

International Equity

Year End 2025 Report



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Performance

Total Return (%) Periods Ended December 31, 2025

	3 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
HL International Equity (Gross)	4.38	28.37	15.17	6.09	9.53	8.50
HL International Equity (Net)	4.22	27.57	14.45	5.43	8.84	7.72
MSCI All Country World ex US Index	5.11	33.11	17.94	8.45	8.94	5.86
MSCI EAFE Index	4.91	31.89	17.81	9.46	8.71	5.65

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

For most of the past 15 years, US equities didn't just outperform, they made their outperformance feel inevitable. That's what the idea of "US exceptionalism" became in practice: exceptional earnings growth, exceptional valuations (that didn't matter), and eventually, exceptional concentration of market returns. Which has increasingly narrowed to a heavy bet on AI.

A whole generation of investors has been weaned on US stock market exceptionalism. On a rolling three-year basis, the most recent stretch of US outperformance has lasted approximately 193 months, or more than 15 years—more than two-and-a-half times longer than any prior episode. Such investors may assume that the underperformance of US equities in 2025 was an aberration soon to be reversed, but market structure has changed from 15 years ago. While valuations of US and international markets were once similar, the US now trades at nearly twice the multiples of foreign stocks. The valuation gap has widened, in part, due to the rising market values of the largest "AI plays" in the US that represent a larger proportion of the overall market. By year-end 2025, the top 10 US stocks by market capitalization represented roughly 40% of the MSCI USA Index, up from about 18% in 2009. Outside the US, however, concentration rose only modestly, with the top 10 members of the MSCI ACWI ex US moving from roughly 10% to 13% of the index's value.

That widening gap in valuations and market diversity matters because it changes what US investors are currently pricing in and ultimately betting on. At today's starting point, continued US market leadership increasingly depends on a single premise: that AI will produce an extended expansion of growth and profitability, most of it captured by a select few US companies.

But AI isn't a monolithic trade; it's a capital-expenditure regime with two distinct camps of participants, and two very different risk profiles. On the demand side are the AI capex investors: hyperscalers and platform companies committing large portions of cash flow to build compute capacity at scale. On the supply side are the physical enablers of AI: the global ecosystem that makes its buildout possible, spanning chip foundries, memory-chip makers, equipment manufacturers, as well as providers of power management, cooling, and the specialized industrial infrastructure required to deploy and operate data centers.

Despite the size of NVIDIA, the US equity market is disproportionately weighted toward the first group: the hyperscalers and the AI platform cohort. Alphabet, Amazon.com, Meta Platforms, and Microsoft are the largest buyers of AI computing power, committing an increasing share of their cash flow to data centers and infrastructure. Their cumulative

spend is widely expected to reach hundreds of billions of dollars over the next several years. This is the heart of the US AI narrative: if you believe large capex inevitably translates into even larger monetization, the US currently dominates those profit pools.

International markets, by contrast, are more heavily tilted toward the second group: the ecosystem of manufacturers and infrastructure providers. While the US-listed NVIDIA may dominate accelerator economics, it's a fabless chipmaker, meaning it can't deliver a single graphics processing unit (GPU) unless the likes of

Taiwan's TSMC fabricates it. Amazon, Meta, or Microsoft may want the biggest data centers with unparalleled computing capabilities, but not one gets built without power-management systems or components from the likes of Delta Electronics or Schneider Electric. The US AI leaders' products and services sit atop a deeply international supply chain—foundries, memory, semiconductor equipment, precision manufacturing, and the power and thermal systems required to run AI models at scale. In other words, non-US companies may include fewer of the headline AI platforms, but are key physical enablers of the buildout.

