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While emerging markets banks aren't suffering from the liquidity issues that proved fatal to some US and European peers, we adjusted our bank holdings in response to valuations. We also purchased a Kazakhstan-based digital-payments provider on the forefront of a fintech revolution.

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Composite Performance

Total Return (%) — Periods Ended March 31, 2023¹

	3 Months	1 Year	3 Years ²	5 Years ²	10 Years ²	Since Inception ^{2,3}
HL Emerging Markets Equity (Gross of Fees)	3.50	-8.53	5.61	-2.67	2.74	10.22
HL Emerging Markets Equity (Net of Fees)	3.30	-9.30	4.69	-3.53	1.85	9.32
MSCI Emerging Markets Index ^{4,5}	4.02	-10.30	8.23	-0.53	2.37	7.77

¹The Composite performance returns shown are preliminary; ²Annualized Returns; ³Inception Date: November 30, 1998; ⁴The benchmark index; ⁵Gross 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 footnotes on the last page of this report. All performance and data shown are in US dollar terms, unless otherwise noted.

Portfolio Positioning (% Weight)

Sector	HL EM	MSCI EM	Under / Over
Industrials	12.5	6.0	6.5
Cons Discretionary	17.6	13.9	3.7
Cash	2.1	-	2.1
Financials	23.1	21.0	2.1
Info Technology	21.8	20.5	1.3
Real Estate	2.5	1.9	0.6
Cons Staples	6.0	6.3	-0.3
Health Care	3.3	3.8	-0.5
Utilities	1.1	2.6	-1.5
Comm Services	7.7	10.6	-2.9
Energy	1.5	4.7	-3.2
Materials	0.8	8.7	-7.9

Geography	HL EM	MSCI EM	Under / Over
Dev. Market Listed ⁶	6.4	-	6.4
Latin America	12.5	8.4	4.1
Cash	2.1	-	2.1
Frontier Markets ⁷	1.8	-	1.8
China + Hong Kong ⁸	33.3	32.7	0.6
Europe	1.0	2.1	-1.1
Africa	2.2	3.6	-1.4
India	11.6	13.0	-1.4
Rest of Asia	4.6	6.2	-1.6
Taiwan	12.6	15.2	-2.6
South Korea	8.6	11.9	-3.3
Middle East	3.3	6.9	-3.6

⁶Emerging markets or frontier markets companies listed in developed markets. ⁷Includes countries with less-developed markets outside the Index. ⁸The Harding Loevner Emerging Markets Model Portfolio's end weight in China is 29.9% and Hong Kong is 3.4%. The Benchmark does not include Hong Kong.

Sector and geographic allocations are supplemental information only and complement the fully compliant Emerging Markets Composite GIPS Presentation. Source: Harding Loevner Emerging Markets Model; MSCI Inc. and S&P. 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.

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Market Review

Emerging Markets (EMs) rose 4.0% during the quarter as investors weighed the global economic risks associated with higher interest rates and the prospects for China's economic recovery.

The quarter's feature global event erupted in March—a regional banking crisis in the US that spilled over to Europe. Two renowned companies, California's Silicon Valley Bank, the bank of choice for tech entrepreneurs and venture capitalists, and Credit Suisse, Switzerland's second-largest financial institution, collapsed. While these failures led investors to question the health of the global financial system, shares of EM banks were relatively resilient, initially posting smaller losses than their developed-market counterparts and then recouping those losses by month-end.

EMs did experience some financial maelstroms during the quarter, just not in the banking industry. In January, Americanas Group, one of Brazil's largest retailers, filed for bankruptcy after

MSCI EM Index Performance (USD %)

