Emerging Markets Equity

Quarterly Report | Year End 2024

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Emerging markets were having a fine 2024, until the fourth quarter. Donald Trump's election focused attention on the prospects of significant changes in US policies affecting global trade and the inflationary outlook.

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Global trade will likely continue to shift in Trump's second term, as indeed it has been shifting since Trump's first term. This shift will bring with it a different set of opportunities for an EM landscape that is also different, and in many ways better, from eight years ago.

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We sold three of our holdings following China's sharp autumn rally and added to holdings in India, Saudi Arabia, Taiwan, and Vietnam, increasing the level of geographic diversification in the portfolio.

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Composite Performance

Total Return (%) — Periods Ended December 31, 2024

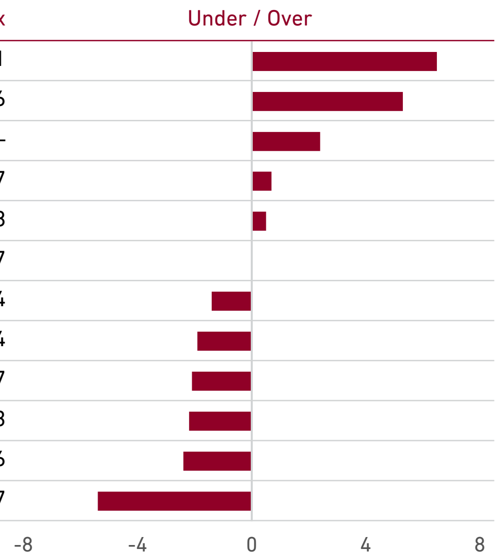
	3 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
HL Emerging Markets Equity (Gross)	-8.09	3.31	-6.44	-1.59	2.87	9.81
HL Emerging Markets Equity (Net)	-8.29	2.38	-7.26	-2.46	1.96	8.90
MSCI Emerging Markets Index	-7.84	8.05	-1.48	2.10	4.03	7.79

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.

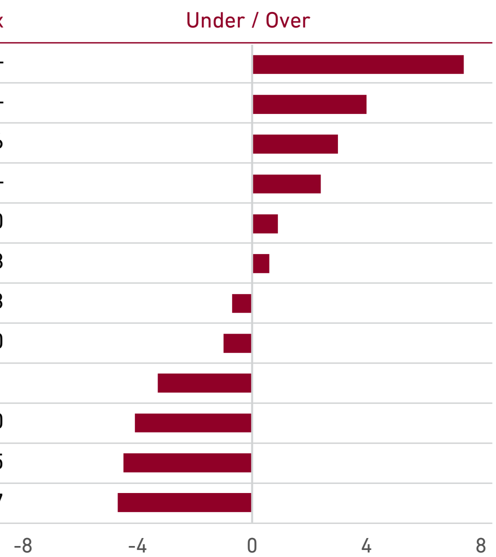
Past performance does not guarantee future results. Invested capital is at risk of loss. Please read the above performance in conjunction with the footnotes on the last page of this report. All performance and data shown are in US dollar terms, unless otherwise noted.

Portfolio Positioning (% Weight)

Sector	HL	Index
Cons Discretionary	19.6	13.1
Industrials	11.9	6.6
Cash	2.4	–
Financials	24.4	23.7
Cons Staples	5.3	4.8
Real Estate	1.7	1.7
Health Care	2.0	3.4
Comm Services	7.5	9.4
Utilities	0.6	2.7
Info Technology	22.1	24.3
Energy	2.2	4.6
Materials	0.3	5.7



Geography	HL	Index
Dev. Market Listed	7.4	–
Frontier Markets	4.0	–
Latin America	9.6	6.6
Cash	2.4	–
Africa	3.9	3.0
China + Hong Kong	28.4	27.8
Europe	1.6	2.3
Rest of Asia	4.0	5.0
Middle East	3.8	7.1
South Korea	4.9	9.0
India	15.0	19.5
Taiwan	15.0	19.7



"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 25.0% and Hong Kong is 3.4%. 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 having a fine 2024 for most of the year. Investors were emboldened by improving growth prospects and falling interest rates, surging growth in artificial intelligence (AI), and a rebound in China, with equities rising from inexpensive valuations. That changed in the fourth quarter. Donald Trump's election focused attention on both the prospects of significant changes in US policies affecting trade and also the inflationary outlook, with interest rates potentially remaining higher for longer, as the Federal Reserve hinted in its December meeting. After falling 8% in the final quarter, EMs ended 2024 up 8%. While they outperformed developed markets outside of the US (the MSCI World ex US was up 5%), both lagged the US, the star of the year (the MSCI USA Index was up 25%), in part as the dollar strengthened 9% on a trade-weighted basis.

