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Our bottom-up approach keeps us on the lookout for changes that could affect our companies. The semiconductor industry is an example of where our fundamental research and understanding of broader geopolitical and growth trends have recently led us to take action.

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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 Global Equity ADR (Gross)	-1.12	15.07	0.33	9.62	10.33	9.58
HL Global Equity ADR (Net)	-1.33	14.14	-0.46	8.77	9.46	8.70
MSCI All Country World Index	-0.89	18.02	5.93	10.57	9.78	7.77
MSCI World Index	-0.07	19.19	6.85	11.69	10.51	7.99

The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. Global Equity ADR composite inception date: November 30, 1989 corresponds to that of the linked Global Equity composite. MSCI All Country World Index, the benchmark index, and MSCI World Index, the supplemental index, are 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	Under / Over
Comm Services	15.8	8.3	7.5
Health Care	17.0	9.7	7.3
Industrials	14.8	10.2	4.6
Cash	3.2	-	3.2
Real Estate	1.1	2.0	-0.9
Info Technology	24.7	26.0	-1.3
Energy	2.0	3.8	-1.8
Utilities	0.0	2.5	-2.5
Cons Staples	3.3	5.9	-2.6
Materials	0.9	3.5	-2.6
Cons Discretionary	7.6	11.3	-3.7
Financials	9.6	16.8	-7.2

Geography	HL	Index	Under / Over
Europe ex EMU	13.2	6.6	6.6
Cash	3.2	-	3.2
Europe EMU	7.5	6.9	0.6
Japan	5.0	4.8	0.2
Pacific ex Japan	2.5	2.3	0.2
Frontier Markets	0.0	-	0.0
Middle East	0.0	0.2	-0.2
Canada	0.0	2.7	-2.7
Emerging Markets	6.4	9.9	-3.5
US	62.2	66.6	-4.4

"HL": Global Equity ADR model portfolio. "Index": MSCI All Country World Index. "Frontier Markets": Includes countries with less-developed markets outside the index.

Sector and geographic allocations are supplemental information only and complement the fully compliant Global Equity ADR composite GIPS Presentation. Source: Harding Loevner Global Equity ADR 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

Global stock markets finished the final quarter of 2024 on a down note, while US stocks significantly outpaced the rest of the world, in both the quarter and the year, boosted by strong returns from growth-oriented index heavyweights and continued enthusiasm for artificial intelligence (AI). As in 2023, the rising share prices of the so-called “Magnificent Seven”—**NVIDIA, Apple, Amazon.com, Meta Platforms, Microsoft, Alphabet**, and Tesla—plus **Broadcom** played a pivotal role. These mega-cap US companies contributed nearly half of the MSCI All Country World Index’s impressive double-digit gain this year.

Donald Trump’s victory in the US presidential election gave US equities a bump during the quarter, as investors looked forward to some business-friendly policies, such as tax cuts and deregulation, while perhaps overlooking the consequences to US companies of some potentially less business-friendly ones. International equity markets took a more cautious view of the incoming administration, as did US bond investors, who sent bond prices lower presumably anticipating further fiscal largesse. The ICE US Treasury Core Bond Index, which maintains exposure to Treasuries ranging from one- to thirty-year maturities, fell 4% after peaking in mid-September.

MSCI ACWI Index Performance (USD %)

Sector	4Q 2024	Trailing 12 Months
Communication Services	4.9	31.9
Consumer Discretionary	5.5	20.7
Consumer Staples	-7.0	4.7
Energy	-3.8	2.9
Financials	2.8	25.1
Health Care	-11.3	1.5
Industrials	-4.8	12.8
Information Technology	4.3	31.9
Materials	-15.0	-7.8
Real Estate	-8.8	3.1
Utilities	-8.6	12.7
Geography	4Q 2024	Trailing 12 Months
Canada	-1.6	12.7
Emerging Markets	-7.8	8.0
Europe EMU	-8.9	3.4
Europe ex EMU	-10.5	1.4
Japan	-3.6	8.7
Middle East	14.3	38.8
Pacific ex Japan	-9.1	4.7
United States	2.8	25.1
MSCI ACWI Index	-0.9	18.0

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

European yields also rose but to a lesser degree than those in the US, even with significant political upheaval, including loss of confidence votes for the ruling coalitions in Germany and France. Asian bond markets shrugged off political uncertainty as well, as the impeachment of South Korean President Yoon Suk Yeol and election of Japanese Prime Minister Shigeru Ishiba had minimal effect on long-term bond yields.

