

Emerging Markets Equity

Second Quarter 2025 Report



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Performance

Total Return (%) Periods Ended June 30, 2025

	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
HL Emerging Markets Equity (Gross)	10.34	12.01	15.77	7.56	3.89	3.85	10.09
HL Emerging Markets Equity (Net)	10.10	11.54	14.76	6.62	2.97	2.94	9.18
MSCI Emerging Markets Index	12.20	15.57	15.97	10.22	7.26	5.23	8.23

Performance returns are of the composite. 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 disclosures on the last page of this report. All performance and data shown are in US dollar terms, unless otherwise noted.

What's on Our Minds

Companies face all kinds of challenges in their quest for enduring profits. They have to fend off cheaper substitutes for their products, contend with new rivals, and maintain leverage over their suppliers and favor with their buyers.

This is the essence of the analytical framework created by Harvard professor Michael Porter. Porter's "Five Forces" approach helps us gauge the long-term attractiveness of a particular industry and identify companies that are more likely to prosper. Examined through this method, a quality company will exhibit some kind of competitive advantage over its rivals. Finding this advantage has always been pivotal for long-term fundamental investors, whether in developed or emerging markets. It is even more critical now.

EM companies have been increasingly looking at other EM markets for growth, given the trade wars President Donald Trump started in his first term (a topic of this letter two quarters ago). Now in his second term, Trump's fervor for tariffs has only grown, and this trend is likely to accelerate. So how can incumbent companies defend their markets against new competitors? In Brazil, e-commerce and retail companies are finding that their competitive advantage against either domestic or foreign competitors is their deep knowledge of the local market, and how they use that knowledge to build moats around their businesses.

Brazil has become an attractive destination for business. E-commerce firms such as Sea's Shopee and Alibaba's AliExpress are committing significant capital to tap Brazil's vast consumer market and the opportunities the country offers in high-margin industries that result in strong returns on invested capital. Auto companies Geely and BYD, food-delivery service Meituan, and appliance-maker Midea are all doing the same thing. For Brazil, the fresh investment supports more abundant job creation. But the infusion of capital also alters industry structures and reshuffles the competitive landscape.

MercadoLibre, Brazil's e-commerce champion, has been in the portfolio since early last year due to its increasingly dominant scale advantages and vital user engagement as well as a reasonable valuation given its strong growth prospects. MercadoLibre has taken the best of what other online retailers do, tailored it for its own local markets, and added innovative new services. For instance, in a region with many "unbanked" customers, it built its own payments service and became a leader in digital payments. It then built up a credit business by offering services to customers when banks wouldn't extend them credit; the retailer has been able to assess borrower risks using both payments and sales data it collects from customers. Another advantage is more physical. In the US, retailers can

rely on well-established independent carriers such as FedEx or UPS for deliveries. Not only do those services not exist in large swaths of Latin America, in many places paved roads don't even exist. MercadoLibre's solution was to invest billions in its own distribution networks, including physical delivery to the most remote locations. Its own managed logistics network handles 95% of its shipments, and half of those parcels arrive the same or the next day after an order is placed. Much like Amazon's Prime, it has created its own loyalty program, Meli+, that bundles all these services and offerings to create a compelling user experience.

MercadoLibre is both a reflection of changing competitive forces and a cause of them, because it isn't a Brazilian company at all. It was founded in 1999 in Argentina and today operates in 18 countries across Latin America. It launched in Brazil in 2001 when it bought the Brazilian subsidiary of European online auction site iBazar. Over the last decade, since Trump's trade wars started,

the company has stepped up its presence in Brazil. It opened a spacious, modern, sleek Brazilian headquarters in São Paulo in 2016. It opened its first distribution center in Brazil in 2017. In 2021, it approved a US\$1.8 billion capital investment in its operations there.

