
Receivable for Investments Matured		—	1,000,000	—	—
<b>TOTAL FINANCIAL ASSETS</b>		<b>673,074,086</b>	<b>678,034,991</b>	<b>1,352,221,535</b>	<b>1,617,120,232</b>
<b>FINANCIAL LIABILITIES</b>					
<b>Creditors: Amounts falling due within one year</b>					
Distributions Payable	5	2,515,164	1,910,556	6,180,415	4,919,960
Payable for Investments Purchased		—	10,000,000	—	—
Accrued Expenses	9	573,859	416,372	1,133,502	1,023,274
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>3,089,023</b>	<b>12,326,928</b>	<b>7,313,917</b>	<b>5,943,234</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>669,985,063</b>	<b>665,708,063</b>	<b>1,344,907,618</b>	<b>1,611,176,998</b>

The accompanying notes form an integral part of the Financial Statements.

# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2023 and 31 December 2022

	Notes	Federated Hermes Short-Term Euro Prime Fund* as at 31 December 2023 €	Company Total as at 31 December 2023 US\$	Company Total as at 31 December 2022 US\$
<b>FINANCIAL ASSETS</b>				
Balances due from Brokers – Repurchase Agreements	8, 12	—	797,000,000	843,000,000
Financial Assets at Fair Value through Profit or Loss	3	72,593,452	1,302,672,960	1,447,381,440
<b>Current Assets:</b>				
Cash and Cash Equivalents	7	47,705	1,216,114	557,567
Income Receivable	6	41,628	5,145,893	3,201,907
Other Debtors		—	29,400	14,309
Receivable for Investments Matured		—	—	1,000,000
<b>TOTAL FINANCIAL ASSETS</b>		<b>72,682,785</b>	<b>2,106,064,367</b>	<b>2,295,155,223</b>
<b>FINANCIAL LIABILITIES</b>				
Creditors: Amounts falling due within one year				
Distributions Payable	5	242,897	8,965,499	6,830,516
Payable for Investments Purchased		1,986,473	2,207,468	10,000,000
Accrued Expenses	9	149,600	1,873,603	1,439,646
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>2,378,970</b>	<b>13,046,570</b>	<b>18,270,162</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>70,303,815</b>	<b>2,093,017,797</b>	<b>2,276,885,061</b>

\* Commenced operations on 30 May 2023.

The accompanying notes form an integral part of the Financial Statements.



Director  
On behalf of the Board



Director  
On behalf of the Board

Date: 28 March 2024

# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## STATEMENT OF FINANCIAL POSITION (CONTINUED) NET ASSET VALUE PER SHARE AS AT 31 DECEMBER 2023

### Federated Hermes Short-Term U.S. Government Securities Fund

Institutional Services-Dividend Series Net Asset Value per Share (US\$ 76,279,738/76,279,784 Shares outstanding)	US\$ 1.00
Institutional Series Net Asset Value per Share (US\$ 349,931,484/349,931,649 Shares outstanding)	US\$ 1.00
Investment-Dividend Series Net Asset Value per Share (US\$ 143,107,549/143,107,656 Shares outstanding)	US\$ 1.00
Investment-Growth Series Net Asset Value per Share (US\$ 100,666,292/555,920 Shares outstanding)	US\$ 181.08

### Federated Hermes Short-Term U.S. Prime Fund

Institutional Service Series Net Asset Value per Share (US\$ 153,522,468/153,520,437 Shares outstanding)	US\$ 1.00
Institutional Service Series-Accumulating* Net Asset Value per Share (US\$ 372,920/3,619 Shares outstanding)	US\$ 103.05
Institutional Series Net Asset Value per Share (US\$ 255,792,289/255,788,608 Shares outstanding)	US\$ 1.00
Investment-Dividend Series Net Asset Value per Share (US\$ 778,141,962/778,134,177 Shares outstanding)	US\$ 1.00
Institutional Services-Dividend Series Net Asset Value per Share (US\$ 13,680,097/13,679,890 Shares outstanding)	US\$ 1.00
Class 1 Shares** Net Asset Value per Share (US\$ 143,397,882/143,397,627 Shares outstanding)	US\$ 1.00

### Federated Hermes Short-Term Euro Prime Fund\*\*\*

Class 2 Shares-Distributing Net Asset Value per Share (€70,203,819/70,207,276 Shares outstanding)	€1.00
Class 3 Shares-Distributing Net Asset Value per Share (€49,998/50,000 Shares outstanding)	€1.00
Class 5 Shares-Distributing Net Asset Value per Share (€49,998/50,000 Shares outstanding)	€1.00

\* Share class launched on 31 May 2023.  
\*\* Share class launched on 15 August 2023.  
\*\*\* Commenced operations on 30 May 2023.

Note: Net Asset Value per Share and Shares outstanding round to the nearest whole total.

None of the share classes active as at 31 December 2023 are hedged.

The accompanying notes form an integral part of the Financial Statements.



# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial years ended 31 December 2023 and 31 December 2022

		<b>Federated Hermes Short-Term U.S. Government Securities Fund Financial Year Ended 31 December 2023</b>	<b>Federated Hermes Short-Term U.S. Government Securities Fund Financial Year Ended 31 December 2022</b>	<b>Federated Hermes Short-Term U.S. Prime Fund Financial Year Ended 31 December 2023</b>	<b>Federated Hermes Short-Term U.S. Prime Fund Financial Year Ended 31 December 2022</b>
		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at Beginning of Financial Year</b>		<b>665,708,063</b>	<b>748,122,277</b>	<b>1,611,176,998</b>	<b>1,434,282,720</b>
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		2,734,875	172,533	944,117	(228,536)
<b>Capital Transactions</b>					
Subscriptions	10	3,676,435,997	4,266,402,184	5,366,803,619	5,572,340,880
Reinvestments	10	11,267,239	2,781,781	51,114,437	12,776,283
Redemptions	10	(3,686,161,111)	(4,351,770,712)	(5,685,131,553)	(5,407,994,349)
		1,542,125	(82,586,747)	(267,213,497)	177,122,814
Net Increase/(Decrease) from Operations and Capital Transactions		4,277,000	(82,414,214)	(266,269,380)	176,894,278
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at End of Financial Year</b>		<b>669,985,063</b>	<b>665,708,063</b>	<b>1,344,907,618</b>	<b>1,611,176,998</b>

The accompanying notes form an integral part of the Financial Statements.

# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the financial years ended 31 December 2023 and 31 December 2022

		<b>Federated Hermes Short-Term Euro Prime Fund* Financial Year Ended 31 December 2023</b>	<b>Company Total Financial Year Ended 31 December 2023</b>	<b>Company Total Financial Year Ended 31 December 2022</b>
		€	US\$	US\$
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at Beginning of Financial Year</b>		—	<b>2,276,885,061</b>	<b>2,182,404,997</b>
Translation Adjustment on Combination		—	2,041,262	—
Net Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares Resulting from Operations		(3,461)	3,675,246	(56,003)
<b>Capital Transactions</b>				
Subscriptions	10	75,528,276	9,124,977,461	9,838,743,064
Reinvestments	10	—	62,381,676	15,558,064
Redemptions	10	(5,221,000)	(9,376,942,909)	(9,759,765,061)
		70,307,276	(189,583,772)	94,536,067
Net Increase/(Decrease) from Operations and Capital Transactions		70,303,815	(185,908,526)	94,480,064
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at End of Financial Year</b>		<b>70,303,815</b>	<b>2,093,017,797</b>	<b>2,276,885,061</b>

\* Commenced operations on 30 May 2023.

The accompanying notes form an integral part of the Financial Statements.

# FEDERATED HERMES INTERNATIONAL FUNDS PLC

## NOTES TO THE AUDITED FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

### (1) THE COMPANY

Federated Hermes International Funds plc (the "Company") is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds, and is organised under the laws of Ireland as a public limited company pursuant to the Companies Act, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations"). The Company was incorporated on 31 December 1990 under Registration Number 168193.

The Company is a UCITS within the meaning of the UCITS Regulations and has been approved by the Central Bank in accordance with the UCITS Regulations.

The investment objectives and policies of the Funds operating as at 31 December 2023 are as follows:

#### **Federated Hermes Short-Term U.S. Government Securities Fund:**

The Fund is considered a Short-Term Money Market Fund and a public debt constant net asset value money market fund ("CNAV MMF") in accordance with the requirements applicable to money market funds under Regulation (EU) 2017/1131 of the European Parliament and the Council of 14 June 2017, as amended (the "MMF Regulation"). Its investment objective is to achieve current income while maintaining stability of principal and liquidity.

The Company pursues the investment objective of the Fund by investing in a portfolio of high quality short-term U.S. Treasury securities and U.S. Government Agency securities which comply with the criteria for money market instruments as set out in the MMF Regulation in which public debt CNAV MMFs may invest. 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.

#### **Federated Hermes Short-Term U.S. Prime Fund:**

The Fund is considered a Short-Term Money Market Fund and a low volatility net asset value money market fund ("LVNAV MMF") in accordance with the requirements applicable to money market funds under the MMF Regulation. Its investment objective is to achieve current income while maintaining stability of principal and liquidity.

The Company pursues the investment objective of the Fund by investing in a portfolio of high quality U.S. dollar denominated short-term debt instruments (as defined by the Adviser's internal rating system) which comply with the criteria for money market instruments as set out in the MMF Regulation. 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.

#### **Federated Hermes Short-Term Euro Prime Fund:**

The Fund is considered a Short-Term Money Market Fund and a LVNAV MMF in accordance with the requirements applicable to money market funds under the MMF Regulation. Its investment objective is to achieve current income while maintaining stability of principal and liquidity.

The Company pursues the investment objective of the Fund by investing in a portfolio of high quality euro-denominated short-term debt instruments (as defined by the Adviser's internal rating system) which comply with the criteria for money market instruments as set out in the MMF Regulation. 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.

### (2) ACCOUNTING POLICIES

#### **A. Basis of Accounting**

These annual audited financial statements for the financial year ended 31 December 2023 have been prepared in accordance with Irish statute comprising the Companies Act, the UCITS Regulations, the Central Bank UCITS Regulations, and accounting standards generally accepted in Ireland ("Irish GAAP") including Financial Reporting Standard ("FRS") 102, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") as issued by the Financial Reporting Council ("FRC").

The Company has adopted Irish GAAP, including FRS 102 for these annual financial statements effective 1 January 2015 and FRS 104 Interim Financial Reporting ("FRS 104") for the interim financial statements.

Effective 11 January 2019, money market reforms came into effect on the Short-Term Money Market Funds. The net asset value ("NAV") of the Short-Term Money Market Funds may be valued using the amortised cost method of valuation to the extent permitted by the MMF Regulation and any guidance that may be issued by the Central Bank.

(i) If the Fund is a CNAV MMF (Federated Hermes Short-Term U.S. Government Securities Fund), the assets of the Fund may be valued using the amortised cost method of valuation.

(ii) If the Fund is a LVNAV MMF (Federated Hermes Short-Term U.S. Prime Fund and Federated Hermes Short-Term Euro Prime Fund), the assets of the Fund that have a residual maturity of up to 75 days may be valued using the amortised cost method of valuation.

The amortised cost method of valuation shall only be used for valuing an asset of a LVNAV MMF if the valuation of that asset using the amortised cost method of valuation does not deviate by more than 0.1 per cent of the valuation of that asset using mark-to-market or the mark-to-model, or both, pursuant to the MMF Regulation.

There have been no changes to the significant accounting policies adopted by the Company since the last audited financial statements dated 31 December 2022.

The Directors have a reasonable expectation that the Funds comprising the Company have adequate resources to continue in operational existence for the foreseeable future. The Company has considerable financial resources in the form of highly liquid investments and cash balances. The Directors have concluded that it is appropriate to prepare the annual audited financial statements on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and liabilities held at fair value through profit or loss.

The Company has availed of the exemption available to open-ended investment funds under Section 7 "Statement of Cash Flows" of FRS 102, not to prepare a cash flow statement on the basis that substantially all of the Company's investments are highly liquid and carried at fair value, and the Company provides a Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

The format and certain wordings of the financial statements have been adapted from those contained in the Companies Act so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as an investment fund.

Under FRS 102, in accounting for its financial instruments a reporting entity is required to apply either (a) the full provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102; (b) the recognition and measurement provisions of International Accounting Standards ("IAS") 39 "Financial Instruments: Recognition and Measurement", as amended ("IAS 39") and only the disclosure requirements of Sections 11 and 12 of FRS 102; or (c) the recognition and measurement provisions of IFRS 9 "Financial Instruments" ("IFRS 9") and the disclosure requirements of Sections 11 and 12. The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12.

The information required by FRS 102, to include a single statement for the reporting period displaying all items of income and expense recognised during the period including those items recognised in determining profit or loss and items of other comprehensive income and a Reconciliation of Movements in Shareholders' Funds are, in the opinion of the Directors, contained in the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. In arriving at the results for the financial year, all amounts in the Statement of Comprehensive Income relate to continuing activities. In the opinion of the Directors, the financial statements provide, in all other respects, the information required by the UCITS Regulations, the Central Bank UCITS Regulations and the Companies Act.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating Shares unless otherwise stated.

All gains and losses for the financial year are reflected in the Statement of Comprehensive Income.

## **B. Financial Instruments**

### **(I) CLASSIFICATION**

The Company classified and designated its financial assets and liabilities into the following categories in accordance with the FRS 102 option to apply the provisions of IAS 39.

#### **Financial assets and liabilities at fair value through profit or loss**

The category of financial assets and liabilities at fair value through profit or loss comprises:

- *Financial assets and liabilities held for trading:*

These include bonds, equities, warrants, exchange traded future contracts, credit default swaps, interest rate swaps and forward foreign currency exchange contracts. These instruments are acquired or incurred principally for the purpose of generating a profit from short-term fluctuation in price. Derivatives are also categorised as held for trading, as the Company does not designate any derivatives as hedges in a hedging relationship.

- *Financial instruments designated at fair value through profit or loss upon initial recognition:*

These include financial assets or financial liabilities that are not held for trading, such as unlisted equity instruments, repurchase agreements and commercial paper. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and investment strategy as set out in the Company's prospectus.

Financial liabilities, other than those at fair value through the profit or loss, are measured at amortised cost using the effective interest method.

- **Loans and Receivables:**

These include balances due from brokers, cash and cash equivalents, cash collateral, margin cash and income receivable.

## (II) INITIAL MEASUREMENT

Purchases and sales of financial instruments are accounted for at trade date. Realised gains and losses on disposals of financial instruments are calculated using the first-in-first-out method.

Financial instruments classified at fair value through profit or loss are measured initially at fair value with transaction costs for such instruments recognised directly in the Statement of Comprehensive Income.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company includes in this category balances due from brokers, cash and cash equivalents, cash collateral, margin cash and income receivable.

## (III) SUBSEQUENT MEASUREMENT

After initial measurement, the Company measures financial instruments which are classified at fair value through profit or loss, at their fair values. The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, in the case of non-exchange traded instruments, at the Statement of Financial Position date without any deduction for estimated future selling costs. Financial assets are priced at their current bid prices, while financial liabilities are priced at their current offer prices.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the fair value of the instrument may be estimated by the Directors using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

There were no fair valued securities held in any of the sub-funds at 31 December 2023 and 31 December 2022.

