

Channing Capital SMID-Cap Intrinsic Value CIF R2

Data as of 6/30/2020



Channing Capital Management LLC

About the Fund

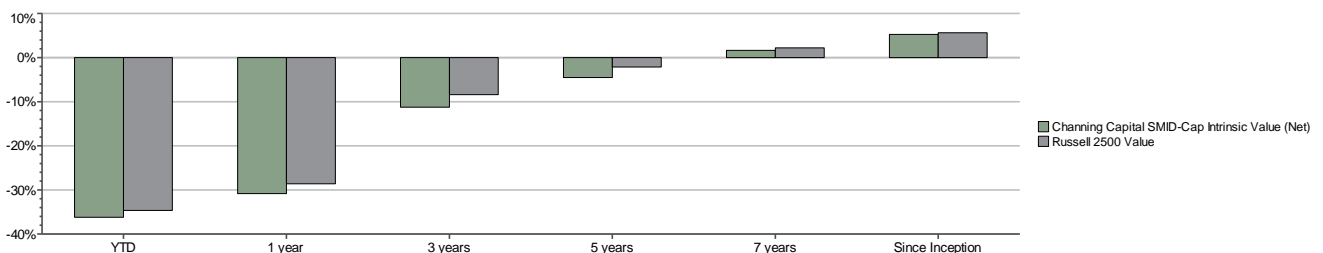
The Channing Capital SMID-Cap Intrinsic Value CIF R1 is a collective investment fund ("CIF") created by the Hand Composite Employee Benefit Trust and sponsored by Hand Benefits & Trust Company, a BPAS company, that invest in the strategies of Channing Capital Management, LLC which serves as the sub-advisor to the CIF.

Strategy inception date: 5/15/2018.

Portfolio Strategy

In seeking long-term capital appreciation, Channing's investment team utilizes a fundamental, concentrated, bottom-up value investment philosophy that focuses on undervalued and neglected small and mid capitalization stocks, primarily stocks within a market capitalization range of \$300 million to \$20 billion. With this "Best Ideas" approach, Channing looks for companies that are trading at significant discounts to their intrinsic value. Total SMID Value Assets under management were approximately \$289 million as of 6/30/2020.

Performance Data as of June 30, 2020



	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception
Channing SMID Value (Net)	-20.80%	-16.81%	-5.01%	-0.27%	4.52%	7.81%
Russell 2500 Value [®]	-21.18%	-15.50%	-2.60%	1.85%	4.74%	7.83%

Sector Allocation

as of June 30, 2020

Communication Services	6.03%
Consumer Discretionary	10.57%
Consumer Staples	5.04%
Energy	2.42%
Financials	15.75%
Health Care	9.73%
Industrials	24.46%
Information Technology	13.98%
Materials	7.17%
Real Estate	4.85%
Utilities	0.00%

Portfolio Composition

Top Ten Equity Holdings Ranked by % of Portfolio as of June 30, 2020

Ticker	Holding	% of total
1. DAR	DARLING INGREDIENTS INC	2.77
2. MAS	MASCO CORP	2.75
3. ITT	ITT INC	2.64
4. FLOW	SPX FLOW INC	2.61
5. SPXC	SPX CORP	2.59
6. CRL	CHARLES RIVER LABORATORIES	2.54
7. XRAY	DENTSPLY SIRONA INC	2.54
8. ON	ON SEMICONDUCTOR CORP	2.53
9. HRC	HILL-ROM HOLDINGS INC	2.51
10. RXN	REXNORD CORP	2.49

Portfolio Characteristics as of June 30, 2020

Characteristics	SMID-Cap Intrinsic Value CIF R2
Cusip	41026E277
Expense Ratio*	0.50%
Investment Category	U.S. Small- Mid Cap Value Equity
Inception Date	5/18/2018
Number of Holdings	45
Annual Portfolio Turnover Rate	36.94%
Effects of fees per \$1000 Investment*	\$5.00

*The total expense ratio includes 0 bps of service fees payable to the plan's service providers. The related performance of the Channing SMID Value Composite historical performance for a composite of Channing Capital Management Separately Managed Accounts for the time period referenced. This performance is representative of the Channing Capital SMID Cap Intrinsic Value Strategy employed by the CIF. This information is supplemental to the GIPS Compliant Disclosures on Page 3.

