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# Federated Hermes Project and Trade Finance Tender Fund

*Fund Established 2016*

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Dear Valued Shareholder,

We are pleased to present the Annual Shareholder Report for your fund covering the period from April 1, 2022 through March 31, 2023. This report includes Management's Discussion of Fund Performance, a complete listing of your fund's holdings, performance information and financial statements along with other important fund information.

As a global leader in active, responsible investment management, Federated Hermes is guided by our conviction that responsible investing is the best way to create wealth over the long term. The company provides capabilities across a wide range of asset classes to investors around the world.

In addition, [FederatedInvestors.com](https://www.federatedinvestors.com) offers quick and easy access to valuable resources that include timely fund updates, economic and market insights from our investment strategists and financial planning tools. You can also access many of those insights by following us on Twitter (@FederatedHermes) and LinkedIn.

Thank you for investing with us. We hope you find this information useful and look forward to keeping you informed.

Sincerely,



J. Christopher Donahue, President

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# Management's Discussion of Fund Performance (unaudited)

The total return of Federated Hermes Project and Trade Finance Tender Fund (the "Fund"),<sup>1</sup> based on net asset value for the 12-month reporting period ended March 31, 2023, was 6.07% compared to a return of 2.68% for the ICE BofA U.S. Dollar 1-Month Deposit Offered Rate Constant Maturity Index (ICE1MDOR),<sup>2</sup> the Fund's benchmark. The Fund's assets typically pay interest based on a spread to 1-month LIBOR, a global reference rate for short-term interest rates and the weighted average life of the Fund's portfolio was 14.41 months as of the end of the reporting period. The Fund's total return for the most recently completed fiscal year reflected actual cash flows, transaction costs and expenses which were not reflected in the total return of the ICE1MDOR.

The following discussion will focus on Fund performance relative to the ICE1MDOR.

## MARKET OVERVIEW

While 2021 was a year of recovery in trade volume and trade finance revenue, 2022 featured several significant events that had a profound effect on global trade. In addition to the largest military conflict in Europe since World War II, an inflationary environment, slowing global economic growth and China's pandemic policy all had a significant impact on global supply chains.

Russia's invasion of Ukraine had an abrupt and significant impact on volume, prices, and the direction of trade across energy, metals and agricultural commodities. In addition to elevating energy and food security to the top of the agenda of many governments, the invasion and ongoing conflict has also added an important context (resource availability) to the energy transition and road to carbon-neutral 2050.

Russia's invasion also changed the direction of trade, with natural gas flow being a good example as the volume of liquefied natural gas imports to Europe grew 71% year-over-year in an effort to replace Russia's supply. At the same time, the commissioning of the last leg of Southern Gas Corridor in 2020 could not have been timelier. This pipeline brings Azeri natural gas to the European Union (EU) via Turkey and will diversify the continent's sources of hydrocarbons.

Expectedly, the World Trade Organization's (WTO) Global Trade Barometer was at or below trend for the last two quarters of the reporting period, which indicates an expected slowdown in goods' trade. This is also consistent with predicted slowdown in global trade volume to 3.5% in 2022 and 1% in 2023 (from 3.4% in previous forecast and 9.7% in 2021). Per the United Nations Conference on Trade and Development (UNCTAD), ports and shipping companies have largely emerged positively from supply chain crunches such as port congestions that arose during the pandemic.

As recently as the first quarter of 2023, a number of significant credit/fraud events occurred in the commodity trade finance space, with a potential nickel fraud case being one of the most public. Although the Fund did not have exposure to any of the related entities, these cases remind us that even top market participants are not immune from fraud. Borrower selection, liquidity buffers and risk mitigation through transaction structures are critical in mitigating one-off fraud risks.

Although inflation helped support global trade numbers in dollar terms, the rising interest rate environment had a significant impact on the cost of debt of market participants. Interest rate risk management is one of our points of attention during both new investment analysis and ongoing portfolio monitoring.

Lastly, the inflationary environment and lengthening working capital cycles underline the importance of the cost-efficient short-term nature of trade finance. Trade finance serves as one of the key trade facilitators with needs for trade finance growing with higher prices and/or longer trade cycles.

Therefore, it is not surprising that trade finance as an asset class has fared relatively well through economic cycles, low and high interest rate periods and periods of economic downturn. The track record of our trade finance strategy has proven that the asset class offers resilient performance in absolute and relative terms in, amongst others, rising rate environments, as well as during periods of high credit market volatility.

## **FUND PERFORMANCE**

During the reporting period, the most significant factors positively affecting the Fund's performance relative to the ICE1MDOR were the selection of individual securities within each sector, sector diversification and the increase in the London Inter-Bank Offered Rate (LIBOR) and Secured Overnight Financing Rate (SOFR) rates. Factors that negatively affected performance were cash balances and mark-to-market price volatility.

The Fund was invested in a portfolio of trade finance related holdings that was widely diversified over geographic regions and sectors. Regionally, the Fund's holdings (excluding other assets and liabilities), as of the end of the fiscal year, was invested 29.73% SSA, 17.76% Asia, 13.04% Eastern Europe, 11.56% LATAM, 5.74% MENA, 3.85% Western Europe, 2.51% North America and held a 15.80% cash position. The countries represented in those regions in which the Fund held investments include: Angola, Azerbaijan, Bangladesh, Benin, Brazil, Burkina Faso, Chile, China, Cyprus, Denmark, Egypt, Ghana, Ireland, Ivory Coast, Malaysia, Mauritania, Mauritius, Mexico, New Caledonia, Nigeria, Oman, Russia, Senegal, Singapore, the Republic of South Africa, Suriname, Sweden, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Uzbekistan, Vietnam and Zambia.

The sector diversification of the Fund at the end of the reporting period was as follows: 24.56% Energy, 18.48% Foreign Sovereign, 13.24% Banking, 10.15% Basic Industry, 6.50% Telecommunications, 2.87% Consumer Goods, 2.51% Transportation, 2.42% Supranational, 2.40% Utility, 1.07% Automotive and 15.80% cash.

The Fund's broad diversification on both a regional and sector basis and the increase in LIBOR and SOFR rates made positive contributions to Fund performance on both an absolute basis and relative to the ICE1MDOR. The Fund's cash position and mark-to-market valuation effects were the largest detractors from Fund performance during the period.

## **MARKET SPREADS**

Spreads in the market remained stable during the reporting period, resulting in an average coupon rate of 6.77% for transactions in the Fund.

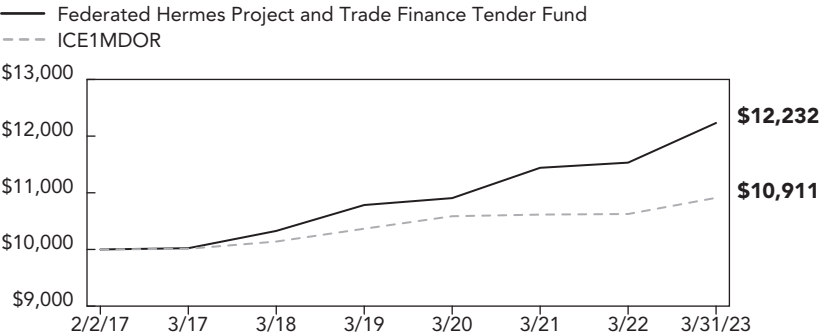
- 1 *The Fund is a continuously offered, non-diversified, closed-end management company. The Fund will not list shares on any securities exchange, and it is not expected that any secondary market will develop for the shares. Shareholders will not be able to tender their shares for repurchase on a daily basis. At the discretion of the Fund's Board of Trustees, and provided that it is in the best interests of the Fund and shareholders to do so, the Fund intends to provide a limited degree of liquidity to shareholders by conducting repurchase offers, generally quarterly.*
- 2 *Please see the footnotes to the line graph under "Fund Performance and Growth of a \$10,000 Investment" below for the definition of, and more information about, the ICE1MDOR.*

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

The graph below illustrates the hypothetical investment of \$10,000<sup>1</sup> in the Federated Hermes Project and Trade Finance Tender Fund (the “Fund”) from February 2, 2017 to March 31, 2023, compared to the ICE BofA U.S. Dollar 1-Month Deposit Offered Rate Constant Maturity Index (ICE1MDOR).<sup>2</sup> The Average Annual Total Return table below shows returns averaged over the stated periods.

**GROWTH OF A \$10,000 INVESTMENT**

**Growth of \$10,000 as of March 31, 2023**



**Average Annual Total Returns for the Period Ended 3/31/2023**

	1 Year	5 Years	Since Inception 2/2/2017
Fund	6.07%	3.44%	3.32%
ICE1MDOR	2.68%	1.48%	1.43%

**Performance data quoted represents past performance which is no guarantee of future results. Investment return, price and net asset value will vary. An investor's shares, when repurchased, may be worth more or less than their original cost. Fund performance changes over time and current performance may be lower or higher than what is stated. For current to the most recent month-end performance, current shareholders may call 1-800-341-7400. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.**

- 1 *The Fund's performance assumes the reinvestment of all dividends and distributions.*
- 2 *The ICE1MDOR is an independent calculation of the ICE BofA 1-Month LIBOR. The ICE1MDOR is a widely used benchmark for short-term interest rates, providing an indication of the average rates at which LIBOR panel banks could obtain wholesale, unsecured funding for set periods in particular currencies. The ICE1MDOR is not adjusted to reflect sales charges, expenses or other fees that the SEC requires to be reflected in the Fund's performance. The index is unmanaged and unlike the Fund, is not affected by cash flows. It is not possible to invest directly in an index.*

# Portfolio of Investments Summary Table (unaudited)

At March 31, 2023, the Fund's portfolio composition<sup>1</sup> was as follows:

<b>Security Type</b>	<b>Percentage of Total Net Assets</b>
Trade Finance Agreements	81.8%
Derivative Contracts <sup>2,3</sup>	0.0%
Cash Equivalents <sup>4</sup>	15.6%
Other Assets and Liabilities—Net <sup>5</sup>	2.6%
<b>TOTAL</b>	<b>100%</b>

- 1 See the Fund's Prospectus for a description of the principal types of securities in which the Fund invests.
- 2 Based upon net unrealized appreciation (depreciation) or value of the derivative contracts as applicable. Derivative contracts may consist of futures, forwards, options and swaps. The impact of a derivative contract on the Fund's performance may be larger than its unrealized appreciation (depreciation) or value may indicate. In many cases, the notional value or amount of a derivative contract may provide a better indication of the contract's significance to the portfolio. More complete information regarding the Fund's direct investments in derivative contracts, including unrealized appreciation (depreciation), value and notional values or amounts of such contracts, can be found in the table at the end of the Portfolio of Investments included in this Report.
- 3 Represents less than 0.1%.
- 4 Cash Equivalents include any investments in money market mutual funds and/or overnight repurchase agreements.
- 5 Assets, other than investments in securities and derivative contracts, less liabilities. See Statement of Assets and Liabilities.



March 31, 2023

Annual Shareholder Report

Foreign Currency Par Amount, Principal Amount or Shares		Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars
	<sup>1</sup> TRADE FINANCE AGREEMENTS—continued <b>Basic Industry - Metals/Mining Excluding Steel—6.5%</b>			
\$ 5,400,000	<sup>2</sup> China Hongqiao Group Ltd., 8.530% (1-month USLIBOR +3.800%), 3/30/2024	6/3/2021	\$ 5,400,000	\$ 5,400,000
5,500,000	<sup>2</sup> Harmony Gold Mining Co. Ltd., 4.011% (SOFR +3.050%), 6/8/2025	7/31/2018- 7/6/2021	5,507,949	5,505,334
7,223,329	Mosaic Fertilizantes P&K Ltda, Brazil and/or Mosaic Fertilizantes Ltd., 6.000%, 7/5/2023	2/21/2023	7,064,415	7,081,885
10,000,000	<sup>2</sup> PJSC Acron, 6.266% (1-month USLIBOR +1.700%), 5/18/2026	11/26/2021	10,000,000	9,574,555
9,200,000	<sup>2</sup> PJSC MMC Norilsk Nickel, 6.242% (SOFR +1.400%), 2/20/2025	11/30/2020- 10/22/2021	9,157,045	8,549,892
800,000	<sup>2</sup> Tasiast Mauritanie Ltd. SA, 9.456% (6-month USLIBOR +0.042%), 12/15/2027	10/15/2020	800,000	800,000
500,000	<sup>2</sup> Uralkali PJSC, 4.655% (1-month USLIBOR +2.200%), 5/20/2025	9/9/2020	497,500	500,000
	TOTAL			37,411,666
	<b>Building &amp; Development—0.8%</b>			
4,500,000	<sup>2</sup> IHS Zambia Ltd., 9.792% (3-month USLIBOR +5.000%), 12/15/2027	11/26/2021	4,494,250	4,358,155
	<b>Building Materials—1.8%</b>			
10,551,086	Cemex S.A.B de C.V., 5.670%, 5/5/2023	10/12/2022- 11/4/2022	10,252,261	10,516,238
	<b>Consumer Goods - Food - Wholesale—1.0%</b>			
275,000	<sup>2</sup> Ghana Cocoa Board, 6.332% (6-month USLIBOR +4.400%), 11/12/2024	5/13/2020- 8/11/2021	275,000	257,514
5,073,529	<sup>2</sup> International Beverage Tashkent, 9.366% (3-month USLIBOR +4.500%), 12/29/2026	12/28/2021- 3/8/2022	5,073,529	5,072,798
500,000	<sup>2</sup> Ulker Biskuvi Sanayi AS, 8.065% (6-month USLIBOR +3.250%), 4/20/2023	2/18/2021	500,750	498,798

