



**Hand Composite Employee
Benefit Trust
Snyder Capital Small/Mid-Cap
Value Fund**

**Independent Auditor's Report and
Financial Statements**

December 31, 2023



Hand Composite Employee Benefit Trust
December 31, 2023

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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 financial statements of the selected fund, Snyder Capital Small/ Mid-Cap Value 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, 2023, 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, 2023, 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 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 basic financial statements as a whole.

FORVIS,LLP

Houston, Texas
May 31, 2024

Hand Composite Employee Benefit Trust
Statement of Assets and Liabilities – Selected Fund
December 31, 2023

	Snyder Capital Small/Mid-Cap Value Fund
Assets	
Investments, at cost	\$ 145,681,739
Investments, at fair value	\$ 182,393,361
Receivable for:	
Capital shares sold	977,479
Dividends and interest	243,449
Total assets	\$ 183,614,289
Liabilities	
Capital shares redeemed	\$ 5,534
Accounts payable and accrued liabilities	21,647
Class R1 accrued expenses	36,906
Class R2 accrued expenses	55,062
Total liabilities	\$ 119,149
Net assets held for participants:	
Class R1	\$ 89,637,021
Class R2	93,858,119
Total net assets held for participants	\$ 183,495,140
Units outstanding:	
Class R1	3,907,951
Class R2	4,062,762
Total units outstanding	7,970,713
Net asset value per unit:	
Class R1	\$ 22.94
Class R2	\$ 23.10

Hand Composite Employee Benefit Trust
Schedule of Investments
Snyder Capital Small/Mid-Cap Value Fund
December 31, 2023

Number of Shares		Cost	Fair Value
<i>Short Term Investment</i>			
2,120,806	First American Treasury Obligation Fund V	\$ 2,120,806	\$ 2,120,806
	Total Short Term Investment	1.16% 2,120,806	2,120,806
<i>Common Stock</i>			
<i>Consumer Discretionary</i>			
107,659	LKQ Corp	4,415,077	5,145,024
	Total Consumer Discretionary	2.80% 4,415,077	5,145,024
<i>Consumer Staples</i>			
56,541	Ingredion Inc	5,145,265	6,136,395
	Total Consumer Staples	3.34% 5,145,265	6,136,395
<i>Financials</i>			
75,979	Brown & Brown Inc	3,797,467	5,402,867
47,736	First American Financial Corp	2,629,216	3,076,108
404,879	Huntington Bancshares Inc	5,315,165	5,150,061
1,468	Markel Corp	1,712,569	2,084,413
101,826	National Retail Properties	4,488,958	4,388,701
59,552	Prosperity Bancshares Inc	3,836,653	4,033,456
	Total Financials	13.15% 21,780,028	24,135,606
<i>Healthcare</i>			
62,142	Bio-Techne Corp	4,232,562	4,794,877
24,023	Charles River Labs Intl Inc	4,784,688	5,679,037
147,107	Halozyme Therapeutics Inc	5,146,070	5,437,075
73,363	Henry Schein Inc	5,167,514	5,554,312
	Total Healthcare	11.70% 19,330,834	21,465,301

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Snyder Capital Small/Mid-Cap Value Fund (Continued)
December 31, 2023

Number of Shares		Cost	Fair Value
<i>Industrials</i>			
50,367	Ametek Inc	\$ 5,722,650	\$ 8,305,015
97,932	BWX Technologies Inc	5,620,587	7,514,322
61,091	Clean Harbors Inc	5,463,923	10,660,990
71,729	Copart Inc	1,873,575	3,514,721
34,958	Graco Inc	2,003,415	3,032,956
26,414	Heico Corp CL A	2,740,093	3,762,410
33,559	Hexcel Corp	2,217,951	2,474,976
13,194	Idex Corp	2,316,116	2,864,549
196,429	Openlane Inc	3,559,619	2,909,113
27,601	Woodward Inc	2,969,697	3,757,326
	Total Industrials	26.59% <u>34,487,626</u>	<u>48,796,378</u>
<i>Information Technology</i>			
78,780	Amphenol Corp Cl A	4,726,640	7,809,461
68,793	Coherent Corp	3,540,292	2,994,559
50,452	Dolby Laboratories Inc	3,783,649	4,347,953
79,927	Entegris Inc	5,101,167	9,576,853
18,416	Keysight Technologies Inc	2,291,168	2,929,801
109,032	SS&C Technologies Holdings Inc	5,905,330	6,662,946
19,443	Synopsys Inc	4,124,067	10,011,396
	Total Information Technology	24.16% <u>29,472,313</u>	<u>44,332,969</u>
<i>Materials</i>			
64,117	Cabot Corporation	3,527,408	5,353,770
59,868	FMC Corporation	6,468,613	3,774,677
	Total Materials	4.97% <u>9,996,021</u>	<u>9,128,447</u>
<i>Real Estate</i>			
8,218	Mid-America Apartment Communities	1,131,960	1,104,992
	Total Real Estate	0.60% <u>1,131,960</u>	<u>1,104,992</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Snyder Capital Small/Mid-Cap Value Fund (Continued)
December 31, 2023

