

# Federated Hermes Floating Rate Strategic Income Fund

## Portfolio of Investments

December 31, 2022 (unaudited)

Principal Amount or Shares		Value
	<sup>1</sup> COLLATERALIZED MORTGAGE OBLIGATIONS—4.0%	
	<b>Federal Home Loan Mortgage Corporation—2.2%</b>	
\$ 62,520	FHLMC REMIC, Series 3122, Class FE, 4.618% (1-month USLIBOR +0.300%), 3/15/2036	\$ 62,013
295,589	FHLMC REMIC, Series 3241, Class FM, 4.698% (1-month USLIBOR +0.380%), 11/15/2036	292,056
3,493,704	FHLMC REMIC, Series 4255, Class KF, 4.768% (1-month USLIBOR +0.450%), 10/15/2043	3,437,662
2,191,130	FHLMC REMIC, Series 4281, Class LF, 4.818% (1-month USLIBOR +0.500%), 12/15/2043	2,163,653
3,889,296	FHLMC REMIC, Series 4313, Class FM, 4.768% (1-month USLIBOR +0.450%), 3/15/2044	3,797,019
448,705	FHLMC REMIC, Series 4604, Class FB, 4.718% (1-month USLIBOR +0.400%), 8/15/2046	439,679
625,973	FHLMC REMIC, Series 4867, Class FA, 4.717% (1-month USLIBOR +0.400%), 3/15/2049	618,401
1,724,515	FHLMC REMIC, Series 4903, Class NF, 4.789% (1-month USLIBOR +0.400%), 8/25/2049	1,694,820
2,398,669	FHLMC REMIC, Series 4911, Class FB, 4.839% (1-month USLIBOR +0.450%), 9/25/2049	2,352,321
	<b>TOTAL</b>	<b>14,857,624</b>
	<b>Federal National Mortgage Association—1.8%</b>	
636,824	FNMA REMIC, Series 2006-42, Class FB, 4.799% (1-month USLIBOR +0.410%), 6/25/2036	630,623
330,478	FNMA REMIC, Series 2006-99, Class AF, 4.809% (1-month USLIBOR +0.420%), 10/25/2036	327,419
222,977	FNMA REMIC, Series 2006-111, Class FA, 4.769% (1-month USLIBOR +0.380%), 11/25/2036	220,623
52,249	FNMA REMIC, Series 2010-134, Class BF, 4.819% (1-month USLIBOR +0.430%), 10/25/2040	51,898
90,175	FNMA REMIC, Series 2010-135, Class FP, 4.789% (1-month USLIBOR +0.400%), 12/25/2040	88,780
749,073	FNMA REMIC, Series 2010-141, Class FB, 4.859% (1-month USLIBOR +0.470%), 12/25/2040	737,303
176,166	FNMA REMIC, Series 2012-79, Class F, 4.839% (1-month USLIBOR +0.450%), 7/25/2042	173,852
607,377	FNMA REMIC, Series 2012-141, Class FA, 4.689% (1-month USLIBOR +0.300%), 12/25/2042	594,452
3,722,318	FNMA REMIC, Series 2016-50, Class FM, 4.789% (1-month USLIBOR +0.400%), 8/25/2046	3,684,220
2,575,123	FNMA REMIC, Series 2018-35, Class FA, 4.689% (1-month USLIBOR +0.300%), 5/25/2048	2,487,540
2,764,393	FNMA REMIC, Series 2019-24, Class BF, 4.789% (1-month USLIBOR +0.400%), 5/25/2049	2,732,771
	<b>TOTAL</b>	<b>11,729,481</b>
	<b>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS (IDENTIFIED COST \$26,861,637)</b>	<b>26,587,105</b>
	ASSET-BACKED SECURITIES—1.8%	
	<b>Automotive—0.1%</b>	
800,000	Toyota Auto Receivables Owner 2022-D, Class A2B, 5.026%, 1/15/2026	802,115
	<b>Credit Card—0.3%</b>	
2,100,000	<sup>1</sup> Master Credit Card Trust 2018-1A, Class A, 4.844% (1-month USLIBOR +0.490%), 7/21/2024	2,100,493
	<b>Finance Companies—1.2%</b>	
1,150,000	<sup>1</sup> Aimco 2020-12A, Class DR, 6.764% (SOFR CME + 2.90%), 1/17/2032	1,069,397
430,000	Enterprise Fleet Financing LLC 2022-4, Class A2, 5.760%, 10/22/2029	431,438
300,000	Evergreen Credit Card Trust 2022-CRT2 C, Class C, 7.440%, 11/16/2026	297,096
800,000	Evergreen Credit Card Trust 2022-CRT2, Class B, 6.560%, 11/16/2026	799,142
750,000	<sup>1</sup> GoldenTree Loan Management US 2020-7A, Class CR, 6.293% (3-month USLIBOR +2.050%), 4/20/2034	709,611
1,300,000	MMAF Equipment Finance LLC 2022-B, Class A2, 5.570%, 9/9/2025	1,303,097
750,000	<sup>1</sup> OCP CLO, Ltd., 2020-18A, Class CR, 6.193% (3-month USLIBOR +1.950%), 7/20/2032	706,794
1,000,000	<sup>1</sup> OCP CLO, Ltd., 2020-18A, Class DR, 7.443% (3-month USLIBOR +3.200%), 7/20/2032	940,738
500,000	<sup>1</sup> Palmer Square Loan Funding Ltd., 2022-5A, Class C, 7.294% (SOFR CME +3.910%), 1/15/2031	482,709
1,000,000	<sup>1</sup> Rockland Park CLO, Ltd., 2021-1A, Class C, 6.143% (3-month USLIBOR +1.900%), 4/20/2034	931,570
	<b>TOTAL</b>	<b>7,671,592</b>
	<b><sup>1</sup>Financial Institutions—0.2%</b>	
1,000,000	Stratus CLO 2022-1A, Class D, 6.532% (SOFR CME +4.250%), 7/20/2030	955,225
	<b>TOTAL ASSET-BACKED SECURITIES (IDENTIFIED COST \$11,854,646)</b>	<b>11,529,425</b>