Foreign Currency Par Amount, Principal Amount or Shares		Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars
	<sup>1</sup> TRADE FINANCE AGREEMENTS—continued			
	<b>Consumer Goods - Food - Wholesale—continued</b>			
\$ 894,737	<sup>2,3,4,5</sup> Vicentin SAIC II, 10.793% (3-month USLIBOR +6.000%), 1/15/2024	1/8/2018- 2/21/2018	\$ 894,737	\$ 134,211
	TOTAL			5,963,321
	<b>Energy - Exploration &amp; Production—8.9%</b>			
11,000,000	<sup>2</sup> Azule Energy Holding Ltd., 8.300% (SOFR +4.500%), 7/29/2029	10/27/2022- 12/19/2022	11,000,000	10,973,990
11,000,000	<sup>2</sup> CC Energy Development Ltd., 8.414% (SOFR +3.750%), 7/1/2028	8/31/2022	11,000,000	11,000,000
8,959,938	<sup>2</sup> FPP005 PTE Ltd. Singapore, Inc., 7.759% (3-month USLIBOR +2.600%), 8/13/2024	6/16/2022	9,464,093	8,959,938
274,555	<sup>2</sup> Prime Oil and Gas BV, 8.840% (12-month USLIBOR +3.750%), 12/5/2024	9/17/2019	272,496	273,736
230,769	<sup>2</sup> SOCAR Energy '18, 7.043% (3-month USLIBOR +2.200%), 11/8/2023	11/26/2019	229,731	230,769
5,000,000	<sup>2</sup> SOCAR Energy, 6.939% (6-month USLIBOR +3.450%), 8/11/2026	8/11/2021	4,957,500	4,996,224
9,218,440	<sup>2</sup> Sonangol Finance Ltd., 8.820% (1-month USLIBOR +4.250%), 12/20/2023	12/16/2022	9,135,474	9,197,364
4,100,000	<sup>2</sup> Sonangol Finance Ltd., 10.090% (1-month USLIBOR +5.250%), 9/30/2026	9/15/2021	4,059,000	4,100,000
1,666,667	<sup>2</sup> State Oil Co Of The Azer, 7.941% (6-month USLIBOR +2.700%), 2/22/2024	5/4/2021	1,656,417	1,662,773
	TOTAL			51,394,794
	<b>Energy - Gas Distribution— 2.4%</b>			
12,925,247	<sup>2</sup> Venture Global Calcasieu Pass LLC, 6.767%-6.782% (1-month USLIBOR +2.625%), 8/19/2026	1/28/2021- 2/10/2023	12,884,161	12,925,247

Foreign Currency Par Amount, Principal Amount or Shares		Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars
	<sup>1</sup> TRADE FINANCE AGREEMENTS—continued			
	<b>Energy - Gas Distribution— continued</b>			
\$ 1,137,333	<sup>2</sup> Venture Global Plaquemines LNG LLC, 6.797% (SOFR +1.975%), 5/25/2029	12/15/2022	\$ 1,137,333	\$ 1,137,333
	TOTAL			14,062,580
	<b>Energy - Integrated Energy— 1.1%</b>			
2,206,253	<sup>2</sup> Staatsolie Maatschappij Suriname NV, 10.421% (3-month USLIBOR +2.500%), 1/25/2028	6/30/2021	2,206,253	1,996,514
4,537,431	<sup>2</sup> Staatsolie Maatschappij Suriname NV, 6.900% (SOFR +2.600%), 1/25/2028	6/30/2021	4,537,431	4,470,837
	TOTAL			6,467,351
	<b>Energy - Oil Refining and Marketing—7.4%</b>			
369,828	<sup>2</sup> Dangote, 11.135% (6-month USLIBOR +6.500%), 8/31/2023	2/6/2017	365,368	369,057
738,255	<sup>2</sup> Preem AB, 8.411% (1-month USLIBOR +3.850%), 6/21/2025	2/17/2023- 3/17/2023	738,255	738,255
5,250,000	<sup>2</sup> Trafigura PTE LTD AUS, 6.172% (1-month USLIBOR +2.000%), 6/30/2023	12/20/2022	5,250,000	5,248,605
10,750,000	<sup>2</sup> Trafigura PTE LTD NZ, 6.229% (1-month USLIBOR +2.000%), 5/5/2023	12/20/2022- 1/20/2023	10,750,000	10,748,559
8,362,233	<sup>2</sup> Trafigura Pte Ltd., 5.080% (1-month USLIBOR +2.000%), 9/30/2023	9/23/2022	8,362,233	8,362,233
3,300,402	<sup>2</sup> Tupi Nordeste SARL, 6.866% (3-month USLIBOR +2.000%), 6/15/2023	7/21/2022	3,229,443	3,297,433
1,680,622	<sup>2</sup> Yinson Bergenia Production, 8.691% (90-DAY AVERAGE SOFR +3.900%), 6/10/2028	3/6/2023- 3/24/2023	1,680,622	1,674,324
12,000,000	<sup>2</sup> Yinson Boronia Production, 8.075% (3-month USLIBOR +3.250%), 8/11/2026	12/17/2021- 8/19/2022	12,000,000	12,000,000
	TOTAL			42,438,466

Foreign Currency Par Amount, Principal Amount or Shares		Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars
	<sup>1</sup> TRADE FINANCE AGREEMENTS—continued			
	<b>Farming &amp; Agriculture—1.5%</b>			
\$ 8,748,420	<sup>2</sup> Cocobod PXF 2023 Facility Drawdown, 4.770% (SOFR +1.750%), 8/31/2023	10/24/2022- 3/13/2023	\$ 8,748,420	\$ 8,709,005
	<b>Foreign Sovereign—17.3%</b>			
EUR 470,800	<sup>2</sup> Bank of Industry Ltd. - Central Bank of Nigeria, 7.167% (3-month EURIBOR +4.500%), 2/14/2025	3/17/2020	516,562	509,500
\$ 2,000,400	<sup>2</sup> Bank of Industry Ltd. - Central Bank of Nigeria, 11.381% (3-month USLIBOR +6.000%), 12/11/2023	4/21/2021	2,020,404	2,000,400
10,000,000	Bangladesh, Government of, 5.894%, 7/31/2023	11/20/2022- 1/25/2023	10,000,000	9,997,532
EUR 4,800,000	Benin, Government of, 1.870%, 12/21/2026	12/21/2021	5,415,841	4,854,211
5,200,000	<sup>2</sup> Benin, Government of, 6.996% (6-month EURIBOR +4.300%), 12/21/2026	12/23/2021	5,893,941	5,564,105
3,403,198	Burkina Faso, Government of, 3.600%, 12/27/2023	3/22/2023	3,697,063	3,690,768
5,000,000	Cote D'Ivoire, Government of, 5.356%, 5/22/2023	12/9/2022	5,265,247	5,422,499
10,001,000	<sup>2</sup> Cote D'Ivoire, Government of, 6.799% (3-month EURIBOR +0.029%), 12/7/2023	5/17/2022- 6/21/2022	10,545,523	10,846,083
4,000,000	<sup>2</sup> Cote D'Ivoire, Government of, 6.998% (1-month EURIBOR +4.050%), 12/13/2023	3/9/2023	4,221,619	4,338,000
4,666,900	Cote D'Ivoire, Government of, 4.875%, 12/31/2025	9/4/2019- 8/25/2021	5,416,078	4,888,544
\$ 8,738,037	Egypt, Government of, 7.293%, 3/4/2024	1/3/2023- 3/6/2023	8,738,037	8,366,260
4,929,891	Egypt, Government of, 3.680%, 11/24/2023	4/6/2022- 11/24/2022	4,929,891	4,746,989
6,000,000	<sup>2</sup> Energy Development Oman, 7.584% (3-month USLIBOR +2.950%), 8/14/2028	11/2/2021- 11/5/2021	5,969,544	6,000,000
EUR 3,500,000	<sup>2</sup> Minister of Finance of Ukraine, 5.113% (3-month EURIBOR +4.100%), 9/15/2023	8/26/2021	4,114,075	3,533,046

Foreign Currency Par Amount, Principal Amount or Shares		Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars
	<sup>1</sup> TRADE FINANCE AGREEMENTS—continued			
	<b>Foreign Sovereign—continued</b>			
EUR 10,000,000	Senegal, Government of, 2.800%, 4/15/2023	5/10/2022	\$10,508,163	\$ 10,844,138
\$ 250,000	<sup>2</sup> Sharjah Govt., 6.186% (3-month USLIBOR +1.200%), 3/4/2024	9/21/2020	248,750	250,000
EUR 3,500,000	<sup>2</sup> MOF Ivory Coast, 6.586% (6-month EURIBOR +0.037%), 12/28/2023	2/3/2023	3,778,074	3,802,297
\$10,000,000	<sup>2</sup> The Federal Republic of Nigeria acting by and through the Federal Ministry of Finance, Budget and National Planning of Nigeria (MOF), 10.472% (3-month USLIBOR +5.950%), 12/30/2023	9/1/2022- 1/19/2023	10,000,000	10,000,000
	TOTAL			99,654,372
	<b>Gas Distributor—1.4%</b>			
7,796,041	<sup>2</sup> Fermaca Pipeline la Laguna, S. de R.L. de C.V., 7.659% (3-month USLIBOR +2.500%), 12/31/2024	6/30/2022	7,640,120	7,780,783
	<b>Government Agency—0.8%</b>			
EUR 4,440,337	Republic of Senegal, represented by the Ministry of Economy, Planning & Corporation, 6.745%, 12/14/2023	1/11/2023	4,774,915	4,751,352
	<b>Lease—2.4%</b>			
\$ 4,805,675	<sup>2</sup> AerCap Holdings NV, 6.609% (3-month USLIBOR +1.450%), 12/31/2025	11/23/2021	4,938,012	4,759,071
9,000,000	<sup>2</sup> Far East Horizon Ltd., 6.341% (3-month USLIBOR +1.400%), 9/10/2024	9/15/2021	9,000,000	8,793,347
	TOTAL			13,552,418
	<b>Metals &amp; Mining—1.7%</b>			
10,000,000	<sup>2</sup> Navoi Mining and Metallurgical Company, 9.413% (90-DAY AVERAGE SOFR +4.760%), 4/20/2027	11/24/2022	10,000,000	10,000,000

Foreign Currency Par Amount, Principal Amount or Shares		Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars
	<sup>1</sup> TRADE FINANCE AGREEMENTS—continued			
	<b>Oil Field Services—1.8%</b>			
\$10,658,554	<sup>2</sup> Sonasing Xikomba Ltd. ("Xikomfa"), Bermuda, Inc., 7.164% (3-month USLIBOR +2.300%), 5/29/2026	5/17/2022- 11/4/2022	\$10,658,553	\$ 10,658,554
	<b>Supranational—2.6%</b>			
9,000,000	<sup>2</sup> Africa Finance Corp., 5.630% (3-month USLIBOR +0.900%), 1/17/2025	3/11/2022	9,002,250	8,967,165
1,246,343	African Export-Import Bank (Afreximbank), 2.947%, 9/23/2023	9/6/2022	1,246,343	1,234,834
5,000,000	<sup>2</sup> Eastern and Southern African Trade and Development Bank, 6.240% (90-DAY AVERAGE SOFR +1.350%), 8/23/2024	2/9/2023	4,935,000	4,875,910
	TOTAL			15,077,909
	<b>Telecommunications - Wireless—5.7%</b>			
10,000,000	<sup>2</sup> IHS Holding Ltd., Cayman Island Incorporation, 8.134% (SOFR +3.750%), 10/28/2025	12/13/2022	9,795,000	9,824,096
2,179,909	<sup>2</sup> Phoenix Tower International Spain ETVE, S.L.U., 8.898% (SOFR CME +4.000%), 8/10/2027	11/21/2022	2,164,650	2,166,970
4,820,091	<sup>2</sup> Phoenix Tower International Spain ETVE, S.L.U., 8.898% (SOFR CME +4.000%), 8/10/2027	11/21/2022	4,786,350	4,791,482
EUR 6,100,000	<sup>2</sup> PTI Iberica IV, Spanish, Inc., 6.154% (3-month EURIBOR +3.250%), 6/26/2028	9/28/2021- 12/22/2022	7,114,888	6,559,241
8,750,000	<sup>2</sup> TDC Net A/S, 4.954% (3-month EURIBOR +2.300%), 2/2/2027	3/28/2023	9,491,567	9,489,374
	TOTAL			32,831,163
	<b>Transportation - Airlines—0.2%</b>			
\$ 1,340,010	<sup>2</sup> Avolon Aerospace, 3.026% (1-month USLIBOR +1.600%), 3/31/2025	11/27/2019	1,346,375	1,282,574

