

Semi-Annual Shareholder Report

March 31, 2023



Share Class | Ticker

A | FMUUX

Institutional | FMUSX

R6 | FMULX

Federated Hermes Municipal Ultrashort Fund

Fund Established 2000

A Portfolio of Federated Hermes Fixed Income Securities, Inc.

Dear Valued Shareholder,

We are pleased to present the Semi-Annual Shareholder Report for your fund covering the period from October 1, 2022 through March 31, 2023. This report includes 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,

A handwritten signature in cursive script, reading "J. Christopher Donahue".

J. Christopher Donahue, President

Not FDIC Insured • May Lose Value • No Bank Guarantee

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Portfolio of Investments Summary Table (unaudited)

At March 31, 2023, the Fund's sector composition¹ was as follows:

Sector Composition	Percentage of Total Net Assets
Industrial Development Bond/Pollution Control Revenue	25.8%
Hospital	12.9%
Prepaid Gas Utility	12.4%
General Obligation—Local	9.6%
Electric & Gas	6.1%
Water & Sewer	4.6%
Higher Education	3.9%
Multi-Family Housing	3.4%
Toll Road	2.8%
Airport	1.4%
Other ²	17.0%
Other Assets and Liabilities—Net ³	0.1%
TOTAL	100%

- ¹ Sector classifications, and the assignment of holdings to such sectors, are based upon the economic sector and/or revenue source of the underlying obligor, as determined by the Fund's Adviser. For securities that have been enhanced by a third-party guarantor, such as bond insurers and banks, sector classifications are based upon the economic sector and/or revenue source of the underlying obligor, as determined by the Fund's Adviser. IDB/PCR contains total corporate exposure in multiple corporate sectors for fund diversification.
- ² For purposes of this table, sector classifications constitute 82.9% of the Fund's total net assets. Remaining sectors have been aggregated under the designation "Other."
- ³ Assets, other than investments in securities, less liabilities. See Statement of Assets and Liabilities.

Portfolio of Investments

March 31, 2023 (unaudited)

Principal Amount		Value
	MUNICIPAL BONDS—62.1%	
	Alabama—6.8%	
\$ 5,000,000	Black Belt Energy Gas District, AL, Gas Prepay Revenue Bonds Project No. 4 (Series 2019A-1) TOBs, (Morgan Stanley GTD), 4.000%, Mandatory Tender 12/1/2025	\$ 4,972,400
22,500,000	¹ Black Belt Energy Gas District, AL, Gas Prepay Revenue Bonds Project No.3 (Series 2018B-1) FRNs, (Goldman Sachs Group, Inc. GTD), 4.024% (1-month USLIBOR x 0.67 +0.900%), Mandatory Tender 12/1/2023	22,471,285
1,000,000	Black Belt Energy Gas District, AL, Gas Revenue Bonds (Series 2022B-1) TOBs, (Goldman Sachs Group, Inc. GTD), 4.000%, Mandatory Tender 10/1/2027	983,769
3,000,000	Black Belt Energy Gas District, AL, Gas Revenue Bonds Project No.7 (Series 2021C-1) TOBs, (Goldman Sachs Group, Inc. GTD), 4.000%, Mandatory Tender 12/1/2026	2,961,928
25,500,000	¹ Black Belt Energy Gas District, AL, Gas Revenue Bonds Project No.7 (Series 2021C-2) FRNs, (Goldman Sachs Group, Inc. GTD), 4.320% (SIFMA 7-day +0.350%), Mandatory Tender 12/1/2026	24,557,451
3,650,000	Selma, AL IDB (International Paper Co.), Gulf Opportunity Zone Revenue Refunding Bonds (Series 2019A) TOBs, 2.000%, Mandatory Tender 10/1/2024	3,511,130
5,250,000	Selma, AL IDB (International Paper Co.), Gulf Opportunity Zone Revenue Refunding Bonds (Series 2020A) TOBs, 1.375%, Mandatory Tender 6/16/2025	4,891,136
30,000,000	¹ Southeast Alabama Gas Supply District, Gas Supply Revenue Bonds Project No. 2 (Series 2018B) FRNs, (Morgan Stanley GTD), 3.974% (1-month USLIBOR x 0.67 +0.850%), Mandatory Tender 6/1/2024	30,043,599
	TOTAL	94,392,698
	Arizona—0.4%	
4,500,000	¹ Arizona Health Facilities Authority (Banner Health), (Series 2015B) FRNs, 4.220% (SIFMA 7-day +0.250%), Mandatory Tender 11/4/2026	4,397,752
1,000,000	Coconino County, AZ Pollution Control Corp. (Nevada Power Co.), Pollution Control Refunding Revenue Bonds (Series 2017B) TOBs, 3.750%, Mandatory Tender 3/31/2026	1,009,137
	TOTAL	5,406,889
	Arkansas—0.3%	
3,895,000	Arkansas State, Federal Highway Grant and Tax Revenue Bonds (Series 2012), 3.000%, 4/1/2024	3,895,688

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	California—5.8%	
\$ 7,250,000	¹ Bay Area Toll Authority, CA, San Francisco Bay Area Toll Bridge Revenue Bonds (Series 2021B) FRNs, 4.250% (SIFMA 7-day +0.280%), Mandatory Tender 4/1/2024	\$ 7,250,639
9,000,000	¹ Bay Area Toll Authority, CA, San Francisco Bay Area Toll Bridge Revenue Bonds (Series 2021C) FRNs, 4.420% (SIFMA 7-day +0.450%), Mandatory Tender 4/1/2026	8,915,895
7,000,000	¹ Bay Area Toll Authority, CA, San Francisco Bay Area Toll Bridge Revenue Bonds (SIFMA Index Rate Bonds Series 2021D) FRNs, 4.270% (SIFMA 7-day +0.300%), Mandatory Tender 4/1/2027	6,833,329
7,000,000	¹ California Infrastructure & Economic Development Bank (California Academy of Sciences), Revenue Bonds (Series 2018D) FRNs, 4.320% (SIFMA 7-day +0.350%), Mandatory Tender 8/1/2024	6,920,536
6,750,000	¹ California Infrastructure & Economic Development Bank (Los Angeles County Museum of Art), Refunding Revenue Bonds (Series 2021B) FRNs, 4.670% (SIFMA 7-day +0.700%), Mandatory Tender 6/1/2026	6,527,138
4,500,000	California Municipal Finance Authority (Waste Management, Inc.), (Series 2020) TOBs, (Waste Management Holdings, Inc. GTD), 3.950%, Mandatory Tender 6/1/2023	4,503,936
1,000,000	California PCFA (Republic Services, Inc.), (Series A-1) TOBs, 3.450%, Mandatory Tender 4/17/2023	999,802
28,455,000	² California PCFA (Republic Services, Inc.), Solid Waste Refunding Revenue Bonds (Series 2010A) TOBs, 3.500%, Mandatory Tender 5/1/2023	28,450,433
2,000,000	² California Public Finance Authority (Kendal at Sonoma), Enso Village TEMPS-50 Senior Living Revenue Refunding Bonds (Series B-3), 2.125%, 11/15/2027	1,897,681
3,700,000	California State PCFA (American Water Capital Corp.), Revenue Refunding Bonds (Series 2020) TOBs, 0.600%, Mandatory Tender 9/1/2023	3,659,424
2,000,000	Western Placer, CA Unified School District, Community Facilities District No. 1 2020 BANs, 2.000%, 6/1/2025	1,934,888
2,730,000	Western Placer, CA Unified School District, Community Facilities District No.2 2020 BANs, 2.000%, 6/1/2025	2,640,572
	TOTAL	80,534,273
	Colorado—1.1%	
5,000,000	¹ Colorado School of Mines Board of Trustees (Colorado School of Mines, CO), Institutional Enterprise Revenue Refunding Bonds (Series 2022D) FRNs, 4.840% (SIFMA 7-day +0.870%), 12/1/2025	5,000,118
6,000,000	¹ Colorado State Health Facilities Authority (Intermountain Healthcare Obligated Group), Revenue Bonds (Series 2022D) FRNs, 4.520% (SIFMA 7-day +0.550%), Mandatory Tender 8/17/2026	5,937,592

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Colorado—continued	
\$ 4,000,000	¹ E-470 Public Highway Authority, CO, Senior Revenue SOFR Index Term Rate Bonds (Series 2021B) FRNs, 3.579% (SOFR x 0.67 +0.350%), Mandatory Tender 9/1/2024	\$ 3,983,795
	TOTAL	14,921,505
	Connecticut—1.0%	
1,200,000	Connecticut State (Connecticut State Special Transportation Fund), Special Tax Obligation Bonds Transportation Infrastructure Purposes (Series 2020A), 5.000%, 5/1/2026	1,294,071
3,000,000	Connecticut State Health & Educational Facilities (Yale University), Revenue Bonds (Series 2017C-2) TOBs, 2.800%, Mandatory Tender 2/3/2026	2,985,205
4,000,000	Connecticut State Health & Educational Facilities (Yale University), Revenue Bonds (Series X-2) TOBs, 0.250%, Mandatory Tender 2/9/2024	3,895,647
2,250,000	Connecticut State HFA, Housing Mortgage Finance Program Bonds (Series 2020D-3) TOBs, 0.500%, Mandatory Tender 11/15/2023	2,200,316
2,000,000	Connecticut State, UT GO Refunding Bonds (Series 2022D), 5.000%, 9/15/2024	2,071,117
1,000,000	Connecticut State, UT GO Refunding Bonds (Series 2022D), 5.000%, 9/15/2025	1,061,352
	TOTAL	13,507,708
	Florida—1.9%	
3,500,000	Broward County, FL HFA (St. Joseph Manor II, LLLP), Multifamily Housing Revenue Bonds (Series 2023) TOBs, (United States Treasury COL), 3.500%, Mandatory Tender 4/1/2026	3,517,772
775,000	Escambia County, FL (International Paper Co.), Environmental Improvement Revenue Refunding Bonds (Series 2019B) TOBs, 2.000%, Mandatory Tender 10/1/2024	745,514
2,700,000	Florida Development Finance Corp. (Lakeland Regional Health System), Healthcare Facilities Revenue Refunding Bonds (Series 2021), 5.000%, 11/15/2023	2,732,845
1,700,000	Florida Development Finance Corp. (Lakeland Regional Health System), Healthcare Facilities Revenue Refunding Bonds (Series 2021), 5.000%, 11/15/2025	1,784,545
2,500,000	Miami-Dade County, FL Aviation, Aviation Revenue Refunding Bonds (Series 2020A), 5.000%, 10/1/2024	2,574,689
1,250,000	Miami-Dade County, FL Aviation, Aviation Revenue Refunding Bonds (Series 2020A), 5.000%, 10/1/2025	1,320,492
2,800,000	Miami-Dade County, FL IDA (Waste Management, Inc.), Solid Waste Disposal Revenue Bonds (Series 2008), 0.400%, 8/1/2023	2,764,706
11,500,000	¹ Miami-Dade County, FL IDA (Waste Management, Inc.), Solid Waste Disposal Revenue Bonds (Series 2018B) FRNs, 4.345% (SIFMA 7-day +0.375%), Mandatory Tender 7/1/2024	11,215,196
	TOTAL	26,655,759

