



December 31, 2018

## DCM U.S. ESG Enhanced Equities - R1

### OBJECTIVE/POLICY STATEMENT

The fund is designed to maximize its exposure to positive environmental, social and governance (ESG) characteristics while exhibiting risk and return characteristics similar to those of the underlying U.S. large capitalization weighted index.

### FUND STRUCTURE AND MANAGEMENT

The DCM U.S. ESG Enhanced Equities 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 invests in the strategy of Decatur Capital Management, Inc., which serves as the sub-advisor to the CIF.

### INVESTMENT STRATEGY

Decatur Capital's U.S. Environmental, Social, and Governance (ESG) Enhanced Strategy provides diversified exposure to the large capitalization U.S. stock market combined with an ESG weighted allocation process, ESG proxy voting policy, and actively engaging with firms. Our strategy provides U.S. large cap market exposure while benefiting our environment, social concerns, and firm governance.

### INVESTMENT DECISION-MAKING PROCESS

Decatur's investment process includes three steps, weighting the largest U.S. stocks by ESG criteria, voting our stockholder shares in accordance with ESG policies, and engaging with firms in support of ESG policies. The investment process begins with identifying the investable stock universe as the largest 1,000 stocks by market capitalization that trade on the U.S. domestic exchanges. DCM then applies an ESG ranking methodology to rank each stock in the universe. The company ESG score is based on approximately thirty ESG categories as defined by Truvalue Labs and the Sustainability Accounting Standards Board. These categories include areas such as air quality, compensation and benefits, and labor relations. The portfolio may hold 600-800 stocks and is rebalanced every six months. The proxy voting step includes actively voting the shareholders' shares in a positive ESG manner during the annual meeting. The DCM ESG proxy policy has several different focus areas, including climate change impact, labor & human rights, and board diversity. It is a key element of this strategy that DCM takes seriously the fiduciary responsibility to vote companies' shares in a positive ESG manner. The engagement step is to engage collaboratively with other ESG investors to make a positive impact on critical global issues. These collaborations may include sign-on letters and proposals to companies or regulatory agencies, including both DCM-led efforts and efforts led by other organizations.

The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Decatur Capital Management, Inc. (DCM) and are not insured by the Federal Deposit Insurance Corporation (FDIC) 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 DCM U.S. Enhanced ESG Equity Fund is new and does not have actual performance data to report. 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.

### DCM U.S. ESG ENHANCED EQUITIES MODEL PERFORMANCE

	MRO	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	Incept
MANAGER	-13.93	-4.66	22.16	11.32	2.56	14.63	31.64	--	--	--	--	12.31
BENCHMARK	-13.82	-4.78	21.69	12.05	0.92	13.24	33.11	16.42	1.50	16.10	28.43	12.01
EXCESS	-0.11	0.12	0.48	-0.73	1.64	1.40	-1.47	--	--	--	--	0.30
90 TBILL	0.59	2.00	0.96	0.33	0.06	0.03	0.05	0.08	0.06	0.14	0.15	0.57

Performance data quoted represents model performance. Model performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investment may be worth more or less than the original cost. The related performance of the DCM U.S. ESG Enhanced Equities is the performance generated gross of fees. This performance is representative of the DCM U.S. ESG Enhanced Equities strategy employed by The DCM U.S. ESG Enhanced Equities Fund - R1. This information is supplemental to the GIPS-compliant presentation on page 2 of this data sheet.

#### Fund Profile

Benchmark Russell 1000 Index

Cusip 41026E137

Expense Ratio\* 0.31%  
\$3.10 per \$1000 invested

Investment Category U.S. Large Capitalization Equity

Inception Date January 31, 2019

Number of Holdings 616

% Of Top Ten Holdings 20.7%

Turnover (12 months) 11%

\*Included in the expense ratio is 0.00% of service fees payable to the plan's service providers

Allocation: Equity 97%, Cash 3%

#### Top 10 Holdings

Microsoft Ord Shs	3.37%
Apple Ord Shs	3.33%
Amazon Com Ord Shs	3.13%
Alphabet Ord Shs Class C	1.79%
Alphabet Ord Shs Class A	1.77%
JPMorgan Chase Ord Shs	1.76%
Berkshire Hathaway Ord Shs Class B	1.70%
Pfizer Ord Shs	1.44%
Bank of America Ord Shs	1.26%
Merck & Co Ord Shs	1.17%



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This collective investment fund is available for investment by eligible qualified retirement plan trusts only

**RISK MANAGEMENT:**

Decatur makes its allocation decisions based on the stock's ESG ranking. One of the objectives of the ESG allocation process is to reduce potential loss of our clients' capital related to negative news regarding a firm's ESG characteristics.