Foreign Currency Par Amount, Principal Amount or Shares	Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars	
	<sup>1</sup> TRADE FINANCE AGREEMENTS—continued			
	<b>Transportation - Transport Infrastructure/Services—1.4%</b>			
EUR 7,500,000	<sup>2</sup> Fraport TAV Antalya Yatirim Yapim ve Isletme (SPV, Turkey), 6.770% (6-month EURIBOR +5.500%), 3/25/2024	9/1/2022	\$ 7,461,001	\$ 8,198,544
	<b>Utility - Electric-Generation— 2.4%</b>			
\$ 5,040,000	<sup>2</sup> Karadeniz Powership Osman Khan Co., Ltd., 10.551% (6-month USLIBOR +5.500%), 9/15/2026	10/14/2021	4,989,600	5,010,306
3,333,333	<sup>2</sup> Karpower International B.V., 13.604% (6-month USLIBOR +8.500%), 11/16/2023	5/25/2022	3,333,333	3,336,225
2,300,000	<sup>2</sup> Karpower International DMCC (opco, Dubai) ("Karpower Reef"), 11.343% (SOFR +6.500%), 6/30/2026	3/20/2023	2,271,250	2,277,662
1,935,272	<sup>2</sup> Karpowership, 9.735% (6-month USLIBOR +4.500%), 2/28/2025	7/30/2020- 7/9/2021	1,915,921	1,933,798
339,312	<sup>2</sup> SMN Barka Power Company S.A.O.C., 6.496% (6-month USLIBOR +1.100%), 3/28/2024	12/2/2020	312,167	329,899
846,154	<sup>2</sup> The Sharjah Electricity and Water Authority, 6.892% (1-month USLIBOR +1.950%), 12/23/2025	12/21/2020	844,673	846,154
TOTAL			13,734,044	
TOTAL TRADE FINANCE AGREEMENTS (IDENTIFIED COST \$475,860,593)			472,021,560	



Foreign Currency Par Amount, Principal Amount or Shares	Acquisition Date <sup>1</sup>	Acquisition Cost in U.S. Dollars <sup>1</sup>	Value in U.S. Dollars
	INVESTMENT COMPANY— 15.6%		
90,381,867	Federated Hermes Institutional Prime Value Obligations Fund, Institutional Shares, 4.82% <sup>6</sup> (IDENTIFIED COST \$90,348,346)		\$ 90,363,791
	TOTAL INVESTMENT IN SECURITIES—97.4% (IDENTIFIED COST \$566,208,939) <sup>7</sup>		562,385,351
	OTHER ASSETS AND LIABILITIES - NET—2.6% <sup>8</sup>		14,886,992
	TOTAL NET ASSETS—100%		\$577,272,343

At March 31, 2023, the Fund had the following outstanding foreign exchange contracts:

Settlement Date	Counterparty	Foreign Currency Units to Deliver/Receive	In Exchange For	Net Unrealized Appreciation/ (Depreciation)
<b>Contracts Sold:</b>				
5/2/2023	State Street Bank & Trust Co.	14,897,500 EUR	\$16,311,973	\$ 130,293
5/2/2023	Credit Agricole	53,700,000 EUR	\$58,587,935	\$ 258,939
5/2/2023	Bank Of New York	3,500,000 EUR	\$3,788,456	\$ (13,248)
5/2/2023	State Street Bank & Trust Co.	5,000,000 EUR	\$5,389,300	\$ (41,705)
6/14/2023	JPMorgan Chase Bank, N.A.	22,975,000 EUR	\$24,689,755	\$(326,375)
6/14/2023	State Street Bank & Trust Co.	2,300,000 EUR	\$2,515,415	\$ 11,079
6/14/2023	State Street Bank & Trust Co.	8,700,000 EUR	\$9,473,074	\$ 154
	NET UNREALIZED APPRECIATION ON FOREIGN EXCHANGE CONTRACTS			\$ 19,137

Net Unrealized Appreciation on Foreign Exchange Contracts is included in "Other Assets and Liabilities—Net."

Transactions with affiliated investment companies, which are funds managed by the Adviser or an affiliate of the Adviser, during the period ended March 31, 2023, were as follows:

	<b>Federated Hermes Institutional Prime Value Obligations Fund, Institutional Shares</b>
Value as of 3/31/2022	\$ 24,856,836
Purchases at Cost	\$ 540,998,384
Proceeds from Sales	\$(475,516,931)
Change in Unrealized Appreciation/Depreciation	\$ 14,485
Net Realized Gain/(Loss)	\$ 11,017
Value as of 3/31/2023	\$ 90,363,791
Shares Held as of 3/31/2023	90,381,867
Dividend Income	\$ 2,447,605

- 1 Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or availing of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At March 31, 2023, these restricted securities amounted to \$472,021,560, which represented 81.8% of total net assets.
- 2 Floating/variable note with current rate and current maturity or next reset date shown.
- 3 Issuer in default.
- 4 Market quotations and price valuations are not available. Fair value determined using significant unobservable inputs in accordance with procedures established by and under the general supervision of the Fund's Adviser acting through its Valuation Committee ("Valuation Committee").
- 5 Non-income-producing security.
- 6 7-day net yield.
- 7 The cost of investments for federal tax purposes amounts to \$566,228,401.
- 8 Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.

Note: The categories of investments are shown as a percentage of total net assets at March 31, 2023.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1—quoted prices in active markets for identical securities.

Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Also includes securities valued at amortized cost.

Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used, as of March 31, 2023, in valuing the Fund's assets carried at fair value:

### Valuation Inputs

	Level 1— Quoted Prices	Level 2— Other Significant Observable Inputs	Level 3— Significant Unobservable Inputs	Total
<b>Debt Securities:</b>				
Trade Finance Agreements	\$ —	\$ —	\$472,021,560	\$472,021,560
<b>Investment Company</b>	90,363,791	—	—	90,363,791
TOTAL SECURITIES	\$90,363,791	\$ —	\$472,021,560	\$562,385,351
<b>Other Financial Instruments<sup>1</sup></b>				
Assets	\$ —	\$ 400,465	\$ —	\$ 400,465
Liabilities	—	(381,328)	—	(381,328)
TOTAL OTHER FINANCIAL INSTRUMENTS	\$ —	\$ 19,137	\$ —	\$ 19,137

1 Other financial instruments are foreign exchange contracts.

Trade finance agreements' fair values are primarily derived from discounted cash flow methodologies utilizing unobservable inputs due to the lack of market transactions. The discount rate used within the methodologies to discount the future anticipated cash flows is considered a significant unobservable input. Increases/(decreases) in the discount rate would result in a (decrease)/increase to an investment's fair value. The discount rates used as of March 31, 2023, as inputs for valuing Fund investments ranged from (29.56)% to 85.00% and the weighted average discount rate based on the Value in U.S. dollars is 4.56%.

Following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

	<b>Investments in Trade Finance Agreements</b>
Balance as of 3/31/2022	\$ 513,257,286
Accreted/amortized discount/premiums	2,330,605
Realized gain (loss)	(4,639,913)
Change in unrealized appreciation/depreciation	7,144,005
Purchases	551,603,074
(Sales)	(597,673,497)
Balance as of 3/31/2023	\$ 472,021,560
Total change in unrealized appreciation/depreciation attributable to investments still held at 3/31/2023	\$ 3,191,150

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

EUR —Euro Currency  
 EURIBOR—Euro Interbank Offered Rate  
 LIBOR —London Interbank Offered Rate  
 SOFR —Secured Overnight Financing Rate

See Notes which are an integral part of the Financial Statements

# Financial Highlights

(For a Share Outstanding Throughout Each Period)

	Year Ended March 31,				
	2023	2022	2021	2020	2019
<b>Net Asset Value, Beginning of Period</b>	<b>\$9.80</b>	<b>\$9.92</b>	<b>\$9.71</b>	<b>\$9.98</b>	<b>\$10.00</b>
<b>Income From Investment Operations:</b>					
Net investment income (loss)	0.46 <sup>1</sup>	0.19 <sup>1</sup>	0.25 <sup>1</sup>	0.39 <sup>1</sup>	0.45
Net realized and unrealized gain (loss)	0.12	(0.11)	0.22	(0.27)	(0.01)
<b>TOTAL FROM INVESTMENT OPERATIONS</b>	<b>0.58</b>	<b>0.08</b>	<b>0.47</b>	<b>0.12</b>	<b>0.44</b>
<b>Less Distributions:</b>					
Distributions from net investment income	(0.51)	(0.20)	(0.26)	(0.38)	(0.45)
Distributions from net realized gain	(0.00) <sup>2</sup>	(0.00) <sup>2</sup>	(0.00) <sup>2</sup>	(0.01)	(0.01)
<b>TOTAL DISTRIBUTIONS</b>	<b>(0.51)</b>	<b>(0.20)</b>	<b>(0.26)</b>	<b>(0.39)</b>	<b>(0.46)</b>
<b>Net Asset Value, End of Period</b>	<b>\$9.87</b>	<b>\$9.80</b>	<b>\$9.92</b>	<b>\$9.71</b>	<b>\$9.98</b>
<b>Total Return<sup>3</sup></b>	<b>6.07%</b>	<b>0.80%</b>	<b>4.91%</b>	<b>1.13%</b>	<b>4.42%</b>
<b>Ratios to Average Net Assets:</b>					
Net expenses <sup>4</sup>	0.41%	0.41%	0.71%	0.71%	0.70%
Net investment income	4.70%	1.94%	2.57%	3.94%	4.44%
Expense waiver/reimbursement <sup>5</sup>	0.24%	0.22%	0.44%	0.32%	0.29%
<b>Supplemental Data:</b>					
Net assets, end of period (000 omitted)	\$577,272	\$560,685	\$39,835	\$63,873	\$51,680
Portfolio turnover <sup>6</sup>	52%	36%	47%	73%	57%

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

2 Represents less than \$0.01.

3 Based on net asset value.

4 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.

5 This expense decrease is reflected in both the net expense and the net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.

6 Securities that mature are considered sales for purposes of this calculation.

See Notes which are an integral part of the Financial Statements

# Statement of Assets and Liabilities

March 31, 2023

## Assets:

Investment in securities, at value including \$90,363,791 of investments in affiliated holdings* (identified cost \$566,208,939, including \$90,348,346 of identified cost in affiliated holdings)	\$562,385,351
Cash denominated in foreign currencies (identified cost \$295,303)	295,424
Income receivable	5,067,951
Receivable for investments sold	9,723,116
Unrealized appreciation on foreign exchange contracts	400,465
<b>TOTAL ASSETS</b>	<b>577,872,307</b>

## Liabilities:

Unrealized depreciation on foreign exchange contracts	381,328
Due to broker	5,126
Payable for investment adviser fee (Note 5)	3,807
Payable for auditing fees	62,689
Payable for portfolio accounting fees	67,414
Payable for share registration costs	54,756
Accrued expenses (Note 5)	24,844
<b>TOTAL LIABILITIES</b>	<b>599,964</b>
Net assets for 58,494,754 shares outstanding	\$577,272,343

## Net Assets Consist of:

Paid-in capital	\$581,605,115
Total distributable earnings (loss)	(4,332,772)
<b>TOTAL NET ASSETS</b>	<b>\$577,272,343</b>

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

\$577,272,343 ÷ 58,494,754 shares outstanding, no par value, unlimited shares authorized	\$9.87
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\* See information listed after the Fund's Portfolio of Investments.