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Georgia—1.7%	
\$ 6,700,000	Burke County, GA Development Authority (Georgia Power Co.), Vogtle Project PCR Bonds (Fifth Series 1994) TOBs, 2.150%, Mandatory Tender 6/13/2024	\$ 6,579,210
3,000,000	Burke County, GA Development Authority (Georgia Power Co.), Vogtle Project PCR Bonds (First Series 1996) TOBs, 3.875%, Mandatory Tender 3/6/2026	3,041,216
5,650,000	Burke County, GA Development Authority (Georgia Power Co.), Vogtle Project PCR Bonds (First Series 2012) TOBs, 2.875%, Mandatory Tender 8/19/2025	5,536,651
725,000	Main Street Natural Gas, Inc., GA, Gas Supply Revenue Bonds (Series 2021C), (Citigroup, Inc. GTD), 4.000%, 12/1/2023	725,905
700,000	Main Street Natural Gas, Inc., GA, Gas Supply Revenue Bonds (Series 2021C), (Citigroup, Inc. GTD), 4.000%, 12/1/2024	700,181
1,100,000	Main Street Natural Gas, Inc., GA, Gas Supply Revenue Bonds (Series 2021C), (Citigroup, Inc. GTD), 4.000%, 12/1/2026	1,097,881
1,000,000	Main Street Natural Gas, Inc., GA, Gas Supply Revenue Bonds (Series 2022A), (Citigroup, Inc. GTD), 4.000%, 12/1/2025	998,475
3,500,000	Monroe County, GA Development Authority (Georgia Power Co.), Scherer Project PCR Bonds (First Series 2013) TOBs, 3.875%, Mandatory Tender 3/6/2026	3,548,086
1,750,000	Monroe County, GA Development Authority (Georgia Power Co.), Scherer Project PCR Bonds (Second Series 2009) TOBs, 3.875%, Mandatory Tender 3/6/2026	1,774,043
	TOTAL	24,001,648
	Illinois—0.9%	
2,000,000	Chicago, IL O'Hare International Airport, General Airport Senior Lien Revenue Refunding Bonds (Series 2022C), 5.000%, 1/1/2024	2,025,633
2,000,000	Chicago, IL O'Hare International Airport, General Airport Senior Lien Revenue Refunding Bonds (Series 2022C), 5.000%, 1/1/2025	2,062,046
3,500,000	Chicago, IL O'Hare International Airport, General Airport Senior Lien Revenue Refunding Bonds (Series 2022C), 5.000%, 1/1/2026	3,649,345
5,000,000	Illinois State, GO Bonds (Series 2017D), 5.000%, 11/1/2024	5,150,947
	TOTAL	12,887,971
	Indiana—0.4%	
6,475,000	¹ Indiana State Finance Authority (Deaconess Health System), Revenue Bonds (Series 2021B) FRNs, 4.270% (SIFMA 7-day +0.300%), Mandatory Tender 3/1/2027	6,320,502
	Iowa—0.4%	
3,000,000	Iowa Finance Authority (Gevo NW Iowa RNG, LLC), Solid Waste Facility Revenue Bonds Renewable Gas Project (Series 2021) TOBs, (Citibank N.A., New York LOC), 1.500%, Mandatory Tender 4/1/2024	2,951,200

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Iowa—continued	
\$ 3,500,000	¹ Iowa Finance Authority (Lifespace Communities, Inc.), Revenue Bonds (Series 2021B) FRNs, 3.931% (SOFR x 0.70 +0.550%), Mandatory Tender 5/15/2026	\$ 3,170,517
	TOTAL	6,121,717
	Kentucky—1.8%	
3,500,000	Kentucky Housing Corp. (Cambridge Preservation LP), Multifamily Housing Revenue Bonds (Series 2021) TOBs, (United States Treasury GTD), 0.300%, Mandatory Tender 2/1/2024	3,390,988
2,500,000	Owen County, KY (American Water Capital Corp.), Revenue Refunding Bonds (Series 2020) TOBs, 0.700%, Mandatory Tender 9/1/2023	2,473,189
13,000,000	Public Energy Authority of Kentucky, Gas Supply Revenue Bonds (Series 2018B) TOBs, (BP PLC GTD), 4.000%, Mandatory Tender 1/1/2025	12,992,882
2,500,000	Rural Water Financing Agency, KY, Public Projects Construction Notes (Series 2021A), 0.400%, 5/1/2023	2,494,136
3,250,000	Rural Water Financing Agency, KY, Public Projects Construction Notes (Series 2023A), 3.900%, 11/1/2025	3,259,059
	TOTAL	24,610,254
	Louisiana—1.9%	
3,000,000	Louisiana Local Government Environmental Facilities Community Development Authority (East Baton Rouge Sewerage Commission), Subordinate Lien Multi-Modal Revenue Refunding Bonds (Series 2020B) TOBs, 0.875%, Mandatory Tender 2/1/2025	2,859,162
5,025,000	Louisiana State Gas & Fuels Second Lien, Revenue Refunding Bonds (Series 2017D-1) TOBs, 0.600%, Mandatory Tender 5/1/2023	5,025,000
8,885,000	St. John the Baptist Parish, LA (Marathon Oil Corp.), Revenue Refunding Bonds (Series 2017B-1) TOBs, 2.125%, Mandatory Tender 7/1/2024	8,675,470
9,500,000	St. John the Baptist Parish, LA (Marathon Oil Corp.), Revenue Refunding Bonds (Series 2019 A-1) TOBs, 4.050%, Mandatory Tender 4/1/2023	9,500,000
	TOTAL	26,059,632
	Massachusetts—0.2%	
3,250,000	¹ Massachusetts Development Finance Agency (Mass General Brigham), Revenue Bonds (Series 2019T-1) FRNs, 4.570% (SIFMA 7-day +0.600%), Mandatory Tender 1/29/2026	3,209,427
	Michigan—0.4%	
2,000,000	Michigan State Finance Authority (Beaumont Health Spectrum Health System), Hospital Revenue Refunding Bonds (Series 2022A), 5.000%, 4/15/2024	2,045,911

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Michigan—continued	
\$ 1,000,000	Michigan State Finance Authority (Beaumont Health Spectrum Health System), Hospital Revenue Refunding Bonds (Series 2022A), 5.000%, 4/15/2025	\$ 1,045,139
3,125,000	¹ Michigan State Finance Authority (Beaumont Health Spectrum Health System), Hospital Revenue Refunding Bonds (Series 2022C) FRNs, 4.720% (SIFMA 7-day +0.750%), Mandatory Tender 4/15/2027	3,056,555
	TOTAL	6,147,605
	Minnesota—0.6%	
5,000,000	Minnesota Rural Water Finance Authority, Public Projects Construction Notes (Series 2022), 2.625%, 12/1/2023	4,963,946
4,150,000	¹ Minnesota State HFA, Residential Housing Finance Bonds (Series 2018D) FRNs, 4.400% (SIFMA 7-day +0.430%), Mandatory Tender 7/3/2023	4,148,005
	TOTAL	9,111,951
	Montana—0.2%	
2,600,000	¹ Montana State University (The Board of Regents of), Facilities Refunding Revenue Bonds (Series 2018F) FRNs, 4.420% (SIFMA 7-day +0.450%), Mandatory Tender 9/1/2023	2,599,884
	Nebraska—1.1%	
4,955,000	¹ Douglas County, NE (Creighton University, NE), Educational Facilities Revenue Refunding Bonds (Series 2021B) FRNs, 4.500% (SIFMA 7-day +0.530%), Mandatory Tender 9/1/2026	4,896,922
10,000,000	Nebraska Public Power District, General Revenue Bonds (Series 2020A) TOBs, 0.600%, Mandatory Tender 7/1/2023	9,933,702
	TOTAL	14,830,624
	Nevada—0.6%	
2,000,000	Clark County, NV (Nevada Power Co.), Pollution Control Refunding Revenue Bonds (Series 2017) TOBs, 3.750%, Mandatory Tender 3/1/2026	2,018,611
7,000,000	Humboldt County, NV (Idaho Power Co.), PCR Refunding Bonds (Series 2003), 1.450%, 12/1/2024	6,787,004
	TOTAL	8,805,615
	New Hampshire—0.5%	
1,500,000	National Finance Authority, NH (Waste Management, Inc.), Solid Waste Disposal Refunding Revenue Bonds (Series 2019A-1) TOBs, 2.150%, Mandatory Tender 7/1/2024	1,463,838
4,000,000	National Finance Authority, NH (Waste Management, Inc.), Solid Waste Disposal Refunding Revenue Bonds (Series 2019A-3) TOBs, 2.150%, Mandatory Tender 7/1/2024	3,903,567
2,000,000	National Finance Authority, NH (Waste Management, Inc.), Solid Waste Disposal Refunding Revenue Bonds (Series 2019A-4) TOBs, 2.150%, Mandatory Tender 7/1/2024	1,951,783
	TOTAL	7,319,188

