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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 Global Equity (Gross)	2.03	13.21	17.07	5.72	11.30	10.03
HL Global Equity (Net)	1.92	12.73	16.60	5.30	10.83	9.41
MSCI All Country World Index	3.37	22.87	21.19	11.70	12.27	8.16
MSCI World Index	3.20	21.60	21.70	12.65	12.73	8.34

Performance returns are of the composite. The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. Global Equity composite inception date: November 30, 1989. MSCI All Country World Index, the benchmark index, and MSCI World 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. Many called this "US exceptionalism," but it came to signify not only exceptional earnings growth but also exceptional valuations (which 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 ACWI 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. The first camp is the AI capex investors: data center operators and cloud-computing platform companies known as hyperscalers, which are committing large portions of their cash flow to build computing capacity at scale. The second camp is 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, cooling, and specialized industrial infrastructure required to deploy and operate data centers.

Despite the size of NVIDIA, the US equity market is 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, and 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 NVIDIA may dominate accelerator economics, it's a fabless chip designer, meaning it can't deliver a single graphics processing unit 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 Taiwan-based Delta Electronics or France-based Schneider Electric. The US AI leaders' products and services sit atop a deeply international supply chain. In other words, non-US companies may include fewer of the headline AI platforms but are key enablers of the buildout.

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.

• *AI isn't a monolithic trade; it's a capital-expenditure regime with two distinct camps of participants.*

Both US and international investors have a stake in AI's growth. But if the AI cycle slows, the US stock market faces a double sensitivity: richer 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

## Market Snapshot

- The year began with significant volatility due to the brief shock of the Trump administration's tariffs in April, which caused a sharp market dip. However, global equities rebounded, as international stocks, including Emerging Markets (EMs), pulled ahead of the US.
- Every sector ended the year up, with AI a central theme lifting Information Technology (IT) and semiconductor-related stocks globally, especially in South Korea and Taiwan. Communication Services, home to several hyperscalers, led the year.
- Interest rate-sensitive sectors Financials and Materials benefited from central banks lowering rates, including two cuts by the US Federal Reserve in the final months of the year.
- Health Care underperformed much of the year but rebounded to post the best performance in the fourth quarter amid renewed confidence in a cyclical recovery and clarity on US drug-pricing policy.

## Index Performance (USD %)

### MSCI ACWI Index

Sector	4Q 2025	Trailing 12 Months
Communication Services	3.4	32.6
Consumer Discretionary	-0.5	10.1
Consumer Staples	1.3	9.3
Energy	2.9	14.7
Financials	5.0	29.5
Health Care	9.9	15.2
Industrials	1.9	26.1
Information Technology	2.9	26.6
Materials	6.5	32.3
Real Estate	-2.3	7.3
Utilities	2.4	24.4

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	7.5	30.9
Japan	3.3	25.1
Middle East	6.2	32.8
Pacific ex Japan	0.0	20.7
United States	2.4	17.7
MSCI ACWI Index	3.4	22.9

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

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.

This is also where policy becomes more than a footnote. When valuations are demanding and market leadership is narrow, prices can be more vulnerable to policy uncertainty and fluctuations. 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, US hyperscalers included. Roughly a third of our portfolio by weight could be labeled "AI plays" by market pundits, though we own them not for whatever label they might garner but because they are high-quality, growing businesses trading at fair valuations. Conversely, we've avoided several of the highest-flying AI stocks where we question the quality of the underlying business—mainly their ability to self-fund growth—and believe their valuations price in too much growth and not enough risk. Beyond the hyperscalers, we hold semiconductor manufacturing leaders and equipment suppliers,

as well as companies tied to the power and thermal infrastructure AI requires. These include chipmakers NVIDIA and Broadcom; TSMC, the world's largest semiconductor foundry; semiconductor manufacturing equipment suppliers such as ASML of the Netherlands; and companies addressing AI's substantial power and cooling needs, such as Amphenol (based in the US), Delta Electronics, Fabrinet (based in Thailand), and Schneider Electric. These holdings have meaningfully participated in the upside of AI-related investment while diversifying our exposure.

Meanwhile, our software and services holdings enable us to participate in the growth of AI and digitization beyond the most cyclical parts of the supply chain. These companies apply 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 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. This is particularly relevant when market leadership is concentrated in a few areas. US exceptionalism has become tightly linked to an AI capex regime, leaving the US index unusually exposed to a narrow set of outcomes. By contrast, our portfolio represents a broader mix of business models and growth opportunities, often at more attractive valuations.

