International Developed Markets Equity

First Quarter 2025 Report

HARDING LOEVNER

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Performance

Total Return (%) Periods Ended March 31, 2025

	3 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
HL International Developed Markets Equity (Gross)	6.21	7.20	4.46	12.01	8.07	8.83
HL International Developed Markets Equity (Net)	6.09	6.70	3.94	11.46	7.51	8.24
MSCI World ex US Index	6.35	5.86	6.27	12.73	6.04	6.51
MSCI EAFE Index	7.01	5.41	6.59	12.31	5.90	6.54

The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. International Developed Markets Equity composite inception date: February 28, 2010. MSCI World ex US Index, the benchmark index, and MSCI EAFE 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 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

I…who took the money?
Who took the money away?
…it's always showtime
Here at the edge of the stage
I, I, I wake up and wonder
What was the place, what was the name?
We wanna wait, but here we go again…

–Talking Heads, from the film *Stop Making Sense*

This quarter, global investors have had to grapple with heightened US policy uncertainty, most overtly in the realm of trade but in many other areas as well, from military cooperation to health care to the previous administrations' industrial policy programs. As we cautioned in our fourth quarter 2024 letter, the US political climate has featured policy volatility almost from the outset of the Trump administration. But that chaos has been greater than we imagined, and the vectors of policy shifts have expanded beyond the "tariffs, tax cuts, and deportations" list that we expected.

What hasn't changed is our view that US policymaking in the new administration bears many of the hallmarks that we've come to associate over the last 35 years with emerging markets—and not the best performing ones, either. The erosion of institutional continuity and effectiveness tends to enable more erratic policymaking. This institutional disruption doesn't just affect the regulatory stability that companies rely on to make long-term investment decisions, it also undermines predictability of enforcing contracts with suppliers, service providers, and customers. Just seven years ago, investors howled when Mexican President López Obrador unilaterally canceled the completion of an already-under-construction Mexico City Airport, leaving contracts unpaid and long-term investment plans disrupted. Now, the US government—reprising a pattern from President Trump's business career—is terminating both employment contracts and commercial services contracted for various government agencies.

In our third quarter 2024 letter, we wrote about our potential exposure to new US tariffs and asserted—optimistically—that the risks were modest and manageable. That view was shaped by Trump campaign's focus on China as the key malefactor behind US trade imbalances. That has proven a misjudgment on our part, as early salvos in the new trade war quickly hit China, the US's primary geopolitical rival, but then were re-targeted at its closest neighbors, Canada and Mexico, and then at its closest allies in Europe. Before the April 2 "reciprocal tariff" shock, the most directly affected company in our portfolio was Canadian National

Railway, a critical freight transport provider that, despite its name, links US states with each other, but of course also connects the US with its largest trading partner, and—no small thing—one of its top export destinations. In a nearby sidebar, Edmund Bellord discusses the possible effects of a sustained attachment to tariffs and other policies aimed at forcing US self-sufficiency, rather than aiming for greater competitiveness. It's been attempted before, to poor effect.

Another area of policy more often seen in developing countries than mature democracies is the practice of governments extracting concessions or favors from companies or individuals in exchange for letting them get on with their normal course of business. The recent case of TSMC investing a further US$100bn in the US after being threatened by targeted, ultra-high tariffs is a distasteful example of such a commitment being demanded from a company. Especially a company that had already responded voluntarily (and at large scale) to Biden-era Chips Act incentives, building a new semiconductor fab in Arizona, slated to ramp up high-volume, advanced chip production this year.

Our point here isn't to dispute the policies[1] themselves, but rather to highlight the harm to predictability, and by extension to business confidence, from abrupt, poorly signaled shifts and their frequent reversal (and the reversal of the reversals.) This is not a business-friendly environment. When the rules of the road become increasingly arbitrary, companies—domestic and foreign alike—become less willing to commit capital. Uncertainty undermines both the appetite for investment and the demand outlook that would justify it. While TSMC's investment commitment garnered headlines, there will be no headlines for the thousands of business projects that quietly get canceled in the US due to rising policy uncertainty. Portfolio holding Air Liquide is already

[1] Although we *have* disputed the wisdom of starting trade wars. For the record, we're also in favor of greater budget discipline in the US because we're in favor of the US government avoiding being at the mercy of its creditors and resisting the expediency of resorting to inflation to escape its ballooning debt burden. We favor US Treasuries remaining a low-risk, benchmark investment, a feature at the center of the US's attraction as a capital market and reserve currency provider, right up there with the trusted rule of law.