But Shopee, the e-commerce arm of Singapore-based Sea, is aggressively expanding in Brazil and emerging as a serious challenger. Shopee's Brazilian operations became profitable last year and the company has announced further investment in distribution centers to challenge MercadoLibre. Shopee's logistics footprint rivals MercadoLibre's in São Paulo and the northeast, and while Shopee's gross merchandise value lags (due to lower average selling prices, about one-third those of MercadoLibre), its order volume is now higher, having captured a wider swath of younger and smaller-ticket shoppers.

Market Snapshot

- The Trump administration imposed and then walked back high tariffs on much of the world, later reaching a tentative agreement with China. This allowed global growth expectations to recover.
- EM currencies continued to strengthen. The New Taiwan dollar rose more than 13%, spurred in part by rumors of the US requesting trading partners lift the value of their currencies to help narrow trade balances.
- South Korea led gains after the Democratic Party nominee won the presidential election. Stocks, especially in its large Industrials sector, rallied on hopes that President Lee Jae-Myung's administration could push ahead on corporate-governance reforms with the support of the legislature, already dominated by his party.
- Taiwan and its heavily represented Information Technology (IT) sector also outperformed as the shares of companies in the artificial intelligence (AI) value chain rose on strong spending outlooks shared by key buyers.

Index Performance (USD %)

MSCI EM Index

Sector	2Q 2025	Trailing 12 Months
Communication Services	9.2	30.9
Consumer Discretionary	-2.7	17.7
Consumer Staples	5.8	3.9
Energy	6.5	-4.0
Financials	14.0	26.9
Health Care	7.9	18.3
Industrials	21.9	16.7
Information Technology	24.4	12.2
Materials	7.5	1.1
Real Estate	6.5	15.8
Utilities	7.3	2.2

Region	2Q 2025	Trailing 12 Months
Africa	13.8	32.4
South Africa	13.9	32.8
Asia	12.6	15.6
China	2.1	34.1
India	9.7	2.3
South Korea	32.8	6.7
Taiwan	26.3	15.1
Europe	16.9	24.6
Latin America	15.4	14.0
Brazil	13.4	12.1
Mexico	20.8	13.6
Middle East	1.7	12.9
Saudi Arabia	-5.0	0.3
MSCI EM Index	12.2	16.0

Source: FactSet, MSCI Inc. Data as of June 30, 2025.

The threat posed by Shopee spurred a strong response from MercadoLibre. This quarter, MercadoLibre slashed its free-shipping threshold from R\$79 to R\$19—matching Shopee’s—and cut seller shipping fees by nearly half, which will be especially valuable in Brazil’s north and northeast, where Shopee has been more aggressive in its logistics buildout. Early results from these moves are promising; shipping volumes jumped 131% in the north and 109% in the northeast after the new pricing took effect. These moves will likely pressure MercadoLibre’s near-term commerce margins, but management expects the resulting volume increases will ultimately outweigh the cost. While the competitive landscape is evolving rapidly, MercadoLibre’s deep knowledge of its local customer base, integrated ecosystem, and focus on innovation are its long-term competitive advantages.

E-commerce penetration is still low in Brazil, less than 20%. The increased competition between MercadoLibre and Shopee could lead to an increase in adoption, which could help those two and hurt smaller platforms and retailers.

• *While the competitive landscape is evolving rapidly, MercadoLibre’s deep knowledge of its local customer base, integrated ecosystem, and focus on innovation are its long-term competitive advantages.*

That effect can be seen on retailers in narrower markets, such as local pharmacies and clothing. Brazil’s pharmacies comprise almost half of all prescription and OTC sales across Latin America. That attractive market has enticed new entrants, such as... MercadoLibre. It has moved into high-margin segments such as household and personal-care (HPC) products and has an eye on OTC drugs. Large e-commerce players have more bargaining power than smaller retailers and can compete aggressively on price. With online HPC penetration expected to rise from less than 10% now (compared with 40% in the US), Raia Drogasil, Brazil’s largest pharmacy chain, is feeling the pressure.