Market Snapshot

- The MSCI ACWI ex US index outpaced the MSCI USA index in the quarter and for the full year. Cheaper starting valuations, tariff and policy uncertainty in the US, and a decline in the US dollar supported better returns for international equities.
- Canada outperformed this quarter, as Financials there benefited from an improving yield curve, and gold and silver mining stocks continued to surge. Emerging Markets were bifurcated: China posted solid gains over the year but declined in the quarter amid concerns over slowing domestic demand, partially offsetting strong returns across much of the rest of EM, led by South Korea.
- AI-related capital expenditures lifted Information Technology returns, with gains concentrated in semiconductor and semiconductor equipment stocks. Utilities also outperformed, particularly in Europe, supported by rising data-center power needs and increased grid investment.
- Health Care rebounded on strong performance from pharmaceutical and biotechnology stocks. Sentiment improved following agreements between several companies and the Trump administration to provide discounted drugs to the Medicaid program, reducing policy uncertainty.
- Communication Services declined, dragged down by media and entertainment and weakness in several large Chinese internet platforms. Index heavyweight Tencent fell sharply during the quarter, despite continued growth in online gaming and advertising revenues.
- The cheapest quintile of stocks outperformed the most expensive quintile by nearly 12 percentage points. For the year, the performance gap between these cohorts was a staggering 46 percentage points.

Index Performance (USD %)

MSCI ACWI ex US Index

Sector	4Q 2025	Trailing 12 Months
Communication Services	-6.8	30.9
Consumer Discretionary	-2.5	16.8
Consumer Staples	2.8	17.7
Energy	5.2	23.6
Financials	7.8	45.2
Health Care	7.5	16.6
Industrials	3.3	35.4
Information Technology	11.1	41.0
Materials	9.3	46.0
Real Estate	-0.5	18.5
Utilities	7.9	37.4

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

Region	4Q 2025	Trailing 12 Months
Canada	7.9	37.4
Emerging Markets	4.8	34.4
Europe EMU	5.2	41.3
Europe ex EMU	7.6	30.9
Japan	3.3	25.1
Middle East	6.2	32.8
Pacific ex Japan	0.0	20.7
MSCI ACWI ex US Index	5.1	33.1

Although the AI bubble question will continue to be asked in 2026, there isn't a simple answer to the question. Businesses investing in AI infrastructure need to build customer bases and generate enough revenue to justify their investments. If that revenue falls short of expectations, that's bad not just for those companies but also their suppliers, for while AI-related investment demand won't disappear overnight, it could slow. If that were to happen, the pain will show up first in the most cyclical parts of the industry: semiconductor equipment and certain parts of the manufacturing chain, then foundries and component suppliers, and only later in the more insulated platform economics.

Both US and international investors have a stake in AI's growth. But if the AI cycle slows, at the stock level the US market faces a double sensitivity: rich starting valuations and a large share of index returns that hinge on a narrow cohort. Therefore, the US market is more dependent on AI continuing to surprise to the upside to justify its premium. Non-US markets would not be immune, particularly the aforementioned group of more cyclical suppliers, but they start from cheaper valuations and possess a more diverse set of growth opportunities wholly unrelated to AI.

• *In several cases, share prices lagged even as underlying earnings continued to grow, an important reminder that the pace of AI adoption and the trajectory of AI equity returns aren't necessarily synchronized in the short run.*

This is also where policy becomes more than a footnote. When valuations are demanding and market leadership is narrow, policy volatility carries a higher price. Fifteen years ago, the US was more exceptional in terms of being a haven for global capital. Then, it enjoyed an AAA sovereign credit rating and ranked top ten globally in the US-based Heritage Foundation's Index of Economic Freedom, reflecting a policy environment broadly supportive of capital formation and business activity. By 2025, the US fell to 26th on that list. Elevated uncertainty around tariffs, regulation, fiscal direction, and monetary policy doesn't need to completely derail the AI story to matter; it simply needs to raise risk premiums and widen the range of outcomes for the most crowded part of the market.

So how do we respond as investors, especially when diversification has felt like a penalty at times?

