

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

Independent Auditor's Report and Financial Statements

December 31, 2021



Hand Composite Employee Benefit Trust

December 31, 2021

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Independent Auditor's Report

To the 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, 2021, 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, 2021, 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's and the selected fund's ability to continue as going concerns 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's 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's and the selected fund's ability to continue as going concerns 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 funds' basic 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 basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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.

BKD, LLP

Houston, Texas
May 25, 2022

Hand Composite Employee Benefit Trust

Statement of Assets and Liabilities – Selected Fund

December 31, 2021

	BrandywineGLOBAL - Global Investment Grade Fixed Income CIF
Assets	
Investments, at cost	\$ 244,940,994
Investments, at fair value	\$ 230,492,631
Unrealized gain on foreign currency forward exchange contracts	969,650
Deposits with brokers for open future options	1,316,298
Deposits with brokers for foreign currency forward exchange contracts	540,000
Receivable for:	
Capital shares sold	215,670
Dividends and interest	902,600
Investment advisor waived fees	45,336
Total assets	\$ 234,482,185
Liabilities	
Payable for capital shares redeemed	\$ 3,853
Management fee payable	87,778
Foreign currency collateral for open futures contracts, at value (cost - \$11)	11
Payable to broker - variation margin on open futures contracts	303,470
Unrealized loss on foreign currency forward exchange contracts	1,695,110
Accounts payable and accrued liabilities	60,201
Total liabilities	\$ 2,150,423
Net assets held for participants:	
Class R1	\$ 199,534,190
Class R3	24,032,591
Class R-INT	8,764,981
Total net assets held for participants	\$ 232,331,762
Units outstanding:	
Class R1	14,663,702
Class R3	1,770,084
Class R-INT	636,617
Total units outstanding	17,070,403
Net asset value per unit:	
Class R1	\$ 13.61
Class R3	\$ 13.58
Class R-INT	\$ 13.77

Hand Composite Employee Benefit Trust

Schedule of Investments

BrandywineGLOBAL – Global Investment Grade Fixed Income CIF

December 31, 2021

Number of Shares or Principal Amount †		Cost	Fair Value
<u>Short Term Investment</u>			
4,657,001	State Street Institutional U. S. Government Money Market Fund, Premier Class 0.03%	\$ 4,657,001	\$ 4,657,001
	Total Short Term Investment	2.02% 4,657,001	4,657,001
<u>Corporate Bonds</u>			
<u>Consumer, Discretionary</u>			
\$ 990,000	General Motors Co. Sr Unsecured 6.25% 10/02/2043	1,010,298	1,214,276
3,115,000	General Motors Financial Co., Inc. Sr Unsecured 1.29% 11/17/2023	3,115,000	3,148,444
	Total Consumer, Discretionary	1.89% 4,125,298	4,362,720
<u>Energy</u>			
400,000	Hess Corp. Sr Unsecured 5.80% 04/01/2047	443,424	512,538
2,395,000	Petroleos Mexicanos Company Guarantee 7.69% 01/23/2050	2,442,753	2,311,175
	Total Energy	1.23% 2,886,177	2,823,713
<u>Financials</u>			
3,485,000	Bank of Montreal Sr Unsecured, MTN .77% 03/10/2023	3,485,000	3,501,620
4,425,000	Bank of Nova Scotia Sr Unsecured .64% 09/15/2023	4,425,000	4,438,586
2,820,000	Canadian Imperial Bank of Commerce Sr Unsecured .89% 03/17/2023	2,820,000	2,834,511
4,660,000	Commonwealth Bank of Australia Sr Unsecured 144A .45% 07/07/2025	4,660,000	4,660,001
5,030,000	Goldman Sachs Group, Inc. Sr Unsecured .96% 02/23/2023	5,031,173	5,050,986
1,965,000	Metropolitan Life Global Funding I , 144A .66% 01/13/2023	1,965,000	1,972,624
	Total Financials	9.74% 22,386,173	22,458,328
<u>Industrials</u>			
3,660,000	Athene Global Funding Sr Secured, 144A . 75%05/24/2024	3,664,201	3,667,312
820,000	Boeing Co. Sr Unsecured 3.95% 08/01/2059	757,014	855,196
475,000	Boeing Co. Sr Unsecured 5.71% 05/01/2040	475,000	611,548
1,405,000	Boeing Co. Sr Unsecured 5.81% 05/01/2050	1,582,602	1,908,699
810,000	Boeing Co. Sr Unsecured 5.93% 05/01/2060	865,296	1,128,211
2,795,000	Caterpillar Financial Services Corp. Sr Unsecured MTN .45% 03/15/2021	2,795,000	2,791,374
	Total Industrials	4.76% 10,139,113	10,962,340
	Total Corporate Bonds	17.62% 39,536,761	40,607,101

