International Equity

Second Quarter 2025 Report

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Performance

Total Return (%) Periods Ended June 30, 2025

	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
HL International Equity (Gross)	9.40	15.11	15.44	13.24	8.84	7.71	8.30
HL International Equity (Net)	9.23	14.75	14.71	12.53	8.15	7.02	7.51
MSCI All Country World ex US Index	12.30	18.32	18.37	14.58	10.67	6.63	5.60
MSCI EAFE Index	12.07	19.92	18.33	16.55	11.71	7.03	5.45

The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. International Equity composite inception date: December 31, 1989. MSCI All Country 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

The Health Care sector has long been home to many high-quality growing businesses, built on a foundation of inelastic patient demand, high barriers to entry, and regulations that often favor incumbents. Demographic tailwinds such as aging populations in developed markets and rising per-capita spending in emerging ones underpin durable long-term revenue growth. These dynamics, combined with economies of scale and a steady flow of innovation, have historically contributed to high and consistent returns on capital. But despite these advantages, health care equities have trailed global markets by more than 20 percentage points over the last twelve months.

A sector long prized for its stability during turbulent periods is now experiencing turbulence of its own. The disconnect between strong fundamentals and weak stock performance suggests that sentiment is being influenced less by near-term results and more by growing unease about what may lie ahead, as a wave of political and regulatory uncertainty, in the US and beyond, has called into question Health Care's usual appeal.

In the US, following the 2024 election, the new administration embraced a populist stance on drug pricing while also looking to cut federal health care spending. Markets were caught off guard by the appointment of Robert F. Kennedy, Jr. as Secretary of Health and Human Services, along with the unveiling of the "One Big Beautiful Bill Act" (OBBBA), which takes an axe to Medicaid funding. The shares of US-focused health care companies sold off sharply and even the shares of traditionally less policy-sensitive health care insurers experienced significant declines.

A renewed focus on Most Favored Nation (MFN) drug pricing policy in the US also threatens margins. Under MFN, Medicare would set its reimbursement for selected drugs to the lowest prices paid by comparable countries rather than US market rates. The proposal was made in 2020 through an executive order in Trump's first term but was blocked by federal courts. Details of the proposal remain sparse but modeling by Empirical Research, using Congressional Budget Office scenarios, estimate a 10% cut in branded-drug prices by 2031 could slash aggregate pharmaceutical earnings and cash flow by a similar amount relative to a no-policy-change baseline.

In Europe, pricing commissions are revisiting reimbursement rates for specialty drugs and pushing for more competition in drugs used to treat less-common diseases. And in emerging markets, China foremost among them, value-based pricing frameworks are expanding. These reforms threaten pricing power for biopharma firms without clearly differentiated products or deep innovation pipelines.

Even public research funding, often overlooked, is facing pressure. Proposed cuts to the National Institutes of Health (NIH) budget in the US have cast doubt on the long-term pace of biomedical discovery, especially early-stage and academic-led work. A sustained pullback in public funding could shrink the pool of discoveries that can be developed into commercial products, increase R&D costs, and extend development timelines. These risks disproportionally affect smaller biotechnology companies and those relying on academic licensing strategies.

While policy uncertainty weighs on the sector from above, disruptive technology has the potential to reshape it from within. AI-assisted diagnostics, digital health platforms, and remote monitoring solutions are already attracting capital and attention, despite their nascent revenues. By reconfiguring how care is delivered and how data is captured, these technologies challenge traditional diagnostics and chronic care business models. As the sector digitizes, bargaining power could shift along the value chain, penalizing firms that cling to legacy pricing and service structures.

Political and technological uncertainty is notoriously hard to price, often triggering self-reinforcing volatility that can decouple stock prices from cash flows. Historical cycles, from Clinton-era health reform debates and the Medicare Modernization Act of 2003 to the ACA battles and the late-2010s Medicare for All push, triggered declines in the share prices of Health Care companies similar to the current sell-off, even though investors' worst-case policy fears didn't come to pass. In each instance, resilient earnings led to a recovery in valuations once uncertainty subsided.

Relative valuations for global health care today are now as low as those seen in past policy-driven sell-offs (aside from the ACA trough), even though those downturns unfolded over much longer periods (See chart on next page). That pronounced discount to the broader market suggests that a significant amount of downside is already baked into current share prices.

