Emerging Markets Equity

HARDING LOEVNER

Quarterly Report | Third Quarter 2024

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Composite Performance

Total Return (%) — Periods September 30, 2024

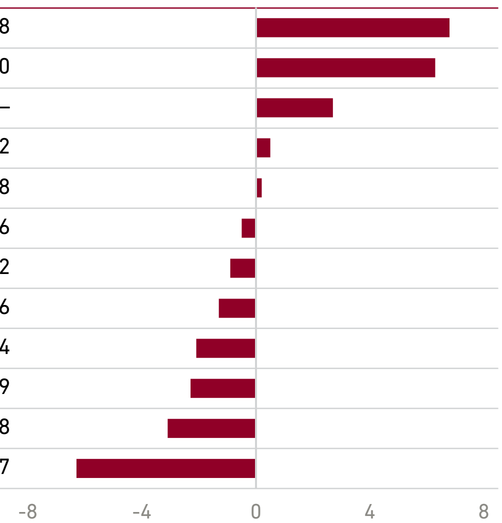
	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
HL Emerging Markets Equity (Gross)	12.45	12.40	19.59	-4.47	2.51	3.42	10.27
HL Emerging Markets Equity (Net)	12.20	11.64	18.51	-5.31	1.60	2.52	9.36
MSCI Emerging Markets Index	8.88	17.24	26.54	0.82	6.14	4.41	8.21

The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. Emerging Markets Equity composite inception date: November 30, 1998. MSCI Emerging Markets Index, the benchmark index, is shown gross of withholding taxes.

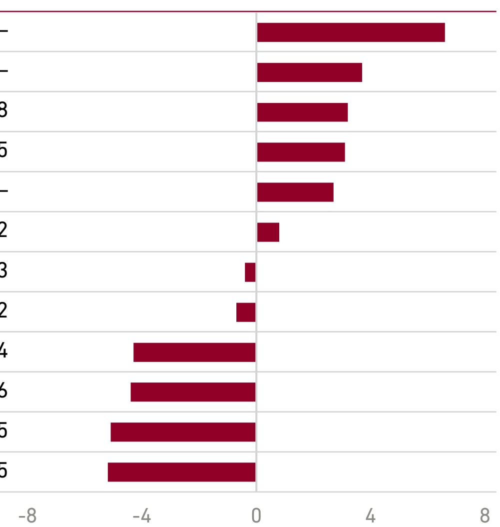
Past performance does not guarantee future results. Invested capital is at risk of loss. Please read the above performance in conjunction with the footnotes on the last page of this report. All performance and data shown are in US dollar terms, unless otherwise noted.

Portfolio Positioning (% Weight)

Sector	HL	Index
Industrials	13.6	6.8
Cons Discretionary	20.3	14.0
Cash	2.7	–
Cons Staples	5.7	5.2
Financials	23.0	22.8
Real Estate	1.1	1.6
Info Technology	21.3	22.2
Health Care	2.3	3.6
Comm Services	7.3	9.4
Utilities	0.6	2.9
Energy	1.7	4.8
Materials	0.4	6.7



Geography	HL	Index
Dev. Market Listed	6.6	–
Frontier Markets	3.7	–
China + Hong Kong	31.0	27.8
Latin America	10.6	7.5
Cash	2.7	–
Africa	4.0	3.2
Europe	1.9	2.3
Rest of Asia	4.5	5.2
Middle East	2.1	6.4
Taiwan	13.2	17.6
South Korea	5.4	10.5
India	14.3	19.5



"HL": Emerging Markets model portfolio. "Index": MSCI Emerging Markets Index. "China + Hong Kong": The Harding Loevner Emerging Markets Equity model portfolio's end weight in China is 27.5% and Hong Kong is 3.5%. The benchmark does not include Hong Kong. "Dev. Market Listed": Emerging markets or frontier markets companies listed in developed markets, excluding Hong Kong. "Frontier Markets": Includes countries with less-developed markets outside the index. Sector and geographic allocations are supplemental information only and complement the fully compliant Emerging Markets Equity Composite GIPS Presentation. Source: Harding Loevner Emerging Markets Equity model, FactSet, MSCI Inc. MSCI Inc. and S&P do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

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Market Review

Emerging markets (EMs) were boosted in the third quarter by a fervid late-September rally in Chinese equity markets and the US Federal Reserve's initiation of rate cuts. The MSCI Emerging Markets Index posted an 8.9% return, outpacing the developed-market MSCI World Index that returned 6.5%.

