



Hand Composite Employee Benefit Trust Directions Funds

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

December 31, 2025



Hand Composite Employee Benefit Trust
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December 31, 2025

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Independent Auditor's Report

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

Opinions

We have audited the financial statements of the selected funds, Directions 1 – Conservative, Directions 2 – Moderately Conservative, Directions 3 – Moderate, Directions 4 – Moderately Aggressive, and Directions 5 – Aggressive (Funds), included in the Hand Composite Employee Benefit Trust, which comprise the statements of assets and liabilities, including the schedules of investments, as of December 31, 2025, 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 funds, included in the Hand Composite Employee Benefit Trust, as of December 31, 2025, and the results of their operations and the changes in their net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 funds 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 opinions.

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 funds' 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 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 funds' 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 funds' 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' financial statements. The schedules of investment purchases and sales listed in the table of contents are presented for purposes of additional analysis and are 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Forvis Mazars, LLP

**Houston, Texas
May 29, 2026**

Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2025

	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate
ASSETS			
Investments, at cost	<u>\$ 36,415,395</u>	<u>\$ 37,889,699</u>	<u>\$ 108,374,892</u>
Investments, at fair value	\$ 41,479,634	\$ 45,869,372	\$ 138,923,456
Receivable for Capital shares sold	<u>50,820</u>	<u>5,873</u>	<u>49,204</u>
Total Assets	<u><u>\$ 41,530,454</u></u>	<u><u>\$ 45,875,245</u></u>	<u><u>\$ 138,972,660</u></u>
LIABILITIES			
Payable for capital shares redeemed	\$ -	\$ -	\$ 1,020
Accounts payable and accrued liabilities	<u>2,695</u>	<u>2,801</u>	<u>9,098</u>
Total Liabilities	<u><u>\$ 2,695</u></u>	<u><u>\$ 2,801</u></u>	<u><u>\$ 10,118</u></u>
Net assets held for participants			
Class I	<u>\$ 41,527,759</u>	<u>\$ 45,872,444</u>	<u>\$ 138,962,542</u>
Total net assets held for participants	<u><u>\$ 41,527,759</u></u>	<u><u>\$ 45,872,444</u></u>	<u><u>\$ 138,962,542</u></u>
Units outstanding			
Class I	<u>3,491,525</u>	<u>3,629,317</u>	<u>10,399,104</u>
Total units outstanding	<u><u>3,491,525</u></u>	<u><u>3,629,317</u></u>	<u><u>10,399,104</u></u>
Net asset value per unit			
Class I	<u><u>\$ 11.89</u></u>	<u><u>\$ 12.64</u></u>	<u><u>\$ 13.36</u></u>

**Hand Composite Employee Benefit Trust
Statements of Assets and Liabilities – Selected Funds
December 31, 2025**

(Continued)

	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
ASSETS		
Investments, at cost	\$ 277,929,491	\$ 140,541,864
Investments, at fair value	\$ 347,968,922	\$ 190,759,242
Receivable for Capital shares sold	32,747	97,071
Total Assets	\$ 348,001,669	\$ 190,856,313
LIABILITIES		
Payable for capital shares redeemed	\$ 6,846	\$ 8,549
Accounts payable and accrued liabilities	23,027	12,804
Total Liabilities	\$ 29,873	\$ 21,353
Net assets held for participants Class I	\$ 347,971,796	\$ 190,834,960
Total net assets held for participants	\$ 347,971,796	\$ 190,834,960
Units outstanding Class I	25,150,079	13,336,229
Total units outstanding	25,150,079	13,336,229
Net asset value per unit Class I	\$ 13.84	\$ 14.31

Hand Composite Employee Benefit Trust
Directions 1 – Conservative
Schedule of Investments
December 31, 2025