See Notes which are an integral part of the Financial Statements

# Statement of Operations

Year Ended March 31, 2023

## Investment Income:

Interest	\$26,705,213
Dividends received from affiliated holdings*	2,447,605
<b>TOTAL INCOME</b>	<b>29,152,818</b>

## Expenses:

Investment adviser fee (Note 5)	2,854,141
Administrative fee (Note 5)	1,325
Custodian fees	20,222
Transfer agent fees	135,587
Directors'/Trustees' fees (Note 5)	10,230
Auditing fees	121,415
Legal fees	17,074
Portfolio accounting fees	349,111
Share registration costs	131,432
Printing and postage	18,310
Miscellaneous (Note 5)	22,063
<b>TOTAL EXPENSES</b>	<b>3,680,910</b>
Waiver/reimbursement of investment adviser fee (Note 5)	(1,360,060)
<b>Net expenses</b>	<b>2,320,850</b>
<b>Net investment income</b>	<b>26,831,968</b>

## Realized and Unrealized Gain (Loss) on Investments, Foreign Currency Transactions and Foreign Exchange Contracts:

Net realized loss on investments (including net realized gain of \$11,017 on sales of investments in affiliated holdings*)	(4,628,896)
Net realized loss on foreign currency transactions	(58,966)
Net realized gain on foreign exchange contracts	5,797,803
Net change in unrealized depreciation of investments (including net change in unrealized appreciation of \$14,485 of investments in affiliated holdings*)	7,158,490
Net change in unrealized appreciation of translation of assets and liabilities in foreign currency	(665)
Net change in unrealized appreciation of foreign exchange contracts	(1,719,838)
Net realized and unrealized gain (loss) on investments, foreign currency transactions and foreign exchange contracts	6,547,928
<b>Change in net assets resulting from operations</b>	<b>\$33,379,896</b>

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

See Notes which are an integral part of the Financial Statements

# Statement of Changes in Net Assets

Year Ended March 31	2023	2022
<b>Increase (Decrease) in Net Assets</b>		
<b>Operations:</b>		
Net investment income	\$ 26,831,968	\$ 8,839,603
Net realized gain (loss)	1,109,941	2,434,709
Net change in unrealized appreciation/depreciation	5,437,987	(8,891,063)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	33,379,896	2,383,249
<b>Distributions to Shareholders</b>	(29,259,498)	(10,523,247)
<b>Share Transactions:</b>		
Proceeds from sale of shares	20,000,000	540,000,000
Net asset value of shares issued to shareholders in payment of distributions declared	16,367,790	5,378,588
Cost of shares redeemed	(23,900,996)	(16,388,482)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	12,466,794	528,990,106
Change in net assets	16,587,192	520,850,108
<b>Net Assets:</b>		
Beginning of period	560,685,151	39,835,043
End of period	\$577,272,343	\$560,685,151

See Notes which are an integral part of the Financial Statements



# Statement of Cash Flows

Year Ended March 31, 2023

## Operating Activities:

Change in net assets resulting from operations	\$ 33,379,896
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## Adjustments to Reconcile Change in Net Assets Resulting From Operations to Net Cash Provided By Operating Activities:

Purchase of investment securities	(551,603,074)
Proceeds from disposition of investment securities	597,673,497
Purchase of short-term investments, net	(65,481,453)
Amortization/accretion of premium/discount, net	(2,330,605)
Increase in income receivable	(2,377,453)
Increase in receivable for investments sold	(722,499)
Decrease in payable for investments purchased	(2,126,127)
Increase in accrued expenses	52,364
Net realized loss on investments	4,628,896
Net change in unrealized appreciation/depreciation of investments	(7,158,490)
Net change in unrealized depreciation of foreign exchange contracts	1,719,838
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>5,654,790</b>

## Financing Activities:

Decrease in cash overdraft	(40,827)
Proceeds from sale of units	30,000,000
Income distributions to participants	(12,891,708)
Payments for units redeemed	(23,900,996)
<b>NET CASH USED BY FINANCING ACTIVITIES</b>	<b>(6,833,531)</b>
Decrease in cash	(1,178,741)
Cash at beginning of year	1,474,165
Cash at end of year	<b>\$ 295,424</b>

*Non-cash financing activities not included herein consist of reinvestment of dividends and distributions to participants of \$16,367,790.*

See Notes which are an integral part of the Financial Statements

# Notes to Financial Statements

March 31, 2023

## 1. ORGANIZATION

Federated Hermes Project and Trade Finance Tender Fund (the “Fund”) was organized as a Delaware statutory trust on June 30, 2016, as a continuously offered, non-diversified, closed-end management investment company. The Fund is registered under the Investment Company Act of 1940 (the “Act”), as amended, and the Securities Act of 1933, as amended. The Fund’s investment objective is to provide total return primarily from income.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. These policies are in conformity with U.S. generally accepted accounting principles (GAAP).

### Investment Valuation

In calculating its net asset value (NAV), the Fund generally values investments as follows:

- Fixed-income securities are fair valued using price evaluations provided by a pricing service approved by Federated Investment Management Company (the “Adviser”).
- Equity securities listed on an exchange or traded through a regulated market system are valued at their last reported sale price or official closing price in their principal exchange or market.
- Shares of other mutual funds or non-exchange traded investment companies are valued based upon their reported NAVs, or NAV per share practical expedient, as applicable.
- Derivative contracts listed on exchanges are valued at their reported settlement or closing price, except that options are valued at the mean of closing bid and ask quotations.
- Over-the-counter (OTC) derivative contracts are fair valued using price evaluations provided by a pricing service approved by the Adviser.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Adviser, certain factors may be considered, such as: the last traded or purchase price of the security, information obtained by contacting the issuer or dealers, analysis of the issuer’s financial statements or other available documents, fundamental analytical data, the nature and duration of restrictions on disposition, the movement of the market in which the security is normally traded, public trading in similar securities or derivative contracts of the issuer or comparable issuers, movement of a relevant index, expected recovery rate on distressed securities, opinion of legal counsel regarding the outcome of any relevant legal matters or other factors including but not limited to industry changes and relevant government actions.

If any price, quotation, price evaluation or other pricing source is not readily available when the NAV is calculated, if the Fund cannot obtain price evaluations from a pricing service or from more than one dealer for an investment within a reasonable period of time as set forth in the Adviser’s valuation policies and procedures for the Fund, or if information furnished by a pricing service, in the opinion of the Adviser’s valuation committee (“Valuation Committee”), is deemed not representative of the fair value of such security, the Fund uses the fair value of the investment determined in accordance

with the procedures described below. There can be no assurance that the Fund could obtain the fair value assigned to an investment if it sold the investment at approximately the time at which the Fund determines its NAV per share, and the actual value obtained could be materially different.

### **Fair Valuation and Significant Events Procedures**

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

The Adviser, acting through its Valuation Committee, is responsible for determining the fair value of investments for which market quotations are not readily available. The Valuation Committee is comprised of officers of the Adviser and certain of the Adviser's affiliated companies and determines fair value and oversees the calculation of the NAV. The Valuation Committee is also authorized to use pricing services to provide fair value evaluations of the current value of certain investments for purposes of calculating the NAV. The Valuation Committee employs various methods for reviewing third-party pricing-service evaluations including periodic reviews of third-party pricing services' policies, procedures and valuation methods (including key inputs, methods, models and assumptions), transactional back-testing, comparisons of evaluations of different pricing services, and review of price challenges by the Adviser based on recent market activity. In the event that market quotations and price evaluations are not available for an investment, the Valuation Committee determines the fair value of the investment in accordance with procedures adopted by the Adviser. The Trustees periodically review the fair valuations made by the Valuation Committee. The Trustees have also approved the Adviser's fair valuation and significant events procedures as part of the Fund's compliance program and will review any changes made to the procedures.

The Fund's investments in trade finance agreements are primarily determined by applying discounted cash flow methodologies utilizing various inputs such as available or implied credit ratings, loan characteristics, seniority, collateral, comparable debt instruments, yield curves or indices, broader loan data, bond data and bond sector curves. When appropriate, other considerations may include asset liquidation analyses, internal credit assessments and general market conditions. The Fund utilizes third-party pricing specialists in determining its valuations. Typically, there are no other sources of evaluations for these investments and the inputs utilized are less observable. Additionally, trade finance agreements are typically held to maturity by investors and therefore do not trade on a consistent basis. Accordingly, executed trade prices are usually unavailable and thus, generally cannot be relied upon to support valuations of these investments. Therefore, inputs unobservable in active markets must be relied upon more heavily and as such, the Fund's management has determined these to be Level 3 investments. The prices realized for these investments upon sale may be different than prices used by the Fund to value them and the differences could be material.

Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and ask for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for any U.S. Treasury and Agency securities, mortgage-backed securities and municipal

securities. The Fund normally uses mid evaluations for any other types of fixed-income securities and any OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in accordance with the Adviser's procedures.

The Adviser has also adopted procedures requiring an investment to be priced at its fair value whenever the Valuation Committee determines that a significant event affecting the value of the investment has occurred between the time as of which the price of the investment would otherwise be determined and the time as of which the NAV is computed. An event is considered significant if there is both an affirmative expectation that the investment's value will change in response to the event and a reasonable basis for quantifying the resulting change in value. Examples of significant events that may occur after the close of the principal market on which a security is traded, or after the time of a price evaluation provided by a pricing service or a dealer, include:

- With respect to securities traded principally in foreign markets, significant trends in U.S. equity markets or in the trading of foreign securities index futures contracts;
- Political or other developments affecting the economy or markets in which an issuer conducts its operations or its securities are traded;
- Announcements concerning matters such as acquisitions, recapitalizations, litigation developments, or a natural disaster affecting the issuer's operations or regulatory changes or market developments affecting the issuer's industry.

The Adviser has adopted procedures whereby the Valuation Committee uses a pricing service to provide factors to update the fair value of equity securities traded principally in foreign markets from the time of the close of their respective foreign stock exchanges to the pricing time of the Fund. For other significant events, the Fund may seek to obtain more current quotations or price evaluations from alternative pricing sources. If a reliable alternative pricing source is not available, the Valuation Committee will determine the fair value of the investment in accordance with the fair valuation procedures approved by the Adviser. The Trustees periodically review fair valuations made in response to significant events.

### **Investment Income, Gains and Losses, Expenses and Distributions**

Investment transactions are accounted for on a trade-date basis. Realized gains and losses from investment transactions are recorded on an identified-cost basis. Interest income and expenses are accrued daily. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Foreign dividends are recorded on the ex-dividend date or when the Fund is informed of the ex-dividend date. Distributions of net investment income, if any, are declared and paid quarterly. Non-cash dividends included in dividend income, if any, are recorded at fair value. Amortization/accretion of premium and discount is included in investment income. The detail of the total fund expense waiver and reimbursement of \$1,360,060 is disclosed in Note 5.

### **Federal Taxes**

It is the Fund's policy to comply with the Subchapter M provision of the Internal Revenue Code of 1986 (the "Code") and to distribute to shareholders each year substantially all of its income. Accordingly, no provision for federal income tax is necessary. As of and during the year ended March 31, 2023, the Fund did not have a

liability for any uncertain tax positions. The Fund recognizes interest and penalties, if any, related to tax liabilities as income tax expense in the Statement of Operations. As of March 31, 2023, tax years 2020 through 2023 remain subject to examination by the Fund's major tax jurisdictions, which include the United States of America and the State of Delaware.

The Fund may be subject to taxes imposed by governments of countries in which it invests. Such taxes are generally based on either income or gains earned or repatriated. The Fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains as income and/or gains are earned.

## **Foreign Exchange Contracts**

The Fund may enter into foreign exchange contracts to manage currency risk. Purchased contracts are used to acquire exposure to foreign currencies, whereas, contracts to sell are used to hedge the Fund's securities against currency fluctuations. Risks may arise upon entering into these transactions from the potential inability of counterparties to meet the terms of their commitments and from unanticipated movements in security prices or foreign exchange rates. The foreign exchange contracts are adjusted by the daily exchange rate of the underlying currency and any gains or losses are recorded for financial statement purposes as unrealized until the settlement date.

Foreign exchange contracts are subject to Master Netting Agreements which are agreements between the Fund and its counterparties that provide for the net settlement of all transactions and collateral with the Fund, through a single payment, in the event of default or termination. Amounts presented on the Portfolio of Investments and Statement of Assets and Liabilities are not net settlement amounts but gross.

Foreign exchange contracts outstanding at period end, including net unrealized appreciation/depreciation or net settlement amount, are listed after the Fund's Portfolio of Investments.

The average value at settlement date payable and receivable of foreign exchange contracts purchased and sold by the Fund throughout the period was \$1,292,836 and \$2,666,880, respectively. This is based on the contracts held as of each month-end throughout the fiscal period.

## **Foreign Currency Translation**

The accounting records of the Fund are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the rates of exchange of such currencies against U.S. dollars on the date of valuation. Purchases and sales of securities, income and expenses are translated at the rate of exchange quoted on the respective date that such transactions are recorded. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books, and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities at period end, resulting from changes in the exchange rate.

## Restricted Securities

The Fund may purchase securities which are considered restricted. Restricted securities are securities that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) are subject to contractual restrictions on public sales. In some cases, when a security cannot be offered for public sale without first being registered, the issuer of the restricted security has agreed to register such securities for resale, at the issuer's expense, either upon demand by the Fund or in connection with another registered offering of the securities. Many such restricted securities may be resold in the secondary market in transactions exempt from registration. Restricted securities may be determined to be liquid under criteria established by the Trustees. The Fund will not incur any registration costs upon such resales. The Fund's restricted securities, like other securities, are priced in accordance with procedures established by and under the general supervision of the Adviser.

## Additional Disclosure Related to Derivative Instruments

### Fair Value of Derivative Instruments

	Assets		Liabilities	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Derivatives not accounted for as hedging instruments under ASC Topic 815				
Foreign exchange contracts	Unrealized appreciation on foreign exchange contracts	\$400,465	Unrealized depreciation on foreign exchange contracts	\$381,328

## The Effect of Derivative Instruments on the Statement of Operations for the Year Ended March 31, 2023

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

	Foreign Exchange Contracts
Foreign exchange contracts	\$5,797,803

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

	Foreign Exchange Contracts
Foreign exchange contracts	\$(1,719,838)

## Other

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets, liabilities, expenses and revenues reported in the financial statements. Actual results could differ materially from those estimated. The Fund applies investment company accounting and reporting guidance.

### 3. SHARES OF BENEFICIAL INTEREST

The following table summarizes share activity:

	Year Ended 3/31/2023	Year Ended 3/31/2022
Shares sold	2,027,374	54,268,215
Shares issued to shareholders in payment of distributions declared	1,683,385	544,214
Shares redeemed	(2,400,406)	(1,641,945)
NET CHANGE RESULTING FROM FUND SHARE TRANSACTIONS	1,310,353	53,170,484

Each Shareholder will automatically be a participant under the Fund's Dividend Reinvestment Plan (DRP) and have all income dividends and/or capital gains distributions automatically reinvested in Shares. Election not to participate in the DRP and to receive all income dividends and/or capital gains distributions, if any, in cash may be made by notice to the Fund or, if applicable, to a Shareholder's broker or other intermediary (who should be directed to inform the Fund).

