



Hand Composite Employee Benefit Trust DSM US Large-Cap Growth Fund

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

December 31, 2024



Hand Composite Employee Benefit Trust
Contents
December 31, 2024

Independent Auditor's Report	1
---	----------

Financial Statements

Statement of Assets and Liabilities – Selected Fund	3
---	---

Schedule of Investments

DSM US Large-Cap Growth Fund	4
------------------------------------	---

Statement of Operations – Selected Fund	6
---	---

Statement of Changes in Net Assets – Selected Fund	7
--	---

Notes to Financial Statements	8
-------------------------------------	---

Supplementary Information

Schedule of Investment Purchases and Sales	13
--	----

Independent Auditor's Report

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

Opinion

We have audited the financial statements of the selected fund, DSM US Large-Cap Growth Fund, 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 the 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

	DSM US Large-Cap Growth Fund
ASSETS	
Investments, at cost	<u>\$ 123,760,066</u>
Investments, at fair value	\$ 197,449,388
Receivable for:	
Dividends and interest	1,100
Investment advisor	<u>4,196</u>
Total Assets	<u><u>\$ 197,454,684</u></u>
LIABILITIES	
Payable for capital shares redeemed	\$ 21,293
Accounts payable and accrued liabilities	21,998
Class R1 accrued expenses	<u>79,675</u>
Total Liabilities	<u><u>\$ 122,966</u></u>
Net assets held for participants	
Class R1	<u>\$ 197,331,718</u>
Total net assets held for participants	<u><u>\$ 197,331,718</u></u>
Units outstanding	
Class R1	<u>5,416,555</u>
Total units outstanding	<u><u>5,416,555</u></u>
Net asset value per unit	
Class R1	<u><u>\$ 36.43</u></u>

Hand Composite Employee Benefit Trust
DSM US Large-Cap Growth Fund
Schedule of Investments
December 31, 2024

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
414,585	First American Treasury Obligation Fund V	\$ 414,585	\$ 414,585
	Total Short Term Investment	0.21% 414,585	414,585
<u>Common Stock</u>			
Consumer Discretionary			
84,800	Amazon.com Inc	9,982,608	18,604,272
	Total Consumer Discretionary	9.43% 9,982,608	18,604,272
Healthcare			
24,300	Abbott Laboratories	2,777,462	2,748,573
29,325	Neurocrine Biosciences Inc	2,934,722	4,002,863
	Total Healthcare	3.42% 5,712,184	6,751,436
Industrials			
24,700	Howmet Aerospace Inc	2,470,789	2,701,439
75,475	Uber Technologies Inc	5,230,932	4,552,652
	Total Industrials	3.68% 7,701,721	7,254,091
Information Technology			
6,525	Adobe Systems Inc	2,362,279	2,901,537
37,225	Advanced Micro Devices	6,257,921	4,496,408
73,150	Alphabet Inc	8,212,425	13,847,295
55,550	Apple Inc	10,840,081	13,910,831
157,200	Arista Networks Inc	6,898,747	17,375,316
17,400	Autodesk Inc	3,668,267	5,142,918
9,150	Cadence Design Systems Inc	2,432,747	2,749,209
84,775	Dynatrace Inc	4,373,509	4,607,521
31,375	Fiserv Inc	3,853,342	6,445,053
77,475	Fortinet Inc	5,051,941	7,319,838
10,925	Intuit Inc	4,521,744	6,866,363
6,400	Mastercard Inc	2,233,481	3,370,048
23,675	Meta Platforms Inc	11,895,128	13,861,949
50,775	Microsoft Corporation	7,689,182	21,401,663
190,450	Nvidia Corp	5,701,591	25,575,531
3,975	Synopsys Inc	2,050,341	1,929,306
17,025	Visa Inc CL A	2,976,652	5,380,579
	Total Information Technology	79.65% 91,019,378	157,181,365

Hand Composite Employee Benefit Trust
DSM US Large-Cap Growth Fund
Schedule of Investments
December 31, 2024

(Continued)

Number of Shares			Cost	Fair Value
	Utilities			
4,400	GE Vernova LLC		\$ 993,634	\$ 1,447,292
	Total Utilities	0.73%	993,634	1,447,292
	Total Common Stock	96.91%	115,409,525	191,238,456
	<u>Foreign Stock</u>			
	Healthcare			
63,900	Novo-Nordisk SA Spons ADR		7,636,287	5,496,678
	Total Healthcare	2.79%	7,636,287	5,496,678
	Total Foreign Stock	2.79%	7,636,287	5,496,678
	<u>Common Trust Fund</u>			
	Fixed Income			
299,669	HB&T Short Term Income Fund		299,669	299,669
	Total Fixed Income	0.15%	299,669	299,669
	Total Common Trust Fund	0.15%	299,669	299,669
	Total Investments	100.06%	\$ 123,760,066	\$ 197,449,388