<u>Number of Shares</u>		<u>% of Net Assets</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>				
753,712	State Street Instl US Govt Money Market Fund Premier CL		\$ 753,712	\$ 753,712
	Total Short Term Investments	1.81%	<u>753,712</u>	<u>753,712</u>
<u>Common Trust Funds</u>				
Equity				
139,217	State Street Gbl All Cap Eqty EX-US II		1,863,017	2,584,845
41,551	State Street Russell Sm/mid Cap Indx CL II		648,083	862,436
165,057	State Street S&P 500 Index II		<u>3,529,297</u>	<u>5,034,565</u>
	Total Equity	20.42%	<u>6,040,397</u>	<u>8,481,846</u>
Fixed Income				
1,854,683	Retirement Right Stable Value II ^[1]		19,538,377	20,865,190
254,120	State Street US Bond Sec Lending CL XIV		2,658,829	2,932,546
176,367	State Street US High Yield Bond Index SEC Lending Series CL I		2,132,703	2,588,886
445,807	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index		<u>5,291,377</u>	<u>5,857,454</u>
	Total Fixed Income	77.64%	<u>29,621,286</u>	<u>32,244,076</u>
	Total Common Trust Funds	98.07%	<u>35,661,683</u>	<u>40,725,922</u>
	Total Investments	99.88%	<u>\$ 36,415,395</u>	<u>\$ 41,479,634</u>

[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$424,659,439. United of Omaha Contract Save-29974 is a Fixed Rate Guaranteed Interest Contract (GIC) underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$20,608,116 as of December 31, 2025.

Hand Composite Employee Benefit Trust
Directions 2 – Moderately Conservative
Schedule of Investments
December 31, 2025

<u>Number of Shares</u>		<u>% of Net Assets</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>				
909,628	State Street Instl US Govt Money Market Fund Premier CL		\$ 909,628	\$ 909,628
	Total Short Term Investments	1.98%	909,628	909,628
<u>Common Trust Funds</u>				
Equity				
275,160	State Street Gbl All Cap Eqty EX-US II		3,588,540	5,108,904
215,460	State Street Russell Sm/mid Cap Indx CL II		3,220,142	4,472,086
256,575	State Street S&P 500 Index II		5,084,264	7,826,057
	Total Equity	37.95%	11,892,946	17,407,047
Fixed Income				
1,483,987	Retirement Right Stable Value II ^[1]		15,585,169	16,694,849
235,903	State Street US Bond Sec Lending CL XIV		2,531,500	2,722,324
155,119	State Street US High Yield Bond Index SEC Lending Series CL I		1,814,118	2,276,986
377,819	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index		4,401,598	4,964,170
	Total Fixed Income	58.11%	24,332,385	26,658,329
Other				
69,084	State Street Global Real Estate Securities Index SEC Lending CL I		754,740	894,368
	Total Other	1.95%	754,740	894,368
	Total Common Trust Funds	98.01%	36,980,071	44,959,744
	Total Investments	99.99%	\$ 37,889,699	\$ 45,869,372

^[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$424,659,439. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$16,489,159 as of December 31, 2025.

Hand Composite Employee Benefit Trust
Directions 3 – Moderate
Schedule of Investments
December 31, 2025

<u>Number of Shares</u>		<u>% of Net Assets</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>				
2,154,618	State Street Instl US Govt Money Market Fund Premier CL		\$ 2,154,618	\$ 2,154,618
	Total Short Term Investments	1.55%	<u>2,154,618</u>	<u>2,154,618</u>
<u>Common Trust Funds</u>				
Equity				
1,459,734	State Street Gbl All Cap Eqty EX-US II		18,943,272	27,102,875
794,911	State Street Russell Sm/mid Cap Indx CL II		11,782,066	16,499,181
1,047,719	State Street S&P 500 Index II		<u>20,784,142</u>	<u>31,957,534</u>
	Total Equity	54.37%	<u>51,509,480</u>	<u>75,559,590</u>
Fixed Income				
2,801,482	Retirement Right Stable Value II ^[1]		29,183,681	31,516,676
491,648	State Street US Bond Sec Lending CL XIV		5,093,452	5,673,618
387,217	State Street US High Yield Bond Index SEC Lending Series CL I		4,536,129	5,683,956
744,156	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index		<u>8,716,169</u>	<u>9,777,460</u>
	Total Fixed Income	37.89%	<u>47,529,431</u>	<u>52,651,710</u>
Other				
240,131	State Street Bloomberg Roll Select Commodity Index Non – Lending Securities CL A		2,365,823	2,879,170
438,620	State Street Global Real Estate Securities Index SEC Lending CL I		<u>4,815,540</u>	<u>5,678,368</u>
	Total Other	6.16%	<u>7,181,363</u>	<u>8,557,538</u>
	Total Common Trust Funds	98.42%	<u>106,220,274</u>	<u>136,768,838</u>
	Total Investments	99.97%	<u>\$ 108,374,892</u>	<u>\$ 138,923,456</u>