Sector	1Q 2023	Trailing 12 Months
Communication Services	13.4	-6.6
Consumer Discretionary	1.5	-3.9
Consumer Staples	2.4	-0.3
Energy	-0.2	-4.2
Financials	-0.7	-13.0
Health Care	-4.9	-15.0
Industrials	2.2	-5.8
Information Technology	14.8	-13.4
Materials	2.4	-15.1
Real Estate	-1.5	-18.5
Utilities	-10.4	-14.0
Geography	1Q 2023	Trailing 12 Months
Africa	-0.5	-19.6
South Africa	-0.4	-19.9
Asia	4.9	-9.0
China	4.7	-4.6
India	-6.3	-11.7
South Korea	9.7	-13.9
Taiwan	14.8	-12.9
Europe	1.6	1.6
Latin America	4.0	-10.5
Brazil	-3.1	-18.3
Mexico	20.4	9.0
Middle East	-1.9	-20.4
Saudi Arabia	0.1	-18.9
MSCI EM Index	4.0	-10.3

Source: FactSet (as of March 31, 2023). MSCI Inc. and S&P.

unveiling US\$4 billion of "inconsistencies" in its balance sheet (the company's opaque accounting of supplier-finance agreements had disguised a bulging liability). In India, shares of billionaire Gautam Adani's group of companies plummeted after US-based short seller Hindenburg Research released a damning report containing numerous accusations, such as accounting fraud and share-price manipulation to help obtain excessive leverage, putting the group on precarious footing. (The Adani Group denied all charges.) Its various listed entities subsequently lost more than US\$100 billion of market value amid concerns over the size of its US\$30 billion debt pile.

While the bank crisis led investors to question the health of the global financial system, shares of EM banks were relatively resilient.

After lifting COVID-19 restrictions last year, China's equity market rallied through the first half of the quarter. But even as the population reengaged in social pursuits and domestic travel, companies began to report mixed results in their fourth-quarter earnings. The unsettled international economic outlook, coupled with contracting Chinese exports and a fragile recovery in the real estate market, led policymakers to announce additional monetary stimulus measures, including a further reduction in bank-reserve requirements. Economic sentiment closed the quarter on a positive note, with the non-manufacturing Purchasing Managers' Index reaching the highest level since 2011.

As Xi Jinping formally commenced his third term as president, Chinese officials asserted their support for the rapid development of the domestic tech sector and suggested that regulators may soften their stance toward the country's internet giants. Meanwhile, **Alibaba** and **JD.com** both announced grand restructuring plans to spin off some business units into separate publicly traded entities, which the market applauded.

Taiwan's market led the way in Asia due to its high proportion of semiconductor stocks. South Korea's market was boosted by tech giant **Samsung Electronics** and gains in chemical and automotive stocks in reaction to the Chinese government's economic stimulus. India was a notable laggard, reflecting a slowdown in global demand, especially for IT services, as well as concern over the fallout from the Adani Group's troubles. In Latin America, strong returns in Mexico were led by mining and industrials companies, including airport operators that have benefited from an influx of tourists as the pandemic becomes less of a hindrance to travel.

Sector returns were led by Information Technology (IT) and Communication Services. In IT, semiconductor stocks rallied as **TSMC** projected a cyclical recovery as soon as the second half of

Companies held in the portfolio at the end of the quarter appear in bold type; only the first reference to a particular holding appears in bold. 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 holdings for the past year, please contact Harding Loevner. A complete list of holdings at March 31, 2023 is available on page 9 of this report.

this year. The company also signaled that pent-up demand from smartphone makers and high-performance-computing customers for new, smaller-geometry chips should support growth over the next couple of years. ChatGPT-type large language models also require significant computing power, which may increase demand for chipmakers. In Communication Services, shares of China's largest game developers (including **Tencent** and NetEase) climbed as the industry regulator, which over the past year had been quite restrictive, began approving more new games, including titles that were first developed overseas.

The weakest sectors were Utilities and Health Care. Utilities were dragged down by the Adani Group's listings in the sector. Health Care fell due to a little-known connection between Silicon Valley Bank and Chinese health care companies such as **WuXi Biologics**. In the wake of the bank's collapse, early-stage biotechnology companies may struggle to secure funding for their drug-discovery programs, which could quell demand for pharmaceutical research and development services, such as those provided by WuXi Biologics.

Performance and Attribution

The Emerging Markets composite returned 3.5% for the first quarter gross of fees, trailing the 4.0% return for the MSCI EM Index.

