

**Hand Composite Employee Benefit Trust**  
**GlobeFlex ACWI Ex-U.S. Equity CIF**  
Independent Auditor's Report and Financial Statements  
December 31, 2020



**Hand Composite Employee Benefit Trust**  
**December 31, 2020**

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## Independent Auditor's Report

Board of Directors  
Hand Composite Employee Benefit Trust  
Houston, Texas

We have audited the accompanying financial statements of the selected fund, GlobeFlex ACWI Ex-U.S. Equity CIF, included in the Hand Composite Employee Benefit Trust ("Trust" or "Funds"), which statements comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2020, and the related statements of operations and changes in net assets for the period May 18, 2020 (inception) to December 31, 2020, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GlobeFlex ACWI Ex-U.S. Equity CIF, included in the Hand Composite Employee Benefit Trust, as of December 31, 2020, and the results of its operations and the changes in its net assets for the for the period May 18, 2020 (inception) to December 31, 2020, in accordance with accounting principles generally accepted in the United States of America.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. 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.

***BKD, LLP***

Houston, Texas  
May 27, 2021

**Hand Composite Employee Benefit Trust**  
**Statement of Assets and Liabilities – Selected Fund**  
**December 31, 2020**

	<b>GlobeFlex ACWI Ex-U.S. Equity CIF</b>
<b>Assets</b>	
Investments, at cost	\$ 280,645,215
Investments, at fair value	\$ 341,837,039
Cash	7,411
Cash denominated in foreign currencies (cost - \$365,321)	367,050
Unrealized gain on foreign currency forward exchange contracts	58
Receivable for:	
Dividends and interest	929,007
Investment advisor	33,103
Total assets	\$ 343,173,668
<b>Liabilities</b>	
Payable for investment securities purchased	\$ 4,326
Payable for foreign taxes	75,130
Accounts payable and accrued liabilities	95,229
Total liabilities	\$ 174,685
Net assets held for participants:	
Class R1	\$ 342,998,983
Units outstanding:	
Class R1	26,085,565
Net asset value per unit:	
Class R1	\$ 13.15

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments**  
**GlobeFlex ACWI Ex-U.S. Equity CIF**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<b><u>Short Term Investment</u></b>			
4,013,572	Blackrock Liq T Fund Instl Var Rt 12/31/2049 Dd 01/31/12	\$ 4,013,572	\$ 4,013,572
	Total Short Term Investment	1.17% 4,013,572	4,013,572
<b><u>Foreign Stock</u></b>			
<b><i>Australia</i></b>			
86,156	BHP Group PLC	1,476,287	2,267,091
87,213	Bluescope Steel Ltd	1,141,420	1,176,367
9,425	CSL Ltd	1,824,539	2,059,512
227,809	Fortescue Metals Group Ltd	1,833,622	4,118,732
	Total Australia	2.81% 6,275,868	9,621,702
<b><i>Belgium</i></b>			
13,140	UCB SA	1,177,328	1,358,223
	Total Belgium	0.40% 1,177,328	1,358,223
<b><i>Brazil</i></b>			
79,715	CIA De Saneamento Do Parana	466,317	399,020
105,031	CPFL Energia SA	607,634	658,188
192,094	Qualicorp Consultoria E Corret	1,112,966	1,293,644
	Total Brazil	0.69% 2,186,917	2,350,852
<b><i>Canada</i></b>			
103,498	Alimentation Couche-tard Inc	3,176,847	3,524,131
50,040	Bank of Montreal	2,293,636	3,801,312
20,786	Bank of Nova Scotia	737,880	1,122,509
9,647	Canadian National Railway Co	859,147	1,059,656
72,939	CI Financial Inc	973,203	903,436
1,249	Constellation Software Inc	1,295,769	1,620,484
18,215	Magna Intl Inc	1,131,870	1,288,347
14,256	Royal Bank of Canada	1,183,014	1,170,357
129,118	Superior Plus Corp	1,212,003	1,234,425
2,322	Topicus.com Inc	8,694	84,808
	Total Canada	4.62% 12,872,063	15,809,465

