



# Global Equity Review | First Quarter 2025

# Composite Performance Summary

As of March 31, 2025

## Performance (% Total Return)

HL Global Equity	3 Months	1 Year	3 Years <sup>1</sup>	5 Years <sup>1</sup>	10 Years <sup>1</sup>	Since Inception <sup>1,2</sup>
HL Global Equity (Gross)	-2.01	5.33	3.95	12.51	9.65	9.80
HL Global Equity (Net)	-2.12	4.92	3.54	12.06	9.18	9.18
MSCI All Country World Index <sup>3</sup>	-1.22	7.63	7.42	15.70	9.38	7.67

### HL Global Equity ADR

HL Global Equity ADR (Gross)	-1.12	5.90	5.47	13.78	9.84	9.48
HL Global Equity ADR (Net)	-1.31	5.02	4.64	12.91	8.98	8.60
MSCI All Country World Index <sup>3</sup>	-1.22	7.63	7.42	15.70	9.38	7.67

### HL Global Developed Markets Equity

HL Global Developed Markets Equity (Gross)	-1.89	5.20	4.55	14.33	10.94	11.22
HL Global Developed Markets Equity (Net)	-1.98	4.86	4.17	13.90	10.50	10.79
MSCI World Index <sup>3</sup>	-1.68	7.50	8.09	16.66	10.06	10.17

<sup>1</sup>Annualized returns. <sup>2</sup>Inception dates: Global Equity composite: November 30, 1989; Global Equity ADR composite: November 30, 1989 corresponds to that of the linked Global Equity composite; Global Developed Markets Equity composite: September 30, 2013. <sup>3</sup>The benchmark index, shown gross of withholding taxes.

The performance returns shown are preliminary. For comparison purposes, the Global Equity and Global Equity ADR composite returns are measured against the MSCI All Country World Total Return Index (Gross) and the Global Developed Markets Equity composite returns are measured against the MSCI World Total Return Index (Gross). For the Global Equity ADR composite, from 2001 (when the net index first became available) through December 30, 2012, the index return is presented net of foreign withholding taxes. Beginning December 31, 2012, Harding Loevner LP presents the gross version of the index to conform the benchmark's treatment of dividend withholding with that of the composite. For complete information on the construction and historical record of the Global Equity composite, the Global Equity ADR composite, or the Global Developed Markets Equity composite, please contact Harding Loevner at (908) 218-7900 or invest@hlmnnet.com. Performance data quoted represents past performance; past performance does not guarantee future results. Returns are presented both gross and net of management fees and include the reinvestment of all income. Net returns are calculated using actual fees. The US dollar is the currency used to express performance. Please read the Performance Disclosures in the appendix which are an integral part of this presentation. As of October 1, 2022, the World Equity composite was renamed "Global Developed Markets Equity composite". Please read the disclosures, which are an integral part of this presentation.

# The Current Market Environment: What We are Seeing and Doing

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## Current Market Environment

- Index Concentration
- Political Uncertainty
- Agentic AI

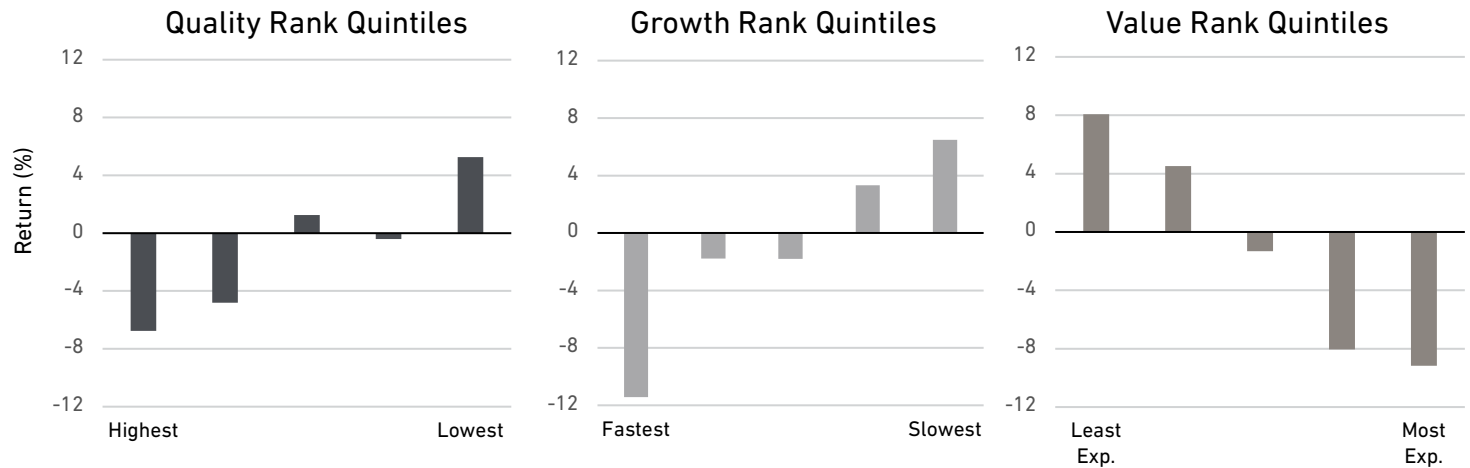
## Our Focus

- Resilience / Diversification
- Innovation
- Mindful of Valuation and Risk
- Tariff Impact

