

Overall Morningstar Ranking™


Category: Large Value
(as of month ending March 31, 2024)

Rated against 1,118 Large Value funds, as of 3/31/2024, based on risk-adjusted return. Ratings are determined monthly and subject to change. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics. *Past performance is no guarantee of future results.*

Management


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.



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.

Investment Objective and Strategy

The Value Fund seeks long-term growth of capital and income for the long-term investor. Current income is a secondary objective.

The fund generally invests in stocks of U.S. and non-U.S. companies selling below what Homestead Advisers believes to be their fundamental value. To determine whether a stock is undervalued, Homestead Advisers considers, among other factors, potential earning power, financial ratios and any competitive advantages a company may have. Under ordinary conditions, the fund will invest at least 80% of its net assets in common stocks of companies with market capitalizations of \$2 billion or greater.

Fund Profile

Inception	November 19, 1990
Asset Allocation	Stock
Benchmark	Russell 1000 Value Index
Ticker Symbol	HOVLX
CUSIP Number	437769201
Fee Structure	No Load
Expense Ratio	0.64%*
Median Expense Ratio for Peer Group	1.05%*
Minimum for Initial Purchase	\$500/\$200 IRA

*As of 12/31/23. 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.

Value Fund

as of quarter ending March 31, 2024

Firm History: We're Wired Differently

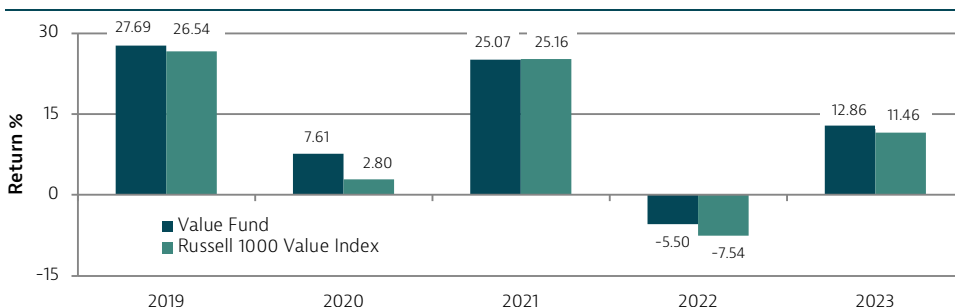
Homestead Funds was created over 30 years ago by the National Rural Electric Cooperative Association (NRECA), a non-profit organization whose mission is to serve electric cooperative employees. Through the creation of Homestead Funds, NRECA sought to give the employees who bring power to America's farms, factories, schools, and homes access to high-quality money management and financial services. From our early roots in rural America, we have expanded our outreach to offer equity and fixed-income strategies to **all investors**.

With a thoughtful approach to money management and a watchful eye on operating expenses, we are wired differently. **We believe our boutique style gives us a competitive advantage, setting us apart and allowing us to provide affordable, high touch client service.** The portfolio managers have deep involvement in running the strategies and extensive experience in managing asset classes through different market cycles. And as stewards of service, while we've grown in size and scope, we've always kept who we serve clearly in sight.

Total Returns

	AGGREGATE YTD	AVERAGE ANNUAL				
		1 YR	3 YR	5 YR	10 YR	SINCE FUND'S INCEPTION
Value Fund	12.34%	28.34%	10.83%	12.95%	11.26%	10.57%
Russell 1000 Value Index	8.99	20.27	8.11	10.32	9.01	9.84

The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. Indices are unmanaged and investors cannot invest directly in an index. Unless otherwise noted, performance of indices does not account for any fees, commissions or other expenses that would be incurred. Returns do not 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.

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

Portfolio Characteristics

	Value Fund	Russell 1000 Value Index
Net Assets	\$1045M	
Number of Holdings	48	845
Price to Earnings ^{1,2}	17.1	16.8
Price to Book ^{1,2}	3.1	2.5
Return on Equity ¹	21.6	15.1
Earnings per Share Growth ¹	12.1	9.0
Beta ³	0.93	N/A
Active Share ^{1,3}	82.1%	N/A

¹Source: FactSet. ²Weighted harmonic average/FY1 estimate. ³Compared with the Russell 1000 Value Index and calculated by FactSet.

	Sector Weightings	
	Value Fund	Russell 1000 Value Index
Financials	20.8%	22.7%
Health care	18.5	14.3
Industrials	16.5	14.3
Information technology	8.3	9.4
Communication services	8.2	4.6
Consumer discretionary	8.0	5.0
Energy	7.5	8.1
Materials	5.9	4.8
Real estate	4.1	4.6
Utilities	0.0	4.7
Consumer staples	0.8	7.7
Short-term and other assets	1.4	0.0

Top 10 Holdings	
	% OF NET ASSETS
Parker-Hannifin Corp.	4.4%
JPMorgan Chase & Co.	4.4
Meta Platforms, Inc.	3.6
Honeywell International, Inc.	3.2
AbbVie Inc.	3.1
Goldman Sachs Group, Inc.	3.1
Fiserv, Inc.	3.0
ConocoPhillips	2.9
Abbott Laboratories	2.9
Boston Scientific Corp.	2.7
Total	33.3

Portfolio holdings are subject to change without notice. Portfolio holdings should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the security identified has been or will be profitable.

Numbers may not total due to rounding.

Morningstar rated this fund, in Morningstar's large-value category, 5 stars for the overall period out of 1,118 funds, 5 stars for the 10-year period out of 816 funds, 4 stars for the five-year period out of 1,058 funds and 4 stars for the three-year period out of 1,118 funds for performance month ending 3/31/24. 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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Definitions

- Active share: A measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.
- Beta: A measure of a stock's volatility in relation to the overall market.
- Earnings per share (EPS): A company's profit divided by the outstanding shares of its common stock.
- Price to book: A ratio used to compare a firm's market-to-book value by dividing price per share by book value per share.
- Price to earnings: The ratio of a company's stock price to the company's earnings per share. The ratio is used in valuing companies.
- Return on equity: A measure of the profitability of a business in relation to the equity, also known as net assets or assets minus liabilities.

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](https://www.homesteadfunds.com).

Equity securities generally have greater price 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. Value stocks are subject to the risk that returns on stocks within the style category will trail returns of stocks representing other styles or the market overall over any period of time and may shift in and out of favor with investors generally, sometimes rapidly, depending on changes in market, economic, and other factors. Investments in value securities may be subject to risks that (1) the issuer's potential business prospects will not be realized; (2) their potential values will never be recognized by the market; and (3) their value was appropriately priced when acquired and they do not perform as anticipated.

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. 4/24