The final step is our risk scaling process to reduce idiosyncratic risks within the portfolio to keep the portfolio's tracking error within reasonable bounds. The strategy is rebalanced semiannually.

**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.

**SOCIALLY CONSCIOUS:**

Adhering to social, moral, or environmental criteria may preclude potentially profitable opportunities in sectors or firms that would otherwise be consistent with the investment objective and strategy.

**INDEX CORRELATION/TRACKING ERROR:**

A portfolio that tracks an index is subject to the risk that certain factors may cause the portfolio to track its target index less closely, including if the advisor selects securities that are not fully representative of the index. The portfolio will generally reflect the performance of its target index even if the index does not perform well, and it may underperform the index after factoring in fees, expenses, transaction costs, and the size and timing of shareholder purchases and redemptions.

**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.

**LARGE CAP:**

Concentrating assets in large capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Large cap companies may be unable to respond as quickly as small and midcap companies can to new competitive pressures and may lack the growth potential of those securities. Historically, largecap companies do not recover as quickly as smaller companies do from market declines.

**DCM U.S. ESG ENHANCED EQUITIES MODEL PERFORMANCE**

PERIOD	RATE OF RETURN			GROWTH OF \$1,000		
	MANAGER	BENCHMARK	EXCESS	MANAGER	BENCHMARK	PREMIUM
1 Yr	-4.66	-4.78	0.12	\$953	\$952	\$1
2 Yrs	7.92	7.64	0.28	\$1,165	\$1,159	\$6
3 Yrs	9.04	9.09	-0.05	\$1,297	\$1,298	-\$2
4 Yrs	7.38	6.99	0.40	\$1,330	\$1,310	\$20
5 Yrs	8.80	8.21	0.59	\$1,524	\$1,484	\$41
6 Yrs	12.31	12.01	0.30	\$2,007	\$1,975	\$32
7 Yrs	--	12.63	--	--	\$2,299	--
8 Yrs	--	11.18	--	--	\$2,334	--
9 Yrs	--	11.71	--	--	\$2,709	--
10 Yrs	--	13.28	--	--	\$3,480	--
Inception	12.31	12.01	0.30	\$2,007	\$1,975	\$32

**DCM U.S. ESG Enhanced - Model Disclosure Statement**

- \* Decatur Capital Management, Inc. ("DCM") is an independent investment management firm that began operations in 2000.
- \* DCM manages equity, fixed income, and balanced strategies for U.S. institutional and individual clients.
- \* Additional information regarding the firm's policies and procedures for calculating and reporting performance returns is available upon request.
- \* Past performance does not predict or guarantee future results.
- \* The Decatur Capital U.S. ESG Enhanced composite is comprised of 600-800 equity securities with market capitalization similar to the Russell 1000 Index with an environmental, social, and governance (ESG) allocation methodology.
- \* The strategy has a positive allocation to those firms with higher ESG characteristics.
- \* The benchmark is the Russell 1000 Index.
- \* The Russell 1000 represents the top companies by market capitalization. It typically comprises approximately 90% of the total market capitalization of all listed U.S. stocks.
- \* Valuations and returns are computed and stated in U.S. Dollars.
- \* Model characteristics are similar to the comparison benchmark, the Russell 1000 Index.
- \* Model returns do not reflect the reinvestment of dividends and other earnings.
- \* The investment strategy of the model has not changed during the investment period.
- \* The inherent limitations of model returns are that they may not represent actual trading results and other material factors related to actual client accounts.
- \* The model portfolio is representative of the types of securities that DCM would recommend to its clients.
- \* No DCM client had investment results that were materially different from the results portrayed in the model.
- \* There were no material market or economic conditions during the investment period.