Fundamentals for companies in the sector remain solid, current revenue growth is on track, margins are healthy, and R&D pipelines look robust. The sector's structural support is intact: supplier pricing power is limited, buyer bargaining power outside of single-payer systems remains modest, and substitution risk in critical therapeutic areas such as oncology is low. Likewise, regulatory complexity and long development timelines continue to deter new entrants.

Despite heightened uncertainty and valuation pressure, the sector's long-term innovation engine remains intact. Take GLP-1 therapies

Market Snapshot

- Stocks rose across the major regions of the world. The MSCI ACWI ex US Index outperformed MSCI USA Index as abruptly shifting tariff policy increased uncertainty for US businesses and consumers. A weakening dollar also contributed to a shift in investor perception toward international stocks.
- Many AI-related companies in the IT and Communication Services sectors surged. Semiconductors and semiconductor equipment was the best performing industry group, as internet giants such as Amazon.com and Meta Platforms confirmed continued investment in AI even in an uncertain economic environment.
- Health Care underperformed, as discussed in What's on Our Minds.
- Emerging Markets performed in line with the broader index, led by technology companies in Taiwan and South Korea, while Chinese stocks languished. South Korean elections also resulted in a change of government and potential for policies expected to benefit the financial markets, boosting returns there.

Index Performance (USD %)

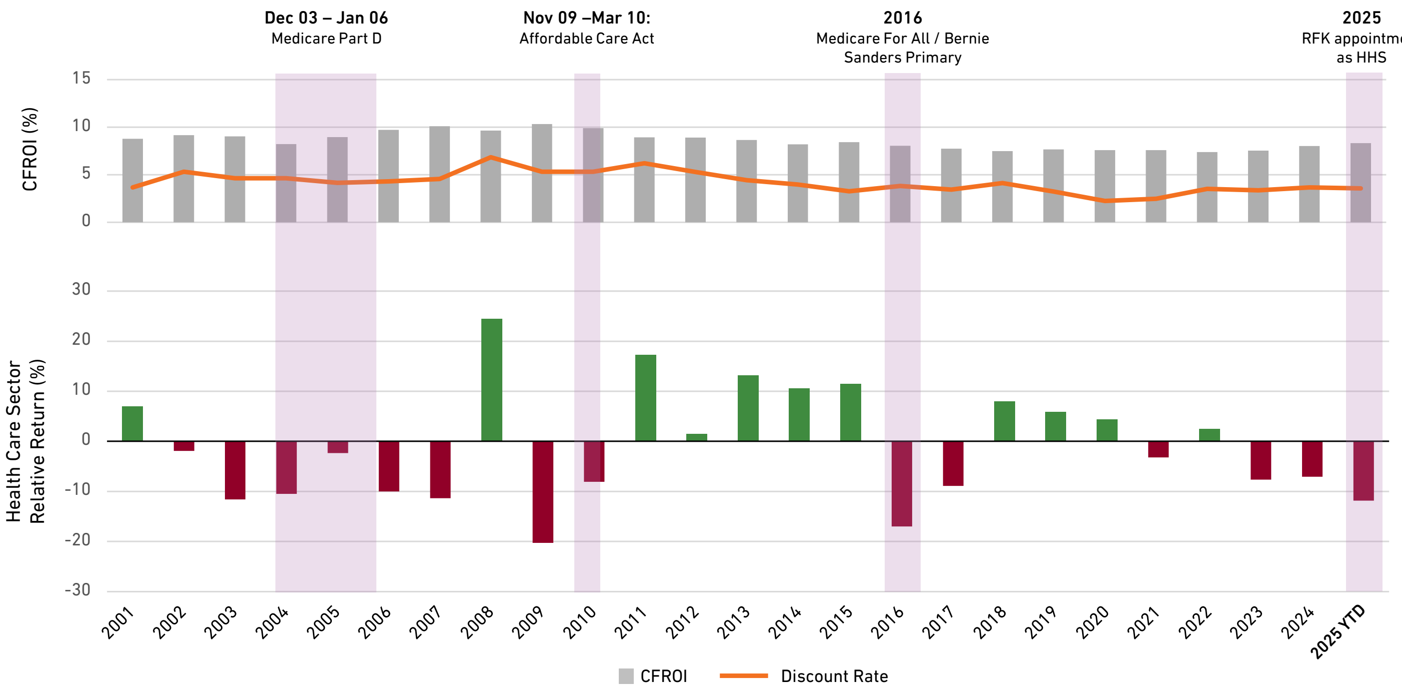
MSCI ACWI ex US Index

Sector	2Q 2025	Trailing 12 Months
Communication Services	15.0	36.2
Consumer Discretionary	2.8	10.0
Consumer Staples	7.8	11.5
Energy	2.7	1.9
Financials	14.6	37.2
Health Care	3.6	-2.4
Industrials	18.3	26.1
Information Technology	21.9	10.7
Materials	8.7	5.0
Real Estate	13.7	19.3
Utilities	14.1	23.7