Market Snapshot

- The MSCI World ex US Index outperformed the MSCI USA Index as uncertainty around tariff policy and the risk that higher tariffs pose to growth and inflation in the US caused investors to reassess.
- European markets rose as German legislators approved a fiscal stimulus package to reenergize Europe's largest economy and significantly expand its defense spending.
- AI-exposed companies inside China soared after the release of Chinese AI model DeepSeek, while those outside China fell sharply.
- Rising long-end yields over the quarter in the UK, Europe, and Japan helped Financials outperform while hurting performance in the Real Estate sector. Tepid spending caused Consumer Discretionary to underperform.
- The cheapest quintile of stocks dramatically outperformed the most expensive quintile of stocks in all geographies, while stocks of lower quality companies outperformed those of higher quality companies.

Index Performance (USD %)

MSCI World ex US Index

Sector	1Q 2025	Trailing 12 Months
Communication Services	10.6	17.6
Consumer Discretionary	-0.6	-8.5
Consumer Staples	7.9	3.7
Energy	10.7	3.6
Financials	12.3	26.5
Health Care	3.0	-3.0
Industrials	6.3	7.4
Information Technology	-3.4	-9.0
Materials	5.6	-4.0
Real Estate	1.2	-3.7
Utilities	12.5	14.8

Region	1Q 2025	Trailing 12 Months
Canada	1.3	9.6
Europe EMU	12.3	7.5
Europe ex EMU	8.9	7.6
Japan	0.5	-1.7
Middle East	-1.9	21.1
Pacific ex Japan	0.4	6.9
MSCI World ex US Index	6.3	5.9

Source: FactSet, MSCI Inc. Data as of March 31, 2025.

reversing its plans to build four hydrogen gas pipeline hubs in the US due to abrupt (if not entirely unexpected) regulatory shifts by the new administration. Meanwhile, US consumer confidence is falling as inflation expectations rise in anticipation, rationally, of the higher cost for most of the goods consumers want to buy. This does not strike us as a backdrop that supports elevated stock price valuations in the US. The relative outperformance of non-US markets this quarter—the largest quarterly lead over US stocks in fifteen years—offers a taste of how that could play out.

From our vantage point as global investors "here at the edge of the stage," the challenge of protecting and growing our clients' wealth feels more daunting than usual. The world economic order that created vast wealth through open trade and cooperation now faces potentially radical disruption as the US reshapes its own role in that order. As stewards of your capital, our task is to see the world as it is, not as we might wish it to be, and anticipate the possible consequences of chaotic and self-destructive economic, business, and foreign policies, even when they stop making sense to us.

From a portfolio perspective, our investment process has always prompted us to understand the industry dynamics that affect how companies operate, to grasp and assess the source of a company's superior profitability, and to have insight whether that source will endure or evaporate easily as foreseeable pressures arise. Thus, we've long harbored an aversion to companies whose profits were especially vulnerable, as we once put it, to "the whims of faceless bureaucrats and capricious politicians." That practice has given us a leg up in parsing our portfolio holdings and potential new investments for companies situated to better avoid the fallout from a damaging trade war, regardless of its origin.

That's no small task given the size and interconnectedness of the global economy, and the central role of the US within it. Our experience of investing across emerging markets has prepared us to find resilient, growing companies that are operating well outside the line of fire of volatile or heavy-handed governments.

The world economic order that created vast wealth through open trade and cooperation now faces potentially radical disruption as the US reshapes its own role in that order. As stewards of your capital, our task is to see the world as it is, not as we might wish it to be.

With the entire developed non-US stock market as our hunting ground, we face an ample opportunity set as we pursue sound investments. A process grounded in identifying and evaluating resilient companies and assessing their growth prospects feels particularly well suited to the moment. Many industry and societal trends transcend the political aims of any single administration, and there are products and services—indeed, entire economies—that will grow regardless of shifting policy priorities elsewhere. Moreover, due to the sustained fashionableness of US investments in recent years, investors can buy such companies at more modest prices than in many years; market volatility will afford yet more opportunities to invest in them at attractive valuations.