Strong stock selection in Industrials and Consumer Staples was offset by negative contributions from IT and Communication Services. In Industrials, Taiwan's **AirTAC**, a maker of pneumatic machinery components, provided a strong outlook for revenue growth due to market-share gains and order momentum in both the energy and lighting division and battery business. China's **Meyer Optoelectronic** reported strong sales of its food-sorting equipment and an acceleration in demand for dental-imaging machines, as the country's dentists anticipate a surge in patients who were unable to be seen during lockdowns. In Consumer Staples, Mexico's **FEMSA** announced a long-awaited plan to sell its large stake in Heineken and focus on its core retail and bottling businesses, as well as growing its digital financial services offering. (FEMSA has used its vast network of convenience stores to begin providing bill payment and other services to customers.)

The portfolio's returns in the roaring IT sector were hampered by software-engineering company **EPAM** and payment-services provider **Network International**. EPAM signaled a more cautious outlook for growth and cost pressures related to the geographic reconfiguration of its East European engineering workforce in the wake of the war in Ukraine. UAE-based Network International indicated that challenging macroeconomic conditions in Africa may hinder near-term growth. In Communication Services, detractors included **Safaricom**, the leading mobile-network operator and payment-services company in Kenya, where the currency has weakened amid high inflation and a sizable current account deficit.

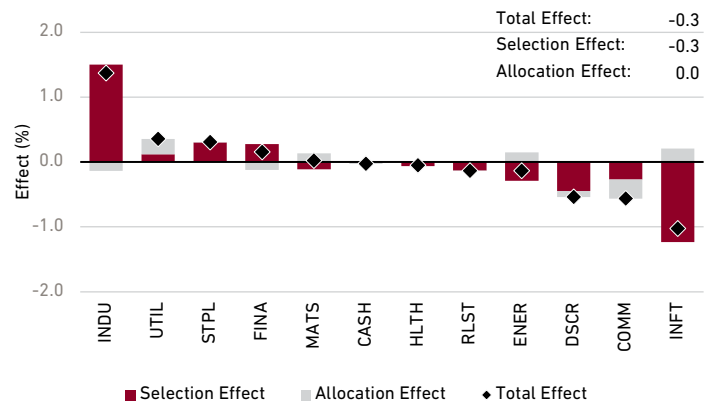
By region, strong contributions from India (partly because we avoided the Adani Group's companies) and Latin America were offset by weak relative performance in China and South Korea. In Latin America, Mexican bank **GF Banorte** delivered robust profit growth aided by higher interest rates and healthy momentum in consumer-loan growth. Banorte's asset-quality indicators also continue to look positive.

In South Korea, **LG Household & Health Care**, the cosmetics and consumer-products company, was a key detractor after reporting a further contraction in cosmetics sales to China. Shares of online-gaming company **NCSOFT** reversed their recent gains after the company signaled that the launch of *Throne and Liberty*, its highly anticipated new title, likely will be delayed.

First Quarter 2023 Performance Attribution

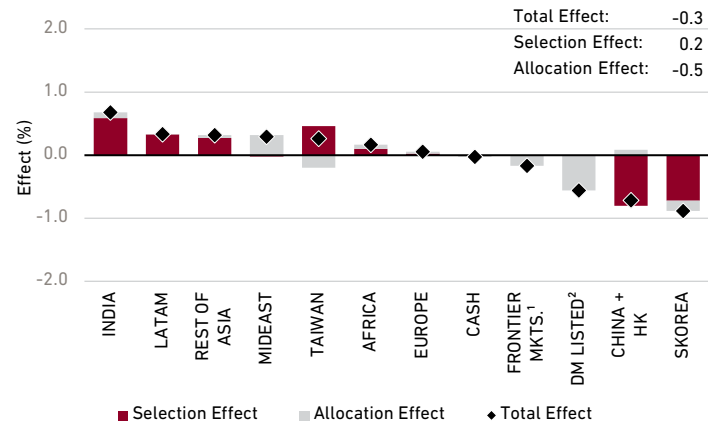
Sector

Emerging Markets Equity Composite vs. MSCI EM Index



Geography

Emerging Markets Equity Composite vs. MSCI EM Index



¹Includes countries with less-developed markets outside the Index. ²Emerging markets or frontier markets companies listed in developed markets. Source: FactSet; Harding Loevner Emerging Markets Equity Composite; MSCI Inc. and S&P. 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.