Region	2Q 2025	Trailing 12 Months
Canada	14.4	27.9
Emerging Markets	12.2	16.0
Europe EMU	14.6	25.9
Europe ex EMU	8.7	12.2
Japan	11.4	14.3
Middle East	22.3	54.2
Pacific ex Japan	14.3	19.1
MSCI ACWI ex US Index	12.3	18.4

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

Global ex US Health Care CFROI vs. MSCI ACWI ex US Health Care Sector Return Relative to Total Index Return



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

for obesity and type 2 diabetes: once a niche, they now represent a multi-billion-dollar market that is reshaping how these diseases are managed. Their influence now extends beyond glucose control, touching areas such as cardiovascular health, sleep apnea, and chronic kidney disease.

Biosimilar and oral GLP-1 formulations are advancing rapidly, with next-generation candidates progressing through clinical development. Competitive intensity is rising, forcing both incumbents and innovative newcomers to offer differentiated delivery mechanisms, enhanced patient engagement, or broader integrated care strategies.

Meanwhile, a new layer of support services is emerging to boost long-term patient health. Digital coaching platforms, personalized nutrition providers, and remote monitoring technologies are increasingly complements to pharmaceutical therapies. This shift broadens the investable universe beyond traditional drugmakers to include enablers of care. The Chinese biopharma sector is also evolving rapidly: nearly half of all pharmaceutical licensing deals by US companies involve Chinese firms, due in part to improving intellectual property protections and faster trial execution. Although the BIOSECURE Act (which passed the House in 2024 but is stalled in the Senate) could complicate US-China collaborations, well-structured partnerships still offer Western companies access to novel assets, such as US-based AnHeart Therapeutics' experimental cancer drug taletrectinib, which recently received FDA approval. For their Chinese counterparts, such collaborations provide international validation and commercial reach. Beyond drugmakers we see emerging value in both Chinese and Western contract research and manufacturing organizations, digital health platforms, and life sciences toolmakers.

Our overweight holdings in Health Care entering this period of underperformance reflected confidence in resilient fundamentals and appealing valuations, but like many investors, we were caught off guard by both the speed and scope of proposed regulatory shifts. Reflecting these near-term headwinds, Health Care valuations have become even more compelling, having compressed to historically low levels. Just as past cycles have ultimately reversed once clarity returned, we believe today's uncertainty will also prove transitory.

We are focused on companies with the traits we value most: resilient cash flows, standout innovation pipelines, and geographic exposure that mitigates near-term policy risk. For example, Chugai Pharmaceutical has delivered stellar revenue growth, powered by its hemophilia franchise and a promising GLP-1 candidate in collaboration with Eli Lilly. Likewise, long-time holding Roche, supported by its breadth in diagnostics and oncology, has maintained good cash flow, and it is well-positioned in obesity treatment through recent acquisitions and metabolic-focused R&D. We also initiated an investment in Novartis this quarter, reflecting confidence in its strategic reset: after spinning off its generics arm, it has sharpened its focus on innovative medicines, margin expansion, and disciplined capital allocation with a pipeline spanning cardiovascular, immunology, neurology, and oncology.

Therefore, we remain overweight in the sector, confident that durable cash flows, sustained innovation, and global demand will lead to long-term outperformance.

Portfolio in Focus

In recent months, European defense-related stocks have surged, but we have largely sidestepped pure-play defense companies. Simply put, very few of these companies have met our standards for durable competitive advantage and sustainable growth. Their profitability is often squeezed by powerful government buyers, many of whom also own stakes in the companies themselves. And over the past two decades European defense budgets have languished as governments have favored "butter over guns." But that may be changing as rising geopolitical tensions lead to fresh budget commitments, and perhaps new quality-growth opportunities.

