



**Hand Composite Employee
Benefit Trust
BrandywineGLOBAL – Global
Investment Grade Fixed Income CIF**

**Independent Auditor's Report, Financial Statements,
and Supplementary Information**

December 31, 2024



Hand Composite Employee Benefit Trust
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December 31, 2024

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Independent Auditor's Report

Unitholders and Board of Directors
Hand Composite Employee Benefit Trust
Houston, Texas

Opinion

We have audited the accompanying financial statements of the selected fund, BrandywineGLOBAL – Global Investment Grade Fixed Income CIF, included in the Hand Composite Employee Benefit Trust, which comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2024 and the related statements of operations and changes in net assets for the year then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the selected fund, included in the Hand Composite Employee Benefit Trust, as of December 31, 2024, and the results of its operations and the changes in its net assets for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hand Composite Employee Benefit Trust and the selected fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hand Composite Employee Benefit Trust and the selected fund's ability to continue as a going concern within one year after the date that these financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hand Composite Employee Benefit Trust and the selected fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hand Composite Employee Benefit Trust and the selected fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the selected fund's financial statements. The schedule of investment purchases and sales listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Forvis Mazars, LLP

**Houston, Texas
May 27, 2025**

Hand Composite Employee Benefit Trust
Statement of Assets and Liabilities – Selected Fund
December 31, 2024

	Brandywine GLOBAL – Global Investment Grade Fixed Income CIF
ASSETS	
Investments, at cost	\$ 181,928,623
Investments, at fair value	\$ 169,850,176
Cash denominated in foreign currencies (cost – \$2,092)	613
Unrealized gain on foreign currency forward exchange contracts	1,310,806
Deposits with brokers for OTC contracts	1,220,000
Receivable for:	
Investment securities sold	220,244
Capital shares sold	19,185
Dividends and interest	2,096,841
Investment advisor waived fees	16,226
Total Assets	\$ 174,734,091
LIABILITIES	
Due to custodian	\$ 266
Payable for capital shares redeemed	18,820
Management fee payable	64,021
Unrealized loss on foreign currency forward exchange contracts	6,235,818
Accounts payable and accrued liabilities	65,400
Total Liabilities	\$ 6,384,325
Net assets held for participants	
Class R1	\$ 163,070,567
Class R-INT	5,279,199
Total net assets held for participants	\$ 168,349,766
Units outstanding	
Class R1	14,325,765
Class R-INT	453,159
Total units outstanding	14,778,924
Net asset value per unit	
Class R1	\$ 11.38
Class R-INT	\$ 11.65

Hand Composite Employee Benefit Trust
BrandywineGLOBAL – Global Investment Grade Fixed Income CIF
Schedule of Investments
December 31, 2024

Number of Shares or Principal Amount†		Cost	Fair Value
	Short Term Investment		
8,251,397	State Street Institutional U.S. Government Money Market Fund 4.42%	\$ 8,251,397	\$ 8,251,397
	Total Short Term Investment	4.90% 8,251,397	8,251,397
	Corporate Bonds		
	Consumer, Cyclical		
3,500,000	General Motors Financial Co., Inc. Sr Unsecured 5.40% 04/06/2026	3,495,914	3,519,377
3,260,000	Toyota Motor Credit Corp. Sr Unsecured 4.45% 05/18/2026	3,245,875	3,255,245
	Total Consumer, Cyclical	4.02% 6,741,789	6,774,622
	Energy		
2,630,000	Petroleos Mexicanos Company Guarantee 6.95% 01/28/2060	1,652,968	1,805,969
	Total Energy	1.07% 1,652,968	1,805,969
	Financials		
3,570,000	Commonwealth Bank of Australia Sr Unsecured FRN, 144A 5.23% 03/14/2025	3,569,177	3,574,219
3,540,000	Toronto-Dominion Bank Sr Unsecured 4.57% 12/17/2026	3,537,710	3,529,996
	Total Financials	4.22% 7,106,887	7,104,215
	Total Corporate Bonds	9.31% 15,501,644	15,684,806
	Foreign Government		
	Czech		
CZK 188,000,000	Czech Republic Government Bonds Sr Unsecured 5.75% 03/29/2029	8,684,106	8,319,671
	Total Czech	4.94% 8,684,106	8,319,671
	Mexico		
MXN 70,180,000	Mexico Bonos Series M 8.00% 11/07/2047	3,426,166	2,586,707
MXN 186,730,000	Mexico Bonos Series M 8.00% 07/31/2053	8,376,356	6,767,810
MXN 98,450,000	Mexico Bonos Series M, Sr Unsecured 7.75% 11/13/2042	6,552,559	3,616,884
MXN 22,000,000	Mexico Bonos Sr Unsecured Series M 30 8.50% 11/18/2038	1,630,484	898,834
MXN 6,330,000	Mexico Bonos Sr Unsecured Series M 30 8.50% 11/18/2038	320,527	258,619
	Total Mexico	8.39% 20,306,092	14,128,854
	New Zealand		
NZD 1,800,000	New Zealand Government Bonds Unsecured Series 0551 2.75% 05/15/2051	1,233,616	665,834
	Total New Zealand	0.40% 1,233,616	665,834
	United Kingdom		
GBP 14,210,000	U.K. Gilts REGS 1.25% 07/31/2051	9,323,873	7,954,039
GBP 14,330,000	U.K. Gilts REGS 4.25% 07/31/2034	18,245,645	17,494,783
GBP 12,090,000	U.K. Gilts REGS 4.38% 07/31/2054	15,629,816	13,396,342
	Total United Kingdom	23.07% 43,199,334	38,845,164
	Total Foreign Government	36.80% 73,423,148	61,959,523