In our portfolio, we own many companies that are direct beneficiaries of the AI buildout: semiconductor manufacturing leaders and equipment suppliers, and companies exposed to the power and thermal infrastructure AI requires. These include TSMC, the world's largest semiconductor foundry; Samsung Electronics, the leading memory producer; semiconductor manufacturing equipment suppliers such as ASML, Disco Corp, Lasertec, and Daifuku; and companies addressing AI's substantial power and thermal management needs, including Delta Electronics and Schneider Electric. And while the US has the hyperscalers making massive investments in data centers, we own Tencent in China and Naver in South Korea, both of which are investing in data center infrastructure to support AI computation serving regional customer bases, albeit with significantly lower levels of capital expenditure commitments. These holdings have participated meaningfully in the upside of AI-related investment, while giving us exposure to the critical layer outside US mega-caps. The above-mentioned companies, representing nearly a fifth of our portfolio would be considered "AI plays" by market pundits—roughly half what the US index bet is, but above what our international benchmark holds.

We've also sought more diverse ways to participate in AI and digitization beyond the most cyclical parts of the supply chain, with software and services businesses that are applying AI to improve their products, automate processes, and expand margins. Results here were mixed in 2025. In several cases, share prices lagged even as underlying earnings continued to grow, an important reminder that the pace of AI adoption and the trajectory of AI equity returns aren't necessarily synchronized in the short run.

The more useful question isn't whether an AI bubble exists but rather where expectations are most stretched—and which stocks bear the greatest downside if the capex cycle cools. And the more actionable question is, where is the market's dependence concentrated, and what is already priced in? US exceptionalism has become tightly linked to an AI capex regime, and the US index is unusually exposed to concentrated bets facing a wide range of outcomes. International equities, meanwhile, offer participation in the same structural buildout through a greater variety of business models, often at more attractive valuations, with less single-factor concentration, and with a wider range of non-AI sources of growth.

If AI delivers on its promise, global winners will continue to extend well beyond US mega-caps. And if the capex cycle proves bumpier than the market expects, diversification across the chain and across regions may matter more than it has in years.

Portfolio in Focus

Turnover in the portfolio was higher in 2025, at 24% nearly double the average of the previous five years, as we sought to capitalize on equity-market dislocations caused by sharp swings in risk appetite. Activity in the fourth quarter was less than the prior two quarters, but continued in the same direction: we increased exposure to Emerging Markets, further lifted the portfolio's growth exposure by reducing Materials and Consumer Staples in favor of Communication Services, and added selectively to European defense following a pullback.

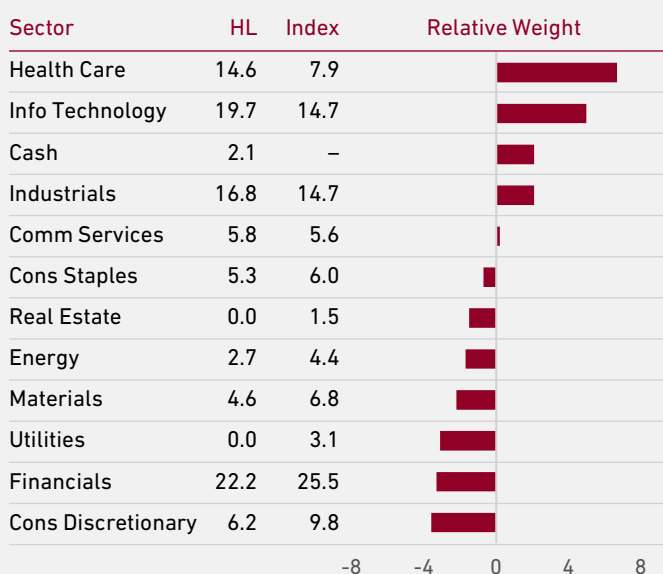
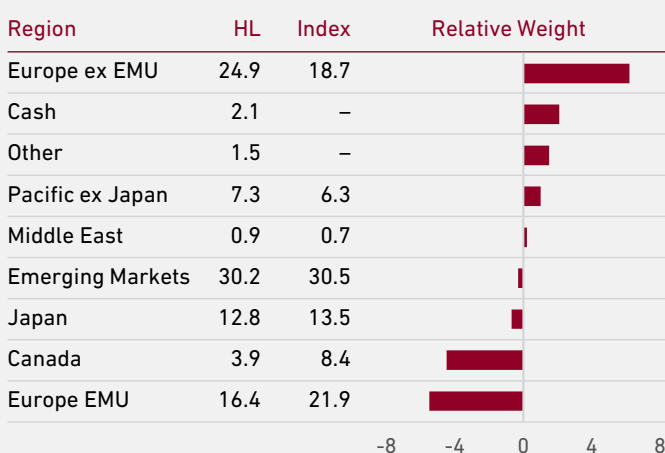
Over the past decade we have maintained an underweight in Emerging Markets—averaging five percentage points less than the benchmark—not due to a top-down view on the region, but as an outcome of our bottom-up assessment of growth, quality, valuation, and risk across the international opportunity set. While many EM companies can offer faster topline growth and higher business quality metrics such as asset returns and low leverage, those attributes often comes with a trade-off in risk—including country risk, corporate governance, and management capital allocation. When those risks are reflected in higher discount rates, fewer EM companies have historically met our risk-reward analysis relative to developed-market peers. Over the past several years, underperformance and compressed valuations relative to developed markets has created opportunities in stocks of a number of businesses where fundamentals remain robust, including CATL, Delta Electronics, Naver, SF Holding, and NetEase, as well as DM-listed but EM-focused e-commerce operators Sea