Raia Drogasil’s response to this has been to lean on its own advantages. The most important of these is its size: the company has a national footprint of more than 3,000 stores. The vast data pool it gets from its customers allows for hyper-personalized promotions, and its expanding loyalty program and wider

health care-services offerings boost customer engagement. Its prescription and branded generics business, accounting for 50% of revenue, remains strong. Despite near-term headwinds, Raia Drogasil can continue gaining market share and maintain its industry-leading margins in a competitive market where an aging population is spending more on health care.

Then there is Lojas Renner, a Brazilian retailer that has been pressured by both outside competition and the COVID-19 pandemic but has finally put itself back into a position of strength. The company was used to outside competitors in the clothing market, especially the overseas “fast-fashion” companies such as China’s Shein. Its response was to invest in its own operations. It improved its online experience through customization: its website, for instance, appears differently to people in different regions. A customer in a northern heat wave sees something different from a customer in a southern winter. Also, the company launched a large-scale investment plan in 2019, including opening a major distribution center in Cabreúva, near São Paulo. When the pandemic hit, Renner was one of the first large companies in Brazil to close all its stores, but the overlapping costs of building new infrastructure while running legacy fulfillment systems and closing its physical locations left it at a disadvantage versus leaner e-commerce rivals.

Today, though, those investments are starting to pay off. Profit margins are improving thanks to more efficient supply chains, better stock management, and faster response to fashion trends—leading to fewer markdowns and stock-outs. As online operations grow, cost pressures are easing through better integration with the offline business. Despite continued competition from Shein and other cross-border retailers—now subject to at least some import duties—Renner has entered a harvesting phase of margin recovery and improvement in return on invested capital, potentially exceeding pre-COVID levels.

Brazil’s market has become more competitive but rather than hurting the incumbents it has highlighted their advantages. MercadoLibre, Raia Drogasil, and Lojas Renner are companies that succeeded by catering to the needs of their local markets, where they have become deeply enmeshed and will use that as a bulwark against outside competitors. Knowing their markets and customers, together with the ability to build new systems and services that leverage that knowledge, gives these companies strong competitive advantages, and for that reason they should thrive even in a new, more global marketplace.

Portfolio in Focus

Despite the disruption from President Trump's trade wars, Taiwanese tech companies still look attractive. Aspeed reported very strong first-quarter earnings and has a solid growth outlook. Demand remains high for its BMC (baseboard management controller) chips, which allow network operators to monitor hardware. What's more encouraging is that the average selling price of BMC chips in AI servers is higher than those in general servers, as they include more features such as higher security. As sales of BMCs for AI servers rise rapidly over the next two years, the company should show robust revenue growth and margin expansion.

Hon Hai Precision also announced good earnings in the first quarter. Operating income rose 27% on the back of a 24% increase in revenue. The company has continued to make more of the components for its products in-house, further helping margins. A major growth area for Hon Hai is AI servers. AI servers now comprise 40% of the company's server sales, and this is expected to increase further as Hon Hai expands delivery of NVIDIA racks and custom solutions for hyperscalers. The selloff in IT companies in early April in the wake of Trump's tariff announcements offered a chance to add to the holdings of both companies.

In other markets, South Korea rallied sharply with the electoral victory of President Lee in June, as investors hoped his support for an amendment of Korea's Commercial Act will lead to improved shareholder rights, stronger corporate governance, and higher shareholder returns. Among the several proposals

in the amendment, a significant one involves increasing the scope for boards of directors' duty from their current "loyalty to the company" to "loyalty to shareholders." There are also proposed amendments strengthening protection for minority shareholders. The new administration has also voiced its support in favor of measures that might help listed companies boost their dividend payouts. All of these measures are part of the incoming government's value-up program designed to improve shareholder returns and boost the low multiples at which Korean stocks trade when compared to their emerging markets peers.

Despite the disruption from President Trump's trade wars, Taiwanese tech companies still look attractive.