Channing Capital SMID-Cap Intrinsic Value CIF R2

Data as of 6/30/2020



Channing Capital Management LLC

Investment Philosophy – Focused and Long-Term

Channing's investment team utilizes a fundamental, bottom-up value investment philosophy that focuses on undervalued and neglected small and mid-capitalization stocks, principally stocks within a market capitalization range of \$300 million to \$20 billion. With this approach the team looks for companies that are trading at significant discounts to their intrinsic value, providing what Channing and other value investors often refer to as a "margin of safety." While many Wall Street participants tend to focus on short-term company fundamentals, it is our belief that over time, stock prices will converge towards values which correspond to their intrinsic worth. We attempt to capture above average returns for our clients through our investment process and discipline based on this market tendency. As a result, Channing's relatively concentrated and low risk approach focuses on stock picking rather than market timing or sector allocation.

Investing in undervalued and small and mid-sized companies has historically proven to yield outsized returns over the long term. Channing is inspired by the pioneers of value investing such as Ben Graham, and more recently, Warren Buffett, who effectively employed related disciplines with legendary success. While the marketplace has become much larger, dynamic, and more efficient over the years given the proliferation of information and media, the short-term nature of Wall Street has not changed. The intrinsic value of business franchises often takes time to be recognized widely, particularly when a company or an industry has been out of favor. This is why we believe that our investment discipline will continue to be rewarding for long-term investors. However, our results may not always correlate closely with broader or comparable market indices. This only means that the investment rewards of Channing's approach are best measured over a full market cycle.

Investment Process – Diligent and Experienced

The investment team relies heavily on its deep knowledge and experience in certain sectors and industries to generate investment ideas. Channing believes that its specialized knowledge of select sectors and industries better enables the investment team to identify long-term value opportunities for client portfolios over a multi-year holding period.

Investment ideas are also generated internally through Channing's proprietary screening and selection process. This proprietary process is used to complement the investment team's 50 years of combined experience in identifying characteristics that have the greatest impact on the potential success of investing in a particular stock.

Regardless of the source, Channing's investment team attempts to identify quality companies with share prices that are trading at significant discounts to their intrinsic value. Typically, these are companies with operations or in industries that have not performed well for some period and/or companies that are, in our opinion, misunderstood or under-followed by Wall Street.

As part of Channing's rigorous research process, the investment team compiles information from multiple industry sources for insights including:

- Management quality
- Product and/or service quality
- Business cycle(s) for the company's key products or services
- New product or service offerings in the pipeline that could enhance future growth.
- Industry characteristics

Client portfolios are constructed on a stock-by-stock basis with emphasis given to the return potential of individual securities. Channing relies primarily on stock selection to generate above average returns as opposed to forecasts which emphasize sector weightings relative to a portfolio benchmark. However, sector and industry diversification is also employed as a risk management tool.

CIF Disclosure

The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Channing Capital Management, LLC and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIF is a security which has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Act of 1940. The Channing Capital SMID-Cap Intrinsic Value CIF is new and has limited performance to report. Supplemental performance displayed is of the Channing SMID Value Composite and is for illustrative purposes. Actual CIF returns may differ. The performance quoted here does not guarantee future results. As market conditions fluctuate, the investment return and principal value of any investment will change. Diversification may not protect against market risk. There are risks involved with investing, including possible loss of principal. Before investing in any investment portfolio, the client and the financial professional should carefully consider client investment objectives, time horizon, risk tolerance, and fees. This fund is available for investment by eligible qualified retirement plan trusts only.

Principal Risks: Any of the principal risks summarized below may adversely affect the Fund's net asset value, performance and ability to meet its investment objective.

Suitability: Investors are expected to select investments whose investment strategies are consistent with their financial goals and risk tolerance.

Active Management: The investment is actively managed and subject to the risk that the advisor's usage of investment techniques and risk analyses to make investment decisions fails to perform as expected, which may cause the portfolio to lose value or underperform investments with similar objectives and strategies or the market in general.

Equity Securities: The value of equity securities, which include common, preferred, and convertible preferred stocks, will fluctuate based on changes in their issuers' financial conditions, as well as overall market and economic conditions, and can decline in the event of deteriorating issuer, market, or economic conditions.

New Fund: Investments with a limited history of operations may be subject to the risk that they do not grow to an economically viable size in order to continue operations.