### 4. FEDERAL TAX INFORMATION

The tax character of distributions as reported on the Statement of Changes in Net Assets for the years ended March 31, 2023 and 2022, was as follows:

	2023	2022
Ordinary income <sup>1</sup>	\$29,227,526	\$10,518,307
Long-term capital gains	\$ 31,972	\$ 4,940

1 For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

As of March 31, 2023, the components of distributable earnings on a tax-basis were as follows:

Net unrealized depreciation	\$(3,842,930)
Undistributed long-term capital gains	\$ 12,025
Capital loss carryforwards and deferrals	\$ (501,867)
TOTAL	\$(4,332,772)

At March 31, 2023, the cost of investments for federal tax purposes was \$566,228,401. The net unrealized depreciation of investments for federal tax purposes was \$3,843,050. This consists of unrealized appreciation from investments for those securities having an excess of value over cost of \$11,783,751 and unrealized depreciation from investments for those securities having an excess of cost over value of \$15,626,801. The amounts presented are inclusive of derivative contracts. The difference between book-basis and tax-basis net unrealized depreciation is attributable to differing treatments for defaulted securities and mark-to-market on foreign exchange contracts.

The Fund used capital loss carryforwards of \$501,867 to offset capital gains realized during the year ended March 31, 2023.

## 5. INVESTMENT ADVISER FEE AND OTHER TRANSACTIONS WITH AFFILIATES

### Investment Adviser Fee

The advisory agreement between the Fund and the Adviser provides for an annual fee equal to 0.50% of the Fund's average daily net assets. The Adviser and certain of its affiliates on their own initiative have agreed to waive their fees (if any), and/or reimburse expenses of the Fund for competitive reasons such as to maintain the Fund's expense ratio, or as and when appropriate, to maintain positive or zero net yields. Total annual fund operating expenses (as shown in the financial highlights, excluding interest expense, extraordinary expenses, proxy-related expenses, premiums for risk insurance policies on portfolio securities and certain legal fees related to specific investments paid by the Fund, if any) paid by the Fund (after the voluntary waivers and reimbursements) will not exceed 0.40% of the Fund's average daily net assets (the "Fee Limit"), up to but not including the later of (the "Termination Date"): (a) June 1, 2024; or (b) the date of the Fund's next effective Prospectus. While the Adviser and its applicable affiliates currently do not anticipate terminating or increasing these arrangements prior to the Termination Date, these arrangements may only be terminated or the Fee Limit increased prior to the Termination Date with the agreement of the Trustees. For the year ended March 31, 2023, the Adviser voluntarily waived \$1,275,652 of its fee.

The Adviser has agreed to reimburse the Fund for certain investment adviser fees as a result of transactions in other affiliated investment companies. For the year ended March 31, 2023, the Adviser reimbursed \$84,408.

Certain of the Fund's assets are managed by Federated Hermes (UK) LLP (the "Sub-Adviser") an affiliate of the Adviser. Under the terms of a sub-advisory agreement between the Adviser and the Sub-Adviser, the Sub-Adviser receives an annual fee equal to 0.39% of the daily net assets of the Fund. The fee is paid by the Adviser out of its resources and is not an incremental Fund expense. For the year ended March 31, 2023, the Sub-Adviser earned a fee of \$2,226,231.

### Administrative Services

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

### Directors'/Trustees' and Miscellaneous Fees

Certain Officers and Trustees of the Fund are Officers and Directors or Trustees of certain of the above companies. To efficiently facilitate payment, Independent Directors'/Trustees' fees and certain expenses related to conducting meetings of the Directors'/Trustees and other miscellaneous expenses are paid by an affiliate of the Adviser which in due course are reimbursed by the Fund. These expenses related to conducting meetings of the Directors'/Trustees and other miscellaneous expenses may be included in Accrued and Miscellaneous Expenses on the Statement of Assets and Liabilities and Statement of Operations, respectively.

## 6. INVESTMENT TRANSACTIONS

Purchases and sales of investments, excluding long-term U.S. government securities and short-term obligations, for the year ended March 31, 2023, were as follows:

Purchases	\$168,937,932
Sales	\$210,888,055



## 7. CONCENTRATION OF RISK

A substantial part of the Fund's portfolio may be comprised of entities in the Energy, Foreign Sovereign and Banking sectors. As a result, the Fund may be more susceptible to any economic, business, political or other developments which generally affect these entities.

The Fund invests in securities of non-U.S. issuers. Political or economic developments may have an effect on the liquidity and volatility of portfolio securities and currency holdings. At March 31, 2023, the diversification of countries was as follows:

Country	Percentage of Total Net Assets
Nigeria	7.3%
Turkey	6.8%
Uzbekistan	6.1%
Angola	6.1%
Brazil	5.9%
Ivory Coast	4.2%
Singapore	4.2%
Senegal	3.9%
Russia	3.2%
Mexico	3.2%
Oman	3.0%
United States	2.5%
Egypt	2.5%
China	2.5%
Ghana	2.4%
Benin	1.8%
Bangladesh	1.7%
Denmark	1.6%
Malaysia	1.6%
Chile	1.2%
Azerbaijan	1.2%
Cyprus	1.1%
Suriname	1.1%
Vietnam	1.1%
Ireland	1.0%
South Africa	1.0%
Mauritius	0.8%
Zambia	0.8%
Burkina Faso	0.6%
Ukraine	0.6%
New Caledonia	0.4%
United Arab Emirates	0.2%
Mauritania	0.1%

Country	Percentage of Total Net Assets
Sweden	0.1%
Argentina	0.0% <sup>1</sup>

1 Represents less than 0.1%.

## 8. INDEMNIFICATIONS

Under the Fund's organizational documents, its Officers and Directors/Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund (other than liabilities arising out of their willful misfeasance, bad faith, gross negligence or reckless disregard of their duties to the Fund). In addition, in the normal course of business, the Fund provides certain indemnifications under arrangements with third parties. Typically, obligations to indemnify a third party arise in the context of an arrangement entered into by the Fund under which the Fund agrees to indemnify such third party for certain liabilities arising out of actions taken pursuant to the arrangement, provided the third party's actions are not deemed to have breached an agreed-upon standard of care (such as willful misfeasance, bad faith, gross negligence or reckless disregard of their duties under the contract). The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet arisen. The Fund does not anticipate any material claims or losses pursuant to these arrangements at this time, and accordingly expects the risk of loss to be remote.

## 9. OTHER MATTERS

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

Due to an administrative oversight, there was a failure to register a number of Fund shares with the SEC during the period from April 30, 2021 through February 28, 2023. To remedy this, FAS has entered into agreements directly with each impacted shareholder to provide them with compensation or value similar to what each affected shareholder would have received through a rescission offer to buy back such shares in accordance with federal securities laws and applicable state law. The Fund is not party to these agreements and, accordingly, its net assets, NAV per share and total return will not be impacted. The unregistered shares of the Fund were appropriately registered with the SEC on May 22, 2023.

## **10. RECENT ACCOUNTING PRONOUNCEMENTS**

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

## **11. SUBSEQUENT EVENT**

Effective July 1, 2023, the Fund's Sub-Adviser will be Hermes Investment Management Limited.

## **12. FEDERAL TAX INFORMATION (UNAUDITED)**

For the year ended March 31, 2023, the amount of long-term capital gains designated by the Fund was \$31,972.

# Report of Independent Registered Public Accounting Firm

## **TO THE BOARD OF TRUSTEES AND THE SHAREHOLDERS OF FEDERATED HERMES PROJECT AND TRADE FINANCE TENDER FUND:**

### **Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities of Federated Hermes Project and Trade Finance Tender Fund (the Fund), including the portfolio of investments, as of March 31, 2023, the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years in the five-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of March 31, 2023, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

### **Basis for Opinion**

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of March 31, 2023, by correspondence with custodians and brokers; when replies were not received from brokers, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

**KPMG LLP**

We have served as the auditor for one or more of Federated Hermes' investment companies since 2006.

Boston, Massachusetts

May 24, 2023

# Shareholder Expense Example (unaudited)

As a shareholder of the Fund, you incur ongoing costs, including management fees and to the extent applicable, distribution (12b-1) fees and/or other service fees and other Fund expenses. This Example is intended to help you to understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. It is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from October 1, 2022 to March 31, 2023.

## ACTUAL EXPENSES

The first section of the table below provides information about actual account values and actual expenses. You may use the information in this section, together with the amount you invested, to *estimate* the expenses that you incurred over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first section under the heading entitled “Expenses Paid During Period” to estimate the expenses attributable to your investment during this period.

## HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The second section of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an *assumed* rate of return of 5% per year before expenses, which is not the Fund’s actual return. Thus, you should *not* use the hypothetical account values and expenses to estimate the actual ending account balance or your expenses for the period. Rather, these figures are required to be provided to enable you to compare the ongoing costs of investing in the Fund with other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only. Therefore, the second section of the table is useful in comparing ongoing costs only, and will not help you determine the relative *total* costs of owning different funds.

	Beginning Account Value 10/1/2022	Ending Account Value 3/31/2023	Expenses Paid During Period <sup>1</sup>
Actual	\$1,000	\$1,042.70	\$2.09
Hypothetical (assuming a 5% return before expenses)	\$1,000	\$1,022.89	\$2.07

1 Expenses are equal to the Fund’s annualized net expense ratio of 0.41%, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half-year period).

# Board of Trustees and Fund Officers

The Board of Trustees is responsible for managing the Fund’s business affairs and for exercising all the Fund’s powers except those reserved for the shareholders. The following tables give information about each Trustee and the senior officers of the Fund. Where required, the tables separately list Trustees who are “interested persons” of the Fund (i.e., “Interested” Trustees) and those who are not (i.e., “Independent” Trustees). Unless otherwise noted, the address of each person listed is 1001 Liberty Avenue, Pittsburgh, PA 15222-3779. The address of all Independent Trustees listed is 4000 Ericsson Drive, Warrendale, PA 15086-7561; Attention: Mutual Fund Board. As of December 31, 2022, the Fund comprised one portfolio(s), and the Federated Hermes Fund Family consisted of 33 investment companies (comprising 102 portfolios). Unless otherwise noted, each Officer is elected annually. Unless otherwise noted, each Trustee oversees all portfolios in the Federated Hermes Fund Family and serves for an indefinite term. The Fund’s Statement of Additional Information includes additional information about Fund Trustees and is available, without charge and upon request, by calling 1-800-341-7400, Option #4.

## INTERESTED TRUSTEES BACKGROUND

<b>Name</b>	
<b>Birth Date</b>	
<b>Positions Held with Fund</b>	<b>Principal Occupation(s) for Past Five Years, Other Directorships Held and Previous Position(s)</b>
<b>Date Service Began</b>	
<b>J. Christopher Donahue*</b> Birth Date: April 11, 1949 PRESIDENT AND TRUSTEE Indefinite Term Began serving: August 2016	<b>Principal Occupations:</b> Principal Executive Officer and President of certain of the Funds in the Federated Hermes Fund Family; Director or Trustee of the Funds in the Federated Hermes Fund Family; President, Chief Executive Officer and Director, Federated Hermes, Inc.; Chairman and Trustee, Federated Investment Management Company; Trustee, Federated Investment Counseling; Chairman and Director, Federated Global Investment Management Corp.; Chairman and Trustee, Federated Equity Management Company of Pennsylvania; Trustee, Federated Shareholder Services Company; Director, Federated Services Company.  <b>Previous Positions:</b> President, Federated Investment Counseling; President and Chief Executive Officer, Federated Investment Management Company, Federated Global Investment Management Corp. and Passport Research, Ltd; Chairman, Passport Research, Ltd.

Name	
Birth Date	
Positions Held with Fund	Principal Occupation(s) for Past Five Years,
Date Service Began	Other Directorships Held and Previous Position(s)
<b>Thomas R. Donahue*</b>	
Birth Date: October 20, 1958	<b>Principal Occupations:</b> Director or Trustee of certain of the funds in the Federated Hermes Fund Family; Chief Financial Officer, Treasurer, Vice President and Assistant Secretary, Federated Hermes, Inc.; Chairman and Trustee, Federated Administrative Services; Chairman and Director, Federated Administrative Services, Inc.; Trustee and Treasurer, Federated Advisory Services Company; Director or Trustee and Treasurer, Federated Equity Management Company of Pennsylvania, Federated Global Investment Management Corp., Federated Investment Counseling, and Federated Investment Management Company; Director, MDTA LLC; Director, Executive Vice President and Assistant Secretary, Federated Securities Corp.; Director or Trustee and Chairman, Federated Services Company and Federated Shareholder Services Company; and Director and President, FIL Holdings, Inc.
TRUSTEE	
Indefinite Term	
Began serving: August 2016	<b>Previous Positions:</b> Director, Federated Hermes, Inc.; Assistant Secretary, Federated Investment Management Company, Federated Global Investment Management Company and Passport Research, LTD; Treasurer, Passport Research, LTD; Executive Vice President, Federated Securities Corp.; and Treasurer, FIL Holdings, Inc.