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	New Jersey—1.2%	
\$ 2,463,000	Camden, NJ BANs, 4.000%, 8/8/2023	\$ 2,464,942
7,000,000	New Jersey EDA (New Jersey-American Water Co., Inc.), Water Facilities Refunding Revenue Bonds (Series 2020B) TOBs, 1.200%, Mandatory Tender 6/1/2023	6,974,604
3,100,000	New Jersey EDA (New Jersey-American Water Co., Inc.), Water Facilities Refunding Revenue Bonds (Series 2020E), 0.850%, 12/1/2025	2,832,296
4,460,000	New Jersey State Transportation Trust Fund Authority (New Jersey State), Transportation System Bonds (Series 2021A), 5.000%, 6/15/2025	4,655,544
	TOTAL	16,927,386
	New Mexico—1.9%	
5,000,000	Farmington, NM (Public Service Co., NM), PCR Refunding Bonds San Juan Project (Series 2010C) TOBs, 1.150%, Mandatory Tender 6/4/2024	4,836,245
3,000,000	Farmington, NM (Public Service Co., NM), PCR Refunding Bonds San Juan Project (Series 2010D) TOBs, 1.100%, Mandatory Tender 6/1/2023	2,986,195
1,100,000	New Mexico Municipal Energy Acquisition Authority, Gas Supply Revenue Refunding and Acquisition Bonds (Series 2019A), (Royal Bank of Canada GTD), 4.000%, 5/1/2023	1,100,555
1,150,000	New Mexico Municipal Energy Acquisition Authority, Gas Supply Revenue Refunding and Acquisition Bonds (Series 2019A), (Royal Bank of Canada GTD), 4.000%, 11/1/2023	1,154,000
1,600,000	New Mexico Municipal Energy Acquisition Authority, Gas Supply Revenue Refunding and Acquisition Bonds (Series 2019A), (Royal Bank of Canada GTD), 4.000%, 5/1/2024	1,609,667
1,685,000	New Mexico Municipal Energy Acquisition Authority, Gas Supply Revenue Refunding and Acquisition Bonds (Series 2019A), (Royal Bank of Canada GTD), 4.000%, 11/1/2024	1,698,548
3,725,000	New Mexico Municipal Energy Acquisition Authority, Gas Supply Revenue Refunding and Acquisition Bonds (Series 2019A), (Royal Bank of Canada GTD), 4.000%, 5/1/2025	3,758,659
4,500,000	New Mexico Municipal Energy Acquisition Authority, Gas Supply Revenue Refunding and Acquisition Bonds (Series 2019A) TOBs, (Royal Bank of Canada GTD), 5.000%, Mandatory Tender 5/1/2025	4,621,489
4,000,000	New Mexico State Hospital Equipment Loan Council (Presbyterian Healthcare Services), Hospital System Revenue Bonds (Series 2019B) TOBs, 5.000%, Mandatory Tender 8/1/2025	4,186,185
	TOTAL	25,951,543
	New York—5.4%	
6,000,000	Jamestown, NY City School District BANs, 5.500%, 7/20/2023	6,035,503
4,500,000	Lloyd, NY BANs, 4.250%, 2/9/2024	4,528,592

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	New York—continued	
\$ 3,300,000	¹ Long Island Power Authority, NY FRNs, 4.013% (1-month USLIBOR x 0.70 +0.750%), 5/1/2033	\$ 3,301,536
4,010,000	Lowville, NY, (Series A) BANs, 3.250%, 8/24/2023	4,005,948
15,000,000	Massena, NY CSD BANs, 4.000%, 6/29/2023	15,017,866
6,735,000	¹ Metropolitan Transportation Authority, NY (MTA Transportation Revenue), Transportation Revenue Variable Rate Refunding Bonds (Series 2005D-1) FRNs, 3.559% (SOFR x 0.67 +0.330%), Mandatory Tender 4/1/2024	6,677,035
2,250,000	New York City, NY, UT GO Bonds (Fiscal 2023 Series C), 5.000%, 8/1/2025	2,384,958
2,500,000	New York Transportation Development Corporation (JFK International Air Terminal LLC), Special Facilities Revenue Bonds (Series 2020A), 5.000%, 12/1/2024	2,557,721
1,000,000	New York Transportation Development Corporation (JFK International Air Terminal LLC), Special Facilities Revenue Bonds (Series 2020C), 5.000%, 12/1/2024	1,030,260
15,000,000	Owego-Apalachin, NY CSD BANs, 4.000%, 6/28/2023	15,032,611
2,500,000	Potsdam, NY CSD BANs, 4.250%, 7/21/2023	2,506,083
5,630,000	¹ Triborough Bridge & Tunnel Authority, NY, General Revenue Variable Rate Refunding Bonds (Series 2005B-4A) FRNs, 3.616% (SOFR x 0.67 +0.380%), Mandatory Tender 2/1/2024	5,586,614
6,431,957	Vestal Fire District, NY BANs, 4.000%, 8/11/2023	6,431,408
	TOTAL	75,096,135
	North Carolina—1.6%	
4,000,000	Charlotte-Mecklenburg Hospital Authority, NC (Atrium Health (previously Carolinas HealthCare) System), Variable Rate Health Care Revenue Bonds (Series 2018E) TOBs, 0.800%, Mandatory Tender 10/31/2025	3,797,516
3,500,000	Charlotte-Mecklenburg Hospital Authority, NC (Atrium Health (previously Carolinas HealthCare) System), Variable Rate Health Care Revenue Bonds (Series 2021B) TOBs, 5.000%, Mandatory Tender 12/2/2024	3,625,702
850,000	Columbus County, NC Industrial Facilities & Pollution Control Financing Authority (International Paper Co.), Recovery Zone Facility Revenue Refunding Bonds (Series 2019B) TOBs, 2.000%, Mandatory Tender 10/1/2024	817,660
1,000,000	Columbus County, NC Industrial Facilities & Pollution Control Financing Authority (International Paper Co.), Recovery Zone Facility Revenue Refunding Bonds (Series 2020A) TOBs, 1.375%, Mandatory Tender 6/16/2025	931,645
13,635,000	¹ University of North Carolina at Chapel Hill, General Revenue Refunding Bonds (Series 2019B) FRNs, 3.879% (SOFR x 0.67 +0.650%), Mandatory Tender 6/1/2025	13,608,937
	TOTAL	22,781,460

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	North Dakota—0.7%	
\$10,000,000	Cass County Joint Water Resource District, ND, UT GO Temporary Refunding Improvement Bonds (Series 2021A), 0.480%, 5/1/2024	\$ 9,605,288
	Ohio—1.4%	
4,350,000	Cuyahoga, OH Metropolitan Housing Authority (Wade Park Apartments), Multifamily Housing Revenue Bonds (Series 2022) TOBs, (United States Treasury COL), 4.750%, Mandatory Tender 12/1/2025	4,490,115
10,390,000	Lancaster, OH Port Authority, Gas Supply Revenue Refunding Bonds (Series 2019) TOBs, (Royal Bank of Canada GTD), 5.000%, Mandatory Tender 2/1/2025	10,598,103
4,725,000	Ohio HFA Multifamily Housing (Seton Square North, OH), Revenue Bonds (Series 2021A) TOBs, (United States Treasury COL), 0.400%, Mandatory Tender 4/1/2023	4,725,000
	TOTAL	19,813,218
	Oregon—0.2%	
3,000,000	Multnomah County, OR Hospital Facilities Authority (Terwilliger Plaza, Inc.), Parkview Project TEMPS-50 Revenue and Refunding Bonds (Series 2021B-2), 0.950%, 6/1/2027	2,618,901
1,000,000	Multnomah County, OR Hospital Facilities Authority (Terwilliger Plaza, Inc.), Parkview Project TEMPS-65 Revenue and Refunding Bonds (Series 2021B-1), 1.200%, 6/1/2028	848,740
	TOTAL	3,467,641
	Pennsylvania—7.7%	
5,500,000	¹ Allegheny County, PA Higher Education Building Authority (Carnegie Mellon University), Revenue Bonds (Series 2022A) FRNs, 3.664% (SOFR x 0.70 +0.290%), Mandatory Tender 8/1/2027	5,347,561
2,490,000	¹ Bethlehem, PA Area School District Authority, School Revenue Bonds (Series 2021A) FRNs, 3.586% (SOFR x 0.67 +0.350%), Mandatory Tender 11/1/2025	2,429,168
3,375,000	¹ Bethlehem, PA Area School District Authority, School Revenue Bonds (Series 2021B) FRNs, 3.586% (SOFR x 0.67 +0.350%), Mandatory Tender 11/1/2025	3,292,548
15,000,000	¹ Delaware Valley, PA Regional Finance Authority, Local Government Revenue Bonds (Series 2022C) FRNs, 3.719% (SOFR x 0.67 +0.490%), Mandatory Tender 3/1/2027	14,511,312
9,960,000	¹ Lehigh County, PA General Purpose Authority (Muhlenberg College), College Revenue Bonds (Series 2019) FRNs, 4.550% (SIFMA 7-day +0.580%), Mandatory Tender 11/1/2024	9,947,327
1,200,000	¹ North Penn, PA Water Authority, SIFMA Index Rate Water Revenue Refunding Bonds (Series 2019) FRNs, 4.430% (SIFMA 7-day +0.460%), 11/1/2023	1,199,907