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>China</i>			
725,350	Anhui Conch Cement Co Ltd	\$ 5,262,430	\$ 4,541,711
1,277,149	China Communications Services	879,815	563,314
1,022,976	China Vanke Co Ltd	3,500,549	3,529,164
1,268,437	Cosco Shipping Holdings Co Ltd	1,148,225	1,521,369
840,280	Country Garden Holdings Co Ltd	1,066,910	1,161,720
94,030	Enn Energy Holdings Ltd	1,095,375	1,380,039
914,063	Great Wall Motor Co Ltd	1,325,370	3,135,742
453,907	Lenovo Group Ltd	247,694	428,510
67,099	Livzon Pharmaceutical Group	283,489	260,042
1,449,712	Logan Group Co Ltd	2,240,671	2,374,478
4,982,756	Picc Property & Casualty Co Lt	4,271,613	3,772,162
81,722	Ping An Insurance Group Co	822,326	1,001,256
243,325	Sunac China Holdings Ltd	1,037,449	899,071
39,356	Tencent Holdings Ltd	2,315,389	2,862,679
	Total China	8.02% <u>25,497,305</u>	<u>27,431,257</u>
<i>Chile</i>			
20,635,142	Enel Americas SA	2,819,064	3,369,294
	Total Chile	0.99% <u>2,819,064</u>	<u>3,369,294</u>
<i>Denmark</i>			
6,330	DSV Panalpina A/S	1,061,168	1,061,330
81,343	Novo Nordisk A/S	5,274,461	5,704,774
	Total Denmark	1.98% <u>6,335,629</u>	<u>6,766,104</u>
<i>Finland</i>			
25,588	Fortum OYJ	413,021	616,771
113,500	Tokmanni Group Corp	1,279,472	2,255,296
	Total Finland	0.84% <u>1,692,493</u>	<u>2,872,067</u>
<i>France</i>			
24,479	BNP Paribas SA	1,057,205	1,291,050
11,802	Capgemini Se	1,041,102	1,831,035
8,967	CIE Generale Des Etablissement	1,149,397	1,151,467
4,140	Gerard Perrier Industrie Sa	260,670	349,519

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>France (Continued)</i>			
20,724	Ipsen SA	\$ 1,499,915	\$ 1,721,730
8,111	Sanofi	765,346	781,036
9,167	Schneider Electric Se	774,939	1,326,886
32,170	Total Se	<u>1,270,546</u>	<u>1,389,465</u>
	Total France	2.88% <u>7,819,120</u>	<u>9,842,188</u>
<i>Germany</i>			
11,066	Allianz Se	2,214,215	2,717,439
16,286	Continental AG	2,186,913	2,416,117
23,943	Daimler AG	1,350,512	1,692,985
88,068	Deutsche Post AG	2,562,934	4,364,102
347,414	Deutsche Telekom AG	5,126,592	6,357,047
111,078	Freenet AG	1,979,541	2,336,964
6,648	Hochtief AG	472,883	647,072
33,284	Merck Kgaa	3,816,014	5,715,703
4,969	Rheinmetall AG	345,443	526,391
8,458	Siemens AG	1,041,714	1,216,189
223,163	Telefonica Deutschland Holding	651,134	615,730
	Total Germany	8.37% <u>21,747,895</u>	<u>28,605,739</u>
<i>Gibraltar</i>			
439,220	888 Holdings PLC	1,542,734	1,714,119
	Total Gibraltar	0.50% <u>1,542,734</u>	<u>1,714,119</u>
<i>Greece</i>			
42,475	Hellenic Telecommunications Or	639,627	684,968
	Total Greece	0.20% <u>639,627</u>	<u>684,968</u>
<i>Hong Kong</i>			
436,973	China Overseas Land & Investment	1,267,853	950,156
327,238	China Resources Land Ltd	1,266,466	1,350,505
677,524	Kingboard Laminates Holdings	666,896	1,106,219
1,558,636	Kunlun Energy Co Ltd	959,118	1,346,797
381,445	Shimao Group Holdings Ltd	1,552,530	1,215,099
1,051,500	WH Group Ltd	869,573	881,465
1,481,961	Yuexiu Property Co Ltd	271,477	298,156
	Total Hong Kong	2.09% <u>6,853,913</u>	<u>7,148,397</u>