Portfolio in Focus

Over the last several years, Information Technology has been among the fastest growing, and the most volatile performing sectors. Here, performance swings and growth expectations have been largely driven by AI, with the hopes of new revenue streams for businesses, and accelerated demand for advanced semiconductors at the forefront; the international developed markets IT sector peaked in March 2024.

But since that peak, concerns about the pace of AI-driven growth and yet unproven end-market opportunities—along with geographical tensions including tariffs and restrictions on AI chip sales—have weighed on sentiment toward the sector. The situation was further complicated by the introduction in January of "DeepSeek," a Chinese-developed LLM model that claims to have achieved similar performance to other cutting-edge AI models at a fraction of their cost. The announcement triggered a wave of selling across the semiconductor industry, as investors feared that less computationally intensive AI could result in less demand for the highest-priced, most advanced semiconductors and the large data centers in which they are used.

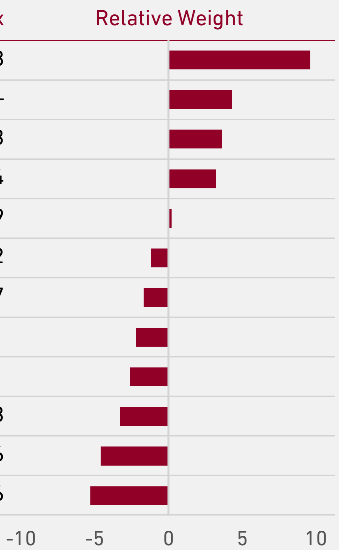
Last year we did not go "all in" on AI and IT bets because we were skeptical of forecasts predicting historically elevated semiconductor growth far into the future. But the sector has fallen from its peak—many stocks quite sharply. Now, there are semiconductor stocks discounting more achievable growth expectations, and we believe AI usage will continue to create new opportunities that extend the semiconductor industry's eight-decade trend of increasing volumes and advancing technology. Those valuations and that belief have led us to invest in new holdings, including one this quarter, moving the portfolio to a modest overweight in the sector.

Last year we did not go "all in" on AI and IT bets because we were skeptical of forecasts predicting historically elevated semiconductor growth far into the future. But the sector has fallen from its peak—many stocks quite sharply. Now, there are semiconductor stocks discounting more achievable growth expectations.

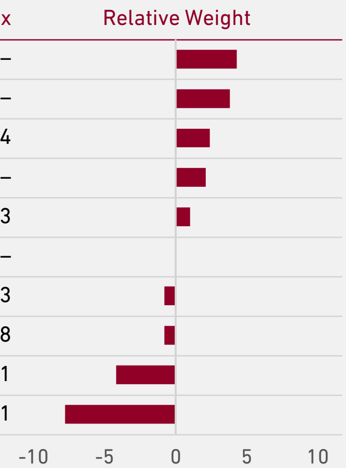
We purchased ASML, the Dutch maker of semiconductor manufacturing equipment that's the world's sole producer of the extreme ultraviolet lithography systems needed to fabricate the smallest, most powerful, and energy efficient chips for smartphones, computers, and AI data centers. After its share price fell 30% from its July 2024 peak due to concerns about sales restrictions to China and slower than expected orders for

Portfolio Positioning (% Weight)

Sector	HL	Index
Health Care	20.4	10.8
Cash	4.3	–
Info Technology	11.9	8.3
Materials	9.6	6.4
Cons Staples	8.1	7.9
Energy	4.0	5.2
Real Estate	0.0	1.7
Industrials	14.9	17.1
Financials	22.5	25.1
Utilities	0.0	3.3
Comm Services	0.0	4.6
Cons Discretionary	4.3	9.6



Region	HL	Index
Cash	4.3	–
Emerging Markets	3.8	–
Europe ex EMU	30.8	28.4
Other	2.1	–
Pacific ex Japan	10.3	9.3
Frontier Markets	0.0	–
Japan	18.5	19.3
Middle East	0.0	0.8
Canada	6.9	11.1
Europe EMU	23.3	31.1



"HL": International Developed Markets Equity model portfolio. "Index": MSCI World ex US Index. "Other": Includes companies listed in the United States. "Frontier Markets": Includes countries with less-developed markets outside the index.