With subdued inflation providing room for action, the Federal Reserve cut interest rates in both November and December. However, Chairman Jerome Powell’s language after the December meeting hinted at a potential pause in the current rate cut cycle as inflation stubbornly remains above the Fed’s target. This cautious tone spooked bond markets, driving yields higher as investors recalibrated expectations for future monetary policy.

The Bank of England cut its bank rate in November, and in December the European Central Bank followed suit, cutting its key lending rate for the fourth time in the year as domestic inflation edged down. In contrast, the Bank of Japan kept rates unchanged. China continued to grapple with worsening deflationary pressures, as ongoing fiscal and monetary stimulus efforts struggled to counteract the drag from the ailing real estate sector.

Meanwhile, commodities such as oil and gold showed little change in the quarter, while industrial metals such as copper fell as doubts persisted about a Chinese manufacturing recovery and concerns grew over the potential impact of heightened trade frictions with the US.

Major currencies in both developed and emerging markets (EMs) broadly weakened against the dollar. The election also sparked a rally in speculative cryptocurrencies, with Bitcoin surpassing \$100,000. This surge was fueled by optimism over a potentially favorable regulatory environment and Trump’s campaign promise to establish a government stockpile of digital currency.

By sector, Information Technology (IT) and other Magnificent Seven host sectors such as Communication Services and Consumer Discretionary led gains this quarter, continuing the trends seen in the first half of the year. Financials also advanced, benefiting from the steepening yield curve. In contrast, Health Care shares were pressured by the nomination of Robert F. Kennedy, Jr. to head the US Department of Health and Human Services, which introduced regulatory uncertainty. Materials also underperformed as persistent concerns over China’s subdued demand for key commodities such as iron ore—which dropped over 15% in price over the year—continued to weigh on the sector.

For the year, all sectors delivered positive returns except Materials. While sectors such as Health Care and Consumer

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. A complete list of holdings at December 31, 2024 is available on page 9 of this report.

Staples achieved modest gains, they were overshadowed by exceptional returns in IT, Consumer Discretionary, and Communication Services.

The US market dominated the fourth quarter, gaining 3%, while all other major regions declined. Among major EMs, only Taiwan delivered gains, due to double-digit returns from chipmaker **TSMC**. For the year, the US market surged 25%, lifted by IT stocks. NVIDIA's extraordinary performance alone contributed over a sixth of the MSCI All Country World Index's annual return.

By sector, IT and other Magnificent Seven host sectors such as Communication Services and Consumer Discretionary led gains this quarter, continuing the trends seen in the first half of the year.

In terms of style, quarterly trends mirrored those of the first half of 2024, with the MSCI ACWI Growth Index outperforming the core index; for the year, the growth index surpassed the core index by more than 600 basis points (bps). Expensive stocks also did better over the quarter and the year, as investors prioritized growth over valuation. In the US, share prices of high-quality companies—characterized by lower leverage and more consistent profitability—underperformed in the fourth quarter but were nearly in-line with the broader index for the full year. Outside the US, however, share prices of higher-quality companies struggled. The MSCI ACWI ex USA Quality index, which selects stocks of companies based on their rank of return on equity, earnings growth, and leverage, underperformed the core index by over 600 bps for the year.

Performance and Attribution

The Global Equity ADR composite fell 1.12% gross of fees in the fourth quarter, compared with the 0.89% decline of the MSCI ACWI Index. For the full year, the composite rose 15.1%, lagging the benchmark's 18% gain.

During the quarter, we benefited from strong stocks within the Communication Services and Consumer Discretionary sectors. **Netflix** was our top relative contributor; the company provided a favorable outlook for subscriber growth in 2025 and made progress in two key areas, live TV and advertising. The streaming service broadcast its first sporting events, including two National Football League games on Christmas, and said that the ad-supported plan it launched two years ago amassed 70 million subscribers, more than investors expected. In Consumer Discretionary, Amazon.com reported strong third-quarter results. Revenue increased by double digits, led by growth in advertising and AI products, while the company's operating margins also hit an all-time high of 11%. The key reasons for the higher margins were that its international e-commerce operations turned profitable, and there was faster growth in its high-margin cloud-computing business.