- \* Family relationships and reasons for "interested" status: J. Christopher Donahue and Thomas R. Donahue are brothers. Both are "interested" due to their beneficial ownership of shares of Federated Hermes, Inc. and the positions they hold with Federated Hermes, Inc. and its subsidiaries.

## INDEPENDENT TRUSTEES BACKGROUND

Name	
Birth Date	
Positions Held with Fund	Principal Occupation(s) for Past Five Years,
Date Service Began	Other Directorships Held, Previous Position(s) and Qualifications
<b>John T. Collins</b>	
Birth Date: January 24, 1947	<b>Principal Occupations:</b> Director or Trustee, and Chair of the Board of Directors or Trustees, of the Federated Hermes Fund Family; formerly, Chairman and CEO, The Collins Group, Inc. (a private equity firm) (Retired).
TRUSTEE	
Indefinite Term	
Began serving: August 2016	<b>Other Directorships Held:</b> Director, KLX Energy Services Holdings, Inc. (oilfield services); former Director of KLX Corp. (aerospace).
	<b>Qualifications:</b> Mr. Collins has served in several business and financial management roles and directorship positions throughout his career. Mr. Collins previously served as Chairman and CEO of The Collins Group, Inc. (a private equity firm) and as a Director of KLX Corp. Mr. Collins serves as Chairman Emeriti, Bentley University. Mr. Collins previously served as Director and Audit Committee Member, Bank of America Corp.; Director, FleetBoston Financial Corp.; and Director, Beth Israel Deaconess Medical Center (Harvard University Affiliate Hospital).



Name	Principal Occupation(s) for Past Five Years, Other Directorships Held, Previous Position(s) and Qualifications
Birth Date	
Positions Held with Fund Date Service Began	
<b>G. Thomas Hough</b> Birth Date: February 28, 1955 TRUSTEE Indefinite Term Began serving: August 2016	<p><b>Principal Occupations:</b> Director or Trustee, Chair of the Audit Committee of the Federated Hermes Fund Family; formerly, Vice Chair, Ernst &amp; Young LLP (public accounting firm) (Retired).</p> <p><b>Other Directorships Held:</b> Director, Chair of the Audit Committee, Equifax, Inc.; Lead Director, Member of the Audit and Nominating and Corporate Governance Committees, Haverty Furniture Companies, Inc.; formerly, Director, Member of Governance and Compensation Committees, Publix Super Markets, Inc.</p> <p><b>Qualifications:</b> Mr. Hough has served in accounting, business management and directorship positions throughout his career. Mr. Hough most recently held the position of Americas Vice Chair of Assurance with Ernst &amp; Young LLP (public accounting firm). Mr. Hough serves on the President's Cabinet and Business School Board of Visitors for the University of Alabama. Mr. Hough previously served on the Business School Board of Visitors for Wake Forest University, and he previously served as an Executive Committee member of the United States Golf Association.</p>
<b>Maureen Lally-Green</b> Birth Date: July 5, 1949 TRUSTEE Indefinite Term Began serving: August 2016	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Hermes Fund Family; Adjunct Professor Emerita of Law, Duquesne University School of Law; formerly, Dean of the Duquesne University School of Law and Professor of Law and Interim Dean of the Duquesne University School of Law; formerly, Associate General Secretary and Director, Office of Church Relations, Diocese of Pittsburgh.</p> <p><b>Other Directorships Held:</b> Director, CNX Resources Corporation (natural gas).</p> <p><b>Qualifications:</b> Judge Lally-Green has served in various legal and business roles and directorship positions throughout her career. Judge Lally-Green previously held the position of Dean of the School of Law of Duquesne University (as well as Interim Dean). Judge Lally-Green previously served as Associate General Secretary of the Diocese of Pittsburgh, a member of the Superior Court of Pennsylvania and as a Professor of Law, Duquesne University School of Law. Judge Lally-Green was appointed by the Supreme Court of Pennsylvania to serve on the Supreme Court's Board of Continuing Judicial Education and the Supreme Court's Appellate Court Procedural Rules Committee. Judge Lally-Green also currently holds the positions on not for profit or for profit boards of directors as follows: Director and Chair, UPMC Mercy Hospital; Regent, Saint Vincent Seminary; Member, Pennsylvania State Board of Education (public); Director, Catholic Charities, Pittsburgh; and Director CNX Resources Corporation (natural gas). Judge Lally-Green has held the positions of: Director, Auberle; Director, Epilepsy Foundation of Western and Central Pennsylvania; Director, Ireland Institute of Pittsburgh; Director, Saint Thomas More Society; Director and Chair, Catholic High Schools of the Diocese of Pittsburgh, Inc.; Director, Pennsylvania Bar Institute; Director, St. Vincent College; Director and Chair, North Catholic High School, Inc.; Director and Vice Chair, Our Campaign for the Church Alive!, Inc.; and Director and Vice Chair, Saint Francis University.</p>

Name	
Birth Date	
Positions Held with Fund Date Service Began	Principal Occupation(s) for Past Five Years, Other Directorships Held, Previous Position(s) and Qualifications
<b>Thomas M. O'Neill</b> Birth Date: June 14, 1951 TRUSTEE Indefinite Term Began serving: August 2016	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Hermes Fund Family; Sole Proprietor, Navigator Management Company (investment and strategic consulting).</p> <p><b>Other Directorships Held:</b> None.</p> <p><b>Qualifications:</b> Mr. O'Neill has served in several business, mutual fund and financial management roles and directorship positions throughout his career. Mr. O'Neill serves as Director, Medicines for Humanity. Mr. O'Neill previously served as Chief Executive Officer and President, Managing Director and Chief Investment Officer, Fleet Investment Advisors; President and Chief Executive Officer, Aeltus Investment Management, Inc.; General Partner, Hellman, Jordan Management Co., Boston, MA; Chief Investment Officer, The Putnam Companies, Boston, MA; Credit Analyst and Lending Officer, Fleet Bank; Director and Consultant, EZE Castle Software (investment order management software); Director, Midway Pacific (lumber); and Director, The Golisano Children's Museum of Naples, Florida.</p>
<b>Madelyn A. Reilly</b> Birth Date: February 2, 1956 TRUSTEE Indefinite Term Began serving: November 2020	<p><b>Principal Occupations:</b> Director or Trustee of the Federated Hermes Fund Family; formerly, Senior Vice President for Legal Affairs, General Counsel and Secretary of Board of Directors, Duquesne University (Retired).</p> <p><b>Other Directorships Held:</b> None.</p> <p><b>Qualifications:</b> Ms. Reilly has served in various business and legal management roles throughout her career. Ms. Reilly previously served as Senior Vice President for Legal Affairs, General Counsel and Secretary of Board of Directors and Director of Risk Management and Associate General Counsel, Duquesne University. Prior to her work at Duquesne University, Ms. Reilly served as Assistant General Counsel of Compliance and Enterprise Risk as well as Senior Counsel of Environment, Health and Safety, PPG Industries. Ms. Reilly currently serves as a member of the Board of Directors of UPMC Mercy Hospital.</p>

Name	Principal Occupation(s) for Past Five Years, Other Directorships Held, Previous Position(s) and Qualifications
<b>Birth Date</b> <b>Positions Held with Fund</b> <b>Date Service Began</b>  <b>P. Jerome Richey</b> Birth Date: February 23, 1949 TRUSTEE Indefinite Term Began serving: August 2016	<b>Principal Occupations:</b> Director or Trustee of the Federated Hermes Fund Family; Retired; formerly, Senior Vice Chancellor and Chief Legal Officer, University of Pittsburgh and Executive Vice President and Chief Legal Officer, CONSOL Energy Inc. (now split into two separate publicly traded companies known as CONSOL Energy Inc. and CNX Resources Corp.).  <b>Other Directorships Held:</b> None.  <b>Qualifications:</b> Mr. Richey has served in several business and legal management roles and directorship positions throughout his career. Mr. Richey most recently held the positions of Senior Vice Chancellor and Chief Legal Officer, University of Pittsburgh. Mr. Richey previously served as Chairman of the Board, Epilepsy Foundation of Western Pennsylvania and Chairman of the Board, World Affairs Council of Pittsburgh. Mr. Richey previously served as Chief Legal Officer and Executive Vice President, CONSOL Energy Inc. and CNX Gas Company; and Board Member, Ethics Counsel and Shareholder, Buchanan Ingersoll & Rooney PC (a law firm).
<b>John S. Walsh</b> Birth Date: November 28, 1957 TRUSTEE Indefinite Term Began serving: August 2016	<b>Principal Occupations:</b> Director or Trustee of the Federated Hermes Fund Family; President and Director, Heat Wagon, Inc. (manufacturer of construction temporary heaters); President and Director, Manufacturers Products, Inc. (distributor of portable construction heaters); President, Portable Heater Parts, a division of Manufacturers Products, Inc.  <b>Other Directorships Held:</b> None.  <b>Qualifications:</b> Mr. Walsh has served in several business management roles and directorship positions throughout his career. Mr. Walsh previously served as Vice President, Walsh & Kelly, Inc. (paving contractors).

## OFFICERS

<b>Name</b> <b>Birth Date</b> <b>Positions Held with Fund</b> <b>Date Service Began</b>	<b>Principal Occupation(s) for Past Five Years</b> <b>and Previous Position(s)</b>
<b>Lori A. Hensler</b> Birth Date: January 6, 1967 TREASURER Officer since: June 2016	<p><b>Principal Occupations:</b> Principal Financial Officer and Treasurer of the Federated Hermes Fund Family; Senior Vice President, Federated Administrative Services; Financial and Operations Principal for Federated Securities Corp.; and Assistant Treasurer, Federated Investors Trust Company. Ms. Hensler has received the Certified Public Accountant designation.</p> <p><b>Previous Positions:</b> Controller of Federated Hermes, Inc.; Senior Vice President and Assistant Treasurer, Federated Investors Management Company; Treasurer, Federated Investors Trust Company; Assistant Treasurer, Federated Administrative Services, Federated Administrative Services, Inc., Federated Securities Corp., Edgewood Services, Inc., Federated Advisory Services Company, Federated Equity Management Company of Pennsylvania, Federated Global Investment Management Corp., Federated Investment Counseling, Federated Investment Management Company, Passport Research, Ltd., and Federated MDTA, LLC; Financial and Operations Principal for Federated Securities Corp., Edgewood Services, Inc. and Southpointe Distribution Services, Inc.</p>
<b>Peter J. Germain</b> Birth Date: September 3, 1959 CHIEF LEGAL OFFICER, SECRETARY AND EXECUTIVE VICE PRESIDENT Officer since: November 2016	<p><b>Principal Occupations:</b> Mr. Germain is Chief Legal Officer, Secretary and Executive Vice President of the Federated Hermes Fund Family. He is General Counsel, Chief Legal Officer, Secretary and Executive Vice President, Federated Hermes, Inc.; Trustee and Senior Vice President, Federated Investors Management Company; Trustee and President, Federated Administrative Services; Director and President, Federated Administrative Services, Inc.; Director and Vice President, Federated Securities Corp.; Director and Secretary, Federated Private Asset Management, Inc.; Secretary, Federated Shareholder Services Company; and Secretary, Retirement Plan Service Company of America. Mr. Germain joined Federated Hermes, Inc. in 1984 and is a member of the Pennsylvania Bar Association.</p> <p><b>Previous Positions:</b> Deputy General Counsel, Special Counsel, Managing Director of Mutual Fund Services, Federated Hermes, Inc.; Senior Vice President, Federated Services Company; and Senior Corporate Counsel, Federated Hermes, Inc.</p>
<b>Stephen Van Meter</b> Birth Date: June 5, 1975 CHIEF COMPLIANCE OFFICER AND SENIOR VICE PRESIDENT Officer since: June 2016	<p><b>Principal Occupations:</b> Senior Vice President and Chief Compliance Officer of the Federated Hermes Fund Family; Vice President and Chief Compliance Officer of Federated Hermes, Inc. and Chief Compliance Officer of certain of its subsidiaries. Mr. Van Meter joined Federated Hermes, Inc. in October 2011. He holds FINRA licenses under Series 3, 7, 24 and 66.</p> <p><b>Previous Positions:</b> Mr. Van Meter previously held the position of Compliance Operating Officer, Federated Hermes, Inc. Prior to joining Federated Hermes, Inc., Mr. Van Meter served at the United States Securities and Exchange Commission in the positions of Senior Counsel, Office of Chief Counsel, Division of Investment Management and Senior Counsel, Division of Enforcement.</p>