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
BrandywineGLOBAL – Global Investment Grade Fixed Income CIF (Continued)
December 31, 2021

Principal Amount †			Cost	Fair Value
<u>Foreign Government</u>				
<i>Australia</i>				
AUD \$	5,130,000	Australia Government Bond Sr Unsecured REGS 5.75% 07/15/2022	\$ 3,558,234	\$ 3,843,746
AUD	1,325,000	New South Wales Treasury Corp. 4.00% 04/20/2023	1,061,287	1,009,181
AUD	2,645,000	Queensland Treasury Corp. 144A REGS 4.25% 07/21/2023	2,183,309	2,033,342
AUD	2,790,000	Western Australian Treasury Corp. 6.00% 07/15/2023	2,373,176	2,220,727
Total Australia			3.95% 9,176,006	9,106,996
<i>Brazil</i>				
BRL	11,540,000	Brazil Notas do Tesouro Nacional Sr Unsecured 10.00% 01/01/2023	4,728,260	2,041,078
Total Brazil			0.89% 4,728,260	2,041,078
<i>Malaysia</i>				
MY	32,500,000	Malaysia Government Bond 4.07% 06/15/2050	7,588,384	7,614,564
MY	8,015,000	Malaysia Government Bond Sr Unsecured 3.48% 03/15/2023	2,161,046	1,953,170
MY	6,530,000	Malaysia Government Bond Sr Unsecured 3.88% 03/10/2022	1,571,942	1,572,906
MY	6,205,000	Malaysia Government Bond Sr Unsecured 3.90% 11/16/2027	1,441,217	1,535,808
MY	3,455,000	Malaysia Government Bond Sr Unsecured 3.96% 09/15/2025	1,021,461	1,073,924
Total Malaysia			5.97% 13,784,050	13,750,372
<i>Mexico</i>				
MX	43,200,000	Mexican Bonos 8.00% 11/07/2047	2,443,074	2,090,829
MX	139,900,000	Mexican Bonos Sr Unsecured 7.75% 11/13/2042	9,712,208	6,630,449
MX	95,800,000	Mexican Bonos Sr Unsecured 8.50% 05/31/2029	7,287,725	4,949,335
MX	107,400,000	Mexican Bonos Sr Unsecured 8.50% 11/18/2038	7,767,454	5,519,360
Total Mexico			8.33% 27,210,461	19,189,973
<i>New Zealand</i>				
NZD	3,500,000	New Zealand Government Bond 2.75% 05/15/2051	2,448,860	2,339,091
Total New Zealand			1.01% 2,448,860	2,339,091
<i>Poland</i>				
PLN	7,040,000	Poland Government Bond Sr Unsecured 4.00% 10/25/2023	1,997,706	1,766,662
Total Poland			0.77% 1,997,706	1,766,662

Hand Composite Employee Benefit Trust

Schedule of Investments (Continued)

BrandywineGLOBAL – Global Investment Grade Fixed Income CIF (Continued)