[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$424,659,439. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$31,128,370 as of December 31, 2025.

Hand Composite Employee Benefit Trust
Directions 4 – Moderately Aggressive
Schedule of Investments
December 31, 2025

Number of Shares		% of Net Assets	Cost	Fair Value
<u>Short Term Investments</u>				
300,833	State Street Instl US Govt Money Market Fund Premier CL		\$ 300,833	\$ 300,833
	Total Short Term Investments	<i>0.09%</i>	<u>300,833</u>	<u>300,833</u>
<u>Common Trust Funds</u>				
Equity				
4,851,224	State Street Gbl All Cap Eqty EX-US II		67,433,499	90,072,683
2,535,647	State Street Russell Sm/mid Cap Indx CL II		40,658,532	52,629,895
2,859,471	State Street S&P 500 Index II		<u>62,626,401</u>	<u>87,219,593</u>
	Total Equity	<i>66.07%</i>	<u>170,718,432</u>	<u>229,922,171</u>
Fixed Income				
4,207,851	Retirement Right Stable Value II ^[1]		44,568,743	47,338,320
909,539	State Street US Bond Sec Lending CL XIV		9,685,111	10,496,081
480,271	State Street US High Yield Bond Index SEC Lending Series CL I		5,979,547	7,049,893
1,333,620	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index		<u>16,061,539</u>	<u>17,522,427</u>
	Total Fixed Income	<i>23.68%</i>	<u>76,294,940</u>	<u>82,406,721</u>
Other				
1,204,297	State Street Bloomberg Roll Select Commodity Index Non – Lending Securities CL A		12,292,096	14,439,515
1,614,374	State Street Global Real Estate Securities Index SEC Lending CL I		<u>18,323,190</u>	<u>20,899,682</u>
	Total Other	<i>10.16%</i>	<u>30,615,286</u>	<u>35,339,197</u>
	Total Common Trust Funds	<i>99.91%</i>	<u>277,628,658</u>	<u>347,668,089</u>
	Total Investments	<i>100.00%</i>	<u>\$ 277,929,491</u>	<u>\$ 347,968,922</u>

[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$424,659,439. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$46,755,082 as of December 31, 2025.

Hand Composite Employee Benefit Trust
Directions 5 – Aggressive
Schedule of Investments
December 31, 2025

<u>Number of Shares</u>		<u>% of Net Assets</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Short Term Investments</u>				
1,593,387	State Street Instl US Govt Money Market Fund Premier CL		\$ 1,593,387	\$ 1,593,387
	Total Short Term Investments	0.83%	<u>1,593,387</u>	<u>1,593,387</u>
<u>Common Trust Funds</u>				
Equity				
3,154,740	State Street Gbl All Cap Eqty EX-US II		41,151,700	58,574,056
1,744,123	State Street Russell Sm/mid Cap Indx CL II		26,099,468	36,201,011
1,659,404	State Street S&P 500 Index II		<u>32,736,711</u>	<u>50,615,140</u>
	Total Equity	76.19%	<u>99,987,879</u>	<u>145,390,207</u>
Fixed Income				
1,154,426	Retirement Right Stable Value II ^[1]		12,496,267	12,987,287
292,702	State Street 1-10 Yr US Treasury Inflation Protected Secs (TIPS) Index		<u>3,712,334</u>	<u>3,845,806</u>
	Total Fixed Income	8.82%	<u>16,208,601</u>	<u>16,833,093</u>
Other				
970,025	State Street Bloomberg Roll Select Commodity Index Non – Lending Securities CL A		9,532,006	11,630,594
1,182,756	State Street Global Real Estate Securities Index SEC Lending CL I		<u>13,219,991</u>	<u>15,311,961</u>
	Total Other	14.12%	<u>22,751,997</u>	<u>26,942,555</u>
	Total Common Trust Funds	99.13%	<u>138,948,477</u>	<u>189,165,855</u>
	Total Investments	99.96%	<u>\$ 140,541,864</u>	<u>\$ 190,759,242</u>