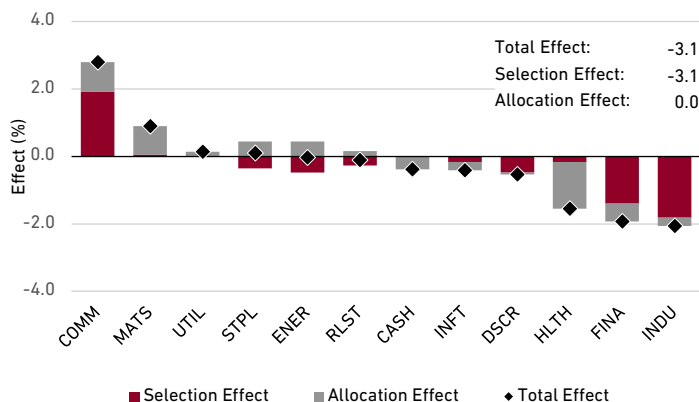
Those sector gains were mostly offset by our overweight to Health Care stocks. President-elect Donald Trump's selection of RFK, Jr. to head the Department of Health and Human Services sent biopharma stocks reeling, due to the nominee's criticisms of vaccines and the pharmaceutical industry. Health-insurance companies, initially a haven during the industry selloff, joined in the decline as public vitriol toward the US insurance system erupted in the aftermath of the killing of the chief executive of UnitedHealthcare, a division of **UnitedHealth Group**, and investors began to ponder the prospect of regulatory changes.

By region, positive stock-selection effects were entirely offset by negative allocation effects. Our overweight in Europe was particularly costly. The European economy continued to muddle along, weighed down by tepid demand. Additionally, technology companies, which tended to outperform around the world, represent a lower weight in Europe.

Trailing 12 Months Performance Attribution

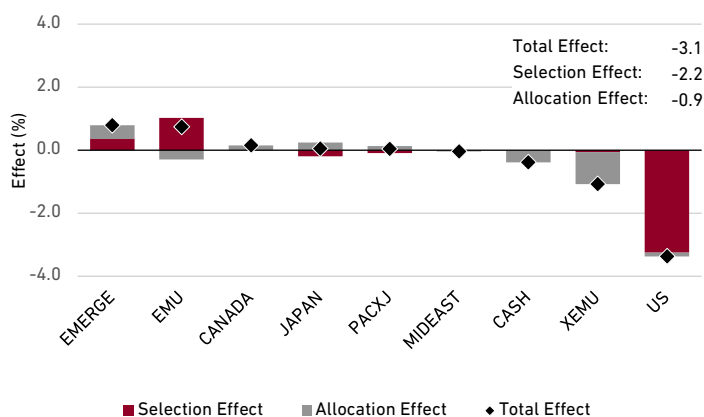
Sector

Global Equity ADR Composite vs. MSCI ACWI Index



Geography

Global Equity ADR Composite vs. MSCI ACWI Index



Source: Harding Loevner Global Equity ADR 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.

For the full year, the composite's underperformance was primarily due to poor stock choices in the US. NVIDIA, which we sold in the first quarter and repurchased in the fourth quarter, caused over half the strategy's underperformance. We were hurt by our underweight as NVIDIA's stock price soared during the first half of the year on the insatiable demand for the company's graphics processing units (GPUs), which enable generative AI computing. However, strong holdings in the European Monetary Union helped our performance, especially **Schneider Electric**. The French company has been another beneficiary of the money being spent on AI data centers, as its electrical and cooling equipment are complementary products to NVIDIA's GPUs, which are power intensive and produce a lot of heat.

During the quarter, we benefited from strong stocks within the Communication Services and Consumer Discretionary sectors.

From a sector perspective, we had poorly performing stocks this year in Financials and Industrials. Hong Kong-based insurer **AIA Group** was hurt by negative investor sentiment surrounding China and Hong Kong. Brazilian financial-services company XP fell due to the threat of higher-for-longer interest rates in the country. In Industrials, **Atkore**, a leading manufacturer of electrical conduit, had to revise its outlook during the year as demand slowed, leading to increased rivalry, which hurt pricing and profitability.

Perspective and Outlook

The result of the recent US presidential election may not have been as surprising to investors as it was in 2016, but it could have profound implications for markets and the global economy.

The S&P 500 Index rallied sharply after former President Donald Trump won re-election in November, while international markets, particularly EMs, remained generally calm. It was a sharp contrast to the market reaction on election night in 2016, when major Wall Street indices initially slumped as the results came in; S&P 500 futures contracts also plunged more than 5% that night, triggering an automatic trading halt, while the Mexican peso, a bellwether for Latin American markets, initially tumbled 12% against the US dollar, before recovering somewhat the next day.