Hand Composite Employee Benefit Trust
BrandywineGLOBAL – Global Investment Grade Fixed Income CIF
Schedule of Investments
December 31, 2024

(Continued)

<u>Principal Amount†</u>		<u>Cost</u>	<u>Fair Value</u>
<u>Mortgage-Backed Securities</u>			
\$ 4,114,587	Federal Home Loan Mortgage Corp. MBS 5.50% 12/01/2052	\$ 4,057,526	\$ 4,070,238
2,726,761	Federal National Mortgage Association MBS 5.50% 12/01/2052	2,689,629	2,697,370
1,419,483	Government National Mortgage Association MBS 5.50% 01/20/2053	1,418,601	1,412,912
1,588,644	Government National Mortgage Association MBS 5.50% 02/20/2053	1,590,996	1,580,028
2,915,390	Government National Mortgage Association MBS 5.50% 04/20/2053	2,916,557	2,899,507
2,084,858	Government National Mortgage Association MBS 5.50% 05/20/2053	2,086,170	2,073,072
2,449,525	Government National Mortgage Association MBS 5.50% 06/20/2053	2,433,852	2,433,491
1,944,996	Government National Mortgage Association MBS 5.50% 08/20/2053	1,931,415	1,932,806
4,304,563	Government National Mortgage Association MBS 5.50% 09/20/2053	4,264,507	4,276,703
658,247	Government National Mortgage Association MBS 5.50% 05/20/2054	656,765	653,414
2,193,035	Government National Mortgage Association MBS 5.50% 09/20/2054	2,185,199	2,175,698
987,580	Government National Mortgage Association MBS 6.00% 04/20/2054	995,250	995,084
1,572,778	Government National Mortgage Association MBS 6.00% 05/20/2054	1,587,680	1,586,261
1,285,510	Government National Mortgage Association MBS 6.00% 06/20/2054	1,297,243	1,295,264
5,202,291	Government National Mortgage Association MBS 6.00% 07/20/2054	5,244,177	5,241,766
4,840,118	Government National Mortgage Association MBS 6.00% 08/20/2054	4,884,808	4,876,845
5,758,773	Government National Mortgage Association MBS 6.00% 09/20/2054	5,813,022	5,803,453
1,750,969	Government National Mortgage Association MBS 6.00% 10/20/2054	1,767,700	1,764,256
	Total Mortgage-Backed Securities	28.37% 47,821,097	47,768,168
<u>U.S. Government & Agency Obligations</u>			
10,420,000	U.S. Treasury Bonds 4.25% 02/15/2054	10,283,419	9,522,089
20,840,000	U.S. Treasury Floating Rate Notes FRN 4.43% 04/30/2026	20,826,576	20,840,365
3,220,000	U.S. Treasury Floating Rate Notes FRN 4.45% 10/31/2025	3,219,173	3,221,066
2,600,000	U.S. Treasury Floating Rate Notes FRN 4.48% 10/31/2026	2,602,169	2,602,762
	Total U.S. Government & Agency Obligations	21.49% 36,931,337	36,186,282
	Total Investments	100.87% \$ 181,928,623	\$ 169,850,176

† Principal amount denominated in U.S. dollars, unless otherwise noted.
144A Securities sold under Rule 144A of the *Securities Act of 1933*, which exempts them from registration.