December 31, 2021

Principal Amount †			Cost	Fair Value
<u>Foreign Government (Continued)</u>				
<i>South Africa</i>				
ZAR \$	1,325,000	Republic of South Africa Government Bond Sr Unsecured 8.75% 02/28/2048	\$ 80,006	\$ 69,082
ZAR	5,200,000	Republic of South Africa Government Bond Sr Unsecured 6.50% 02/28/2041	252,770	215,801
ZAR	64,200,000	South Africa Government International Bond Sr Unsecured 6.50% 02/28/2041	4,591,249	2,664,317
ZAR	58,175,000	South Africa Government International Bond Sr Unsecured 8.75% 02/28/2048	4,055,427	3,033,079
Total South Africa			2.60% 8,979,452	5,982,279
<i>South Korea</i>				
KRW	5,870,000,000	Korea Treasury Bond Sr Unsecured 1.88% 03/10/2051	5,083,985	4,467,452
KRW	14,510,000,000	Korea Treasury Bond Sr Unsecured 2.00% 06/10/2031	12,747,062	11,921,036
Total South Korea			7.11% 17,831,047	16,388,488
Total Foreign Government			30.63% 86,155,842	70,564,939
<u>Asset-backed Securities</u>				
	230,000	Towd Point Mortgage Trust Series 2017-6, Class A2, VRN, 144A 3.00% 10/25/2057	223,419	235,606
Total Asset-backed Securities			0.10% 223,419	235,606
<u>Mortgage-backed Securities</u>				
	495,000	Benchmark Mortgage Trust Series 2020-B17, Class A2 2.21% 03/15/2053	501,638	494,627
	436,677	BX Commercial Mortgage Trust Series 2019-XL, Class A, 144A 1.08% 10/15/2036	374,498	383,855
	255,000	COMM Mortgage Trust Series 2015-3BP, Class A, 144A 3.18% 02/10/2035	260,543	265,268
	240,000	Credit Suisse Mortgage Capital Certificates Series 2019-ICE4, Class A, 144A 1.14% 05/15/2036	234,231	239,928
Total Mortgage-backed Securities			0.60% 1,370,910	1,383,678
<u>U.S. Government and Agency Obligations</u>				
	5,045,000	U. S. Treasury Bond 1.88% 11/15/2051	5,005,947	5,028,446
	27,230,000	U. S. Treasury Floating Rate Note . 14% 07/31/2022	27,231,575	27,238,470
	6,330,000	U. S. Treasury Floating Rate Note . 20% 04/30/2022	6,330,743	6,332,391
	8,555,000	U. S. Treasury Note . 11% 07/31/2023	8,555,438	8,556,239
	6,970,000	U. S. Treasury Note . 12% 10/31/2023	6,970,452	6,971,310
	45,340,000	U. S. Treasury Note . 13% 01/31/2023	45,347,298	45,357,499
	13,555,000	U. S. Treasury Note . 14% 10/31/2022	13,555,608	13,559,951
Total U.S. Government and Agency Obligations			49.03% 112,997,061	113,044,306
Total Investments			100.00% \$ 244,940,994	\$ 230,492,631

† Principal amount denominated in U.S. dollars, unless otherwise noted.

Abbreviations used in this table:

AUD	Australian Dollar
BRL	Brazilian Real
KRW	South Korean Won
MXN	Mexican Peso
MYR	Malaysian Ringgit
NZD	New Zealand Dollar
PLN	Polish Zloty
USD	United States Dollar
ZAR	South African Rand