The main difference between then and now is that the market appears to be less concerned this time about the prospect of an escalating trade war. That's because, over the past eight years—spanning both the Trump *and* Biden administrations—the global business community has already had to cope with many rounds of tariffs and sanctions, along with other disruptive industrial policies, and investors have had to cope with the effects those policies have had on companies' performance and outlook. The broader public, in the US and other countries, has also become more familiar with protectionist ideas and has increasingly embraced them.

Although the impression this leaves is that the economy and society have adjusted to the conditions of a “de-globalizing” world, investors shouldn't expect Trump's second term to be more of the same. Not only is the macroeconomic environment inherently unpredictable (the core reason we build portfolios from the bottom up), but also the terrain in which President-elect Trump is going to operate is different than during his first term.

An example of how the conditions are different this time is the evolving rationale for trade protectionism. Eight years ago, the argument embraced by the Trump administration was primarily rooted in a simplistic grievance about the imbalance of trade between the US and the rest of the world, with China the leading target. However, protectionist ideas have since found more vocal support in political and investing circles, where the arguments have become more sophisticated, reflecting valid concerns about national security, the resilience of supply chains, and the perceived importance of one's country winning the competition for technological superiority. The pandemic-era shortages, the conflict in Ukraine, and the potential vulnerabilities around the Taiwan Strait have only added to the momentum behind establishing a less globalized, more self-reliant world order. Now that Republicans control both houses of Congress, the Trump administration also may find more legislative support for further protectionist measures.

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Another difference is that companies have already made the easy adjustments to their supply chains. They've routed shipments through countries such as Vietnam and Mexico, as well as establishing manufacturing facilities in new locations. Business leaders haven't necessarily enjoyed these new complex arrangements, which seem to be more about ameliorating risks than reducing production costs, but they've accepted them. As a result, global trade has held up over the past eight years, with the World Trade Organization raising its outlook twice in 2024 and predicting that global trade volumes will rise 3% in 2025. However, if trade is further restrained, or governments crack down on these workarounds, businesses may have to make harder and costlier adjustments to their supply chains, and those could take longer to implement. The resulting trade dislocations would likely reignite inflation.

Should the competition between the US and China intensify, these countries may enter the so-called “Thucydides trap.” Thucydides, an ancient Greek historian known for his study of the Peloponnesian War between Athens and Sparta in 431–404 BC, suggested that when a rising power threatens to displace an established power, the result is usually war. In 2017, Graham Allison, a political scientist at Harvard, popularized the application

of this concept to modern US-China relations, and at the time, the trap appeared to be more of a warning for a situation that could still be avoided. Looking ahead, tensions between the two countries do seem more likely to escalate over the coming years, even if they may not reach the point of war. This will have broad implications for global investing. The tensions could reverberate, as other countries—even those that wish to remain neutral—could be drawn into the conflict and forced to choose sides. Those countries may have to remember the lesson from the Melian Dialogue: “The strong do what they can, and the weak suffer what they must.” Melos was a neutral island-state that was annihilated in the Peloponnesian War—a sobering reminder for “innocent bystanders” witnessing two superpowers fight for imperium.

Perhaps the most important takeaway from the past eight years is that the most significant, and disruptive, events to occur during that time were those that most people didn’t see coming: a global pandemic, Russia’s invasion of Ukraine, and the ability of computer algorithms to create new content based on user prompts as well as the explosive growth in chip demand that these AI capabilities have ignited. In fact, we recently looked back on our letter from the fourth quarter of 2016, in which we debated the possible effects of Trump’s first term, and while all our predictions proved valid—innovation and US economic growth carried on, global trade didn’t unravel, inflation surged—they fell very short in capturing all that would transpire in the subsequent eight years, a reminder that the course of history is neither predictable nor straightforward.

Even just the last few weeks have been a testament to this, as the Health Care sector unexpectedly became a lightning rod. Compared to topics such as trade and China, health care was not near the top of investors’ list of concerns when Trump won in November. However, with his pick of RFK, Jr. to lead the Department of Health and Human Services, followed by the fatal shooting of the CEO of UnitedHealthcare, the Health Care sector ended the fourth quarter as one of the worst performers. The regulatory risks for pharmaceutical companies and health insurers have now jumped to the front of investors’ minds.

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So, while we find many of the well-articulated narratives by armchair strategists intellectually stimulating, we resist the temptation to make so-called “Trump trades,” for there are no Trump stocks versus Biden stocks (where would Health Care fall?). Each industry and business may encounter its own twists and turns. That was true over the past eight years: Who would have guessed that stocks in the oil-and-gas industry, which seems to be favored by President Trump, would do poorly during his first term, while stocks in the renewable-energy industry, favored by Democrats, would be decimated in a rising equity market during the Biden years?