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 industries and across regions may matter more than it has in years.

# Portfolio in Focus

The question we sometimes get is that if AI is about to change “everything,” how can you possibly predict which companies will be long-term winners or losers?

Our answer is that new technologies are always shaking up industries, but they don’t override the core principles that determine competitive advantage and long-term profitability. The core of our investing philosophy is the belief that whether a business thrives largely depends on the competitive structure of its industry, which we analyze using Michael Porter’s Five Forces framework, as well as the company’s competitive positioning within that industry. In our firm’s nearly four decades, we have yet to encounter an industry too unique or a technology too advanced that it can’t be evaluated through this lens. That’s because when new technologies disrupt, they do so by interacting with those forces.

Therefore, rather than try and predict specific technological outcomes, we are focused on understanding AI’s potential to shift an industry’s competitive forces—i.e., the bargaining power of suppliers and customers, the threat of new entrants and substitutes, and the intensity of rivalry in various industries. Porter teaches us that companies with strong network effects, high switching costs, or proprietary data that differentiates them from rivals are likely to see their competitive moats widen as they adopt AI. But businesses in commoditized markets with low barriers to entry are likely to see profitability erode as AI drives down costs and invites competition.

A competitive advantage doesn’t guarantee permanent market leadership. As Clayton Christensen’s *The Innovator’s Dilemma* points out, complacency by market leaders can allow new entrants with disruptive technologies to slip past barriers to entry. Market leaders get complacent when they focus too much on refining existing products for their most profitable customers. This can blind them to disruptive technologies that new entrants use to chip away at their market share. It can seem harmless at first, as the disruptive technologies are aimed at customers neglected by the larger companies, but as these offerings improve, the new entrants gradually overtake the market leaders.

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Alphabet and Adobe are examples of two incumbents with lucrative businesses coping with the potentially dangerous situation outlined in Christensen’s book. While markets were

## Portfolio Positioning (% Weight)

Sector	HL	Index	Relative Weight
Industrials	16.9	10.6	
Health Care	15.2	9.0	
Comm Services	14.2	8.8	
Cash	2.2	–	
Cons Discretionary	10.7	10.2	
Real Estate	0.9	1.8	
Energy	2.2	3.4	
Utilities	0.0	2.6	
Cons Staples	1.7	5.1	
Materials	0.0	3.7	
Info Technology	23.1	27.2	
Financials	12.9	17.6	

Region	HL	Index	Relative Weight
Europe ex EMU	11.4	6.8	
Cash	2.2	–	
Japan	6.1	4.8	
Pacific ex Japan	3.2	2.3	
Emerging Markets	11.6	11.0	
Middle East	0.0	0.2	
Europe EMU	7.2	7.9	
Canada	1.0	3.0	
US	57.3	64.0	

"HL": Global Equity model portfolio. "Index": MSCI All Country World Index.

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

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skeptical of their ability to ward off threats from new AI businesses, both made key progress during the year in protecting their competitive advantages.

In Alphabet's case, the concern was that ChatGPT and similar tools would disrupt its core Google search business. However, the company responded to this threat by quickly integrating its Gemini large language model into Google Search (and other products), enabling users to receive AI-generated answers directly within search results. Recent traffic data shows Gemini gaining market share against ChatGPT, likely because of Alphabet's strategy to improve on the Google experience by making generative AI a convenient backend feature rather than a separate function. Alphabet's stock, under pressure early in the year, ultimately became our strongest contributor for 2025.

AI poses a different threat to Adobe. People use its software to create, design, and edit visual content—tasks that AI models can theoretically do via natural-language prompts. However, Adobe's advantage is that it offers much more than a collection of image-manipulation tools. Professionals, especially enterprise users, rely on its ecosystem to manage design-related workflows, including document collaboration as well as governance of policies pertaining to brand consistency, image rights, legal compliance, and other standards and processes unique to each organization. This is the source of its pricing power and customer

retention, and as AI increases the volume of visual content being created, the need for structured workflows may actually increase.