An example of a company following the government's lead is Coway, which makes water and air-treatment consumer appliances. The company recently hiked its dividend, the latest evidence of a concerted effort by management to increase shareholder returns. Overall business momentum remains strong, with accelerating growth in its domestic market as well as overseas, led by a stronger performance in Malaysia, its biggest market outside of Korea. It's a high-quality, growing company in a country where more such companies may emerge soon given the recent campaign for better governance.

Portfolio Positioning (% Weight)

Sector	HL	Index	Relative Weight
Cons Discretionary	20.7	12.8	
Industrials	11.8	6.9	
Cash	2.6	–	
Cons Staples	5.6	4.5	
Real Estate	1.6	1.6	
Financials	24.3	24.5	
Health Care	1.5	3.2	
Comm Services	7.8	9.8	
Energy	2.0	4.3	
Utilities	0.0	2.6	
Info Technology	21.0	24.0	
Materials	1.1	5.8	

Region	HL	Index	Relative Weight
Dev. Market Listed	6.5	–	
Frontier Markets	4.5	–	
Latin America	10.2	7.3	
Cash	2.6	–	
Africa	3.9	3.3	
Rest of Asia	3.2	3.9	
Europe	1.4	2.8	
China + Hong Kong	26.4	28.4	
India	15.9	18.1	
Middle East	3.4	6.6	
Taiwan	15.7	18.9	
South Korea	6.3	10.7	

"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 22.9% and Hong Kong is 3.6%. 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 region 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.

We sold two companies last quarter. ENN Energy, a stock held in this portfolio for more than 11 years, received a takeover offer from its listed parent company ENN NG, which owned 34% of ENN Energy and proposed to buy out the remaining 64% shares at a price premium exceeding 35%. When ENN Energy's share price jumped higher in response to the offer, the value made a sale attractive.

Not every Brazilian incumbent is thriving in the new global market. The portfolio exited Localiza, Brazil's dominant rental-car operator.

Localiza continues to digitize and improve its services in the country, but low-priced Chinese cars such as those made by BYD continue to gain market share there, leading to downward pressure on prices for used cars. Stability in the spread between new and used car prices is important for Localiza's business model, as sales of its older rental fleet contribute a significant portion of the company's revenue as well as cash to replenish its rental fleet. If this spread between new and old car prices continues to widen, it will lead to a significant drag on Localiza's margins and its growth outlook and a much weaker balance sheet.

Performance and Attribution

The Emerging Markets Equity composite returned 10.3% in the second quarter gross of fees, behind the 12.2% rise in the MSCI Emerging Markets Index.

Second Quarter 2025 Performance Attribution

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.

Source: Harding Loevner Emerging Markets Equity composite, FactSet, MSCI Inc. Data as of June 30, 2025. 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.

Portfolio Attribution by Sector

Lagging holdings in Industrials and Financials as well as the portfolio's overweight in the Consumer Discretionary sector hurt performance. However, positive stock selection in Consumer Discretionary boosted relative returns.

Top contributors to relative performance:

- In **Consumer Discretionary**, MercadoLibre reported strong e-commerce and fintech revenue growth, particularly in Argentina. Investors also applauded an announced US\$12 billion investment plan to expand the company's logistics and other key capabilities in Mexico, Brazil, Argentina, and Chile.
- Lojas Renner has recently made large investments in enhancing its logistics infrastructure, which supported recent good results. First-quarter apparel sales were up nearly 14%, while the company's operating leverage helped net profits increase 59%. Markdowns were at their lowest level in ten years.
- While the portfolio lagged overall in **Financials**, shares of Mexican commercial bank GF Banorte performed well. Earnings rose 8% in the first quarter on 12% growth in consumer loans. Banorte's auto loans rose 28%, accelerated by its partnerships with Chinese automakers BYD and Zeekr, whose affordable electric vehicles are growing in popularity in Mexico.