Name	
Birth Date	
Positions Held with Fund	Principal Occupation(s) for Past Five Years
Date Service Began	and Previous Position(s)
<b>Robert J. Ostrowski</b> Birth Date: April 26, 1978 CHIEF INVESTMENT OFFICER Officer since: November 2016	<b>Principal Occupations:</b> Robert J. Ostrowski joined Federated Hermes, Inc. in 1987 as an Investment Analyst and became a Portfolio Manager in 1990. He was named Chief Investment Officer of Federated Hermes' taxable fixed-income products in 2004 and also serves as a Senior Portfolio Manager. Mr. Ostrowski became an Executive Vice President of the Fund's Adviser in 2009 and served as a Senior Vice President of the Fund's Adviser from 1997 to 2009. Mr. Ostrowski has received the Chartered Financial Analyst designation. He received his M.S. in Industrial Administration from Carnegie Mellon University.
<b>Ihab Salib</b> Birth Date: December 14, 1964 VICE PRESIDENT Officer since: November 2016 Portfolio Manager since: December 2016	<b>Principal Occupations:</b> Ihab Salib has been the Portfolio Manager of the Fund since December 2016. He is Vice President of the Fund. Mr. Salib joined Federated Hermes in April 1999 as a Senior Fixed-Income Trader/Assistant Vice President of the Fund's Adviser. In July 2000, he was named a Vice President of the Fund's Adviser and in January 2007 he was named a Senior Vice President of the Fund's Adviser. He has served as a Portfolio Manager since January 2002. From January 1994 through March 1999, Mr. Salib was employed as a Senior Global Fixed-Income Analyst with UBS Brinson, Inc. Mr. Salib received his B.A. with a major in Economics from Stony Brook University.
<b>Chris McGinley</b> Birth Date: July 28, 1978 VICE PRESIDENT Officer since: November 2016 Portfolio Manager since: December 2016	<b>Principal Occupations:</b> Chris McGinley has been the Fund's Portfolio Manager since December 2016. He is Vice President of the Fund. Mr. McGinley joined Federated Hermes in 2004 as an associate research analyst in the international fixed-income department. He became an Assistant Vice President of the Fund's Adviser in 2005 and Vice President in 2013. Mr. McGinley joined the Sub-Adviser in 2013. Mr. McGinley worked in Senator Rick Santorum's office in 2001 and from 2002 to 2004 he served as Legislative Correspondent for Senator Santorum. Mr. McGinley earned his B.S. and received his M.P.I.A. from the University of Pittsburgh.
<b>Maarten Offeringa</b> Birth Date: February 1, 1976 VICE PRESIDENT Officer since: August 2019 Portfolio Manager since: July 2019	<b>Principal Occupations:</b> Maarten Offeringa has been the Fund's portfolio manager since July 2019. He is Vice President of the Fund. Mr. Offeringa joined Federated Hermes in 2018. Mr. Offeringa is responsible for providing research and advice on sector allocation and security selection. He has worked in financial services since 2002; has worked in investment management since 2018; has managed investment portfolios since 2019. Previous associations: Director, Bank of America Merrill Lynch; Vice President, J.P. Morgan. Education: MA, Vrije Universiteit Amsterdam.

# Evaluation and Approval of Advisory Contract – May 2022

## **FEDERATED HERMES PROJECT AND TRADE FINANCE TENDER FUND (THE “FUND”)**

At its meetings in May 2022 (the “May Meetings”), the Fund’s Board of Trustees (the “Board”), including those Trustees who are not “interested persons” of the Fund, as defined in the Investment Company Act of 1940 (the “Independent Trustees”), reviewed and unanimously approved the continuation of the investment advisory contract between the Fund and Federated Investment Management Company (the “Adviser”) and the investment sub-advisory contract between the Adviser and Federated Hermes (UK) LLP (the “Sub-Adviser” and together with the Adviser, the “Advisers”) with respect to the Fund (together, the “Contracts”) for an additional one-year term. The Board’s determination to approve the continuation of the Contracts reflects the exercise of its business judgment after considering all of the information and factors believed to be relevant and appropriate on whether to approve the continuation of the existing arrangements. The information, factors and conclusions that formed the basis for the Board’s approval are summarized below.

### **Information Received and Review Process**

At the request of the Independent Trustees, the Fund’s Chief Compliance Officer (the “CCO”) furnished to the Board in advance of its May Meetings an independent written evaluation presenting on the topics discussed below. The Board considered the CCO’s independent written evaluation (the “CCO Fee Evaluation Report”), along with other information, in evaluating the reasonableness of the Fund’s management fee and in determining to approve the continuation of the Contracts. The CCO, in preparing the CCO Fee Evaluation Report, has the authority to retain consultants, experts or staff as reasonably necessary to assist in the performance of his duties, reports directly to the Board, and can be terminated only with the approval of a majority of the Independent Trustees. At the request of the Independent Trustees, the CCO Fee Evaluation Report followed the same general approach and covered the same topics as that of the report that had previously been delivered by the CCO in his capacity as “Senior Officer” prior to the elimination of the Senior Officer position in December 2017.

In addition to the extensive materials that comprise and accompany the CCO Fee Evaluation Report, the Board considered information specifically prepared in connection with the approval of the continuation of the Contracts that was presented at the May Meetings. In this regard, in the months preceding the May Meetings, the Board requested and reviewed written responses and supporting materials prepared by the Advisers and their affiliates (collectively, “Federated Hermes”) in response to requests posed to Federated Hermes by independent legal counsel on behalf of the Independent Trustees encompassing

a wide variety of topics, including those summarized below. The Board also considered such additional matters as the Independent Trustees deemed reasonably necessary to evaluate the Contracts, which included detailed information about the Fund and Federated Hermes furnished to the Board at its meetings throughout the year and in between regularly scheduled meetings on particular matters as the need arose.

The Board's consideration of the Contracts included review of materials and information covering the following matters, among others: the nature, quality and extent of the advisory and other services provided to the Fund by the Advisers and their affiliates; Federated Hermes' business and operations; the Advisers' investment philosophy, personnel and processes; the Fund's investment objectives and strategies; the Fund's short-term and long-term performance (in absolute terms, both on a gross basis and net of expenses, and relative to the Fund's particular investment program and a group of its peer funds and/or its benchmark, as appropriate); the Fund's fees and expenses, including the advisory fee and the overall expense structure of the Fund (both in absolute terms and relative to a group of its peer funds), with due regard for contractual or voluntary expense limitations (if any); the financial condition of Federated Hermes; the Adviser's profitability with respect to the Fund; distribution and sales activity for the Fund; and the use and allocation of brokerage commissions derived from trading the Fund's portfolio securities (if any).

The Board also considered judicial decisions concerning allegedly excessive investment advisory fees charged to other registered funds in determining to approve the Contracts. Using these judicial decisions as a guide, the Board observed that the following factors may be relevant to an adviser's fiduciary duty with respect to its receipt of compensation from a fund: (1) the nature and quality of the services provided by the adviser to the fund and its shareholders, including the performance of the fund, its benchmark and comparable funds; (2) the adviser's cost of providing the services and the profitability to the adviser of providing advisory services to the fund; (3) the extent to which the adviser may realize "economies of scale" as the fund grows larger and, if such economies of scale exist, whether they have been appropriately shared with the fund and its shareholders or the family of funds; (4) any "fall-out" benefits that accrue to the adviser because of its relationship with the fund, including research services received from brokers that execute fund trades and any fees paid to affiliates of the adviser for services rendered to the fund; (5) comparative fee and expense structures, including a comparison of management fees paid to the adviser with those paid by similar funds both internally and externally as well as management fees charged to institutional and other advisory clients of the adviser for what might be viewed as like services; and (6) the extent of care, conscientiousness and independence with which the fund's board members perform their duties and their expertise, including whether they are fully informed about all facts the board deems

relevant to its consideration of the adviser's services and fees. The Board noted that the Securities and Exchange Commission ("SEC") disclosure requirements regarding the basis for a fund board's approval of the fund's investment advisory contract generally align with the factors listed above. The Board was guided by these factors in its review of the Contracts to the extent it considered them to be appropriate and relevant, as discussed further below. The Board considered and weighed these factors in light of its substantial accumulated experience in governing the Fund and working with Federated Hermes on matters relating to the oversight of the other funds advised by Federated Hermes (each, a "Federated Hermes Fund" and, collectively, the "Federated Hermes Funds").

In addition to considering the above-referenced factors, the Board was mindful of the preferences and expectations of Fund shareholders and the potential disruptions of the Fund's operations and various risks, uncertainties and other effects that could occur as a result of a decision to terminate or not renew the Contracts. In particular, the Board recognized that many shareholders likely have invested in the Fund on the strength of Federated Hermes' industry standing and reputation and with the expectation that Federated Hermes will have a continuing role in providing advisory services to the Fund. Thus, the Board observed that in the marketplace there are a range of investment options available to the Fund's shareholders and such shareholders, having had the opportunity to consider other investment options, have effectively selected Federated Hermes by virtue of investing in the Fund.

In determining to approve the continuation of the Contracts, the members of the Board reviewed and evaluated information and factors they believed to be relevant and appropriate through the exercise of their reasonable business judgment. While individual members of the Board may have weighed certain factors differently, the Board's determination to approve the continuation of the Contracts was based on a comprehensive consideration of all information provided to the Board throughout the year and specifically with respect to the continuation of the Contracts. The Board recognized that its evaluation process is evolutionary and that the factors considered and emphasis placed on relevant factors may change in recognition of changing circumstances in the registered fund marketplace. The Independent Trustees were assisted throughout the evaluation process by independent legal counsel. In connection with their deliberations at the May Meetings, the Independent Trustees met separately in executive session with their independent legal counsel and without management present to review the relevant materials and consider their responsibilities under applicable laws. In addition, senior management representatives of Federated Hermes also met with the Independent Trustees and their independent legal counsel to discuss the materials and presentations



furnished to the Board at the May Meetings. The Board considered the approval of the Contracts for the Fund as part of its consideration of agreements for funds across the family of Federated Hermes Funds, but its approvals were made on a fund-by-fund basis.

### **Nature, Extent and Quality of Services**

The Board considered the nature, extent and quality of the services provided to the Fund by the Advisers and the resources of Federated Hermes dedicated to the Fund. In this regard, the Board evaluated, among other things, the terms of the Contracts and the range of services provided to the Fund by Federated Hermes. The Board considered the Advisers' personnel, investment philosophy and process, investment research capabilities and resources, trade operations capabilities, experience and performance track record. The Board reviewed the qualifications, backgrounds and responsibilities of the portfolio management team primarily responsible for the day-to-day management of the Fund and Federated Hermes' ability and experience in attracting and retaining qualified personnel to service the Fund. The Board also considered the Advisers' ability to deliver competitive investment performance for the Fund when compared to the Fund's Performance Peer Group (as defined below), which was deemed by the Board to be a useful indicator of how the Advisers are executing the Fund's investment program.

In addition, the Board considered the financial resources and overall reputation of Federated Hermes and its willingness to consider and make investments in personnel, infrastructure, technology, cybersecurity, business continuity planning and operational enhancements that are designed to benefit the Federated Hermes Funds. The Board noted the significant acquisition of Hermes Fund Managers Limited by Federated Hermes, which has deepened the organization's investment management expertise and capabilities and expanded the investment process for all of the Federated Hermes Funds to have access to analytical resources related to environmental, social and governance ("ESG") factors and issuer engagement on ESG matters. The Board considered the quality of Federated Hermes' communications with the Board and responsiveness to Board inquiries and requests made from time to time with respect to the Fund and other Federated Hermes Funds. In this regard, the Board took into account Federated Hermes' communications with the Board in light of the pandemic. The Board also considered that Federated Hermes is responsible for providing the Federated Hermes Funds' officers.

The Board received and evaluated information regarding Federated Hermes' regulatory and compliance environment. The Board considered Federated Hermes' compliance program and compliance history and reports from the CCO about Federated Hermes' compliance with applicable laws and regulations, including responses to regulatory developments and any compliance or other issues raised by regulatory agencies. The Board also noted Federated Hermes' support of the Federated Hermes Funds' compliance

control structure and the compliance-related resources devoted by Federated Hermes in support of the Fund's obligations pursuant to Rule 38a-1 under the Investment Company Act of 1940, including Federated Hermes' commitment to respond to rulemaking and other regulatory initiatives of the SEC. The Board considered Federated Hermes' approach to internal audits and risk management with respect to the Federated Hermes Funds and its day-to-day oversight of the Federated Hermes Funds' compliance with their investment objectives and policies as well as with applicable laws and regulations, noting that regulatory and other developments had over time led to an increase in the scope of Federated Hermes' oversight in this regard, including in connection with the designation of the Federated Hermes Funds' investment advisers as the administrators of the Federated Hermes Funds' liquidity risk management program.

The Board also considered the implementation of Federated Hermes' business continuity plans and recognized steps taken by Federated Hermes to continue to provide the same nature, extent and quality of services to the Federated Hermes Funds during the pandemic. In addition, the Board noted Federated Hermes' commitment to maintaining high quality systems and expending substantial resources to prepare for and respond to ongoing changes due to the market, regulatory and control environments in which the Fund and its service providers operate, including changes associated with the pandemic.

The Board considered Federated Hermes' efforts to provide shareholders in the Federated Hermes Funds with a comprehensive array of funds with different investment objectives, policies and strategies. The Board considered the expenses that Federated Hermes had incurred, as well as the entrepreneurial and other risks assumed by Federated Hermes, in sponsoring and providing ongoing services to new funds to expand these opportunities for shareholders. The Board noted the benefits to shareholders of being part of the family of Federated Hermes Funds, which include the general right to exchange investments between the same class of shares without the incurrence of additional sales charges.