**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>Hungary</i>			
164,500	Mol Hungarian Oil & Gas PLC	\$ 1,214,561	\$ 1,215,352
65,496	Richter Gedeon Nyrt	1,373,620	1,643,917
	Total Hungary	0.84% <u>2,588,181</u>	<u>2,859,269</u>
<i>India</i>			
138,680	Tata Steel Ltd	1,171,669	1,221,629
	Total India	0.36% <u>1,171,669</u>	<u>1,221,629</u>
<i>Ireland</i>			
6,981	Icon PLC	1,325,136	1,361,155
5,787	Icon PLC	908,733	1,128,349
	Total Ireland	0.73% <u>2,233,869</u>	<u>2,489,504</u>
<i>Italy</i>			
3,431,319	A2a SPA	4,625,769	5,476,800
14,299	Acea SPA	262,979	300,049
19,254	Buzzi Unicem SPA	189,136	309,084
78,218	Enel SPA	563,548	792,043
266,967	Iren SPA	617,493	694,453
43,142	Prysmian SPA	1,222,879	1,535,028
	Total Italy	2.66% <u>7,481,804</u>	<u>9,107,457</u>
<i>Japan</i>			
318,800	Astellas Pharma Inc	5,144,699	4,921,955
25,500	Benesse Holdings Inc	689,366	497,181
36,700	Brother Industries Ltd	701,596	755,719
20,000	Capcom Co Ltd	655,142	1,297,884
81,700	Cybernet Systems Co Ltd	519,262	750,964
14,700	Eisai Co Ltd	1,021,143	1,049,624
375,600	Eneos Holdings Inc	1,350,963	1,347,496
100,400	Fujifilm Holdings Corp	4,814,702	5,288,151

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>Japan (Continued)</i>			
152,500	Hitachi Zosen Corp	\$ 510,205	\$ 841,929
13,000	Hoya Corp	1,172,490	1,796,794
133,100	KDDI Corp	3,904,302	3,952,585
48,900	Kintetsu World Express Inc	698,604	1,159,448
207,200	K's Holdings Corp	2,563,519	2,881,875
35,400	Macnica Fuji Electronics Holdings	695,307	694,319
183,400	Marubeni Corp	1,185,915	1,218,759
8,000	Meiji Holdings Co Ltd	580,073	562,545
105,000	Ms&ad Insurance Group Holdings	2,923,811	3,194,392
7,300	Nintendo Co Ltd	3,253,865	4,654,550
56,900	Nomura Real Estate Holdings Inc	1,044,611	1,258,198
28,500	Ono Pharmaceutical Co Ltd	879,559	857,940
34,300	Otsuka Holdings Co Ltd	1,359,150	1,467,746
28,800	Sekisui House Ltd	483,914	585,791
6,600	Ship Healthcare Holdings Inc	288,082	366,933
31,100	Takeda Pharmaceutical Co Ltd	1,162,790	1,131,101
21,800	Technopro Holdings Inc	1,247,398	1,805,317
15,800	T-Gaia Corp	316,280	296,121
	Total Japan	13.06% <u>39,166,748</u>	<u>44,635,317</u>
<i>Luxemburg</i>			
39,799	Aperam SA	1,168,636	1,662,484
	Total Luxemburg	0.49% <u>1,168,636</u>	<u>1,662,484</u>
<i>Mexico</i>			
198,138	Coca-Cola Femsa Sab De Cv	833,488	911,362
118,004	Grupo Financiero Banorte Sab D	332,067	649,376
557,760	Kimberly-clark De Mexico Sab D	822,313	950,897
432,793	Qualitas Controladora Sab De C	1,664,199	2,321,711
	Total Mexico	1.41% <u>3,652,067</u>	<u>4,833,346</u>
<i>Netherlands</i>			
66,406	Koninklijke Ahold Delhaize NV	1,793,339	1,877,712
1,125,556	Koninklijke Kpn NV	2,762,310	3,425,032
24,723	Koninklijke Philips NV	1,202,212	1,324,337
468,054	Pharming Group NV	596,935	728,458
393,268	Postnl NV	1,227,064	1,342,501
64,014	Royal Dutch Shell PLC	999,391	1,135,626
43,917	Signify NV	1,014,184	1,855,457
	Total Netherlands	3.42% <u>9,595,435</u>	<u>11,689,123</u>

