

# Small-Company Stock Fund

as of quarter ending December 31, 2023

## Investment Objective and Strategy

The Small-Company Stock Fund seeks long-term growth of capital for the long-term investor.

The fund generally invests in stocks of companies that Homestead Advisers believes are attractive based on its investment process. To determine whether a stock is attractive, Homestead Advisers follows a bottom-up approach based on its fundamental research and consideration of variety of factors, such as a company's business, market opportunities, potential earning power, financial ratios, competitive advantages, and the experience and qualifications of the company's management. Under normal circumstances, the Fund will invest at least 80% of its net assets (plus borrowing for investment purposes) in common stocks of companies whose market capitalization, at the time of purchase, is within the range of the market capitalization of companies represented in the Russell 2000 Index.

## Fund Profile

Inception	March 4, 1998
Asset Allocation	Stock
Benchmark	Russell 2000 Index
Ticker Symbol	HSCSX
CUSIP Number	437769508
Fee Structure	No Load
Expense Ratio	1.05%*
Median Expense Ratio for Peer Group	1.25%*
Transaction Fees	None
Minimum for Initial Purchase	\$500/\$200 IRA

\*As of 12/31/22. The expense ratio shows the percentage of fund assets deducted annually to cover operating costs. Fund expense ratios shown here do not include acquired fund fees and expenses. If applicable, these additional costs are disclosed in the prospectus. For some funds, the investment advisor has agreed voluntarily or contractually (for at least the current fiscal year) to waive or reimburse a portion of expenses. The net expense ratio is the expense ratio minus the portion of expenses waived or reimbursed. Please see the current prospectus for additional details. The peer ratio is according to Morningstar Direct, based on each fund's Morningstar classification.

## Portfolio Characteristics

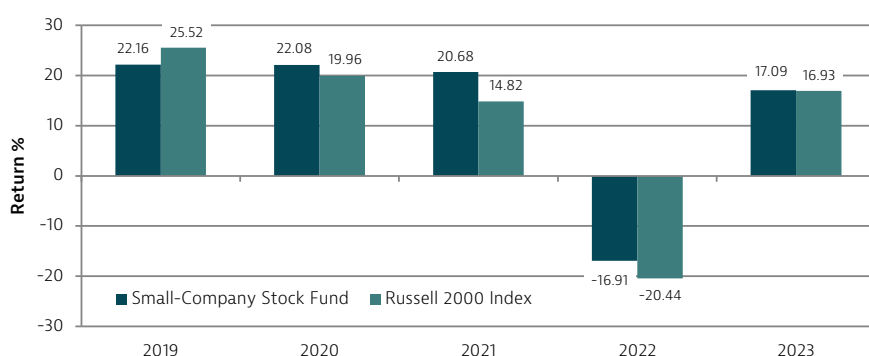
Net Assets	\$247M
Number of Holdings	51

## Total Returns

	AGGREGATE YTD	AVERAGE ANNUAL				
		1 YR	3 YR	5 YR	10 YR	SINCE FUND'S INCEPTION
Small-Company Stock Fund	17.09%	17.09%	5.50%	11.86%	5.83%	8.43%
Russell 2000 Index	16.93	16.93	2.22	9.97	7.16	7.31

The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that Index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. Indices are unmanaged, and investors cannot invest directly in an index. Unless otherwise noted, performance of indices do not account for any fees, commissions or other expenses that would be incurred. The index's returns include reinvested dividends.

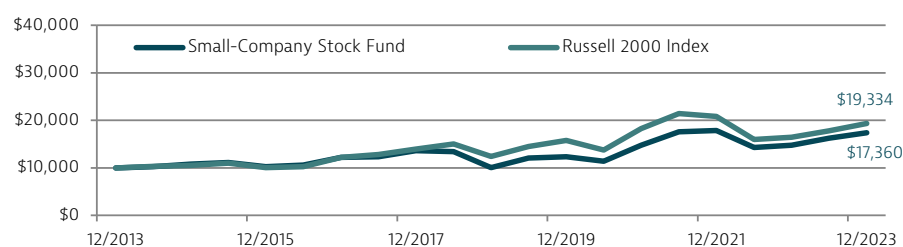
## Calendar-Year Total Returns



The total returns shown above represent past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. For performance data current to the most recent month-end, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).

Fund total returns include changes in principal value and reinvested dividends, income and capital gain distributions.