# MSCI ACWI Index Total Returns by Quality, Growth, and Value Rank

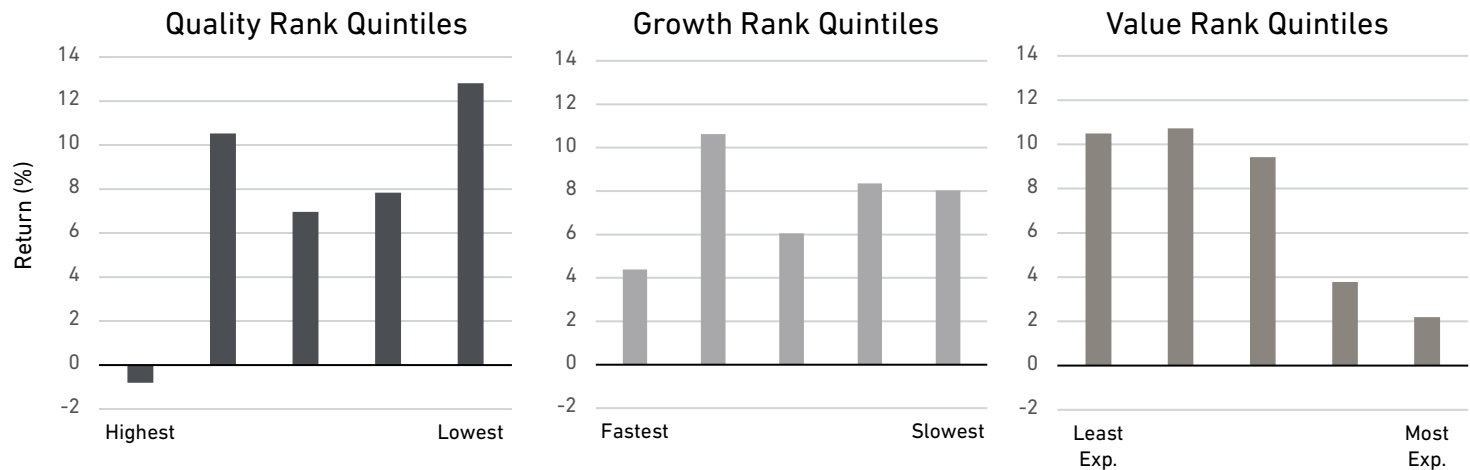
## 1Q25

High quality, fast-growing companies significantly underperformed



## Trailing 12 Months

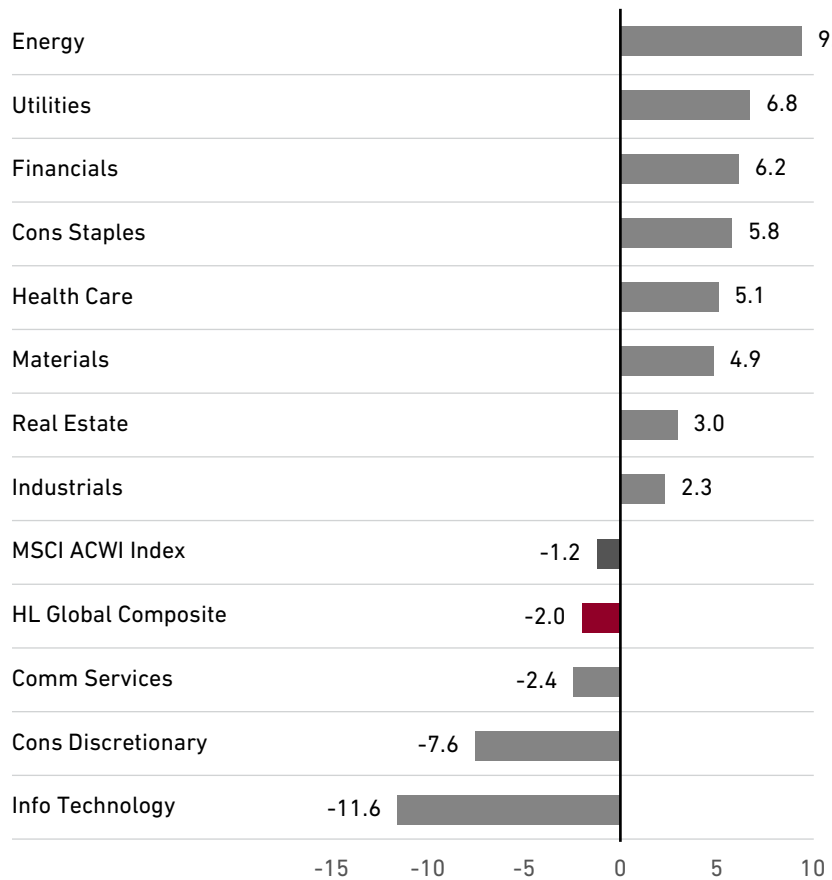
The highest quality companies fell, and cheap, slow-growing companies outperformed



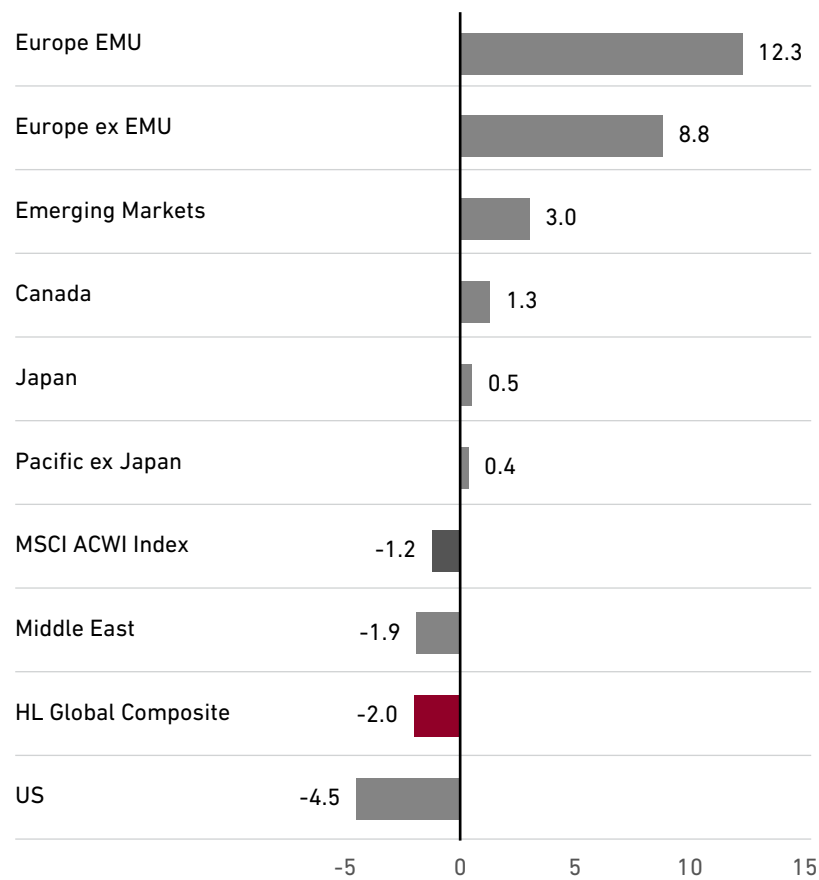
# Benchmark Performance

First Quarter 2025

Sector Total Return (%)