Number of Shares			Cost	Fair Value
<i>Utilities</i>				
155,401	UGI Corporation		\$ 4,710,354	\$ 3,822,865
	Total Utilities	2.08%	<u>4,710,354</u>	<u>3,822,865</u>
	Total Common Stock	89.39%	<u>130,469,478</u>	<u>164,067,977</u>
<i><u>Foreign Stock</u></i>				
<i>Consumer Discretionary</i>				
19,363	Helen of Troy		2,983,085	2,339,244
	Total Consumer Discretionary	1.27%	<u>2,983,085</u>	<u>2,339,244</u>
<i>Healthcare</i>				
17,674	Steris PLC		2,896,466	3,885,629
	Total Healthcare	2.12%	<u>2,896,466</u>	<u>3,885,629</u>
<i>Industrial</i>				
62,684	Waste Connections Inc		6,589,039	9,356,840
	Total Industrial	5.10%	<u>6,589,039</u>	<u>9,356,840</u>
	Total Foreign Stock	8.49%	<u>12,468,590</u>	<u>15,581,713</u>
<i><u>Common Trust Fund</u></i>				
<i>Fixed Income</i>				
622,865	HB&T Short Term Income Fund		622,865	622,865
	Total Fixed Income	0.34%	<u>622,865</u>	<u>622,865</u>
	Total Common Trust Fund	0.34%	<u>622,865</u>	<u>622,865</u>
	Total Investments	99.38%	<u>\$ 145,681,739</u>	<u>\$ 182,393,361</u>

Hand Composite Employee Benefit Trust
Statement of Operations – Selected Fund
Year Ended December 31, 2023

	Snyder Capital Small/Mid-Cap Value Fund
Income	
Interest	\$ 230,642
Dividends	2,162,851
Total income	2,393,493
Expenses	
Investment management and administrative	148,627
Custody fees	45,211
Audit fees	5,500
Miscellaneous	1,402
Class R1 expenses	446,902
Class R2 expenses	641,563
Total expenses	1,289,205
Net Investment Income	1,104,288
Net Realized and Unrealized Gains on Investments	
Net realized gains	2,016,061
Net change in unrealized appreciation/depreciation	16,217,987
Net realized and unrealized gains on investments	18,234,048
Net Increase in Net Assets Resulting From Operations	\$ 19,338,336

Hand Composite Employee Benefit Trust
Statement of Changes in Net Assets – Selected Fund
Year Ended December 31, 2023

	Snyder Capital Small/Mid-Cap Value Fund
Operations	
Net investment income	\$ 1,104,288
Net realized gains	2,016,061
Change in unrealized appreciation/depreciation	<u>16,217,987</u>
Net increase in net assets from operations	19,338,336
Net Decrease in Net Assets From Participant Transactions	<u>(21,606,408)</u>
Decrease in Net Assets	(2,268,072)
Net Assets	
Beginning of year	<u>185,763,212</u>
End of year	<u><u>\$ 183,495,140</u></u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

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 76 portfolios (the Funds); the financial statements of one of those funds are included in this report.

Each class of units 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.

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

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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

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 their taxable income to their participants. Therefore, no federal income tax provision is required.

Subsequent Events

Subsequent events have been evaluated through May 31, 2024, which is the date the financial statements were available to be issued.

Investment Management Advisor

The investment management advisor for the Fund is Snyder Capital Management, 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 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.

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	Administrative Fees	Investment Advisory Fees	Custody Fees	Other Fees	Total Fees
Snyder Capital Small/ Mid-Cap Value Fund:					
Class R1	0.12%	0.50%	0.02%	0.01%	0.65%
Class R2	0.12%	0.70%	0.02%	0.01%	0.85%

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

Note 3: Financial Highlights

	Snyder Capital Small/ Mid-Cap Value Fund	
	Class R1	Class R2
Net asset value, beginning of the year	\$ 20.53	\$ 20.72
Net investment loss	0.15	0.11
Net realized and unrealized gains	2.26	2.27
Net increase from investment operations	2.41	2.38
Net asset value, end of the year	\$ 22.94	\$ 23.10
Total return	11.74%	11.49%
Ratio to average net assets:		
Net investment income	0.72%	0.51%
Expenses	0.61%	0.81%

Note 4: Participant Unit Transactions

	Snyder Capital Small/ Mid-Cap Value Fund	
	Units	Dollars
Class R1:		
Proceeds from sales of units	334,949	\$ 7,332,259
Cost of units redeemed	(1,027,464)	(21,591,978)
Net change in Class R1 from participant transactions	(692,515)	(14,259,719)
Class R2:		
Proceeds from sales of units	329,032	7,109,912
Cost of units redeemed	(672,865)	(14,456,601)
Net change in Class R2 from participant transactions	(343,833)	(7,346,689)
Net decrease in total net assets from participant transactions		\$ (21,606,408)

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2023

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 year ended December 31, 2023.

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 trading patterns of the foreign security to the intraday in the U.S. markets for investments, such as American Depositary Receipts and the movement of the 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, 2023

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, 2023:

	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)
Snyder Capital Small/Mid-Cap Value Fund				
Short Term Investment	\$ 2,120,806	\$ 2,120,806	\$ -	\$ -
Common Stock	164,067,977	164,067,977	-	-
Foreign Stock	15,581,713	15,581,713	-	-
Common Trust Fund - Fixed Income (A)	<u>622,865</u>			
Total	<u>\$ 182,393,361</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 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.

Supplemental Information

Hand Composite Employee Benefit Trust
Schedule of Investment Purchases and Sales
Snyder Capital Small/Mid-Cap Value Fund
Year Ended December 31, 2023

Purchases

Investment Class	Proceeds
Common Stock	\$ 16,856,726
Foreign Stock	509,205
Common Trust Fund - Fixed Income	<u>7,760,643</u>
Total Investments Sold	<u><u>\$ 25,126,574</u></u>

Sales

Investment Class	Proceeds	Cost	Gains
Common Stock	\$ 37,524,071	\$ 35,904,171	\$ 1,619,900
Foreign Stock	2,075,201	1,679,040	396,161
Common Trust Fund - Fixed Income	<u>7,729,501</u>	<u>7,729,501</u>	<u>-</u>
Total Investments Purchased	<u><u>\$ 47,328,773</u></u>	<u><u>\$ 45,312,712</u></u>	<u><u>\$ 2,016,061</u></u>