Abbreviations Used in This Table

CZK	Czech Republic Koruna
GBP	British Pound
MXN	Mexican Peso
NZD	New Zealand Dollar
USD	United States Dollar

**Hand Composite Employee Benefit Trust
Statement of Operations – Selected Fund
Year Ended December 31, 2024**

	Brandywine GLOBAL – Global Investment Grade Fixed Income CIF
Income	
Interest (net of foreign withholding taxes of \$125,752)	<u>\$ 10,074,246</u>
Expenses	
Trustee and administrative	198,369
Class R1 expenses	775,006
Class R3 expenses	<u>58,273</u>
Total Expenses Before Reimbursement	1,031,648
Reimbursement of Fees	<u>(141,367)</u>
Net Expenses	<u>890,281</u>
Net Investment Income	<u>9,183,965</u>
Net Realized Losses on Investments, Futures Contracts, and Foreign Currency	
Net realized losses on investments	(4,784,677)
Net realized losses on futures contracts	(30,739)
Net realized losses on foreign currency transactions	(3,874,696)
Net realized losses on foreign currency forward exchange	<u>(2,139,144)</u>
Net Realized Losses	<u>(10,829,256)</u>
Change in Net Unrealized Appreciation/Depreciation	
Investments	(4,056,053)
Futures contracts	(565,413)
Foreign currencies	(56,874)
Foreign currency forward exchange contracts	<u>(8,406,458)</u>
Change in Net Unrealized Appreciation/Depreciation	<u>(13,084,798)</u>
Net Realized and Unrealized Losses on Investments, Futures Contracts, and Foreign Currency	<u>(23,914,054)</u>
Net Decrease in Net Assets Resulting From Operations	<u>\$ (14,730,089)</u>

**Hand Composite Employee Benefit Trust
Statement of Changes in Net Assets – Selected Fund
Year Ended December 31, 2024**

	Brandywine GLOBAL – Global Investment Grade Fixed Income CIF
Operations	
Net investment income	\$ 9,183,965
Net realized losses	(10,829,256)
Change in net unrealized appreciation/depreciation	<u>(13,084,798)</u>
Net Decrease in Net Assets From Operations	(14,730,089)
Net Decrease in Net Assets From Participant Unit Transactions	<u>(19,025,857)</u>
Decrease in Net Assets	(33,755,946)
Net Assets, Beginning of Year	<u>202,105,712</u>
Net Assets, End of Year	<u><u>\$ 168,349,766</u></u>

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Hand Composite Employee Benefit Trust (HB&T or Trust) was created in order to provide broad and uniform diversification programs for pension and profit-sharing plans which, having complied with the requirements of the Internal Revenue Code (IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 70 portfolios (Funds); the financial statements of one of those funds, the BrandywineGLOBAL – Global Investment Grade Fixed Income CIF (Fund), are included in this report.

Each class of the Fund has equal rights as to earnings and assets except that each class bears different distribution, shareholder servicing, and transfer agent expenses. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments and foreign currency are allocated to each class of units based on its relative net assets.

The R3 class was liquidated on July 31, 2024.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of investment income and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation

All investments in securities are recorded at their estimated fair value. Transfers in and out of Level 1 (quoted market prices), Level 2 (significant other observable inputs), and Level 3 (significant unobservable inputs) are recognized on the period ending date.

Investment Transactions

Investment transactions are accounted for on trade date. Realized gains and losses from investment transactions and unrealized appreciation or depreciation of investments are reported on the identified cost basis.

Foreign Currency

Investment securities and other assets and liabilities denominated in, or expected to settle in, foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions.

The Fund isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held.

Reported net realized foreign exchange gains or losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the values of assets and liabilities, including investments in securities at December 31, 2024, resulting from changes in the exchange rates.