In China, detractors included **Shenzhou International**, **China Tourism Group Duty Free** (CTGDF), and **AIA Group**. Shenzhou's near-term profit margins came under scrutiny because the utilization level of its China factory has remained below par as it waits for demand from global customers such as Nike to reignite. CTGDF, which operates duty-free concessions in the country's largest airports and in mega-malls on tropical Hainan island, reported weaker-than-expected earnings due to last year's COVID-related disruptions. There are also fears that a large new mall CTGDF opened in Haikou, in the north of Hainan, will cannibalize some business from the company's original Sanya mall, and that CTGDF will face increased competition from other travel-retail rivals opening new duty-free stores in Hainan.

Perspective and Outlook

Ultra-low interest rates give management teams the opportunity to make aggressive capital-allocation decisions with relatively little risk—just as long as rates remain low. Once rates go up, though, the doors to financing swing less freely, and the risks associated with those earlier decisions become clear. This means that cash-generative companies have the flexibility to weather sudden rate increases and slowing economies, while businesses that depend on repeated external financing get squeezed.

Localiza, Brazil's leader in the capital-intensive rental-car industry and a holding since early 2019, exemplifies the type of disciplined financial management we seek. In addition to benefiting from substantial scale in a market with few competitors, the company is focused on sustaining attractive returns on invested capital. Localiza has demonstrated it recognizes that managing a growth business sometimes means taking the foot off the gas pedal if returns on certain investments look unattractive.

During the pandemic, used car prices rose significantly, driven by supply shortages and lower borrowing costs in markets such as Brazil, where the benchmark interest rate bottomed out at 2%. Like its peers, Localiza enjoyed a sudden windfall from selling its used cars during that time. But rather than deploying those supernormal profits to expand its fleet at inflated prices, Localiza's management waited for the car market to cool off. As a result of its discipline, the company should be able to increase earnings by nearly 50% this year and expand its fleet at much better prices.

Rather than deploying those supernormal profits to expand its fleet at inflated prices, Localiza's management waited for the car market to cool off. As a result of its discipline, the company should be able to increase earnings by nearly 50% this year.

Contrast that with Movida, another leading Brazilian car-rental company but one with historically weaker free cash flow (one reason we don't own the stock). Movida shifted into high gear

during the pandemic and used its higher profits to buy more new cars than usual at elevated prices. This spending spree has since left the company with a weakened balance sheet and the prospect of having to refinance its debt at what are now significantly higher rates. Furthermore, Movida is now unable to grow its fleet as car prices come down, and consensus estimates imply that earnings will drop by 40% this year.

Maruti Suzuki, which makes nearly half of India's cars, is another holding that's similarly committed to its financial strength. Even though Maruti is investing steadily for growth in a market that is still in the early stages of car adoption, management has built a balance-sheet fortress full of cash. Hypothetically, the company would be able to keep its offices and plants open and survive for almost a decade without selling a single car. This financial strength is enabled by a lean expense structure and a capital-expenditure strategy that has generated positive free cash flow in all but two of the past 20 years, even through several industry downturns.

Maruti's managers are prudent spenders, preferring to enter into contracts with Japan's Suzuki and Toyota to produce certain new car models (including electric vehicles) rather than taking on the cost of those plants itself. This allows Maruti to instead focus on marketing and selling the vehicles, all the while gaining manufacturing experience through its partners, so that it may be in a better position to make EV investments on its own once the technologies mature and demand picks up.