Principal Amount or Shares		Value
	<sup>1</sup> FLOATING RATE LOANS—0.9%	
	<b>Cable Satellite—0.3%</b>	
\$ 1,759,842	DirecTV Financing, LLC, Term Loan – 1st Lien, 9.384% (1-month USLIBOR +5.000%), 8/2/2027	\$ 1,717,131
	<b>Industrial - Other—0.3%</b>	
1,974,850	Resideo Funding, Inc., 2021 Term Loan – 1st Lien, 6.550%–6.880% (1-month USLIBOR +2.250%, 3-month USLIBOR +2.250%), 2/11/2028	1,963,750
	<b>Technology—0.3%</b>	
2,263,419	Trans Union, LLC, 2021 Term Loan B6 – 1st Lien, 6.634% (1-month USLIBOR +2.250%), 12/1/2028	2,245,029
	TOTAL FLOATING RATE LOANS (IDENTIFIED COST \$5,980,338)	5,925,910
	CORPORATE BOND—0.1%	
	<b>Pharmaceuticals—0.1%</b>	
1,489,000	Mallinckrodt International Finance SA/Mallinckrodt CB LLC, 144A, 10.000%, 6/15/2029 (IDENTIFIED COST \$2,701,555)	807,768
	COMMON STOCK—0.1%	
	<b>Pharmaceuticals—0.1%</b>	
52,325	<sup>2</sup> Mallinckrodt PLC (IDENTIFIED COST \$2,667,169)	405,519
	<sup>1</sup> ADJUSTABLE RATE MORTGAGES—0.0%	
	<b>Federal Home Loan Mortgage Corporation ARM—0.0%</b>	
\$ 22,280	FHLMC ARM, 3.240%, 5/1/2034	22,547
29,174	FHLMC ARM, 3.280%, 7/1/2034	29,166
49,042	FHLMC ARM, 3.440%, 8/1/2035	49,039
27,141	FHLMC ARM, 4.625%, 5/1/2036	27,536
	TOTAL	128,288
	<b>Federal National Mortgage Association ARM—0.0%</b>	
48,511	FNMA ARM, 1.960%, 2/1/2036	48,441
14,701	FNMA ARM, 3.484%, 9/1/2035	14,716
13,571	FNMA ARM, 3.817%, 4/1/2034	13,822
	TOTAL	76,979
	TOTAL ADJUSTABLE RATE MORTGAGES (IDENTIFIED COST \$215,125)	205,267
	INVESTMENT COMPANIES—92.9%	
63,452,488	Bank Loan Core Fund	549,498,544
7,242,206	Project and Trade Finance Core Fund	62,717,502
	TOTAL INVESTMENT COMPANIES (IDENTIFIED COST \$676,024,491)	612,216,046
	TOTAL INVESTMENT IN SECURITIES—99.8% (IDENTIFIED COST \$726,304,961)	657,677,040
	OTHER ASSETS AND LIABILITIES - NET—0.2% <sup>3</sup>	1,334,361
	TOTAL NET ASSETS—100%	\$659,011,401