Futures Contracts

The Fund uses futures contracts generally to gain exposure to, or hedge against, changes in interest rates or gain exposure to, or hedge against, changes in certain asset classes. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the Fund is required to deposit cash or cash equivalents with a broker in an amount equal to a certain percentage of the contract amount. This is known as the “initial margin,” and subsequent payments (variation margin) are made or received by the Fund each day, depending on the daily fluctuation in the value of the contract. For certain futures, including foreign denominated futures, variation margin is not settled daily but is recorded as a net variation margin payable or receivable. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. The daily changes in contract value are recorded as unrealized gains or losses in the statement of operations, and the Fund recognizes a realized gain or loss when the contract is closed.

Futures contracts involve, to varying degrees, risk of loss in excess of the amounts reflected in the financial statements. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

Foreign Currency Forward Exchange Contracts

The Fund may enter into foreign currency forward exchange contracts primarily to hedge against foreign currency exchange rate risks on its non-U.S. dollar denominated investment securities. When entering into a forward currency contract, the Fund agrees to receive or deliver a fixed quantity of foreign currency for an agreed-upon price on an agreed future date. The Fund’s net equity therein, representing unrealized gain or loss on the contracts, as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is included in the statement of assets and liabilities. Realized and unrealized gains and losses are included in the statement of operations. These instruments involve market risk, credit risk, or both kinds of risks in excess of the amount recognized in the statement of assets and liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and movement in currency and securities values and interest rates.

Investment Income and Distribution of Income

Dividend income less foreign taxes withheld, if any, is recorded on the ex-dividend date, and interest income is recorded on the accrual basis. Investment income is allocated ratably on the valuation dates among all participants. No distributions are made to participants in the Fund until units owned are redeemed, at which time the market value of redeemed units is distributed. Investment income and realized gains (if any) earned by the Fund are reinvested, thereby increasing the respective unit values.

Valuation of Participants’ Interest

Units of participation may be purchased or redeemed on the valuation dates at the fair value per unit on such valuation dates. The Fund is valued daily.

Federal Income Taxes

The Fund complies with the requirements under Section 501(a) of the IRC and apportions all of its taxable income to its participants. Therefore, no federal income tax provision is required.

Subsequent Events

As a result of recently implemented global economic policies, economic uncertainties have arisen that may negatively affect the financial position, results of operations, and cash flows of the Fund. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2024

Subsequent events have been evaluated through May 27, 2025, which is the date the financial statements were available to be issued.

Investment Management Advisor

The investment management advisor for the Fund is Brandywine Global Investment Management, LLC.

Note 2. Foreign Currency Forward Exchange Contracts

The Fund had the following open foreign currency forward exchange contracts at December 31, 2024:

	<u>Currency Purchased</u>	<u>Currency Sold</u>	<u>Counterparty</u>	<u>Settlement Date</u>	<u>Unrealized Appreciation (Depreciation)</u>
GBP	\$ 1,010,000	USD \$ 1,272,825	HSBC Bank USA, N.A.	1/9/2025	\$ (8,474)
USD	19,277,856	GBP 15,120,000	Standard Chartered Bank	1/9/2025	350,143
CLP	3,560,000,000	USD 3,977,209	HSBC Bank USA, N.A.	1/15/2025	(397,953)
NZD	430,000	USD 248,755	Citibank, N.A.	1/16/2025	(8,157)
NZD	360,000	USD 203,287	Citibank, N.A.	1/16/2025	(1,856)
USD	1,045,186	NZD 1,700,000	Citibank, N.A.	1/16/2025	93,986
NZD	160,000	USD 89,724	UBS AG	1/16/2025	(199)
CAD	7,460,000	USD 5,409,170	JPMorgan Chase Bank, N.A.	1/27/2025	(214,766)
MXN	22,600,000	USD 1,118,469	Citibank, N.A.	1/29/2025	(39,511)
MXN	76,400,000	USD 3,797,568	Citibank, N.A.	1/29/2025	(150,118)
USD	424,937	MXN 8,600,000	Morgan Stanley & Co. International	1/29/2025	14,360
KRW	9,790,000,000	USD 7,497,549	Citibank, N.A.	2/3/2025	(841,308)
USD	3,303,624	KRW 4,700,000,000	Citibank, N.A.	2/3/2025	108,084
USD	6,971,204	EUR 6,600,000	Citibank, N.A.	2/5/2025	125,569
USD	1,780,372	EUR 1,680,000	Citibank, N.A.	2/5/2025	37,846
EUR	2,230,000	USD 2,374,563	HSBC Bank USA, N.A.	2/5/2025	(61,568)
EUR	30,330,000	USD 33,059,093	JPMorgan Chase Bank, N.A.	2/5/2025	(1,600,290)
USD	4,050,765	EUR 3,820,000	JPMorgan Chase Bank, N.A.	2/5/2025	88,594
USD	606,452	EUR 580,000	Standard Chartered Bank	2/5/2025	4,866
CLP	1,510,000,000	USD 1,682,601	HSBC Bank USA, N.A.	2/14/2025	(164,976)
NOK	60,900,000	USD 5,543,823	JPMorgan Chase Bank, N.A.	2/19/2025	(194,533)
USD	5,330,122	NOK 60,900,000	JPMorgan Chase Bank, N.A.	2/19/2025	(19,168)
USD	6,166,975	CZK 146,700,000	Morgan Stanley & Co. International	2/19/2025	132,174
USD	2,285,686	CZK 54,600,000	Morgan Stanley & Co. International	2/19/2025	39,604
AUD	32,370,000	USD 20,935,459	Morgan Stanley & Co. International	3/6/2025	(898,494)
USD	677,284	AUD 1,080,000	Standard Chartered Bank	3/6/2025	8,766
USD	15,631,612	GBP 12,270,000	HSBC Bank USA, N.A.	3/12/2025	278,776
JPY	2,321,000,000	USD 15,678,672	Citibank, N.A.	3/13/2025	(814,363)
USD	4,507,517	JPY 701,000,000	Citibank, N.A.	3/13/2025	18,124
JPY	2,321,000,000	USD 15,684,393	JPMorgan Chase Bank, N.A.	3/13/2025	(820,084)
USD	970,555	JPY 150,000,000	Standard Chartered Bank	3/13/2025	9,914
	Total				<u>\$ (4,925,012)</u>