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Pennsylvania—continued	
\$ 4,000,000	¹ Northampton County, PA General Purpose Authority (St. Luke's University Health Network), Variable Rate Hospital Revenue Bonds (Series 2018B) FRNs, 4.303% (1-month USLIBOR x 0.70 +1.040%), Mandatory Tender 8/15/2024	\$ 4,002,985
10,000,000	Pennsylvania Economic Development Financing Authority (PPL Electric Utilities Corp.), PCR Refunding Bonds (Series 2008), 0.400%, 10/1/2023	9,824,943
8,000,000	Pennsylvania Economic Development Financing Authority (Republic Services, Inc.), (Series A) TOBs, 3.450%, Mandatory Tender 4/17/2023	7,998,416
4,900,000	Pennsylvania Economic Development Financing Authority (Waste Management, Inc.), Solid Waste Disposal Revenue Bonds (Series 2017A) TOBs, 0.580%, Mandatory Tender 8/1/2024	4,676,082
9,000,000	¹ Pennsylvania Economic Development Financing Authority (Waste Management, Inc.), Solid Waste Disposal Revenue Bonds (Series 2021A) FRNs, 4.370% (SIFMA 7-day +0.400%), Mandatory Tender 6/3/2024	8,796,530
6,000,000	¹ Pennsylvania HFA, SFM Revenue Bonds (Series 2018-127C) FRNs, 3.971% (1-month USLIBOR x 0.70 +0.570%), Mandatory Tender 10/1/2023	5,977,366
5,000,000	¹ Pennsylvania State Turnpike Commission, Variable Rate Turnpike Revenue Bonds (Series 2018B) FRNs, 4.670% (SIFMA 7-day +0.700%), 12/1/2023	5,001,221
17,500,000	¹ Pittsburgh, PA Water & Sewer Authority, First Lien Revenue Refunding Bonds (Series 2018C) FRNs, (Assured Guaranty Municipal Corp. INS), 4.620% (SIFMA 7-day +0.650%), Mandatory Tender 12/1/2023	17,505,435
6,750,000	¹ Southcentral PA, General Authority (Wellspring Health Obligated Group), Revenue Bonds (Series 2019A) FRNs, 4.570% (SIFMA 7-day +0.600%), Mandatory Tender 6/1/2024	6,730,813
	TOTAL	107,241,614
	South Carolina—1.8%	
25,000,000	¹ Patriots Energy Group Financing Agency, Gas Supply Revenue Bonds (Series 2018B) FRNs, (Royal Bank of Canada GTD), 3.984% (1-month USLIBOR x 0.67 +0.860%), Mandatory Tender 2/1/2024	25,033,883
	Tennessee—0.8%	
11,700,000	Tennergy Corp., TN Gas Revenue, Gas Supply Revenue Bonds (Series 2019A) TOBs, (Royal Bank of Canada GTD), 5.000%, Mandatory Tender 10/1/2024	11,898,755
	Texas—7.3%	
3,000,000	Alvin, TX Independent School District, Variable Rate UT Schoolhouse Bonds (Series 2014B) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 0.450%, Mandatory Tender 8/15/2023	2,964,967
3,400,000	Austin, TX Airport System, Revenue Refunding Bonds (Series 2019), 5.000%, 11/15/2024	3,486,475

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Texas—continued	
\$ 4,000,000	Clear Creek, TX Independent School District, Variable Rate UT GO School Building Bonds (Series 2013B) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 0.280%, Mandatory Tender 8/15/2024	\$ 3,807,883
3,500,000	Denton County, TX HFA (THF Pathway on Woodrow, LP), Multifamily Housing Revenue Bonds (Series 2022) TOBs, (United States Treasury COL), 5.000%, Mandatory Tender 2/1/2025	3,604,762
5,000,000	Dickinson, TX Independent School District, Variable Rate UT Refunding Bonds (Series 2013) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 0.250%, Mandatory Tender 8/1/2023	4,944,578
1,760,000	Eanes, TX Independent School District, Variable Rate UT School Building Bonds (Series 2019B) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 1.750%, Mandatory Tender 8/1/2025	1,723,590
2,705,000	Eanes, TX Independent School District, Variable Rate UT School Building Bonds (Series 2019B) TOBs, (United States Treasury PRF 8/1/2024@100), 1.750%, Mandatory Tender 8/1/2039	2,669,824
3,600,000	El Paso, TX Independent School District, Variable Rate Maintenance Tax Notes (Series 2020) TOBs, 2.000%, Mandatory Tender 8/1/2023	3,566,634
3,910,000	Fort Bend, TX Independent School District, Variable Rate UT School Building and Refunding Bonds (Series 2020B) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 0.875%, Mandatory Tender 8/1/2025	3,699,171
5,000,000	¹ Harris County, TX Cultural Education Facilities Finance Corp. (Baylor College of Medicine), Medical Facilities Mortgage Revenue Refunding Bonds (Series 2019A) FRNs, 3.913% (1-month USLIBOR +0.650%), Mandatory Tender 7/1/2024	5,008,551
5,000,000	¹ Harris County, TX Cultural Education Facilities Finance Corp. (Memorial Hermann Health System), Hospital Revenue Bonds (Series 2019C-2) FRNs, 4.540% (SIFMA 7-day +0.570%), Mandatory Tender 12/4/2024	4,969,272
4,000,000	Harris County, TX Cultural Education Facilities Finance Corp. (Texas Medical Center), Revenue Bonds (Series 2020A) TOBs, 0.900%, Mandatory Tender 5/15/2025	3,774,483
2,750,000	¹ Harris County, TX Education Facilities Finance Corp. (Memorial Hermann Health System), Hospital Revenue Bonds (Series 2022C) FRNs, 4.820% (SIFMA 7-day +0.850%), Mandatory Tender 12/1/2026	2,700,193
3,750,000	Hutto, TX Independent School District, UT School Building Bonds (Series 2017) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 2.000%, Mandatory Tender 8/1/2025	3,671,850
3,000,000	Matagorda County, TX Navigation District No. 1 (AEP Texas, Inc.), PCR Refunding Bonds (Central Power and Light Company Project) (Series 1996) TOBs, 0.900%, Mandatory Tender 9/1/2023	2,956,173

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Texas—continued	
\$ 5,280,000	Midlothian, TX Independent School District, Variable Rate UT School Building Bonds (Series 2017B) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 2.000%, Mandatory Tender 8/1/2023	\$ 5,268,103
3,415,000	Midlothian, TX Independent School District, Variable Rate UT School Building Bonds (Series 2017B) TOBs, (United States Treasury PRF 8/1/2023@100), 2.000%, Mandatory Tender 8/1/2052	3,406,754
2,650,000	Midlothian, TX Independent School District, Variable Rate UT School Building Bonds (Series 2017B) TOBs, (United States Treasury PRF 8/1/2023@100), 2.000%, Mandatory Tender 8/1/2023	2,644,029
1,120,000	Midlothian, TX Independent School District, Variable Rate UT School Building Bonds (Series 2017B) TOBs, (United States Treasury PRF 8/1/2023@100), 2.000%, Mandatory Tender 8/1/2052	1,117,476
14,985,000	Ponder, TX Independent School District, Variable Rate UT School Building Bonds (Series 2021) TOBs, (Texas Permanent School Fund Guarantee Program GTD), 0.750%, Mandatory Tender 8/15/2024	14,390,455
3,370,000	San Antonio, TX Electric & Gas System, Junior Lien Revenue Refunding Bonds (Series 2022) FRNs, 4.840% (SIFMA 7-day +0.870%), Mandatory Tender 12/1/2025	3,370,090
2,250,000	Texas Municipal Gas Acquisition & Supply Corp. III, Gas Supply Revenue Refunding Bonds (Series 2021), (Macquarie Group Ltd. GTD), 5.000%, 12/15/2023	2,262,408
2,500,000	Texas Municipal Gas Acquisition & Supply Corp. III, Gas Supply Revenue Refunding Bonds (Series 2021), (Macquarie Group Ltd. GTD), 5.000%, 12/15/2026	2,569,050
11,000,000	Texas State Department of Housing & Community Affairs (THF Park at Kirkstall Apartments, LP), Multifamily Housing Revenue Bonds (Series 2021) TOBs, 0.650%, Mandatory Tender 12/1/2024	10,395,591
2,675,000	Tomball, TX Independent School District, Variable Rate UT School Building Bonds (Series 2014B-1) TOBs, 0.450%, Mandatory Tender 8/15/2023	2,642,907
	TOTAL	101,615,269
	Virginia—1.6%	
3,000,000	Chesapeake, VA EDA (Virginia Electric & Power Co.), PCR Refunding Bonds (Series 2008A) TOBs, 1.900%, Mandatory Tender 6/1/2023	2,990,251
3,720,000	Northampton County and Towns, VA EDA (Myrtle Landing Renewal LLC), Multifamily Housing Revenue Bonds (Series 2023) TOBs, (United States Treasury COL), 4.500%, Mandatory Tender 4/1/2025	3,791,907
5,500,000	Virginia Peninsula Port Authority (Dominion Terminal Associates), Coal Terminal Revenue Refunding Bonds (Series 2003) TOBs, 3.800%, Mandatory Tender 10/1/2024	5,521,531

Principal Amount		Value
	MUNICIPAL BONDS—continued	
	Virginia—continued	
\$ 5,000,000	Wise County, VA IDA (Virginia Electric & Power Co.), Solid Waste and Sewage Disposal Revenue Bonds (Series 2009A) TOBs, 0.750%, Mandatory Tender 9/2/2025	\$ 4,609,530
5,500,000	York County, VA EDA (Virginia Electric & Power Co.), PCR Refunding Bonds (Series 2009A) TOBs, 1.900%, Mandatory Tender 6/1/2023	5,482,126
	TOTAL	22,395,345
	Washington—1.2%	
5,000,000	¹ King County, WA Sewer System, Junior Lien Revenue Bonds (Series 2021A) FRNs, 4.200% (SIFMA 7-day +0.230%), Mandatory Tender 1/1/2027	4,867,151
9,250,000	¹ Seattle, WA Municipal Light & Power, Refunding Revenue Bonds (Series 2021B) FRNs, 4.220% (SIFMA 7-day +0.250%), Mandatory Tender 11/1/2026	9,080,227
2,500,000	Washington State Health Care Facilities Authority (CommonSpirit Health), Revenue Bonds (Series 2019B-1) TOBs, 5.000%, Mandatory Tender 8/1/2024	2,535,429
	TOTAL	16,482,807
	West Virginia—0.4%	
5,500,000	West Virginia EDA Solid Waste Disposal Facilities (Appalachian Power Co.), Revenue Bonds (Series 2011A) TOBs, 1.000%, Mandatory Tender 9/1/2025	5,129,526
	Wisconsin—0.9%	
7,500,000	Public Finance Authority (Duke Energy Progress LLC), PCR Refunding Bonds (Series 2022A-1) TOBs, 3.300%, Mandatory Tender 10/1/2026	7,590,601
4,500,000	Wisconsin Health & Educational Facilities Authority (Advocate Aurora Health), Revenue Bonds (Series 2018B-2) TOBs, 5.000%, Mandatory Tender 6/24/2026	4,806,336
	TOTAL	12,396,937
	TOTAL MUNICIPAL BONDS (IDENTIFIED COST \$880,327,899)	867,177,345
	¹ SHORT-TERM MUNICIPALS—37.8%	
	California—1.8%	
8,000,000	Los Angeles, CA Multi-Family Housing Revenue Bonds (CORE Related/ GALA Rentals, LP), SPEARs 3a7 (Series DBE-8081) VRDNs, (Deutsche Bank AG LIQ)/(Deutsche Bank AG LOC), 4.420%, 4/6/2023	8,000,000
6,400,000	Nuveen California AMT-Free Quality Municipal Income Fund, (Series A) MuniFund Preferred Shares Weekly VRDPs, 4.420%, 4/3/2023	6,400,000

