

# International Carbon Transition Equity Portfolio



Fact Sheet | Institutional Class | Ticker: HLCTX | December 31, 2024

## Objective

The International Carbon Transition Equity Portfolio seeks long-term capital appreciation through investments in equity securities of companies based outside the United States.

## Philosophy and Process

We believe a diversified portfolio of high-quality, durable-growth companies purchased at reasonable prices will provide superior investment returns with below-average risk over the long term. Our analysts conduct careful bottom-up research of individual companies and analyze the competitive dynamics of their industries to identify what we believe are the best growth companies and to assess the value of their shares. To qualify for investment, companies must be well-managed, financially strong, and possess clear competitive advantages relative to their peers.

## Share Class Facts

CUSIP	412295651
Inception Date	12/21/2022
Min. Investment	\$100,000
Net Expense Ratio*	0.80%
Gross Expense Ratio*	9.20%
NAV	\$11.15

*Lower investment minimums available through certain brokerage firms.*

## Portfolio Facts

Inception Date	12/21/2022
Total Portfolio Assets	\$2.2M
Sales Charge	None
Total # of Holdings	54
Turnover (5 Yr. Avg.)	-
Dividend Policy	Annual

## Contact

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## Performance (% Total Return)

as of December 31, 2024

	3 Months	1 Year	Since Inception
International Carbon Transition Equity Portfolio - Institutional Class	-9.21	1.55	7.65
MSCI All Country World ex US Index	-7.60	5.54	10.15
MSCI ACWI ex US Climate Paris Aligned Index	-8.88	3.07	8.99

Fund performance is shown net of fees. Performance for MSCI All Country World ex US Index, the benchmark index, and MSCI ACWI ex US Climate Paris Aligned Index, the supplemental index, are shown net of withholding taxes. Returns are annualized for periods greater than one year.

*Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Portfolio may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (877) 435-8105 or visiting [hardingloevnerfunds.com](http://hardingloevnerfunds.com).*

***Diversification does not assure a profit or protect against a loss in a declining market.***

## Portfolio Positioning (% Weight)

Sector	HLCTX	Benchmark	Geography	HLCTX	Benchmark
Comm Services	3.3	5.9	Canada	4.3	8.1
Cons Discretionary	7.2	11.2	Emerging Markets	24.9	29.6
Cons Staples	11.9	7.0	Europe EMU	21.7	20.6
Energy	0.0	4.9	Europe ex EMU	23.1	19.6
Financials	25.2	23.7	Frontier Markets	0.0	-
Health Care	14.4	8.8	Japan	16.4	14.5
Industrials	16.6	13.9	Middle East	0.0	0.6
Info Technology	14.7	13.5	Pacific ex Japan	6.2	7.0
Materials	6.5	6.3	Other	3.2	-
Real Estate	0.0	1.8	Cash	0.2	-
Utilities	0.0	3.0			
Cash	0.2	-			

"Benchmark": MSCI All Country World ex US Index. "Frontier Markets": Includes countries with less-developed markets outside the index. "Other": Includes companies classified in countries outside the index.

All holdings and sector/geographic allocations are subject to review and adjustment in accordance with the Portfolio's investment strategy and may vary in the future, and should not be considered recommendations to buy or sell any security. The Portfolio is actively managed; therefore holdings may not be current.

## Investment Adviser

Harding Loevner manages global equity portfolios. Our distinct strategies are available to institutions and individuals around the world. Investing in quality-growth companies for the long term has been our exclusive focus since 1989.

## Portfolio Managers

### Ferrill Roll, CFA

Intl. Co-Lead Portfolio Manager  
Harding Loevner since 1996

### Andrew West, CFA

Intl. Co-Lead Portfolio Manager  
Harding Loevner since 2006

### Maria Lernerman, CFA

Intl. Carbon Transition Portfolio Manager  
Harding Loevner since 2015

### Uday Cheruvu, CFA

Portfolio Manager  
Harding Loevner since 2020

### Patrick Todd, CFA

Portfolio Manager  
Harding Loevner since 2012

## Ten Largest Holdings

	Sector	Market	% Assets
TSMC	Info Technology	Taiwan	4.5
Schneider Electric	Industrials	France	3.9
DBS Group	Financials	Singapore	3.9
Manulife	Financials	Canada	3.4
HDFC Bank	Financials	India	3.4
BBVA	Financials	Spain	3.4
Allianz	Financials	Germany	3.1
Chugai Pharmaceutical	Health Care	Japan	3.1
Haleon	Cons Staples	UK	3.0
Sony	Cons Discretionary	Japan	2.9
Ten Largest Holdings			34.6