Abbreviations Used in This Table

AUD	Australian Dollar	JPY	Japanese Yen
CAD	Canadian Dollar	KRW	South Korean Won
CLP	Chilean Peso	MXN	Mexican Peso
CZK	Czech Republic Koruna	NOK	Norwegian Krone
EUR	Euro	NZD	New Zealand Dollar
GBP	British Pound	USD	United States Dollar

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2024

Note 3. Investment Advisory Fees and Other Transactions With Affiliates

The Fund is charged a fee by HB&T for trustee/administrative services and other fees which include fund accounting services, transfer agency services, custody services, etc. The Fund has also entered into investment advisory and service agreements with a third-party advisor. These fees compensate the advisor for the services it provides and for expenses borne by the advisor under the agreement.

During the year ended December 31, 2024, the investment advisor voluntarily reimbursed the Fund for a portion of its expenses.

The following table indicates the fees charged to the Fund and the various classes of units within the Fund (as a percentage of net assets). These charges are calculated using the Fund's prior day total net assets.

<u>Fund</u>	<u>Trustee/ Administrative Fees</u>	<u>Investment Management Fees</u>	<u>Other Fees</u>	<u>Total Fees</u>
BrandywineGLOBAL – Global Investment Grade Fixed				
Class R1	0.04%	0.47%	0.06%	0.57%
Class R3	0.04%	0.42%	0.06%	0.52%
Class R-INT	0.04%	0.00%	0.07%	0.11%

Note 4. Financial Highlights

	BrandywineGLOBAL – Global Investment Grade Fixed Income CIF	
	<u>Class R1</u>	<u>Class R-INT</u>
Net asset value, beginning of year	\$ 12.32	\$ 12.55
Net investment income	0.57	0.63
Net realized and unrealized losses	(1.51)	(1.53)
Net decrease from investment operations	(0.94)	(0.90)
Net asset value, end of year	\$ 11.38	\$ 11.65
Total return	-7.63%	-7.17%
Ratio to average net assets		
Net investment income	4.82%	5.18%
Expenses without reimbursement	0.57%	0.11%
Expenses with reimbursement	0.49%	0.11%

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2024

Note 5. Participant Unit Transactions

	BrandywineGLOBAL – Global Investment Grade Fixed Income CIF	
	Units	Dollars
Class R1		
Proceeds from sales of units	1,177,279	\$ 13,850,150
Cost of units redeemed	(510,122)	(6,033,001)
Net change in Class R1 from participant transactions	<u>667,157</u>	<u>7,817,149</u>
Class R3 ⁽¹⁾		
Proceeds from sales of units	331,476	3,877,538
Cost of units redeemed	(2,269,537)	(26,665,452)
Net change in Class R3 from participant transactions	<u>(1,938,061)</u>	<u>(22,787,914)</u>
Class R-INT		
Proceeds from sales of units	280,076	3,356,457
Cost of units redeemed	(629,333)	(7,411,549)
Net change in Class R-INT from participant transactions	<u>(349,257)</u>	<u>(4,055,092)</u>
Net change in net assets from participant unit transactions		<u>\$ (19,025,857)</u>

⁽¹⁾ This class was liquidated on July 31, 2024.