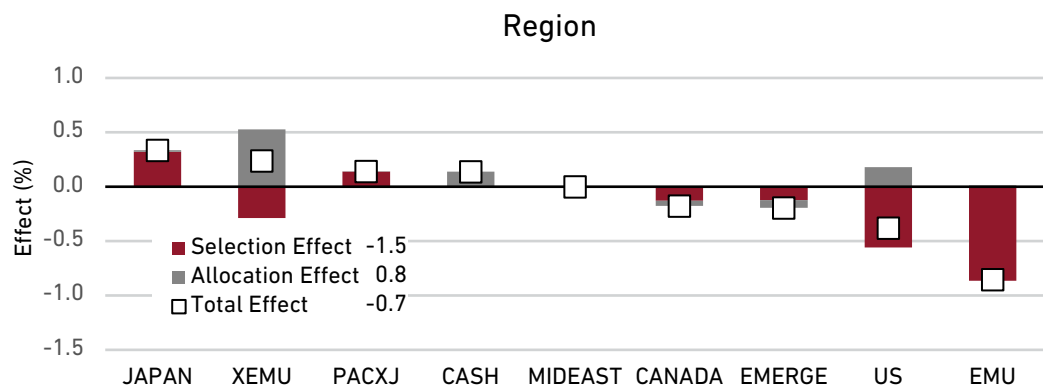
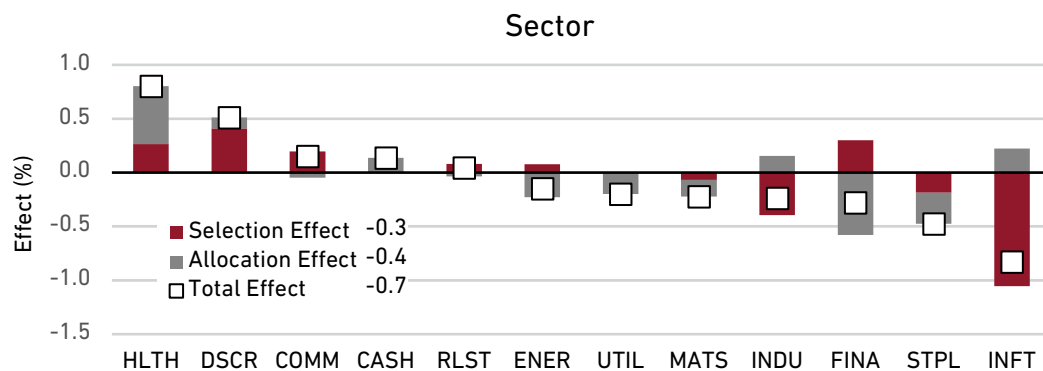
Region Total Return (%)



Source: FactSet, MSCI Inc. Data as of March 31, 2025. Composite performance is gross of fees. Please refer to the Composite Performance Summary page, which includes net of fee performance for the same time period. Past performance does not guarantee future results. Please read the disclosures, which are an integral part of this presentation.

# Performance Attribution: Composite vs. Benchmark

First Quarter 2025



## Top 5 Contributors

to Relative Returns	Avg. Wt. % HL	Effect Index	Effect %
Vertex Pharmaceuticals	3.4	0.2	0.62
NVIDIA	0.9	4.0	0.58
Tesla*	-	1.2	0.52
Sony	2.2	0.2	0.36
Apple	0.4	4.5	0.35

## Top 5 Detractors

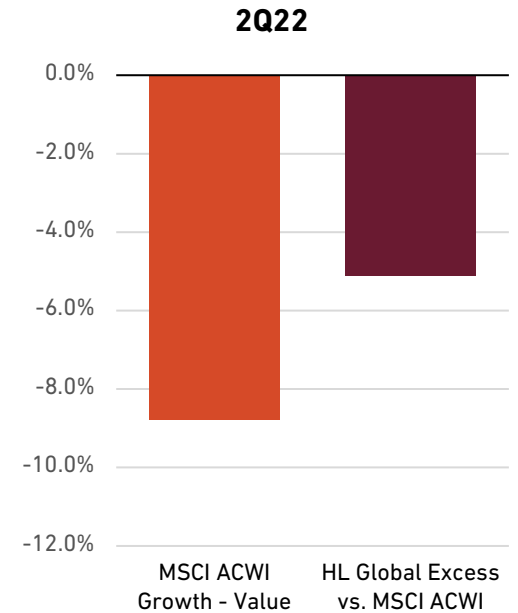
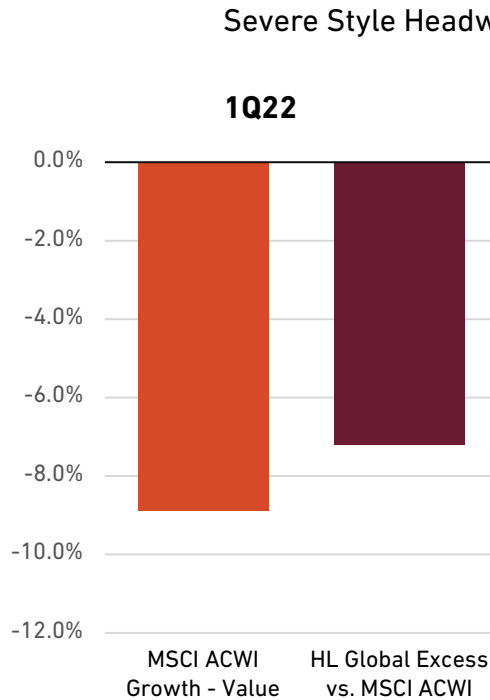
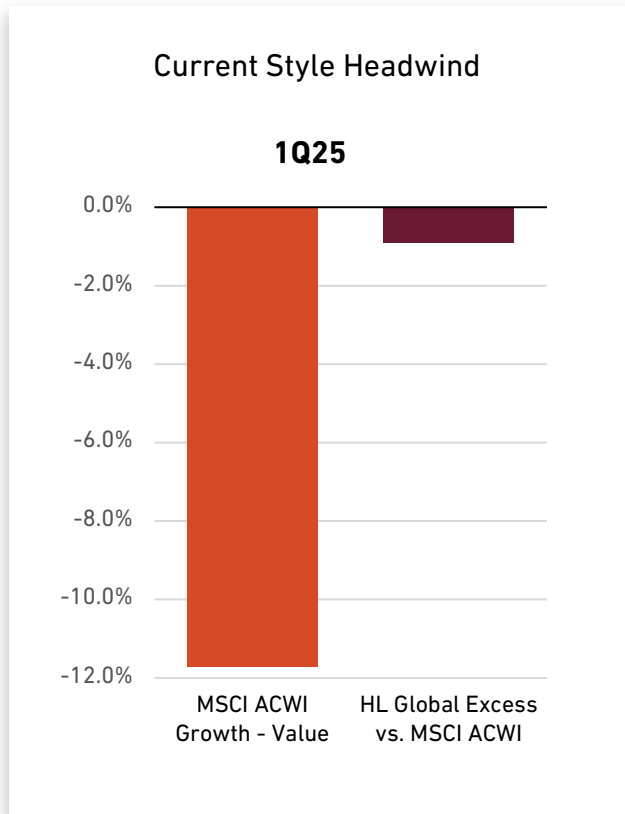
from Relative Returns	Avg. Wt. % HL	Effect Index	Effect %
Globant	1.0	-	-0.55
Salesforce	2.4	0.4	-0.41
Alphabet	4.4	2.5	-0.34
ServiceNow	1.3	0.3	-0.28
Schneider Electric	3.3	0.2	-0.24