[1] Retirement Right Stable Value II holds shares in United of Omaha Contract Save-29974, with a fair value of \$424,659,439. United of Omaha Contract Save-29974 is a Fixed Rate GIC underwritten by Mutual of Omaha Insurance Company. The Fund's proportionate share of this investment is valued at \$12,827,275 as of December 31, 2025.

**Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2025**

	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate
Income			
Interest	\$ 38,353	\$ 31,313	\$ 73,418
Total Income	<u>38,353</u>	<u>31,313</u>	<u>73,418</u>
Expenses			
Investment management and administrative	14,725	15,982	50,264
Other fees	5,615	5,594	19,881
Total Expenses	<u>20,340</u>	<u>21,576</u>	<u>70,145</u>
Net Investment Income	<u>18,013</u>	<u>9,737</u>	<u>3,273</u>
Net Realized and Unrealized Gains on Investments			
Net realized gains	1,058,276	1,311,644	7,199,889
Net change in unrealized appreciation/depreciation	2,172,236	3,423,134	12,450,199
Net Realized and Unrealized Gains on Investments	<u>3,230,512</u>	<u>4,734,778</u>	<u>19,650,088</u>
Net Increase in Net Assets Resulting From Operations	<u>\$ 3,248,525</u>	<u>\$ 4,744,515</u>	<u>\$ 19,653,361</u>

**Hand Composite Employee Benefit Trust
Statements of Operations – Selected Funds
Year Ended December 31, 2025**

(Continued)

	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
Income		
Interest	\$ 170,159	\$ 125,113
Total Income	<u>170,159</u>	<u>125,113</u>
Expenses		
Investment management and administrative	103,712	78,866
Other fees	38,777	35,968
Total Expenses	<u>142,489</u>	<u>114,834</u>
Net Investment Income	<u>27,670</u>	<u>10,279</u>
Net Realized and Unrealized Gains on Investments		
Net realized gains	8,567,488	26,190,825
Net change in unrealized appreciation/depreciation	38,942,787	12,924,717
Net Realized and Unrealized Gains on Investments	<u>47,510,275</u>	<u>39,115,542</u>
Net Increase in Net Assets Resulting From Operations	<u>\$ 47,537,945</u>	<u>\$ 39,125,821</u>

Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2025

	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate
Operations			
Net investment income	\$ 18,013	\$ 9,737	\$ 3,273
Net realized gains	1,058,276	1,311,644	7,199,889
Change in unrealized appreciation/depreciation	<u>2,172,236</u>	<u>3,423,134</u>	<u>12,450,199</u>
Net Increase in Net Assets From Operations	3,248,525	4,744,515	19,653,361
Net Decrease in Net Assets From Participant Transactions	<u>(3,088,629)</u>	<u>(2,603,415)</u>	<u>(29,270,037)</u>
Increase (Decrease) in Net Assets	159,896	2,141,100	(9,616,676)
Net Assets			
Beginning of year	<u>41,367,863</u>	<u>43,731,344</u>	<u>148,579,218</u>
End of year	<u><u>\$ 41,527,759</u></u>	<u><u>\$ 45,872,444</u></u>	<u><u>\$ 138,962,542</u></u>

**Hand Composite Employee Benefit Trust
Statements of Changes in Net Assets – Selected Funds
Year Ended December 31, 2025**

(Continued)