Chinese stocks rallied a striking 25% in the final nine trading days of the quarter, in response to an extensive array of monetary and fiscal measures announced by the People's Bank of China seeking to further support the floundering property market and China's ailing consumers. Interest rates and bank-reserve requirements were reduced, and several measures targeting the real-estate sector were implemented. In a nod to the importance of a healthy equity market, the Chinese government is instituting a new monetary facility that allows institutional investors, such as insurance companies and mutual-fund managers, to tap liquidity for stock purchases using less-liquid assets as collateral.

MSCI EM Index Performance (USD %)

Sector	3Q 2024	Trailing 12 Months
Communication Services	15.7	26.4
Consumer Discretionary	25.0	32.2
Consumer Staples	11.2	9.6
Energy	-0.1	18.3
Financials	10.7	27.3
Health Care	23.0	20.5
Industrials	7.1	20.2
Information Technology	-2.4	40.9
Materials	5.6	6.1
Real Estate	15.3	11.5
Utilities	9.3	36.0
Geography	**3Q 2024**	**Trailing 12 Months**
Africa	16.2	36.2
South Africa	16.3	37.6
Asia	9.6	30.2
China	23.7	24.2
India	7.4	40.9
South Korea	-5.5	9.8
Taiwan	0.8	53.4
Europe	-2.3	27.7
Latin America	3.9	3.4
Brazil	7.3	3.1
Mexico	-3.3	-2.9
Middle East	6.9	10.0
Saudi Arabia	5.4	11.4
MSCI EM Index	8.9	26.5

Source: FactSet, MSCI Inc. Data as of September 30, 2024.

Policymakers also signaled there are more announcements to come following the Golden Week holiday, most likely additional fiscal stimulus to motivate consumers to spend more and save less. Sectors that had suffered the most in China's market malaise, notably those related to housing and consumption, rebounded most strongly off the back of these announcements. Shares of companies with significant balance-sheet exposure to Chinese assets, such as life insurers, also rallied strongly. Banks underperformed the rally, as lower interest rates hurt revenue-growth prospects and government initiatives led to fears of non-commercially directed lending.

In the US, central bankers surprised many at the September meeting by reducing the fed funds rate by 50 basis points rather than 25 and indicating rates could fall faster than they had previously guided. This led to some dollar weakness and improved sentiment toward EM countries whose central banks now face lower market resistance to cutting interest rates. Currencies and equity markets rallied strongly in ASEAN markets, such as in Thailand and Indonesia. The same was true in South Africa, which has also benefited from a solid start of the new national unity government. Initial efforts to tackle the country's energy crisis by partnering with business is already showing results, and plans to increase the country's freight capacity are moving forward.

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Information Technology (IT), which dominated market returns in the first half of the year due to optimism around artificial intelligence (AI)-led demand, was the worst-performing sector this quarter, dragged down by South Korea's memory giants **Samsung Electronics** and SK Hynix. Concerns rose that the strong recovery in memory-chip prices was fading faster than expected and that expanding industry capacity to produce high-bandwidth memory, used in AI chips to enable faster and more efficient processing, was potentially outpacing near-term demand. Energy stocks were also relatively weak as crude prices fell amid concerns over weak global demand, concerns that overshadowed the growing threat of an escalation of the military conflict in the Middle East.

Consumer Discretionary, the composition of which is dominated by Chinese companies, was the best-performing sector. Shares of China's giant e-commerce platforms and electric-vehicle makers scorched higher on the back of the country's stimulus plans. Health Care stocks also performed strongly, with broad contribution from stocks in South Korea, India, and ASEAN markets, as well as China.

Companies held in the portfolio at the end of the quarter appear in bold type; only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings shown may not be current. 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. To request a complete list of holdings for the past year, please contact Harding Loevner. A complete list of holdings at September 30, 2024 is available on page 9 of this report.

In Asia, strong returns in China and ASEAN markets offset weakness in tech-heavy South Korea and Taiwan. India posted positive, albeit more muted, returns as domestic investors continued to flood into the equity market despite high valuations.

In Latin America, improved equity performance in Brazil reflected expectations of more disciplined fiscal management. This was countered by further weakness in Mexico, where political uncertainty north of the border and on its own turf has led to weakness in the peso and investor sentiment. The Morena party moved forward with some of its maligned constitutional reforms—notably allowing the judiciary to be selected by popular vote—which could lead to more unchecked control for the governing party. All eyes will be on President Claudia Sheinbaum, who was sworn into office on October 1.

Emerging Europe was the weakest region, with its two largest markets, Poland and Turkey, suffering negative returns. In Turkey, the shift to orthodox economic policy (i.e., higher interest rates) had buoyed equity markets in recent quarters but is now biting into household finances, and recent economic data suggest a recession there has become an increasing possibility.