\*Not held in the portfolio; its absence had an impact on the portfolio's return relative to the index.

"HL": Global Equity composite. "Index": MSCI All Country World Index. Past performance does not guarantee future results. Sector and Region Attribution and Contributors and Detractors are shown as supplemental information only and complement the fully compliant Global Equity composite GIPS Presentation. The portfolio holdings identified above do not represent all of the securities held in the portfolio. 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 and (2) a list showing the weight and relative contribution of all holdings during the quarter. 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 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. Please read the disclosures, which are an integral part of this presentation.

# Navigating Style Headwinds

Growth underperformed more in 1Q25 than during the style rotation that started in late 2021

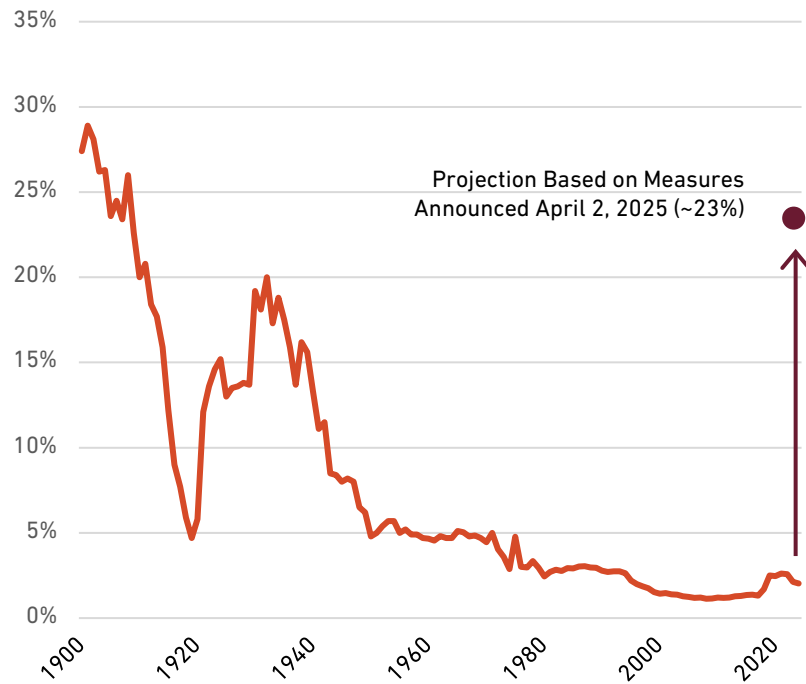


Source: FactSet, MSCI Inc. Data as of March 31, 2025. Composite performance is shown net of fees. Please refer to the Composite Performance Summary page, which includes both gross and net of fee performance for the same time period. Past performance does not guarantee future results. Please read the disclosures, which are an integral part of this presentation.