	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
Operations		
Net investment income	\$ 27,670	\$ 10,279
Net realized gains	8,567,488	26,190,825
Change in unrealized appreciation/depreciation	<u>38,942,787</u>	<u>12,924,717</u>
Net Increase in Net Assets From Operations	47,537,945	39,125,821
Net Increase (Decrease) in Net Assets From Participant Transactions	<u>67,551,213</u>	<u>(118,776,221)</u>
Increase (Decrease) in Net Assets	115,089,158	(79,650,400)
Net Assets		
Beginning of year	<u>232,882,638</u>	<u>270,485,360</u>
End of year	<u>\$ 347,971,796</u>	<u>\$ 190,834,960</u>

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

Nature of Operations

Hand Composite Employee Benefit Trust (HB&T or Trust) was created in order to provide broad and uniform diversification programs for pension and profit-sharing plans which, having complied with the requirements of the Internal Revenue Code (IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 108 portfolios (Funds); the financial statements of five of those funds are included in this report.

Each class of units, if applicable, 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 the 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 Funds 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 Funds 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 Funds are valued daily.

Federal Income Taxes

The Funds comply 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

As a result of ongoing changes in global economic and fiscal policies, economic uncertainties have arisen that may negatively affect the financial position, results of operations, and cash flows of the Funds. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2025

Subsequent events have been evaluated through May 29, 2026, which is the date the financial statements were available to be issued.

Investment Management Advisor

The investment management advisor for the Funds is Mesirow Financial Holdings, Inc.

Note 2. Investment Advisory Fees and Other Transactions With Affiliates

The Funds are charged an administrative fee by HB&T for trustee/administrative services (fund accounting services, transfer agency services, trustee services, etc.). The Funds have 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 Funds and the various classes of units within the Funds (as a percentage of net assets). These charges are calculated using each Fund's average daily net assets.

Fund	Administrative Fees	Total Fees
Directions 1 Conservative Class I	0.04%	0.04%
Directions 2 Moderately Conservative Class I	0.04%	0.04%
Directions 3 Moderate Class I	0.04%	0.04%
Directions 4 Moderately Aggressive Class I	0.04%	0.04%
Directions 5 Aggressive Class I	0.04%	0.04%

Hand Composite Employee Benefit Trust
Notes to Financial Statements
December 31, 2025

Note 3. Financial Highlights

	Class I				
	Directions 1 – Conservative	Directions 2 – Moderately Conservative	Directions 3 – Moderate	Directions 4 – Moderately Aggressive	Directions 5 – Aggressive
Net asset value, beginning of the year	\$ 11.02	\$ 11.40	\$ 11.66	\$ 11.81	\$ 11.99
Net investment income	-	-	-	-	-
Net realized and unrealized gains	0.87	1.24	1.70	2.03	2.32
Net increase from investment operations	0.87	1.24	1.70	2.03	2.32
Net asset value, end of the year	<u>\$ 11.89</u>	<u>\$ 12.64</u>	<u>\$ 13.36</u>	<u>\$ 13.84</u>	<u>\$ 14.31</u>
Total return	7.89%	10.88%	14.58%	17.19%	19.35%
Ratio to average net assets					
Net investment income	0.04%	0.02%	0.00%	0.01%	0.01%
Expenses	0.05%	0.05%	0.05%	0.05%	0.05%

Note 4. Participant Unit Transactions

	Directions 1 – Conservative		Directions 2 – Moderately Conservative		Directions 3 – Moderate	
	Units	Dollars	Units	Dollars	Units	Dollars
Class I						
Proceeds from sales of units	1,096,802	\$ 12,428,738	876,478	\$ 10,347,414	1,341,728	\$ 16,319,066
Cost of units redeemed	(1,359,604)	(15,517,367)	(1,084,016)	(12,950,829)	(3,689,711)	(45,589,103)
Net change in Class I from participant unit transactions	<u>(262,802)</u>	<u>(3,088,629)</u>	<u>(207,538)</u>	<u>(2,603,415)</u>	<u>(2,347,983)</u>	<u>(29,270,037)</u>
Net change in net assets from participant unit transactions		<u>\$ (3,088,629)</u>		<u>\$ (2,603,415)</u>		<u>\$(29,270,037)</u>