An affiliated company is a company in which the Fund, alone or in combination with other Federated Hermes funds, has ownership of at least 5% of the voting shares. Transactions with affiliated companies during the period ended December 31, 2022, were as follows:

Affiliated	Value as of 3/31/2022	Purchases at Cost	Proceeds from Sales	Change in Unrealized Appreciation/ Depreciation	Net Realized Gain/ (Loss)	Value as of 12/31/2022	Shares Held as of 12/31/2022	Dividend Income
<b>Health Care:</b>								
Mallinckrodt PLC	\$—	\$2,667,195	\$(21)	\$(2,261,651)	\$(4)	\$405,519	52,325	\$—
TOTAL OF AFFILIATED COMPANIES TRANSACTIONS	\$—	\$2,667,195	\$(21)	\$(2,261,651)	\$(4)	\$405,519	52,325	\$—

Affiliated fund holdings are investment companies which are managed by Federated Investment Management Company (the "Adviser") or an affiliate of the Adviser. Transactions with affiliated fund holdings during the period ended December 31, 2022, were as follows:

	Bank Loan Core Fund*	Federated Hermes Institutional Prime Value Obligations Fund Institutional Shares	Project and Trade Finance Core Fund	Total of Affiliated Transactions
Value as of 3/31/2022	\$ 840,984,074	\$ 18,130,941	\$ 105,891,899	\$ 965,006,914
Purchases at Cost	\$ 26,500,000	\$ 217,815,714	\$ —	\$ 244,315,714
Proceeds from Sales	\$(249,000,000)	\$(235,948,894)	\$ (43,150,000)	\$(528,098,894)
Change in Unrealized Appreciation/Depreciation	\$ (34,403,854)	\$ (964)	\$ 1,701,480	\$ (32,703,338)
Net Realized Gain/(Loss)	\$ (34,581,676)	\$ 3,203	\$ (1,725,877)	\$ (36,304,350)
Value as of 12/31/2022	\$ 549,498,544	\$ —	\$ 62,717,502	\$ 612,216,046
Shares Held as of 12/31/2022	63,452,488	—	7,242,206	70,694,694
Dividend Income	\$ 34,561,753	\$ 73,123	\$ 3,568,910	\$ 38,203,786

\* At December 31, 2022, the Fund owns a majority of the outstanding shares of beneficial interest of Bank Loan Core Fund (BLCORE).