Performance and Attribution

The Emerging Markets Equity composite returned 12.5% gross of fees during the third quarter, ahead of the 8.9% return of the MSCI Emerging Markets Index.

In August, we liquidated our holdings in Russian oil producer Lukoil. Given the ongoing war in Ukraine, and the uncertainty facing the company, along with our limited ability to transact in the shares, we deemed it prudent to sell after receiving a credible and reasonable offer for the shares. Although the sale price was roughly one-quarter of Lukoil's pre-invasion value, it was higher than some sellers accepted just two weeks before the shares ceased trading in the West in 2022.

Relative returns were also helped by strong stocks in Industrials. The portfolio's overweight in Consumer Discretionary, the index's top-performing sector this quarter, was also helpful, but poor stocks in both Consumer Discretionary and Consumer Staples hurt.

In Industrials, Brazilian industrial-motor manufacturer **WEG** reported strong revenue growth, both at home and abroad, with particular support from its power generation, transmission, and distribution business, as well as margin improvement in its second quarter. Shares of **Sanhua Intelligent Controls** outperformed in China. A manufacturer of thermal-management devices used in home appliances, cars, and energy-storage systems, Sanhua recently reported near-record margins in its auto-parts business. While offering conservative revenue guidance for 2024, management expects a reacceleration of orders into 2025, recently boosted by expectations of fiscal stimulus in China.

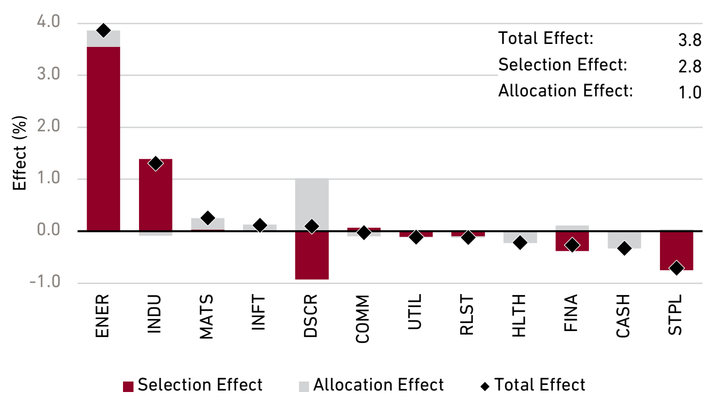
In Consumer Discretionary, Poland-based e-commerce platform **Allegro** was a detractor. Its businesses outside Poland remain a drag on profitability and will require greater scale to break even. Our lack of a holding in Chinese food-delivery service (and index heavyweight) Meituan also hurt relative returns. The stock was among those that received the largest boost from the Chinese government's stimulus package. Helping offset these negative effects were two other beneficiaries in the sector, travel-services business **Trip.com Group** and e-commerce giant **JD.com**.

In Consumer Staples, **Walmart de México** has been weighed down by allegations in late 2023 from Mexico's antitrust regulator that the company engaged in illegal uncompetitive practices in how it

Third Quarter 2024 Performance Attribution

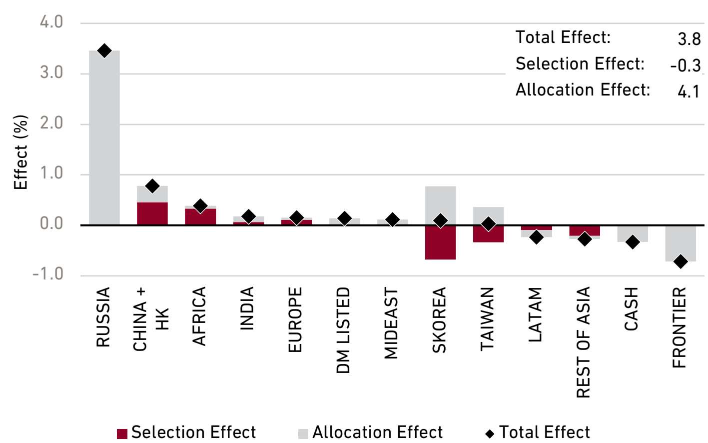
Sector

Emerging Markets Equity Composite vs. MSCI EM Index



Geography

Emerging Markets Equity Composite vs. MSCI EM Index



"DM LISTED": Emerging markets or frontier markets companies listed in developed markets, excluding Hong Kong. "FRONTIER": Includes countries with less-developed markets outside the index. "RUSSIA": At the close of trading on March 9, 2022, MSCI removed Russia from its indexes at a price that was effectively zero.