Sector and region allocations are supplemental information only and complement the fully compliant International Developed Markets Equity composite GIPS Presentation. Source: Harding Loevner International Developed 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.

its latest chips, we saw a rare opportunity to purchase shares at a reasonable valuation. We anticipate that ASML can continue to sustain mid-teens earnings growth over the next five years.

ASML complements our existing semiconductor-related holdings, which span the entire journey of wafers through semiconductor plants. TSMC continues to lead in advanced semiconductor production, while Samsung Electronics remains a major player in memory chips and a competitor to TSMC in logic chips. In their massive semiconductor plants, both rely on ASML's lithography systems using intense light to burn the increasingly dense patterns of circuits onto the large circular wafers from which hundreds of chips are ultimately cut. Our Japanese holding Daifuku supplies the cleanroom automation systems crucial for wafer fabrication, safely carrying these valuable wafers from stage to stage of their fabrication process with ultra-low vibration systems whose combined lengths within a factory can reach over 100 miles. Another Japanese holding, purchased during a selloff last year, Disco Corp, dominates the market for the systems that grind, polish, and thin semiconductor wafers, and at the end of the process precisely cuts semiconductor wafers into hundreds of individual chips.

While adding ASML, we sold our holding in German power semiconductor maker Infineon Technologies. Early in the quarter the stock had rebounded following last year's decline tied to a slowdown in electric vehicle sales, yet we had become increasingly concerned about future risks, given its heavy reliance on the cyclical, highly tariff-exposed automotive industry and rising competition from Chinese peers.

As our allocation to faster-growing IT companies rose, our weight to Consumer Staples declined this quarter due in part to MSCI's reclassification of Haleon, maker of Advil pain reliever and Sensodyne toothpaste, from Consumer Staples to Health Care. This lowered our Staples exposure, contributing to a total reduction of one-third in the quarter. While we acknowledge the company's reclassification in our reporting, we still consider Haleon's products—over the counter staples such as toothpaste, vitamins, pain relievers, and allergy relief—to be fundamentally Consumer Staples-like. Outside of Consumer Staples and IT, we also sold Haier Smart Home to limit the portfolio's exposure to China.

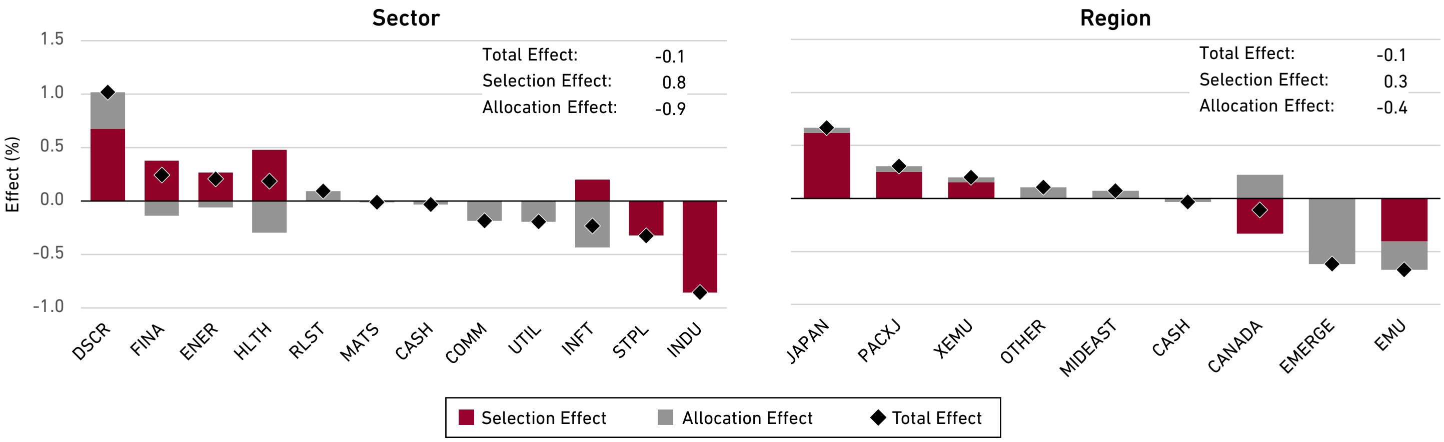
A late breaking update on the portfolio: In light of the Trump administration's April 2 tariff announcements, we are providing an updated estimate of our portfolio's weighted revenue generated from the US: Currently, it's about one-quarter of the total. Much of that is actually onshore activity—for example, Manulife's and Allianz's US insurance and investments units, Linde's and Air Liquide's industrial gas plants, and Haleon's and Alcon's consumer health products such as Advil and contact lenses which are manufactured and sold in the US. We continue to evaluate each of our holdings for the potential impact of tariffs on their business prospects.