Hand Composite Employee Benefit Trust

Statement of Operations – Selected Fund

Year Ended December 31, 2021

	BrandywineGLOBAL - Global Investment Grade Fixed Income CIF
Income	
Interest (net of foreign withholding taxes of \$40,118)	\$ 4,148,785
Total income	<u>4,148,785</u>
Expenses	
Trustee and administrative	234,959
Class R1 expenses	917,671
Class R3 expenses	<u>99,094</u>
Total expenses before reimbursement	1,251,724
Reimbursement of fees	<u>(166,359)</u>
Net expenses	<u>1,085,365</u>
Net Investment Income	<u>3,063,420</u>
Net Realized Gains (Losses) on Investments, Futures Contracts and Foreign Currency	
Net realized gains on investments	2,145,812
Net realized gains on futures contracts	1,935,551
Net realized losses on foreign currency transactions	(67,659)
Net realized losses on foreign currency forward exchange contracts	<u>(718,711)</u>
Net realized gains	<u>3,294,993</u>
Change in Net Unrealized Appreciation/Depreciation	
Investments	(11,281,631)
Futures contracts	(405,880)
Foreign currencies	(49,024)
Foreign currency forward exchange contracts	<u>(4,198,802)</u>
Change in net unrealized appreciation/depreciation	<u>(15,935,337)</u>
Net realized and unrealized losses on investments, futures contracts and foreign currency	<u>(12,640,344)</u>
Net Decrease in Net Assets Resulting From Operations	<u><u>\$ (9,576,924)</u></u>

Hand Composite Employee Benefit Trust

Statement of Changes in Net Assets – Selected Fund

Year Ended December 31, 2021

	BrandywineGLOBAL - Global Investment Grade Fixed Income CIF
Operations	
Net investment income	\$ 3,063,420
Net realized gains	3,294,993
Change in net unrealized appreciation/depreciation	<u>(15,935,337)</u>
Net decrease in net assets from operations	(9,576,924)
Net Increase in Net Assets From Participant Unit Transactions	<u>20,259,318</u>
Increase in Net Assets	10,682,394
Net Assets	
Beginning of year	<u>221,649,368</u>
End of year	<u><u>\$ 232,331,762</u></u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2021

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

Nature of Operations

Hand Composite Employee Benefit Trust ("HB&T" or "the 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 (the IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 63 portfolios (the Funds); the financial statements of one of those funds, the BrandywineGLOBAL - Global Investment Grade Fixed Income CIF (the 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.

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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2021

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, 2021, resulting from changes in the exchange rates.

Future 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. 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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2021

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 apportion all of its taxable income to its participants. Therefore, no federal income tax provision is required.

Subsequent Events

Subsequent events have been evaluated through May 25, 2022, 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: Future Contracts

At December 31, 2021, the Fund had the following open futures contracts:

	Number of Contracts	Expiration Date	Basis Value	Market Value	Unrealized Appreciation (Depreciation)
Contracts to buy:					
Euro-OAT	67	3/22	\$ 12,680,549	\$ 12,444,996	\$ (235,553)
U.S. Treasury Ultra Long-term Bonds	43	3/22	8,559,396	8,476,375	(83,021)
United Kingdom Ultra Long Gilt Bonds	89	3/22	15,031,360	15,046,197	14,837
					<u>\$ (303,737)</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2021

Note 3: Foreign Currency Forward Exchange Contracts

At December 31, 2021, the Fund had the following open foreign currency forward exchange contracts:

Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
MYR	\$ 25,710,000	USD	\$ 6,161,331	Barclays Bank PLC	1/12/2022	\$ 7,786
USD	5,054,814	MYR	21,210,000	Barclays Bank PLC	1/12/2022	(34,527)
USD	2,389,401	MYR	10,100,000	Barclays Bank PLC	1/12/2022	(34,094)
PLN	26,430,000	USD	6,663,708	Citibank, N. A.	1/13/2022	(107,427)
PLN	1,340,000	USD	321,358	Citibank, N. A.	1/13/2022	11,046
CLP	2,400,000,000	USD	3,016,019	HSBC Bank USA, N. A.	1/14/2022	(202,545)
PLN	35,360,000	USD	8,932,338	JPMorgan Chase Bank, N. A.	1/20/2022	(165,223)
EUR	12,320,000	USD	14,362,841	Citibank, N. A.	1/26/2022	(330,366)
EUR	300,000	USD	338,603	Citibank, N. A.	1/26/2022	3,097
EUR	3,830,000	USD	4,351,397	JPMorgan Chase Bank, N. A.	1/26/2022	10,971
PLN	17,880,000	USD	4,518,312	Citibank, N. A.	1/27/2022	(87,369)
CLP	2,090,000,000	USD	2,544,467	HSBC Bank USA, N. A.	2/4/2022	(101,780)
PEN	18,270,000	USD	4,562,709	HSBC Bank USA, N. A.	2/7/2022	7,453
PEN	930,000	USD	228,490	HSBC Bank USA, N. A.	2/7/2022	4,146
USD	2,098,915	NZD	2,940,000	Citibank, N. A.	2/8/2022	86,145
THB	26,200,000	USD	787,177	HSBC Bank USA, N. A.	2/9/2022	(3,037)
USD	1,549,445	KRW	1,810,000,000	Citibank, N. A.	2/11/2022	28,133
CLP	2,340,000,000	USD	2,836,501	HSBC Bank USA, N. A.	2/11/2022	(104,930)
CAD	4,560,000	USD	3,680,536	Goldman Sachs International	2/14/2022	(75,845)
CAD	11,890,000	USD	9,399,990	HSBC Bank USA, N. A.	2/14/2022	(916)
USD	6,336,708	ZAR	97,700,000	HSBC Bank USA, N. A.	2/14/2022	241,035
ZAR	1,300,000	USD	82,939	JPMorgan Chase Bank, N. A.	2/14/2022	(1,830)
ZAR	1,400,000	USD	89,207	JPMorgan Chase Bank, N. A.	2/14/2022	(1,859)
ZAR	1,400,000	USD	88,822	JPMorgan Chase Bank, N. A.	2/14/2022	(1,473)
ZAR	4,200,000	USD	264,631	JPMorgan Chase Bank, N. A.	2/14/2022	(2,585)
USD	4,774,561	MXN	100,600,000	Citibank, N. A.	2/24/2022	(95,223)
JPY	1,300,000,000	USD	11,529,831	JPMorgan Chase Bank, N. A.	3/3/2022	(223,662)
CLP	3,120,000,000	USD	3,675,691	HSBC Bank USA, N. A.	3/4/2022	(46,750)
AUD	6,430,000	USD	4,592,595	JPMorgan Chase Bank, N. A.	3/7/2022	86,194
USD	2,030,857	AUD	2,860,000	JPMorgan Chase Bank, N. A.	3/7/2022	(50,222)
THB	44,600,000	USD	1,314,568	HSBC Bank USA, N. A.	3/9/2022	20,183
NOK	84,440,000	USD	9,426,121	Morgan Stanley & Co. Internatio	3/10/2022	150,608
CLP	2,610,000,000	USD	3,035,660	HSBC Bank USA, N. A.	3/11/2022	(3,293)
USD	8,310,879	KRW	9,870,000,000	Citibank, N. A.	3/21/2022	20,031
USD	6,447,885	KRW	7,700,000,000	Citibank, N. A.	3/21/2022	(20,152)
CAD	4,870,000	USD	3,796,649	HSBC Bank USA, N. A.	3/21/2022	52,654
CAD	4,660,000	USD	3,605,235	HSBC Bank USA, N. A.	3/21/2022	78,083
NOK	39,260,000	USD	4,361,544	Morgan Stanley & Co. Internatio	3/21/2022	90,149
NOK	30,200,000	USD	3,352,444	Morgan Stanley & Co. Internatio	3/21/2022	71,935
Total						\$ (725,459)

Abbreviations used in this table:

AUD	Australian Dollar	MXN	Mexican Peso
CAD	Canadian Dollar	MYR	Malaysian Ringgit
CLP	Chilean Peso	NOK	Norwegian Krone
EUR	Euro	PLN	Polish Zloty
JPY	Japanese Yen	THB	Thai Baht
KRW	South Korean Won	ZAR	South African Rand

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Note 4: 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, 2021, 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:

Fund	Trustee/ Administrative Fees	Investment Management Fees	Other Fees	Total Fees
BrandywineGLOBAL - Global Investment Grade Fixed Income CIF:				
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%	0.06%	0.10%

Note 5: Financial Highlights

BrandywineGLOBAL - Global Investment Grade Fixed Income CIF			
	Class R1	Class R3	Class R-INT
Net asset value, beginning of year	\$ 14.20	\$ 14.17	\$ 14.31
Net investment income	0.19	0.18	0.24
Net realized and unrealized losses	(0.78)	(0.77)	(0.78)
Net decrease from investment operations	(0.59)	(0.59)	(0.54)
Net asset value, end of year	\$ 13.61	\$ 13.58	\$ 13.77
Total return	(4.15)%	(4.16)%	(3.77)%
Ratio to average net assets:			
Net investment income	1.34%	1.32%	1.71%
Expenses without reimbursement	0.57%	0.52%	0.10%
Expenses with reimbursement	0.49%	0.51%	0.10%

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Note 6: Participant Unit Transactions

		BrandywineGLOBAL - Global Investment Grade Fixed Income CIF	
		Units	Dollars
Class R1:			
Proceeds from sales of units	1,644,269	\$	22,802,157
Cost of units redeemed	(487,900)		(6,776,687)
Net change in Class R1 from participant transactions	1,156,369		16,025,470
Class R3:			
Proceeds from sales of units	302,319		4,240,210
Cost of units redeemed	(119,949)		(1,675,424)
Net change in Class R3 from participant transactions	182,370		2,564,786
Class R-INT:			
Proceeds from sales of units	406,300		5,621,273
Cost of units redeemed	(285,158)		(3,952,211)
Net change in Class R-INT from participant transactions	121,142		1,669,062
Net change in net assets from participant unit transactions		\$	20,259,318

Note 7: 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.

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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 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, 2021.

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.

Asset-backed Securities and 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.

Futures Contracts. Futures contracts are marked-to-market on the daily fluctuations between the contract price and the market value of the underlying, as reported on a recognized exchange. Futures contracts are categorized as Level 1 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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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, 2021:

	Fair Value	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)
BrandywineGLOBAL - Global Investment Grade Fixed Income CIF				
Financial Instruments - Assets:				
Short Term Investment	\$ 4,657,001	\$ 4,657,001	\$ -	\$ -
Corporate Bonds	40,607,101	-	40,607,101	-
Foreign Government Obligations	70,564,939	-	70,564,939	-
Asset-backed Securities	235,606	-	235,606	-
Mortgage-backed Securities	1,383,678	-	1,383,678	-
U.S. Government and Agency Obligations	113,044,306	-	113,044,306	-
Total Financial Instruments - Assets	<u>\$ 230,492,631</u>	<u>\$ 4,657,001</u>	<u>\$ 225,835,630</u>	<u>\$ 0</u>
Derivative Instruments - Assets:				
Futures Contracts	\$ 14,837	\$ 14,837	\$ -	\$ -
Foreign Currency Exchange Contracts	969,650	-	969,650	-
Total Derivative Instruments - Assets	<u>\$ 984,487</u>	<u>\$ 14,837</u>	<u>\$ 969,650</u>	<u>\$ 0</u>
Derivative Instruments - Liabilities:				
Futures Contracts	\$ 318,574	\$ 318,574	\$ -	\$ -
Foreign Currency Exchange Contracts	1,695,110	-	1,695,110	-
Total Derivative Instruments - Liabilities	<u>\$ 2,013,684</u>	<u>\$ 318,574</u>	<u>\$ 1,695,110</u>	<u>\$ 0</u>

Note 8: 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.

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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.

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 9: 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, 2021:

	Asset Derivatives ⁽¹⁾		
	Interest Rate Risk	Foreign Exchange Risk	Total
Futures contracts ⁽²⁾	\$ 14,837	\$ -	\$ 14,837
Foreign currency forward exchange contracts	-	969,650	969,650
Total	\$ 14,837	\$ 969,650	\$ 984,487

⁽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.