Source: Harding Loevner Emerging Markets Equity composite, FactSet, MSCI Inc. Data as of September 30, 2024. The total effect shown here may differ from the variance of the composite performance and benchmark performance shown on the first page of this report due to the way in which FactSet calculates performance attribution. This information is supplemental to the composite GIPS Presentation.

imposed terms upon suppliers, which could result in a sizable fine under Mexican law. Walmex insisted it acted lawfully to keep prices low for customers. The company expects the investigation to be resolved by the end of October.

> Brazilian industrial-motor manufacturer WEG reported strong revenue growth, both at home and abroad.

By geography, the sale of Lukoil in Russia and good returns from EM companies in China and Hong Kong were the key contributors. In Hong Kong, the stock of insurer **AIA Group** was boosted by the country's latest measures to stimulate the economy. Power-tool manufacturer **Techtronic Industries** gained on the continuing growth of its professional tool Milwaukee brand and also from rising sentiment spurred by the interest-rate easing cycle. Our modest overweight in China (including Hong Kong) and our longstanding underweight in South Korea also helped relative returns.

Perspective and Outlook

Over the past three calendar years, equity-market performance in emerging markets has badly lagged that of developed markets, testing the patience of EM investors. Rising interest rates in most major economies, combined with fraught geopolitics (and sometimes local politics as well), have driven down returns and driven out capital. As a result, global investor ownership of EMs today is at its lowest point in the past two decades. But investors who focus on high-quality businesses with durable, long-term growth potential now see more compelling valuations across more EMs, especially as interest rates in the US and other countries finally begin to decrease.

While big countries such as China, India, and Brazil have been thoroughly explored by investors, smaller emerging economies offer generous opportunities to the investor who approaches them with a discerning eye and a sturdy framework for evaluating companies. Diversification is a good way to manage the inherent risks of investing, and we have long sought opportunities in these smaller markets for that reason. This year, we've purchased companies in Thailand, Indonesia, and Vietnam, all of which have low correlation to EMs at large. But the essential premise of EM investing remains the same: these markets offer the advantage of higher structural growth potential and diversification relative to developed markets.

In January we invested in Thailand's leading private hospital operator **Bumrungrad Hospital**, which focuses on complex surgeries and provides superior service to patients compared to other hospitals in Thailand. It has generated strong returns on capital and has a compelling growth outlook as it capitalizes on an increasing trend of medical tourism into Thailand, where procedures are cheaper and of higher quality compared to what is available in their patients' home countries. We also invested earlier this year in **Telkom Indonesia**, Indonesia's largest mobile and fixed-line network operator that dominates the competitive landscape in the country with roughly 45% and 70% market share, respectively, in these services. We think usage of mobile data and digital services is still low and should be an important source of earnings growth for the company.

We have also found new opportunities in Vietnam. Over the past decade, Vietnam has been making news for the right reasons, as one of the fastest-growing economies in the world, a "development success story" in the words of the World Bank. The country has become increasingly integrated into the supply chains of its neighbors in East Asia and beyond with multiple free-trade agreements, and it has attracted foreign capital enticed by its skilled work force and relatively business-friendly government. Vietnam also enjoys stable relationships with a balanced range of countries that includes the US as well as China, Japan, and South Korea, whose own successful economic development experiences have informed Vietnam's policymaking.

> The essential premise of EM investing remains the same: these markets offer the advantage of higher structural growth potential and diversification relative to developed markets.

This year we made our first investment in Vietnam, purchasing shares of **Mobile World**, the country's largest multi-format retailer. While we have been following the company and other opportunities in Vietnam for many years, including for our Frontier Emerging Markets Equity strategy, Vietnam's regulators have capped ownership by non-Vietnamese investors of Mobile World's shares at 49%; that meant its shares could be bought only from other foreign investors, a supply imbalance that drove prices higher and resulted in excessive premiums until last year. As we mentioned earlier, though, foreign ownership in EMs has receded, including in Vietnam, finally giving us the chance to invest in the company at a reasonable price.

In recent years, Vietnam has emerged as a winner from the reconfiguration of global supply chains that followed US-China trade and geopolitical frictions. Multinationals of all sizes, including many from fellow EMs such as Samsung Electronics, **Hon Hai Precision**, and **Eclat Textile**, have invested or pledged hundreds of millions of dollars to expand their operations in the country. The result has boosted employment and wages, particularly for Vietnam's youthful population, and has enlarged the country's middle class. That's creating new demand and driving investment and consumption higher.

Those new consumers are seeking more convenient, higher-quality modern products and services in keeping with their faster-paced lifestyles and higher spending power. That has been the key to Mobile World's success as Vietnam's leading retailer of electronics, both offline and online—and in its more recent efforts as a pharmacy and grocery retailer. Mobile World differentiates its electronics and smartphone stores by featuring not only a broad selection of the latest products, but also trained salespeople to give advice, a transparent refund and exchange policy, and reliable after-sales service and support. High-end phones and appliances can cost hundreds or even thousands of dollars, which is a lot in a country where the GDP per capita is just US$4,300 despite its rapid growth. Most Vietnamese need access to financing, which Mobile World enables through its partners.