Hand Composite Employee Benefit Trust
Notes to Financial Statements
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	Directions 4 –		Directions 5 – Aggressive	
	Moderately Aggressive			
	Units	Dollars	Units	Dollars
Class I				
Proceeds from sales of units	9,448,001	\$ 118,488,818	1,223,170	\$ 15,575,784
Cost of units redeemed	<u>(4,020,856)</u>	<u>(50,937,605)</u>	<u>(10,447,920)</u>	<u>(134,352,005)</u>
Net change in Class I from participant transactions	<u>5,427,145</u>	<u>67,551,213</u>	<u>(9,224,750)</u>	<u>(118,776,221)</u>
Net change in total net assets from participant transactions		<u>\$ 67,551,213</u>		<u>\$ (118,776,221)</u>

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 Funds 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 supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Recurring Measurements

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 statements 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, 2025.

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 the 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.

Hand Composite Employee Benefit Trust
Notes to Financial Statements
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Common Trust Funds

Investments in common trust funds, which are administered by banks, trust companies, or similar institutions and pool assets from multiple fiduciary accounts, are valued at the net asset value (NAV) per unit provided by the fund sponsors as a practical expedient to fair value, as permitted by Accounting Standards Codification 820. The NAV is based on the fair value of the underlying investments held by the common trust funds, which may include equity securities, fixed income instruments, and other investment vehicles, as determined by the fund sponsors in accordance with their valuation policies.

The Funds receive periodic capital statements or other financial information from the trustees reflecting its proportionate interest in the net assets of the common trust funds. Investments measured using the NAV practical expedient are not categorized within Level 1, Level 2, or Level 3 of the fair value hierarchy. These investments are not publicly traded and are subject to redemption terms, notice periods, and other restrictions in accordance with the governing documents of the common trust funds.

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The following table presents the fair value measurements of assets recognized in the accompanying statements 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, 2025:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Inputs (Level 3)
Directions 1 – Conservative				
Short Term Investment	\$ 753,712	\$ 753,712	\$ -	\$ -
Common Trust Fund – Equity (A)	8,481,846			
Common Trust Fund – Fixed Income (A)	32,244,076			
Total	<u>\$ 41,479,634</u>			
Directions 2 – Moderately Conservative				
Short Term Investment	\$ 909,628	\$ 909,628	\$ -	\$ -
Common Trust Fund – Equity (A)	17,407,047			
Common Trust Fund – Fixed Income (A)	26,658,329			
Common Trust Fund – Other (A)	894,368			
Total	<u>\$ 45,869,372</u>			
Directions 3 – Moderate				
Short Term Investment	\$ 2,154,618	\$ 2,154,618	\$ -	\$ -
Common Trust Fund – Equity (A)	75,559,590			
Common Trust Fund – Fixed Income (A)	52,651,710			
Common Trust Fund – Other (A)	8,557,538			
Total	<u>\$138,923,456</u>			
Directions 4 – Moderately Aggressive				
Short Term Investment	\$ 300,833	\$ 300,833	\$ -	\$ -
Common Trust Fund – Equity (A)	229,922,171			
Common Trust Fund – Fixed Income (A)	82,406,721			
Common Trust Fund – Other (A)	35,339,197			
Total	<u>\$347,968,922</u>			
Directions 5 – Aggressive				
Short Term Investment	\$ 1,593,387	\$ 1,593,387	\$ -	\$ -
Common Trust Fund – Equity (A)	145,390,207			
Common Trust Fund – Fixed Income (A)	16,833,093			
Common Trust Fund – Other (A)	26,942,555			
Total	<u>\$190,759,242</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 amounts included

Hand Composite Employee Benefit Trust
Notes to Financial Statements
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above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of assets and liabilities.

Note 6. Risk Factors

The Funds invest in various investment securities and, as a result, are exposed to certain risks, including but not limited to market risk and concentration risk. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in the fair values of the Funds' investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of assets and liabilities.