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Any discussion of the pitfalls of excessive reliance on external financing is incomplete without mentioning the Adani Group, which provided an especially stark illustration this quarter. Setting aside the allegations of accounting fraud (time will tell if such allegations have merit), another concern with the Adani Group is that its companies have operated for long periods with negative free cash flow, putting them at the mercy of capital markets. For example, Adani Green Energy has pursued rapid growth by developing solar farms in a country perennially short of electricity supply. However, the company has invested so aggressively over the past seven years that its cumulative operating cash flow during that time covered less than 3% of its capital expenditures. Adani Green Energy will likely need to continue calling upon external providers of capital when refinancing or raising new funds, and as this quarter demonstrated amid Adani Group's tribulations, those lenders and investors can be quite fickle.

We find higher and more sustainable returns in solar companies that exhibit disciplined capital allocation, such as China's **LONGi**, which is the largest maker of solar panels for solar farms, including those developed by Adani Green Energy. While LONGi

invests aggressively in its growth, it has spent only about 40% of its cumulative operating cash flow over the past seven years on capital expenditures. Less reliance on external funding insulates the business from fluctuations in interest rates.

Portfolio Highlights

Growing stress in the banking industry, both in the US and Europe, was on display in the final weeks of the quarter. Rapid interest-rate hikes created large unrealized losses for some banks' securities portfolios, a vulnerability that in some cases coincided with customer panic and an exodus of deposits. We do not think these events will have much direct impact on our EM companies.

Our owned EM banks operate with adequate buffers above their central bank regulatory requirements with respect to capital ratios and liquidity. Many have also dealt with high inflation and volatile interest-rate cycles in the past, resulting in careful risk-management practices that would avoid asset-liability mismatches on their balance sheets and better prepare them for such cycles. We estimate the duration of their loan books and securities portfolios are generally much shorter compared with those of the troubled US banks, which allows faster repricing of assets as rates rise. We also estimate that they generally have a significantly larger proportion of floating-rate loans that reprice with higher interest rates. Finally, unlike the failed US banks that had a concentrated makeup of customers carrying large balances, our EM banks tend to have a high proportion of small, low-cost deposits that are collected from a large and diverse depositor base from across their branch networks.

Many of our owned EM banks have dealt with high inflation and volatile interest-rate cycles in the past, resulting in careful risk-management practices that would avoid asset-liability mismatches on their balance sheets and better prepare them for such cycles.

Nevertheless, high interest rates in countries experiencing inflationary pressures could lead to deteriorating asset-quality metrics and rising non-performing loans for their banks. While the banks in our portfolio are better positioned to steer through this interest-rate cycle and have done a good job of managing their asset quality, we continue to watch them closely for any signs of weakness.

In the meantime, we did make some adjustments to our bank holdings during the quarter, the net result of which was to lower our Financials weight. These moves were largely a response to valuations. We added to **Banco Bradesco** of Brazil, while trimming another Brazilian bank, **Itaú Unibanco**. We also reduced our holding in India's **Kotak Mahindra Bank**.

Elsewhere in Financials, fintech is becoming an area of enormous opportunity in smaller emerging and frontier countries. We opted to buy **Kaspi.kz**, a high-quality business in Kazakhstan on the forefront of this fintech revolution. Kaspi delivered cash flow return on equity in excess of 60% in each of the past three years. Its digital ecosystem encompasses payments solutions, an e-commerce marketplace, and retail lending, all of which reside on its "super-app." It is not only Kazakhstan's largest digital-payments provider (with a 67% market share) but also the largest e-commerce company and largest unsecured retail lender.

On the payments side, Kaspi offers low-priced end-to-end functionality that doesn't rely on Visa or Mastercard. The company has also implemented strong risk-management systems. For example, as consumers send payments or transact on its e-commerce marketplace, Kaspi collects data that it pairs with traditional credit-bureau information to assess a prospective borrower's creditworthiness. Its average consumer-loan maturity period is also relatively low at seven months, which helps the company react quickly to risk signals. Over the past five years, profits increased at a compounded rate of 33% (in US dollars), and we expect rapid growth to continue alongside rising penetration of digital payments and e-commerce in Kazakhstan. To further monetize its user base and boost growth, the company has been adding new services such as travel bookings and online grocery shopping.