In recent years, Mobile World has been leveraging its experience in electronics to expand into groceries. The company launched its grocery chain in 2016, which now comprises 30% of Mobile World's total sales. The grocery market is five times the size of the electronics market, but it is far less consolidated. Traditional "wet" markets still dominate in Vietnam, while modern organized food retailers make up only 11% of the market. Compared with other countries in southeast Asia, there is a large opportunity for expansion. There are just 71 modern grocery stores for each million people in Vietnam. Indonesia has 156. Thailand has 296. That presents a growth opportunity for Mobile World.

In recent years, Vietnam has emerged as a winner from the reconfiguration of global supply chains that followed US-China trade and geopolitical frictions.

Mobile World's grocery stores are strategically placed in convenient locations in residential neighborhoods and offer the largest selection of fresh foods among its peers. Prices are affordable and the company operates with greater efficiency and less waste as it employs the latest inventory and supply-chain management systems. As it refines its business model, the company has been shutting down underperforming stores and renovating remaining ones, streamlining product selections, and experimenting with different pricing strategies.

Now that Mobile World has achieved a sustained level of profitability in its grocery business, it plans to roll out hundreds of additional grocery stores across Vietnam to further entrench its leadership in scale and cost. In our experience following similar retailer evolutions across Asia, emerging Europe, and Latin America, the road to building a successful grocery business can be a long one—but it can also be rewarding for companies with the right competitive advantages. We believe Mobile World has a good chance of being the kind of company that earns those rewards, and we are keeping our eyes open to further opportunities as Vietnam becomes more accessible to investors.

Portfolio Highlights

Besides our investment in Mobile World, we have bought new holdings this year in high-quality companies operating in South Africa, Thailand, and Indonesia.

In South Africa, we bought shares of **Clicks Group**, a leading pharmacy chain that has delivered more than 40% return on equity (ROE) on average over the last five years. One of its competitive advantages is its vertically integrated structure where it controls not just the retailing of its products but also owns United Pharmaceutical Distributors, which distributes drugs from various pharmaceutical manufacturers. This provides Clicks with better economies of scale and a lower cost structure, while also enabling better bargaining power with several manufacturers. The industry has high barriers to entry for new players due to regulatory requirements, which allows Clicks to maintain its dominant position. Over time, that position has gotten larger, lifting its market share from 23% in 2013 to 31% in 2023.

South Africa's drug-retail industry offers good growth potential due to its relatively low pharmacy penetration, and we think Clicks' earnings growth is poised to accelerate, led by store expansions—especially in less-developed provinces of the country—and diversification into new, fast-growing revenue streams such as specialty pharmacy.

We continued to find attractive valuations among growing businesses in large EMs as well, of course, including China. This quarter we added to our holdings in Chinese companies across different industries, including industrial automation-equipment maker **Inovance**, online travel-agent Trip.com, and appliance-manufacturer **Midea Group**. The latter, for example, should benefit from recovering growth in home-appliance sales in China; this growth may be boosted by increasingly meaningful government stimulus efforts. Midea has also enjoyed solid growth in overseas sales, mostly in fellow EMs.

We think Clicks' earnings growth is poised to accelerate, led by store expansions—especially in less-developed provinces of the country—and diversification into new, fast-growing revenue streams such as specialty pharmacy.

Separately, we acted this quarter to reduce our portfolio's exposure to political risk by exiting our positions in Bank of Georgia and Fuyao Glass.

Bank of Georgia is a leading bank in the country of Georgia, commanding 39% market share by total assets in a market with modest competitive pressure. It has delivered good earnings growth and ROE in excess of 25% over the last four quarters. However, we are increasingly concerned by political developments in the country as it heads into general elections later this year. The ruling party, Georgian Dream, has become more authoritarian in its language, threatening to ban opposition parties and rule unilaterally. It also seemed to be leaning away from the European Union and cozying up to Russia, a shift illustrated by passing a controversial "foreign influence law" that requires media and NGOs receiving more than 20% funding from abroad to register themselves as "pursuing the interests of a foreign power." These changes increase the risk of a sharp derating of Bank of Georgia stock as the country could potentially be sanctioned by the EU, which is Georgia's largest trading partner. The political developments increase the risk of weaker earnings growth for the bank if, as a result, tourism and foreign direct investments into the country slow down.