Performance and Attribution

The International Equity Developed Markets Equity composite gained 6.2% gross of fees for the quarter, nearly matching the 6.4% gain of the MSCI World ex US Index.

First Quarter 2025 Performance Attribution

International Developed Markets Equity Composite vs. MSCI World ex US Index



"OTHER": Includes companies listed in the United States.

Source: Harding Loevner International Developed Markets Equity composite, FactSet, MSCI Inc. Data as of March 31, 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

Returns were bolstered by strong stocks in Consumer Discretionary, while poor stocks in Industrials dragged on returns.

Top contributors to relative performance:

- In **Consumer Discretionary**, Sony's shares rallied on strong financial year 2024 guidance.
- **Financials** added to returns. Spanish commercial bank BBVA gained following strong fourth quarter earnings and a new share buyback plan. German financial services and insurance provider Allianz reported year-over-year operating profit growth due to strong results across its business lines and announced plans for a new share buyback plan.

Top detractors from relative performance:

- In **Industrials**, Schneider Electric fell sharply as China's DeepSeek unveiled a new large language model that raised doubts about long-term demand for AI infrastructure. Techtronic Industries' shares also declined, pressured by tariff concerns and slowing US growth, its core market for its Milwaukee-branded tools.
- The portfolio's overweight in **Information Technology** detracted from performance, as did weakness in Disco Corp shares, which fell due to uncertainty surrounding US trade and tariff policies.

Relative Returns (%)

First Quarter 2025

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
BBVA	FINA	3.0	0.4	0.84
Allianz	FINA	4.1	0.7	0.56
Novo Nordisk*	HLTH	–	1.4	0.41
Sony	DSCR	3.6	0.7	0.31
Shell	ENER	3.5	1.1	0.29

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
TSMC	INFT	2.3	–	-0.54
Disco Corp	INFT	1.6	0.1	-0.49
Schneider Electric	INDU	3.6	0.7	-0.44
Couche-Tard	STPL	2.2	0.2	-0.38
Sonova	HLTH	1.4	0.1	-0.25

Trailing 12 Months

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
DBS Group	FINA	4.3	0.3	1.47
Novo Nordisk*	HLTH	–	2.0	1.17
Sony	DSCR	3.1	0.6	0.92
Allianz	FINA	3.8	0.6	0.80
Manulife	FINA	3.8	0.3	0.75

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
L'Oréal	STPL	2.7	0.5	-0.69
Samsung Electronics	INFT	1.2	–	-0.61
Genmab	HLTH	1.1	0.1	-0.56
Unicharm	STPL	1.4	0.1	-0.45
Couche-Tard	STPL	2.3	0.2	-0.44

"HL": International Developed Markets Equity composite. "Index": MSCI World ex US Index.

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

Portfolio Attribution by Region

Good returns in Japan were offset by weak stocks in the eurozone and Canada.

Top contributors to relative performance:

- **Japan**'s Sony was among the portfolio's top-performing holdings for the quarter.
- Swiss holdings delivered strong returns in **Europe ex EMU**. Roche advanced on encouraging news about its pipeline of new drugs and an acquisition in obesity medicine, while Nestlé shares edged higher as full year results and management comments assuaged fears that a margin reset was needed. Not owning Novo Nordisk also proved beneficial, as the stock fell following disappointing trial results for its next-generation weight loss drug.

Top detractors from relative performance:

- The portfolio's modest, off-benchmark exposure in international developed market companies listed in **Emerging Markets** detracted. TSMC's shares dropped over 15% year-to-date on AI-related demand concerns following DeepSeek's announcement and renewed tariff fears under the new Trump administration.
- In the **EMU** the decline in Schneider Electric's share price hurt performance.

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 International Developed 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 of contributors and detractors is net of fees, which is calculated by taking the difference between net and gross composite performance for the International Developed Markets Equity strategy prorated by asset weight in the portfolio and subtracted from each security's return. Contributors and detractors exclude cash and securities in the composite not held in the model portfolio. Quarterly data is not annualized.