China rebounded about 20% on the year, after three consecutive years of equities declines during what has become the country's worst economic downcycle since the late 1990s. The pressure of that downturn on people led to an acute rise in societal tension. In mid-September, after what had already been an unusual series of public attacks nationwide, local businessmen in Hunan apparently assassinated the province's finance head; dozens of people have been killed in separate mass attacks since then, a highly visible break in social stability in a country where such crimes are rare.

MSCI EM Index Performance (USD %)

Sector	4Q 2024	Trailing 12 Months
Communication Services	-8.1	16.1
Consumer Discretionary	-14.5	12.0
Consumer Staples	-13.8	-10.9
Energy	-12.0	-2.6
Financials	-5.0	11.6
Health Care	-11.7	-0.8
Industrials	-10.8	1.5
Information Technology	1.3	21.0
Materials	-18.5	-19.7
Real Estate	-6.6	4.3
Utilities	-14.0	3.6
Geography	4Q 2024	Trailing 12 Months
Africa	-11.9	6.1
South Africa	-12.0	7.4
Asia	-7.7	12.6
China	-7.7	19.7
India	-10.6	12.4
South Korea	-19.2	-23.1
Taiwan	3.4	35.1
Europe	-6.5	5.7
Latin America	-15.7	-26.0
Brazil	-19.3	-29.5
Mexico	-10.5	-26.8
Middle East	0.8	5.6
Saudi Arabia	-1.5	0.8
MSCI EM Index	-7.8	8.1

Source: FactSet, MSCI Inc. Data as of December 31, 2024.

Those incidents seemed to change the minds of policymakers who had previously been reluctant to undertake major stimulus programs. In late September, they finally launched their biggest coordinated stimulus package since the global financial crisis, and followed up with details throughout the fourth quarter. These included the first shift to an easier monetary policy stance in 14 years, as well as a US$1.4 trillion program to use central-government funds to shore up the balance sheets of local governments, some of which could no longer even afford to pay teachers and police on a regular basis after losing a key source of revenues—selling land to property developers—amid the prolonged decline in the real-estate market.

But despite a flurry of economic policy announcements and press conferences in subsequent weeks, concrete details remained thin, leading markets to decline in October. Still, for the fourth quarter as a whole, despite the guessing game on policy and repeated promises by Trump to raise tariffs on China-made products to 60% or higher, Chinese equities outperformed broader EMs by a hair as investors continued to expect more stimulus.

> Donald Trump's election focused attention on both the prospects of significant changes in US policies affecting trade and also the inflationary outlook.

Across the strait in Taiwan, markets closed the year up 35% as semiconductor and other technology companies, including many suppliers to NVIDIA, saw rapid growth in demand as key enablers of broader usage of AI. South Korea, despite a sizable technology sector, fell 23% for the year, largely in the fourth quarter. **Samsung Electronics**, its largest company, disappointed across several areas of its business. More dramatically, the country's president, Yoon Suk Yeol, threw the political system into turmoil after invoking martial law for the first time in 45 years, an apparent attempt to dissolve the opposition-controlled legislature that had been trying to impeach him. Instead, that legislature, after overturning his declaration, ended up impeaching both Yoon and his successor; all this worsened the policymaking deadlock that had already defined Yoon's administration. India closed up 12%, after its stock-market rally reversed in the fourth quarter, reacting to its securities regulator's introduction of tighter policies to curb

Companies held in the portfolio at the end of the year 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 December 31, 2024 is available on page 9 of this report.

retail investor-driven speculation in the derivatives market, as well as slowing growth, which weighed on equity valuations that had been based on lofty expectations.

Latin America performed the worst by far, with Brazil down 29% and Mexico down 27% for the year. In Brazil, the government's much-anticipated fiscal package failed to curb a persistent fiscal deficit, leading to higher interest-rate expectations and dramatic weakening in both its stock market and its currency, which contributed to a 12% slide for the real in dollar terms in the fourth quarter. In Mexico, investors reacted to Trump's threats of higher tariffs, along with the prospect of Mexico's judiciary losing its independence under its new administration's plans to choose judges, including on its supreme court, by popular vote.