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>Norway</i>			
47,263	Aker BP ASA	\$ 1,173,338	\$ 1,193,450
72,621	Equinor ASA	1,051,716	1,229,441
261,910	Norsk Hydro ASA	1,192,481	1,219,317
85,541	Orkla ASA	710,358	869,202
39,035	Telenor ASA	557,385	665,176
28,520	Yara International ASA	1,017,736	1,185,842
	Total Norway	1.86% <u>5,703,014</u>	<u>6,362,428</u>
<i>Portugal</i>			
97,207	Galp Energia Sgps SA	1,173,576	1,041,180
31,758	Jeronimo Martins Sgps SA	471,040	537,011
	Total Portugal	0.46% <u>1,644,616</u>	<u>1,578,191</u>
<i>Singapore</i>			
649,700	AEM Holdings Ltd	1,453,970	1,695,960
901,100	Sheng Siong Group Ltd	1,044,743	1,056,789
	Total Singapore	0.81% <u>2,498,713</u>	<u>2,752,749</u>
<i>South Africa</i>			
15,102	Anglo American Platinum Ltd	821,158	1,483,751
181,806	Vodacom Group Ltd	1,281,262	1,539,603
	Total South Africa	0.88% <u>2,102,420</u>	<u>3,023,354</u>
<i>South Korea</i>			
7,682	Hyundai Glovis Co Ltd	694,021	1,301,195
35,073	KB Financial Group Inc	1,317,394	1,401,241
60,224	LG Electronics Inc	3,474,011	7,484,341
170,006	NH Investment & Securities Co	1,371,265	1,768,450
4,563	Posco	1,175,316	1,142,535
85,624	Samsung Electronics Co Ltd	3,603,544	6,384,557
30,125	Samsung Securities Co Ltd	1,173,733	1,121,749
34,878	Silicon Works Co Ltd	1,651,697	1,868,636
	Total South Korea	6.57% <u>14,460,981</u>	<u>22,472,704</u>