Perón's Ghost: When Self-Reliance Becomes Self-Defeating

By Edmund Bellord

Amid the turbulence and mixed signals of the Trump administration's tariff strategy, a discernible tilt toward economic self-sufficiency has emerged. The stated objectives of reshoring manufacturing, reducing dependence on foreign supply chains, and projecting national strength carry political appeal for many, but undoing 50 years of globalization is fraught with risk. Argentina's mid-20th century descent under Juan Perón offers a sobering reminder of how quickly such ambitious efforts can short-circuit, swapping prosperity for prolonged isolation and decline.

Juan Perón came to power on a wave of popular support, winning democratic elections in 1946 and 1951 with an economic agenda focused on achieving independence from foreign economic and political control. At the time, British and American investors dominated Argentina's infrastructure, utilities, and key industries, while the nation's reliance on imported manufactured goods and its commodity-based export economy left it vulnerable to external shocks and fluctuations in global demand.

In response, Perón's government launched a program of economic nationalism centered around Import Substitution Industrialization, with high tariffs often reaching over 100% for some goods to protect fledgling domestic industries. These tariffs made foreign goods prohibitively expensive and gave local producers a captive market.

In addition to tariffs, the regime implemented strict import quotas and licensing systems, restricting both the volume and type of goods allowed into the country. These measures were designed to conserve foreign currency reserves and shield domestic firms from international competition. The government also nationalized key industries such as railroads and energy, shifting control from foreign hands to the state.

Initially, the strategy appeared to succeed as industries such as auto manufacturing, textiles, and steel expanded rapidly. But this protection led to complacency—Argentine cars grew costly and outdated, unable to compete with imports. The heavily shielded textile industry became a major employer but remained inefficient and high-cost, limiting global competitiveness. State-owned heavy industrial companies such as steelmaker Somisa faced similar issues: overstaffing, obsolete equipment, and reliance on government support.

Booming global demand for Argentina's agricultural exports in the immediate post–World War II period had provided the foreign exchange needed to finance the country's industrial push. But as postwar Europe recovered and commodity prices fell, Argentina's export revenues fell sharply. With foreign currency scarce and domestic industries now dependent on protection, the limitations of the model became apparent. Production quality lagged, costs rose, and Argentina became increasingly inward-looking and uncompetitive on the global stage.

What began as a drive for economic sovereignty ultimately resulted in deep structural weaknesses—fiscal imbalances, declining productivity, and persistent inflation—and the onset of Argentina's prolonged economic decline. Inflation escalated from 20% annually in the early 1950s to severe, chronic levels that persisted for decades, eventually culminating in hyperinflation by the late 80s. The policies introduced under Perón cast a long shadow: once one of the world's ten wealthiest nations by GDP per capita, Argentina steadily fell behind its peers, dropping to 79th place by 2023.

While the Trump administration's protectionist turn echoes elements of Argentina's economic nationalism, it lacks several core features that defined the Peronist model. There is no nationalization of industry, nor a broad push to reshape the domestic economy through state planning or import substitution. Instead, Trump's approach reflects a singular obsession with applying punitive tariffs to reduce the trade deficit—ignoring the basic accounting reality that cutting the trade deficit necessarily shrinks the capital surplus.

The flipside of the US trade deficit is its capital surplus, when the US runs a trade deficit—importing more goods and services than it exports—those dollars don't simply vanish. Instead, they return in the form of foreign investment, with foreign capital flowing in to support equities, bonds, and the dollar.

If fewer dollars flow abroad through trade, fewer dollars will be recycled back into US assets. This shift could weaken demand for Treasuries, forcing yields higher and tightening financial conditions across the economy. US equities, long buoyed by steady foreign inflows, would face downward pressure, while a stronger dollar—resulting from tariffs or restricted trade—could further erode US export competitiveness.

In short, efforts to shrink the trade deficit cannot occur in isolation; they will directly impact the capital account, reducing foreign demand for US assets and challenging the fundamental financial stability that has long underpinned US economic dominance.

