

# Federated Hermes Treasury Obligations Fund

## Institutional Shares

Nasdaq symbol: TOIXX | Cusip number: 60934N500 | Newspaper listing: TreasObIS

12/31/25

### Product highlights

- Complies with Rule 2a-7 definition of a government money market fund.
- Not subject to liquidity fees.
- Pursues current income consistent with stability of principal.
- Invests primarily in short-term US treasury securities, and repurchase agreements collateralized by US treasury securities for higher yield potential than a treasury-exclusive portfolio.
- Holds AAAm and Aaa-mf ratings from S&P Global Ratings and Moody's, respectively.
- On National Association of Insurance Commissioners (NAIC) List.\*
- Gives investors more time to complete daily cash processing and initiate late-day deposit transactions through 5pm ET cut-off time for purchases and redemptions.

### Key investment team

Susan Hill, CFA  
Mark Weiss, CFA

### Credit ratings

**AAAm** S&P Global Ratings

**Aaa-mf** Moody's

**NAIC List\***

### Portfolio assets

\$59.8 billion

### Share class statistics

#### Inception date

12/12/89

#### Federated Hermes fund number

68

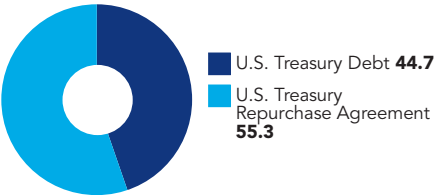
#### Cut-off times

5:00 pm ET — purchases  
5:00 pm ET — redemptions

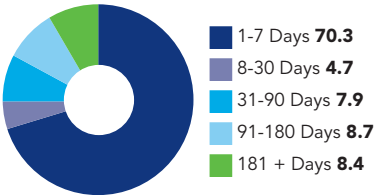
#### Dividends

Declared daily/paid monthly

### Portfolio composition (%)



### Effective maturity schedule (%)



### 2a-7 liquidity

Daily 88.11%  
Weekly 99.83%

### Weighted average maturity

41 Days

### Weighted average life

88 Days

### Fund performance

Net yield (%)		Total return (%)											
7-day	3.63	1-year	4.16										
Annualized yields (%)	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
7-day	4.25	4.22	4.20	4.19	4.17	4.17	4.17	4.14	3.98	3.93	3.83	3.63	

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 [FederatedHermes.com/us](https://FederatedHermes.com/us).

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 3.55% 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.

The daily and weekly liquid assets thresholds are 25% and 50%, respectively. Both requirements are "point of purchase" requirements. Thus, it is possible that money market funds may, at any given time, have liquidity percentages reflecting less than the daily and weekly liquidity asset thresholds. In such circumstances, the portfolio manager will be required to purchase securities to meet the requisite liquidity thresholds prior to purchasing longer-dated securities. Additionally, the SEC requirements for what may be defined as "daily" and "weekly" differs from the standard maturities used in calculating the "Effective Maturity Schedule." Therefore, the percentages in the 2a-7 Liquidity table will generally not equal the amounts shown in the "Effective Maturity Schedule."

\*This fund is on the National Association of Insurance Commissioner's list as a NAIC US Government Money Market Fund listing. This designation denotes that the fund meets certain quality and pricing guidelines such as: a rating of AAAm or Aaa-mf by a Nationally Recognized Statistical Rating Organization (NRSRO), maintain a constant NAV \$1.00 at all times, allow a maximum 7 day redemption of proceeds, invest 100% in US government securities. This is subject to an annual review.

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### Portfolio manager commentary

After a year of criticism from the executive branch, the Federal Reserve (the Fed) faced complications from the legislative one in the fourth quarter in the form of a government shutdown. While it prevented the collection of data starting on October 1, the temporary closure did not play a meaningful role in the Federal Open Market Committee (FOMC) meeting in that month. Policymakers had data in hand, as most was compiled in September. But the Trump administration's pressure persisted, with for Mer White House economist Stephen Miran, now a Fed governor, voting for a half-point lowering of the federal funds target range. Kansas Fed president Jeffrey Schmid provided a counterweight with a preference for no change. The center held, with the majority voting for a quarter-point rate cut, taking the range to 3.75-4%.

The lack of government-issued data became a problem for the Fed ahead of the December FOMC meeting. Although Chair Powell said that the Fed collected its own information and monitored private data sources, some policymakers urged caution until government reports had caught up. The result was the most contested meeting in a long time, with three dissents: Miran again preferred a 50 basis-point reduction while Chicago Fed

President Austan Goolsbee joined Schmid with a desire for no move. The majority again prevailed, voting to lower the range to 3.50-3.75%. The new Summary of Economic Projections' (SEP) "dot plot" reflected the disagreement with a wide dispersion. Chair Powell characterized the quarter-point cut as "plausibly neutral." The meeting's statement suggested officials have taken another wait-and-see approach to policy.

Nearly as critical to the money markets was the Fed's decision to end quantitative tightening (QT). In October, the Fed said it would conclude it on Dec. 1. But that decision might have come too late, as the cumulative reduction of the Fed's balance sheet caused some investors to be concerned about potential funding pressures in the repo market. In December, the New York Fed announced plans to buy \$40 billion of Treasury bills per month, starting Dec. 12. Chair Powell characterized this as stabilizing reserve supply and offsetting a projected decline in reserves related to tax payments in April.

At quarter-end, yields on 1-, 3-, 6- and 12-month US Treasuries were 3.59%, 3.64%, 3.61% and 3.48%, respectively.

*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. An investment in the fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor is not required to reimburse the fund for losses, and you should not expect that the sponsor will provide financial support to the fund at any time, including during periods of market stress.*

*Government money market funds are not required to adopt a liquidity fee framework.*

*Performance shown is for Institutional 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.*

### A word about risk

Fund shares are not guaranteed by the US government.

Current and future portfolio holdings are subject to risk.

### Definitions

**Net yields** are based on the average daily income dividend and average net asset value for the 7 days ended on the date of calculation. The 7-day net annualized yield is based on the average net income per share for the 7 days 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. Holdings percentages are based on net assets at the close of business on the date above, 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. For government variable rate securities, if the interest rate is readjusted no less frequently than every 397 calendar days, the security shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate. For non-government variable rate securities, if the security has a scheduled maturity of 397 days or less the security is treated as maturing on the earlier of the date the security is scheduled to be repaid through demand or the period remaining until the next readjustment of the interest rate. If the variable rate security has a scheduled maturity that is more than 397 days it is the later of those two dates. The mean is weighted based on the percentage of the market value 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.

**Repurchase agreements** consist of a financial institution selling securities to a fund and agreeing to repurchase them at a mutually agreed upon price and time.

### 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. A money market fund rated AAAM by S&P Global Ratings is granted after evaluating a number of factors, including credit quality, market price, exposure and management. 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 [spglobal.com](http://spglobal.com) and [moody.com](http://moody.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.