### **C. Impairment of Financial Assets**

The Company assesses at each reporting date whether a financial asset or a group of financial assets classified as receivables is impaired. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss as a 'credit loss expense.'

Impaired debts together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a previous write-off is later recovered, the recovery is credited to the 'credit loss expense.'

Interest revenue on an impaired financial asset is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

### **D. Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to set-off recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously. This is generally not the case with master-netting agreements, and the related assets and liabilities are presented gross in the Statement of Financial Position. There was no legally enforceable right to set-off; hence, financial assets and liabilities were presented at gross in the Statement of Financial Position.

### **E. Net Gain or Loss on Financial Assets and Liabilities at Fair Value through Profit and Loss**

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as held at fair value through profit and loss and excludes interest and dividend income and expenses. Realised gains and losses on disposals of financial instruments classified as 'at fair value through profit or loss' are calculated using the first-in-first-out method.

Unrealised gains and losses from movements in the value of financial instruments are included in the Statement of Comprehensive Income in the financial year in which they arise.

## **F. Foreign Currency Translation**

### **(a) Functional and presentation currency**

Account totals included in the Company's audited annual financial statements are measured and presented using the currency of the primary economic environment in which it operates (the "functional currency"). This is the U.S. dollar which reflects the Company's primary activity of investing in U.S. securities and derivatives. The functional currency of Federated Hermes Short-Term U.S. Government Securities Fund and Federated Hermes Short-Term U.S. Prime Fund is the U.S. dollar. The functional currency of Federated Hermes Short-Term Euro Prime Fund is the Euro ("EUR").

- (i) Assets and liabilities, including net assets attributable to holders of redeemable participating Shares, are translated at the closing exchange rate at each Statement of Financial Position date;
- (ii) Proceeds from subscriptions and amounts paid on redemptions of redeemable participating Shares are translated at daily exchange rates, which approximate the rates prevailing at the dates of the transactions. Translation differences on non-monetary items, such as equities, held at fair value through profit or loss are reported as part of the fair value gain or loss; and
- (iii) Income and expenses are translated at the daily average exchange rates.

### **(b) Foreign currency transactions**

Monetary assets and liabilities denominated in currencies other than the U.S. dollar are translated into the U.S. dollar at the closing rates of exchange at each financial year end. Transactions during the financial year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in realised and unrealised gain and loss on investments.

## **G. Interest Income**

For the Funds, interest income includes interest and discount earned (net of premium), including original issue discount on portfolio securities.

Interest income is recognised in the Statement of Comprehensive Income for all interest-bearing financial instruments using the effective interest method. Interest is accrued on a daily basis.

Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant financial year.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instruments, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees and points paid if received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

## **H. Dividend Income**

Dividends are credited to the Statement of Comprehensive Income on the dates in which the relevant securities are listed as "ex-dividend." Dividend Income is shown net of any non-recoverable withholding taxes.

## **I. Cash and Cash Equivalents, Margin Cash and Cash Collateral**

Cash comprises current deposits with banks and bank overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investments or other purposes.

Cash Collateral receivable/payable to the Company in relation to Open Futures Contracts if any, is identified in the Statement of Financial Position as Margin Cash and is not included as a component of Cash and Cash Equivalents. Cash Collateral provided by the Funds is identified in the Statement of Financial Position as Cash Collateral and is not included as a component of Cash and Cash Equivalents. For collateral other than cash, a disclosure of the collateral provided is made in the notes or in the portfolios of investments of the Funds.

## **J. Expenses**

All expenses, including management fees and depositary fees, are recognised in the Statement of Comprehensive Income on an accrual basis.

## **K. Repurchase Agreements**

The Company enters into agreements to purchase securities and to resell them at a future date ("Repurchase Agreements"). The difference between the purchase cost and sales proceeds is recorded as interest income.

Repurchase Agreements are valued at cost. During the term of a Repurchase Agreement, the market value of the underlying collateral, including accrued interest, is required to exceed the market value of the Repurchase Agreement. It is the Company's



policy that collateral be received on a daily basis and held on behalf of the Company in accordance with the requirements of the UCITS Regulations. The underlying collateral is intended to protect the Company in the event that the securities are not purchased by the counterparty.

The Repurchase Agreements are fully collateralised by U.S. Treasury, U.S. Government Agency and Collateralised Mortgage Obligations with a market value (after transaction costs) at least equal to the repurchase price to be paid under the Repurchase Agreement.

#### **L. When-Issued and Delayed Delivery Transactions**

The Company may purchase securities on a when-issued or delayed delivery basis. These transactions are arrangements by which securities are purchased with payment and delivery scheduled for a future time. The Company does not engage in when-issued and delayed delivery transactions for investment leverage or borrowing purposes.

#### **M. Distributions to Holders of Redeemable Participating Shares**

Distributions to holders of redeemable participating Shares are considered to be a finance cost and are recorded in the Statement of Comprehensive Income.

#### **N. Redeemable Participating Shares**

Redeemable participating Shares are issued and redeemed at the shareholder's option at prices based on that Fund's NAV per Share, for the relevant Share class, at the time of subscription or redemption. The relevant Fund's NAV per Share is calculated by dividing the net assets attributable to the holders of redeemable participating Shares with the total number of outstanding redeemable participating Shares. The Shares can be redeemed at the shareholder's option on any Dealing Day (as defined in the prospectus of the Company) and are classified as financial liabilities.

#### **O. Share Capital**

The Company's subscriber shares are classified as equity in accordance with the Company's Constitution. These shares do not participate in the profits of the Company.

#### **P. Transaction costs**

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of securities. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the security. When a security is recognised initially, it is measured at its market value, plus transaction costs that are directly attributable to the acquisition or issue of the security.

Transaction costs excluding depositary transaction fees on purchases or sales of securities are included within net realised appreciation/(depreciation) or net change in unrealised appreciation/(depreciation) of investments within the Statement of Comprehensive Income of each Fund.

#### **Q. Cross Holdings**

All cross holdings and intra-company transactions are presented in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares for the Company.

### **(3) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>		
	<b>2023 Fair Value</b>	<b>2022 Fair Value</b>
	<b>US\$</b>	<b>US\$</b>
<b>Financial assets held for trading</b>		
U.S. Government Agencies	17,993,092	152,739,077
U.S. Treasury	54,026,232	9,982,179
<b>TOTAL FINANCIAL ASSETS HELD FOR TRADING</b>	<b>72,019,324</b>	<b>162,721,256</b>
<b>Net Changes in fair value on financial assets through profit or loss</b>		
Realised	—	—
Unrealised	—	—
<b>TOTAL GAIN/(LOSS)</b>	<b>—</b>	<b>—</b>

Federated Hermes Short-Term U.S. Prime Fund		
	2023 Fair Value	2022 Fair Value
	US\$	US\$
<b>Financial assets held for trading</b>		
Asset Backed Securities	1,668,961	—
Notes – Variable	309,250,456	493,925,776
U.S. Treasury	49,823,046	—
TOTAL FINANCIAL ASSETS HELD FOR TRADING	360,742,463	493,925,776
<b>Financial assets designated as at fair value through profit or loss</b>		
Certificates of Deposit	253,662,346	184,251,128
Commercial Paper	475,579,352	371,483,280
Time Deposits	60,000,000	235,000,000
<b>Total financial assets designated as at fair value through profit or loss</b>	789,241,698	790,734,408
TOTAL FINANCIAL ASSETS	1,149,984,161	1,284,660,184
<b>Net Changes in fair value on financial assets through profit or loss</b>		
<b>Realised</b>		
Investments	16,379	16,937
Total Realised	16,379	16,937
<b>Unrealised</b>		
Investments	939,197	(262,850)
Total Unrealised	939,197	(262,850)
TOTAL GAIN/(LOSS)	955,576	(245,913)

Federated Hermes Short-Term Euro Prime Fund		
	2023 Fair Value	2022 Fair Value
	€	€
<b>Financial assets held for trading</b>		
Notes – Variable	4,397,641	—
U.S. Government Agencies	3,979,212	—
TOTAL FINANCIAL ASSETS HELD FOR TRADING	8,376,853	—
<b>Financial assets designated as at fair value through profit or loss</b>		
Certificates of Deposit	20,293,456	—
Commercial Paper	24,844,146	—
Time Deposits	19,078,997	—
<b>Total financial assets designated as at fair value through profit or loss</b>	64,216,599	—
TOTAL FINANCIAL ASSETS	72,593,452	—
<b>Net Changes in fair value on financial assets through profit or loss</b>		
<b>Realised</b>	—	—
<b>Unrealised</b>		
Investments	(3,463)	—
Total Unrealised	(3,463)	—
TOTAL GAIN/(LOSS)	(3,463)	—

#### (4) AUDITOR'S REMUNERATION

The fees paid to the Auditors (inclusive of VAT) for the financial year ended 31 December 2023 were US\$ 137,964 (31 December 2022: US\$ 92,066). This included fees in respect of non-audit services of US\$ nil (31 December 2022: US\$ 4,886). Out of pocket fees paid to the Auditor for the financial year ended 31 December 2023 were US\$ nil (31 December 2022: US\$ nil).

## (5) DISTRIBUTIONS TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

It is the policy of the Directors for Federated Hermes Short-Term U.S. Prime Fund (except Institutional Service Series-Accumulating), Federated Hermes Short-Term U.S. Government Securities Fund (except Investment-Growth Series) and Federated Hermes Short-Term Euro Prime Fund so far as possible to declare dividends of the Fund's net investment income daily and distribute them monthly on the first dealing day of each following month.

Details of distributions to shareholders paid by the Funds during the financial years ended 31 December 2023 and 31 December 2022 are disclosed in the Statement of Comprehensive Income.

Distributions payable as at 31 December 2023 were US\$ 8,965,499 (31 December 2022: US\$ 6,830,516).

Distributions comprise both income distributions and capital gain distributions. From time to time, the Short-Term Money Market Funds may realise capital gains or losses. If capital gains or losses were to occur, they could result in an increase or decrease in dividends.

Capital gain distributions in relation to the aforementioned Funds, if declared, will be payable at least annually and will be automatically reinvested in additional Shares without a sales charge unless cash payments are elected.

There were no capital gain distributions paid from the Funds during the financial years ended 31 December 2023 and 31 December 2022.

## (6) INCOME RECEIVABLE

	31 December 2023	31 December 2022
	US\$	US\$
Interest Receivable	5,145,893	3,201,907
TOTAL INCOME RECEIVABLE	5,145,893	3,201,907

## (7) CASH AND CASH EQUIVALENTS

	31 December 2023	31 December 2022
	US\$	US\$
<b>Cash and Cash Equivalents*</b>		
United States Dollar	1,163,102	557,567
Euro (translated into US\$)	53,012	—
TOTAL CASH AND CASH EQUIVALENTS	1,216,114	557,567

\* Cash and Cash Equivalents and any Bank Overdrafts are held with the Bank of New York Mellon SA/NV, Dublin Branch - the depositary of the Company (the "Depositary").

## (8) BALANCES DUE FROM BROKERS

	31 December 2023	31 December 2022
	US\$	US\$
Receivable from Repurchase Agreements	797,000,000	843,000,000

## (9) ACCRUED EXPENSES

	31 December 2023	31 December 2022
	US\$	US\$
Management Fees Payable	914,376	981,860
Fund Administration Fees Payable	479,389	98,972
Depositary Fees Payable	179,179	107,230
Directors' Fees Payable	30,278	7,985
Auditors' Remuneration	131,668	79,986
Other Creditors	138,713	163,613
TOTAL ACCRUED EXPENSES	1,873,603	1,439,646

## (10) SHARE CAPITAL

### Authorised

The authorised share capital of the Company is five hundred billion Shares of no par value. In addition, the Company has issued seven subscriber shares of no par value at a price of €1.27 each. Holders of all classes of shares are entitled to vote at meetings of shareholders. The share capital of the Company will at all times equal its NAV. The Directors can issue up to five hundred billion Shares at the NAV per Share on such terms, and in such Funds and Series as they deem fit. The Company is not subject to externally imposed capital requirements.

### Subscriber Shares

The subscriber shares do not form part of the NAV of the Company and are thus disclosed in the financial statements by way of this note only. Holders of subscriber shares are not entitled to share in the assets of the Company upon winding up and do not have any entitlement to dividends. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund.

### Redeemable Participating Shares

The net assets attributable to holders of redeemable participating Shares are at all times equal to the NAV of the Company. The participating Shares are in substance a liability to shareholders as they can be redeemed at any time at the option of the shareholder.

The movement in the number of participating Shares is as follows:

	Financial Year Ended 31 December 2023 Shares	Financial Year Ended 31 December 2022 Shares
<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>		
INSTITUTIONAL SERVICES – DIVIDEND SERIES		
Balance at beginning of financial year	79,633,302	240,542,361
Subscriptions	341,940,586	1,036,912,530
Reinvestments	2,788,489	642,713
Redemptions	(348,082,593)	(1,198,464,302)
Balance at end of financial year	76,279,784	79,633,302
INSTITUTIONAL SERIES		
Balance at beginning of financial year	375,740,527	242,469,074
Subscriptions	2,615,542,394	2,730,049,114
Reinvestments	2,413,461	838,540
Redemptions	(2,643,764,733)	(2,597,616,201)
Balance at end of financial year	349,931,649	375,740,527
INVESTMENT – DIVIDEND SERIES		
Balance at beginning of financial year	182,217,191	264,792,734
Subscriptions	567,867,379	468,199,761
Reinvestments	6,065,289	1,300,528
Redemptions	(613,042,203)	(552,075,832)
Balance at end of financial year	143,107,656	182,217,191
INVESTMENT – GROWTH SERIES		
Balance at beginning of financial year	161,616	1,847
Subscriptions	849,304	180,608
Reinvestments	—	—
Redemptions	(455,000)	(20,839)
Balance at end of financial year	555,920	161,616

	Financial Year Ended 31 December 2023 Shares	Financial Year Ended 31 December 2022 Shares
<b>Federated Hermes Short-Term U.S. Prime Fund</b>		
INSTITUTIONAL SERVICE SERIES		
Balance at beginning of financial year	412,041,785	533,709,081
Subscriptions	1,788,135,959	2,165,263,321
Reinvestments	15,511,699	5,477,404
Redemptions	(2,062,169,006)	(2,292,408,021)
Balance at end of financial year	153,520,437	412,041,785
INSTITUTIONAL SERVICE SERIES – ACCUMULATING*		
Balance at beginning of financial year	—	—
Subscriptions	3,619	—
Reinvestments	—	—
Redemptions	—	—
Balance at end of financial year	3,619	—
INSTITUTIONAL SERIES		
Balance at beginning of financial year	501,351,512	181,453,346
Subscriptions	1,991,802,414	2,442,644,068
Reinvestments	6,793,629	1,711,243
Redemptions	(2,244,158,947)	(2,124,457,145)
Balance at end of financial year	255,788,608	501,351,512
INVESTMENT – DIVIDEND SERIES		
Balance at beginning of financial year	685,929,280	704,134,790
Subscriptions	718,094,386	941,693,712
Reinvestments	26,142,357	5,432,895
Redemptions	(652,031,846)	(965,332,117)
Balance at end of financial year	778,134,177	685,929,280
INSTITUTIONAL SERVICES – DIVIDEND SERIES		
Balance at beginning of financial year	12,778,659	15,681,205
Subscriptions	33,801,381	22,739,779
Reinvestments	641,270	154,741
Redemptions	(33,541,420)	(25,797,066)
Balance at end of financial year	13,679,890	12,778,659
CLASS 1 SHARES**		
Balance at beginning of financial year	—	—
Subscriptions	834,602,479	—
Reinvestments	2,025,482	—
Redemptions	(693,230,334)	—
Balance at end of financial year	143,397,627	—
<b>Federated Hermes Short-Term Euro Prime Fund***</b>		
CLASS 2 SHARES-DISTRIBUTING		
Balance at beginning of financial year	—	—
Subscriptions	75,428,276	—
Reinvestments	—	—
Redemptions	(5,221,000)	—
Balance at end of financial year	70,207,276	—

	Financial Year Ended 31 December 2023 Shares	Financial Year Ended 31 December 2022 Shares
<b>CLASS 3 SHARES-DISTRIBUTING</b>		
Balance at beginning of financial year	—	—
Subscriptions	50,000	—
Reinvestments	—	—
Redemptions	—	—
Balance at end of financial year	50,000	—
<b>CLASS 5 SHARES-DISTRIBUTING</b>		
Balance at beginning of financial year	—	—
Subscriptions	50,000	—
Reinvestments	—	—
Redemptions	—	—
Balance at end of financial year	50,000	—

*Note: Shares outstanding round to the nearest whole number.*

\* Share class launched on 31 May 2023.