Market Risk

Market risk is the risk that the value of investments may fluctuate due to changes in market conditions, including economic events, political developments, public health concerns, or other factors affecting financial markets generally. The value of investment securities may decline due to factors that affect the overall market or specific asset classes, regardless of the financial condition of individual issuers. Periods of financial stress, changes in investor sentiment, or unexpected events may increase market volatility, resulting in rapid and significant changes in the fair value of the Funds' investments.

Concentration Risk

Concentration risk is the risk that the Funds' performance may be adversely affected by developments impacting a particular issuer, industry, sector, or geographic region. From time to time, market conditions or investment strategies may result in the Funds having increased exposure to certain issuers or groups of investments with similar economic characteristics. In such circumstances, adverse economic, political, regulatory, or market events affecting those issuers or markets could have a greater impact on the Funds' investment performance and financial position.

Supplementary Information

Hand Composite Employee Benefit Trust
Directions 1 – Conservative
Schedule of Investment Purchases and Sales
Year Ended December 31, 2025

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 4,027,568
Common Trust Funds – Equity	780,774
Total investments purchased	<u>\$ 4,808,342</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 5,846,100	\$ 5,384,751	\$ 461,349
Common Trust Funds – Equity	2,085,474	1,488,547	596,927
Total investments sold	<u>\$ 7,931,574</u>	<u>\$ 6,873,298</u>	<u>\$ 1,058,276</u>

**Hand Composite Employee Benefit Trust
Directions 2 – Moderately Conservative
Schedule of Investment Purchases and Sales
Year Ended December 31, 2025**

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 4,280,550
Common Trust Funds – Equity	1,040,291
Common Trust Funds – Other	36,850
Total investments purchased	<u>\$ 5,357,691</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 4,720,087	\$ 4,354,788	\$ 365,299
Common Trust Funds – Equity	3,320,688	2,386,529	934,159
Common Trust Funds – Other	69,943	57,757	12,186
Total investments sold	<u>\$ 8,110,718</u>	<u>\$ 6,799,074</u>	<u>\$ 1,311,644</u>

Hand Composite Employee Benefit Trust
Directions 3 – Moderate
Schedule of Investment Purchases and Sales
Year Ended December 31, 2025

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 3,543,386
Common Trust Funds – Equity	3,032,294
Total investments purchased	<u>\$ 6,575,680</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 11,530,844	\$ 10,631,375	\$ 899,469
Common Trust Funds – Equity	23,003,763	16,859,922	6,143,841
Common Trust Funds – Other	1,268,339	1,111,760	156,579
Total investments sold	<u>\$ 35,802,946</u>	<u>\$ 28,603,057</u>	<u>\$ 7,199,889</u>

**Hand Composite Employee Benefit Trust
Directions 4 – Moderately Aggressive
Schedule of Investment Purchases and Sales
Year Ended December 31, 2025**

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 29,465,867
Common Trust Funds – Equity	69,757,082
Common Trust Funds – Other	10,527,880
Total investments purchased	<u>\$ 109,750,829</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 5,896,715	\$ 5,427,026	\$ 469,689
Common Trust Funds – Equity	31,706,257	23,801,661	7,904,596
Common Trust Funds – Other	2,106,889	1,913,686	193,203
Total investments sold	<u>\$ 39,709,861</u>	<u>\$ 31,142,373</u>	<u>\$ 8,567,488</u>

**Hand Composite Employee Benefit Trust
Directions 5 – Aggressive
Schedule of Investment Purchases and Sales
Year Ended December 31, 2025**

Purchases	
Investment Class	Cost
Common Trust Funds – Fixed Income	\$ 12,151,389
Common Trust Funds – Equity	4,479,796
Common Trust Funds – Other	12,960
Total investments purchased	<u>\$ 16,644,145</u>

Sales			
Investment Class	Proceeds	Cost	Gains
Common Trust Funds – Fixed Income	\$ 18,580,218	\$ 17,276,236	\$ 1,303,982
Common Trust Funds – Equity	97,995,527	74,770,227	23,225,300
Common Trust Funds – Other	15,000,213	13,338,670	1,661,543
Total investments sold	<u>\$ 131,575,958</u>	<u>\$ 105,385,133</u>	<u>\$ 26,190,825</u>