This is the context in which we are going to be evaluating our companies, and it is why, in our view, the world is too complicated for a top-down approach to investing; political and economic forecasts are not reliable. One must drill down to the company level to understand the degree to which each business—based on factors such as its financial strength, competitive positioning, and the growth prospects of its industry—is capable of maneuvering around the possible challenges ahead and adjusting to a new environment.

Therefore, we are sticking with the same process and principles we always have: monitoring the fundamentals of each business and its industry structure, maintaining a diversified portfolio, and making investment decisions according to whether the valuation of a business reflects its durable competitive advantage and the potential risks and opportunities. We scan the horizon for threats, but rather than impose top-down decisions, we incorporate these assessments into our bottom-up analysis, and balance that against expected returns. If we foresee the possibility of a change to a company’s competitive structure or growth potential, which could decouple its prospects from what is embedded in the stock price, that’s what will cause us to take action.

Portfolio Highlights

Our investments in the semiconductor industry demonstrate how we have brought various risk considerations, based on our fundamental research, into our decision making.

One example is ASML, a Dutch supplier of advanced photolithography equipment used by the semiconductor industry to make chips. Following the stock’s strong run over the past two years, the price became difficult to justify based on the company’s fundamentals, and so we sold our shares in August. One of our chief concerns was related to geopolitical risk. China accounts for 47% of ASML’s sales, but export restrictions imposed by the US have prevented ASML from selling its most advanced machinery to Chinese customers. The possibility of further restrictions was plainly visible, yet the stock price seemed to discount a blue-sky scenario. In October, weeks after we exited, ASML reported bookings, an indicator of future revenue, that were well below investors’ expectations. The stock plummeted, and the whole industry came under investor scrutiny.

We’ll probably never know how much of the booking shortfall reflected overly rosy expectations by investors at their moment of peak optimism, and how much was the result of trade restrictions. However, not long after our sale, the US government did introduce additional restrictions on the export of advanced semiconductor chips and equipment to China, and there have been more restrictions announced since then.

After ASML’s disappointing outlook led industry valuations to compress, we added a strong company back to the portfolio—NVIDIA.

There were two main reasons we sold NVIDIA last February (after holding the stock for more than five years). First, its biggest

customers—data-center behemoths Amazon, Alphabet, Meta Platforms, and Microsoft—have been designing their own custom semiconductor chips, called application-specific integrated circuits (ASICs), that could eventually erode NVIDIA's dominance. Second, it was unclear to us whether the adoption of AI by large enterprises will be as fast and meaningful as the optimistic views suggested.

After continuing to monitor developments over the course of 2024, we determined that it will take longer than we initially thought for emerging competitors to sufficiently narrow the technological gap with NVIDIA's GPU chips to threaten the company's pricing power. While ASICs such as Amazon's Trainium2 and Google's TPU are impressive, NVIDIA has been able to maintain its lead by developing next-generation products that extend beyond chips. Its new Blackwell server rack system, which comprises multiple GPUs, central processing units (CPUs), and advanced memory chips, as well as networking equipment, weighs approximately 3,000 pounds and is a sophisticated engineering platform.

After ASML's disappointing outlook led industry valuations to compress, we added a strong company back to the portfolio—NVIDIA.

Furthermore, NVIDIA's development software, CUDA, remains a significant barrier to competition that shows no signs of cracking soon. CUDA enables users, whether expert or novice, to take full advantage of NVIDIA's GPUs to maximize the performance of the applications they develop. CUDA only works with NVIDIA's GPUs, and its large library of development tools and user support community help the company's chips remain the preferred hardware. In her recent research, analyst Moon Surana, CFA, learned that even NVIDIA's competitors admit that while they can come up with alternative chips, it is far more difficult for them to replicate the CUDA ecosystem.

On the question of the continuous advancement of AI and its adoption in the real world, more evidence has become available during the past six months to suggest there is strong industry-wide momentum. OpenAI, xAI, Anthropic, and Perplexity.ai have each raised billions of dollars of capital for potential infrastructure spending, while Alphabet, Amazon, and Meta have increased their already massive capital-expenditure plans. New large language models have also launched, including GPT-4o, Llama 3.3, Claude 3.5 Sonnet, and Perplexity. In December, OpenAI offered a preview of its latest model, o3, the performance of which is a significant improvement over the last version, as measured by a benchmark test that is used to evaluate progress toward artificial general intelligence. The model especially made progress in creating "chains of thought" to simulate human reasoning and coming up with steps to solve novel tasks that weren't part of the model's training.

