Federated Hermes Tax-Free Obligations Fund

Wealth Shares

Federated Hermes

Nasdaq symbol: TBIXX | Cusip number: 60934N401 | Newspaper listing: FedTaxFrObl WS

12/31/22

Product highlights

- Pursues dividend income exe mpt from federal regular income tax, consistent with stability of principal.
- Invests in short-term, high-quality, tax-exempt securities.
- Holds Aaa-mf and AAAmmf ratings from Moody's and Fitch, respectively.
- Intensive credit review integrating ESG factors in a non-exclusionary way.
- Fund income is exempt from federal alternative minimum tax (AMT).
- Offers tax-sensitive investors the potential for attractive taxable-equivalent yields compared to taxable money market funds.

Key investment team

Mary Jo Ochson, CFA
Kyle Stewart, CFA

Credit ratings

AAAmmf *Fitch*

Aaa-mf *Moody's*

Portfolio assets

$3.3 billion

Credit/obligor exposure

Mizuho Bank Ltd.

Assured Guaranty Municipal Corp.

Barclays Bank plc

Alabama Power Co.

New York City, NY Municipal Water Finance Authority

Trinity Healthcare Credit Group

Florida Power & Light Co.

Nuveen AMT-Free Municipal Credit Income Fund

TD Bank, N.A.

Nuveen Enhanced AMT-Free Municipal Credit Opportunities Fund

Total % of Portfolio: 52.22%

Share class statistics

Inception date

12/12/89

Federated Hermes fund number

15

Cut-off times

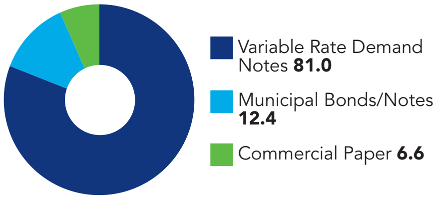
3:00 p.m. ET — purchases

12:00 p.m. ET — redemptions

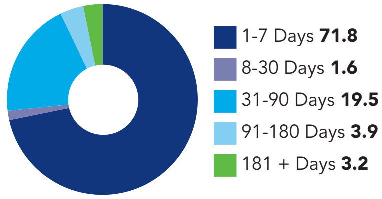
Dividends

Declared daily/paid monthly

Portfolio composition (%)



Effective maturity schedule (%)



Weighted average maturity

29 Days

Weighted average life

29 Days

Fund performance

Net yield (%)	
7-day	3.38

Total return (%)	
1-year	1.02

Annualized yields (%)	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
7-day	0.01	0.04	0.29	0.28	0.58	0.75	1.02	1.46	1.98	2.03	1.65	3.38

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

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

Otherwise, the 7-day yield would have been 3.30% and total return would have been lower.

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

In response to unusual circumstances, such as adverse market, economic or other conditions (for example, to help avoid potential losses or during periods when there is a shortage of appropriate tax-exempt securities), the fund may temporarily depart from its principal investment strategies by holding cash or investing its assets in taxable securities (including, for example, securities subject to the AMT) which may cause the Fund to distribute taxable income to investors.

Money market municipal retail

Federated Hermes Tax-Free Obligations Fund

Wealth Shares

Portfolio manager commentary

In the fourth quarter, the Federal Reserve loosened the reins of its galloping monetary policy but did not signal an imminent return trip. Based on still-accelerating inflation in September and October, the Federal Open Market Committee (FOMC) pressed forward with its fourth 75 basis-point hike of the fed funds range at its November meeting. But when prominent measures of inflation softened in November, the FOMC opted to raise the range by 50 basis points to 4.25-4.50% at its mid-December meeting. The markets had responded enthusiastically to the easing of price pressures, predicting the Fed's aggressive campaign was drawing to an end. Chair Jerome Powell pushe d back at this notion in his post-meeting press conference, reiterating that the central bank is determined not just to restore price stability but also prevent a rebound similar to what happened in the 1970s, when many economists now think monetary policymakers stopped their anti-inflation campaign too soon.