We sold our shares in Fuyao Glass, the largest automotive glass producer in the world, after a third-party employment company associated with one of Fuyao's US plants was raided by federal agents in July for potential human smuggling and financial crimes. We are also concerned about how US-China trade tensions could affect Fuyao's earnings, especially if import tariffs are hiked significantly after the US presidential election.

Harding Loevner's Quality, Growth, and Value rankings are proprietary measures determined using objective data. Quality rankings are based on the stability, trend, and level of profitability, as well as balance sheet strength. Growth rankings are based on historical growth of earnings, sales, and assets, as well as expected changes in earnings and profitability. Value rankings are based on several valuation measures, including price ratios.

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Emerging Markets Holdings (as of September 30, 2024)

Communication Services	Market	End Wt. (%)
Baidu (Internet products and services)	China	0.3
Naver (Internet services)	South Korea	0.9
Safaricom (Mobile network operator)	Kenya	0.4
Telkom Indonesia (Telecom services)	Indonesia	0.5
Tencent (Internet and IT services)	China	5.2
Consumer Discretionary		
Alibaba (E-commerce retailer)	China	2.1
Allegro (E-commerce retailer)	Poland	1.4
Coway (Consumer appliances manufacturer)	South Korea	0.6
Eclat Textile (Technology-based textile manufacturer)	Taiwan	1.8
JD.com (E-commerce retailer)	China	1.4
Li-Ning (Athletic footwear and apparel retailer)	China	0.6
Lojas Renner (Department stores operator)	Brazil	0.5
Maruti Suzuki (Automobile manufacturer)	India	2.9
MercadoLibre (E-commerce retailer)	US	1.8
Midea Group (Consumer appliances manufacturer)	China	1.6
Mobile World (Grocer and electronics retailer)	Vietnam	1.2
Shenzhou International (Textile manufacturer)	China	1.2
Trip.com Group (Online travel services)	China	3.2
Consumer Staples		
Budweiser APAC (Alcoholic beverages manufacturer)	Hong Kong	0.4
Clicks Group (Drugstores operator)	South Africa	0.8
Coca-Cola HBC (Coca-Cola bottler)	UK	0.8
FEMSA (Beverages manufacturer and retail operator)	Mexico	1.5
Raia Drogasil (Drugstores operator)	Brazil	0.9
Walmart de México (Foods and cons. products retailer)	Mexico	1.3
Energy		
Tenaris (Steel-pipe manufacturer)	Italy	1.7
Financials		
AIA Group (Insurance provider)	Hong Kong	1.5
Al Rajhi Bank (Commercial bank)	Saudi Arabia	1.1
B3 (Clearing house and exchange)	Brazil	0.7
Bancolombia (Commercial bank)	Colombia	0.5
Bank Central Asia (Commercial bank)	Indonesia	0.9
Bank of Georgia (Commercial bank)	UK	0.0
Bank Rakyat (Commercial bank)	Indonesia	1.3
Commercial International Bank (Commercial bank)	Egypt	0.6
Discovery Holdings (Insurance provider)	South Africa	1.1
GF Banorte (Commercial bank)	Mexico	1.4
HDFC Bank (Commercial bank)	India	4.3
HDFC Life (Insurance provider)	India	1.5
ICICI Bank (Commercial bank)	India	1.8

Financials	Market	End Wt. (%)
Itaú Unibanco (Commercial bank)	Brazil	1.1
Kaspi.kz (Banking and financial services)	Kazakhstan	1.4
Komerční Banka (Commercial bank)	Czech Republic	0.5
Ping An Insurance (Insurance provider)	China	1.8
Sberbank (Commercial bank)	Russia	0.0*
Standard Bank (Commercial bank)	South Africa	1.4
Health Care		
Bumrungrad Hospital (Hospital operator)	Thailand	0.8
Mindray (Medical equipment manufacturer)	China	1.5
Industrials		
AirTAC (Pneumatic-equipment manufacturer)	Taiwan	1.4
Astra International (Auto business operator)	Indonesia	1.0
CATL (Battery systems manufacturer)	China	1.6
Copa Holdings (Airline operator)	Panama	0.6
Hengli Hydraulic (Hydraulic components mfr.)	China	1.0
Inovance (Industrial controls manufacturer)	China	1.3
Localiza (Automobile rental services)	Brazil	1.0
Meyer Optoelectronic (Optical machine manufacturer)	China	0.7
Sanhua Intelligent Controls (HVAC and R parts mfr.)	China	1.1
Techtronic Industries (Power tools manufacturer)	Hong Kong	1.2
WEG (Industrial equipment manufacturer)	Brazil	1.7
ZTO Express (Express delivery services)	China	1.1
Information Technology		
ASM Pacific Technology (Semiconductor eqpt. mfr.)	Hong Kong	0.4
Aspeed (Electronic chip designer and manufacturer)	Taiwan	2.5
Delta Electronics (Power management products)	Taiwan	1.8
EPAM (IT consultant)	US	0.8
Globant (Software developer)	US	1.5
Hon Hai Precision (Electronics manufacturer)	Taiwan	0.8
LONGi (Solar power equipment manufacturer)	China	0.6
Samsung Electronics (Electronics manufacturer)	South Korea	3.9
StarPower (Semiconductor manufacturer)	China	0.6
Tata Consultancy Services (IT consultant)	India	3.4
TSMC (Semiconductor manufacturer)	Taiwan	5.0
Materials		
Asian Paints (Paint manufacturer)	India	0.4
Real Estate		
Emaar Properties (Real estate developer and manager)	UAE	1.1
Utilities		
ENN Energy (Gas pipeline operator)	China	0.6
Cash		2.7