Limited and MercadoLibre. Good relative performance in EMs and our additions pushed our EM holdings to roughly 30%, their largest weight ever in the portfolio.

Naver, one of South Korea's leading search platforms and the country's second-largest e-commerce business, illustrates the trade-offs. Naver is investing in AI capabilities that can expand its revenue opportunities across both advertising and e-commerce by following the same playbook that Alphabet and Meta used in Western markets—making digital advertising both easier and cheaper. AI-based targeting, measurement, and automated ad-generation tools will allow Naver to help small and medium businesses which historically have spent less on Naver advertising and e-commerce because they lacked the know-how to use it effectively and found the cost of using digital advertising too high. While these investments will dilute profit margins in the near term, they should improve Naver's long-term profitability and free-cash-flow generation as products scale up, capex plateaus, and monetization broadens. Against that backdrop, Naver shares trade at a meaningful discount to global internet platforms in our modeling of fair value as well as on traditional metrics such as earnings multiples, creating an attractive entry point for the investment we made this quarter.

Another new holding this quarter is BAE Systems. BAE, formerly British Aerospace, is among the largest defense contractors outside the US or China, with capabilities across air, land, sea,

Portfolio Positioning (% Weight)

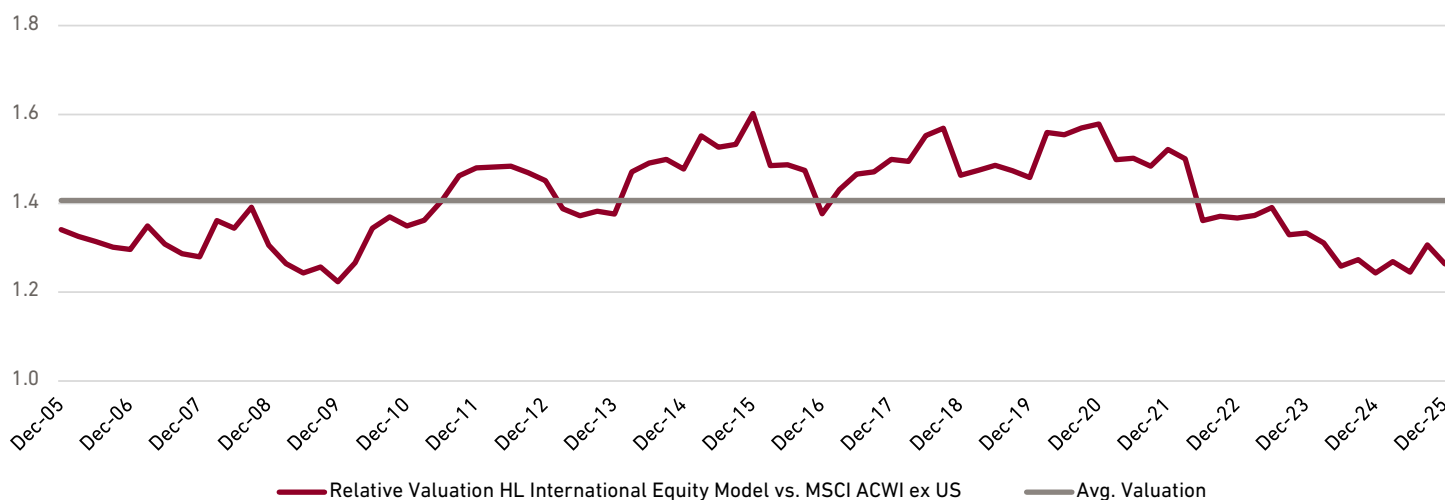


"HL": International Equity model portfolio. "Index": MSCI All Country World ex US Index. "Other": Includes companies classified in countries outside the index.

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. Data as of December 31, 2025.

International Portfolio Relative Valuation

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



Source: Harding Loevner International Equity model, FactSet, MSCI Inc. Data as of December 31, 2025.