\*\* Share class launched on 15 August 2023.

\*\*\* Commenced operations on 30 May 2023.

Shares may be redeemed on each Dealing Day (as defined in the prospectus) subject to the Fund's Dealing Deadline (as defined in the prospectus). Redemption requests are effective only upon acceptance by the Administrator.

Shareholders, with the exception of holders of subscriber shares, are entitled to receive all dividends declared and paid by the Company. Upon winding up, the shareholders are entitled to a return of capital based on the NAV per Share of the respective Share series or classes.

## **(11) TAXES**

The Directors have been advised that, under current Irish law and practice, the Company qualifies as an investment undertaking for the purposes of Section 739B of the Taxes Consolidation Act, 1997, as amended so long as the Company is resident in Ireland. Accordingly, it is generally not chargeable to Irish tax on its income and gains.

However, Irish tax can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any payments of distributions to shareholders, any encashment, repurchase, redemption, cancellation or transfer of Shares and any deemed disposal of Shares as described below for Irish tax purposes arising as a result of holding Shares in the Company for a period of eight years or more. Where a chargeable event occurs, the Company is required to account for the Irish tax thereon.

No Irish tax will arise in respect of chargeable events where:

- the shareholder is neither a resident nor ordinarily resident in Ireland ("Non-Irish Resident") and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained in the declaration is not, or is no longer, materially correct; or
- the shareholder is a Non-Irish Resident and has confirmed that to the Company and the Company is in possession of written notice of approval from the Irish Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the shareholder and the approval has not been withdrawn; or
- the shareholder is an Exempt Irish Resident and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect.

In the absence of a signed and completed declaration or written notice of approval from the Irish Revenue Commissioners, as applicable, being in the possession of the Company at the relevant time there is a presumption that the shareholder is an Irish Resident or ordinarily resident in Ireland or is not an Exempt Irish Resident and a charge to tax arises.

## **(12) RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS**

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.



## Risk Management Structure

The Adviser is responsible for identifying and controlling risks. The Board of Directors supervises the Adviser and is ultimately responsible for the overall risk management approach within the Company.

Each Fund is exposed to risk arising from the financial instruments it holds including, but not limited to market price risk, interest rate risk, credit risk, liquidity risk and currency risk. As permitted, a Fund may use derivatives and other instruments in connection with its risk management activities.

Each Fund has investment guidelines that sets out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control hedging transactions in a timely and accurate manner. These guidelines are reviewed annually by the Directors and reviews are performed on a recurring basis to ensure that the Funds' guidelines are adhered to.

Each Fund's assets and liabilities comprise financial instruments which include:

- Fixed income securities and floating rate securities. These are held in accordance with each Fund's investment objectives and policies; and
- cash, liquid resources and short-term debtors and creditors that arise directly from its investment activities.

As an investment fund, each Fund buys, sells or holds financial assets and liabilities in order to take advantage of short-term changes in market prices or rates.

The risk management policies employed by the Manager to manage risks are discussed as follows:

### A. MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk; interest rate risk; and currency risk.

The Company's strategy on the management of market risk is driven by each Fund's investment objective. The Funds' market risk is mitigated by the Adviser through maintaining a well-diversified portfolio of investments. Each Fund's overall market position is monitored on a regular basis by the Adviser.

### B. PRICE RISK

Price risk is the risk that the value of a security or portfolio of securities will decline in the future.

As money market funds, the Federated Hermes Short-Term U.S. Government Securities Fund, Federated Hermes Short-Term U.S. Prime Fund and Federated Hermes Short-Term Euro Prime Fund generally have lower market price risks than other types of funds due to regulatory and prospectus limitations on the type, quality, and maturity of their portfolio securities. The Short-Term Money Market Funds invest in a diversified portfolio of highly-rated, short-term instruments with remaining maturities of 397 days or less, and maintain a weighted average maturity that will not exceed 60 days. Market price risks for the Short-Term Money Market Funds are further reduced by the Adviser's investment selection process.

### C. INTEREST RATE RISK

Interest rate risk is the risk (variability in value) borne by an interest-bearing asset, such as a bond, due to variability of interest rates. As certain Funds may invest in fixed income securities, any change to the relevant interest rates for particular securities may result in the Adviser being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing interest rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. Generally, if interest rates rise, the income potential of the Fund also rises. Conversely, a decline in interest rates will generally have the opposite effect.

Federated Hermes Short-Term U.S. Government Securities Fund, Federated Hermes Short-Term U.S. Prime Fund and Federated Hermes Short-Term Euro Prime Fund invest in low risk short-term investments. Interest rate changes have a greater effect on the price of fixed-income securities with longer durations. Accordingly, it is expected that the Short-Term Money Market Funds will carry a low degree of interest rate risk.

Duration is a measure of a bond's (or bond portfolio's) volatility or sensitivity to changes in interest rates. It is a weighted-average term-to-maturity of the bond's cash flows, the weights being the present value of each cash flow as a percentage of the bond's full price. In short, duration is a measure of how long, in terms of years, it takes for the price of a bond to be repaid by its internal cash flows. Bonds with longer durations will be more volatile and have more risk than bonds with lower durations. It represents the approximate change in price for a 1% (100 basis points) change in yield. For example, a duration of 3 means that the price of a bond will change by approximately 3% for a 1% change in yield.

The tables that follow represent the interest rate risk maturity profile for each Fund as at 31 December 2023 and 31 December 2022:

<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>						
<b>31 December 2023</b>	<b>Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>Greater Than 1 Year</b>	<b>Non- Interest Bearing</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
ASSETS						
Held for trading:						
Debt Instruments	27,454,608	22,811,721	21,752,995	—	—	72,019,324
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	600,000,000	—	—	—	—	600,000,000
Cash and receivables:						
Cash and cash equivalents	542,859	—	—	—	—	542,859
Interest and other receivables	—	—	—	—	511,903	511,903
<b>TOTAL ASSETS</b>	<b>627,997,467</b>	<b>22,811,721</b>	<b>21,752,995</b>	<b>—</b>	<b>511,903</b>	<b>673,074,086</b>
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts payable	—	—	—	—	2,515,164	2,515,164
Accrued expenses	—	—	—	—	573,859	573,859
<b>TOTAL LIABILITIES</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,089,023</b>	<b>3,089,023</b>
<b>TOTAL INTEREST SENSITIVITY GAP</b>	<b>627,997,467</b>	<b>22,811,721</b>	<b>21,752,995</b>	<b>—</b>		

<b>Federated Hermes Short-Term U.S. Prime Fund</b>						
<b>31 December 2023</b>	<b>Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>Greater Than 1 Year</b>	<b>Non-Interest Bearing</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
ASSETS						
Held for trading:						
Debt Instruments	313,031,476	—	47,710,987	—	—	360,742,463
Designated at fair value through Profit or Loss upon initial recognition:						
Money Instruments	253,307,079	243,147,791	292,786,828	—	—	789,241,698
Balances due from Brokers – Repurchase Agreements	197,000,000	—	—	—	—	197,000,000
Cash and receivables:						
Cash and cash equivalents	620,243	—	—	—	—	620,243
Interest and other receivables	—	—	—	—	4,617,131	4,617,131
<b>TOTAL ASSETS</b>	<b>763,958,798</b>	<b>243,147,791</b>	<b>340,497,815</b>	<b>—</b>	<b>4,617,131</b>	<b>1,352,221,535</b>
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts payable	—	—	—	—	6,180,415	6,180,415
Accrued expenses	—	—	—	—	1,133,502	1,133,502
<b>TOTAL LIABILITIES</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,313,917</b>	<b>7,313,917</b>
<b>TOTAL INTEREST SENSITIVITY GAP</b>	<b>763,958,798</b>	<b>243,147,791</b>	<b>340,497,815</b>	<b>—</b>		

Federated Hermes Short-Term Euro Prime Fund						
31 December 2023	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	€	€	€	€	€	€
ASSETS						
Held for trading:						
Debt Instruments	2,398,093	5,978,760	—	—	—	8,376,853
Designated at fair value through Profit or Loss upon initial recognition:						
Money Instruments	22,078,232	35,717,834	6,420,533	—	—	64,216,599
Balances due from Brokers – Repurchase Agreements	—	—	—	—	—	—
Cash and receivables:						
Cash and cash equivalents	47,705	—	—	—	—	47,705
Interest and other receivables	—	—	—	—	41,628	41,628
TOTAL ASSETS	24,524,030	41,696,594	6,420,533	—	41,628	72,682,785
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts payable	—	—	—	—	2,229,370	2,229,370
Accrued expenses	—	—	—	—	149,600	149,600
TOTAL LIABILITIES	—	—	—	—	2,378,970	2,378,970
TOTAL INTEREST SENSITIVITY GAP	24,524,030	41,696,594	6,420,533	—		

Federated Hermes Short-Term U.S. Government Securities Fund						
31 December 2022	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	Non-Interest Bearing	Total
	US\$	US\$	US\$	US\$	US\$	US\$
ASSETS						
Held for trading:						
Debt Instruments	101,972,961	56,748,738	3,999,557	—	—	162,721,256
Designated at fair value through Profit or Loss upon initial recognition:						
Balances due from Brokers – Repurchase Agreements	514,000,000	—	—	—	—	514,000,000
Cash and receivables:						
Cash and cash equivalents	32,666	—	—	—	—	32,666
Interest and other receivables	—	—	—	—	1,281,069	1,281,069
TOTAL ASSETS	616,005,627	56,748,738	3,999,557	—	1,281,069	678,034,991
LIABILITIES EXCLUDING REDEEMABLE SHARES						
Financial liabilities measured at amortised cost:						
Accounts payable	—	—	—	—	11,910,556	11,910,556
Accrued expenses	—	—	—	—	416,372	416,372
TOTAL LIABILITIES	—	—	—	—	12,326,928	12,326,928
TOTAL INTEREST SENSITIVITY GAP	616,005,627	56,748,738	3,999,557	—		

<b>Federated Hermes Short-Term U.S. Prime Fund</b>						
<b>31 December 2022</b>	<b>Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>Greater Than 1 Year</b>	<b>Non-Interest Bearing</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>ASSETS</b>						
Held for trading:						
Debt Instruments	197,062,211	121,762,240	175,101,325	—	—	493,925,776
Designated at fair value through Profit or Loss upon initial recognition:						
Money Instruments	477,163,299	228,584,465	84,986,644	—	—	790,734,408
Balances due from Brokers – Repurchase Agreements	329,000,000	—	—	—	—	329,000,000
Cash and receivables:						
Cash and cash equivalents	524,901	—	—	—	—	524,901
Interest and other receivables	—	—	—	—	2,935,147	2,935,147
<b>TOTAL ASSETS</b>	<b>1,003,750,411</b>	<b>350,346,705</b>	<b>260,087,969</b>	<b>—</b>	<b>2,935,147</b>	<b>1,617,120,232</b>
<b>LIABILITIES EXCLUDING REDEEMABLE SHARES</b>						
Financial liabilities measured at amortised cost:						
Accounts payable	—	—	—	—	4,919,960	4,919,960
Accrued expenses	—	—	—	—	1,023,274	1,023,274
<b>TOTAL LIABILITIES</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,943,234</b>	<b>5,943,234</b>
<b>TOTAL INTEREST SENSITIVITY GAP</b>	<b>1,003,750,411</b>	<b>350,346,705</b>	<b>260,087,969</b>	<b>—</b>		

#### D. CURRENCY RISK

Currency risk is a form of risk that arises from the change in price of one currency against another. Whenever a Fund's portfolio includes assets that are denominated in different currencies, it is subject to currency risk if the portfolio's positions are not hedged. The Adviser monitors currency risk by constantly reviewing and evaluating central bank policies, political developments, and macro-economic conditions in the countries where the Funds invest.

The Federated Hermes Short-Term U.S. Government Securities Fund, Federated Hermes Short-Term U.S. Prime Fund and Federated Hermes Short-Term Euro Prime Fund were not materially exposed to currency risk for the financial years ended 31 December 2023 and 31 December 2022.

#### E. CREDIT RISK

Credit risk is the possibility that an issuer of a fixed income security will default on a security by failing to pay interest or principal when due. The Federated Hermes Short-Term U.S. Government Securities Fund, Federated Hermes Short-Term U.S. Prime Fund and Federated Hermes Short-Term Euro Prime Fund have exposure to credit risks with the counterparties with whom they trade and also incur the risk of settlement default. These Funds minimise concentrations of credit risks by undertaking transactions with a large number of customers and counterparties on recognised and reputable exchanges. The Federated Hermes Short-Term U.S. Government Securities Fund is rated AAAM by Standard & Poor's ("S&P") and Aaa-mf by Moody's Investors Service ("Moody's"). The Federated Hermes Short-Term U.S. Prime Fund and Federated Hermes Short-Term Euro Prime Fund invest in securities that must be rated in one of the three highest short-term rating categories by one or more of the recognised credit rating agencies or be of comparable quality to securities having such ratings.

The Adviser utilises several committees to manage credit risk exposure of the Funds, including a counterparty risk committee, a bank credit committee, an asset-backed committee and a corporate credit committee. Each committee is chaired by the Adviser's Director of Investment Research, and voting members include a team of portfolio managers and senior analysts. These committees are tasked with reviewing each issuer and counterparty and assigning an internal rating of "1" to "5" with 1 being the strongest (equivalent of an issuer with the highest possible short-term rating from S&P or Moody's). The committee decisions incorporate the recommendations of the analysts and the market view of the portfolio managers. After the initial assessment, the Adviser continually monitors the internal ratings assigned through ongoing analysis and coverage of major credit events, such as mergers or reorganisations, management changes, periodic financial reports from issuers and counterparties, and credit rating changes.