By sector, Information Technology (IT) outperformed for the year, up 21%, led by AI-enabling hardware makers in Taiwan that are represented disproportionately in that sector. Communication Services and Consumer Discretionary also did well, dominated by companies in China that rebounded on expectations of greater stimulus. Materials declined the most, by 20%, as commodity products saw weaker end demand, exacerbated by China's ailing economy. Consumer Staples also underperformed across markets.

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By style factors, higher-quality companies underperformed significantly for the full year, particularly in China: the MSCI EM Quality Index lagged the overall MSCI EM Index by 5.7 percentage points, largely because of an unprecedented 25 percentage-point underperformance by the MSCI China Quality Index against the broader MSCI China Index. In part, this reflected continued outperformance by high dividend-yielding state-owned companies in China amid falling growth expectations and record-low interest rates.

Performance and Attribution

The Emerging Markets Equity composite fell 8.1% gross of fees during the fourth quarter, modestly wider than the 7.8% loss of the MSCI Emerging Markets Index.

Holdings in IT and Financials were the primary causes of underperformance. In IT, **Aspeed**, a Taiwanese company specializing in fabless integrated-circuit design, faced concerns over the competitive threat from a smaller rival, particularly when vying for business from high-profile customers. Our underweight in Taiwanese semiconductor chip manufacturer **TSMC** also hurt. Poor returns in IT were partially mitigated by IT services business **EPAM**, which reported solid third-quarter results and issued a positive growth outlook.

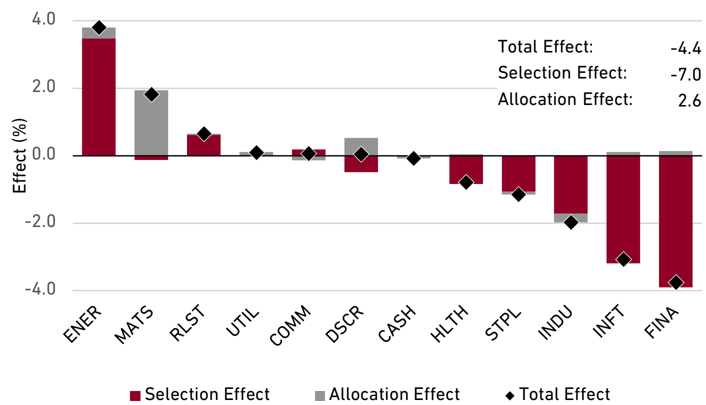
In Financials, our positions in Hong Kong-based **AIA Group** and India's **HDFC Life** detracted. Both have reported decent growth this year, but AIA's stock may have been pressured by economic weakness in China, an important growth area for the company. Margins weakened at HDFC Life, which also faced concerns over potential new regulations on insurance sales through banks.

Relative returns were helped by our significant underweight in Materials (the worst-performing sector this quarter) and good stocks in Energy and Real Estate. In the former, **Tenaris**, which makes steel pipes used in oil and gas production, has seen a nascent recovery in prices for its products in the US. In Real Estate, UAE-based **Emaar Properties** has been generating strong earnings, bolstered by sustained demand for Dubai's real estate.

Trailing 12 Months Performance Attribution

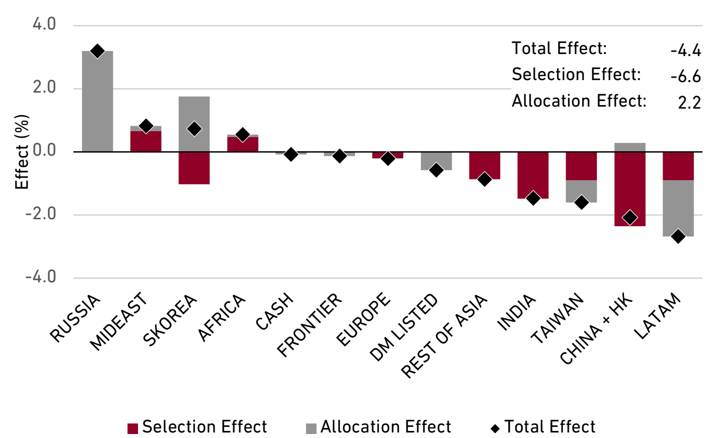
Sector

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 December 31, 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.

Investors also cheered the announcement of a significantly higher dividend payout by the company.

By geography, Taiwan was the primary source of underperformance due to Aspeed and TSMC. Emaar boosted returns in the Middle East. A number of positive contributors in the quarter were EM companies listed in developed markets, notably Tenaris (listed in Italy, but with major operations in Argentina), EPAM (US listed, but with operations increasingly diversified across emerging markets), and **Globant** (another US-listed IT services business but with operations focused on Latin America). All three did well, in large part due to rebounding demand from customers.