Many European defense companies, in contrast with US ones, have struggled to achieve good returns on investment because their largest buyers, often their own government shareholders, wield outsized bargaining power. Governments have routinely insisted that state-owned or directed firms invest in large, low-return projects as a form of "national service," forcing upfront funding and shouldering most cost-overrun risk far beyond what we typically see in the US defense sector. Unsurprisingly, these state-backed players have generally delivered poorer profitability than firms that don't face the same constraints. For instance:

- Norway's Kongsberg Gruppen is 50% government owned
- SAAB is 20% owned by Sweden
- Thales is 25% owned by the French government
- Leonardo is 30% owned by Italy's government
- Dassault Aviation is indirectly owned by France via Airbus's 10% stake
- Hensoldt, the defense electronics spin-off from Airbus, is 25% owned by Germany, with Italy's Leonardo owning another 23% of its shares

In many of these cases, political objectives have in the past trumped minority shareholders' interests, skewing corporate governance and compressing profitability.

Since the end of the Cold War, European defense industry growth has also generally been poor, weighted down by decades of low defense spending as a share of GDP. Now, however, political leaders are signaling a shift. Rising geopolitical tensions emanating from Russia's assault on Ukraine, coupled with a dawning realization that the US may be an unreliable ally, and thus a justified fear of being overly dependent upon the US for security, are conspiring to reverse this trend. At NATO's June summit, member countries agreed to raise their target for defense spending to 5% of GDP by 2035, up from the 2% benchmark agreed upon (but rarely achieved outside of handful of countries) in 2014. This higher spending level is intended to ramp up the defense industry within the alliance, with 3.5% of GDP targeted at core defense spending, including a five-fold increase in air defense capabilities and 1.5% of GDP to be invested in related infrastructure and cybersecurity. Naturally, pledging is easier than delivering: Spain's Prime Minister has already sought an exemption, warning that jumping from 2% to 5% would "force us to either have to drastically raise taxes on the middle class or severely cut the size of our welfare state." This enduring dilemma is likely to rumble on across the continent.

From 1990 to 2020 Western European governments saw no growth in military spending in inflation-adjusted terms. Over the last three years, the Russia-Ukraine war has caused a surge in European defense spending, and with it, a near-term revenue boost for some military suppliers. But this wartime demand may not reflect the types of spending that will dominate tomorrow's defense budgets. Distinguishing between conflict-driven gains and sustainable growth is key: companies that profited handsomely from wars in Iraq and Afghanistan saw those tailwinds vanish once the conflicts ended. Take Rheinmetall, the German munitions and land systems specialist: prior to 2022, it consistently generated returns below its cost of capital, only posting healthy profits once the Ukrainian conflict boosted sales. That pattern underscores our central concern—geopolitical winds shift unpredictably, so lasting success depends on durable fundamentals, not taking advantage of temporary crises.

We seek defense companies that demonstrate true competitive advantages, sustainable growth, and good management, favoring quality fundamentals over headline chasing, or predicting whether, or how soon, particular conflicts will begin or end. As a result, we favor companies with a greater emphasis on aerospace within the aerospace and defense industry rather than pure defense, as commercial aerospace has enjoyed higher, more durable secular growth trends.

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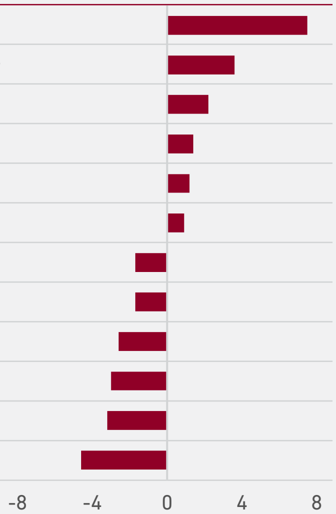
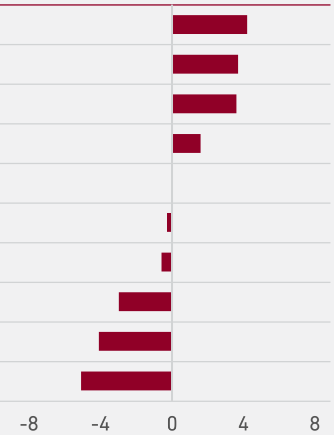
Take French industrial champion Safran, which we purchased this quarter, as an example. Safran garners roughly 80% of its revenues from commercial aerospace, underpinned by CFM International, its 50/50 joint venture with General Electric, which commands roughly 40% of the global commercial jet-engine market, profiting from both new sales and servicing active engines. After rebounding from the pandemic slump, global air passenger volumes finally topped 2019 levels last year, with