In IT services, uncertain macroeconomic conditions in the US and Europe are causing corporate customers to delay new projects. We expect this slowdown to be short-lived, so when shares of Argentina-based **Globant** fell to attractive levels, we took the opportunity to initiate a new position.

Over the past few years, with extra incentive provided by the pandemic, businesses have embarked on major digital-transformation initiatives to facilitate better interactions with their customers, trade partners, and employees. Globant, through its highly skilled yet competitively priced global talent pool based primarily in Latin America and Asia, is helping customers improve their digital interactions. One such customer is Disney, whose popular Disney+ streaming-TV service Globant played a key role in developing and launching.

In IT services, uncertain macroeconomic conditions in the US and Europe are causing corporate customers to delay new projects. We expect this slowdown to be short-lived.

There are several IT services companies that provide similar offerings, but Globant differentiates itself in how it delivers these services. Unlike most of its peers, the company's teams are organized according to their area of technical expertise rather than the industries of the customers they serve. Its business units, which it calls "digital studios," span data and artificial intelligence,

the metaverse, cybersecurity, and cloud operations, as opposed to, say, health care or hospitality. This structure allows Globant's studios to transfer their deep technical knowledge across different client industries. We expect strong earnings growth over the next decade, due to both rising corporate demand for digital solutions and Globant's ability to win market share. The company's strong balance sheet—it maintains a net-cash position—also enables it to invest in new tech capabilities and geographic markets.

Buying Globant didn't increase our portfolio weight in IT services, as the purchase was funded by reducing two other industry holdings, EPAM and **Tata Consultancy Services**, for which valuations had become less attractive. EPAM's share price fell sharply in early 2022 after Russia invaded Ukraine, given that close to 60% of the company's staff was working in the affected countries of Russia, Ukraine, and Belarus. We were patient through this period as EPAM management restructured its workforce; only 30% are now based in these three countries. Despite the disruption, productivity remained comparable to pre-war times, and EPAM managed to retain nearly all of its customers. As a result, the stock recovered from its lows last year, offering an opportunity to trim our position.

Harding Loevner's Quality, Growth, and Value rankings are proprietary measures determined using objective data. Quality rankings are based on the stability, trend, and level of profitability, as well as balance sheet strength. Growth rankings are based on historical growth of earnings, sales, and assets, as well as expected changes in earnings and profitability. Value rankings are based on several valuation measures, including price ratios.

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Emerging Markets Holdings (as of March 31, 2023)