The composite significantly lagged the index over the trailing 12 months, also primarily due to our investments in IT and Financials. Despite its strong returns in the fourth quarter, EPAM's stock was under pressure most of the year due to concerns about slowing demand for IT projects. The portfolio's underweight in TSMC and overweight in Samsung Electronics also hurt returns in 2024.

> UAE-based Emaar Properties has been generating strong earnings, bolstered by sustained demand for Dubai's real estate.

In Financials, bank holdings **GF Banorte** of Mexico and **Bank Rakyat** in Indonesia detracted. In Mexico, investor worries about increasingly populist policies following Claudia Sheinbaum's decisive victory in the June presidential election—as well as Trump's victory in the subsequent election in the US, Mexico's main trading partner—hurt Banorte and other stocks in this market. In Brazil, financial services company XP fell due to the threat of higher-for-longer interest rates in the country.

We outperformed in Real Estate thanks to Emaar Properties. Our strong returns in Energy this year were primarily due to our sale of Russia's Lukoil after receiving a credible and reasonable offer for the shares; we had priced the portfolio position at effectively zero since March 2022 due to an inability to trade the shares.

Perspective and Outlook

Donald Trump's November victory brought with it the fear of a shakeup in international geopolitics and a reorientation of supply chains for EM companies. The incoming US president's threats to boost tariffs and trade barriers loomed large on EM investors' minds and led to a sharp decline in EM returns in the fourth quarter.

If all this seems familiar, it is. EMs endured a similar sharp decline eight years ago after Trump's first victory. While developed-market stocks embraced the risks of "Trumponomics," EM stocks bore the brunt of it in the immediate aftermath of the 2016 election, as his agenda of increased protectionism weighed on EM returns. China and Mexico were front and center in those concerns in 2016, with the former facing threats of severe trade-related restrictions while the latter was being targeted through a renegotiation of NAFTA.

We were skeptical back then that one person could scuttle the global supply-chain lines that had been built up over decades. Indeed, EMs had a strong rebound during the first year of Trump's presidency in 2017. The MSCI EM benchmark rose 38%, with stocks in both China and Mexico doing well. Once again, we are skeptical of the market's evaluation of the risks. Global trade is not going to just stop because of changes in US policy. What we do believe will happen, however, is that global trade will continue to *shift*, as indeed it has shifted since Trump's first term. And that shift will bring with it a different set of opportunities.

> If all this seems familiar, it is. EMs endured a similar sharp decline eight years ago after Trump's first victory.

The EM landscape outside of China is different from eight years ago. In many ways it is better. Looking at current macroeconomic conditions first, five-year average inflation rates are significantly lower now compared with corresponding numbers back in 2016, despite the spike in inflation during the pandemic years, indicating lesser sustained pressure on consumer purses now. Tight monetary policy across most EMs (with the notable exception of Brazil) has managed to keep inflation from spiking. As EM central banks are expected to cut interest rates over the next few years, we expect domestic consumption and economic growth in these countries to get a boost. While China continues to maintain a healthy current account surplus, current account balances of other important export-oriented EMs such as Mexico, Taiwan, South Africa, and Indonesia are significantly better than they were eight years ago, thus providing these economies with a better cushion against volatility in global trade.

There has been a lot of talk over the last few years about deglobalization, and Chinese exports to the US have in fact fallen from their peak due to trade restrictions. However, China's exports as a percentage of overall global trade haven't been affected that much, as global trade is simply being rerouted. China's exports to Southeast Asian countries have increased significantly in the last few years, picking up the slack from US exports, and China remains the largest trading partner for about half of the countries in the Global South comprising more than 130 countries.

Indeed, despite its domestic problems, or rather precisely because of them, China must remain focused on trade. In the fourth quarter of 2024, President Xi Jinping attended economic summits at which he signed new trade deals and advocated for further globalization. In November he attended a ceremony in Peru to open the US$1.3 billion Chancay Port, which will significantly improve shipping times between China and Latin America. Boosting trade further opens up global markets for Chinese goods and brings desperately needed economic growth.

Global trade hit a record US$33 trillion in 2024, and while there is significant uncertainty about its path in the coming months and years, it clearly is going to remain significant. Companies will adjust to changes in the global trade environment by exploring the opportunities for diversification, strengthening supply chains, and utilizing new technologies. A recent survey of executives by The Economist Group found that only about a quarter of executives (26%) are working with fewer suppliers, nearly half (47%) are pursuing diversification, and virtually all (98%) are employing AI to improve the efficiency of their supply-chain operations. In other words, companies are and have been adapting to a changing world.