• *Alphabet's stock, under pressure early in the year, ultimately became our strongest contributor for 2025.*

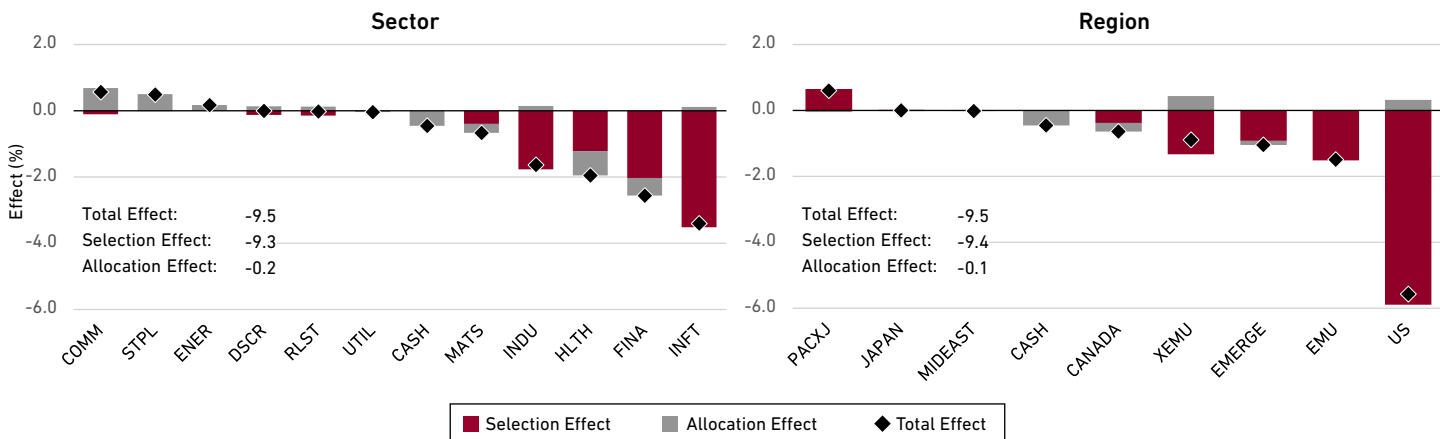
Adobe has also incorporated leading AI models into its platform, including Google's Gemini with Nano Banana as well as Runway—reframing industry innovation as its own sustaining improvement, which as Christensen observed, can set rivals back because it incentivizes customers to stick with the incumbent's products. Could Google and others seek to move up market, beyond image generation, to compete with Adobe in the all-important workflow layer? In theory, yes, though there aren't signs of this (for now, Google seems focused on making sure its models are widely adopted). Adobe also isn't ignoring customers primarily seeking easy image-generation capabilities: The company's more simplified Adobe Express app incorporates its own Firefly models to create and edit custom images. The way Adobe sees it, future profits will primarily accrue to companies that provide a way to manage workflows, not just generate images. That's a view we tend to agree with.

# Performance and Attribution

The Global Equity composite rose 2.0% gross of fees in the fourth quarter, compared with a 3.4% increase in the MSCI ACWI Index. For the year, the composite advanced 13.2% gross of fees, trailing the index's gain of 22.9%.

## Trailing 12 Months Performance Attribution

Global Equity Composite vs. MSCI ACWI Index



Source: Harding Loevner Global 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

Health Care and IT, areas of relative weakness for most of the year, contributed to relative returns in the quarter. Conversely, Financials and Communication Services continued to detract.

Top contributors to relative performance:

- In **Health Care**, pharmaceutical stocks rose after the US announced an agreement on most-favored-nation (MFN) drug pricing. Although MFN policies aim to align US prices with lower international levels, the agreement proved narrower in scope and more lenient than feared.
- Additionally, Chugai Pharmaceutical, Roche, and Vertex Pharmaceuticals all reported positive clinical data. Japan-based Chugai, which licenses its oral GLP-1 orforglipron to Eli Lilly, rallied following a Phase 3 study in which patients maintained their weight loss after switching from injectable therapies. Swiss drugmaker Roche ran successful Phase 3 trials for treating breast cancer and multiple sclerosis, while US-based Vertex advanced two drug candidates for kidney disease, making key progress toward a new treatment franchise.
- Within **IT**, Fabrinet, a contract manufacturer of optical components for data centers, reported quarterly revenue and earnings well ahead of expectations and issued robust guidance. ASML, a supplier of lithography machines, was a strong contributor for the quarter and year, after management provided a better-than-expected quarterly outlook and sounded more optimistic about growth in 2026.
- Alphabet was the top relative contributor in 2025, even as other **Communication Services** stocks languished in the final months. The company's dominant position in search has remained resilient, and profitability has improved.