Substantially all of the assets of the Funds are held in segregated accounts with the Depositary. The bankruptcy or insolvency of the Depositary may cause the Funds' rights with respect to securities and cash held by the Depositary to be delayed or limited. The Adviser monitors this risk by reviewing the credit quality and financial positions of the Depositary.

The carrying amounts of the financial assets most appropriately represent the maximum credit risk exposure at the Statement of Financial Position date. As at 31 December 2023 and 31 December 2022, the Funds held no impaired financial assets.

At the reporting date, the Funds' financial assets exposed to credit risk amounted to the following:

<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>		
	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>US\$</b>	<b>US\$</b>
Balances due from Brokers – Repurchase Agreements	600,000,000	514,000,000
Cash	542,859	32,666
Investments in debt instruments	72,019,324	162,721,256
Interest receivable	484,668	274,002
Other debtors	27,235	1,007,067
<b>TOTAL</b>	<b>673,074,086</b>	<b>678,034,991</b>

<b>Federated Hermes Short-Term U.S. Prime Fund</b>		
	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>US\$</b>	<b>US\$</b>
Balances due from Brokers – Repurchase Agreements	197,000,000	329,000,000
Cash	620,243	524,901
Investments in debt instruments	360,742,463	493,925,776
Investments in money market instruments	789,241,698	790,734,408
Interest receivable	4,614,966	2,927,905
Other debtors	2,165	7,242
<b>TOTAL</b>	<b>1,352,221,535</b>	<b>1,617,120,232</b>

<b>Federated Hermes Short-Term Euro Prime Fund*</b>		
	<b>31 December 2023</b>	<b>31 December 2022</b>
	<b>EUR</b>	<b>EUR</b>
Cash	47,705	—
Investments in debt instruments	8,376,853	—
Investments in money market instruments	64,216,599	—
Interest receivable	41,628	—
<b>TOTAL</b>	<b>72,682,785</b>	<b>—</b>

\* Commenced operations 30 May 2023.

Amounts in the tables above are based on the carrying value of all accounts.

For Funds with significant credit risk exposure the following are their credit ratings:

**Federated Hermes Short-Term U.S. Government Securities Fund**

At 31 December 2023, the Fund's credit quality ratings composition<sup>2</sup> was as follows:

<b>S &amp; P Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>		<b>Moody's Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>	
	<b>%</b>		<b>%</b>
A-1+	10.7	P-1	85.9
A-1	89.3	P-2	14.1
Not Rated by S&P	0.0	Not Rated by Moody's	0.0
<b>TOTAL</b>	<b>100.0</b>	<b>TOTAL</b>	<b>100.0</b>

**Federated Hermes Short-Term U.S. Prime Fund**

At 31 December 2023, the Fund's credit quality ratings composition<sup>2</sup> was as follows:

<b>S &amp; P Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>		<b>Moody's Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>	
	<b>%</b>		<b>%</b>
A-1+	25.6	P-1	97.7
A-1	74.4	P-2	2.2
Not Rated by S&P	0.0	Not Rated by Moody's	0.1
<b>TOTAL</b>	<b>100.0</b>	<b>TOTAL</b>	<b>100.0</b>

**Federated Hermes Short-Term Euro Prime Fund**

At 31 December 2023, the Fund's credit quality ratings composition<sup>2</sup> was as follows:

<b>S &amp; P Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>		<b>Moody's Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>	
	<b>%</b>		<b>%</b>
A-1+	23.8	P-1	95.9
A-1	76.2	P-2	0.0
Not Rated by S&P	0.0	Not Rated by Moody's	4.1
<b>TOTAL</b>	<b>100.0</b>	<b>TOTAL</b>	<b>100.0</b>

**Federated Hermes Short-Term U.S. Government Securities Fund**

At 31 December 2022, the Fund's credit quality ratings composition<sup>2</sup> was as follows:

<b>S &amp; P Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>		<b>Moody's Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>	
	<b>%</b>		<b>%</b>
A-1+	24.0	P-1	86.7
A-1	76.0	P-2	13.3
Not Rated by S&P	0.0	Not Rated by Moody's	0.0
<b>TOTAL</b>	<b>100.0</b>	<b>TOTAL</b>	<b>100.0</b>

**Federated Hermes Short-Term U.S. Prime Fund**

At 31 December 2022, the Fund's credit quality ratings composition<sup>2</sup> was as follows:

<b>S &amp; P Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>		<b>Moody's Short-Term Ratings as Percentage of Total Investments<sup>1</sup></b>	
	<b>%</b>		<b>%</b>
A-1+	22.0	P-1	97.5
A-1	78.0	P-2	2.2
Not Rated by S&P	0.0	Not Rated by Moody's	0.3
<b>TOTAL</b>	<b>100.0</b>	<b>TOTAL</b>	<b>100.0</b>

1. Total investments refer to the Net of Financial Assets at Fair Value through Profit or Loss and Balances due from Brokers as shown on the Statement of Financial Position.
2. These tables depict the short-term credit-quality ratings assigned to the Fund's portfolio holdings by S&P and Moody's.



Rated securities include a security with an obligor and/or credit enhancer that has received a rating from a recognised credit rating agency with respect to a class of debt obligations that is comparable in priority and security with the security held by the Fund. Credit-quality ratings are an assessment of the risk that a security will default in payment and do not address other risks presented by the security.

Repurchase agreements are transactions in which a Fund purchases securities from a bank or recognised securities dealer and simultaneously commits to resell the securities to the bank or dealer at an agreed-upon date and price reflecting a market rate of interest unrelated to the coupon rate or maturity of the purchased securities. The Funds invest in repurchase agreements, subject to conditions and limitations outlined by the Central Bank.

It is the policy of the Funds to require the other party to a repurchase agreement to transfer to the Depositary or to sub-custodians 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 Funds have established procedures for monitoring the market value of the transferred securities and require the transfer of additional eligible securities if necessary, to equal at least the repurchase price.

As at 31 December 2023 and 31 December 2022, the Funds participated in repurchase agreements as set out in the following tables:

	31 December 2023	31 December 2022
<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>		
Participation in Repurchase Agreements (US\$)	600,000,000	514,000,000
Collateral (U.S. Government Agencies) (US\$)	612,362,236 <sup>(i)</sup>	524,510,894 <sup>(ii)</sup>
<b>Federated Hermes Short-Term U.S. Prime Fund</b>		
Participation in Repurchase Agreements (US\$)	197,000,000	329,000,000
Collateral (U.S. Government Agencies) (US\$)	201,044,306 <sup>(iii)</sup>	335,725,065 <sup>(iv)</sup>
<b>Federated Hermes Short-Term Euro Prime Fund</b>		
Participation in Repurchase Agreements EUR	—	—
Collateral (U.S. Government Agencies) EUR	—	—

- (i) Cash collateral was received from the following counterparties: Bank of America Merrill Lynch, Barclays Capital, Inc., BNP Paribas Securities Corp., Citigroup Global Markets Inc., HSBC Securities (USA) Inc., NatWest Markets Securities, Inc., and Wells Fargo Securities LLC.
- (ii) Cash collateral was received from the following counterparties: Bank of America Merrill Lynch, Barclays Capital, Inc., BNP Paribas Securities Corp., Citigroup Global Markets Inc., HSBC Securities (USA) Inc., Natixis Financial Products LLC and Wells Fargo Securities LLC.
- (iii) Cash collateral was received from the following counterparties: Bank of America Merrill Lynch, BNP Paribas Securities Corp., Citigroup Global Markets Inc., HSBC Securities (USA) Inc., NatWest Markets Securities, Inc., and Wells Fargo Securities LLC.
- (iv) Cash collateral was received from the following counterparties: Bank of America Merrill Lynch, BNP Paribas Securities Corp., Citigroup Global Markets Inc., HSBC Securities (USA) Inc., Natixis Financial Products LLC and Wells Fargo Securities LLC.

#### F. LIQUIDITY RISK

Liquidity risk refers to the possibility that the Funds may not be able to discharge their debts as they become due. The Funds provide for the purchase and redemption of Shares on any Dealing Day (as defined in the prospectus) and are therefore exposed to the liquidity risk of meeting shareholder redemptions on Dealing Days. However, the Funds' assets comprise mainly of readily realisable securities, which can be readily sold. In the event of receipt of a substantial number of redemption requests from shareholders in a short period of time, a Fund may have difficulty selling a sufficient amount of securities to pay redemption proceeds to redeeming shareholders. In such situations where such requests exceed one-tenth of the number of Shares in issue, in order to protect the interests of non-redeeming shareholders, the Directors may in their discretion refuse to redeem any Fund Shares in excess of one-tenth of the total number of Shares in issue for that Fund, and, if they so refuse, the requests for redemption on such Dealing Day shall be reduced rateably and the Shares to which each request relates which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made on each subsequent Dealing Day until all of the Shares to which the original request related have been redeemed. Requests for redemption which have been carried forward from an earlier Dealing Day shall (subject to the foregoing) have priority to later redemption requests.

The tables below analyse each Fund's financial assets and financial liabilities into maturity groupings based on the remaining period from the financial year-end date to the contractual maturity date. The amounts in the tables are the contractual commitments, based on undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the amount of discounting is not significant.

<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>					
<b>31 December 2023</b>	<b>Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>Greater Than 1 Year</b>	<b>No Stated Maturity</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>FINANCIAL ASSETS</b>					
Financial assets at fair value through profit or loss	27,454,608	22,811,721	21,752,995	—	—
Balances due from Brokers – Repurchase Agreements	600,000,000	—	—	—	—
Other receivables	511,903	—	—	—	—
Cash and cash equivalents	542,859	—	—	—	—
<b>TOTAL ASSETS</b>	<b>628,509,370</b>	<b>22,811,721</b>	<b>21,752,995</b>	<b>—</b>	<b>—</b>
<b>FINANCIAL LIABILITIES</b>					
Accounts payable	2,515,164	—	—	—	—
Accrued expenses	573,859	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	669,985,063	—	—	—	—
<b>TOTAL LIABILITIES</b>	<b>673,074,086</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

<b>Federated Hermes Short-Term U.S. Prime Fund</b>					
<b>31 December 2023</b>	<b>Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>Greater Than 1 Year</b>	<b>No Stated Maturity</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>FINANCIAL ASSETS</b>					
Financial assets at fair value through profit or loss	566,338,555	243,147,791	340,497,815	—	—
Balances due from Brokers – Repurchase Agreements	197,000,000	—	—	—	—
Other receivables	4,617,131	—	—	—	—
Cash and cash equivalents	620,243	—	—	—	—
<b>TOTAL ASSETS</b>	<b>768,575,929</b>	<b>243,147,791</b>	<b>340,497,815</b>	<b>—</b>	<b>—</b>
<b>FINANCIAL LIABILITIES</b>					
Accounts payable	6,180,415	—	—	—	—
Accrued expenses	1,133,502	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	1,344,907,618	—	—	—	—
<b>TOTAL LIABILITIES</b>	<b>1,352,221,535</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

Federated Hermes Short-Term Euro Prime Fund					
31 December 2023	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	€	€	€	€	€
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	24,476,325	41,696,594	6,420,533	—	—
Other receivables	41,628	—	—	—	—
Cash and cash equivalents	47,705	—	—	—	—
TOTAL ASSETS	24,565,658	41,696,594	6,420,533	—	—
FINANCIAL LIABILITIES					
Accounts payable	2,229,370	—	—	—	—
Accrued expenses	149,600	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	70,303,815	—	—	—	—
TOTAL LIABILITIES	72,682,785	—	—	—	—

Federated Hermes Short-Term U.S. Government Securities Fund					
31 December 2022	Less Than 1 Month	1-3 Months	3 Months to 1 Year	Greater Than 1 Year	No Stated Maturity
	US\$	US\$	US\$	US\$	US\$
FINANCIAL ASSETS					
Financial assets at fair value through profit or loss	101,972,961	56,748,738	3,999,557	—	—
Balances due from Brokers – Repurchase Agreements	514,000,000	—	—	—	—
Other receivables	1,281,069	—	—	—	—
Cash and cash equivalents	32,666	—	—	—	—
TOTAL ASSETS	617,286,696	56,748,738	3,999,557	—	—
FINANCIAL LIABILITIES					
Accounts payable	11,910,556	—	—	—	—
Accrued expenses	416,372	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	665,708,063	—	—	—	—
TOTAL LIABILITIES	678,034,991	—	—	—	—

<b>Federated Hermes Short-Term U.S. Prime Fund</b>					
<b>31 December 2022</b>	<b>Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>Greater Than 1 Year</b>	<b>No Stated Maturity</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>FINANCIAL ASSETS</b>					
Financial assets at fair value through profit or loss	674,225,510	350,346,705	260,087,969	—	—
Balances due from Brokers – Repurchase Agreements	329,000,000	—	—	—	—
Other receivables	2,935,147	—	—	—	—
Cash and cash equivalents	524,901	—	—	—	—
<b>TOTAL ASSETS</b>	<b>1,006,685,558</b>	<b>350,346,705</b>	<b>260,087,969</b>	<b>—</b>	<b>—</b>
<b>FINANCIAL LIABILITIES</b>					
Accounts payable	4,919,960	—	—	—	—
Accrued expenses	1,023,274	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares	1,611,176,998	—	—	—	—
<b>TOTAL LIABILITIES</b>	<b>1,617,120,232</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

#### G. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Under FRS 102, the Company is required to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in determining the measurements. The fair value hierarchy consists of the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

There were no securities classified as level 3 held in any of the Funds at 31 December 2023 and 31 December 2022.

During the financial years ended 31 December 2023 and 31 December 2022 there were no significant transfers between Levels 1, 2 or 3 of the fair value hierarchy for financial assets and liabilities which were recorded at fair value.

The following tables analyse the financial assets of each Fund against the fair value hierarchy and measures them at fair value as at 31 December 2023 and 31 December 2022 in accordance with FRS 102.

<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>				
<b>Fair value measurement as at 31 December 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Financial assets at fair value through profit or loss				
U.S. Government Agencies	—	17,993,092	—	17,993,092
U.S. Treasury	—	54,026,232	—	54,026,232
<b>TOTAL</b>	<b>—</b>	<b>72,019,324</b>	<b>—</b>	<b>72,019,324</b>

<b>Federated Hermes Short-Term U.S. Prime Fund</b>				
<b>Fair value measurement as at 31 December 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Financial assets at fair value through profit or loss				
Asset Backed Securities	—	1,668,961	—	1,668,961
Certificates of Deposit	—	253,662,346	—	253,662,346
Commercial Paper	—	475,579,352	—	475,579,352
Notes – Variable	—	309,250,456	—	309,250,456
Time Deposits	—	60,000,000	—	60,000,000
U.S. Treasury	—	49,823,046	—	49,823,046
<b>TOTAL</b>	<b>—</b>	<b>1,149,984,161</b>	<b>—</b>	<b>1,149,984,161</b>

<b>Federated Hermes Short-Term Euro Prime Fund</b>				
<b>Fair value measurement as at 31 December 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Financial assets at fair value through profit or loss				
Certificates of Deposit	—	20,293,456	—	20,293,456
Commercial Paper	—	24,844,146	—	24,844,146
Notes – Variable	—	4,397,641	—	4,397,641
Time Deposits	—	19,078,997	—	19,078,997
U.S. Government Agencies	—	3,979,212	—	3,979,212
<b>TOTAL</b>	<b>—</b>	<b>72,593,452</b>	<b>—</b>	<b>72,593,452</b>

<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>				
<b>Fair value measurement as at 31 December 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Financial assets at fair value through profit or loss				
U.S. Government Agencies	—	152,739,077	—	152,739,077
U.S. Treasury	—	9,982,179	—	9,982,179
<b>TOTAL</b>	<b>—</b>	<b>162,721,256</b>	<b>—</b>	<b>162,721,256</b>

<b>Federated Hermes Short-Term U.S. Prime Fund</b>				
<b>Fair value measurement as at 31 December 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Financial assets at fair value through profit or loss				
Certificates of Deposit	—	184,251,128	—	184,251,128
Commercial Paper	—	371,483,280	—	371,483,280
Notes – Variable	—	493,925,776	—	493,925,776
Time Deposits	—	235,000,000	—	235,000,000
<b>TOTAL</b>	<b>—</b>	<b>1,284,660,184</b>	<b>—</b>	<b>1,284,660,184</b>

### (13) TRANSACTION COSTS

Separately identifiable transaction costs were not incurred by the Funds during the financial years ended 31 December 2023 and 31 December 2022. Such costs would include brokerage commissions and broker fees on security transactions.