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>Spain</i>			
24,780	Enagas SA	\$ 572,088	\$ 544,691
44,652	EndeSA SA	962,271	1,221,069
61,690	ACS Actividades De Construccio	1,468,265	2,049,304
189,470	Telefonica SA	861,342	752,275
189,470	Telefonica SA	46,697	41,793
487,452	Mapfre SA	802,627	950,100
	Total Spain	1.63% <u>4,713,290</u>	<u>5,559,232</u>
<i>Sweden</i>			
88,036	Atlas Copco AB	3,610,541	3,948,062
19,872	Evolution Gaming Group AB	1,273,442	2,019,975
62,893	Hennes & Mauritz AB	1,048,269	1,317,203
81,071	Sandvik AB	1,155,604	1,987,153
41,155	Scandi Standard AB	252,338	344,773
218,594	Telefonaktiebolaget Lm Ericsson	1,913,638	2,598,891
	Total Sweden	3.57% <u>9,253,832</u>	<u>12,216,057</u>
<i>Switzerland</i>			
22,132	Adecco Group AG	892,788	1,481,225
95,259	Credit Suisse Group AG	1,063,822	1,228,523
16,555	Dksh Holding AG	848,555	1,246,377
18,464	Galenica AG	1,329,812	1,232,396
23,735	Julius Baer Group Ltd	1,028,925	1,369,404
1,428	Kuehne + NAGel International A	195,611	324,388
27,256	Novartis AG	2,291,885	2,579,291
14,507	Roche Holding AG	5,252,496	5,087,584
3,601	Schindler Holding AG	849,707	971,999
	Total Switzerland	4.54% <u>13,753,601</u>	<u>15,521,187</u>
<i>Taiwan</i>			
462,000	Cathay Financial Holding Co Ltd	642,815	694,694
1,477,000	Cheng Loong Corp	1,249,176	1,787,245
1,705,000	CTBC Financial Holding Co Ltd	1,180,775	1,195,405
417,000	Fubon Financial Holding Co Ltd	615,272	693,813
217,000	Hon Hai Precision Industry Co	641,026	710,513
487,000	ITE Technology Inc	968,702	1,180,322
1,211,000	Kindom Development Co Ltd	1,690,422	1,450,287

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>Taiwan (Continued)</i>			
188,000	Novatek Microelectronics Corp	\$ 1,515,891	\$ 2,468,930
279,000	Pegatron Corp	608,038	668,258
94,000	Phison Electronics Corp	1,134,551	1,112,357
176,000	Pixart Imaging Inc	978,675	1,202,648
1,236,000	Qisda Corp	687,323	1,273,479
179,000	Realtek Semiconductor Corp	2,015,093	2,487,704
282,000	Sitronix Technology Corp	1,413,862	1,630,899
88,000	Taiwan Semiconductor Manufactu	1,011,591	1,659,905
1,542,000	Wistron Corp	1,462,962	1,701,260
	Total Taiwan	6.41% <u>17,816,174</u>	<u>21,917,719</u>
<i>Thailand</i>			
2,082,800	Supalai PCL	1,345,570	1,425,147
	Total Thailand	0.42% <u>1,345,570</u>	<u>1,425,147</u>
<i>Turkey</i>			
764,468	Aksigorta AS	648,800	956,549
36,278	Bim Birlesik Magazalar AS	296,350	368,515
131,805	Coca-cola Icecek AS	770,398	1,166,871
181,689	Deva Holding AS	496,483	590,107
828,147	Enerjisa Enerji AS	938,722	1,393,894
97,950	Ford Otomotiv Sanayi AS	821,384	1,660,505
416,799	Tofas Turk Otomobil Fabrikasi	1,324,480	1,902,162
1,197,885	Turkcell Iletisim Hizmetleri A	2,330,336	2,594,813
	Total Turkey	3.11% <u>7,626,953</u>	<u>10,633,416</u>
<i>United Kingdom</i>			
75,413	3I Group PLC	1,140,819	1,193,734
118,448	Ashtead Group PLC	3,172,526	5,566,552
308,349	Aviva PLC	1,104,451	1,370,710
726,214	Bae Systems PLC	4,392,705	4,852,309
968,761	BT Group PLC	1,290,332	1,751,318
104,992	CNH Industrial NV	1,142,923	1,326,380

**Hand Composite Employee Benefit Trust**  
**Schedule of Investments (Continued)**  
**GlobeFlex ACWI Ex-U.S. Equity CIF (Continued)**  
**December 31, 2020**