Principal Amount		Value
	¹ SHORT-TERM MUNICIPALS—continued	
	California—continued	
\$10,000,000	Nuveen California Quality Municipal Income Fund, RIB Floater Trust (Series 2022-FR-RI-005) (Series 2 Preferred Shares) VREnS, (Barclays Bank plc LIQ)/(Barclays Bank plc LOC), 4.320%, 4/6/2023	\$ 10,000,000
	TOTAL	24,400,000
	Florida—0.7%	
3,970,000	Hillsborough County, FL HFA (Hillsborough FL TC, LP), SPEARs 3a-7 (Series DBE-8083) VRDNs, (Deutsche Bank AG LIQ)/(Deutsche Bank AG LOC), 4.420%, 4/6/2023	3,970,000
5,360,000	Jacksonville, FL HFA (Millennia Jacksonville TC LP), SPEARs (Series DBE-8055) VRDNs, (Deutsche Bank AG LIQ)/(Deutsche Bank AG LOC), 4.420%, 4/6/2023	5,360,000
	TOTAL	9,330,000
	Indiana—0.8%	
11,600,000	Indiana State Finance Authority Environmental (ArcelorMittal SA), (Series 2006) Weekly VRDNs, (Banco Bilbao Vizcaya Argentaria SA LOC), 4.500%, 4/5/2023	11,600,000
	Kentucky—1.8%	
7,945,000	Meade County, KY Industrial Building Revenue Authority (Nucor Corp.), (Series 2021A-1) Daily VRDNs, 4.750%, 4/3/2023	7,945,000
17,800,000	Meade County, KY Industrial Building Revenue Authority (Nucor Corp.), (Series 2021B-1) Daily VRDNs, 4.800%, 4/3/2023	17,800,000
	TOTAL	25,745,000
	Louisiana—4.6%	
8,117,276	Calcasieu Parish, LA Public Trust Authority (Le Joliet LP), SPEARs 3a7 (Series DBE-8060) VRDNs, (Deutsche Bank AG LIQ)/(Deutsche Bank AG LOC), 4.420%, 4/6/2023	8,117,276
56,700,000	St. James Parish, LA (Nucor Steel Louisiana LLC), (Series 2010B-1) Weekly VRDNs, (Nucor Corp. GTD), 4.400%, 4/5/2023	56,700,000
	TOTAL	64,817,276
	Multi State—7.5%	
57,000,000	Nuveen AMT-Free Municipal Credit Income Fund, (Series B) MuniFund Preferred Shares Weekly VRDPs, 4.420%, 4/3/2023	57,000,000
12,300,000	Nuveen AMT-Free Municipal Credit Income Fund, (Series C) MuniFund Preferred Shares Weekly VRDPs, 4.420%, 4/3/2023	12,300,000
31,975,000	Nuveen AMT-Free Quality Municipal Income Fund, (Series D) MuniFund Preferred Shares Weekly VRDPs, 4.420%, 4/3/2023	31,975,000
3,800,000	Nuveen Municipal Credit Income Fund, PUTTERs 3a-7 (Series 5039) (VMFP Series C) Daily VRDNs, (JPMorgan Chase Bank, N.A. LIQ), 4.300%, 4/3/2023	3,800,000
	TOTAL	105,075,000

Principal Amount		Value
	¹ SHORT-TERM MUNICIPALS—continued	
	New York—1.1%	
\$ 5,000,000	New York City, NY, (Series 2021-3) Weekly VREnS, 4.170%, 4/3/2023	\$ 5,000,000
10,000,000	New York State HFA (42nd and 10th Street Associates LLC), 3a-7 High Grade Trust (Series 2022-007) VREnS, (Barclays Bank plc LIQ)/(Barclays Bank plc LOC), 4.370%, 4/6/2023	10,000,000
	TOTAL	15,000,000
	Ohio—1.6%	
8,885,000	Ohio State Hospital Revenue (University Hospitals Health System, Inc.), (Series 2015-B) Weekly VREnS, 4.500%, 4/6/2023	8,885,000
8,500,000	Ohio State Hospital Revenue (University Hospitals Health System, Inc.), (Series B) VREnS, 4.170%, 4/3/2023	8,500,000
4,000,000	Ohio State Hospital Revenue (University Hospitals Health System, Inc.), (Series C) VREnS, 4.200%, 4/3/2023	4,000,000
500,000	Ohio State Hospital Revenue (University Hospitals Health System, Inc.), Hospital Revenue Bonds (Series 2014B) VREnS, 4.170%, 4/6/2023	500,000
	TOTAL	21,885,000
	Oklahoma—1.4%	
9,825,000	Oklahoma Development Finance Authority (INTEGRIS Obligated Group), (Series 2020B) Weekly VREnS, 4.570%, 4/3/2023	9,825,000
9,700,000	Oklahoma Development Finance Authority (INTEGRIS Obligated Group), (Series 2020C) Weekly VREnS, 4.270%, 4/3/2023	9,700,000
	TOTAL	19,525,000
	Pennsylvania—1.2%	
6,870,000	Central Bradford Progress Authority, PA (Guthrie Healthcare System, PA), (Series 2021D) Weekly VREnS, 4.590%, 4/6/2023	6,870,000
9,815,000	Pennsylvania Housing Finance Agency (Hershey Plaza, PA TC LP), SPEARs 3a7 (Series DBE-8057) VRDNs, (Deutsche Bank AG LIQ)/(Deutsche Bank AG LOC), 4.230%, 4/6/2023	9,815,000
	TOTAL	16,685,000
	Texas—10.7%	
1,100,000	Port of Corpus Christi Authority of Nueces County, TX (Flint Hills Resources LLC), (Series 2007) Daily VRDNs, 4.500%, 4/3/2023	1,100,000
38,500,000	Port of Port Arthur Navigation District of Jefferson County, TX (Motiva Enterprises LLC), (Series 2002) Weekly VRDNs, 4.580%, 4/5/2023	38,500,000
700,000	Port of Port Arthur Navigation District of Jefferson County, TX (Motiva Enterprises LLC), (Series 2010B) Daily VRDNs, 4.400%, 4/3/2023	700,000
27,500,000	Port of Port Arthur Navigation District of Jefferson County, TX (Motiva Enterprises LLC), (Series 2010C) Daily VRDNs, 4.410%, 4/3/2023	27,500,000

Principal Amount		Value
	¹ SHORT-TERM MUNICIPALS—continued	
	Texas—continued	
\$71,105,000	Port of Port Arthur Navigation District of Jefferson County, TX (Motiva Enterprises LLC), (Series 2010D) Weekly VRDNs, 4.400%, 4/5/2023	\$ 71,105,000
10,175,000	Port of Port Arthur Navigation District of Jefferson County, TX (Motiva Enterprises LLC), (Series 2010E) Weekly VRDNs, 4.420%, 4/5/2023	10,175,000
	TOTAL	149,080,000
	Wisconsin—4.6%	
5,000,000	Appleton, WI Redevelopment Authority (Fox Cities Performing Arts Center), (Series 2001B) Weekly VRDNs, (Associated Bank, N.A. LOC), 4.500%, 4/5/2023	5,000,000
30,625,000	Wisconsin Health & Educational Facilities Authority (Marshfield Clinic), (Series 2020C) Weekly VRENs, 5.120%, 4/6/2023	30,625,000
29,000,000	Wisconsin Health & Educational Facilities Authority (Marshfield Clinic), (Series 2022A) Weekly VRENs, 5.120%, 4/6/2023	29,000,000
	TOTAL	64,625,000
	TOTAL SHORT-TERM MUNICIPALS (IDENTIFIED COST \$527,767,276)	527,767,276
	TOTAL INVESTMENT IN SECURITIES—99.9% (IDENTIFIED COST \$1,408,095,175) ³	1,394,944,621
	OTHER ASSETS AND LIABILITIES - NET—0.1% ⁴	1,638,510
	TOTAL NET ASSETS—100%	\$1,396,583,131

Securities that are subject to the federal alternative minimum tax (AMT) represent 14.8% of the Fund's portfolio as calculated based upon total market value.

- ¹ Current rate and current maturity or next reset date shown for floating rate notes and variable rate notes/demand instruments. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions. These securities do not indicate a reference rate and spread in their description above.
- ² 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 \$30,348,114, which represented 2.2% of total net assets.
- ³ The cost of investments for federal tax purposes amounts to \$1,408,088,897.
- ⁴ 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.

As of March 31, 2023, all investments of the Fund utilized Level 2 inputs in valuing the Fund's assets carried at fair value.

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

AMT	—Alternative Minimum Tax
BANs	—Bond Anticipation Notes
COL	—Collateralized
CSD	—Central School District
EDA	—Economic Development Authority
FRNs	—Floating Rate Notes
GO	—General Obligation
GTD	—Guaranteed
HFA	—Housing Finance Authority
IDA	—Industrial Development Authority
IDB	—Industrial Development Bond
INS	—Insured
LIBOR	—London Interbank Offered Rate
LIQ	—Liquidity Agreement
LOC	—Letter of Credit
PCFA	—Pollution Control Finance Authority
PCR	—Pollution Control Revenue
PRF	—Pre-refunded
PUTTERS	—Puttable Tax-Exempt Receipts
SFM	—Single Family Mortgage
SIFMA	—Securities Industry and Financial Markets Association
SOFR	—Secured Overnight Financing Rate
SPEARs	—Short Puttable Exempt Adjustable Receipts
TEMPS	—Tax Exempt Mandatory Paydown Securities
TOBs	—Tender Option Bonds
UT	—Unlimited Tax
VRDNs	—Variable Rate Demand Notes
VRDPs	—Variable Rate Demand Preferreds
VRENs	—Variable Rate Extendible Notes