Not all transaction costs are separately identifiable. For fixed income investments, transaction costs will be included in the purchase and sales price of the investment and not separately disclosed as transaction costs.

**(14) NET ASSET VALUE DETAILS**

	Financial Year Ended 31 December 2023		Financial Year Ended 31 December 2022		Financial Year Ended 31 December 2021	
	NAV	NAV per Share	NAV	NAV per Share	NAV	NAV per Share
<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>						
Institutional Services – Dividend Series	US\$ 76,279,738	US\$ 1.00	US\$ 79,633,197	US\$ 1.00	US\$ 240,542,475	US\$ 1.00
Institutional Series	US\$ 349,931,484	US\$ 1.00	US\$ 375,740,367	US\$ 1.00	US\$ 242,468,802	US\$ 1.00
Investment – Dividend Series	US\$ 143,107,549	US\$ 1.00	US\$ 182,217,075	US\$ 1.00	US\$ 264,792,507	US\$ 1.00
Investment – Growth Series	US\$ 100,666,292	US\$ 181.08	US\$ 28,117,424	US\$ 173.98	US\$ 318,493	US\$ 172.41
<b>Federated Hermes Short-Term U.S. Prime Fund</b>						
Institutional Service Series	US\$ 153,522,468	US\$ 1.00	US\$ 411,806,522	US\$ 1.00	US\$ 533,445,078	US\$ 1.00
Institutional Service Series – Accumulating*	US\$ 372,920	US\$ 103.05	US\$ —	US\$ —	US\$ —	US\$ —
Institutional Series	US\$ 255,792,289	US\$ 1.00	US\$ 501,065,488	US\$ 1.00	US\$ 181,363,251	US\$ 1.00
Investment – Dividend Series	US\$ 778,141,962	US\$ 1.00	US\$ 685,533,624	US\$ 1.00	US\$ 703,800,445	US\$ 1.00
Institutional Services – Dividend Series	US\$ 13,680,097	US\$ 1.00	US\$ 12,771,364	US\$ 1.00	US\$ 15,673,946	US\$ 1.00
Class 1 Shares**	US\$ 143,397,882	US\$ 1.00	US\$ —	US\$ —	US\$ —	US\$ —
<b>Federated Hermes Short-Term Euro Prime Fund***</b>						
Class 2 Shares-Distributing	€ 70,203,819	€ 1.00	€ —	€ —	€ —	€ —
Class 3 Shares-Distributing	€ 49,998	€ 1.00	€ —	€ —	€ —	€ —
Class 5 Shares-Distributing	€ 49,998	€ 1.00	€ —	€ —	€ —	€ —

Note: Net Asset Values round to the nearest whole number.

\* Share class launched on 31 May 2023.

\*\* Share class launched on 15 August 2023.

\*\*\* Commenced operations on 30 May 2023.

**(15) SOFT COMMISSION ARRANGEMENTS**

There were no soft commission arrangements entered into by the Funds during the financial years ended 31 December 2023 and 31 December 2022.

**(16) CONTINGENT LIABILITIES**

As at 31 December 2023, no commitments or contingent liabilities exist (31 December 2022: none).

**(17) RELATED PARTIES TRANSACTIONS**

Parties are considered to be related if one party has the ability to control the other party or is able to exercise significant influence over the other party, in making financial or other operational decisions.

The following are deemed connected persons and/or related parties transactions:

**Manager**

Effective 1 January 2022, Hermes Fund Managers Ireland Limited (the “Manager” or “HFMIL”) was appointed as manager of the Company. HFMIL is part of the Federated Hermes group and is authorised by the Central Bank as a UCITS management company pursuant to the UCITS Regulations. Pursuant to HFMIL’s appointment as the manager of the Company, HFMIL is responsible for all of the obligations of a UCITS management company of the Company.

HFMIL receives for its services an annual management fee equal to 1.00% of the average daily net assets of the Funds.

HFMIL has voluntarily undertaken to waive the amount by which the Funds' aggregate annual operating expenses exceed the voluntary expense limitations of the Funds. Such operating expenses include the management fee, but exclude interest, taxes (including any withholding tax applicable to portfolio securities or distributions to shareholders and any costs associated therewith), brokerage commissions, insurance premiums, the costs associated with registering the Company, the Funds or the Shares with any governmental or regulatory authority or with any stock market or other regulated market and extraordinary expenses. The expense limitations of the Funds are as follows:

<b>Fund</b>	<b>Voluntary Expense Cap as a Percentage of Average Daily Net Assets</b>
<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>	
Institutional Services – Dividend Series	0.65%
Institutional Series	0.20%
Investment – Dividend Series	1.08%
Investment – Growth Series	1.05%
<b>Federated Hermes Short-Term U.S. Prime Fund</b>	
Institutional Service Series	0.45%
Institutional Service Series – Accumulating	0.45%
Institutional Series	0.20%
Investment – Dividend Series	1.00%
Institutional Services – Dividend Series	0.55%
Class 1 Shares	0.20%
<b>Federated Hermes Short-Term Euro Prime Fund</b>	
Class 2 Shares-Distributing	0.08%
Class 3 Shares-Distributing	0.10%
Class 5 Shares-Distributing	0.20%

Pursuant to an Amended and Restated Investment Advisory Agreement dated 5 June 2009, as amended by addenda dated 1 July 2011, 17 December 2012 and 24 November 2015 and as novated with effect from 1 January 2022, Federated Investment Counseling ("FIC") is retained to act as investment adviser (the "Adviser") in relation to all of the Funds in operation. The Adviser provides the Manager with research and assists the Manager in the purchase, sale and exchange of the Funds' investments. The advisory fee is discharged by the Manager from its management fee.

For the financial year ended 31 December 2023, the management fee recorded across the Funds amounted to US\$ 21,174,063 (31 December 2022: US\$ 23,364,494) of which US\$ 10,029,644 (31 December 2022: US\$ 10,728,721) was voluntarily waived by the Manager. Expenses totalling US\$ 370,951 (31 December 2022: US\$ 3,370,551) were also voluntarily reimbursed by the Manager. From the management fee, the Manager paid advisory fees to the Adviser in the amount of US\$ 1,076,652 and US\$ 1,036,136 for the financial years ended 31 December 2023 and 31 December 2022, respectively.

During the financial year ended 31 December 2023, the Manager, on behalf of Federated Hermes Short-Term U.S. Prime Fund and Federated Hermes Short-Term Euro Prime Fund voluntarily reimbursed other operating expenses for such Funds in the amounts of US\$ 353 and €342,444, respectively. During the year ended 31 December 2023, the Manager did not reimburse Federated Hermes Short-Term U.S. Government Securities Fund for other operating expenses.

During the financial year ended 31 December 2022, the Manager, on behalf of Federated Hermes Short-Term U.S. Government Securities Fund and Federated Hermes Short-Term U.S. Prime Fund voluntarily reimbursed other operating expenses for such Funds in the amounts of US\$ 1,316,870 and US\$ 2,053,681, respectively.

Federated Administrative Services, Inc. ("FASI"), an affiliate of the Manager, under an agreement with the Manager, provides the Manager with operational support services. The fee for this support is calculated taking into consideration the average daily net assets of all funds advised and sponsored by group companies of Federated Hermes, the ultimate parent company of the Manager. The fee ranges from 0.1% on assets up to US\$ 50 billion to 0.075% on assets in excess of US\$ 50 billion. This fee is paid by the Manager out of its management fee. The Manager paid fees to FASI in the amount of US\$ 433,062 and US\$ 471,554 for the financial years ended 31 December 2023 and 31 December 2022, respectively.

HFMIL acting through its German branch serves as information agent for the Company in the Federal Republic of Germany. HFMIL received no fees for its services for the financial years ended 31 December 2023 and 31 December 2022.

Hermes Investment Management Limited ("HIML") serves as distributor of the Funds. The Manager paid fees to HIML in the amount of US\$ 433,092 and US\$ 373,928 for its services for the financial years ended 31 December 2023 and 31 December 2022, respectively.

## **Directors**

As of the date of issuance of this report, Michael Boyce, Joseph L. Kagan, Gregory P. Dulski, Sylvie McLaughlin and Patrick M. Wall are the directors ("Directors") of the Company.



Effective 1 January 2024, Michael Boyce was appointed Chairman of Company; Patrick M. Wall was appointed as a Director of the Company; and Ronan Walsh resigned as Chairman and a Director of the Company, respectively.

Joseph L. Kagan is General Counsel of FHL in London, having responsibility for the firm's legal and company secretarial functions, and a member of FHL's Senior Management Team.

Gregory P. Dulski is Chief Regulatory Officer, Head of Government Affairs and a member of FHL's Senior Management Team, and holds other positions with a number of non-U.S. affiliates of Federated Hermes. Mr. Dulski is responsible for leadership and oversight of FHL's Compliance, Financial Crime and Risk functions, whilst serving as senior counsel of Federated Hermes, which includes advocating with global policy makers and oversight of all legal and regulatory matters impacting Federated Hermes' international operations.

Sylvie McLaughlin, Head of Office of HFML, is a qualified solicitor and a member of FHL's Senior Management Team.

As of the date of issuance of this report, Michael Boyce, Joseph L. Kagan, Gregory P. Dulski and Sylvie McLaughlin are also directors of HFML, the UCITS management company of the Company. In addition, Ronan Walsh is a director, and Chairman (effective 1 January 2024), of HFML.

The Independent Directors' fees recorded across all Funds for the financial year ended 31 December 2023 were US\$ 58,866 (31 December 2022: US\$ 32,954) of which US\$ 30,278 was payable to the Independent Directors as at 31 December 2023 (31 December 2022: US\$ 7,985).

## **(18) EFFICIENT PORTFOLIO MANAGEMENT**

The Adviser for the Funds may employ certain investment techniques and transact in instruments such as repurchase agreements and reverse repurchase agreements for efficient portfolio management, subject to the conditions and within the limits established by the Central Bank.

All of the repurchase agreements disclosed in the portfolio of investments and the repurchase agreements disclosed on page 32 are for the purposes of efficient portfolio management.

As at 31 December 2023 and 31 December 2022, none of the Funds held any derivative instruments.

The revenue arising from the efficient portfolio management techniques consists of repurchase agreement interest income (disclosed in the Statement of Comprehensive Income).

## **(19) ADMINISTRATOR FEES**

BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator"), acts as administrator, registrar and transfer agent for the Company. The Administrator also maintains the Company's registered office.

The Administrator performs certain day-to-day administrative tasks on behalf of the Company, including maintenance of the Company's books and accounting records, processing of shareholder transactions, calculation of the NAV and fees and payment of the Company's expenses.

For the financial year ended 31 December 2023, the Funds paid the Administrator fees in the amount of US\$ 757,609 (31 December 2022: US\$ 609,152) for fund accounting and transfer agency services provided to the Funds.

## **(20) DEPOSITARY FEES**

The Bank of New York Mellon SA/NV, Dublin Branch acts as the depositary of the Company. In accordance with the requirements of the Central Bank and the Depositary Agreement, certain Depositary responsibilities may be delegated to certain sub-custodians. For the financial year ended 31 December 2023, the Funds paid Depositary fees in the amount of US\$ 325,892 (31 December 2022: US\$ 359,171).

## **(21) LEGAL PROCEEDINGS**

The Company is not involved in any litigation or arbitration and no litigation or claim is known to the Directors to be pending against the Company or the Funds.

## **(22) EXCHANGE RATES**

The foreign exchange rates used in the financial statements of Federated Hermes Short-Term U.S. Government Securities Fund and Federated Hermes Short-Term U.S. Prime Fund as at 31 December 2023 and as at 31 December 2022, expressed in U.S. dollars is as follows:

	<b><u>31 December 2023</u></b>	<b><u>31 December 2022</u></b>
EURO (EUR)	1 USD = 0.9058	1 USD = 0.9342
British Pound Sterling (GBP)	N/A	1 USD = 0.8272

The average foreign exchange rate used in the financial statements of Federated Hermes Short-Term U.S. Government Securities Fund and Federated Hermes Short-Term U.S. Prime Fund during the financial years ended 31 December 2023 and 31 December 2022, expressed in U.S. dollars is as follows:

	<u>31 December 2023</u>	<u>31 December 2022</u>
EURO (EUR)	1 USD = 0.9248	N/A

The foreign exchange rate used in the financial statements of Federated Hermes Short-Term Euro Prime Fund as at 31 December 2023, expressed in Euro is as follows:

	<u>31 December 2023<sup>1</sup></u>	<u>31 December 2022</u>
USD	1 EUR = 1.1113	N/A

<sup>1</sup> A Friday forward process occurs every Friday, to capture the income/expenses and accruals that occur over the weekend between Friday and Sunday. As 31 December 2023 fell on a Sunday, the Friday forward process has been applied and the Financial Statements have been prepared based on the last Net Asset Value of the financial period which was calculated as at 1 January 2024.

The average foreign exchange rate used in the financial statements of Federated Hermes Short-Term Euro Prime Fund for the financial period 30 May 2023 to 31 December 2023, expressed in Euro is as follows:

	<u>31 December 2023</u>	<u>31 December 2022</u>
USD	1 EUR = 1.0822	N/A

### **(23) SEGREGATED LIABILITY**

The Company is an umbrella fund with segregated liability between sub-funds.

### **(24) SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

Effective 11 May 2023, a new sub-fund known as Federated Hermes Short-Term Euro Prime Fund with three underlying share classes – Class 2 Shares-Distributing, Class 3 Shares-Distributing and Class 5 Shares-Distributing – was authorised by the Central Bank.

Effective 11 May 2023, a new share class of Federated Hermes Short-Term U.S. Prime Fund known as Institutional Service Series-Accumulating was authorised by the Central Bank.

On 11 May 2023, an updated prospectus for the Company was noted by the Central Bank. The newly issued prospectus was updated primarily to add Federated Hermes Short-Term Euro Prime Fund to the Company and the Institutional Service Series-Accumulating share class to the Federated Hermes Short-Term U.S. Prime Fund.