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

	DSM US Large-Cap Growth Fund
Income	
Interest	\$ 16,668
Dividends	586,953
Total Income	<u>603,621</u>
Expenses	
Investment management and administrative	132,887
Audit	5,500
Custody	47,266
Other	767
Class R1 expenses	845,598
Total Expenses Before Reimbursement of Fees	<u>1,032,018</u>
Reimbursement of Fees	<u>(47,885)</u>
Net Expenses	<u>984,133</u>
Net Investment Loss	<u>(380,512)</u>
Net Realized and Unrealized Gains on Investments	
Net realized gains	24,004,774
Net change in unrealized appreciation/depreciation	24,605,224
Net Realized and Unrealized Gains on Investments	<u>48,609,998</u>
Net Increase in Net Assets Resulting From Operations	<u><u>\$ 48,229,486</u></u>

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

	DSM US Large-Cap Growth Fund
Operations	
Net investment loss	\$ (380,512)
Net realized gains	24,004,774
Change in unrealized appreciation/depreciation	<u>24,605,224</u>
Net Increase in Net Assets From Operations	48,229,486
Net Decrease in Net Assets From Participant Transactions	<u>(10,778,064)</u>
Increase in Net Assets	37,451,422
Net Assets	
Beginning of year	<u>159,880,296</u>
End of year	<u><u>\$ 197,331,718</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, DSM US Large-Cap Growth Fund (Fund), are included in this report.

Each class 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 are allocated to each class of units based on its relative net assets.

The funds may have available share classes that are not presented on the financial statements, as these classes do not have any participants at the end of the year. Activity within these share classes during the year is presented within the respective footnote disclosures, as applicable. As of December 31, 2024, the following inactive classes have been excluded from the financial statement presentation: classes R2 and R3.

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

Investment Income and Distribution of Income

Dividend income less foreign taxes, 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 value.

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.

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

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.

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 DSM Capital Partners, LLC.

Note 2. Investment Advisory Fees and Other Transactions With Affiliates

The Fund is charged an administrative fee by HB&T for trustee/administrative services (fund accounting services, transfer agency services, trustee services, etc.). The Fund has also entered into investment advisory and service agreements with various third-party advisors. These fees compensate the advisors for the services they provide and for expenses borne by the advisors under the various agreements.

During the year ended December 31, 2024, the investment advisor 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 average daily net assets.

<u>Fund</u>	<u>Administrative Fees</u>	<u>Investment Advisory Fees</u>	<u>Custody Fees</u>	<u>Total Fees</u>
DSM US Large-Cap Growth Fund Class R1	0.08%	0.45%	0.03%	0.56%

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

Note 3. Financial Highlights

	DSM US Large-Cap Growth Fund Class R1
Net asset value, beginning of year	\$ 27.86
Net investment loss	(0.07)
Net realized and unrealized gains	8.64
Net increase from investment operations	8.57
Net asset value, end of year	\$ 36.43
Total return	30.76%
Ratio to average net assets	
Net investment loss	(0.20)%
Expenses without reimbursements	0.55%
Expenses with reimbursements	0.53%

Note 4. Participant Unit Transactions

	DSM US Large-Cap Growth Fund	
	Units	Dollars
Class R1		
Proceeds from sales of units	176,304	\$ 5,770,625
Cost of units redeemed	(498,631)	(16,548,689)
Net change in Class R1 from participant transactions	(322,327)	(10,778,064)
Net decrease in net assets from participant transactions		\$ (10,778,064)

Note 5. 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, as shown below.

- 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, 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

Following is a description of the valuation methodologies and inputs used for assets 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 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.

Common Stock and Foreign Stock – Securities traded on a national securities exchange (or reported on the NASDAQ national market) 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. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments, such as American Depositary Receipts, and the movement of certain indexes of securities based on a statistical analysis of the historical relationship and are categorized as Level 1 in the hierarchy. For those foreign securities where additional foreign market activities are taken into consideration by the pricing service, those securities are categorized as Level 2 in the hierarchy.

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

The following table presents the fair value measurements of assets 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:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
DSM US Large-Cap Growth Fund				
Short Term Investment	\$ 414,585	\$ 414,585	\$ -	\$ -
Common Stock	191,238,456	191,238,456	-	-
Foreign Stock	5,496,678	5,496,678	-	-
Common Trust Fund – Fixed Income ^(A)	<u>299,669</u>			
Total	<u><u>\$ 197,449,388</u></u>			

(A) Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amount included above is intended to permit reconciliation of the fair value hierarchy to the amount presented in the accompanying statement of assets and liabilities.

Note 6. Risk Factors

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.

Supplementary Information

Hand Composite Employee Benefit Trust
DSM US Large-Cap Growth Fund
Schedule of Investment Purchases and Sales
Year Ended December 31, 2024

Purchases	
Investment Class	Cost
Common Stock	\$ 61,572,797
Foreign Stock	7,954,895
Common Trust Fund – Fixed Income	9,781,303
Total investments purchased	<u>\$ 79,308,995</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Stock	\$ 67,272,833	\$ 45,992,961	\$ 21,279,872
Foreign Stock	13,567,949	10,843,047	2,724,902
Common Trust Fund – Fixed Income	9,942,094	9,942,094	-
Total investments sold	<u>\$ 90,782,876</u>	<u>\$ 66,778,102</u>	<u>\$ 24,004,774</u>