Number of Shares		Cost	Fair Value
<i>United Kingdom (Continued)</i>			
275,630	Direct Line Insurance Group Pl	\$ 997,784	\$ 1,201,904
169,867	Drax Group PLC	668,619	870,749
16,948	Ferguson PLC	1,165,154	2,058,162
114,224	Gamesys Group PLC	1,725,722	1,779,979
81,100	Glaxosmithkline PLC	1,620,344	1,487,736
136,007	Inchcape PLC	1,187,143	1,196,362
385,021	Kingfisher PLC	1,359,224	1,423,127
984,246	Man Group PLC/Jersey	1,497,604	1,856,673
24,693	Rio Tinto PLC	1,174,257	1,846,349
591,815	Royal Mail PLC	2,674,156	2,731,931
41,709	Safestore Holdings PLC	319,616	444,710
525,974	Spirent Communications PLC	1,620,534	1,898,108
167,490	Tate & Lyle PLC	1,327,362	1,544,042
15,592	Unilever PLC	854,949	936,088
	Total United Kingdom	<u>10.93%</u> <u>30,436,224</u>	<u>37,336,923</u>
	Total Foreign Stock	<u>98.55%</u> <u>275,873,753</u>	<u>336,871,611</u>
<b><u>Preferred Security</u></b>			
<i>Germany</i>			
113,818	Schaeffler AG	757,890	951,856
	Total Germany	<u>0.28%</u> <u>757,890</u>	<u>951,856</u>
	Total Preferred Security	<u>0.28%</u> <u>757,890</u>	<u>951,856</u>
	Total Investments	<u>100.00%</u> <u>\$ 280,645,215</u>	<u>\$ 341,837,039</u>

**Hand Composite Employee Benefit Trust**  
**Statement of Operations – Selected Fund**  
**Period May 18, 2020 (Inception) to December 31, 2020**

	<b>GlobeFlex ACWI Ex-U.S. Equity CIF</b>
<b>Income</b>	
Interest	\$ 2,179
Dividends (net of foreign tax expense \$370,196)	7,246,948
Total income	7,249,127
<b>Expenses</b>	
Investment management and administrative	476,266
Custody fees	112,375
Audit fees	7,500
Other	114,514
Total expenses before reimbursement of fees	710,655
Reimbursement of fees	(228,524)
Net expenses	482,131
<b>Net Investment Income</b>	6,766,996
<b>Net Realized Gains (Losses) on Investments and Foreign Currency</b>	
Net realized gains on investments	9,505,502
Net realized gains on foreign currency transactions	5,031,456
Net realized losses on foreign currency forward exchange contracts	(317,993)
Net realized gains on investments and foreign currency	14,218,965
<b>Change in Unrealized Appreciation on Investments and Foreign Currency</b>	
Change in unrealized appreciation on investments	42,775,676
Translation of assets and liabilities in foreign currencies	18,417,877
Change in unrealized appreciation on investments and foreign currency	61,193,553
Net realized and unrealized gains on investments and foreign currency	75,412,518
<b>Net Increase in Net Assets Resulting From Operations</b>	\$ 82,179,514

**Hand Composite Employee Benefit Trust**  
**Statement of Changes in Net Assets – Selected Fund**  
**Period May 18, 2020 (Inception) to December 31, 2020**

	<b>GlobeFlex ACWI Ex-U.S. Equity CIF</b>
<b>Operations</b>	
Net investment income	\$ 6,766,996
Net realized gains	14,218,965
Change in unrealized appreciation	61,193,553
Net increase in net assets from operations	82,179,514
<b>Net Increase in Net Assets From Participant Transactions</b>	260,819,469
<b>Increase in Net Assets Held for Participants</b>	342,998,983
<b>Net Assets Held for Participants</b>	
Beginning of period	-
End of period	\$ 342,998,983



# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2020

### 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 80 portfolios (the Funds); the financial statement of one of these funds is included in this report.

The Fund's inception date was May 18, 2020.

#### *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, 2020

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, 2020, resulting from changes in the exchange rates.

### ***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.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

### December 31, 2020

#### ***Federal Income Taxes***

The Fund complies with the requirements under Section 501(a) of the IRC and apports 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 27, 2021, which is the date the financial statements were available to be issued.

#### ***Investment Management Advisor***

The investment management advisor for the Fund is GlobeFlex Capital, L.P.