Argentina's experience vividly demonstrates how pursuing economic self-reliance can become self-defeating, as protectionist policies breed inefficiency, deter investment, and ultimately trigger spiraling inflation. Although the United States today operates in a markedly different context, its sheer economic magnitude, central position within the global economic system, and reliance on global capital flows mean that even a modest inward pivot carries outsized risks. ■

Portfolio Holdings

Communication Services	Market	End Wt. (%)
No Holdings		
Consumer Discretionary		
Shimano Bicycle component manufacturer	Japan	0.4
Sony Japanese conglomerate	Japan	3.9
Consumer Staples		
Couche-Tard Convenience stores operator	Canada	2.1
L'Oréal Cosmetics manufacturer	France	2.4
Nestlé Foods manufacturer	Switzerland	2.7
Unicharm Consumer products manufacturer	Japan	1.0
Energy		
Shell Oil and gas producer	UK	3.9
Financials		
Adyen Payment processing services	Netherlands	1.5
AIA Group Insurance provider	Hong Kong	2.9
Allianz Financial services and insurance provider	Germany	4.5
BBVA Commercial bank	Spain	2.1
DBS Group Commercial bank	Singapore	4.6
HDFC Bank Commercial bank	India	1.0
Manulife Financial services and insurance provider	Canada	3.7
SE Banken Commercial bank	Sweden	2.2
Health Care		
Alcon Eye care products manufacturer	Switzerland	2.3
Chugai Pharmaceutical Pharma manufacturer	Japan	3.9
Coloplast Medical device manufacturer	Denmark	1.1
Genmab Oncology drug manufacturer	Denmark	0.9
Haleon Consumer health products manufacturer	UK	3.7
Roche Pharma and diagnostic equipment manufacturer	Switzerland	3.6
Shionogi Pharma manufacturer	Japan	1.4
Sonova Hearing aids manufacturer	Switzerland	1.2
Sysmex Clinical laboratory equipment manufacturer	Japan	2.4
Industrials		
Alfa Laval Industrial equipment manufacturer	Sweden	1.9
ASSA ABLOY Security equipment manufacturer	Sweden	1.4
Atlas Copco Industrial equipment manufacturer	Sweden	1.7
Canadian National Railway Railway operator	Canada	1.1
Daifuku Material-handling equipment manufacturer	Japan	1.3
Epiroc Industrial equipment manufacturer	Sweden	1.4
Komatsu Industrial equipment manufacturer	Japan	1.8
Schneider Electric Energy management products	France	3.2
Techtronic Industries Power tools manufacturer	Hong Kong	1.1

Information Technology	Market	End Wt. (%)
ASML Semiconductor equipment manufacturer	Netherlands	2.8
Dassault Systèmes CAD software developer	France	1.5
Disco Corp Precision tool manufacturer	Japan	1.1
Keyence Sensor and measurement eqpt. mfr.	Japan	1.2
Samsung Electronics Electronics manufacturer	South Korea	0.9
SAP Enterprise software developer	Germany	2.5
TSMC Semiconductor manufacturer	Taiwan	1.9
Materials		
Air Liquide Industrial gases supplier	France	1.6
BHP Mineral miner and processor	Australia	1.7
Linde Industrial gases supplier and engineer	US	2.0
Novonesis Biotechnology producer	Denmark	1.0
Rio Tinto Mineral miner and processor	UK	1.8
Symrise Fragrances and flavors manufacturer	Germany	1.4
Real Estate		
No Holdings		
Utilities		
No Holdings		
Cash		4.3

Model portfolio holdings are supplemental information only and complement the fully compliant International Developed 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
Profit Margin[1] (%)	12.8	10.4
Return on Assets[1] (%)	8.2	5.0
Return on Equity[1] (%)	17.3	13.7
Debt/Equity Ratio[1] (%)	45.9	71.6
Std. Dev. of 5 Year ROE[1] (%)	3.6	4.7
Sales Growth[1,2] (%)	4.2	4.3
Earnings Growth[1,2] (%)	8.9	8.6
Cash Flow Growth[1,2] (%)	8.6	7.9
Dividend Growth[1,2] (%)	7.8	6.5
Size and Turnover	**HL**	**Index**
Wtd. Median Mkt. Cap. (US $B)	78.1	58.1
Wtd. Avg. Mkt. Cap. (US $B)	121.2	88.2
Turnover[3] (Annual %)	11.7	–