Top detractors from relative performance:

- In **Industrials**, shares of Hong Kong-based power-tool manufacturer Techtronic Industries declined, pressured by tariff concerns and slowing growth in the US, its core market for its Milwaukee-branded tools.
- In **Financials**, shares of Kazakhstan-based banking and financial-services company Kaspi.kz fell as it reported slowing net profit growth for the first quarter and reduced its 2025 guidance.
- In **IT**, the portfolio's underweight in Taiwanese semiconductor manufacturer TSMC was a drag on relative returns. IT services companies Globant and Tata Consultancy Services detracted as demand remains weak due to tariff related uncertainties and fears of slowing economic growth in their largest market, the US. There is also skepticism over whether AI-related developments will have a positive long-term effect on the demand for digital IT services.
- The decline in oil prices due to tariff uncertainty and OPEC Plus's decision to increase production hurt shares of **Energy** business Tenaris, a manufacturer of steel pipes.

Relative Returns (%)

Second Quarter 2025

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Aspeed	INFT	2.4	–	1.37
Meituan*	DSCR	–	1.1	0.41
GF Banorte	FINA	1.7	0.3	0.33
MercadoLibre	DSCR	1.8	–	0.33
Delta Electronics	INFT	1.9	0.3	0.31

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
TSMC	INFT	5.7	9.4	-0.72
Trip.com Group	DSCR	3.2	0.5	-0.62
SK hynix*	INFT	–	1.0	-0.49
Globant	INFT	1.0	–	-0.40
Tata Consultancy Services	INFT	2.5	0.4	-0.36

"HL": Emerging Markets Equity composite. "Index": MSCI Emerging Markets Index.

*Company was not held in the portfolio; it's absence had an impact on the portfolio's return relative to the index.

Trailing 12 Months

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Lukoil	ENER	<0.1	–	3.69
MercadoLibre	DSCR	1.7	–	0.64
Sanhua Intelligent Controls	INDU	0.9	<0.1	0.56
Emaar Properties	RLST	1.3	0.3	0.53
PDD Holdings*	DSCR	–	1.0	0.42

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
Globant	INFT	1.4	–	-1.12
Xiaomi*	INFT	–	0.9	-1.09
Kaspi.kz	FINA	1.4	–	-0.90
Tata Consultancy Services	INFT	3.1	0.5	-0.68
Eclat Textile	DSCR	1.7	<0.1	-0.56

Portfolio Attribution by Region

Poor relative returns in China and South Korea were key detractors. Underweights in South Korea and Taiwan also hurt. Positive stock selection in Taiwan and an underweight in the Middle East region were helpful.

Top contributors to relative performance:

- In **Taiwan**, Aspeed issued strong first-quarter results, with revenues and net income more than doubling from a year ago, and raised its second-quarter revenue forecast. The company enjoys strong demand for its BMC (baseboard management controller) chips used in both general-purpose and AI servers. Similarly, shares of Delta Electronics were boosted by continued strong demand for power-management and liquid-cooling equipment used for AI servers and data centers.
- Amid underperformance in **South Korea**, one bright spot was internet platform Naver. The company's first-quarter results were solid, with better-than-expected revenues from online search and e-commerce mitigating slowing growth in cloud services. Naver's new e-commerce app is also seeing rising user engagement. The major cause of the stock's surge, however, is the expectation that Naver should be a key beneficiary of the new government's pledge to invest about US\$730 billion in developing the local AI industry.

Top detractors from relative performance:

- In **China**, online travel-services company Trip.com Group generated solid first-quarter results, with revenues up 16%, including very strong international growth. Inbound airline bookings and hotel bookings were up 100% and 150%, respectively, with support from China's expanded visa-free policy and airport development. Yet the stock has been pressured by margin weakness, caused in part by Trip.com's plan to sustain high marketing investments to boost its international business.
- In **South Korea**, semiconductor chip company Samsung Electronics continued to lag peers in winning AI-related business for high-bandwidth memory chips, which are integral to AI applications. Sales in its chip division fell 17% in the first quarter.