Portfolio Positioning (% Weight)

Sector	HL	Index
Health Care	15.5	8.0
Cash	3.6	–
Info Technology	15.5	13.3
Cons Staples	8.0	6.6
Materials	7.4	6.2
Industrials	15.7	14.8
Energy	2.9	4.6
Real Estate	0.0	1.7
Comm Services	3.8	6.4
Financials	22.1	25.1
Utilities	0.0	3.2
Cons Discretionary	5.5	10.1



Region	HL	Index
Europe ex EMU	23.5	19.3
Other	3.7	–
Cash	3.6	–
Pacific ex Japan	8.4	6.8
Frontier Markets	0.0	–
Japan	13.4	13.7
Middle East	0.0	0.6
Europe EMU	19.3	22.3
Canada	4.0	8.1
Emerging Markets	24.1	29.2



"HL": International Equity model portfolio. "Index": 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.

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

secular growth resuming. Boeing anticipates global commercial air traffic growth of 4.2% annually from 2025 to 2044 while Airbus forecasts a 3.6% growth rate over the same span fueled by global economic growth and an expected 1.5 billion person increase in the global middle class. This trend should support growth in CFM International's engine business, which is gaining share in the world's commercial air fleet.

Beyond engines, Safran is the world's leading supplier of landing gear and helicopter turbines, provides the engines for the Rafale fighter jet, and develops ultra-reliable positioning, navigation, and timing solutions for military and civilian applications. These core strengths have resulted in returns on invested capital consistently above that of the broader European aerospace and defense peer group. With about 20% sales being defense-related, Safran stands to benefit if European defense outlays rise as promised. But its commercial aerospace franchise offers more stable and predictable growth.

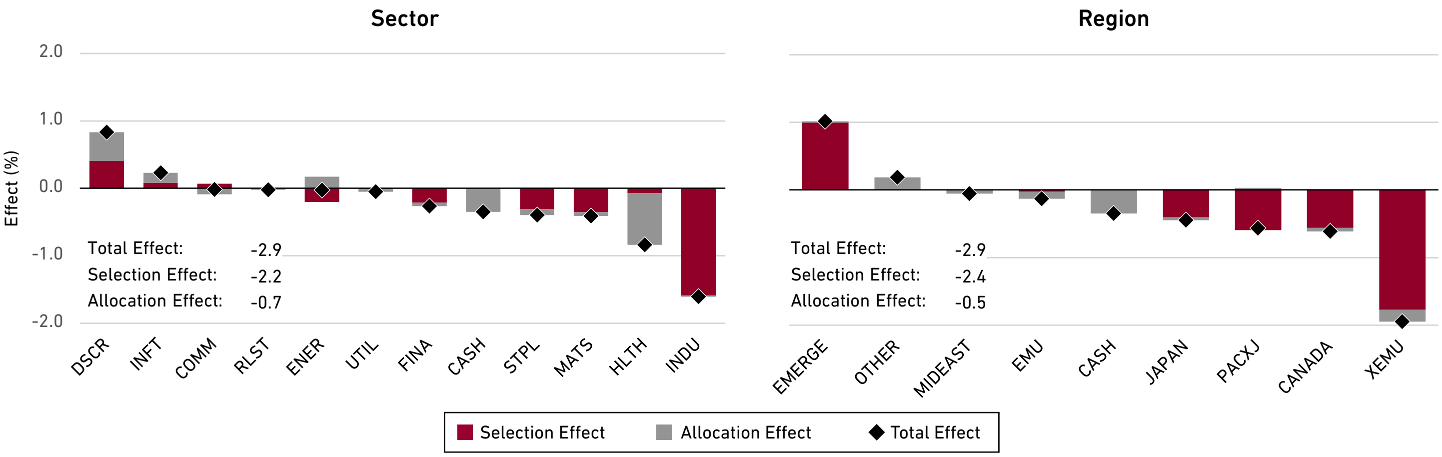
We also purchased shares in the Irish airline Ryanair which has helped expand middle-class travel by making it more affordable to Europeans. In 2024, Ryanair was the first EU carrier to transport 200 million passengers, with a goal of 300 by 2034, and owns more than 600 aircraft on an investment grade balance sheet. Its fleet relies on fuel-efficient engines from Safran to support its cost advantage over its European rivals and will phase in the 20% more fuel efficient turbofan LEAP-1B engine in its 737 MAX aircraft beginning in 2027. Thanks to relentless cost discipline on all fronts resulting in operating costs of just 36 euros per passenger ex-fuel, versus 85 euros for EasyJet and 170 euros for Lufthansa, Ryanair can offer far lower fares in Europe while delivering superior profitability.