The Fund invests in BLCORE, a portfolio of Federated Hermes Core Trust ("Core Trust"), which is managed by the Adviser. Core Trust is an open-end management company, registered under the Investment Company Act of 1940, as amended (the "Act"), available only to registered investment companies and other accredited investors. The investment objective of BLCORE is to provide current income. It pursues its objective by investing primarily in a portfolio of U.S. dollar-denominated floating-rate term loans, loan-related derivatives and loan index products. Federated Hermes, Inc. receives no advisory or administrative fees from the funds within the Core Trust. Income distributions from BLCORE are declared daily and paid monthly, and are recorded by the Fund as dividend income. Capital gain distributions, if any, from BLCORE are declared and paid annually, and are recorded by the Fund as capital gains. The performance of the Fund is directly affected by the performance of BLCORE in which the Fund invested 83.4% of its net assets at December 31, 2022. A copy of BLCORE's financial statements is available on the EDGAR Database on the SEC's website or upon request from the Fund.

- 1 Floating/adjustable note with current rate and current maturity or next reset date shown. Adjustable rate mortgage security coupons are based on the weighted average note rates of the underlying mortgages less the guarantee and servicing fees. These securities do not indicate an index and spread in their description above.
- 2 Non-income-producing security.
- 3 Assets, other than investments in securities, less liabilities.

Note: The categories of investments are shown as a percentage of total net assets at December 31, 2022.

### Investment Valuation

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

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

If any price, quotation, price evaluation or other pricing source is not readily available when the NAV is calculated, if the Fund cannot obtain price evaluations from a pricing service or from more than one dealer for an investment within a reasonable period of time as set forth in the Adviser's valuation policies and procedures for the Fund, or if information furnished by a pricing service, in the opinion of the Adviser's valuation committee ("Valuation Committee"), is deemed not representative of the fair value of such security, the Fund uses the fair value of the investment determined in accordance with the procedures described below. There can be no assurance that the Fund could obtain the fair value assigned to an investment if it sold the investment at approximately the time at which the Fund determines its NAV per share, and the actual value obtained could be materially different.

## Fair Valuation and Significant Events Procedures

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

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

Factors considered by pricing services in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers and general market conditions. Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and ask for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for any U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. The Fund normally uses mid evaluations for any other types of fixed-income securities and any OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in accordance with procedures adopted by the Adviser.

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

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

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

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

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

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

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

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

The following is a summary of the inputs used, as of December 31, 2022, in valuing the Fund's assets carried at fair value:

**Valuation Inputs**

	Level 1— Quoted Prices	Level 2— Other Significant Observable Inputs	Level 3— Significant Unobservable Inputs	Total
<b>Debt Securities:</b>				
Collateralized Mortgage Obligations	\$ —	\$26,587,105	\$—	\$ 26,587,105
Asset-Backed Securities	—	11,529,425	—	11,529,425
Floating Rate Loans	—	5,925,910	—	5,925,910
Corporate Bond	—	807,768	—	807,768
Adjustable Rate Mortgages	—	205,267	—	205,267
<b>Equity Security:</b>				
Common Stock				
International	405,519	—	—	405,519
<b>Investment Companies<sup>1</sup></b>	549,498,544	—	—	612,216,046
<b>TOTAL SECURITIES</b>	<b>\$549,904,063</b>	<b>\$45,055,475</b>	<b>\$—</b>	<b>\$657,677,040</b>

1 As permitted by U.S. generally accepted accounting principles (GAAP), an Investment Company valued at \$62,717,502 is measured at fair value using the net asset value (NAV) per share practical expedient and has not been categorized in the chart above but is included in the Total column. The price of shares redeemed of Project and Trade Finance Core Fund may be determined as of the closing NAV of the fund up to twenty-four days after receipt of a shareholder redemption request.

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

ARM —Adjustable Rate Mortgage  
 FHLMC—Federal Home Loan Mortgage Corporation  
 FNMA —Federal National Mortgage Association  
 LIBOR —London Interbank Offered Rate  
 REMIC —Real Estate Mortgage Investment Conduit  
 SOFR —Secured Overnight Financing Rate

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

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

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

Federated Securities Corp., Distributor

Q450750 (2/23)

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