space, and electronic systems, and the scale to serve multiple geographies. Its intellectual property, long-standing government relationships, and track record of program execution have supported resilient profitability even through long years of restrained European defense spending. With indications of sustained higher defense budgets in Europe, alongside a push to modernize in the US, BAE's order book has strengthened while profitability has remained steady. We were able to buy shares amid a broader sell-off in European defense stocks, as investors wavered over a potential Ukraine–Russia settlement that could reduce near-term order momentum.

- *Good relative performance in EM and our*
- *additions pushed our EM holdings to roughly*
- *30%, their largest weight ever in the portfolio.*

To fund the investments in these higher-growth companies, we reduced exposure elsewhere. We sold long-standing holdings in Linde and BHP, reducing our Materials weight to less than 5% of the portfolio. Linde's valuation looked stretched against its

high-single-digit long-term growth outlook. Meanwhile, BHP's growth outlook appeared to deteriorate, with rising Australia–China frictions increasing risks around iron ore sales to Chinese steel manufacturers, who have built ample stockpiles of ore, yet face moribund demand growth. We also sold German enterprise resource planning software provider SAP, whose demanding valuation discounts a degree of growth acceleration unlikely to materialize.

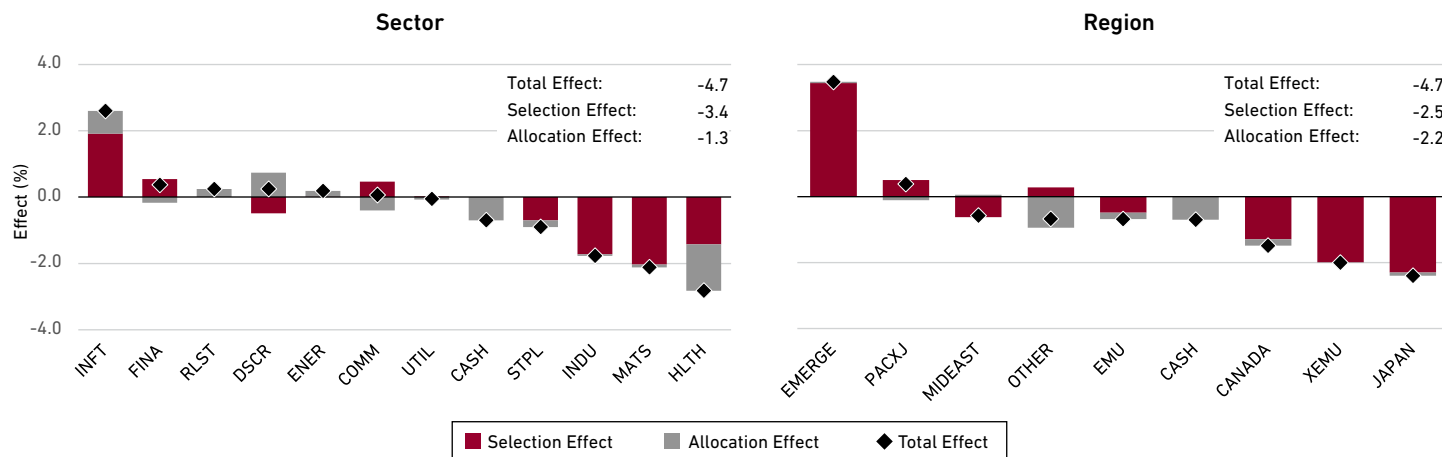
Overall, these changes increased the portfolio's growth profile without a meaningful sacrifice in quality, and at more reasonable valuations than a year ago. We end 2025 with a portfolio that betters the index in cash flow generation, a key driver of long-term outcomes, with a portfolio-weighted median five-year cash flow growth rate of 12.8% versus 9.5% for the index. The consensus 2026 earnings growth outlook for the portfolio of 17.6% is also materially higher than 13.0% for the index. As has long been the case, our portfolio of faster-growing and higher-quality companies comes at a premium valuation, but after the last four years of crushing style headwinds, that premium sits near multi-year lows, (as shown in the chart above), offering an attractive outlook for the portfolio.