Past performance does not guarantee future results. 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 has been or will be profitable. Contributors and Detractors are shown as supplemental information only and complement the fully compliant Emerging Markets Equity composite GIPS Presentation. 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 trailing 12 months. 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 attribution and performance of contributors and detractors is gross of fees and expenses. Contributors and detractors exclude cash and securities in the composite not held in the model portfolio. Quarterly data is not annualized.

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Portfolio Holdings

Communication Services		Market	End Wt. (%)
Naver	Internet services	South Korea	1.3
Safaricom	Mobile network operator	Kenya	1.2
Telkom Indonesia	Telecom services	Indonesia	0.4
Tencent	Internet and IT services	China	4.9
Consumer Discretionary			
Alibaba	E-commerce retailer	China	2.9
Allegro	E-commerce retailer	Poland	1.4
Bajaj Auto	Automotive manufacturer	India	0.7
Coway	Consumer appliances manufacturer	South Korea	1.4
Eclat Textile	Technology-based textile manufacturer	Taiwan	1.4
JD.com	E-commerce retailer	China	0.7
Li-Ning	Athletic footwear and apparel retailer	China	0.5
Lojas Renner	Department stores operator	Brazil	0.6
Maruti Suzuki	Automobile manufacturer	India	2.6
MercadoLibre	E-commerce retailer	US	1.9
Midea Group	Consumer appliances manufacturer	China	1.4
Mobile World	Grocer and electronics retailer	Vietnam	1.4
Shenzhou International	Textile manufacturer	China	0.9
Trip.com Group	Online travel services	China	2.9
Consumer Staples			
Budweiser APAC	Alcoholic beverages manufacturer	Hong Kong	0.3
Clicks Group	Drugstores operator	South Africa	0.7
Coca-Cola HBC	Coca-Cola bottler	UK	1.1
FEMSA	Beverages manufacturer and retail operator	Mexico	1.5
Raia Drogasil	Drugstores operator	Brazil	0.5
Walmart de México	Foods and cons. products retailer	Mexico	1.4
Energy			
Tenaris	Steel-pipe manufacturer	Italy	2.0
Financials			
AIA Group	Insurance provider	Hong Kong	1.8
Al Rajhi Bank	Commercial bank	Saudi Arabia	1.1
B3	Clearing house and exchange	Brazil	0.9
Bancolombia	Commercial bank	Colombia	0.5
Bank Central Asia	Commercial bank	Indonesia	0.7
Bank Rakyat	Commercial bank	Indonesia	0.9
Bupa Arabia	Insurance provider	Saudi Arabia	0.6
Commercial International Bank	Commercial bank	Egypt	1.2
Discovery Holdings	Insurance provider	South Africa	0.9
GF Banorte	Commercial bank	Mexico	1.8
HDFC Bank	Commercial bank	India	4.7
Financials		Market	End Wt. (%)
HDFC Life	Insurance provider	India	1.6
ICICI Bank	Commercial bank	India	2.7
Itaú Unibanco	Commercial bank	Brazil	1.3
Kaspi.kz	Banking and financial services	Kazakhstan	1.1
Ping An Insurance	Insurance provider	China	1.5
Sberbank	Commercial bank	Russia	0.0*
Standard Bank	Commercial bank	South Africa	1.1
Health Care			
Bumrungrad Hospital	Hospital operator	Thailand	0.4
Mindray	Medical equipment manufacturer	China	1.1
Industrials			
AirTAC	Pneumatic-equipment manufacturer	Taiwan	1.5
Astra International	Auto business operator	Indonesia	0.8
CATL	Battery systems manufacturer	China	1.8
Copa Holdings	Airline operator	Panama	0.7
Inovance	Industrial controls manufacturer	China	1.0
Meyer Optoelectronic	Optical machine manufacturer	China	0.6
Sanhua Intelligent Controls	HVAC and R parts mfr.	China	0.6
Sany Heavy	Construction equipment manufacturer	China	0.9
SF Holding	Delivery services	China	1.1
Techtronic Industries	Power tools manufacturer	Hong Kong	1.1
WEG	Industrial equipment manufacturer	Brazil	1.7
Information Technology			
ASM Pacific Technology	Semiconductor eqpt. mfr.	Hong Kong	0.4
Aspeed	Electronic chip designer and manufacturer	Taiwan	3.2
Delta Electronics	Power management products	Taiwan	2.1
EPAM	IT consultant	US	0.7
Globant	IT services provider	US	0.8
Hon Hai Precision	Electronics manufacturer	Taiwan	1.8
Samsung Electronics	Electronics manufacturer	South Korea	3.6
Tata Consultancy Services	IT consultant	India	2.6
TSMC	Semiconductor manufacturer	Taiwan	5.8
Materials			
Asian Paints	Paint manufacturer	India	0.3
Supreme Industries	Plastics manufacturer	India	0.8
Real Estate			
Emaar Properties	Real estate developer and manager	UAE	1.6
Utilities			
No Holdings			
Cash			2.6