#### **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 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 period ended December 31, 2020, 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 average daily net assets:

Fund	Trustee/ Administrative Fees	Investment Advisory Fees	Custody Fees	Total Fees
<b>GlobeFlex ACWI Ex-U.S. Equity CIF</b>				
Class R1	0.06%	0.20%	0.06%	0.32%

**Hand Composite Employee Benefit Trust**  
**Notes to Financial Statements**  
**December 31, 2020**

**Note 3: Financial Highlights**

	<b>Class R1</b>
	<b>GlobeFlex ACWI Ex-U.S. Equity CIF*</b>
Net asset value, beginning of period	\$ 10.00
Net investment income	0.23
Net realized and unrealized gains	2.92
Net increase from investment operations	3.15
Net asset value, end of period	\$ 13.15
Total return	31.50%
Ratio to average net assets:	
Net investment income**	3.15%
Expenses without reimbursements**	0.35%
Expenses with reimbursements**	0.24%

\*For the period May 18, 2020 (inception) to December 31, 2020

\*\*Annualized

**Note 4: Participant Unit Transactions**

	<b>GlobeFlex ACWI Ex-U.S. Equity CIF</b>	
	<b>Units</b>	<b>Dollars</b>
<b>Class R1:</b>		
Proceeds from sales of units	26,085,564	\$ 260,819,469
Cost of units redeemed	-	-
Net change in Class R1 from participant transactions	26,085,564	260,819,469
Net increase in net assets from participant transactions		\$ 260,819,469

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

### December 31, 2020

#### 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:

- 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 period ended December 31, 2020.

**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.

**Foreign Stock and Preferred Securities.** 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 Depository Receipts and the movement of certain indexes of securities based on a statistical analysis of the historical relationship and are categorized as either Level 1 or 2 of the hierarchy.

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, 2020.

**Hand Composite Employee Benefit Trust**  
**Notes to Financial Statements**  
**December 31, 2020**

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>GlobeFlex ACWI Ex-U.S. Equity CIF</b>				
Short Term Investment	\$ 4,013,572	\$ 4,013,572	\$ -	\$ -
Foreign Stock	336,871,611	336,871,611	-	-
Preferred Security	951,856	951,856	-	-
Total	<u>\$ 341,837,039</u>	<u>\$ 341,837,039</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Note 6: 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 changes could materially affect the amounts reported in the accompanying statement of assets and liabilities.

Since January 2020, the COVID-19 pandemic created outbreaks of infectious illnesses, and countries throughout the globe were subject to other public health threats, infectious illnesses, diseases, or similar issues. Any spread of an infectious illness, public health threat or similar issue could alter consumer demand or economic output, result in market closures, travel restrictions or quarantines, and have a significant impact on the global economy, which in turn could adversely affect the Fund's investments and could result in increases or decreases in the Fund's net asset value.

***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.

# Hand Composite Employee Benefit Trust

## Notes to Financial Statements

December 31, 2020

### ***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.

## **Supplemental Information**



**Hand Composite Employee Benefit Trust**  
**Schedule of Investment Purchases and Sales**  
**GlobeFlex ACWI Ex-U.S. Equity CIF**  
**Period May 18, 2020 (Inception) to December 31, 2020**

<b>Purchases</b>	
<b>Investment Class</b>	<b>Cost</b>
Exchange-traded Funds – Equity	\$ 26,035,999
Foreign Stock	418,072,590
Preferred Securities	757,890
Total Investments Purchased	\$ 444,866,479

<b>Sales</b>			
<b>Investment Class</b>	<b>Proceeds</b>	<b>Cost</b>	<b>Gain</b>
Exchange-traded Funds – Equity	\$ 26,925,304	\$ 26,035,999	\$ 889,305
Foreign Stock	154,285,136	145,668,939	8,616,197
Total Investments Sold	\$ 181,210,440	\$ 171,704,938	\$ 9,505,502