Communication Services	Market	End Wt. (%)	Financials	Market	End Wt. (%)
Baidu (Internet products and services)	China	0.5	Itaú Unibanco (Commercial bank)	Brazil	0.9
CD Projekt (Video game developer)	Poland	0.3	Kaspi Bank (Banking and financial services)	Kazakhstan	0.6
Naver (Internet services)	South Korea	1.2	Komerční Banka (Commercial bank)	Czech Republic	0.7
NCSOFT (Video game developer)	South Korea	0.6	Kotak Mahindra Bank (Commercial bank)	India	1.0
Safaricom (Mobile network operator)	Kenya	0.6	Ping An Insurance (Insurance provider)	China	2.0
Tencent (Internet and IT services)	China	4.5	Sberbank (Commercial bank)	Russia	0.0*
Yandex (Internet products and services)	Russia	0.0*	SCB X (Commercial bank)	Thailand	0.5
Consumer Discretionary			Standard Bank (Commercial bank)		
Alibaba (E-commerce retailer)	China	2.2	XP (Broker dealer and financial services)	Brazil	0.5
Astra International (Auto business operator)	Indonesia	1.3	Health Care		
China Tourism Group Duty Free (Duty free services)	China	1.4	CSPC Pharmaceutical Group (Pharma manufacturer)	China	0.9
Coway (Consumer appliances manufacturer)	South Korea	0.5	WuXi AppTec (Biopharma manufacturer)	China	1.6
Eclat Textile (Technology-based textile manufacturer)	Taiwan	1.9	WuXi Biologics (Biopharma manufacturer)	China	0.7
Fuyao Glass (Automotive glass manufacturer)	China	0.5	Industrials		
JD.com (E-commerce retailer)	China	0.8	AirTAC (Pneumatic-equipment manufacturer)	Taiwan	2.9
Li-Ning (Athletic footwear and apparel retailer)	China	1.1	CATL (Battery systems manufacturer)	China	1.0
Lojas Renner (Department stores operator)	Brazil	0.6	Copa Holdings (Airline operator)	Panama	0.7
Magazine Luiza (Consumer products retailer)	Brazil	1.1	Inovance (Industrial controls manufacturer)	China	0.8
Maruti Suzuki (Automobile manufacturer)	India	2.0	Localiza (Automobile rental services)	Brazil	1.3
Meituan (Online local services provider)	China	0.1	Meyer Optoelectronic (Optical machine manufacturer)	China	1.1
Midea Group (Consumer appliances manufacturer)	China	1.3	Sanhua Intelligent Controls (HVAC and R parts mfr.)	China	1.6
Shenzhou International (Textile manufacturer)	China	1.6	Techtronic Industries (Power tools manufacturer)	Hong Kong	1.0
Trip.com Group (Online travel services)	China	1.3	WEG (Industrial equipment manufacturer)	Brazil	0.9
Consumer Staples			ZTO Express (Express delivery services)	China	1.2
Coca-Cola HBC (Coca-Cola bottler)	UK	1.3	Information Technology		
FEMSA (Beverages manufacturer and retail operator)	Mexico	1.4	ASM Pacific Technology (Semiconductor eqpt. mfr.)	Hong Kong	0.6
LG Household & Health Care (Cons. products mfr.)	South Korea	1.3	Aspeed (Electronic chip designer and manufacturer)	Taiwan	0.9
Walmart de México (Foods and cons. products retailer)	Mexico	2.0	EPAM (IT consultant)	US	1.4
Energy			Globant (Software developer)	US	0.9
Lukoil (Oil and gas producer)	Russia	0.0*	Hon Hai Precision (Electronics manufacturer)	Taiwan	0.7
Novatek (Natural gas producer)	Russia	0.0*	LONGi (Solar power equipment manufacturer)	China	1.7
Tenaris (Steel-pipe manufacturer)	Italy	1.5	Network International (Electronic payment services)	UK	0.9
Financials			Samsung Electronics (Electronics manufacturer)	South Korea	5.0
AIA Group (Insurance provider)	Hong Kong	1.9	Silergy (Electronics chips manufacturer)	Taiwan	0.6
Al Rajhi Bank (Commercial bank)	Saudi Arabia	1.0	Sunny Optical (Optical components manufacturer)	China	0.5
B3 (Clearing house and exchange)	Brazil	0.5	Tata Consultancy Services (IT consultant)	India	2.9
Banco Bradesco (Commercial bank)	Brazil	0.9	TSMC (Semiconductor manufacturer)	Taiwan	5.7
Bancolombia (Commercial bank)	Colombia	0.5	Materials		
Bank Central Asia (Commercial bank)	Indonesia	1.4	Asian Paints (Paint manufacturer)	India	0.8
Bank of Georgia (Commercial bank)	UK	0.5	Real Estate		
Bank Rakyat (Commercial bank)	Indonesia	1.4	Country Garden Services (Residential property mgr.)	China	0.2
Commercial International Bank (Commercial bank)	Egypt	0.5	Emaar Properties (Real estate developer and manager)	UAE	2.3
Discovery Holdings (Insurance provider)	South Africa	0.6	Utilities		
GF Banorte (Commercial bank)	Mexico	1.9	ENN Energy (Gas pipeline operator)	China	1.1
HDFC Bank (Commercial bank)	India	2.7	Cash		
HDFC Corp. (Mortgage lender)	India	2.0			2.1

*Since March 7, 2022, we have fair valued our Russian holdings at effectively zero because we cannot trade the securities on their respective markets and we have not identified a reliable alternative fair value.