*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 security identified has been or will be profitable. To request a complete list of portfolio holdings for the past year contact Harding Loevner.

Portfolio Facts

Portfolio Characteristics

Quality and Growth	HL	Index	Risk and Valuation	HL	Index
Profit Margin ¹ (%)	15.0	15.8	Alpha ² (%)	-2.93	–
Return on Assets ¹ (%)	8.0	7.1	Beta ²	0.99	–
Return on Equity ¹ (%)	17.9	16.6	R-Squared ²	0.89	–
Debt/Equity Ratio ¹ (%)	32.7	38.9	Active Share ³ (%)	72	–
Std. Dev. of 5 Year ROE ¹ (%)	4.9	5.0	Standard Deviation ² (%)	16.87	16.11
Sales Growth ^{1,2} (%)	10.9	10.9	Sharpe Ratio ²	0.06	0.27
Earnings Growth ^{1,2} (%)	12.0	14.2	Tracking Error ² (%)	5.7	–
Cash Flow Growth ^{1,2} (%)	11.7	12.8	Information Ratio ²	-0.60	–
Dividend Growth ^{1,2} (%)	15.3	9.9	Up/Down Capture ²	94/108	–
Size and Turnover	HL	Index	Price/Earnings ⁴	16.4	14.2
Wtd. Median Mkt. Cap. (US \$B)	38.0	41.5	Price/Cash Flow ⁴	12.0	10.1
Wtd. Avg. Mkt. Cap. (US \$B)	146.4	190.1	Price/Book ⁴	2.7	2.1
Turnover ³ (Annual %)	17.4	–	Dividend Yield ⁵ (%)	2.5	2.6

¹Weighted median. ²Trailing five years, annualized. ³Five-year average. ⁴Weighted harmonic mean. ⁵Weighted 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: July 3, 2025) based on the latest available data in FactSet on this date.), MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector	Positions Sold	Market	Sector
There were no completed purchases this quarter.			ENN Energy	China	UTIL
			Localiza	Brazil	INDU

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 has been or will be profitable. Past performance does not guarantee future results. Portfolio 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.

Composite Performance

as of June 30, 2025

	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)
2025 YTD ⁴	12.01	11.54	15.57	16.15	16.91	N.A.	5	862	36,090
2024	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

¹Benchmark index. ²Variability of the composite, gross of fees, and the index returns over the preceding 36-month period, annualized. ³Asset-weighted standard deviation (gross of fees). ⁴The 2025 YTD performance returns and assets shown are preliminary. N.A.—Internal dispersion less than a 12-month period. 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 March 31, 2025.

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 had a performance examination for the periods December 1, 1998 through March 31, 2025. 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 0.85% on all assets and 0.95%, 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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