From a fundamental perspective, there are two key takeaways. First, the runway of model development is still long, which suggests there is sustainable demand for increasingly powerful

hardware, and that the most sophisticated models will become more useful and applicable to more situations. Second, capital investment in AI data centers will continue to grow—perhaps by more than 20%, according to Morgan Stanley. This AI-related demand is not only a source of growth for NVIDIA, but it should also help the company sustain its bargaining power over customers and suppliers for longer than we previously estimated.

While ASICs such as Amazon's Trainium2 and Google's TPU are impressive, NVIDIA has been able to maintain its lead by developing next-generation products that extend beyond chips.

Meanwhile, our software holdings have demonstrated progress in generating revenue from AI-equipped applications. **Salesforce**, **SAP**, and **ServiceNow** all recently told investors that their AI products are gaining traction, and ServiceNow said that Now Assist, the generative-AI module added to its Now platform, is its fastest-growing product ever. **Accenture** also said recently that its tech-consulting clients continue to prioritize large-scale projects to rebuild their digital infrastructure so that they can adopt state-of-the-art AI technology.

This is encouraging not only because it suggests continued growth for software and services companies in the AI era, but also because increased demand for AI-equipped software applications fuels demand for chips. Unlike at the start of the generative AI race, when NVIDIA captured all the value, there is also now evidence of the potential for a wider array of companies to benefit as the profit pie gets larger, including software providers and companies making rival chips. One such beneficiary is Broadcom, a key partner to the hyperscalers—the largest data-center operators—in building their custom ASICs.

The runway of model development is still long, which suggests there is sustainable demand for increasingly powerful hardware, and that the most sophisticated models will become more useful and applicable to more situations.

Investors have only recently come to appreciate that about Broadcom, but it has been held in the portfolio since the beginning of 2022, when we determined that its stock price didn't fully capture the company's competitive position and consistently strong cash flows. On Broadcom's Dec. 12 earning call, its CEO said that he now expects the revenue opportunity from custom ASICs for the company's three existing large data-center customers to widen to US\$60–90 billion in 2027, far exceeding investors' expectations. The stock surged the next day.

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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Global Equity ADR Holdings (as of December 31, 2024)

Communication Services	Market	End Wt. (%)	Industrials	Market	End Wt. (%)
Alphabet (Internet products and services)	US	4.6	Alfa Laval (Industrial equipment manufacturer)	Sweden	1.0
Meta Platforms (Virtual reality and social network)	US	4.5	Atkore (Electrical conduit manufacturer)	US	0.3
Netflix (Entertainment provider)	US	3.7	Atlas Copco (Industrial equipment manufacturer)	Sweden	0.8
Rightmove (Online property listings operator)	UK	0.8	Diploma (Specialized technical services)	UK	1.2
Tencent (Internet and IT services)	China	2.1	Epiroc (Industrial equipment manufacturer)	Sweden	0.9
Consumer Discretionary			Honeywell (Diversified technology and product mfr.)	US	1.0
Amazon.com (E-commerce retailer)	US	4.2	John Deere (Industrial equipment manufacturer)	US	1.9
Compass Group (Contract food services)	UK	1.3	MISUMI Group (Machinery-parts supplier)	Japan	1.1
Sony (Japanese conglomerate)	Japan	2.1	Northrop Grumman (Aerospace and defense mfr.)	US	0.8
Consumer Staples			Rockwell Automation (Manufacturing IT provider)	US	1.6
Haleon (Consumer health products manufacturer)	UK	1.6	Schneider Electric (Energy management products)	France	3.4
L'Oréal (Cosmetics manufacturer)	France	1.0	SGS (Quality assurance services)	Switzerland	0.9
Walmart de México (Foods and cons. products retailer)	Mexico	0.8	Information Technology		
Energy			Accenture (Professional services consultant)	US	2.7
Royal Dutch Shell (Oil and gas producer)	UK	1.0	Adobe (Software developer)	US	1.1
SLB (Oilfield services)	US	0.9	Apple (Consumer electronics and software developer)	US	3.0
Financials			Applied Materials (Semiconductor & display eqpt. mfr.)	US	1.2
Adyen (Payment processing services)	Netherlands	0.9	Broadcom (Semiconductor manufacturer)	US	2.3
AIA Group (Insurance provider)	Hong Kong	1.3	Globant (Software developer)	US	1.0
Bank Central Asia (Commercial bank)	Indonesia	0.8	Microsoft (Consumer electronics & software developer)	US	4.4
CME Group (Derivatives exchange and trading services)	US	2.3	NVIDIA (Semiconductor chip designer)	US	1.0
DBS Group (Commercial bank)	Singapore	1.2	Salesforce (Customer relationship mgmt. software)	US	2.6
HDFC Bank (Commercial bank)	India	1.2	SAP (Enterprise software developer)	Germany	1.3
Tradeweb (Electronic financial trading services)	US	1.8	ServiceNow (Enterprise resource planning software)	US	1.5
Health Care			Synopsys (Chip-design software developer)	US	1.1
AbbVie (Biopharmaceutical manufacturer)	US	1.1	TSMC (Semiconductor manufacturer)	Taiwan	1.5
Alcon (Eye care products manufacturer)	Switzerland	2.2	Materials		
Chugai Pharmaceutical (Pharma manufacturer)	Japan	1.8	Symrise (Fragrances and flavors manufacturer)	Germany	0.9
Danaher (Diversified science and tech. products and svcs.)	US	1.4	Real Estate		
Genmab (Oncology drug manufacturer)	Denmark	0.6	CoStar (Real estate information services)	US	1.1
Repligen (Biopharma equipment supplier)	US	1.0	Utilities		
Roche (Pharma and diagnostic equipment manufacturer)	Switzerland	1.1	No Holdings		
Thermo Fisher Scientific (Health care products & svcs.)	US	2.3	Cash		3.2
UnitedHealth Group (Health care support services)	US	2.6			
Vertex Pharmaceuticals (Pharma manufacturer)	US	3.0			