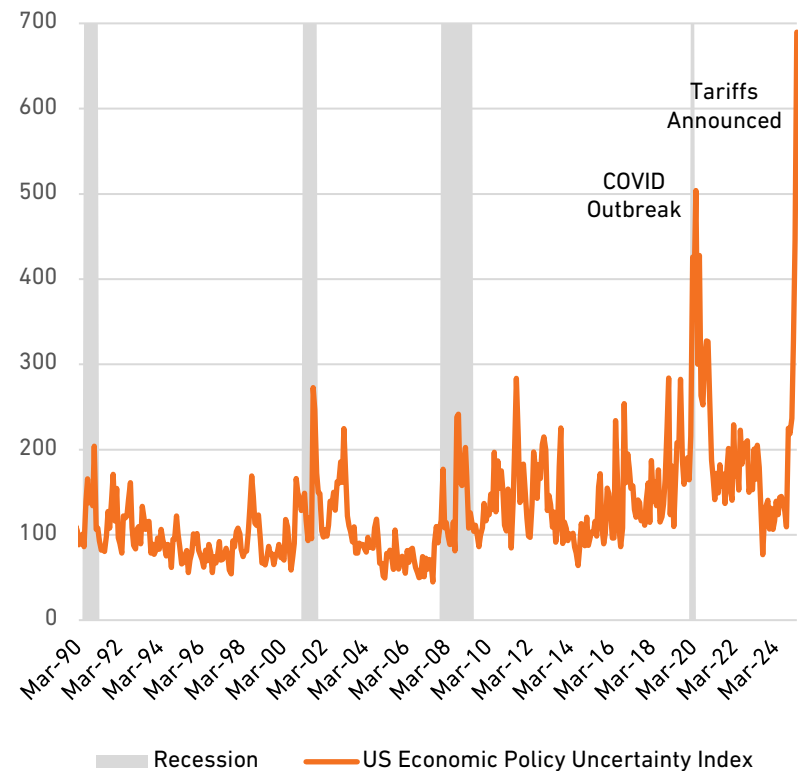
# Rising Uncertainty

Proposed tariffs rattled more than markets

### Tariffs as Percentage of US Imports



### US Economic Policy Uncertainty Index



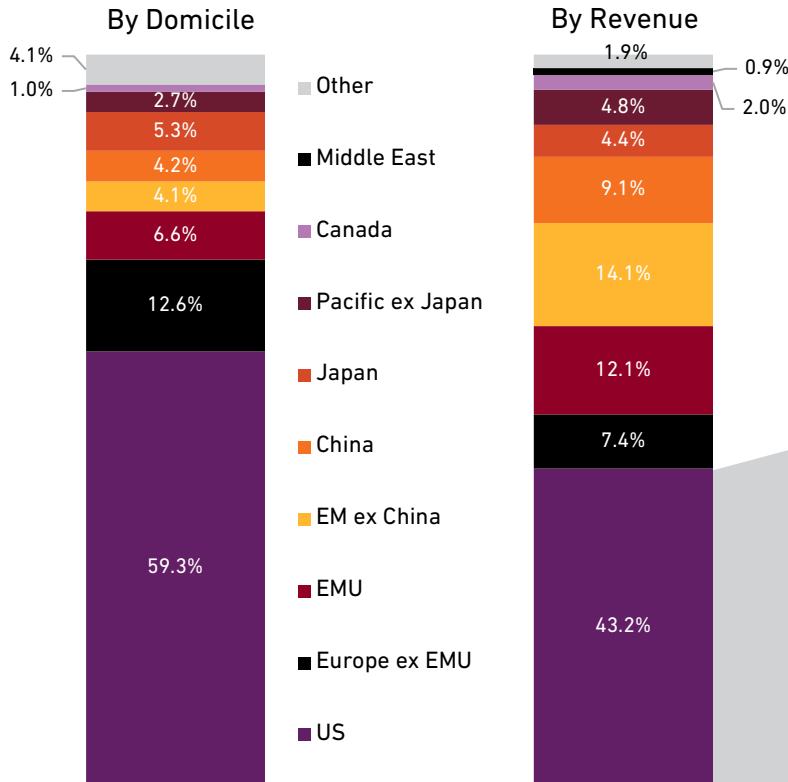


# Portfolio Diversification Helps Mitigate US Tariff Risk

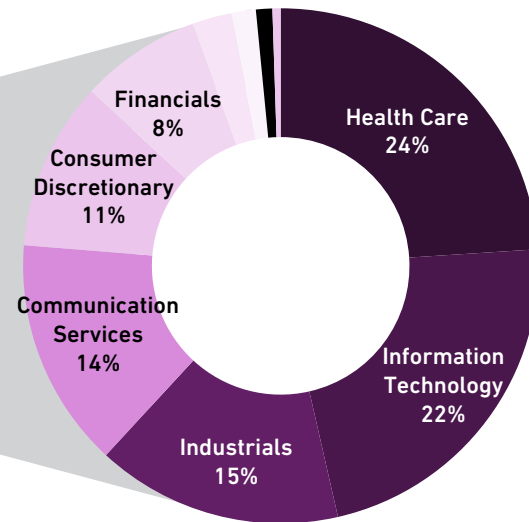
About 43% of portfolio revenue comes from the US and much of that is in services

Global Equity Model Weights  
as of March 31, 2025

## Geographic Exposure








## Sources of US Revenues








Source: Harding Loevner Global Equity model, FactSet. Geographic revenues based on FY2023 reported data and model holding weights as of March 31, 2025. Cash excluded from above estimates.

# Our Largest Positions Are Well Positioned

Top 5 positive active weights and HL's 4 key criteria analysis

	Port. Weight (%)	Index Weight (%)	Active Weight (%)
	3.70	0.16	3.54
	3.89	0.52	3.37
	3.12	0.16	2.96
	2.64	0.13	2.52
	2.53	0.20	2.33