Top detractors from relative performance:

- In **Communication Services**, Netflix's solid quarterly results fell short of the market's expectations. The company's bid to acquire Warner Bros. added pressure to the share price, compounded by concerns that the rising popularity of short-form video could pull viewers away from streaming apps.
- Tencent's decent results were overshadowed by concerns that the Chinese company may be scaling back growth in its cloud business, although management clarified that reduced capital expenditures merely reflected the limited availability of AI chips.
- While Meta Platform's business remained sturdy, markets began questioning whether AI-enabled gains in user engagement and ad targeting are nearing their limits. Investors also grew concerned that margins would decrease next year because of increased spending on AI infrastructure and workers.
- In **Financials**, shares of electronic-trading platform Tradeweb remained weak as growth in the second half decelerated and fourth-quarter expectations declined. Auto insurer Progressive's growth also moderated, reflecting fewer new policies and lower average premiums on sales to less-risky customers.
- UnitedHealth Group, which we exited in May, was the portfolio's biggest detractor within **Health Care** for the year, amid a criminal investigation into its Medicare Advantage billing practices.

## Relative Returns (%)

### Fourth Quarter 2025

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Alphabet	COMM	4.8	3.3	0.39
Fabrinet	INFT	1.0	–	0.28
Vertex Pharmaceuticals	HLTH	2.5	0.1	0.27
Chugai Pharmaceutical	HLTH	1.6	<0.1	0.27
Roche	HLTH	1.2	0.3	0.19

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
Netflix	COMM	3.1	0.5	-0.73
Tencent	COMM	3.5	0.6	-0.41
Sony	DSCR	2.6	0.2	-0.36
Mindray	HLTH	1.2	<0.1	-0.35
CoStar	RLST	1.0	<0.1	-0.27

"HL": Global Equity composite. "Index": MSCI All Country World Index.

### Trailing 12 Months

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Amphenol	INFT	1.4	0.1	0.74
Alphabet	COMM	4.4	2.7	0.69
Apple	INFT	0.1	4.2	0.54
Disco Corp	INFT	0.4	<0.1	0.39
Tencent	COMM	2.9	0.5	0.37

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
Globant	INFT	0.6	–	-1.28
Tradeweb	FINA	2.0	<0.1	-1.06
UnitedHealth Group	HLTH	1.0	0.4	-0.98
Accenture	INFT	1.9	0.2	-0.81
Salesforce	INFT	1.1	0.3	-0.65

## Portfolio Attribution by Region

Weak US stocks hurt relative returns for the quarter and year. EMs also detracted, amid poor relative performance in China. Pacific ex Japan remained a bright spot, while some pressures in Europe ex EMU eased.

### Top contributors to relative performance:

- In addition to Roche, Haleon was a strong **Europe ex EMU** contributor in the quarter. Conditions appear to have stabilized in the consumer-health company's US business, and management reaffirmed its long-term growth forecasts.
- In **Pacific ex Japan**, Singapore-based DBS Group had another quarter of better-than-expected net income growth and continued returning excess capital to shareholders.

### Top detractors from relative performance:

- For the year, **US**-listed Globant was the biggest detractor, amid growing concern that AI will disintermediate IT-consulting businesses. However, the stock pared some losses after third-quarter results met expectations and management slightly increased revenue guidance for the remainder of the year.
- In **EMs**, China's Mindray, a maker of medical-imaging and patient-monitoring equipment, detracted in the quarter and year. Its domestic business slowed due to delayed government funding for hospital procurement, though revenue showed signs of stabilizing in the latest quarter and international demand for its high-end devices remained strong.

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 Global 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