A good example of how companies are mitigating the risk of supply chain disruptions is China's **Midea Group**, the largest home-appliance company globally and a leading global manufacturer of commercial heating, ventilation, and air conditioning (HVAC). Close to 40% of Midea's 2023 revenue was derived outside of China. However, despite pressure on the stock price amid news related to potential US tariffs, we think that the impact on Midea's earnings from another round of tariff increases is easily manageable. Direct exposure to US revenues is small, with only close to 10% of Midea's revenues generated in the US per its 2023 filings.

> Companies will adjust to changes in the global trade environment by exploring the opportunities for diversification, strengthening supply chains, and utilizing new technologies.

Moreover, Midea has a well-diversified global supply chain with 22 overseas manufacturing bases in 16 countries. Roughly 20% of Midea's appliance-production capacity is located outside of mainland China, so production for the US market could be easily sourced from a manufacturing facility located in a country unaffected by potential tariffs. Midea also has strong bargaining power over its customers. Even in 2018, when US tariffs on imports of air conditioners and refrigerators from China had increased from 10% to 25%, Midea was able to pass through this higher tariff to its customers and maintain robust gross profit margins. We expect the company to be able to do the same if tariffs are raised again over the next four years.

Another portfolio holding that has benefited from expansion in its global footprint over the last decade is **WEG**, Brazil's leading maker of electrical components, such as electric motors and transformers, with a fast-growing business in electricity generation and distribution for renewable sources of energy. WEG generated 53% of its revenue in 2023 outside its home market of Brazil, with close to 20% of total revenue generated in the US and the rest spread across Europe, Asia, and Africa. While this has helped expand the addressable market for WEG's products and improved the company's long-term growth outlook, it could lead to a perception of increased susceptibility to risk of trade disruptions for the company.

However, with 63 manufacturing sites across four continents and 17 countries, the company can promptly serve its customers with lower logistics costs, benefiting from the near-shoring trend that started during President Trump's first term and intensified during the pandemic. WEG also has a vertically integrated manufacturing process that reduces its dependence on outside suppliers and reduces risk of supply-chain disruptions.

There are reasons for optimism outside of just these two examples. Like the case outlined for Midea above, when we look at other EM companies in our portfolio, long-term prospects for earnings and stock returns continue to look attractive. EM cash flow returns on investment (CFROI) have remained steady at close to 7% over the last nine years and remain well above CFROIs delivered by developed markets outside the US. The average portfolio holding also has a significantly higher quality profile now compared to 2016, while having a lower debt-to-equity ratio compared to the prior period, indicating lower balance sheet risk today.

Several of the reasons for the growth of EM companies in the last decade remain relevant and potent. Banks such as **HDFC Bank** in India and **Al Rajhi Bank** in Saudi Arabia, along with Kenya's leading mobile-payment company **Safaricom**, are expected to continue to benefit from increasing financial penetration in their domestic markets. Faster uptake of digitization, championed by digital payments and e-commerce companies such as **MercadoLibre** in Latin America and **Kaspi.kz** in Kazakhstan, is also expected to lead to sustained increases in revenues and profits for those companies.

Then of course there are also new opportunities. Eight years ago, AI was mainly a science-fiction motif. Today rapid developments in AI have boosted the growth outlook for several EM companies. We own several semiconductor and hardware companies that are crucial to the AI manufacturing value chain. Our largest holding, TSMC, has more than 80% market share in leading-edge semiconductors globally and fabricates almost all of the chips designed by NVIDIA. TSMC expects AI-related revenue to grow at a cumulative rate of 50% over the next five years. We also own power component maker **Delta Electronics**, which commands more than 50% market share in sophisticated power supplies needed for high-end servers. Then there are our three IT-Services companies, Globant, EPAM, and **Tata Consultancy Services**. Although it's still early days for them, they have started working on business-transformation projects for clients aimed at helping those clients adopt and adapt AI for their own operations.