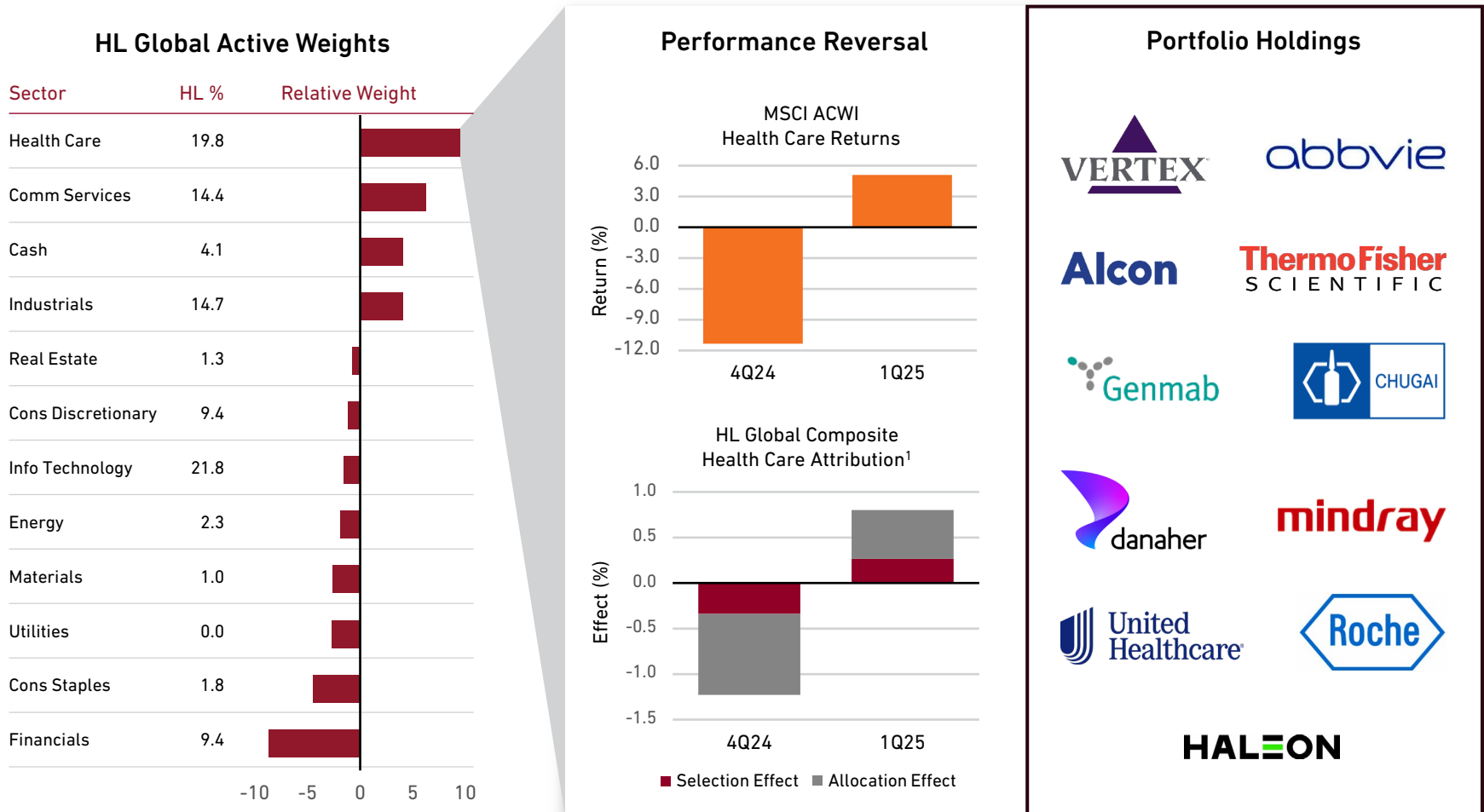
Trade War Potential Impact			
Management Quality	Financial Strength	Competitive Position	Growth
=	=	=	=
=	=	=	↓
=	=	=	↓
=	=	=	↑
=	=	=	↓

				
Negative		Neutral	Positive	

"Port.": Harding Loevner Global Equity model. "Index": MSCI All Country World Index. Trade war potential impact on the select businesses shown above is based on HL Analyst estimates of management quality, financial strength, competitive position, and growth outlook. Source: Harding Loevner Global Equity model, FactSet, MSCI Inc. Data as of March 31, 2025. Holdings and weights are shown as supplemental information only and complement the fully compliant Global Equity composite GIPS Presentation. The portfolio holdings identified above do not represent all of the securities held in the portfolio. It should not be assumed that investment in the securities identified has been or will be profitable. Please read the disclosures, which are an integral part of this presentation.

# Quality, Growth & Valuation (QGV) Underpin Every Decision

Health Care remains the portfolio's largest sector overweight



<sup>1</sup>HL Global Equity Health Care attribution is shown gross of fees. During the Fourth quarter 2024, the Harding Loevner Global Equity Composite returned -0.86% (gross of fees), -0.95% (net of fees), and the MSCI All Country World Index returned -0.89% (gross of withholding taxes), for the 3-month period ending December 31, 2024. Refer to slide 2 for the composite's gross and net performance for 1Q25. Source: Harding Loevner Global Equity model and composite, FactSet, MSCI Inc. Data as of March 31, 2025. Sector end weights, holdings, and attribution are shown as supplemental information only and complement the fully compliant Global Equity composite GIPS Presentation. Performance data quoted represents past performance; past performance does not guarantee future results. A single period group-level portfolio holdings contribution to selection effect is calculated as the sum of the portfolio holdings-only security contribution to selection effects within the group. The portfolio holdings identified above do not represent all of the securities held in the portfolio. It should not be assumed that investment in the securities identified has been or will be profitable. Please read the disclosures, which are an integral part of this presentation.

# Volatility Presents Opportunities: QGV Underpins Every Decision

First Quarter 2025 completed transactions

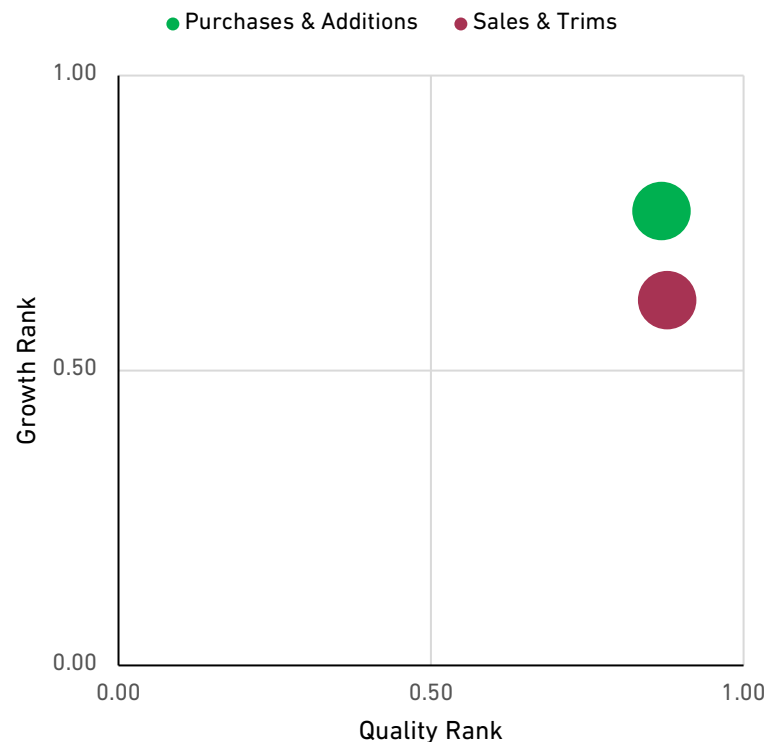
## Positions Established

Company	Market	Sector
Ametek	US	Industrials
Amphenol	US	Info Technology
ASML	Netherlands	Info Technology
HEICO	US	Industrials
Mindray	China	Health Care
The Trade Desk	US	Comm Services