Model portfolio holdings are supplemental information only and complement the fully compliant Global Equity ADR 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.

4Q24 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Netflix	COMM	3.4	0.5	0.66
Salesforce	INFT	2.5	0.4	0.41
ServiceNow	INFT	1.7	0.3	0.27
Amazon.com	DSCR	4.0	2.5	0.25
Alphabet	COMM	4.2	2.4	0.24

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Netflix	COMM	2.9	0.4	1.28
Meta Platforms	COMM	4.6	1.5	1.23
Broadcom	INFT	1.7	0.9	0.48
SAP	INFT	1.7	0.3	0.46
ServiceNow	INFT	1.5	0.2	0.40

4Q24 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
Tesla*	DSCR	-	1.2	-0.52
NVIDIA	INFT	0.2	4.3	-0.41
Vertex Pharmaceuticals	HLTH	3.4	0.2	-0.41
Thermo Fisher Scientific	HLTH	2.4	0.3	-0.36
Alcon	HLTH	2.3	0.1	-0.35

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
NVIDIA	INFT	0.3	3.6	-2.02
Kering	DSCR	0.7	<0.1	-0.66
Vertex Pharmaceuticals	HLTH	3.8	0.2	-0.65
SLB	ENER	1.2	0.1	-0.58
Pinterest	COMM	1.4	<0.1	-0.58

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

"HL": Global Equity ADR composite. "Index": MSCI All Country World Index.

Portfolio Characteristics

Quality and Growth	HL	Index
Profit Margin ¹ (%)	15.4	15.3
Return on Assets ¹ (%)	9.4	8.6
Return on Equity ¹ (%)	22.0	19.0
Debt/Equity Ratio ¹ (%)	36.6	58.8
Std. Dev. of 5 Year ROE ¹ (%)	4.7	5.0
Sales Growth ^{1,2} (%)	12.7	8.7
Earnings Growth ^{1,2} (%)	13.9	13.3
Cash Flow Growth ^{1,2} (%)	14.2	12.9
Dividend Growth ^{1,2} (%)	9.7	8.3
Size and Turnover	HL	Index
Wtd. Median Mkt. Cap. (US \$B)	189.6	137.4
Wtd. Avg. Mkt. Cap. (US \$B)	726.1	750.1
Turnover ³ (Annual %)	29.7	-

Risk and Valuation	HL	Index
Alpha ² (%)	-1.33	-
Beta ²	1.08	-
R-Squared ²	0.91	-
Active Share ³ (%)	80	-
Standard Deviation ² (%)	19.51	17.33
Sharpe Ratio ²	0.36	0.46
Tracking Error ² (%)	5.9	-
Information Ratio ²	-0.16	-
Up/Down Capture ²	105/108	-
Price/Earnings ⁴	30.0	22.3
Price/Cash Flow ⁴	20.5	15.0
Price/Book ⁴	5.2	3.2
Dividend Yield ⁵ (%)	1.1	1.8