Performance and Attribution

The International Equity composite rose 9.4% gross of fees in the second quarter, trailing the 12.3% gain of the MSCI ACWI ex US Index.

Second Quarter 2025 Performance Attribution

International Equity Composite vs. MSCI ACWI ex US Index



"OTHER": Includes companies classified in countries outside the index.

Source: Harding Loevner International Equity composite, FactSet, MSCI Inc. Data as of June 30, 2025. The total effect shown here may differ from the variance of the composite performance and benchmark performance shown on the first page of this report due to the way in which FactSet calculates performance attribution. This information is supplemental to the composite GIPS Presentation.

Portfolio Attribution by Sector

Our overweight in Health Care and lagging stocks within Industrials hurt relative returns, while good stocks in Consumer Discretionary and our underweight in the sector contributed to performance.

Top contributors to relative performance:

- In **Consumer Discretionary**, MercadoLibre outperformed after announcing results that showed stronger-than-expected year-over-year revenue growth for the first quarter, which offset slight margin contraction caused by investments in Brazil and Mexico.
- In **IT**, semiconductor equipment suppliers Disco Corp and ASML, newer holdings bought in the deep correction of AI-related stocks, delivered strong performance after Disco's management provided upbeat guidance for shipments due to AI-related demand and ASML reiterated that AI-related demand would sustain further growth in 2026. Long-held TSMC also delivered strong returns.

Top detractors from relative performance:

- Our hefty allocation to companies in the poorly performing **Health Care** sector was a large source of weak relative performance. Overall, our stocks performed in line with the sector, although Alcon lagged after reporting slower growth than expected as eye surgeons delayed purchase of equipment in anticipation of new product launches in the second quarter. Sysmex and Mindray underperformed as health care equipment spending in China has been pressured.
- In **Industrials**, Alfa Laval underperformed due to weaker marine division orders in the first quarter after particularly strong growth a year ago. Management also pointed to delays in large projects, as customers reconsidered their spending plans to incorporate tariff uncertainty.
- Another drag on relative performance within Industrials came from what we didn't own, namely the sizzling stocks of companies linked to rising military spending in Europe.

Relative Returns (%)

Second Quarter 2025

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
MercadoLibre	DSCR	2.0	–	0.37
Disco Corp	INFT	1.1	0.1	0.34
Alibaba*	DSCR	–	0.9	0.26
TSMC	INFT	3.4	2.7	0.25
Delta Electronics	INFT	1.4	0.1	0.25

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Shell	ENER	2.9	0.7	-0.38
Sysmex	HLTH	1.7	<0.1	-0.37
Alcon	HLTH	1.7	0.2	-0.32
Unicharm	STPL	1.1	<0.1	-0.29
Sony	DSCR	3.0	0.5	-0.28

Trailing 12 Months

Largest Contributors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Novo Nordisk*	HLTH	–	1.2	1.25
BBVA	FINA	2.1	0.2	0.82
Allianz	FINA	3.2	0.5	0.78
Chugai Pharmaceutical	HLTH	3.1	0.1	0.74
DBS Group	FINA	3.6	0.2	0.69

Largest Detractors	Sector	Avg. Weight HL	Avg. Weight Index	Effect
Samsung Electronics	INFT	2.7	0.9	-1.11
Unicharm	STPL	1.0	<0.1	-0.68
Atlas Copco	INDU	1.8	0.3	-0.55
Symrise	MATS	1.2	0.1	-0.42
Techtronic Industries	INDU	0.7	0.1	-0.42

"HL": International Equity composite. "Index": MSCI All Country 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

Underperformance in Europe ex EMU, Canada, and Japan was partly offset by good stocks in Emerging Markets.

Top contributors to relative performance:

- Within **Emerging Markets**, TSMC and Delta Electronics, which have exposure to the AI market via their respective chip manufacturing and power management businesses, benefited from sustained demand from AI investments by hyperscalers such as Alphabet and Amazon. HDFC Bank posted better-than-expected profits
- In the **eurozone**, French stocks such as Schneider Electric, L'Oréal, and Safran gained.