⁽²⁾ Includes cumulative unrealized appreciation of futures contracts as reported in Note 2. Only variation margin is reported within the receivables and/or payables on the statement of assets and liabilities.

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December 31, 2021

	Liability Derivatives ⁽¹⁾		
	Interest Rate Risk	Foreign Exchange Risk	Total
Futures contracts ⁽²⁾	\$ 318,574	\$ -	\$ 318,574
Foreign currency forward exchange contracts	-	1,695,110	1,695,110
Total	\$ 318,574	\$ 1,695,110	\$ 2,013,684

⁽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.

⁽²⁾ Includes cumulative unrealized depreciation of futures contracts as reported in Note 2. Only variation margin is reported within the receivables and/or payables on the statement of assets and liabilities.

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, 2021. 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 Gain (Loss) on Derivatives Recognized		
	Interest Rate Risk	Foreign Exchange Risk	Total
Futures contracts	\$ 1,935,551	\$ -	\$ 1,935,551
Forward foreign currency contracts	-	(718,711)	(718,711)
Total	\$ 1,935,551	\$ (718,711)	\$ 1,216,840

	Change in Unrealized Appreciation/Depreciation on Derivatives Recognized		
	Interest Rate Risk	Foreign Exchange Risk	Total
Futures contracts	\$ (405,880)	\$ -	\$ (405,880)
Forward foreign currency contracts	-	(4,198,802)	(4,198,802)
Total	\$ (405,880)	\$ (4,198,802)	\$ (4,604,682)

During the year ended December 31, 2021, the volume of derivative activity for the Fund was as follows.

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December 31, 2021

	Average Market Value
Futures contracts (to buy)	\$ 8,360,607
Futures contracts (to sell)	7,464,892
Forward foreign currency contracts (to buy)	125,013,824
Forward foreign currency contracts (to sell)	45,240,488

The following table presents, by financial instrument, the Fund's derivative assets net of the related collateral received by the Fund at December 31, 2021:

	Gross Amount of Derivative Assets in the Statement of Assets and Liabilities⁽¹⁾	Collateral Received	Net Amount
Forward foreign currency contracts	\$ 969,650	\$ 0	\$ 969,650

(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.

The following table presents, by financial instrument, the Fund's derivative liabilities net of the related collateral pledged by the Fund at December 31, 2021:

	Gross Amount of Derivative Liabilities in the Statement of Assets and Liabilities⁽¹⁾	Collateral Pledged	Net Amount
Futures contracts ⁽²⁾	\$ 303,470	\$ -	\$ 303,470
Forward foreign currency contracts	1,695,110	-	1,695,110
Total	\$ 1,998,580	\$ 0	\$ 1,998,580

(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.

(2) Amount represents the current day's variation margin as reported in the statement of assets and liabilities. It differs from the cumulative appreciation (depreciation) presented in the previous table.

Supplemental Information

Hand Composite Employee Benefit Trust
Schedule of Investment Purchases and Sales – Selected Fund
BrandywineGLOBAL – Global Investment Grade Fixed Income CIF
Year Ended December 31, 2021

Purchases	
Investment Class	Cost
Corporate Bonds	\$ 11,347,466
Foreign Government Obligations	40,831,388
U.S. Government and Agency Obligations	<u>69,729,518</u>
Total Investments Purchased	<u><u>\$ 121,908,372</u></u>

Sales			
Investment Class	Proceeds	Cost	Gains
Corporate Bonds	\$ 26,964,468	\$ 25,038,545	\$ 1,925,923
Foreign Government Obligations	15,248,574	15,053,031	195,543
U.S. Government and Agency Obligations	<u>36,537,693</u>	<u>36,528,624</u>	<u>9,069</u>
Total Investments Sold	<u><u>\$ 78,750,735</u></u>	<u><u>\$ 76,620,200</u></u>	<u><u>\$ 2,130,535</u></u>