*Since March 7, 2022, we have fair valued our Russian holdings at effectively zero because we cannot trade the securities on their respective markets and we have not identified a reliable alternative fair value.

Model portfolio holdings are supplemental information only and complement the fully compliant Emerging Markets Equity Composite GIPS Presentation. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the securities identified have been or will be profitable. To request a complete list of portfolio holdings for the past year contact Harding Loevner.

3Q24 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Lukoil	ENER	<0.1	–	3.47
Trip.com Group	DSCR	2.3	0.3	0.63
AIA Group	FINA	1.3	–	0.41
SK Hynix*	INFT	–	1.0	0.39
JD.com	DSCR	1.0	0.4	0.33

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Lukoil	ENER	<0.1	–	3.70
Trip.com Group	DSCR	2.0	0.3	0.94
Nebius Group	COMM	<0.1	–	0.71
Aspeed	INFT	2.0	–	0.67
Techtronic Industries	INDU	1.0	–	0.29

3Q24 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Aspeed	INFT	2.7	–	-0.57
Kaspi.kz	FINA	1.7	–	-0.49
Meituan*	DSCR	–	1.0	-0.45
Samsung Electronics	INFT	4.9	4.0	-0.42
Walmart de México	STPL	1.6	0.2	-0.30

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
WuXi AppTec	HLTH	0.6	0.1	-1.14
Localiza	INDU	1.4	0.1	-0.94
TSMC	INFT	5.6	8.1	-0.83
Walmart de México	STPL	1.9	0.3	-0.75
EPAM	INFT	1.2	–	-0.73

*Company was not held in the portfolio; its absence had an impact on the portfolio's return relative to the index.
"HL": Emerging Markets composite. "Index": MSCI Emerging Markets Index.

Portfolio Characteristics

Quality and Growth	HL	Index
Profit Margin[1] (%)	14.9	14.2
Return on Assets[1] (%)	7.8	5.6
Return on Equity[1] (%)	17.9	15.0
Debt/Equity Ratio[1] (%)	38.0	42.3
Std. Dev. of 5 Year ROE[1] (%)	5.0	5.5
Sales Growth[1,2] (%)	10.4	9.4
Earnings Growth[1,2] (%)	10.1	9.4
Cash Flow Growth[1,2] (%)	15.1	13.8
Dividend Growth[1,2] (%)	11.0	8.4
Size and Turnover	**HL**	**Index**
Wtd. Median Mkt. Cap. (US $B)	42.6	41.1
Wtd. Avg. Mkt. Cap. (US $B)	128.8	159.9
Turnover[3] (Annual %)	17.7	–

Risk and Valuation	HL	Index
Alpha[2] (%)	-3.40	–
Beta[2]	1.04	–
R-Squared[2]	0.92	–
Active Share[3] (%)	72	–
Standard Deviation[2] (%)	20.02	18.48
Sharpe Ratio[2]	0.01	0.20
Tracking Error[2] (%)	5.8	–
Information Ratio[2]	-0.63	–
Up/Down Capture[2]	97/110	–
Price/Earnings[4]	18.5	15.4
Price/Cash Flow[4]	12.7	10.6
Price/Book[4]	2.9	2.1
Dividend Yield[5] (%)	2.2	2.5

[1]Weighted median. [2]Trailing five years, annualized. [3]Five-year average. [4]Weighted harmonic mean. [5]Weighted mean. Source: (Risk characteristics): Harding Loevner Emerging Markets Equity composite based on the composite returns, gross of fees, eVestment Alliance LLC, MSCI Inc. Source: (other characteristics): Harding Loevner Emerging Markets model based on the underlying holdings, FactSet (Run Date: October 3, 2024) based on the latest available data in FactSet on this date.), MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector
Mobile World	Vietnam	DSCR