See Notes which are an integral part of the Financial Statements

Financial Highlights – Class A Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 3/31/2023	Year Ended September 30,				
		2022	2021	2020	2019	2018
Net Asset Value, Beginning of Period	\$9.84	\$10.04	\$10.03	\$10.01	\$9.98	\$10.01
Income From Investment Operations:						
Net investment income	0.11	0.05	0.02	0.09	0.13	0.10
Net realized and unrealized gain (loss)	0.07	(0.20)	0.01	0.02	0.03	(0.03)
TOTAL FROM INVESTMENT OPERATIONS	0.18	(0.15)	0.03	0.11	0.16	0.07
Less Distributions:						
Distributions from net investment income	(0.11)	(0.05)	(0.02)	(0.09)	(0.13)	(0.10)
Net Asset Value, End of Period	\$9.91	\$9.84	\$10.04	\$10.03	\$10.01	\$9.98
Total Return¹	1.85%	(1.49)%	0.33%	1.14%	1.59%	0.65%
Ratios to Average Net Assets:						
Net expenses ²	0.51% ^{3,4}	0.51%	0.51%	0.57% ⁴	0.81% ⁴	0.81% ⁴
Net investment income	2.15% ³	0.45%	0.23%	0.94%	1.28%	0.94%
Expense waiver/reimbursement ⁵	0.09% ³	0.09%	0.08%	0.09%	0.13%	0.17%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$321,636	\$407,000	\$692,467	\$584,371	\$626,570	\$661,860
Portfolio turnover ⁶	14%	30%	61%	100%	83%	87%

- 1 Based on net asset value, which does not reflect the sales charge, redemption fee or contingent deferred sales charge, if applicable. Total returns for periods of less than one year are not annualized.
- 2 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.
- 3 Computed on an annualized basis.
- 4 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratios are 0.51% for the six months ended March 31, 2023, and 0.57%, 0.81% and 0.81% for the years ended September 30, 2020, 2019 and 2018, respectively, after taking into account these expense reductions.
- 5 This expense decrease is reflected in both the net expense and 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

Financial Highlights – Institutional Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 3/31/2023	Year Ended September 30,				
		2022	2021	2020	2019	2018
Net Asset Value, Beginning of Period	\$9.85	\$10.04	\$10.03	\$10.01	\$9.98	\$10.01
Income From Investment Operations:						
Net investment income	0.12	0.07	0.04	0.11	0.17	0.14
Net realized and unrealized gain (loss)	0.06	(0.19)	0.01	0.02	0.03	(0.03)
TOTAL FROM INVESTMENT OPERATIONS	0.18	(0.12)	0.05	0.13	0.20	0.11
Less Distributions:						
Distributions from net investment income	(0.12)	(0.07)	(0.04)	(0.11)	(0.17)	(0.14)
Net Asset Value, End of Period	\$9.91	\$9.85	\$10.04	\$10.03	\$10.01	\$9.98
Total Return¹	1.83%	(1.24)%	0.48%	1.35%	2.04%	1.11%
Ratios to Average Net Assets:						
Net expenses ²	0.36% ^{3,4}	0.36%	0.36%	0.36% ⁴	0.36% ⁴	0.36% ⁴
Net investment income	2.39% ³	0.60%	0.39%	1.14%	1.72%	1.39%
Expense waiver/reimbursement ⁵	0.10% ³	0.09%	0.08%	0.08%	0.08%	0.12%
Supplemental Data:						
Net assets, end of period (000 omitted)	\$958,325	\$1,332,830	\$2,133,831	\$2,162,027	\$2,158,811	\$1,711,181
Portfolio turnover ⁶	14%	30%	61%	100%	83%	87%

- 1 Based on net asset value. Total returns for periods of less than one year are not annualized.
- 2 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.
- 3 Computed on an annualized basis.
- 4 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratios are 0.36% for the six months ended March 31, 2023, and 0.36%, 0.36% and 0.36% for the years ended September 30, 2020, 2019 and 2018, respectively, after taking into account these expense reductions.
- 5 This expense decrease is reflected in both the net expense and 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

Financial Highlights – Class R6 Shares

(For a Share Outstanding Throughout Each Period)

	Six Months Ended (unaudited) 3/31/2023	Year Ended September 30,			Period Ended 9/30/2019 ¹
	2022	2021	2020		
Net Asset Value, Beginning of Period	\$9.84	\$10.04	\$10.03	\$10.01	\$10.00
Income From Investment Operations:					
Net investment income	0.12	0.07	0.04	0.12	0.05
Net realized and unrealized gain (loss)	0.07	(0.20)	0.01	0.02	0.01
TOTAL FROM INVESTMENT OPERATIONS	0.19	(0.13)	0.05	0.14	0.06
Less Distributions:					
Distributions from net investment income	(0.12)	(0.07)	(0.04)	(0.12)	(0.05)
Net Asset Value, End of Period	\$9.91	\$9.84	\$10.04	\$10.03	\$10.01
Total Return²	1.94%	(1.32)%	0.50%	1.37%	0.66%

Ratios to Average Net Assets:

Net expenses ³	0.34% ^{4,5}	0.34%	0.34%	0.34% ⁵	0.34% ^{4,5}
Net investment income	2.42% ⁴	0.65%	0.38%	0.99%	1.52% ⁴
Expense waiver/reimbursement ⁶	0.07% ⁴	0.06%	0.06%	0.06%	0.07% ⁴

Supplemental Data:

Net assets, end of period (000 omitted)	\$116,623	\$148,888	\$208,627	\$60,784	\$12,263
Portfolio turnover ⁷	14%	30%	61%	100%	83% ⁸

- 1 Reflects operations for the period from May 29, 2019 (commencement of operations) to September 30, 2019.
- 2 Based on net asset value. Total returns for periods of less than one year are not annualized.
- 3 Amount does not reflect net expenses incurred by investment companies in which the Fund may invest.
- 4 Computed on an annualized basis.
- 5 The net expense ratio is calculated without reduction for expense offset arrangements. The net expense ratios are 0.34% for the year ended March 31, 2023, 0.34% for the year ended September 30, 2020 and 0.34% for the period ended September 30, 2019, after taking into account these expense reductions.
- 6 This expense decrease is reflected in both the net expense and net investment income ratios shown above. Amount does not reflect expense waiver/reimbursement recorded by investment companies in which the Fund may invest.
- 7 Securities that mature are considered sales for purposes of this calculation.
- 8 Portfolio turnover is calculated at the Fund level. Percentage indicated was calculated for the fiscal year ended September 30, 2019.

See Notes which are an integral part of the Financial Statements

Statement of Assets and Liabilities

March 31, 2023 (unaudited)

Assets:

Investment in securities, at value (identified cost \$1,408,095,175)	\$1,394,944,621
Cash	137,513
Income receivable	7,209,108
Receivable for shares sold	3,707,275
TOTAL ASSETS	1,405,998,517

Liabilities:

Payable for investments purchased	\$5,500,000
Payable for shares redeemed	2,550,176
Income distribution payable	863,567
Payable for other service fees (Notes 2 and 5)	43,975
Payable for investment adviser fee (Note 5)	11,885
Payable for administrative fee (Note 5)	3,293
Accrued expenses (Note 5)	442,490
TOTAL LIABILITIES	9,415,386
Net assets for 140,912,019 shares outstanding	\$1,396,583,131

Net Assets Consists of:

Paid-in capital	\$1,428,173,977
Total distributable earnings (loss)	(31,590,846)
TOTAL NET ASSETS	\$1,396,583,131

Statement of Assets and Liabilities – continued

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

Class A Shares:

Net asset value per share ($\$321,635,639 \div 32,454,674$ shares outstanding) \$0.001 par value, 500,000,000 shares authorized	\$9.91
Offering price per share	\$9.91
Redemption proceeds per share	\$9.91

Institutional Shares:

Net asset value per share ($\$958,324,605 \div 96,687,612$ shares outstanding) \$0.001 par value, 500,000,000 shares authorized	\$9.91
Offering price per share	\$9.91
Redemption proceeds per share	\$9.91

Class R6 Shares:

Net asset value per share ($\$116,622,887 \div 11,769,733$ shares outstanding) \$0.001 par value, 500,000,000 shares authorized	\$9.91
Offering price per share	\$9.91
Redemption proceeds per share	\$9.91

See Notes which are an integral part of the Financial Statements

Statement of Operations

Six Months Ended March 31, 2023 (unaudited)

Investment Income:

Interest	\$22,054,039
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Expenses:

Investment adviser fee (Note 5)	\$2,401,718
Administrative fee (Note 5)	628,736
Custodian fees	26,095
Transfer agent fees (Notes 2 and 5)	393,539
Directors'/Trustees' fees (Note 5)	7,640
Auditing fees	18,666
Legal fees	5,885
Other service fees (Notes 2 and 5)	266,412
Portfolio accounting fees	117,777
Share registration costs	47,600
Printing and postage	14,305
Miscellaneous (Note 5)	19,267
TOTAL EXPENSES	3,947,640

Waiver, Reimbursement and Reduction:

Waiver of investment adviser fee (Note 5)	\$(593,165)
Reimbursement of other operating expenses (Notes 2 and 5)	(179,329)
Reduction of custodian fees (Note 6)	(294)
TOTAL WAIVER, REIMBURSEMENT AND REDUCTION	(772,788)

Net expenses	3,174,852
Net investment income	18,879,187

Realized and Unrealized Gain (Loss) on Investments:

Net realized loss on investments	(4,140,032)
Net change in unrealized depreciation of investments	14,777,918
Net realized and unrealized gain (loss) on investments	10,637,886
Change in net assets resulting from operations	\$29,517,073

See Notes which are an integral part of the Financial Statements

Statement of Changes in Net Assets

	Six Months Ended (unaudited) 3/31/2023	Year Ended 9/30/2022
Increase (Decrease) in Net Assets		
Operations:		
Net investment income	\$ 18,879,187	\$ 14,489,788
Net realized loss	(4,140,032)	(6,670,027)
Net change in unrealized appreciation/depreciation	14,777,918	(42,394,164)
CHANGE IN NET ASSETS RESULTING FROM OPERATIONS	29,517,073	(34,574,403)
Distributions to Shareholders:		
Class A Shares	(4,008,302)	(2,444,263)
Institutional Shares	(13,234,468)	(10,789,094)
Class R6 Shares	(1,639,782)	(1,221,503)
CHANGE IN NET ASSETS RESULTING FROM DISTRIBUTIONS TO SHAREHOLDERS	(18,882,552)	(14,454,860)
Share Transactions:		
Proceeds from sale of shares	219,874,002	1,400,568,261
Net asset value of shares issued to shareholders in payment of distributions declared	14,075,390	10,804,320
Cost of shares redeemed	(736,718,542)	(2,508,550,452)
CHANGE IN NET ASSETS RESULTING FROM SHARE TRANSACTIONS	(502,769,150)	(1,097,177,871)
Change in net assets	(492,134,629)	(1,146,207,134)
Net Assets:		
Beginning of period	1,888,717,760	3,034,924,894
End of period	\$1,396,583,131	\$ 1,888,717,760

See Notes which are an integral part of the Financial Statements

Notes to Financial Statements

March 31, 2023 (unaudited)

1. ORGANIZATION

Federated Hermes Fixed Income Securities, Inc. (the "Corporation") is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Corporation consists of two portfolios. The financial statements included herein are only those of Federated Hermes Municipal Ultrashort Fund (the "Fund"), a diversified portfolio. The financial statements of the other portfolio are presented separately. The assets of each portfolio are segregated and a shareholder's interest is limited to the portfolio in which shares are held. Each portfolio pays its own expenses. The Fund offers three classes of shares: Class A Shares, Institutional Shares and Class R6 Shares. All shares of the Fund have equal rights with respect to voting, except on class-specific matters. The investment objective of the Fund is to provide current income exempt from federal regular income tax. Interest income from the Fund's investments may be subject to the federal AMT for individuals and state and local taxes.