	Market	End Wt. (%)
<b>Communication Services</b>		
<b>Alphabet</b> Internet products and services	US	4.7
<b>Meta Platforms</b> Virtual reality and social network	US	3.0
<b>Netflix</b> Entertainment provider	US	2.6
<b>Tencent</b> Internet and IT services	China	3.3
<b>The Trade Desk</b> Digital advertising mgmt. svcs.	US	0.6
<b>Consumer Discretionary</b>		
<b>Amazon.com</b> E-commerce retailer	US	3.9
<b>Booking Holdings</b> Online travel services	US	2.7
<b>Compass Group</b> Contract food services	UK	1.6
<b>Sony</b> Japanese conglomerate	Japan	2.5
<b>Consumer Staples</b>		
<b>Couche-Tard</b> Convenience stores operator	Canada	1.0
<b>Walmart de México</b> Foods and cons. products retailer	Mexico	0.8
<b>Energy</b>		
<b>Shell</b> Oil and gas producer	UK	1.1
<b>SLB</b> Oilfield services	US	1.1
<b>Financials</b>		
<b>AIA Group</b> Insurance provider	Hong Kong	1.7
<b>CME Group</b> Derivatives exchange and trading services	US	2.4
<b>DBS Group</b> Commercial bank	Singapore	1.4
<b>HDFC Bank</b> Commercial bank	India	1.3
<b>Progressive</b> Insurance provider	US	2.0
<b>Sony Financial</b> Insurance and financial services	Japan	1.1
<b>Tradeweb</b> Electronic financial trading services	US	1.8
<b>Visa</b> Global payment services	US	1.3
<b>Health Care</b>		
<b>AbbVie</b> Biopharmaceutical manufacturer	US	1.2
<b>Chugai Pharmaceutical</b> Pharma manufacturer	Japan	1.7
<b>Danaher</b> Diversified science and tech. products and svcs.	US	1.2
<b>Elevance Health</b> Insurance provider	US	1.1
<b>Genmab</b> Oncology drug manufacturer	Denmark	0.8
<b>Haleon</b> Consumer health products manufacturer	UK	1.6
<b>Johnson &amp; Johnson</b> Pharma and medical device mfr.	US	1.1
<b>Mindray</b> Medical equipment manufacturer	China	1.2
<b>Roche</b> Pharma and diagnostic equipment manufacturer	Switzerland	1.3
<b>Thermo Fisher Scientific</b> Health care products & svcs.	US	1.2
<b>Vertex Pharmaceuticals</b> Pharma manufacturer	US	2.6

	Market	End Wt. (%)
<b>Industrials</b>		
<b>Alfa Laval</b> Industrial equipment manufacturer	Sweden	1.1
<b>Ametek</b> Electronic instruments manufacturer	US	1.0
<b>Atkore</b> Electrical conduit manufacturer	US	0.7
<b>Atlas Copco</b> Industrial equipment manufacturer	Sweden	0.8
<b>Diploma</b> Specialized technical services	UK	1.3
<b>Epiroc</b> Industrial equipment manufacturer	Sweden	0.9
<b>Equifax</b> Credit bureau	US	1.1
<b>HEICO</b> Aerospace parts manufacturer	US	1.2
<b>Honeywell</b> Diversified technology and product mfr.	US	1.4
<b>Inovance</b> Industrial controls manufacturer	China	1.4
<b>John Deere</b> Industrial equipment manufacturer	US	0.9
<b>Northrop Grumman</b> Aerospace and defense mfr.	US	0.9
<b>Schneider Electric</b> Energy management products	France	3.3
<b>SGS</b> Quality assurance services	Switzerland	1.0
<b>Information Technology</b>		
<b>Accenture</b> Professional services consultant	US	1.6
<b>Adobe</b> Software developer	US	1.7
<b>Amphenol</b> Electrical components and connectors supplier	US	1.8
<b>ASML</b> Semiconductor equipment mfr.	Netherlands	2.7
<b>Broadcom</b> Semiconductor manufacturer	US	2.0
<b>Delta Electronics</b> Power management products	Taiwan	1.0
<b>Fabrinet</b> Optical tools mfr. and supplier	US	0.9
<b>Keyence</b> Sensor and measurement eqpt. mfr.	Japan	0.9
<b>Microsoft</b> Consumer electronics & software developer	US	4.2
<b>NVIDIA</b> Semiconductor chip designer	US	2.3
<b>SAP</b> Enterprise software developer	Germany	1.2
<b>TSMC</b> Semiconductor manufacturer	Taiwan	2.7
<b>Materials</b>		
<b>No Holdings</b>		
<b>Real Estate</b>		
<b>CoStar</b> Real estate information services	US	0.9
<b>Utilities</b>		
<b>No Holdings</b>		
<b>Cash</b>		2.2