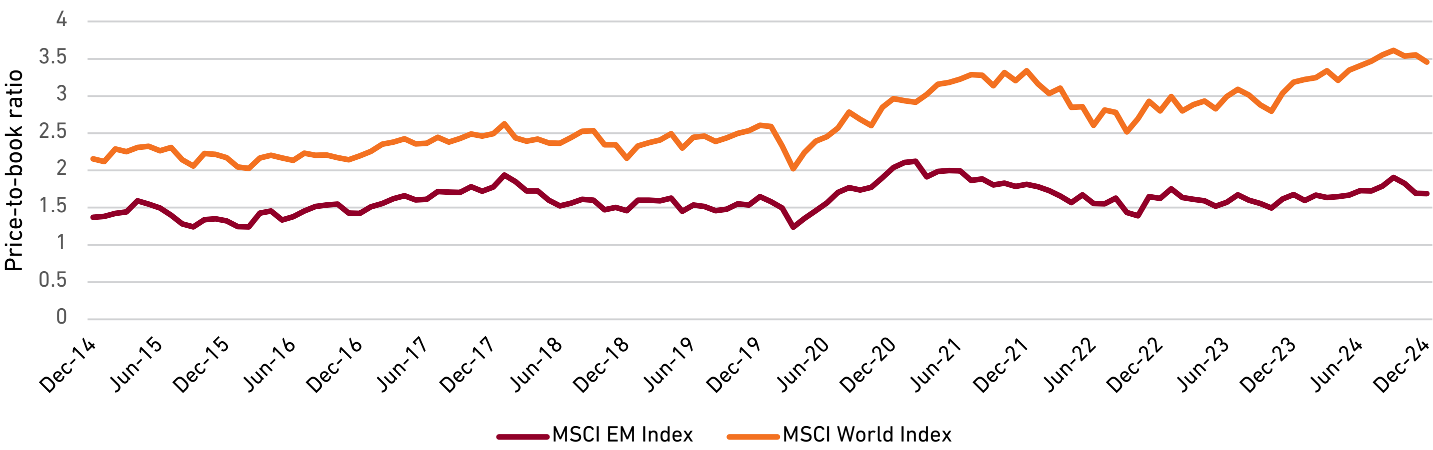
Finally, the relative valuation case for EMs compared to developed markets remains compelling.

When measuring valuation using current price-to-book multiples, the discount enjoyed by EMs (as measured by the MSCI EM Index) at the aggregate level compares favorably to the high current valuations of developed markets (MSCI World Index).

EMs are more economically resilient than they were eight years ago. Meanwhile many EM companies have greater growth opportunities and more attractive valuations. Given the unpredictability of policy in the future and the related macroeconomic risk that is being discounted in share prices, we remain focused on our fundamental research of companies with

Emerging Markets' Value Proposition

Price-to-book ratio of MSCI EM Index and MSCI World Index



Source: Bloomberg. Data as of December 31, 2024.

strong competitive advantages and good management teams that can adapt and outcompete through changing industry structures in increasingly unsettled times.

Portfolio Highlights

During 2024 we established new positions in healthcare-related companies **Clicks Group** and **Raia Drogasil**, the leading pharmacy chains in South Africa and Brazil, respectively, as well as adding to our holding in **Mindray**, China's leading medical-device company focusing on patient monitoring, in-vitro diagnostics and imaging. In the fourth quarter we made a new investment in **Bupa Arabia**, the leading health-insurance provider in Saudi Arabia.

Bupa Arabia, a part of the global Bupa group, has a dominant 45% share of the highly concentrated Saudi health-insurance market; its closest competitor, Tawuniya, a diversified insurance group, holds another 30%. Bupa Arabia's dominant industry position provides greater bargaining power with healthcare service providers as well as the financial strength to invest in superior service quality and tailored insurance products. Offerings such as Bupa Parents and Bupa Family are attractive products for individual and corporate clients, especially when combined with value-added services such as health coaching and wellness programs. The company has also made investments in digital initiatives to enhance customer engagement and operational efficiency that help create a seamless user experience across its value chain, from policyholders to healthcare providers.

The Saudi government's Vision 2030 agenda emphasizes improved healthcare in the kingdom, including greater private-sector participation, which supports the long-term growth of the industry. Health insurance is mandatory for all private-sector employees and their dependents, and greater enforcement of the law is creating a swell in demand for health-insurance products. We expect Buba's revenues and profit growth to rise in the low-to-mid teens per year for the long term.

Bupa's shares stalled for a period, which provided an opportunity for us to initiate a position at a time when the stock offered more that 30% upside to our estimate of fair value. Clearly investor sentiment has been affected by conflict in the region but also a short-term decline in Bupa's market share versus Tawuniya that we expect will prove to be temporary.

> Bupa Arabia's dominant industry position provides greater bargaining power with healthcare service providers.