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").
- 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, 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 Procedures

Pursuant to Rule 2a-5 under the Act, the Fund's Board of Directors (the "Directors") 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 Directors' oversight and certain reporting and other requirements intended to provide the Directors 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 Directors periodically review the fair valuations made by the Valuation Committee. The Directors have also approved the Adviser's fair valuation and significant events procedures as part of the Fund's compliance program and will review any changes made to the procedures.

Factors considered by pricing services in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers and general market conditions. Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and ask for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for any U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. The Fund normally uses

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

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. Distributions of net investment income, if any, are declared daily and paid monthly. 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. Investment income, realized and unrealized gains and losses and certain fund-level expenses are allocated to each class based on relative average daily net assets, except that select classes will bear certain expenses unique to those classes. The detail of the total fund expense waiver, reimbursement and reduction of \$772,788 is disclosed in this Note 2, Note 5 and Note 6. Dividends are declared separately for each class. No class has preferential dividend rights; differences in per share dividend rates are generally due to differences in separate class expenses.

Transfer Agent Fees

For the six months ended March 31, 2023, the transfer agent fees for the Fund were as follows:

	Transfer Agent Fees Incurred	Transfer Agent Fees Reimbursed
Class A Shares	\$ 84,941	\$ (33,843)
Institutional Shares	302,950	(145,486)
Class R6 Shares	5,648	—
TOTAL	\$393,539	\$(179,329)

Other Service Fees

The Fund may pay other service fees up to 0.25% of the average daily net assets of the Fund's Class A Shares to financial intermediaries or to Federated Shareholder Services Company (FSSC) for providing services to shareholders and maintaining shareholder accounts. The Fund's Class A Shares will not incur and pay such other service fees to exceed 0.15% until such time as approved by the Directors. Subject to the terms described in the Expense Limitation note, FSSC may voluntarily reimburse the Fund for other service fees. For the six months ended March 31, 2023, other service fees for the Fund were as follows:

	Other Service Fees Incurred
Class A Shares	\$266,412

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 six months 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 2019 through 2022 remain subject to examination by the Fund’s major tax jurisdictions, which include the United States of America, the State of Maryland and the Commonwealth of Pennsylvania.

When-Issued and Delayed-Delivery Transactions

The Fund may engage in when-issued or delayed-delivery transactions. The Fund records when-issued securities on the trade date and maintains security positions such that sufficient liquid assets will be available to make payment for the securities purchased. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily and begin earning interest on the settlement date. Losses may occur on these transactions due to changes in market conditions or the failure of counterparties to perform under the contract.

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 Directors. 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 information on restricted securities held at March 31, 2023, is as follows:

Security	Acquisition Date	Acquisition Cost	Value
California PCFA (Republic Services, Inc.), Solid Waste Refunding Revenue Bonds (Series 2010A) TOBs, 3.500%, Mandatory Tender 5/1/2023	2/1/2023	\$28,455,000	\$28,450,433
California Public Finance Authority (Kendal at Sonoma), Enso Village TEMPS-50 Senior Living Revenue Refunding Bonds (Series B-3), 2.125%, 11/15/2027	5/27/2021	\$ 2,000,000	\$ 1,897,681

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. CAPITAL STOCK

The following tables summarize capital stock activity:

	Six Months Ended 3/31/2023		Year Ended 9/30/2022	
	Shares	Amount	Shares	Amount
Class A Shares:				
Shares sold	2,003,927	\$ 19,798,654	11,143,057	\$ 111,110,220
Shares issued to shareholders in payment of distributions declared	365,658	3,612,873	222,253	2,199,666
Shares redeemed	(11,257,368)	(111,152,042)	(39,016,431)	(388,315,983)
NET CHANGE RESULTING FROM CLASS A SHARE TRANSACTIONS	(8,887,783)	\$ (87,740,515)	(27,651,121)	\$(275,006,097)

	Six Months Ended 3/31/2023		Year Ended 9/30/2022	
	Shares	Amount	Shares	Amount
Institutional Shares:				
Shares sold	16,786,284	\$ 165,768,968	120,003,958	\$ 1,197,470,529
Shares issued to shareholders in payment of distributions declared	1,025,114	10,132,729	855,381	8,479,196
Shares redeemed	(56,490,530)	(557,765,885)	(198,057,168)	(1,972,016,459)
NET CHANGE RESULTING FROM INSTITUTIONAL SHARE TRANSACTIONS	(38,679,132)	\$(381,864,188)	(77,197,829)	\$(766,066,734)

	Six Months Ended 3/31/2023		Year Ended 9/30/2022	
	Shares	Amount	Shares	Amount
Class R6 Shares:				
Shares sold	3,474,851	\$ 34,306,380	9,242,288	\$ 91,987,512
Shares issued to shareholders in payment of distributions declared	33,380	329,788	12,680	125,458
Shares redeemed	(6,864,594)	(67,800,615)	(14,918,277)	(148,218,010)
NET CHANGE RESULTING FROM CLASS R6 SHARE TRANSACTIONS	(3,356,363)	\$ (33,164,447)	(5,663,309)	\$(56,105,040)
NET CHANGE RESULTING FROM TOTAL FUND SHARE TRANSACTIONS	(50,923,278)	\$(502,769,150)	(110,512,259)	\$(1,097,177,871)

4. FEDERAL TAX INFORMATION

At March 31, 2023, the cost of investments for federal tax purposes was \$1,408,088,897. The net unrealized depreciation of investments for federal tax purposes was \$13,144,276. This consists of unrealized appreciation from investments for those securities having an excess of value over cost of \$818,870 and unrealized depreciation from investments for those securities having an excess of cost over value of \$13,963,146.

As of September 30, 2022, the Fund had a capital loss carryforward of \$14,354,472 which will reduce the Fund's taxable income arising from future net realized gains on investments, if any, to the extent permitted by the Code, thereby reducing the amount of distributions to shareholders which would otherwise be necessary to relieve the Fund of any liability for federal income tax. Pursuant to the Code, these net capital losses retain their character as either short-term or long-term and do not expire.

The following schedule summarizes the Fund's capital loss carryforwards:

Short-Term	Long-Term	Total
\$8,803,628	\$5,550,844	\$14,354,472

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 0.30% of the Fund's average daily net assets. Subject to the terms described in the Expense Limitation note, the Adviser may voluntarily choose to waive any portion of its fee and/or reimburse certain operating 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. For the six months ended March 31, 2023, the Adviser voluntarily waived \$593,165 of its fee and voluntarily reimbursed \$179,329 of transfer agent fees.

Administrative Fee

Federated Administrative Services (FAS), under the Administrative Services Agreement, provides the Fund with administrative personnel and services. For purposes of determining the appropriate rate breakpoint, "Investment Complex" is defined as all of the Federated Hermes Funds subject to a fee under the Administrative Services Agreement. The fee paid to FAS is based on the average daily net assets of the Investment Complex as specified below:

Administrative Fee	Average Daily Net Assets of the Investment Complex
0.100%	on assets up to \$50 billion
0.075%	on assets over \$50 billion

Subject to the terms described in the Expense Limitation note, FAS may voluntarily choose to waive any portion of its fee. For the six months ended March 31, 2023, the annualized fee paid to FAS was 0.079% of average daily net assets of the Fund.

In addition, FAS may charge certain out-of-pocket expenses to the Fund.

Other Service Fees

For the six months ended March 31, 2023, FSSC received \$274 of the other service fees disclosed in Note 2.

Interfund Transactions

During the six months ended March 31, 2023, the Fund engaged in purchase and sale transactions with funds that have a common investment adviser (or affiliated investment advisers), common Directors/Trustees and/or common Officers. These purchase and sale transactions complied with Rule 17a-7 under the Act and amounted to \$66,925,000 and \$67,455,000, respectively. Net realized gain (loss) recognized on these transactions was \$0.

Expense Limitation

The Adviser and certain of its affiliates (which may include FAS and FSSC) on their own initiative have agreed to waive certain amounts of their respective fees and/or reimburse expenses. Total annual fund operating expenses (as shown in the financial highlights, excluding interest expense, extraordinary expenses and proxy-related expenses, paid by the Fund, if any) paid by the Fund's Class A Shares, Institutional Shares and Class R6 Shares (after the voluntary waivers and reimbursements) will not exceed 0.51%, 0.36% and 0.34% (the "Fee Limit"), respectively, up to but not including the later of (the "Termination Date"): (a) December 1, 2023; or (b) the date of the Fund's next effective Prospectus. While the Adviser and its 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 Directors.

Directors'/Trustees' and Miscellaneous Fees

Certain Officers and Directors 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. EXPENSE REDUCTION

Through arrangements with the Fund's custodian, net credits realized as a result of uninvested cash balances were used to offset custody expenses. For the six months ended March 31, 2023, the Fund's expenses were offset by \$294 under these arrangements.