On 15 August 2023, an updated prospectus for the Company was noted by the Central Bank. The newly issued prospectus included:

- (i) the addition of a new Class 1 Shares to the Federated Hermes Short-Term U.S. Prime Fund;
- (ii) amending the interest rate risk factor to better align with other funds across the Federated Hermes complex;
- (iii) removal of the “Reference or Benchmark Rates” risk factor due to the cessation of LIBOR; and
- (iv) removal of the Brexit-related risk factor.

Events arising in Ukraine, as a result of the invasion of Ukraine by Russia, may impact on securities related to companies domiciled in Russia and/or listed on exchanges located in Russia, including the Moscow Exchange (“Russian securities”). None of the Funds have exposure to Russian and Ukraine securities. The Directors are monitoring developments related to this military action, including current and potential future interventions of foreign governments and economic sanctions against Russia.

There were no other significant events impacting the Company during the financial year ended 31 December 2023.

### **(25) SUBSEQUENT EVENTS**

Effective 1 January 2024, Michael Boyce was appointed Chairman of the Company.

Effective 1 January 2024, Patrick M. Wall was appointed a Director of the Company. Effective on the same date, Mr. Wall resigned as Chairman and a Director of HFMIL.

Effective 1 January 2024, Ronan Walsh resigned as a Director and Chairman of the Company. Effective on the same date, Mr. Walsh was appointed Chairman of HFMIL.

There were no other significant events impacting the Company subsequent to the financial year ended 31 December 2023 and up to 28 March 2024.

### **(26) SUSTAINABLE FINANCE DISCLOSURE REGULATION**

The Company and the Funds have been categorised as Article 6 financial products for the purposes of the Sustainable Finance Disclosure Regulation. For the purpose of the Taxonomy Regulation, it should be noted that the investments underlying the Company and the Funds do not take into account the EU criteria for environmentally sustainable economic activities.

### **(27) APPROVAL OF COMBINED ANNUAL REPORT AND AUDITED ACCOUNTS**

The combined annual report and audited accounts were approved by the Directors on 28 March 2024 for filing with the Central Bank and circulation to the shareholders.

## INDEPENDENT AUDITOR'S REPORT

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FEDERATED HERMES INTERNATIONAL FUNDS PLC

#### Report on the audit of the financial statements

##### Opinion

We have audited the financial statements of Federated Hermes International Funds plc ('the Company') for the year ended 31 December 2023, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

##### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

##### Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

### **Respective responsibilities**

#### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

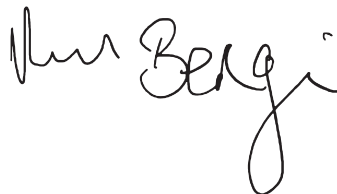
A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditor's report.

### **The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Vincent Bergin  
for and on behalf of  
Ernst & Young Chartered Accountants and Statutory  
Audit Firm



Dublin

Date: 3 April 2024

## REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS DATED 28 MARCH 2024

For the period from 01 January 2023 to 31 December 2023  
(the "**Year**")

The Bank of New York Mellon SA/NV, Dublin Branch (the "**Depository**" "**us**", "**we**", or "**our**") has enquired into the conduct of Federated Hermes International Funds plc (the "**Company**") for the Year, in its capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with our role as Depositary to the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the "**Regulations**").

Our report shall state whether, in our opinion, the Company has been managed in that Year in accordance with the provisions of the Company's constitutional documentation and the Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as Depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

### Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate

regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

### Opinion

In our opinion, the Company has been managed during the Year, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documentation and the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional documentation and the Regulations.



**for and on behalf of The Bank of New York Mellon SA/NV,  
Dublin Branch,**

Riverside Two,  
Sir John Rogerson's Quay,  
Grand Canal Dock,  
Dublin 2,  
Ireland.

Registered in Ireland No. 907126, VAT No. IE9578054E

The Bank of New York Mellon SA/NV, trading as The Bank of New York Mellon SA/NV, Dublin Branch is authorised by the National Bank of Belgium.

The Bank of New York Mellon SA/NV, 46 Rue Montoyerstraat, B-1000 Brussels, Belgium—Tel. (32) 2 545 81 11, V.A.T. BE 0806.743.159—RPM-RPR Brussels Company No. 0806.743.159. The Bank of New York Mellon SA/NV is a Belgian limited liability company, authorized and regulated as a significant credit institution by the European Central Bank and the National Bank of Belgium under the Single Supervisory Mechanism and by the Belgian Financial Services and Markets Authority.

# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM U.S. GOVERNMENT SECURITIES FUND

As at 31 December 2023

Principal Amount			Fair Value US\$	% of Total Net Assets
<b>BALANCES DUE FROM BROKERS</b>				
<b>Repurchase Agreements (31 December 2022: 77.21%)</b>				
40,000,000		Barclays Capital, Inc., 5.34%, dated 29/12/2023, due 2/1/2024	40,000,000	5.97
88,000,000		BNP Paribas SA, 5.34%, dated 29/12/2023, due 2/1/2024	88,000,000	13.13
25,000,000		BofA Securities, Inc., 5.30%, dated 29/12/2023, due 2/1/2024	25,000,000	3.73
70,000,000		BofA Securities, Inc., 5.34%, dated 29/12/2023, due 2/1/2024	70,000,000	10.45
95,000,000		Citigroup Global Markets, Inc., 5.33%, dated 29/12/2023, due 2/1/2024	95,000,000	14.18
95,000,000		HSBC Securities (USA), Inc., 5.34%, dated 29/12/2023, due 2/1/2024	95,000,000	14.18
92,000,000		NatWest Markets Securities Inc., 5.33%, dated 29/12/2023, due 2/1/2024	92,000,000	13.73
95,000,000		Wells Fargo Securities LLC, 5.35%, dated 29/12/2023, due 2/1/2024	95,000,000	14.18
		<b>TOTAL REPURCHASE AGREEMENTS</b>	<b>600,000,000</b>	<b>89.55</b>
		<b>TOTAL BALANCES DUE FROM BROKERS</b>	<b>600,000,000</b>	<b>89.55</b>
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
<b>U.S. Government Agencies (31 December 2022: 22.94%)</b>				
2,000,000	1	Federal Farm Credit System Floating Rate Notes, 5.495% (Secured Overnight Financing Rate +0.095%), 1/1/2024	2,000,000	0.30
5,000,000	1	Federal Farm Credit System Floating Rate Notes, 5.505% (Secured Overnight Financing Rate +0.105%), 1/1/2024	5,000,000	0.75
2,000,000	2	Federal Home Loan Bank System Discount Notes, 5.328%, 24/1/2024	1,993,192	0.30
9,000,000		Federal Home Loan Bank System Notes, 5.0%—5.63%, 10/1/2024—22/10/2024	8,999,900	1.34
		<b>TOTAL U.S. GOVERNMENT AGENCIES</b>	<b>17,993,092</b>	<b>2.69</b>
<b>U.S. Treasury (31 December 2022: 1.50%)</b>				
1,000,000	2	United States Treasury Bill, 5.135%, 31/10/2024	956,638	0.14
3,000,000	2	United States Treasury Bill, 5.25%, 16/4/2024	2,953,625	0.44
3,000,000	2	United States Treasury Bill, 5.25%, 18/1/2024	2,992,562	0.45
3,000,000	2	United States Treasury Bill, 5.26%, 26/3/2024	2,962,742	0.44
5,000,000	2	United States Treasury Bill, 5.27%, 22/2/2024	4,961,939	0.74
3,000,000	2	United States Treasury Bill, 5.275%, 13/2/2024	2,981,098	0.44
3,000,000	2	United States Treasury Bill, 5.28%, 23/1/2024	2,990,320	0.45
2,000,000	2	United States Treasury Bill, 5.285%, 12/3/2024	1,979,154	0.30
3,000,000	2	United States Treasury Bill, 5.285%, 15/2/2024	2,980,181	0.44
2,000,000	2	United States Treasury Bill, 5.285%, 8/2/2024	1,988,843	0.30
10,000,000	2	United States Treasury Bill, 5.285%, 9/1/2024	9,988,255	1.49
4,000,000	2	United States Treasury Bill, 5.32%, 2/5/2024	3,927,884	0.59
5,000,000	2	United States Treasury Bill, 5.325%, 25/4/2024	4,914,948	0.73
500,000	2	United States Treasury Bill, 5.33%, 16/1/2024	498,890	0.07
5,000,000	2	United States Treasury Bill, 5.335%, 27/2/2024	4,957,764	0.74
2,000,000	2	United States Treasury Bill, 5.345%, 30/1/2024	1,991,389	0.30
		<b>TOTAL U.S. TREASURY</b>	<b>54,026,232</b>	<b>8.06</b>
		<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>72,019,324</b>	<b>10.75</b>
		<b>TOTAL INVESTMENTS</b>	<b>672,019,324</b>	<b>100.30</b>
		<b>OTHER NET LIABILITIES</b>	<b>(2,034,261)</b>	<b>(0.30)</b>
		<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES</b>	<b>669,985,063</b>	<b>100.00</b>



# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM U.S. GOVERNMENT SECURITIES FUND

As at 31 December 2023

<b>Analysis of Total Assets</b>	<b>% of Total Assets</b>
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	10.70
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	89.14
(d) Other assets	0.16
<b>TOTAL ASSETS</b>	<b>100.00</b>

*Note: The categories of investments are shown as a percentage of net assets (US\$ 669,985,063) attributable to participating shareholders at 31 December 2023.*

1 Floating rate note with current rate and next reset date shown.

2 The issue shows the discount rate at time of purchase.

*The following acronyms are used throughout this portfolio:*

INC—Incorporated

LLC—Limited Liability Corporation

SA—Corporation (Société Anonyme)



# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM U.S. PRIME FUND

As at 31 December 2023

Principal Amount		Fair Value US\$	% of Total Net Assets
<b>BALANCES DUE FROM BROKERS</b>			
<b>Repurchase Agreements (31 December 2022: 20.42%)</b>			
89,000,000	BNP Paribas SA, 5.34%, dated 29/12/2023, due 2/1/2024	89,000,000	6.62
5,000,000	BofA Securities, Inc., 5.34%, dated 29/12/2023, due 2/1/2024	5,000,000	0.37
10,000,000	Citigroup Global Markets, Inc., 5.33%, dated 29/12/2023, due 2/1/2024	10,000,000	0.74
30,000,000	HSBC Securities (USA), Inc., 5.34%, dated 29/12/2023, due 2/1/2024	30,000,000	2.23
8,000,000	NatWest Markets Securities Inc., 5.33%, dated 29/12/2023, due 2/1/2024	8,000,000	0.60
55,000,000	Wells Fargo Securities LLC, 5.35%, dated 29/12/2023, due 2/1/2024	55,000,000	4.09
	<b>TOTAL REPURCHASE AGREEMENTS</b>	<b>197,000,000</b>	<b>14.65</b>
	<b>TOTAL BALANCES DUE FROM BROKERS</b>	<b>197,000,000</b>	<b>14.65</b>
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
<b>Asset Backed Securities (1) (31 December 2022: -%)</b>			
<b>FINANCE – AUTOMOTIVE (31 December 2022: -%)</b>			
1,667,140	Enterprise Fleet Financing, LLC 2023-3, Class A1, 5.906%, 21/10/2024	1,668,961	0.12
	<b>TOTAL ASSET BACKED SECURITIES (1)</b>	<b>1,668,961</b>	<b>0.12</b>
<b>Certificates of Deposit (31 December 2022: 11.43%)</b>			
<b>BANKING (31 December 2022: 11.43%)</b>			
10,000,000	Bank of America N.A., 5.92%, 9/8/2024	10,031,179	0.75
50,000,000	Credit Agricole Corporate and Investment Bank, 5.70%, 2/2/2024	50,000,999	3.72
13,500,000	Mizuho Bank Ltd., 5.45%, 4/1/2024	13,492,999	1.00
20,000,000	Mizuho Bank Ltd., 5.65%, 5/1/2024	19,986,343	1.49
40,000,000	MUFG Bank Ltd., 5.70%, 15/2/2024	40,000,000	2.97
25,000,000	Sumitomo Mitsui Banking Corp., 5.70%, 9/2/2024	25,000,000	1.86
5,000,000	Sumitomo Mitsui Trust Bank Ltd., 5.70%, 22/2/2024	5,000,000	0.37
25,000,000	Sumitomo Mitsui Trust Bank Ltd., 5.780%, 5/1/2024	24,982,695	1.86
30,000,000	Svenska Handelsbanken, Stockholm, 5.80%, 4/4/2024—17/4/2024	30,035,662	2.23
10,000,000	Toronto Dominion Bank, 5.99%, 5/8/2024	10,029,529	0.74
25,000,000	Toronto Dominion Bank, 6.0%—6.05%, 3/7/2024—3/10/2024	25,102,940	1.87
	<b>TOTAL BANKING</b>	<b>253,662,346</b>	<b>18.86</b>
	<b>TOTAL CERTIFICATES OF DEPOSIT</b>	<b>253,662,346</b>	<b>18.86</b>
<b>Commercial Paper (31 December 2022: 23.06%)</b>			
<b>AEROSPACE / AUTO (31 December 2022: 0.56%)</b>			
10,000,000	Toyota Credit Canada Inc., (Toyota Motor Corp. Support Agreement), 5.951%, 18/7/2024	9,708,944	0.72
20,000,000	Toyota Credit De Puerto Rico Corp., (Toyota Motor Corp. Support Agreement), 5.667%, 17/6/2024	19,493,270	1.45
	<b>TOTAL AEROSPACE / AUTO</b>	<b>29,202,214</b>	<b>2.17</b>
<b>BANKING (31 December 2022: 17.18%)</b>			
24,000,000	Albion Capital LLC, (MUFG Bank Ltd. LIQ), 5.65%, 27/2/2024	23,788,158	1.77
50,000,000	Australia & New Zealand Banking Group, Melbourne, 5.802%—5.808%, 1/5/2024	49,079,840	3.65
5,000,000	Bank of Montreal, 5.98%, 1/8/2024	5,017,279	0.36

# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM U.S. PRIME FUND

As at 31 December 2023

Principal Amount		Fair Value US\$	% of Total Net Assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)</b>			
<b>Commercial Paper (31 December 2022: 23.06%) (Continued)</b>			
<b>BANKING (31 December 2022: 17.18%) (CONTINUED)</b>			
30,000,000	Bedford Row Funding Corp., (Guaranteed by Royal Bank of Canada), 5.784%—5.812%, 1/5/2024—20/5/2024	29,393,121	2.19
10,000,000	Canadian Imperial Bank of Commerce, 5.559%, 18/4/2024	9,834,080	0.73
45,000,000	Chesham Finance LLC Series VII, (Citibank N.A., New York COL), 5.333%, 2/1/2024	44,986,675	3.35
5,000,000	Citigroup Global Markets, Inc., 5.902%, 1/5/2024	4,907,444	0.37
10,000,000	DNB Bank ASA, 5.803%, 18/4/2024	9,836,762	0.73
20,000,000	DZ Bank AG Deutsche Zentral-Genossenschaftsbank, 5.922%, 10/5/2024	19,611,930	1.46
30,000,000	Great Bear Funding LLC, (Bank of Nova Scotia, Toronto COL), 5.335%, 4/1/2024	29,984,771	2.23
20,000,000	Matchpoint Finance PLC, (BNP Paribas SA LIQ), 5.701%—5.709%, 2/2/2024—8/3/2024	19,847,141	1.48
10,000,000	MUFG Bank Ltd., 5.749%, 13/2/2024	9,932,354	0.74
10,000,000	National Australia Bank Ltd., Melbourne, 5.801%, 1/5/2024	9,814,758	0.73
20,000,000	Nordea Bank Abp, 5.796%, 19/4/2024	19,668,642	1.46
17,000,000	Royal Bank of Canada, 5.520%—6.004%, 20/3/2024—16/10/2024	16,592,134	1.23
10,000,000	Royal Bank of Canada, 6.027%, 2/7/2024	9,732,542	0.72
50,000,000	Satellite, (Credit Industriel et Commercial LIQ), 5.701%—5.856%, 18/1/2024—4/3/2024	49,715,978	3.70
20,000,000	Sumitomo Mitsui Trust Bank Ltd., 5.671%, 14/2/2024	19,863,161	1.48
5,000,000	Toronto Dominion Bank, 5.80%, 16/5/2024	4,896,772	0.36
	<b>TOTAL BANKING</b>	<b>386,503,542</b>	<b>28.74</b>
<b>FINANCE – RETAIL (31 December 2022: 2.16%)</b>			
30,000,000	Starbird Funding Corp., 5.325%, 5/1/2024	29,977,834	2.23
<b>SOVEREIGN (31 December 2022: 3.16%)</b>			
30,000,000	Netherlands, Government of, 5.508%, 24/1/2024	29,895,762	2.22
	<b>TOTAL COMMERCIAL PAPER</b>	<b>475,579,352</b>	<b>35.36</b>
<b>Notes – Variable (1) (31 December 2022: 30.66%)</b>			
<b>BANKING (31 December 2022: 29.11%)</b>			
21,000,000	Bank of America N.A., 5.75% (Secured Overnight Financing Rate +0.35%), 1/1/2024	21,000,000	1.56
20,000,000	Bank of Montreal, 5.91% (Secured Overnight Financing Rate +0.51%), 1/1/2024	20,002,420	1.49
10,000,000	Bank of Montreal, 6.0% (Secured Overnight Financing Rate +0.60%), 1/1/2024	10,011,174	0.75
10,000,000	Bank of Montreal, 6.08% (Secured Overnight Financing Rate +0.68%), 1/1/2024	10,013,556	0.75
15,000,000	Bank of Montreal, 6.10% (Secured Overnight Financing Rate +0.70%), 1/1/2024	15,021,673	1.12
10,000,000	Bank of Nova Scotia, Toronto, 5.84% (Secured Overnight Financing Rate +0.44%), 1/1/2024	10,000,000	0.74
20,000,000	Bank of Nova Scotia, Toronto, 6.04% (Secured Overnight Financing Rate +0.64%), 1/1/2024	20,033,424	1.49
10,000,000	Canadian Imperial Bank of Commerce, 5.84% (Secured Overnight Financing Rate +0.44%), 1/1/2024	10,000,000	0.74
15,000,000	Canadian Imperial Bank of Commerce, 5.91% (Secured Overnight Financing Rate +0.51%), 1/1/2024	15,010,410	1.12

# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM U.S. PRIME FUND

As at 31 December 2023

Principal Amount		Fair Value US\$	% of Total Net Assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)</b>			
<b>Notes – Variable (1) (31 December 2022: 30.66%) (Continued)</b>			
<b>BANKING (31 December 2022: 29.11%) (CONTINUED)</b>			
27,000,000	Canadian Imperial Bank of Commerce, 6.05% (Secured Overnight Financing Rate +0.65%), 1/1/2024	27,044,912	2.01
16,000,000	Collateralized Commercial Paper FLEX Co., LLC, (J.P. Morgan Securities LLC COL), 5.94% (Secured Overnight Financing Rate +0.54%), 2/7/2024	16,013,936	1.19
10,000,000	Collateralized Commercial Paper V Co. LLC, (J.P. Morgan Securities LLC COL), 5.95% (Secured Overnight Financing Rate +0.55%), 10/7/2024	10,009,575	0.74
10,000,000	J.P. Morgan Securities LLC, 6.04% (Secured Overnight Financing Rate +0.65%), 7/8/2024	10,009,194	0.74
10,000,000	J.P. Morgan Securities LLC, 6.05% (Secured Overnight Financing Rate +0.66%), 2/8/2024	10,009,322	0.74
40,000,000	Ridgefield Funding Company, LLC Series A, (BNP Paribas SA COL), 5.68% (Secured Overnight Financing Rate +0.28%), 1/1/2024	40,000,000	2.97
45,000,000	Wells Fargo Bank, N.A., 6.0% (Secured Overnight Financing Rate +0.60%), 1/1/2024	45,070,861	3.35
20,000,000	Westpac Banking Corp. Ltd., Sydney, 5.93% (Secured Overnight Financing Rate +0.53%), 1/1/2024	20,000,000	1.49
	<b>TOTAL BANKING</b>	<b>309,250,456</b>	<b>22.99</b>
<b>FINANCE – RETAIL (31 December 2022: 1.55%)</b>			
	<b>TOTAL NOTES – VARIABLE (1)</b>	<b>309,250,456</b>	<b>22.99</b>
<b>Time Deposits (31 December 2022: 14.58%)</b>			
<b>BANKING (31 December 2022: 14.58%)</b>			
30,000,000	BRED – Banque Populaire, 5.32%, 2/1/2024	30,000,000	2.23
30,000,000	Mizuho Bank Ltd., 5.32%, 2/1/2024	30,000,000	2.23
	<b>TOTAL BANKING</b>	<b>60,000,000</b>	<b>4.46</b>
	<b>TOTAL TIME DEPOSITS</b>	<b>60,000,000</b>	<b>4.46</b>
<b>U.S. Treasury (31 December 2022: –%)</b>			
<b>TREASURY SECURITIES (31 December 2022: –%)</b>			
50,000,000	2 United States Treasury Bill, 5.285%, 25/1/2024	49,823,046	3.71
	<b>TOTAL U.S. TREASURY</b>	<b>49,823,046</b>	<b>3.71</b>
	<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>1,149,984,161</b>	<b>85.50</b>
	<b>TOTAL INVESTMENTS</b>	<b>1,346,984,161</b>	<b>100.15</b>
	<b>OTHER NET LIABILITIES</b>	<b>(2,076,543)</b>	<b>(0.15)</b>
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES</b>	<b>1,344,907,618</b>	<b>100.00</b>

# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM U.S. PRIME FUND

As at 31 December 2023

<b>Analysis of Total Assets</b>	<b>% of Total Assets</b>
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	85.04
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	14.57
(d) Other assets	0.39
<b>TOTAL ASSETS</b>	<b>100.00</b>

*Note: The categories of investments are shown as a percentage of net assets (US\$ 1,344,907,618) attributable to participating shareholders at 31 December 2023.*

1 Floating rate note with current rate and next reset date shown.

2 The issue shows the discount rate at time of purchase.

The following acronyms are used throughout this portfolio:

AG—Corporation (Aktiengesellschaft)

COL—Collateralised

INC—Incorporated

LIQ—Liquid

LLC—Limited Liability Corporation

N.A.—National Association

SA—Corporation (Société Anonyme)

# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM EURO PRIME FUND\*

As at 31 December 2023

Principal Amount		Fair Value €	% of Total Net Assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
<b>Certificates of Deposit</b>			
BANKING			
2,500,000	ABN Amro Bank NV, 3.98%—4.05%, 22/1/2024—1/2/2024	2,493,388	3.55
1,500,000	Bank of America N.A., 4.05%, 11/3/2024	1,488,514	2.12
1,900,000	Citibank N.A., New York, 4.01%, 2/2/2024	1,893,506	2.69
1,000,000	Credit Agricole S.A., 4.01%, 1/3/2024	993,497	1.41
1,500,000	Mizuho Bank Ltd., 4.0%, 4/3/2024	1,489,737	2.12
2,500,000	MUFG Bank Ltd., 3.99%, 1/2/2024	2,491,744	3.55
3,000,000	Sumitomo Mitsui Banking Corp., 4.01%—4.03%, 29/2/2024—1/3/2024	2,982,270	4.24
3,500,000	Sumitomo Mitsui Trust Bank Ltd., 3.95%—4.03%, 9/1/2024—20/2/2024	3,486,658	4.96
3,000,000	Wells Fargo Bank International, 4.09%—4.20%, 1/3/2024—8/4/2024	2,974,142	4.23
	<b>TOTAL BANKING</b>	<b>20,293,456</b>	<b>28.87</b>
	<b>TOTAL CERTIFICATES OF DEPOSIT</b>	<b>20,293,456</b>	<b>28.87</b>
<b>Commercial Paper</b>			
AEROSPACE / AUTO			
2,000,000	Toyota Finance Australia Ltd., (Toyota Motor Corp. Support Agreement), 4.054%—4.075%, 28/2/2024—21/3/2024	1,984,652	2.82
1,500,000	Toyota Motor Finance (Netherlands) B.V., (Toyota Motor Corp. Support Agreement), 3.977%—3.977%, 8/1/2024—22/3/2024	1,494,757	2.13
	<b>TOTAL AEROSPACE / AUTO</b>	<b>3,479,409</b>	<b>4.95</b>
BANKING			
2,000,000	Antalis S.A., (Societe Generale, Paris LIQ), 4.017%, 5/1/2024	1,999,336	2.84
1,000,000	Australia & New Zealand Banking Group, Melbourne, 3.796%, 3/1/2024	999,899	1.42
3,000,000	Collateralized Commercial Paper III Co. LLC, (J.P. Morgan Securities plc COL), 4.157%, 11/3/2024	2,976,748	4.23
2,500,000	LMA S.A., (Credit Agricole Corporate and Investment Bank LIQ), 4.054%—4.091%, 15/1/2024—27/2/2024	2,493,988	3.55
2,500,000	Matchpoint Finance PLC, (BNP Paribas SA LIQ), 4.051%—4.082%, 1/2/2024—19/3/2024	2,480,265	3.53
2,000,000	OP Corporate Bank plc, 4.094%, 15/2/2024	1,990,302	2.83
3,500,000	Satellite, (Credit Industriel et Commercial LIQ), 4.082%—4.082%, 26/1/2024—29/2/2024	3,485,004	4.96
500,000	Sumitomo Mitsui Banking Corp., 4.072%, 1/2/2024	496,735	0.71
3,000,000	Svenska Handelsbanken, Stockholm, 4.119%—4.198%, 17/4/2024—30/5/2024	2,959,386	4.21
500,000	Toronto Dominion Bank, 4.358%, 12/9/2024	487,005	0.69
	<b>TOTAL BANKING</b>	<b>20,368,668</b>	<b>28.97</b>
SOVEREIGN			
1,000,000	Netherlands, Government of, 3.875%, 8/2/2024	996,069	1.42
	<b>TOTAL COMMERCIAL PAPER</b>	<b>24,844,146</b>	<b>35.34</b>

# PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM EURO PRIME FUND\*

As at 31 December 2023

Principal Amount		Fair Value €	% of Total Net Assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)</b>			
<b>Notes – Variable (1)</b>			
<b>BANKING</b>			
2,000,000	Bank of Nova Scotia, Toronto, 4.198% (3-month EURIBOR +0.23%), 1/2/2024	1,999,548	2.84
2,400,000	Commonwealth Bank of Australia, 4.173% (3-month EURIBOR +0.18%), 25/1/2024	2,398,093	3.41
	<b>TOTAL BANKING</b>	<b>4,397,641</b>	<b>6.25</b>
	<b>TOTAL NOTES – VARIABLE (1)</b>	<b>4,397,641</b>	<b>6.25</b>
<b>Time Deposits</b>			
<b>BANKING</b>			
3,500,000	Banque Federative du Credit Mutuel, 3.75%, 2/1/2024	3,500,000	4.98
2,512,728	Cooperatieve Rabobank UA, 3.80%, 2/1/2024	2,512,728	3.57
3,500,000	Credit Agricole Corporate and Investment Bank, 3.88%, 2/1/2024	3,500,000	4.98
5,571,401	DZ Bank AG Deutsche Zentral-Genossenschaftsbank, 3.85%, 2/1/2024	5,571,401	7.93
3,994,868	MUFG Bank Ltd., 3.90%, 2/1/2024	3,994,868	5.68
	<b>TOTAL BANKING</b>	<b>19,078,997</b>	<b>27.14</b>
	<b>TOTAL TIME DEPOSITS</b>	<b>19,078,997</b>	<b>27.14</b>
<b>U.S. Government Agencies</b>			
<b>SOVEREIGN</b>			
2,000,000	France, Government of, 0.0%, 14/2/2024	1,991,076	2.83
2,000,000	France, Government of, 0.0%, 28/2/2024	1,988,136	2.83
	<b>TOTAL SOVEREIGN</b>	<b>3,979,212</b>	<b>5.66</b>
	<b>TOTAL U.S. GOVERNMENT AGENCIES</b>	<b>3,979,212</b>	<b>5.66</b>
	<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	<b>72,593,452</b>	<b>103.26</b>
	<b>TOTAL INVESTMENTS</b>	<b>72,593,452</b>	<b>103.26</b>
	<b>OTHER NET LIABILITIES</b>	<b>(2,289,637)</b>	<b>(3.26)</b>
	<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES</b>	<b>70,303,815</b>	<b>100.00</b>

<b>Analysis of Total Assets</b>	<b>% of Total Assets</b>
(a) Transferable securities admitted to official stock exchange listing	—
(b) Transferable securities dealt in on another regulated market	99.88
(c) Transferable securities other than those admitted to an official stock exchange listing or dealt in on another regulated market	—
(d) Other assets	0.12
<b>TOTAL ASSETS</b>	<b>100.00</b>

Note: The categories of investments are shown as a percentage of net assets (€70,303,815) attributable to participating shareholders at 31 December 2023.

\* Commenced operations on 30 May 2023.

1 Floating rate note with current rate and next reset date shown.

## PORTFOLIO OF INVESTMENTS (UNAUDITED) – FEDERATED HERMES SHORT-TERM EURO PRIME FUND\*

As at 31 December 2023

*The following acronyms are used throughout this portfolio:*

COL—Collateralised

LIQ—Liquid

LLC—Limited Liability Corporation

N.A.—National Association

NV—Corporation (Naamloze Vennootschap)

S.A.—Corporation (Société Anonyme)

UA—Corporation (Uitgesloten Aansprakelijkheid)



# SECURITIES FINANCING TRANSACTIONS REGULATION ("SFTR") ANNUAL REPORT DISCLOSURES (UNAUDITED)

For the financial year ended 31 December 2023

## Securities Financing Transactions ("SFTs") on Repurchase Agreements

### Concentration Data

The table below shows the issuers of total collateral received on repurchase agreements that are outstanding as at 31 December 2023:

Fund	Collateral Issuer	Market value of collateral received as at 31 December 2023
		US\$
Federated Hermes Short-Term U.S. Government Securities Fund	Government of the United States – U.S. Government Agencies	612,362,236
Federated Hermes Short-Term U.S. Prime Fund	Government of the United States – U.S. Government Agencies	201,044,306

The collateral received by the Funds is held in segregated accounts as at 31 December 2023.