## Positions Sold

Company	Market	Sector
Adyen	Netherlands	Financials
Apple	US	Info Technology
MISUMI Group	Japan	Industrials
Rockwell Automation	US	Industrials
Scout24	Germany	Comm Services

## Average QG Profile of 1Q25 Trades



The portfolio is actively managed therefore holdings shown may not be current. The portfolio holdings identified above do not represent all of the securities held in the portfolio. It should not be assumed that investment in the securities identified has been or will be profitable. To request a complete list of portfolio holdings for the past year, contact Harding Loevner. Holdings are shown as supplemental information only and complement the fully compliant Global Equity composite GIPS Presentation. Please read the disclosures, which are an integral part of this presentation.

# Maintained Our Quality Growth Premium at Lower Relative Valuation

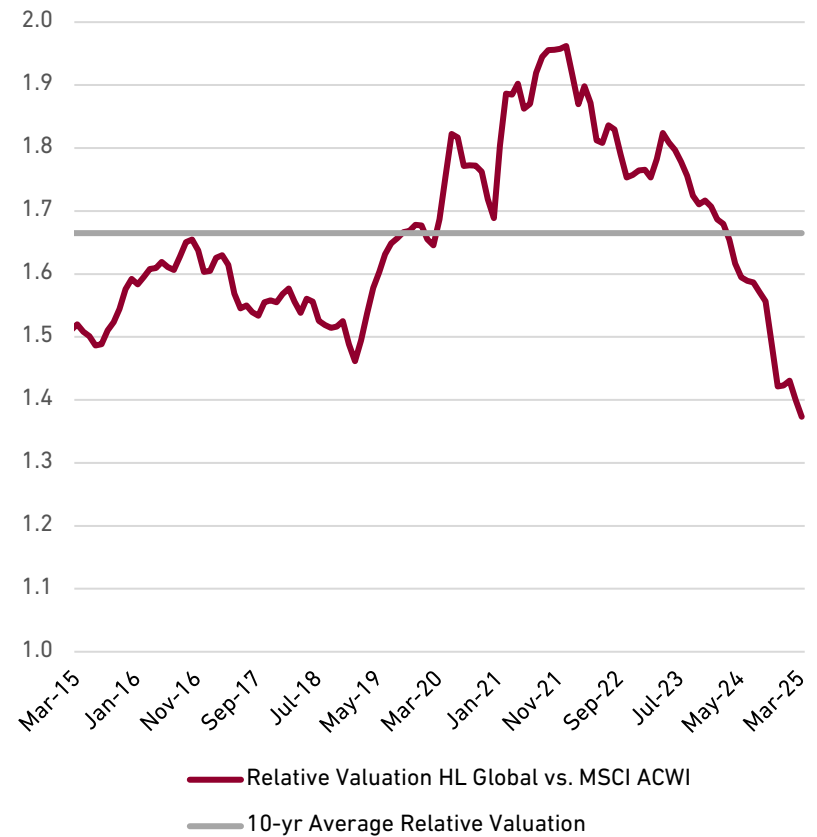
HL Global vs. MSCI ACWI for 10 years ended March 31, 2025

Quality + Growth Rank Profile



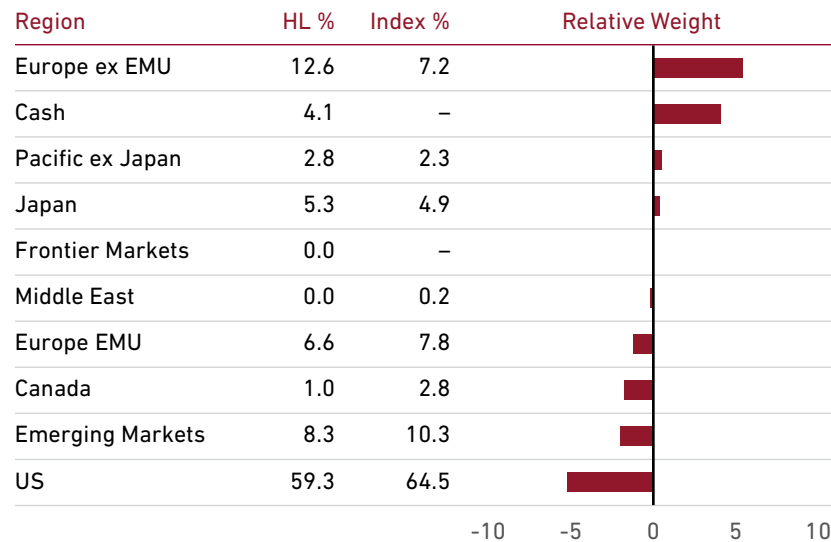
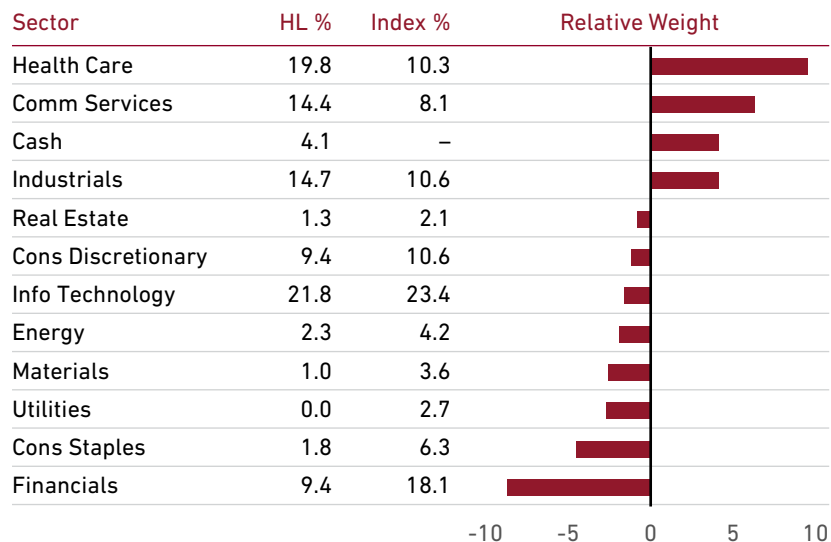
Relative Valuation