Based on these considerations, the Board concluded that it was satisfied with the nature, extent and quality of the services provided by the Advisers to the Fund.

### **Fund Investment Performance**

The Board considered the investment performance of the Fund. In evaluating the Fund's investment performance, the Board considered performance results in light of the Fund's investment objective, strategies and risks. The Board considered detailed investment reports on, and the Advisers' analysis of, the Fund's performance over different time periods that were provided to the Board throughout the year and in connection with the May Meetings. These reports include, among other items, information on the Fund's

gross and net returns, the Fund's investment performance compared to one or more relevant categories or groups of peer funds and the Fund's benchmark index, performance attribution information and commentary on the effect of market conditions.

The Board also reviewed comparative information regarding the performance of an appropriate group of peer funds compiled by Federated Hermes using data supplied by Morningstar, Inc. (the "Morningstar"), an independent fund ranking organization (the "Performance Peer Group"). The Board noted the CCO's view that comparisons to fund peer groups may be helpful, though not conclusive, in evaluating the performance of the Advisers in managing the Fund. The Board considered, in evaluating such comparisons, that in some cases there may be differences in the funds' objectives or investment management techniques, or the costs to implement the funds, even within the same Performance Peer Group. The Board also considered a report comparing the performance of the Fund solely to other funds with a quantitative focus in the Performance Peer Group.

The Fund's performance fell below the median of the Performance Peer Group for the one-year, three-year and five-year periods ended December 31, 2021. The Board discussed the Fund's performance with the Advisers and recognized the efforts being taken by the Advisers in the context of other factors considered relevant by the Board.

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

### **Fund Expenses**

The Board considered the advisory fee, sub-advisory fee, and overall expense structure of the Fund and the comparative fee and expense information that had been provided in connection with the May Meetings. In this regard, the Board was presented with, and considered, information regarding the contractual advisory fee rates and total expense ratios relative to the category of peer funds selected by Morningstar (the "Expense Peer Group").

While mindful that courts have cautioned against giving too much weight to comparative information concerning fees charged by other advisers for managing funds with comparable investment programs, the Board noted that it found the use of such comparisons to be relevant to its evaluation. The Board focused on comparisons with other similar registered funds more heavily than non-registered fund products or services because such comparisons are believed to be more relevant. The Board considered that other registered funds are the products most like the Fund, in that they are readily available to Fund shareholders as alternative investment vehicles, and they are the type of investment vehicle, in fact, chosen and maintained by the Fund's shareholders. The Board noted that the range of such other registered funds' fees and expenses, therefore, appears to be a relevant indicator of what investors have found to be reasonable in the marketplace in which the Fund competes.

The Board reviewed the contractual advisory fee rate, net advisory fee rate and other expenses of the Fund and noted the position of the Fund's fee rates relative to its Expense Peer Group. In this regard, the Board noted that the contractual advisory fee rate was below the median of the Expense Peer Group, and the Board was satisfied that the overall expense structure of the Fund remained competitive.

The Board also received and considered information about the fees charged by Federated Hermes for providing advisory services to other types of clients with investment strategies similar to those of the Federated Hermes Funds, including non-registered fund clients (such as institutional separate accounts) and third-party unaffiliated registered funds for which any of the Advisers or their affiliates serve as sub-adviser. The Board noted the CCO's conclusion that non-registered fund clients are inherently different products due to the following differences, among others: (i) different types of targeted investors; (ii) different applicable laws and regulations; (iii) different legal structures; (iv) different average account sizes and portfolio management techniques made necessary by different cash flows and different associated costs; (v) the time spent by portfolio managers and their teams (among other personnel across various departments, including legal, compliance and risk management) in reviewing securities pricing and fund liquidity; (vi) different administrative responsibilities; (vii) different degrees of risk associated with management; and (viii) a variety of different costs. The Board also considered information regarding the differences in the nature of the services required for Federated Hermes to manage its proprietary registered fund business versus managing a discrete pool of assets as a sub-adviser to another institution's registered fund, noting the CCO's view that Federated Hermes generally performs significant additional services and assumes substantially greater risks in managing the Fund and other Federated Hermes Funds than in its role as sub-adviser to an unaffiliated third-party registered fund. The Board noted that the CCO did not consider the fees for providing advisory services to other types of clients to be determinative in judging the appropriateness of the Federated Hermes Funds' advisory fees.

Based on these considerations, the Board concluded that the fees and total operating expenses of the Fund, in conjunction with other matters considered, are reasonable in light of the services provided.

### **Profitability**

The Board received and considered profitability information furnished by Federated Hermes, as requested by the CCO. Such profitability information included revenues reported on a fund-by-fund basis and estimates of the allocation of expenses made on a fund-by-fund basis, using allocation methodologies specified by the CCO and described to the Board. The Board considered the CCO's view that, while these cost allocation reports apply consistent allocation processes, the inherent difficulties in allocating costs on a

fund-by-fund basis continues to cause the CCO to question the precision of the process and to conclude that such reports may be unreliable, because a single change in an allocation estimate may dramatically alter the resulting estimate of cost and/or profitability of a Federated Hermes Fund and may produce unintended consequences. In addition, the Board considered the CCO's view that the allocation methodologies used by Federated Hermes in estimating profitability for purposes of reporting to the Board in connection with the continuation of the Contracts are consistent with the methodologies previously reviewed by an independent consultant. The Board noted that the independent consultant had previously conducted a review of the allocation methodologies and reported that, although there is no single best method to allocate expenses, the methodologies used by Federated Hermes are reasonable.

The Board also reviewed information compiled by Federated Hermes comparing its profitability information to other publicly held fund management companies, including information regarding profitability trends over time. The Board considered the CCO's conclusion that, based on such profitability information, Federated Hermes' profit margins did not appear to be excessive. The Board also considered the CCO's view that Federated Hermes appeared financially sound, with the resources necessary to fulfill its obligations under its contracts with the Federated Hermes Funds.

### **Economies of Scale**

The Board received and considered information about the notion of possible realization of "economies of scale" as a fund grows larger, the difficulties of calculating economies of scale at an individual fund level, and the extent to which potential scale benefits are shared with shareholders. In this regard, the Board considered that Federated Hermes has made significant and long-term investments in areas that support all of the Federated Hermes Funds, such as: personnel, processes and tools for portfolio management, including the use of market data on which portfolio managers make investment decisions; trading operations; ESG integration and issuer engagement on ESG matters; shareholder services; compliance; business continuity; cybersecurity; internal audit and risk management functions; and technology that supports the provision of investment management services. The Board noted that Federated Hermes' investments in these areas are extensive and are designed to provide enhanced services to the Federated Hermes Funds and their shareholders. The Board considered that the benefits of these investments are likely to be shared with the family of Federated Hermes Funds as a whole. In addition, the Board considered that fee waivers and expense reimbursements are another means for potential economies of scale to be shared with shareholders and can provide protection from an increase in expenses if a Federated Hermes Fund's assets decline. The Board considered that, in order for the Federated Hermes Funds to remain competitive in the marketplace, Federated Hermes has frequently waived fees and/or reimbursed expenses for the Federated Hermes Funds and has disclosed to shareholders and/or reported to the Board its intention to do so

(or continue to do so) in the future. The Board also considered Federated Hermes' reductions in contractual management fees for certain Federated Hermes Funds during the prior year, including in response to the CCO's recommendations in the prior year's CCO Fee Evaluation Report, which have resulted in benefits being realized by shareholders.

The Board also considered reports on adviser-paid fees (commonly referred to as "revenue sharing") that were provided to the Board throughout the year and in connection with the May Meetings. The Board considered that Federated Hermes and the CCO believe that this information should be viewed to determine if there was an incentive to either not apply breakpoints, or to apply breakpoints at higher levels, and should not be viewed to evaluate the reasonableness of advisory fees. The Board also noted the absence of any applicable regulatory or industry guidelines on this subject, which is compounded by the lack of any uniform methodology or pattern with respect to structuring fund advisory fees with breakpoints that serve to reduce the fees as a fund attains a certain size.

### **Other Benefits**

The Board considered information regarding the compensation and other ancillary (or "fall-out") benefits that Federated Hermes derived from its relationships with the Federated Hermes Funds. The Board noted that, in addition to receiving advisory fees under the Federated Hermes Funds' investment advisory contracts, Federated Hermes' affiliates also receive fees for providing other services to the Federated Hermes Funds under separate contracts (e.g., for serving as the Federated Hermes Funds' administrator and distributor). In this regard, the Board considered that certain of Federated Hermes' affiliates provide distribution and shareholder services to the Federated Hermes Funds, for which they may be compensated through distribution and servicing fees paid pursuant to Rule 12b-1 plans or otherwise. The Board also received and considered information detailing any indirect benefit that Federated Hermes may derive from its receipt of research services from brokers who execute portfolio trades for the Federated Hermes Funds.

### **Conclusions**

The Board considered: (i) the CCO's conclusion that his observations and the information accompanying the CCO Fee Evaluation Report show that the management fee for the Fund is reasonable; and (ii) the CCO's recommendation that the Board approve the management fee. The Board noted that, under these circumstances, no changes were recommended to, and no objection was raised to the continuation of, the Contracts by the CCO. The CCO also recognized that the Board's evaluation of the Federated Hermes Funds' advisory and sub-advisory arrangements is a continuing and ongoing process that is informed by the information that the Board requests and

receives from management throughout the course of the year and, in this regard, the CCO noted certain items for future reporting to the Board or further consideration by management as the Board continues its ongoing oversight of the Federated Hermes Funds.

On the basis of the information and factors summarized above, among other information and factors deemed relevant by the Board, and the evaluation thereof, the Board, including the Independent Trustees, unanimously voted to approve the continuation of the Contracts. The Board based its determination to approve the Contracts on the totality of the circumstances and relevant factors and with a view of past and future long-term considerations. Not all of the factors and considerations identified above were necessarily deemed to be relevant to the Fund, nor did the Board consider any one of them to be determinative. With respect to the factors that were deemed to be relevant, the Board's determination to approve the continuation of the Contracts reflects its view that Federated Hermes' performance and actions provided a satisfactory basis to support the determination to approve the continuation of the existing arrangements.

## Voting Proxies on Fund Portfolio Securities

A description of the policies and procedures that the Fund uses to determine how to vote proxies, if any, relating to securities held in the Fund's portfolio is available, without charge and upon request, by calling 1-800-341-7400, Option #4. A report on "Form N-PX" of how the Fund voted any proxies during the most recent 12-month period ended June 30 is available via the Proxy Voting Record (Form N-PX) link associated with the Fund and share class name at [FederatedInvestors.com/FundInformation](https://FederatedInvestors.com/FundInformation). Form N-PX filings are also available at the SEC's website at [sec.gov](https://sec.gov).

## Quarterly Portfolio Schedule

For each fiscal quarter, the Fund will file with the SEC a complete schedule of its monthly portfolio holdings on "Form N-PORT." The Fund's holdings as of the end of the third month of every fiscal quarter, as reported on Form N-PORT, will be publicly available on the SEC's website at [sec.gov](https://sec.gov) within 60 days of the end of the fiscal quarter upon filing. You may also access this information via the link to the Fund and share class name at [FederatedInvestors.com](https://FederatedInvestors.com).

### **IMPORTANT NOTICE ABOUT FUND DOCUMENT DELIVERY**

In an effort to reduce costs and avoid duplicate mailings, the Fund(s) intend to deliver a single copy of certain documents to each household in which more than one shareholder of the Fund(s) resides (so-called "householding"), as permitted by applicable rules. The Fund's "householding" program covers its/their Prospectus and Statement of Additional Information, and supplements to each, as well as Semi-Annual and Annual Shareholder Reports and any Proxies or information statements. Shareholders must give their written consent to participate in the "householding" program. The Fund is also permitted to treat a shareholder as having given consent ("implied consent") if (i) shareholders with the same last name, or believed to be members of the same family, reside at the same street address or receive mail at the same post office box, (ii) the Fund gives notice of its intent to "household" at least sixty (60) days before it begins "householding" and (iii) none of the shareholders in the household have notified the Fund(s) or their agent of the desire to "opt out" of "householding." Shareholders who have granted written consent, or have been deemed to have granted implied consent, can revoke that consent and opt out of "householding" at any time: shareholders who purchased shares through an intermediary should contact their representative; other shareholders may call the Fund at 1-800-730-6001 or email [CEinfo@federatedinvestors.com](mailto:CEinfo@federatedinvestors.com).



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*Closed-end funds are not bank deposits or obligations, are not guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency. Investment in closed-end funds involves investment risk, including the possible loss of principal.*

This Overview and Report is for shareholder information. This is not a Prospectus intended for use in the sale of Fund Shares. Statements and other information contained in this Overview and Report are as dated and subject to change.

### **Sign up for Electronic Delivery!**

A faster way to receive documents.

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



Federated Hermes Project and Trade Finance Tender Fund  
Federated Hermes Funds  
4000 Ericsson Drive  
Warrendale, PA 15086-7561

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

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