We sold three Chinese companies following the country's sharp rally in the fall of 2024. One was StarPower, a company that makes specialized semiconductors used to help control the flow of electricity, such as in electric vehicles, solar inverters, and industrial machinery. It is a leader in its field, but we sold it after we met with the management of a newer competitor. We think it likely that competitor and other companies could drive up industry rivalry and threaten StarPower's market share and growth prospects. The upshot was that the risks associated with our investment thesis had risen markedly, and with the stock trading 40% above the lows of September, we decided to sell.

We closed our ill-fated investment in LONGi, one of the largest makers of solar equipment in the world. The company's dominance in the industry has not protected the stock, and a combination of a higher share price and a lowered long-term view of industry returns on capital led us to exit. Finally, we sold our holding in Hengli Hydraulic, China's leading manufacturer of hydraulic components used in excavators. While we are confident that the companies we have in our portfolio can withstand the acrimony over global trade, we were less confident about Hengli's ability to do so. The company has made significant investments in a new plant in Mexico, which it has struggled to bring online. That overhang and the uncertainty over how the Trump administration will approach trade with Mexico—as well as our perception of the limited upside after a three-month, 29% rally—prompted us to sell.

The sale of these three Chinese stocks has left the portfolio with exposure to China near that of the benchmark, a return to our neutral positioning entering 2024.

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.

Emerging Markets Equity Holdings (as of December 31, 2024)

Communication Services	Market	End Wt. (%)
Baidu (Internet products and services)	China	0.3
Naver (Internet services)	South Korea	1.0
Safaricom (Mobile network operator)	Kenya	0.5
Telkom Indonesia (Telecom services)	Indonesia	0.4
Tencent (Internet and IT services)	China	5.3
Consumer Discretionary		
Alibaba (E-commerce retailer)	China	1.8
Allegro (E-commerce retailer)	Poland	1.1
Coway (Consumer appliances manufacturer)	South Korea	0.6
Eclat Textile (Technology-based textile manufacturer)	Taiwan	1.7
JD.com (E-commerce retailer)	China	1.3
Li-Ning (Athletic footwear and apparel retailer)	China	0.6
Lojas Renner (Department stores operator)	Brazil	0.4
Maruti Suzuki (Automobile manufacturer)	India	2.5
MercadoLibre (E-commerce retailer)	US	1.6
Midea Group (Consumer appliances manufacturer)	China	1.6
Mobile World (Grocer and electronics retailer)	Vietnam	1.5
Shenzhou International (Textile manufacturer)	China	1.2
Trip.com Group (Online travel services)	China	3.9
Consumer Staples		
Budweiser APAC (Alcoholic beverages manufacturer)	Hong Kong	0.3
Clicks Group (Drugstores operator)	South Africa	0.8
Coca-Cola HBC (Coca-Cola bottler)	UK	0.8
FEMSA (Beverages manufacturer and retail operator)	Mexico	1.4
Raia Drogasil (Drugstores operator)	Brazil	0.7
Walmart de México (Foods and cons. products retailer)	Mexico	1.3
Energy		
Tenaris (Steel-pipe manufacturer)	Italy	2.2
Financials		
AIA Group (Insurance provider)	Hong Kong	1.3
Al Rajhi Bank (Commercial bank)	Saudi Arabia	1.2
B3 (Clearing house and exchange)	Brazil	0.6
Bancolombia (Commercial bank)	Colombia	0.6
Bank Central Asia (Commercial bank)	Indonesia	0.9
Bank Rakyat (Commercial bank)	Indonesia	1.1
Bupa Arabia (Insurance provider)	Saudi Arabia	0.8
Commercial International Bank (Commercial bank)	Egypt	0.6
Discovery Holdings (Insurance provider)	South Africa	1.2
GF Banorte (Commercial bank)	Mexico	1.4
HDFC Bank (Commercial bank)	India	4.7
HDFC Life (Insurance provider)	India	1.4