The Summary of Economic Projections (SEP) released in December indicated that Fed officials agreed that tightening policy was still needed, despite the smaller magnitude of the hike. No less than 17 of 19 FOMC participants expected the target rate to be in a range of at least 5-5.25% at the end of 2023. Most thought a sharp economic slowdown—if not an outright recession—will be needed to pull inflation down to their preferred 2% level. They predicted that the robust labor market will finally deteriorate in 2023, with the unemployment rate reaching 4.6%. As 2022 came to an end, information about the economy was mixed. Jobless claims edged higher, the housing market remained in a slump and durable goods orders fell. But consumer confidence and retail sales did not roll over. In general, and industry-wide, yields of liquidity products continued to rise with the Fed hikes over the quarter.

The volatility experienced in the short-term municipal market during the third quarter continued into the fourth, a divergence from historical performance. The SIFMA Municipal Swap Index traded in a wide range, with a low of 1.85% in late-November and a high of 3.80% in mid-December. The Fed hikes generally supported demand as supply remained subdued. State and local government credit quality is well positioned for any potential economic slowdown.

At the end of the fourth quarter, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 4%, 4.42%, 4.70% and 4.70%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 4.36%, 4.62%, 5.01% and 5.43%, respectively; the 1-, 3-, 6- and 12-month London interbank offered rates were 4.39%, 4.77%, 5.14% and 5.48%, respectively; and the SIFMA Municipal Swap Index yield was 3.66%.

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

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

Money market municipal retail

A word about risk

ESG factors may be considered in the investment analysis process in a manner that is complementary to and enhances the fundamental research and analysis process. Certain ESG factors may help identify business and operational risks or opportunities and add a contextual dimension to the overall evaluation of a security. Like any aspect of investment analysis, there is no guarantee that an investment strategy that considers ESG factors will result in performance better than or equal to products that do not consider such factors.

The fund's investment advisor (the "Advisor") normally will invest assets entirely in securities whose interest is not subject to (or not a specific preference item for purposes of) the federal alternative minimum tax for individuals (AMT), such that, normally, distributions of annual interest income also are exempt from the AMT. However, in certain circumstances to pursue the fund's investment objective, the Advisor may invest the fund's assets in securities that may be subject to AMT. In such circumstances, interest from the fund's investments may be subject to the AMT.

Income may be subject to state and local taxes.

Current and future portfolio holdings are subject to risk.

Definitions

At Federated Hermes, integrating ESG factors means including relevant and financially material environmental, social and governance information in the analysis of a security/issuer. ESG factors are used as qualitative insights with the goal of improving portfolio risk/reward characteristics and prospects for long-term outperformance. ESG investing does not automatically exclude issuers or sectors, but rather attempts to mitigate risks by identifying companies exhibiting positive (or negative) ESG policies and behaviors.

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

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

The holdings percentages are based on net assets at the close of business on 12/31/22 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

Weighted average maturity is the mean average of the periods of time remaining until the securities held in the fund's portfolio (a) are scheduled to be repaid, (b) would be repaid upon a demand by the fund or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates if their scheduled maturity is 397 days or less, and the later of the two dates if their scheduled maturity is more than 397days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

Weighted average life is calculated in the same manner as the Weighted average maturity (WAM), but is based solely on the periods of time remaining until the securities held in the fund's portfolio (a) are scheduled to be repaid or (b) would be repaid upon a demand by the fund without reference to when interest rates of securities within the fund are scheduled to be readjusted.

Variable rate demand notes are tax-exempt securities that require the issuer or a third party, such as a dealer or bank, to repurchase the security for its face value upon demand. The securities also pay interest at a variable rate intended to cause the securities to trade at their face value.

Ratings and rating agencies

Ratings are based on an evaluation of several factors, including credit quality, diversification and maturity of assets in the portfolio, as well as management strength and operational capabilities. Fitch's money market fund ratings are an assessment of a money market fund's capacity to preserve principal and provide liquidity through limiting credit, market and liquidity risk. Money market funds rated Aaa-mf by Moody's are judged to be of an investment quality similar to Aaa-rated fixed income obligations, that is, they are judged to be of the best quality. For more information on credit ratings, visit moodys.com and fitchratings.com.

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

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

This must be preceded or accompanied by a current prospectus