Top detractors from relative performance:

- Swedish Industrials companies Atlas Copco and Alfa Laval, saw a decline in order flow due to global trade uncertainly, contributing to our underperformance in **Europe ex EMU.**
- The largest detractor from performance in Europe ex EMU were our Swiss holdings, dominated by challenged health care stocks such as Alcon, Roche, and Sonova.
- **Canadian** insurance company Manulife underperformed despite posting better than anticipated first quarter core earnings growth, with investors appearing to focus more on the impact of tariffs on economic growth. Couche-Tard, which continues to pursue the acquisition of Japan's Seven & i, also dragged on performance.
- Outperformance by Disco and Chugai Pharmaceutical in **Japan** was not able to overcome the detracting effects from laggards Sysmex, Unicharm, and Sony.

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Portfolio Holdings

Communication Services	Market	End Wt. (%)
NetEase Gaming and internet services	China	1.3
Telkom Indonesia Telecom services	Indonesia	1.0
Tencent Internet and IT services	China	1.6
Consumer Discretionary		
Haier Smart Home Consumer appliances mfr.	China	1.1
MercadoLibre E-commerce retailer	US	2.1
Sony Japanese conglomerate	Japan	2.3
Consumer Staples		
Couche-Tard Convenience stores operator	Canada	1.2
FEMSA Beverages manufacturer and retail operator	Mexico	1.9
L'Oréal Cosmetics manufacturer	France	2.0
Nestlé Foods manufacturer	Switzerland	1.9
Unicharm Consumer products manufacturer	Japan	0.9
Energy		
Shell Oil and gas producer	UK	2.9
Financials		
Adyen Payment processing services	Netherlands	1.4
AIA Group Insurance provider	Hong Kong	2.6
Allianz Financial services and insurance provider	Germany	2.5
BBVA Commercial bank	Spain	1.6
Credicorp Commercial bank	Peru	1.3
DBS Group Commercial bank	Singapore	3.7
GF Banorte Commercial bank	Mexico	1.1
HDFC Bank Commercial bank	India	3.5
Manulife Financial services and insurance provider	Canada	2.0
Ping An Insurance Insurance provider	China	0.7
SE Banken Commercial bank	Sweden	1.8
Health Care		
Alcon Eye care products manufacturer	Switzerland	1.6
Chugai Pharmaceutical Pharma manufacturer	Japan	2.5
Coloplast Medical device manufacturer	Denmark	0.7
Genmab Oncology drug manufacturer	Denmark	0.7
Haleon Consumer health products manufacturer	UK	2.2
Mindray Medical equipment manufacturer	China	0.7
Novartis Pharma manufacturer	Switzerland	1.0
Roche Pharma and diagnostic equipment manufacturer	Switzerland	2.5
Shionogi Pharma manufacturer	Japan	1.1
Sonova Hearing aids manufacturer	Switzerland	0.9
Sysmex Clinical laboratory equipment manufacturer	Japan	1.5

Industrials	Market	End Wt. (%)
Alfa Laval Industrial equipment manufacturer	Sweden	1.6
ASSA ABLOY Security equipment manufacturer	Sweden	1.1
Atlas Copco Industrial equipment manufacturer	Sweden	0.9
Canadian National Railway Railway operator	Canada	0.8
Daifuku Material-handling equipment manufacturer	Japan	1.0
Epiroc Industrial equipment manufacturer	Sweden	1.3
Komatsu Industrial equipment manufacturer	Japan	1.4
Ryanair Airline operator	Ireland	1.1
Safran Aerospace parts manufacturer	France	1.1
Schneider Electric Energy management products	France	2.7
SF Holding Delivery services	China	1.1
Techtronic Industries Power tools manufacturer	Hong Kong	0.8
ZTO Express Express delivery services	China	0.8
Information Technology		
ASML Semiconductor equipment manufacturer	Netherlands	2.5
Dassault Systèmes CAD software developer	France	0.9
Delta Electronics Power management products	Taiwan	1.8
Disco Corp Precision tool manufacturer	Japan	1.2
Keyence Sensor and measurement eqpt. mfr.	Japan	0.9
OBIC Enterprise software and IT services provider	Japan	0.5
Samsung Electronics Electronics manufacturer	South Korea	2.5
SAP Enterprise software developer	Germany	1.4
TSMC Semiconductor manufacturer	Taiwan	3.9
Materials		
Air Liquide Industrial gases supplier	France	1.2
BHP Mineral miner and processor	Australia	1.3
Linde Industrial gases supplier and engineer	US	1.5
Novonesis Biotechnology producer	Denmark	0.9
Rio Tinto Mineral miner and processor	UK	1.4
Symrise Fragrances and flavors manufacturer	Germany	1.0
Real Estate		
No Holdings		
Utilities		
No Holdings		
Cash		3.6