## Portfolio Characteristics

Quality and Growth	HLCTX	Benchmark	Size and Valuation	HLCTX	Benchmark
Profit Margin <sup>1</sup> (%)	12.1	11.2	Wtd. Med. Mkt. Cap. (\$B)	72.4	51.0
Return on Assets <sup>1</sup> (%)	7.8	5.5	Wtd. Avg. Mkt. Cap. (\$B)	124.6	110.6
Return on Equity <sup>1</sup> (%)	15.6	14.0	Price/Earnings <sup>3</sup>	18.0	15.8
Debt/Equity Ratio <sup>1</sup> (%)	49.8	60.2	Price/Cash Flow <sup>3</sup>	14.6	9.8
Std. Dev. of 5 Year ROE <sup>1</sup>	3.5	4.6	Price/Book <sup>3</sup>	2.8	1.9
5 Year ROE <sup>1</sup> (%)	14.3	12.8			
Sales Growth <sup>1,2</sup> (%)	5.7	5.8			
Earnings Growth <sup>1,2</sup> (%)	7.8	9.0			
Cash Flow Growth <sup>1,2</sup> (%)	12.4	10.2			

## Endnotes

### Pages 1 and 2

(1) Weighted median (2) Trailing five years, annualized (3) Weighted harmonic mean. \*The Expense Ratios of the Portfolio, both Net (of any fee waivers or expense limitations) and Gross (of any fee waivers or expense limitations) are as set forth above. The Net Expense Ratio is applicable to investors. Harding Loevner LP has contractually agreed to waive a portion of its management fee and/or reimburse the Portfolio's shares for its other operating expenses to the extent the Gross Expense Ratio (excluding acquired fund fees and expenses, among certain other expenses), as a percentage of average daily net assets, exceeds 0.80% through February 28, 2025. Prior to such date, Harding Loevner may not terminate the arrangements without the approval of the Fund's Board of Trustees. See Prospectus for further detail.

## Disclosures

Source (Characteristics): FactSet (Run Date: January 6, 2025 based on the latest available data in FactSet on this date.), based on the Portfolio's underlying holdings.

Profit Margin: relationship of net income 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 for the past 12 months. 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. Price/Earnings: the ratio of a firm's closing stock price and its trailing 12 months' earnings/share. Price/Cash Flow: the ratio of a firm's closing stock price and its fiscal year end cash flow/share. Price/Book: the ratio of a firm's closing stock price and its fiscal year end book value/share. Average Weighted Market Capitalization: the product of a security's price and the number of shares outstanding. Median Market Cap: the point at which half of the market value of a portfolio is invested in stocks with a greater market cap, and consequently the other half is invested in stocks with a lower market cap.

The MSCI All Country World ex US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US. The index consists of 46 developed and emerging market countries. The MSCI All Country World ex US Climate Paris Aligned Index is based on the MSCI All Country World ex US Index, its parent index, and includes large and mid-cap securities across the global developed and emerging markets, excluding the US. The index consists of 46 developed and emerging markets countries. The index is designed to support investors seeking to reduce their exposure to transition and physical climate risks and who wish to pursue opportunities arising from the transition to a lower-carbon economy while aligning with the Paris Agreement requirements. The index is net of foreign withholding taxes on dividends. You cannot invest directly in these indexes.

**The Portfolio invests in foreign securities, which will involve greater volatility and political, economic, and currency risks and differences in accounting methods. It also invests in emerging markets, which involve unique risks, such as exposure to economies less diverse and mature than the U.S. or other more established foreign markets. Economic and political instability may cause larger price changes in emerging markets securities than other foreign securities. Investing in participation notes involve the same risks associated with a direct investment in the underlying security, currency or market.**

**The Portfolio's strategy of investing in securities of companies that Harding Loevner believes will achieve net zero GHG emissions by 2050 may limit the type and number of investment opportunities available to the Portfolio and, as a result, the Portfolio may underperform other funds that do not limit investment in companies that do not demonstrate a viable pathway to achieve net-zero GHG emissions neutral status by 2050.**

**The Portfolio's ESG screening process may affect exposures to certain companies or industries and cause the Portfolio to forego certain investment opportunities. Consideration of ESG factors may significantly impact performance. The relative impact of ESG factors on performance may vary across industries and regions. The evaluation of companies for ESG screening is dependent on the timely and accurate reporting of ESG data by the companies.**

*The Portfolio's investment objectives, risks, charges and expenses must be read and considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company. They may be obtained by calling toll free (877) 435-8105 or visiting [hardingloevnerfunds.com](http://hardingloevnerfunds.com).*

While the Portfolio is "no load", management and other expenses still apply. Please refer to the Prospectus for further details. The Portfolio is distributed by Quasar Distributors, LLC.