Risk and Valuation	HL	Index
Alpha[2] (%)	-0.77	–
Beta[2]	1.02	–
R-Squared[2]	0.92	–
Active Share[3] (%)	85	–
Standard Deviation[2] (%)	17.09	16.01
Sharpe Ratio[2]	0.55	0.63
Tracking Error[2] (%)	4.9	–
Information Ratio[2]	-0.15	–
Up/Down Capture[2]	102/105	–
Price/Earnings[4]	18.6	16.7
Price/Cash Flow[4]	13.5	9.8
Price/Book[4]	2.8	1.9
Dividend Yield[5] (%)	2.4	3.0

[1]Weighted median. [2]Trailing five years, annualized. [3]Five-year average. [4]Weighted harmonic mean. [5]Weighted mean. Source: (Risk characteristics): Harding Loevner International Developed Markets Equity composite based on the composite returns, gross of fees, eVestment Alliance LLC, MSCI Inc. Source: (other characteristics): Harding Loevner International Developed Markets Equity model based on the underlying holdings, FactSet (Run Date: April 3, 2025) based on the latest available data in FactSet on this date.), MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector
ASML	Netherlands	INFT

Positions Sold	Market	Sector
Haier Smart Home	China	DSCR
Infineon Technologies	Germany	INFT

The portfolio is actively managed therefore holdings identified above do not represent all of the securities held in the portfolio and holdings may not be current. It should not be assumed that investment in the securities identified has been or will be profitable. Portfolio characteristics are supplemental information only and complement the fully compliant International Developed Markets Equity composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

Composite Performance

as of March 31, 2025

	HL Intl. DM Equity Gross (%)	HL Intl. DM Equity Net (%)	MSCI World ex US[1] (%)	MSCI EAFE[2] (%)	HL Intl. DM Equity 3-yr. Std. Deviation[3] (%)	MSCI World ex US 3-yr. Std. Deviation[3] (%)	MSCI EAFE 3-yr. Std. Deviation[3] (%)	Internal Dispersion[4] (%)	No. of Accounts	Composite Assets ($M)	Firm Assets ($M)
2025 YTD[5]	6.21	6.09	6.35	7.01	17.56	16.51	16.53	N.A.	15	1,599	33,889
2024	2.62	2.12	5.26	4.35	18.08	16.56	16.61	0.5	15	1,518	35,471
2023	17.32	16.76	18.60	18.85	18.04	16.61	16.60	0.5	16	1,115	43,924
2022	-18.58	-19.01	-13.82	-14.01	19.98	20.05	19.95	0.4	17	664	47,607
2021	12.67	12.13	13.17	11.78	15.84	17.16	16.89	0.6	12	878	75,084
2020	23.89	23.26	8.09	8.28	17.19	18.09	17.87	3.2	13	981	74,496
2019	26.77	26.10	23.16	22.66	11.70	10.79	10.80	0.5	7	655	64,306
2018	-11.72	-12.20	-13.64	-13.36	11.51	11.09	11.27	0.4	7	545	49,892
2017	29.48	28.85	24.81	25.62	12.03	11.67	11.85	0.4	7	643	54,003
2016	6.97	6.34	3.29	1.51	12.74	12.36	12.48	N.M.	4	270	38,996
2015	2.53	1.96	-2.60	-0.39	12.48	12.28	12.47	N.M.	1	99	33,296

[1]Benchmark index. [2]Supplemental index. [3]Variability of the composite, gross of fees, and the index returns over the preceding 36-month period, annualized. [4]Asset-weighted standard deviation (gross of fees). [5]The 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 International Developed Markets Equity Composite contains fully discretionary, fee-paying accounts investing in non-US equity and equity-equivalent securities and cash reserves, and is measured against the MSCI World ex US 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. As of December 31, 2022, the International Developed Markets Equity Composite benchmark was changed from MSCI EAFE Index to the MSCI World ex US Index for all periods. 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 World ex US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed markets, excluding the US. The index consists of 22 developed market countries. The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US and Canada. The index consists of 21 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 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 International Developed Markets Equity composite has had a performance examination for the periods March 1, 2010, through December 31, 2024. The verification and performance examination report is 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 withholding taxes on dividends, interest income and capital gains for certain portfolios within the composite and net of withholding for others. 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 International Developed Markets Equity accounts is 1.00% annually of the market value for the first $20 million; 0.50% for the next $80 million; 0.45% for the next $150 million; 0.40% for the next $250 million; above $500 million upon request. 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 International Developed Markets Equity Composite was created on February 28, 2010, and the performance inception date is March 1, 2010.

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