Model portfolio holdings are supplemental information only and complement the fully compliant International 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] (%)	13.7	11.7
Return on Assets[1] (%)	8.3	5.3
Return on Equity[1] (%)	17.0	14.2
Debt/Equity Ratio[1] (%)	45.2	63.1
Std. Dev. of 5 Year ROE[1] (%)	3.6	4.9
Sales Growth[1,2] (%)	6.1	6.3
Earnings Growth[1,2] (%)	11.3	10.8
Cash Flow Growth[1,2] (%)	11.5	9.3
Dividend Growth[1,2] (%)	8.8	8.3
Size and Turnover	**HL**	**Index**
Wtd. Median Mkt. Cap. (US $B)	95.3	57.8
Wtd. Avg. Mkt. Cap. (US $B)	152.0	121.8
Turnover[3] (Annual %)	13.3	–

Risk and Valuation	HL	Index
Alpha[2] (%)	-1.98	–
Beta[2]	1.04	–
R-Squared[2]	0.93	–
Active Share[3] (%)	83	–
Standard Deviation[2] (%)	16.27	15.02
Sharpe Ratio[2]	0.37	0.52
Tracking Error[2] (%)	4.4	–
Information Ratio[2]	-0.42	–
Up/Down Capture[2]	101/109	–
Price/Earnings[4]	17.9	16.2
Price/Cash Flow[4]	12.5	10.2
Price/Book[4]	2.8	2.0
Dividend Yield[5] (%)	2.6	2.8

[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 Equity composite based on the composite returns, gross of fees, eVestment Alliance LLC, MSCI Inc. Source: (other characteristics): Harding Loevner International Equity model based on the underlying holdings, FactSet (Run Date: July 3, 2025) based on the latest available data in FactSet on this date.), MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector
NetEase	China	COMM
Novartis	Switzerland	HLTH
Ryanair	Ireland	INDU
Safran	France	INDU
SF Holding	China	INDU

Positions Sold	Market	Sector
ENN Energy	China	UTIL
Shimano	Japan	DSCR

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

Composite Performance

as of June 30, 2025

	HL Intl. Equity Gross (%)	HL Intl. Equity Net (%)	MSCI ACWI ex US[1] (%)	MSCI EAFE[2] (%)	HL Intl. Equity 3-yr. Std. Deviation[3] (%)	MSCI ACWI 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]	15.11	14.75	18.32	19.92	15.80	14.75	15.15	N.A.	31	18,728	36,090
2024	2.44	1.80	6.09	4.35	17.64	16.01	16.61	0.3	32	17,663	35,471
2023	16.22	15.50	16.21	18.85	17.55	16.06	16.60	0.2	33	21,107	43,924
2022	-19.62	-20.13	-15.57	-14.01	19.72	19.24	19.95	0.5	33	20,472	47,607
2021	9.43	8.74	8.29	11.78	16.13	16.77	16.89	0.3	35	28,608	75,084
2020	21.58	20.81	11.13	8.28	17.55	17.92	17.87	0.2	37	26,325	74,496
2019	26.29	25.49	22.13	22.66	12.00	11.33	10.80	0.2	37	22,085	64,306
2018	-13.26	-13.82	-13.78	-13.36	11.79	11.40	11.27	0.2	39	16,908	49,892
2017	30.86	30.00	27.77	25.62	12.45	11.88	11.85	0.2	36	15,777	54,003
2016	6.18	5.49	5.01	1.51	13.28	12.53	12.48	0.1	40	10,316	38,996
2015	-0.46	-1.06	-5.25	-0.39	12.83	12.13	12.47	0.1	41	8,115	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.

The International 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 All Country 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. 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 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 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 March 31, 2025.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The International Equity composite has had a performance examination for the periods January 1, 1990, through March 31, 2025. 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 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. The management fee schedule and total expense ratio for the International Equity Collective Investment Fund, which is included in the composite, are 0.67% on all assets and 0.72%, respectively. Actual investment advisory fees incurred by clients may vary. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

The International Equity composite was created on December 31, 1989 and the performance inception date is January 1, 1990.

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