Positions Sold	Market	Sector
Bank of Georgia	UK	FINA
CD Projekt	Poland	COMM
Fuyao Glass	China	DSCR
Lukoil	Russia	ENER
NCSOFT	South Korea	COMM
XP	Brazil	FINA

The portfolio is actively managed therefore holdings identified above do not represent all of the securities held in the portfolio and holdings may not be current. It should not be assumed that investment in the securities identified have been or will be profitable. The following information is available upon request: (1) information describing the methodology of the contribution data in the tables above; and (2) a list showing the weight and relative contribution of all holdings during the quarter and the last 12 months. Past performance does not guarantee future results. In the tables above, "weight" is the average percentage weight of the holding during the period, and "contribution" is the contribution to overall relative performance over the period. Performance of contributors and detractors is net of fees, which is calculated by taking the difference between net and gross composite performance for the Emerging Markets Equity strategy prorated by asset weight in the portfolio and subtracted from each security's return. Contributors and detractors exclude cash and securities in the composite not held in the model portfolio. Quarterly data is not annualized. Portfolio attribution and characteristics are supplemental information only and complement the fully compliant Emerging Markets Equity Composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

Emerging Markets Equity Composite Performance (as of September 30, 2024)

	HL EM Gross (%)	HL EM Net (%)	MSCI EM[1] (%)	HL EM 3-yr. Std. Deviation[2] (%)	MSCI EM 3-yr. Std. Deviation[2] (%)	Internal Dispersion[3] (%)	No. of Accounts	Composite Assets ($M)	Firm Assets ($M)
2024 YTD[4]	12.40	11.64	17.24	18.30	17.38	N.A.	5	1,698	41,856
2023	7.82	6.86	10.27	17.36	17.14	0.5	6	3,769	43,924
2022	-26.47	-27.10	-19.74	22.07	20.26	0.4	10	7,234	47,607
2021	-2.34	-3.19	-2.22	20.48	18.35	1.1	13	15,537	75,084
2020	15.43	14.37	18.69	21.65	19.62	0.8	15	19,162	74,496
2019	26.90	25.78	18.88	14.64	14.17	0.4	17	19,045	64,306
2018	-17.29	-18.03	-14.25	13.94	14.62	0.4	21	15,114	49,892
2017	36.81	35.64	37.75	13.90	15.36	0.3	23	19,177	54,003
2016	14.84	13.85	11.60	15.00	16.07	0.4	22	13,629	38,996
2015	-12.85	-13.59	-14.60	13.61	14.04	1.2	20	9,670	33,296
2014	0.74	-0.11	-1.82	14.06	14.99	0.5	14	8,212	35,005

[1]Benchmark index. [2]Variability of the composite, gross of fees, and the index returns over the preceding 36-month period, annualized. [3]Asset-weighted standard deviation (gross of fees). [4]The 2024 YTD performance returns and assets shown are preliminary. N.A.–Internal dispersion less than a 12-month period.

The Emerging Markets Equity composite contains fully discretionary, fee-paying accounts investing in non-US equity and equity-equivalent securities of companies domiciled predominately in emerging markets and cash reserves, and is measured against the MSCI Emerging Markets Total Return Index (Gross) for comparison purposes. Returns include the effect of foreign currency exchange rates. The exchange rate source of the benchmark is Reuters. The exchange rate source of the composite is Bloomberg. Additional information about the benchmark, including the percentage of composite assets invested in countries or regions not included in the benchmark, is available upon request.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The index consists of 24 emerging market countries. You cannot invest directly in this index.

Harding Loevner LP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Harding Loevner has been independently verified for the period November 1, 1989 through June 30, 2024.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Emerging Markets Equity composite has been examined for the periods December 1, 1998 through June 30, 2024. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. Harding Loevner is an affiliate of AMG (NYSE: AMG), an investment holding company with stakes in a diverse group of boutique firms. A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented gross of foreign withholding taxes on dividends, interest income and capital gains. Additional information is available upon request. Past performance does not guarantee future results. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

The US dollar is the currency used to express performance. Returns are presented both gross and net of management fees and include the reinvestment of all income. Net returns are calculated using actual fees. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The standard fee schedule generally applied to separate Emerging Markets Equity accounts is 1.05% annually of the market value for the first $20 million; 0.75% for the next $80 million; 0.70% for the next $100 million; 0.55% above $200 million. The management fee schedule and total expense ratio for the Emerging Markets Equity Collective Investment Fund, which is included in the composite, are 0.90% on all assets and 1.00%, respectively. Actual investment advisory fees incurred by clients may vary. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

The Emerging Markets Equity composite was created on November 30, 1998 and the performance inception date is December 1, 1998.

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