Equal-weighted Composite of Relative P/E, P/B, and P/CF



# Portfolio Positioning

As of March 31, 2025



Ten Largest Holdings – Total Weight: 33.2%

Company	Market	Sector	Wt. (%)
Microsoft	US	Info Technology	3.9
Netflix	US	Comm Services	3.9
Alphabet	US	Comm Services	3.9
Amazon.com	US	Cons Discretionary	3.7
Vertex Pharmaceuticals	US	Health Care	3.7

Company	Market	Sector	Wt. (%)
Schneider Electric	France	Industrials	3.1
Meta Platforms	US	Comm Services	3.0
UnitedHealth Group	US	Health Care	2.8
CME Group	US	Financials	2.6
Tencent	China	Comm Services	2.6

80% Active Share

"HL": Global Equity model portfolio. "Index": MSCI All Country World Index. "Frontier Markets": Includes countries with less-developed markets outside the index. Source: Harding Loevner Global Equity model, MSCI Inc. Data as of March 31, 2025. Sector and region end weights, holdings, and active share are shown as supplemental information only and complement the fully compliant Global Equity composite GIPS Presentation. Please read the disclosures, which are an integral part of this presentation.

# Global Equity Specialist

A single investment philosophy, process, and research team drives all Harding Loevner strategies

Firm AUM: \$41.9 Billion					
Global Equities		International Equities		Emerging Markets Equities	
\$9.3B AUM		\$31.4B AUM		\$1.2B AUM	
Global Equity	\$7.0B	International Equity	\$17.9B	Emerging Markets Equity	\$1.0B
Global Equity ADR	\$0.6B	International Equity ADR	\$11.3B	Chinese Equity	<\$0.1B
Developed Markets	\$1.6B	Developed Markets	\$1.7B	Emerging Markets ex China	<\$0.1B
Paris-Aligned	\$0.1B	Developed Markets ADR	<\$0.1B	Frontier Emerging Markets	\$0.1B
Small Companies	<\$0.1B	Carbon Transition	<\$0.1B		
		Small Companies	\$0.4B		



# Performance Disclosures

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Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. Harding Loevner claims compliance with the Global Investment Performance Standards (GIPS®). Harding Loevner has been independently verified for the period November 1, 1989 through December 31, 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 composite has had a performance examination for the periods December 1, 1989 through December 31, 2024; the Global Equity ADR composite has had a performance examination for the periods December 1, 1989 through December 31, 2024; the Global Developed Markets Equity composite has had a performance examination for the periods October 1, 2013 through December 31, 2024. The verification and performance examination reports are available upon request. For complete information on the construction and historical record of the Global Equity composite, the Global Equity ADR composite, or the Global Developed Markets Equity composite, please contact Harding Loevner at (908) 218-7900 or [invest@hlmnnet.com](mailto:invest@hlmnnet.com). The firm maintains a complete list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds, which 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. Please read the disclosures, which are an integral part of this presentation.



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All Global Equity client accounts are based on the Harding Loevner Global Equity model, and are managed in strict accordance with this model. No deviation from the Harding Loevner Global Equity model is permissible except to accommodate unique, agreed-upon client guidelines or restrictions.

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Quality and Growth Characteristics, Investment Statistics, Benchmark Returns, Performance Attribution, Portfolio Exposures and Portfolio Transactions are shown as supplemental information only and complement the fully compliant Global Equity composite GIPS Presentation, which is available on request.

*Alpha*: a measure of risk-adjusted return. *Beta*: a measure of the portfolio's sensitivity to the market. *R-Squared*: a measure of how well a portfolio tracks the market. *Standard Deviation*: the statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. *Information Ratio*: a measure of risk-adjusted return calculated by dividing the portfolio active return (i.e., portfolio returns minus benchmark return) by the standard deviation of the active return. *Sharpe Ratio*: the return over the risk free rate per unit of risk. *Up/Down Capture*: a measure of the manager's performance in up/down markets relative to the market itself. *Profit Margin*: relationship of net profits to net sales. *Return on Assets*: net income for past 12 months divided by total assets. *Return on Equity*: the net income divided by total common equity outstanding, expressed as a percent. *Debt/Equity Ratio*: total long-term debt divided by total shareholder's equity. *Sales Per Share*: the total revenue earned per share over a 12-month period, net of returns, allowances, and discounts. *Earnings Per Share*: portion of a company's profit allocated to each outstanding share of common stock. *Cash Flow*: a measure of the cash generating capability of a company calculated by adding non-cash charges (e.g. depreciation) and interest expense to pretax income. *Turnover*: calculated by dividing the lesser of Purchases or Sales by Average Capital. *Active Share*: the proportion of holdings by weight that differ from holdings of the benchmark index.

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. You cannot invest directly in this index.

All performance and data shown are in US dollar terms, unless otherwise noted.

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.

The composite and attribution returns may show discrepancies due to the different data sources for these returns. Composite performance is preliminary and obtained from Harding Loevner's accounting system and Attribution returns are obtained from the FactSet portfolio analysis system. Please note returns from FactSet are not audited for GIPS compliance and are for reference only.

Source (Benchmark Performance, Performance Attribution, Contributors and Detractors): FactSet, Harding Loevner Global Equity composite, MSCI Inc.

Source (Portfolio Positioning, Portfolio Transactions, Portfolio Allocation Comparison, Quality and Growth Characteristics [Run date: April 3, 2025, based on the latest available data in FactSet on this date.]): FactSet, Harding Loevner Global Equity model, MSCI Inc.

Source (Investment Statistics): eVestment Alliance LLC, Harding Loevner Global Equity composite, based on composite returns.

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