Financials	Market	End Wt. (%)
ICICI Bank (Commercial bank)	India	2.6
Itaú Unibanco (Commercial bank)	Brazil	0.9
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	1.3
Health Care		
Bumrungrad Hospital (Hospital operator)	Thailand	0.6
Mindray (Medical equipment manufacturer)	China	1.3
Industrials		
AirTAC (Pneumatic-equipment manufacturer)	Taiwan	1.4
Astra International (Auto business operator)	Indonesia	1.0
CATL (Battery systems manufacturer)	China	1.7
Copa Holdings (Airline operator)	Panama	0.7
Inovance (Industrial controls manufacturer)	China	1.0
Localiza (Automobile rental services)	Brazil	0.7
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	1.1
WEG (Industrial equipment manufacturer)	Brazil	1.5
ZTO Express (Express delivery services)	China	0.9
Information Technology		
ASM Pacific Technology (Semiconductor eqpt. mfr.)	Hong Kong	0.7
Aspeed (Electronic chip designer and manufacturer)	Taiwan	2.0
Delta Electronics (Power management products)	Taiwan	2.2
EPAM (IT consultant)	US	1.0
Globant (Software developer)	US	1.8
Hon Hai Precision (Electronics manufacturer)	Taiwan	1.8
Samsung Electronics (Electronics manufacturer)	South Korea	3.3
Tata Consultancy Services (IT consultant)	India	3.5
TSMC (Semiconductor manufacturer)	Taiwan	5.9
Materials		
Asian Paints (Paint manufacturer)	India	0.3
Real Estate		
Emaar Properties (Real estate developer and manager)	UAE	1.7
Utilities		
ENN Energy (Gas pipeline operator)	China	0.6
Cash		2.4

*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.

4Q24 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Trip.com Group	DSCR	3.5	0.5	0.49
Tenaris	ENER	2.0	–	0.48
Emaar Properties	RLST	1.1	0.2	0.43
Delta Electronics	INFT	1.9	0.3	0.26
HDFC Bank	FINA	4.5	1.3	0.25

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Lukoil	ENER	<0.1	–	3.20
Trip.com Group	DSCR	2.5	0.4	1.49
PDD Holdings*	DSCR	–	1.1	0.51
Emaar Properties	RLST	1.1	0.2	0.48
Vale*	MATS	–	0.5	0.34

4Q24 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
TSMC	INFT	5.6	10.1	-0.67
Aspeed	INFT	2.4	–	-0.43
Xiaomi*	INFT	–	0.7	-0.33
Maruti Suzuki	DSCR	2.4	0.2	-0.30
Allegro	DSCR	1.2	0.1	-0.27

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
TSMC	INFT	5.6	9.0	-1.38
Localiza	INDU	1.2	0.1	-1.10
Walmart de México	STPL	1.7	0.2	-0.79
FEMSA	STPL	1.9	0.3	-0.78
GF Banorte	FINA	1.9	0.3	-0.74

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

Portfolio Characteristics

Quality and Growth	HL	Index
Profit Margin[1] (%)	15.7	15.4
Return on Assets[1] (%)	7.8	5.8
Return on Equity[1] (%)	17.9	15.0
Debt/Equity Ratio[1] (%)	37.3	38.3
Std. Dev. of 5 Year ROE[1] (%)	5.2	5.2
Sales Growth[1,2] (%)	10.4	9.4
Earnings Growth[1,2] (%)	9.3	10.5
Cash Flow Growth[1,2] (%)	14.8	14.0
Dividend Growth[1,2] (%)	11.2	9.2
Size and Turnover	**HL**	**Index**
Wtd. Median Mkt. Cap. (US $B)	39.9	38.4
Wtd. Avg. Mkt. Cap. (US $B)	131.2	171.3
Turnover[3] (Annual %)	17.0	–

Risk and Valuation	HL	Index
Alpha[2] (%)	-3.44	–
Beta[2]	1.03	–
R-Squared[2]	0.91	–
Active Share[3] (%)	72	–
Standard Deviation[2] (%)	19.79	18.35
Sharpe Ratio[2]	-0.21	-0.02
Tracking Error[2] (%)	5.8	–
Information Ratio[2]	-0.63	–
Up/Down Capture[2]	96/109	–
Price/Earnings[4]	16.9	14.2
Price/Cash Flow[4]	11.4	10.0
Price/Book[4]	2.7	2.0
Dividend Yield[5] (%)	2.3	2.6

[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 Equity model based on the underlying holdings, FactSet (Run Date: January 6, 2025) based on the latest available data in FactSet on this date.), MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector
Bupa Arabia	Saudi Arabia	FINA

Positions Sold	Market	Sector
Hengli Hydraulic	China	INDU
LONGi	China	INFT
StarPower	China	INFT

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 December 31, 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[4]	3.31	2.38	8.05	18.11	17.50	N.M.	5	1,087	35,471
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 performance returns and assets shown are preliminary. N.M.–Information is not statistically significant due to an insufficient number of portfolios in the composite for the entire year.

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 September 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 September 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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