Performance and Attribution

The International Equity composite returned 4.4% gross of fees in the fourth quarter, not far behind the 5.1% gain in the MSCI ACWI ex US Index. For the year, however, the composite rose 28.4% gross of fees, lagging the index return of 33.1%. The portfolio's emphasis on higher-quality companies, and consequently its light holdings of the cheapest cohort of stocks, hurt performance across the board.

Trailing 12 Months 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 December 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

Sector allocation was modestly helpful in the fourth quarter, particularly in IT and Consumer Discretionary, but stock selection detracted across most sectors.

Top contributors to relative performance:

- Our **Financials** stocks bettered the index in the fourth quarter, led by insurers Ping An Insurance and Manulife, both of which have seen a reacceleration of new business in China and Hong Kong, respectively.
- For the full year, we had good stock selection and a modest overweight in the top-performing **IT** sector, led by technology hardware and equipment companies such as Delta Electronics and Samsung Electronics, as well as semiconductor maker TSMC.
- Strong returns from **Industrials** stocks CATL, the Chinese battery specialist who reported battery shipments and earnings growth rates at close to 40%, and Ryanair, the Irish low-cost airline, which posted record-high quarterly profits in the third quarter, helped full-year performance.

Top detractors from relative performance:

- In the fourth quarter, our **IT** stocks lagged, as our software holdings trailed the very strong returns of the sector, dominated by soaring shares of Korean memory producers and other semiconductor-related companies. Samsung Electronics, which managed to increase shipments of high-bandwidth memory to NVIDIA in the quarter, rose, partially offsetting our lagging stocks.
- For the full year, our **Health Care** stocks were battered by a more hostile political and regulatory environment developing in the US, the biggest profit pool for the global industry, and by further valuation compression for many of the faster-growing equipment and services companies such as Sysmex. Our hefty allocation to the sector also hurt.
- In **Industrials**, Swedish multinationals Atlas Copco and Alfa Laval, along with France's Schneider Electric detracted from relative performance for the full year, with each still among the more richly priced capital goods stocks, and with growth that has wobbled amid uncertainty for capital investment outside of AI.

Relative Returns (%)

Fourth Quarter 2025

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Samsung Electronics	INFT	3.6	1.2	0.70
Lasertec	INFT	1.4	<0.1	0.34
Chugai Pharmaceutical	HLTH	2.2	0.1	0.32
Alibaba*	DSCR	–	1.1	0.30
BBVA	FINA	2.0	0.4	0.29

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
MercadoLibre	DSCR	1.6	–	-0.34
CATL	INDU	2.6	0.1	-0.33
SK hynix*	INFT	–	0.6	-0.33
NICE	INFT	0.9	<0.1	-0.30
Sony	DSCR	2.3	0.5	-0.30

*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.

Trailing 12 Months

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Delta Electronics	INFT	1.8	0.1	1.69
BBVA	FINA	1.9	0.3	1.55
Samsung Electronics	INFT	2.8	0.9	1.52
Novo Nordisk*	HLTH	–	0.7	0.77
Allianz	FINA	2.9	0.5	0.58

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
Sysmex	HLTH	1.4	<0.1	-1.48
Unicharm	STPL	0.9	<0.1	-0.79
Alcon	HLTH	1.6	0.1	-0.64
Symrise	MATS	1.0	<0.1	-0.64
SK hynix*	INFT	–	0.4	-0.63

Portfolio Attribution by Region

For the fourth quarter, poor stocks in Japan were offset by good stocks in EMs and Europe. Poor Japanese stock performance dominated full-year results, while EMs outperformed.