Note 6. Disclosures About Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities that the fund can access at the measurement date
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities that the Fund can access at the measurement date; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Hand Composite Employee Benefit Trust
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December 31, 2024

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statement of assets and liabilities, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2024.

Short Term Investments – Short term investments, including money market funds, for which market quotations are readily available, are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy.

Corporate Bonds – The fair value of corporate bonds is estimated using various techniques, which may consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, fundamental data relating to the issuer, and credit default swap spreads adjusted for any basis difference between cash and derivative instruments. Corporate bonds are categorized as Level 2 in the hierarchy.

Foreign Government Obligations – Foreign government obligations are valued using models that incorporate market observable data, such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. These securities are categorized as Level 2 in the hierarchy.

Mortgage-backed Securities – These securities are valued using models that incorporate observable data, such as prepayments, delinquencies, yields, bids, offers, collateral seasoning, and other factors. Deal-specific scenarios are derived from historical performance information and loan level details. These securities are categorized as Level 2 in the hierarchy.

U.S. Government and Agency Obligations – U.S. Government and Agency obligations are valued using a model that incorporates market observable data, such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. U.S. Government and Agency obligations are categorized as Level 2 in the hierarchy.

Foreign Currency Forward Exchange Contracts – These contracts are valued at the prevailing forward exchange rate of the underlying currencies on the reporting date and unrealized gains or losses recorded daily. Foreign currency contracts are generally categorized as Level 2 in the hierarchy.

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December 31, 2024

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of assets and liabilities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2024:

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
BrandywineGLOBAL – Global Investment				
Financial Instruments – Assets				
Short Term Investment	\$ 8,251,397	\$ 8,251,397	\$ -	\$ -
Corporate Bonds	15,684,806	-	15,684,806	-
Foreign Government Obligations	61,959,523	-	61,959,523	-
Mortgage-Backed Securities	47,768,168	-	47,768,168	-
U.S. Government and Agency Obligations	36,186,282	-	36,186,282	-
Total Financial Instruments – Assets	<u>\$ 169,850,176</u>	<u>\$ 8,251,397</u>	<u>\$ 161,598,779</u>	<u>\$ -</u>
Derivative Instruments – Assets				
Foreign Currency Exchange Contracts	<u>\$ 1,310,806</u>	<u>\$ -</u>	<u>\$ 1,310,806</u>	<u>\$ -</u>
Derivative Instruments – Liabilities				
Foreign Currency Exchange Contracts	<u>\$ 6,235,818</u>	<u>\$ -</u>	<u>\$ 6,235,818</u>	<u>\$ -</u>

Note 7. Risk Factors

Investment Securities Risk

The Fund invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying statement of assets and liabilities.

Foreign Securities Risk

Securities traded in foreign markets have often (though not always) performed differently from securities traded in the United States. However, such investments often involve special risks not present in U.S. investments that can increase the chances that the Fund will lose money. In particular, the Fund is subject to the risk that because there may be fewer investors on foreign exchanges and a smaller number of securities traded each day, it may be more difficult for the Fund to buy and sell securities on those exchanges. In addition, prices of foreign securities may go up and down more than prices of securities traded in the United States.

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December 31, 2024

Currency Risk

Securities and other instruments in which the Fund invests may be denominated or quoted in currencies other than the U.S. dollar. Changes in foreign currency exchange rates may affect the value of the Fund’s portfolio. Because the Fund’s assets are primarily invested in securities of foreign countries, the U.S. dollar equivalent of the Fund’s net assets would be adversely affected by reductions in the value of the foreign currencies relative to the U.S. dollar. For this reason, changes in foreign currency exchange rates can affect the value of the Fund’s portfolio. Generally, when the U.S. dollar rises in value against a foreign currency, a security denominated in that currency loses value because the currency is worth fewer U.S. dollars. Conversely, when the U.S. dollar decreases in value against a foreign currency, a security denominated in that currency gains value because the currency is worth more U.S. dollars. This risk, generally known as “currency risk,” means that a strong U.S. dollar may reduce returns for U.S. investors in foreign stocks, while a weak U.S. dollar may increase those returns.