## Growth of \$10,000



This line chart is a comparison of the change in value of a \$10,000 investment in the fund and the Russell 2000 Index.

Investing in mutual funds involves risk, including the possible loss of principal. **Past performance does not guarantee future results.**

**Investors should carefully consider fund objectives, risks, charges and expenses before investing. The prospectus contains this and other information about the funds and should be read carefully before investing. To obtain a prospectus, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).**

Equity securities generally have greater volatility than fixed-income securities. The market price of equity securities may go up or down, sometimes rapidly or unpredictably. Equity securities may decline in value due to factors affecting the issuer or equity securities markets generally. Securities of small and medium-sized companies tend to be riskier than those of larger companies. Compared to large companies, small and medium-sized companies may face greater business risks because they lack the management depth or experience, financial resources, product diversification or competitive strengths of larger companies, and they may be more adversely affected by poor economic conditions. There may be less publicly available information about smaller companies than larger companies. In addition, these companies may have been recently organized and may have little or no track record of success.

Diversification does not ensure a profit or protect against loss. It is a method used to help manage investment risk.

Homestead Funds' investment advisor and/or administrator, Homestead Advisers Corp., and distributor, Homestead Financial Services Corp., are indirect, wholly owned subsidiaries of NRECA. Homestead Financial Services Corp., Distributor. 01/24

## Sector Weightings

	SMALL-COMPANY STOCK FUND	RUSSELL 2000 INDEX
Industrials	25.6%	17.0%
Information technology	15.7	13.6
Financials	15.4	17.1
Health care	13.6	15.4
Consumer discretionary	11.3	11.0
Energy	7.5	6.9
Materials	6.4	4.5
Real estate	3.3	6.2
Communication services	0.0	2.3
Consumer staples	0.0	3.4
Utilities	0.0	2.7
Short-term and other assets	1.2	0.0

## Top 10 Holdings

	% OF NET ASSETS
Federal Signal Corp.	3.7%
Atkore Inc.	3.6
Summit Materials, Inc.	3.5
Comfort Systems USA, Inc.	3.5
Applied Industrial Technologies, Inc.	3.4
Altair Engineering Inc.	3.2
Integer Holdings Corp.	3.1
Medpace Holdings, Inc.	3.0
MDC Holdings, Inc.	3.0
Descartes Systems Group Inc. (The)	3.0
<b>Total</b>	<b>33.0</b>

Portfolio holdings are subject to change without notice.

## Management

**Mark Long, CFA\***

Equity Portfolio Manager

BS, operations research and information engineering, Cornell University; Mr. Long joined Homestead Advisers in 2019 and co-manages Homestead Advisers' equity strategies.

**Jim Polk, CFA\***

Head of Equity Investments

BA, English, Colby College; MBA, Babson College. Mr. Polk joined Homestead Advisers in 2019 and co-manages Homestead Advisers' equity strategies.

## Industry Rankings (as of month ending December 31, 2023)

## Morningstar

Category	Small Blend
Overall Morningstar Rating™	★★★

Overall, out of 593 funds, according to risk-adjusted return

## Lipper

Classification	Small-Cap Core Funds
Expense <sup>1</sup>	④

<sup>1</sup>Overall, out of 250 funds, according to expense minimization

Lipper ratings for Expense reflect the fund's expense minimization relative to peers with similar load structures as of month ending 12/31/23. The Lipper ratings are subject to change every month and are based on an equal-weighted average of percentile ranks for the Expense metrics over three-year, five-year, 10-year and overall periods. The highest 20% of funds in each peer group are named Lipper Leader or a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2, and the lowest 20% are scored 1. Homestead Small Company Stock Fund, in Lipper's Small-Cap Core Funds classification, received a rating of 4 for the three-year, five-year, ten-year and Overall periods (number of funds rated in parentheses). Expense: Three-Year (250 funds), Five-Year (239 funds), ten-year (205 funds), and Overall (250 funds). Lipper ratings are not intended to predict future results, and Lipper does not guarantee the accuracy of this information. More information is available at [lipperleaders.com](http://lipperleaders.com).

Morningstar rated this fund, in Morningstar's small blend category, 3 stars for the Overall period out of 593 funds, 2 stars for the 10-year period out of 391 funds, 4 stars for the five-year period out of 557 funds and 3 stars for the three-year period out of 593 funds for performance month ending 12/31/23. The Morningstar Rating for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-ended funds and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-year, five-year, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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Numbers may not total due to rounding.