¹Weighted median. ²Trailing five years, annualized. ³Five-year average. ⁴Weighted harmonic mean. ⁵Weighted mean. Source: (Risk characteristics): Harding Loevner Global Equity ADR composite based on the composite returns, gross of fees, eVestment Alliance LLC, MSCI Inc. Source: (other characteristics): Harding Loevner Global Equity ADR 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
DBS Group	Singapore	FINA
L'Oréal	France	STPL
NVIDIA	US	INFT
Royal Dutch Shell	UK	ENER

Positions Sold	Market	Sector
Intuitive Surgical	US	HLTH
Kering	France	DSCR
Pinterest	US	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 has 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 Global Equity ADR 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 Global Equity ADR composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

Global Equity ADR Composite Performance (as of December 31, 2024)

	HL Global ADR Gross (%)	HL Global ADR Net (%)	MSCI ACWI ¹ (%)	MSCI World ² (%)	HL Global ADR 3-yr. Std. Deviation ³ (%)	MSCI ACWI 3-yr. Std. Deviation ³ (%)	MSCI World 3-yr. Std. Deviation ³ (%)	Internal Dispersion ⁴ (%)	No. of Accounts ⁵	Composite Assets ⁵ (\$M)	Strategy Advisory Only Assets (\$M)	Firm Assets (\$M)
2024 ⁶	15.07	14.14	18.02	19.19	19.69	16.21	16.65	N.M.	3	13	573	35,471
2023	28.45	27.48	22.81	24.42	19.95	16.27	16.75	N.M.	3	9	593	43,924
2022	-31.67	-32.22	-17.96	-17.73	22.56	19.86	20.43	N.M.	6	27	638	47,607
2021	18.80	17.95	19.04	22.35	16.85	16.83	17.05	N.M.	5	32	1,061	75,084
2020	32.01	30.96	16.82	16.50	18.50	18.12	18.26	N.M.	6	30	780	74,496
2019	28.18	27.18	27.30	28.40	12.51	11.21	11.13	N.M.	5	23	588	64,306
2018	-9.05	-9.85	-8.93	-8.20	11.85	10.48	10.39	N.M.	2	2	422	49,892
2017	32.97	32.00	24.62	23.07	11.33	10.37	10.24	N.M.	3	3	271	54,003
2016	5.91	5.04	8.48	8.15	11.56	11.07	10.94	N.M.	3	2	148	38,996
2015	2.89	2.07	-1.84	-0.32	11.22	10.78	10.80	N.M.	5	4	73	33,296
2014	6.34	5.47	4.71	5.50	10.90	10.48	10.21	N.M.	5	4	51	35,005

¹Benchmark index. ²Supplemental index. ³Variability of the composite, gross of fees, and the index returns over the preceding 36-month period, annualized. ⁴Asset-weighted standard deviation (gross of fees). ⁵Total product accounts and assets are 3,320 and \$599 million, respectively, at December 31, 2024, and both include separately managed and advisory-only assets. ⁶The 2024 performance returns and assets shown are preliminary. Strategy Advisory Only Assets and total product accounts and assets are supplemental information. N.M.—Information is not statistically significant due to an insufficient number of portfolios in the composite for the entire year.

The Global Equity ADR composite contains fully discretionary, dual contract, fee-paying accounts that may also pay a wrap fee to their custodian investing in US and non-US equity and equity-equivalent securities and cash reserves. The composite was re-defined in March 2018, to allow for the inclusion of dual contract wrap portfolios. The percentage of wrap assets in the composite as of December 31, 2024, December 31, 2023 was 0.00%, as of December 31, 2022 was 0.00%, as of December 31, 2021 was 0.00%, as of December 31, 2020 was 3.59%, as of December 31, 2019 was 3.65%, and as of December 31, 2018 was 42.46%. Securities are held in Depository Receipt (DR) form, including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs), or are otherwise traded on US exchanges. For comparison purposes the composite return is measured against the MSCI All Country World Total Return Index. 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 All Country World Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The index consists of 47 developed and emerging market countries. The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. The index consists of 23 developed market countries. You cannot invest directly in these indexes.

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 Global Equity ADR composite has been examined for the periods December 1, 1989 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.

Under a wrap fee program, a client is charged a specified fee, which is not based directly upon transactions in a client's account, for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisors) and execution of client transactions.

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 Global Equity ADR accounts is 0.80% annually of the market value for the first \$20 million and 0.40% above \$20 million. Refer to Part 2A of our Form ADV for more details regarding our fees. 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 Global Equity ADR composite was created on October 31, 2001 and the performance inception date is November 30, 1989.

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