7. INVESTMENT TRANSACTIONS

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

Purchases	\$126,111,088
Sales	\$376,005,425

8. LINE OF CREDIT

The Fund participates with certain other Federated Hermes Funds, on a several basis, in an up to \$500,000,000 unsecured, 364-day, committed, revolving line of credit (LOC) agreement dated June 22, 2022. The LOC was made available to temporarily finance the repurchase or redemption of shares of the Fund, failed trades, payment of dividends, settlement of trades and for other short-term, temporary or emergency general business purposes. The Fund cannot borrow under the LOC if an inter-fund loan is outstanding. The Fund's ability to borrow under the LOC also is subject to the limitations of the Act and various conditions precedent that must be satisfied before the Fund can borrow. Loans under the LOC are charged interest at a fluctuating rate per annum equal to (a) the highest, on any day, of (i) the federal funds effective rate, (ii) the published secured overnight financing rate plus an assigned percentage, and (iii) 0.0%, plus (b) a margin. Any fund eligible to borrow under the LOC pays its pro rata share of a commitment fee based on the amount of the lenders' commitment that has not been utilized, quarterly in arrears and at maturity. As of March 31, 2023, the Fund had no outstanding loans. During the six months ended March 31, 2023, the Fund did not utilize the LOC.

9. INTERFUND LENDING

Pursuant to an Exemptive Order issued by the Securities and Exchange Commission, the Fund, along with other funds advised by subsidiaries of Federated Hermes, Inc., may participate in an interfund lending program. This program provides an alternative credit facility allowing the Fund to borrow from other participating affiliated funds. As of March 31, 2023, there were no outstanding loans. During the six months ended March 31, 2023, the program was not utilized.

10. 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.

11. 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.

12. 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.

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 ¹
Actual:			
Class A Shares	\$1,000.00	\$1,018.50	\$2.57
Institutional Shares	\$1,000.00	\$1,018.30	\$1.81
Class R6 Shares	\$1,000.00	\$1,019.40	\$1.71
Hypothetical (assuming a 5% return before expenses):			
Class A Shares	\$1,000.00	\$1,022.39	\$2.57
Institutional Shares	\$1,000.00	\$1,023.14	\$1.82
Class R6 Shares	\$1,000.00	\$1,023.24	\$1.72

1 Expenses are equal to the Fund's annualized net expense ratios, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half-year period). The annualized net expense ratios are as follows:

Class A Shares	0.51%
Institutional Shares	0.36%
Class R6 Shares	0.34%

Evaluation and Approval of Advisory Contract – May 2022

FEDERATED HERMES MUNICIPAL ULTRASHORT FUND (THE “FUND”)

At its meetings in May 2022 (the “May Meetings”), the Fund’s Board of Directors (the “Board”), including those Directors who are not “interested persons” of the Fund, as defined in the Investment Company Act of 1940 (the “Independent Directors”), reviewed and unanimously approved the continuation of the investment advisory contract between the Fund and Federated Investment Management Company (the “Adviser”) (the “Contract”) for an additional one-year term. The Board’s determination to approve the continuation of the Contract 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 arrangement. 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 Directors, 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 Contract. 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 Directors. At the request of the Independent Directors, 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 Contract 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 Adviser and its affiliates (collectively, “Federated Hermes”) in response to requests posed to Federated Hermes by independent legal counsel on behalf of the Independent Directors encompassing a wide variety of topics, including those summarized below. The Board also considered such additional matters as the Independent Directors

deemed reasonably necessary to evaluate the Contract, 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 Contract 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 Adviser and its affiliates; Federated Hermes' business and operations; the Adviser's 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 Contract. 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 Contract 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 Contract. 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 Contract, 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 Contract 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 Contract. 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 Directors were assisted throughout the evaluation process by independent legal counsel. In connection with their deliberations at the May Meetings, the Independent Directors 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 Directors 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 Contract 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 Adviser and the resources of Federated Hermes dedicated to the Fund. In this regard, the Board evaluated, among other things, the terms of the Contract and the range of services provided to the Fund by Federated Hermes. The Board considered the Adviser's 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 Adviser's 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 Adviser is 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 Federated Hermes' oversight of the securities lending program for the Federated Hermes Funds that engage in securities lending and noted the income earned by the Federated Hermes Funds that participate in such program. In addition, 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 on-going 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 Adviser 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 Adviser's 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 other registered funds in the category of peer funds selected 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 Adviser 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.

For the periods ended December 31, 2021, the Fund's performance for the one-year period was above the median of the Performance Peer Group, and the Fund's performance fell below the median of the Performance Peer Group for the three-year and five-year periods. The Board discussed the Fund's performance with the Adviser, including the reasons for and plans to seek to improve the Fund's performance, and recognized the efforts being taken by the Adviser 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 Adviser's overall capabilities to manage the Fund.

Fund Expenses

The Board considered the 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, net advisory fee rates, total expense ratios and each element of the Fund's total expense ratio (i.e., gross and net advisory fees, administrative fees, custody fees, portfolio accounting fees and transfer agency fees) relative to an appropriate group of peer funds compiled by Federated Hermes from the category of peer funds selected by Morningstar (the "Expense Peer Group"). The Board received a description of the methodology used to select the Expense Peer Group from the overall Morningstar category. The Board also reviewed comparative information regarding the fees and expenses of the broader group of funds in the overall Morningstar category.

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 the Adviser or its 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 Contract 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 Contract 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 Directors, unanimously voted to approve the continuation of the Contract. The Board based its determination to approve the Contract 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 Contract reflects its view that Federated Hermes' performance and actions provided a satisfactory basis to support the determination to approve the continuation of the existing arrangement.

Liquidity Risk Management Program – Annual Evaluation of Adequacy and Effectiveness

In accordance with Rule 22e-4 under the Investment Company Act of 1940, as amended (the “Liquidity Rule”), Federated Hermes Fixed Income Securities, Inc. (the Corporation) has adopted and implemented a liquidity risk management program (the “Program”) for Federated Hermes Municipal Ultrashort Fund (the “Fund” and, collectively with the other non-money market open-end funds advised by Federated Hermes, the “Federated Hermes Funds”). The Program seeks to assess and manage the Fund’s liquidity risk. “Liquidity risk” is defined under the Liquidity Rule as the risk that the Fund is unable to meet redemption requests without significantly diluting remaining investors’ interests in the Fund. The Board of Directors of the Corporation (the “Board”) has approved the designation of each Federated Hermes Fund’s investment adviser as the administrator for the Program (the “Administrator”) with respect to that Fund. The Administrator, in turn, has delegated day-to-day responsibility for the administration of the Program to multiple Liquidity Risk Management Committees, which are comprised of representatives from certain divisions within Federated Hermes.

The Program is comprised of various components designed to support the assessment and/or management of liquidity risk, including: (1) the periodic assessment (no less frequently than annually) of certain factors that influence the Fund’s liquidity risk; (2) the periodic classification (no less frequently than monthly) of the Fund’s investments into one of four liquidity categories that reflect an estimate of their liquidity under current market conditions; (3) a 15% limit on the acquisition of “illiquid investments” (as defined under the Liquidity Rule); (4) to the extent a Fund does not invest primarily in “highly liquid investments” (as defined under the Liquidity Rule), the determination of a minimum percentage of the Fund’s assets that generally will be invested in highly liquid investments (an “HLIM”); (5) if a Fund has established an HLIM, the periodic review (no less frequently than annually) of the HLIM and the adoption of policies and procedures for responding to a shortfall of the Fund’s highly liquid investments below its HLIM; and (6) periodic reporting to the Board.

At its meetings in May 2022, the Board received and reviewed a written report (the “Report”) from the Federated Hermes Funds’ Chief Compliance Officer and Chief Risk Officer, on behalf of the Administrator, concerning the operation of the Program for the period from April 1, 2021 through March 31, 2022 (the “Period”). The Report addressed the operation of the Program and assessed its adequacy and effectiveness, including, where applicable, the operation of any HLIM established for a Federated Hermes Fund and each Federated Hermes Fund’s access to other available funding sources such as the Federated Hermes Funds’ interfund lending facility, redemptions in-kind, reverse repurchase agreement transactions, redemptions

delayed beyond the normal T+1 settlement, but within seven days of the redemption request, and committed lines of credit. There were no material changes to the Program during the Period. The Report summarized the operation of the Program and the information and factors considered by the Administrator in assessing whether the Program has been adequately and effectively implemented with respect to the Federated Hermes Funds. Such information and factors included, among other things:

- confirmation that it was not necessary for the Fund to utilize, and the Fund did not utilize, alternative funding sources during the Period;
- the periodic classifications of the Fund's investments into one of four liquidity categories and the methodologies and inputs used to classify the investments, including the Fund's reasonably anticipated trade size;
- the analysis received from a third-party liquidity assessment vendor that is taken into account in the process of determining the liquidity classifications of the Fund's investments and the results of an evaluation of the services performed by the vendor in support of this process;
- the fact that the Fund invested primarily in highly liquid investments during the Period and, therefore, was not required to establish, and has not established, an HLIM and the procedures for monitoring the status of the Fund as investing primarily in highly liquid investments;
- the fact that the Fund invested no more than 15% of its assets in illiquid investments during the Period and the procedures for monitoring this limit;
- the fact that there were no liquidity events during the Period, that materially affected the Fund's liquidity risk;
- the impact on liquidity and management of liquidity risk caused by extended non-U.S. market closures and confirmation that there were no issues for any of the affected Federated Hermes Funds in meeting shareholder redemptions at any time during these temporary non-U.S. market closures;
- circumstances during the Period under which the Administrator convened meetings of the Liquidity Risk Management Committees more frequently than normal to conduct enhanced liquidity risk monitoring, including prior to the Russian invasion of Ukraine.

Based on this review, the Administrator concluded that the Program is operating effectively to assess and manage the Fund's liquidity risk, and that the Program has been and continues to be adequately and effectively implemented to monitor and, as applicable, respond to the Fund's liquidity developments.

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 such 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://www.federatedinvestors.com/fundinformation). Form N-PX filings are also available at the SEC's website at [sec.gov](https://www.sec.gov).

Quarterly Portfolio Schedule

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://www.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://www.federatedinvestors.com).

Mutual 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 mutual funds involves investment risk, including the possible loss of principal.

This Report is authorized for distribution to prospective investors only when preceded or accompanied by the Fund's Prospectus, which contains facts concerning its objective and policies, management fees, expenses and other information.

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 1-800-341-7400, Option #4.

Notes

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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 Municipal Ultrashort 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.

Federated Securities Corp., Distributor

CUSIP 31417P866
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