Note 8. Derivative Instruments and Hedging Activities

The following table, grouped by derivative type, provides information about the fair value and the location of derivatives within the statement of assets and liabilities at December 31, 2024:

	<u>Asset Derivatives⁽¹⁾</u>
	<u>Foreign</u>
	<u>Exchange Risk</u>
Foreign currency forward exchange contracts	\$ 1,310,806
	<u>Liability Derivatives⁽¹⁾</u>
	<u>Foreign</u>
	<u>Exchange Risk</u>
Foreign currency forward exchange contracts	\$ 6,235,818

(1) Generally, the statement of assets and liabilities location for asset derivatives is receivables/net unrealized appreciation and for liability derivatives is payables/net unrealized depreciation.

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December 31, 2024

The following tables provide information about the effect of derivatives and hedging activities on the Fund's statement of operations for the year ended December 31, 2024. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the year. The second table provides additional information about the change in unrealized appreciation (depreciation) resulting from the Fund's derivatives and hedging activities during the year:

	Amount of Realized Losses on Derivatives Recognized		
	Interest Rate Risk	Foreign Exchange Risk	Total
Futures contracts	\$ (30,739)	\$ -	\$ (30,739)
Forward foreign currency contracts	-	(2,139,144)	(2,139,144)
Total	\$ (30,739)	\$ (2,139,144)	\$ (2,169,883)

	Change in Unrealized Appreciation/Depreciation on Derivatives Recognized		
	Interest Rate Risk	Foreign Exchange Risk	Total
Futures contracts	\$ (565,413)	\$ -	\$ (565,413)
Forward foreign currency contracts	-	(8,406,458)	(8,406,458)
Total	\$ (565,413)	\$ (8,406,458)	\$ (8,971,871)

The volume of derivative activity for the Fund was as follows during the year ended December 31, 2024:

	Average Market Value
Futures contracts (to buy)	\$ 11,182,803
Forward foreign currency contracts (to buy)	161,599,899
Forward foreign currency contracts (to sell)	74,650,268

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The following tables present, by financial instrument, the Fund's derivative assets net of the related collateral received by the Fund at December 31, 2024:

	Gross Amount of Derivative Assets in the Statement of Assets and Liabilities⁽¹⁾	Collateral Received	Net Amount
Forward foreign currency contracts	<u>\$ 1,310,806</u>	<u>\$ -</u>	<u>\$ 1,310,806</u>

(1) Absent an event of default or early termination, derivative assets and liabilities are presented gross and not offset in the statement of assets and liabilities.

	Gross Amount of Derivative Liabilities in the Statement of Assets and Liabilities⁽¹⁾	Collateral Pledged	Net Amount
Forward foreign currency contracts	<u>\$ 6,235,818</u>	<u>\$ -</u>	<u>\$ 6,235,818</u>

(1) Absent an event of default or early termination, derivative assets and liabilities are presented gross and not offset in the statement of assets and liabilities.

Supplementary Information

Hand Composite Employee Benefit Trust
BrandywineGLOBAL – Global Investment Grade Fixed Income CIF
Schedule of Investment Purchases and Sales
Year Ended December 31, 2024

Purchases			
Investment Class	Cost		
Corporate Bonds	\$	3,537,664	
Foreign Government Obligations		55,717,521	
Mortgage-Backed Securities		30,429,737	
U.S. Government and Agency Obligations		117,134,441	
		<u>117,134,441</u>	
Total investments purchased	\$	<u>206,819,363</u>	

Sales			
Investment Class	Proceeds	Cost	Gains (Losses)
Mortgage-Backed Securities	\$ 25,324,377	\$ 24,935,352	\$ 389,025
Corporate Bonds	1,323,832	1,305,339	18,493
U.S. Government and Agency Obligations	154,473,020	157,389,261	(2,916,241)
Foreign Government Obligations	26,797,236	29,116,248	(2,319,012)
		<u>29,116,248</u>	<u>(2,319,012)</u>
Total investments sold	\$ 207,918,465	\$ 212,746,200	\$ (4,827,735)