Top contributors to relative performance:

- By selection effect, **EMs** were our strongest region in the fourth quarter, with strong stocks in China including Ping An Insurance, as well as Samsung Electronics in South Korea.
- Europe ex EMU** helped fourth quarter performance, as Swiss pharmaceutical Roche gained on strong performance of its current drugs and positive readouts on its future pipeline, and our Swedish stocks recovered from prior weakness as operational reports remained resilient.
- Our large IT holdings in Taiwan and South Korea described above, as well as Mexico's GF Banorte and China's Ping An Insurance, contributed to our full-year returns in **EMs**. Hong Kong-listed AIA Group and Singapore's DBS Group helped in **Pacific ex Japan**.

Top detractors from relative performance:

- Japan** was among the biggest detractors in the fourth quarter and the biggest detractor for the full year due to the drag from more richly priced, higher-quality companies including Keyence, Sysmex, and Unicharm.
- Europe and **Canada** also weighed on full-year returns, largely due to the dramatic outperformance of cheap, lower-quality banks and miners we didn't own.

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 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 attribution and performance of contributors and detractors is gross of fees and expenses. Contributors and detractors exclude cash and securities in the composite not held in the model portfolio. Quarterly data is not annualized.

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Portfolio Holdings

Communication Services	Market	End Wt. (%)
Naver Internet services	South Korea	1.8
NetEase Gaming and internet services	China	1.2
Telkom Indonesia Telecom services	Indonesia	1.0
Tencent Internet and IT services	China	1.7
Consumer Discretionary		
Compass Group Contract food services	UK	0.9
Haier Smart Home Consumer appliances mfr.	China	1.1
MercadoLibre E-commerce retailer	US	1.5
Sea Limited E-commerce retailer	Singapore	0.7
Sony Japanese conglomerate	Japan	2.0
Consumer Staples		
Couche-Tard Convenience stores operator	Canada	1.2
FEMSA Beverages manufacturer and retail operator	Mexico	2.0
L'Oréal Cosmetics manufacturer	France	1.4
Unicharm Consumer products manufacturer	Japan	0.7
Energy		
Shell Oil and gas producer	UK	2.8
Financials		
Adyen Payment processing services	Netherlands	1.1
AIA Group Insurance provider	Hong Kong	2.6
Allianz Financial services and insurance provider	Germany	2.6
BBVA Commercial bank	Spain	2.2
Credicorp Commercial bank	Peru	1.5
DBS Group Commercial bank	Singapore	3.1
GF Banorte Commercial bank	Mexico	1.0
HDFC Bank Commercial bank	India	3.0
Manulife Financial services and insurance provider	Canada	2.0
Ping An Insurance Insurance provider	China	1.2
SE Banken Commercial bank	Sweden	2.0
Health Care		
Alcon Eye care products manufacturer	Switzerland	1.3
Chugai Pharmaceutical Pharma manufacturer	Japan	2.3
Coloplast Medical device manufacturer	Denmark	0.6
Genmab Oncology drug manufacturer	Denmark	1.3
Haleon Consumer health products manufacturer	UK	1.9
M3 Medical information services	Japan	0.9
Mindray Medical equipment manufacturer	China	0.6
Novartis Pharma manufacturer	Switzerland	1.0
Roche Pharma and diagnostic equipment manufacturer	Switzerland	2.3
Shionogi Pharma manufacturer	Japan	1.0
Sonova Hearing aids manufacturer	Switzerland	0.7
Sysmex Clinical laboratory equipment manufacturer	Japan	0.8