The table below shows the counterparties with respect to outstanding repurchase agreement transactions as at 31 December 2023:

Fund	Counterparty <sup>1</sup>	Repurchase Agreement Transactions
		US\$
Federated Hermes Short-Term U.S. Government Securities Fund	Bank of America Merrill Lynch	97,069,644
	Barclays Capital, Inc.	40,824,248
	BNP Paribas Securities Corp.	89,813,261
	Citigroup Global Markets Inc.	96,957,450
	HSBC Securities (USA) Inc.	96,900,000
	NatWest Markets Securities, Inc	93,840,031
	Wells Fargo Securities LLC	96,957,602
	<b>Total Collateral</b>	<b>US\$ 612,362,236</b>
Federated Hermes Short-Term U.S. Prime Fund	Bank of America Merrill Lynch	5,111,041
	BNP Paribas Securities Corp.	90,833,866
	Citigroup Global Markets Inc.	10,206,047
	HSBC Securities (USA) Inc.	30,600,001
	NatWest Markets Securities, Inc	8,160,003
	Wells Fargo Securities LLC	56,133,348
	<b>Total Collateral</b>	<b>US\$ 201,044,306</b>

<sup>1</sup> Risk concentration in respect of repurchase agreements is fully collateralised. For further details please refer to note 12E.

# SECURITIES FINANCING TRANSACTIONS REGULATION ("SFTR") ANNUAL REPORT DISCLOSURES (UNAUDITED)

For the financial year ended 31 December 2023

## Transaction Data

The table below shows the maturity tenor of the SFTs Repurchase Agreements as at 31 December 2023:

<b>Fund</b>	<b>Less than one day</b>	<b>One day to one week</b>	<b>One week to one month</b>	<b>One to three months</b>	<b>Three months to one year</b>	<b>Above one year</b>	<b>Open Maturity</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Federated Hermes Short-Term U.S. Government Securities Fund	—	600,000,000	—	—	—	—	—	600,000,000
Federated Hermes Short-Term U.S. Prime Fund	—	197,000,000	—	—	—	—	—	197,000,000

The table below shows the maturity profile of the SFTs Repurchase Agreements collateral as at 31 December 2023:

<b>Fund</b>	<b>Less than one day</b>	<b>One day to one week</b>	<b>One week to one month</b>	<b>One to three months</b>	<b>Three months to one year</b>	<b>Above one year</b>	<b>Open Maturity</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Federated Hermes Short-Term U.S. Government Securities Fund	—	—	2,445,875	8,167,264	36,974,562	564,774,535	—	612,362,236
Federated Hermes Short-Term U.S. Prime Fund	—	—	—	987,013	3,301,945	196,755,348	—	201,044,306

## UNAUDITED MANAGER REMUNERATION DISCLOSURE

Hermes Fund Managers Ireland Limited ("HFMIL") is the appointed management company of Federated Hermes International Funds Plc (the "Company") and has established a remuneration policy (the "Remuneration Policy") in such capacity in accordance with the UCITS V Directive ("UCITS V") and related guidance, including, in particular, the European Securities and Markets Authority ("ESMA") Guidelines on sound remuneration policies under UCITS V Directive (ESMA/2016/575) (the "UCITS ESMA Guidelines").

HFMIL's remuneration policy applies to certain identified staff whose professional activities have a material impact on the risk profile of the Company.

### Remuneration

Effective 1 January 2022, HFMIL began serving as manager of the Company.

HFMIL's remuneration committee has established a remuneration philosophy and policy, the purpose of which is to ensure that the remuneration arrangements of the "Identified Staff" (Board of Directors, Designated Persons and control functions and risk takers), are:

- (i) consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of HFMIL or the Company; and
- (ii) consistent with HFMIL's business strategy, objectives, values and interests and include measures to avoid conflicts of interest.

HFMIL complies with the UCITS ESMA Guidelines in a way and to the extent that is appropriate to the size, internal organisation, nature, scope and complexity of the Company's activities.

HFMIL has appointed Federated Investment Counseling ("FIC"), a US domiciled company regulated by the US Securities and Exchange Commission, to act as investment adviser of the Funds of the Company. HFMIL has not paid remuneration to staff of any delegate to whom investment management functions have been delegated by HFMIL.

Instead, the Company pays HFMIL a management fee as referred to in Note 17 to these financial statements and out of this fee HFMIL discharges the fees of FIC. HFMIL's Remuneration Policy is reviewed annually as required under Regulation 24B(1)(b)(c) and (d) of the UCITS Regulations and remains appropriate having regard to the nature, scale and complexity of HFMIL and its activities.

### Sustainable Wealth Creation

HFMIL is committed to its business purpose of sustainable wealth creation that enriches investors, society and the environment and being at the forefront of and developing industry best practice. Part of this is ensuring that HFMIL's remuneration policy incorporates consideration of stewardship and the integration of sustainability performance and risk in both HFMIL's investment activities and its wider operations. Such remuneration policy is intended:

- To incentivise senior management to drive HFMIL's strategy and initiatives in line with HFMIL's business purpose of sustainable wealth creation and ensure that through appropriate stewardship HFMIL's strategy and initiatives are at the heart of all the firm's key business and operational processes.
- To promote best practice integration of Investor Stewardship and ESG (Environmental, Social and Governance) factors including the delivery of sustainable outcomes in the investment process and decision making.
- To provide HFMIL's employees with performance objectives relating to responsibility as appropriate for their role.
- To ensure that sustainability risks are considered as part of HFMIL's risk reporting and performance against risk appetite.

All employees are assessed against responsibility related objectives and behaviours in their annual performance assessment which informs annual bonus outcomes. This is supported by the co-investment of deferred bonuses in funds to align employees to longer term investment performance after the bonus has been awarded.

## EMPLOYEE REMUNERATION DISCLOSURE

The table below provides an overview of aggregate total remuneration paid by HFMIL to all employees who support the Company.

Due to the roles of HFMIL's staff, this remuneration is also in respect of the provision of services to other companies in the Federated Hermes group as other funds/separately managed accounts managed by HFMIL.

Remuneration and headcount includes 2023 Leavers.

	Headcount	Total Remuneration
<b>No. Employees of HFMIL</b>	24	
<b>Total remuneration of employees of HFMIL</b>		£2,925,970
of which		
Fixed remuneration		£2,043,223
Variable remuneration		£ 882,747

Consistent with ESMA's Guidelines on sound remuneration policies under the UCITS Directive the information disclosed above is in a way and to the extent that is appropriate to the size, internal organisation and the nature, scope and complexity of the activities of HFMIL.

## INFORMATION FOR INVESTORS IN THE UNITED KINGDOM (UNAUDITED)

Certain share classes of certain Funds of the Company may be marketed to investors in the United Kingdom ("UK"). The Company entered into the UK's Temporary Marketing Permissions Regime upon the UK's departure from the EU, which permits the Company to be marketed in the UK for a period of time. Information regarding the share classes of the Funds that may be made available in the UK can be found in the UK supplement to the prospectus for the Company. The prospectus of the Company and the UK supplement are available at [FederatedHermes.com/us/ucits](https://FederatedHermes.com/us/ucits)

The following share class of the Funds has been accepted into the UK "reporting fund" regime for offshore funds under the UK Offshore Funds (Tax) Regulations 2009:

Fund	Share Class (Series)	HMRC Reference Number
Federated Hermes Short-Term U.S. Government Securities Fund	Investment – Growth Series	F0009-0004
	Institutional Series*	F0009-0011
	Institutional Services – Dividend Series*	F0009-0002
	Investment – Dividend Series*	F0009-0003
Federated Hermes Short-Term U.S. Prime Fund	Institutional Series*	F0009-0024
	Institutional Service Series*	F0009-0012
	Institutional Service Series – Accumulating†	F0009-0036
	Institutional Services – Dividend Series*	F0009-0001
	Investment – Dividend Series*	F0009-0014
Federated Hermes Short-Term Euro Prime Fund	Class 2 Shares – Distributing*†	F0009-0037
	Class 3 Shares – Distributing*†	F0009-0038
	Class 5 Shares – Distributing*†	F0009-0039

\* Indicates the share classes that are accepted by HM Revenue & Customs as a "constant NAV fund" and therefore also as a "reporting fund" for the purposes of the UK Offshore Fund Rules under UK tax legislation.

† Accepted by HM Revenue & Customs into its reporting fund regime with effect from 11 May 2023.

For UK tax payers, information is provided under "UK Taxation" in the supplement to the prospectus for distribution to persons in the United Kingdom, which is available at [FederatedHermes.com/us/ucits](https://FederatedHermes.com/us/ucits). Where required under the UK reporting fund regime for a class of shares, the amount of reportable income per share for each share class to be reported to HM Revenue & Customs under the reporting fund regime will be included in a report that will

be made available at [FederatedHermes.com/us/ucits](https://FederatedHermes.com/us/ucits). If you require a hard copy, please contact the Funds' facilities agent in the U.K., Federated Hermes (UK) LLP, 150 Cheapside, London EC2V 6ET, or by calling the agent on +44 (0) 20 7 292 8620. For investors that purchased shares through a financial intermediary (such as a bank or broker), we recommend you contact your financial intermediary.

## INFORMATION FOR INVESTORS IN SWITZERLAND (UNAUDITED)

Société Générale, Paris, Zürich Branch, Talacker 50, P.O. Box 5070, CH-8021 Zürich, is the representative and paying agent in Switzerland (the "Swiss Representative").

The prospectus and the key investor information document for each Fund listed below; the constitution of the Company; the annual and semi-annual reports; and the list of purchases and sales of investments may be obtained free of charge on request from the Swiss Representative.

Federated Hermes Short-Term Euro Prime Fund, a sub-fund of the Company, is not registered in Switzerland for public offer/distribution.

### Total Expense Ratio (Unaudited)

Total expense ratio ("TER") expresses the sum of all costs and commissions charged on an ongoing basis to a Fund's assets (operating expenses) taken retrospectively as a percentage of the net assets.

The TER of the underlying series of each Fund listed below for the financial year ended 31 December 2023 is as follows:

### Total Expense Ratio tables for 31 December 2023:

Fund	TER
<b>Federated Hermes Short-Term U.S. Government Securities Fund</b>	
Institutional Services – Dividend Series	0.65%
Institutional Series	0.20%
Investment – Dividend Series	1.08%
Investment – Growth Series	1.05%
<b>Federated Hermes Short-Term U.S. Prime Fund</b>	
Institutional Service Series	0.45%
Institutional Service Series – Accumulating	0.45%
Institutional Series	0.20%
Investment – Dividend Series	1.00%
Institutional Services – Dividend Series	0.55%
Class 1 Shares	0.05%

The TER is reported in accordance with the guidelines established by the Swiss Funds & Asset Management Association.

## PAST PERFORMANCE DATA (UNAUDITED)

Performance data for the last calendar year (1 January 2023 to 31 December 2023), together with the last three calendar years (shown as an annual average total return), is shown for each Fund in the tables that follow. In addition, the performance data shown for each Fund is compared to a broad-based securities market index for illustrative purposes. There is no guarantee that the Fund will outperform the index.

<b>Federated Hermes Short-Term U.S. Government Securities Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Institutional Services – Dividend Series	4.49%	1.86%
iMoneyNet MFR Government & Agencies Institutional Funds Average	4.85%	2.09%

<b>Federated Hermes Short-Term U.S. Government Securities Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Institutional Series	4.96%	2.12%
iMoneyNet MFR Government & Agencies Institutional Funds Average	4.85%	2.09%

<b>Federated Hermes Short-Term U.S. Government Securities Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Investment – Dividend Series	4.05%	1.63%
iMoneyNet MFR Government & Agencies Institutional Funds Average	4.85%	2.09%

<b>Federated Hermes Short-Term U.S. Government Securities Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Investment-Growth Series	4.08%	1.65%
iMoneyNet MFR Government & Agencies Institutional Funds Average	4.85%	2.09%

<b>Federated Hermes Short-Term U.S. Prime Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Institutional Service Series	4.93%	2.10%
IMMFA MFR Stable US\$ Average	4.98%	2.19%

<b>Federated Hermes Short-Term U.S. Prime Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Institutional Series	5.19%	2.25%
IMMFA MFR Stable US\$ Average	4.98%	2.19%

<b>Federated Hermes Short-Term U.S. Prime Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Investment – Dividend Series	4.36%	1.79%
IMMFA MFR Stable US\$ Average	4.98%	2.19%

<b>Federated Hermes Short-Term U.S. Prime Fund – Performance</b>		
	<b>2023</b>	<b>2021-2023 Average</b>
Institutional Services – Dividend Series	4.83%	2.04%
IMMFA MFR Stable US\$ Average	4.98%	2.19%

The Federated Hermes Short-Term U.S. Prime Fund's Institutional Service Series-Accumulating and Class 1 Shares launched on 31 May 2023 and 15 August 2023, respectively; therefore, there is insufficient data to provide a useful indication of past performance to investors.

**Past performance is no indication of current or future performance. The performance data do not take account of commissions and costs incurred on the issue and redemption of shares.**

## IMPORTANT INFORMATION (UNAUDITED)

### GENERAL

This document does not constitute an offer or invitation to purchase Shares in a Fund. Before investing in a Fund, you should read the current prospectus for the Company, the relevant key investor information document, and the latest annual report and any subsequent semi-annual report. Potential investors are recommended to consult their own advisers before investing in a Fund.

Past performance is not a guide to future performance and yields may vary. There can be no assurance that a Fund will achieve its investment objective. The value of the Shares may go down as well as up and therefore, it is possible to lose money by investing in the Funds.

Any opinions expressed in the investment reports are those of the Adviser and are subject to change without notice. This report should not be relied upon as indicating any guarantee of or representation regarding the future performance of the Funds. The information provided is not intended to be, and should not be, construed as investment advice.

### PRICE OF UNITS

The prices of Shares in each share class of each Fund are available daily at [FederatedHermes.com/us/ucits](https://www.federatedhermes.com/us/ucits).

## ADDRESSES

### REGISTERED OFFICE

c/o BNY Mellon Fund Services (Ireland) Designated  
Activity Company  
One Dockland Central  
Guild Street  
International Financial Services Centre  
Dublin 1, D01 E4X0, Ireland

### MANAGER

Hermes Fund Managers Ireland Limited  
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### SUB-INVESTMENT ADVISER

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### DEPOSITARY

The Bank of New York Mellon SA/NV, Dublin Branch  
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## ADMINISTRATOR

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## SUPPORT SERVICES

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## LEGAL ADVISER

Arthur Cox LLP  
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## AUDITOR

Ernst & Young, Chartered Accountants  
Harcourt Centre, Harcourt Street  
Dublin 2, D02 YA40, Ireland

## DIRECTORS

Michael Boyce (Independent)  
Joseph L. Kagan  
Gregory P. Dulski  
Sylvie McLaughlin  
Patrick M. Wall (Independent) (effective 1 January 2024)  
Ronan Walsh (Independent) (until 1 January 2024)

## OFFICERS

Michael Boyce, Chairman (effective 1 January 2024)  
Ronan Walsh, Chairman (until 1 January 2024)  
Bradwell Limited, Company Secretary



# PAYING AND INFORMATION AGENTS

## GERMANY

Hermes Fund Managers Ireland Limited (German Branch)  
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## FRANCE

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## SWITZERLAND

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