Model portfolio holdings are supplemental information only and complement the fully compliant Global 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 <sup>1</sup> (%)	15.9	15.9	Alpha <sup>2</sup> (%)	-5.85	-
Return on Assets <sup>1</sup> (%)	10.6	8.6	Beta <sup>2</sup>	1.06	-
Return on Equity <sup>1</sup> (%)	22.0	20.6	R-Squared <sup>2</sup>	0.90	-
Debt/Equity Ratio <sup>1</sup> (%)	35.6	59.5	Active Share <sup>3</sup> (%)	80	-
Std. Dev. of 5 Year ROE <sup>1</sup> (%)	5.0	5.4	Standard Deviation <sup>2</sup> (%)	15.51	13.85
Sales Growth <sup>1,2</sup> (%)	13.1	10.2	Sharpe Ratio <sup>2</sup>	0.16	0.61
Earnings Growth <sup>1,2</sup> (%)	16.3	15.9	Tracking Error <sup>2</sup> (%)	5.1	-
Cash Flow Growth <sup>1,2</sup> (%)	16.9	11.7	Information Ratio <sup>2</sup>	-1.18	-
Dividend Growth <sup>1,2</sup> (%)	11.6	9.5	Up/Down Capture <sup>2</sup>	86/112	-
Size and Turnover	HL	Index	Price/Earnings <sup>4</sup>	26.0	23.2
Wtd. Median Mkt. Cap. (US \$B)	159.2	170.6	Price/Cash Flow <sup>4</sup>	20.1	16.1
Wtd. Avg. Mkt. Cap. (US \$B)	796.0	947.4	Price/Book <sup>4</sup>	5.1	3.6
Turnover <sup>3</sup> (Annual %)	29.6	-	Dividend Yield <sup>5</sup> (%)	1.1	1.6

<sup>1</sup>Weighted median. <sup>2</sup>Trailing five years, annualized. <sup>3</sup>Five-year average. <sup>4</sup>Weighted harmonic mean. <sup>5</sup>Weighted mean. Source: (Risk characteristics) Harding Loevner Global Equity composite based on the composite returns, gross of fees, eVestment Alliance LLC, MSCI Inc. Source: (other characteristics) Harding Loevner Global 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
Equifax	US	INDU	Disco Corp	Japan	INFT
Fabrinet	Thailand	INFT	Globant	US	INFT
Inovance	China	INDU	ServiceNow	US	INFT
			Synopsys	US	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. Past performance does not guarantee future results. Portfolio characteristics are supplemental information only and complement the fully compliant Global Equity composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

# Composite Performance

as of December 31, 2025

	HL Global Equity Gross (%)	HL Global Equity Net (%)	MSCI ACWI <sup>1</sup> (%)	MSCI World <sup>2</sup> (%)	HL Global Equity 3-yr. Std. Deviation <sup>3</sup> (%)	MSCI ACWI 3-yr. Std. Deviation <sup>3</sup> (%)	MSCI World 3-yr. Std. Deviation <sup>3</sup> (%)	Internal Dispersion <sup>4</sup> (%)	No. of Accounts	Composite Assets (\$M)	Firm Assets (\$M)
2025 <sup>5</sup>	13.21	12.73	22.87	21.60	11.80	11.18	11.35	0.3	13	5,267	32,260
2024	14.94	14.50	18.02	19.19	18.31	16.21	16.65	0.3	19	8,361	35,471
2023	23.35	22.87	22.81	24.42	18.54	16.27	16.75	0.2	18	10,282	43,924
2022	-29.13	-29.43	-17.96	-17.73	21.13	19.86	20.43	0.2	26	12,189	47,607
2021	16.14	15.68	19.04	22.35	16.42	16.83	17.05	0.4	29	20,188	75,084
2020	31.22	30.68	16.82	16.50	18.17	18.12	18.26	0.3	30	18,897	74,496
2019	30.17	29.64	27.30	28.40	12.56	11.21	11.13	0.2	29	14,139	64,306
2018	-9.35	-9.75	-8.93	-8.20	11.85	10.48	10.39	0.2	30	10,752	49,892
2017	33.26	32.66	24.62	23.07	11.16	10.37	10.24	0.2	27	8,946	54,003
2016	7.13	6.62	8.48	8.15	11.37	11.07	10.94	0.1	29	7,976	38,996
2015	2.65	2.18	-1.84	-0.32	11.16	10.78	10.80	0.5	28	7,927	33,296

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

The Global Equity composite contains fully discretionary, fee-paying accounts investing in US and non-US equity and equity-equivalent securities and cash reserves, and is measured against the MSCI All Country World 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 Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The index consists of 47 developed and emerging market countries. The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. The index consists of 23 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 Global Equity composite has had a performance examination for the periods December 1, 1989 through September 30, 2025. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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.

Returns are based on fully discretionary accounts under management, including those accounts no longer with the firm. Composite performance is presented gross of foreign withholding taxes on dividends, interest income and capital gains. 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 Global 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 Global Equity Collective Investment Fund, which is included in the composite, are 0.75% 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 Global Equity composite was created on November 30, 1989 and the performance inception date is December 1, 1989.

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