Industrials	Market	End Wt. (%)
Alfa Laval Industrial equipment manufacturer	Sweden	1.8
ASSA ABLOY Security equipment manufacturer	Sweden	1.3
Atlas Copco Industrial equipment manufacturer	Sweden	0.9
BAE Systems Aerospace and defense manufacturer	UK	2.0
Canadian National Railway Railway operator	Canada	0.7
CATL Battery systems manufacturer	China	2.5
Daifuku Material-handling equipment manufacturer	Japan	1.1
Epiroc Industrial equipment manufacturer	Sweden	1.2
Ryanair Airline operator	Ireland	1.2
Safran Aerospace parts manufacturer	France	1.0
Schneider Electric Energy management products	France	1.3
SF Holding Delivery services	China	0.8
Techtronic Industries Power tools manufacturer	Hong Kong	0.9
Information Technology		
ASML Semiconductor equipment mfr.	Netherlands	3.1
Dassault Systèmes CAD software developer	France	0.8
Delta Electronics Power management products	Taiwan	2.4
Disco Corp Precision tool manufacturer	Japan	1.1
Keyence Sensor and measurement eqpt. mfr.	Japan	0.8
Lasertec Semiconductor equipment mfr.	Japan	1.4
NICE Enterprise software developer	Israel	0.8
OBIC Enterprise software and IT services provider	Japan	0.8
Samsung Electronics Electronics manufacturer	South Korea	4.1
TSMC Semiconductor manufacturer	Taiwan	4.4
Materials		
Air Liquide Industrial gases supplier	France	1.0
Novonosis Biotechnology producer	Denmark	0.7
Rio Tinto Mineral miner and processor	UK	2.1
Symrise Fragrances and flavors manufacturer	Germany	0.7
Real Estate		
No Holdings		
Utilities		
No Holdings		
Cash		2.1

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	Risk and Valuation	HL	Index
Profit Margin ¹ (%)	13.7	11.9	Alpha ² (%)	-2.43	–
Return on Assets ¹ (%)	7.4	5.4	Beta ²	1.04	–
Return on Equity ¹ (%)	17.6	14.5	R-Squared ²	0.93	–
Debt/Equity Ratio ¹ (%)	42.1	60.3	Active Share ³ (%)	83	–
Std. Dev. of 5 Year ROE ¹ (%)	2.7	3.8	Standard Deviation ² (%)	14.77	13.61
Sales Growth ^{1,2} (%)	7.2	6.8	Sharpe Ratio ²	0.19	0.38
Earnings Growth ^{1,2} (%)	12.0	12.2	Tracking Error ² (%)	4.1	–
Cash Flow Growth ^{1,2} (%)	12.8	9.5	Information Ratio ²	-0.58	–
Dividend Growth ^{1,2} (%)	9.8	9.0	Up/Down Capture ²	98/110	–
Size and Turnover	HL	Index	Price/Earnings ⁴	20.3	17.4
Wtd. Median Mkt. Cap. (US \$B)	88.3	66.4	Price/Cash Flow ⁴	14.1	11.2
Wtd. Avg. Mkt. Cap. (US \$B)	187.1	156.5	Price/Book ⁴	3.1	2.3
Turnover ³ (Annual %)	14.7	–	Dividend Yield ⁵ (%)	2.1	2.5

¹Weighted median. ²Trailing five years, annualized. ³Five-year average. ⁴Weighted harmonic mean. ⁵Weighted 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: January 6, 2026) based on the latest available data in FactSet on this date), MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector	Positions Sold*	Market	Sector
BAE Systems	UK	INDU	BHP	Australia	MATS
Naver	South Korea	COMM	Linde	US	MATS
			SAP	Germany	INFT

*In the fourth quarter, we sold the shares of Sony Financial received as a spin-off from Sony on September 29, 2025.

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Composite Performance

as of December 31, 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 ⁵	28.37	27.57	33.11	31.89	12.33	11.56	11.94	0.7	28	18,706	32,260
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

¹Benchmark index. ²Supplemental index. ³Variability of the composite, gross of fees, and the index returns over the preceding 36-month period, annualized. ⁴Asset-weighted standard deviation (gross of fees). ⁵The 2025 performance returns and assets shown are preliminary.

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 September 30, 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 September 30, 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, 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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