Model Portfolio holdings are supplemental information only and complement the fully compliant Emerging Markets 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.

1Q23 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL EM	MSCI EM	
AirTAC	INDU	2.8	0.1	0.59
Aspeed	INFT	0.9	-	0.35
Meituan	DSCR	0.1	1.3	0.30
Meyer Optoelectronic	INDU	0.9	-	0.25
Sanhua Intelligent Controls	INDU	1.4	-	0.23

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL EM	MSCI EM	
Sanhua Intelligent Controls	INDU	1.5	<0.1	0.75
AirTAC	INDU	2.3	0.1	0.66
Coca-Cola HBC	STPL	1.4	-	0.51
GF Banorte	FINA	2.0	0.3	0.44
Meyer Optoelectronic	INDU	0.8	<0.1	0.38

1Q23 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL EM	MSCI EM	
LG Household & Health Care	STPL	1.4	0.1	-0.36
Tenaris	ENER	1.3	-	-0.34
China Tourism Group Duty Free	DSCR	1.1	0.1	-0.22
HDFC Bank	FINA	2.9	-	-0.20
Safaricom	COMM	0.5	-	-0.20

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL EM	MSCI EM	
Silergy	INFT	1.3	0.1	-0.64
XP	FINA	0.7	-	-0.50
LONGi	INFT	0.9	0.1	-0.48
LG Household & Health Care	STPL	1.5	0.1	-0.45
WuXi AppTec	HLTH	1.5	0.1	-0.41

Portfolio Characteristics

Quality and Growth	HL EM	MSCI EM
Profit Margin ¹ (%)	16.8	15.7
Return on Assets ¹ (%)	8.9	6.3
Return on Equity ¹ (%)	16.6	15.2
Debt/Equity Ratio ¹ (%)	30.3	45.1
Std. Dev. of 5 Year ROE ¹ (%)	3.8	4.6
Sales Growth ^{1,2} (%)	12.4	9.8
Earnings Growth ^{1,2} (%)	11.0	11.8
Cash Flow Growth ^{1,2} (%)	12.1	10.8
Dividend Growth ^{1,2} (%)	8.9	8.9
Size and Turnover	HL EM	MSCI EM
Wtd. Median Mkt. Cap. (US \$B)	30.5	27.8
Wtd. Avg. Mkt. Cap. (US \$B)	102.3	110.4
Turnover ³ (Annual %)	18.2	-

Risk and Valuation	HL EM	MSCI EM
Alpha ² (%)	-1.86	-
Beta ²	1.05	-
R-Squared ²	0.93	-
Active Share ³ (%)	70	-
Standard Deviation ² (%)	20.48	18.78
Sharpe Ratio ²	-0.20	-0.10
Tracking Error ² (%)	5.6	-
Information Ratio ²	-0.38	-
Up/Down Capture ²	104/109	-
Price/Earnings ⁴	16.0	11.1
Price/Cash Flow ⁴	12.1	7.8
Price/Book ⁴	2.5	1.8
Dividend Yield ⁵ (%)	2.0	3.3

¹Weighted median; ²Trailing five years, annualized; ³Five-year average; ⁴Weighted harmonic mean; ⁵Weighted mean. Source (Risk characteristics): eVestment Alliance (eA); Harding Loevner Emerging Markets Composite, based on the Composite returns, gross of fees; MSCI Inc. Source (other characteristics): FactSet (Run Date: April 5, 2023, based on the latest available data in FactSet on this date.); Harding Loevner Emerging Markets Model, based on the underlying holdings; MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector
Globant	US	INFT
Kaspi.kz	Kazakhstan	FINA

Positions Sold	Market	Sector
ASUR	Mexico	INDU

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. 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 last 12 months. Past performance does not guarantee future results. In the tables above, "weight" is the average percentage weight of the holding during the period, and "contribution" is the contribution to overall relative performance over the period. Performance of contributors and detractors is net of fees, which is calculated by taking the difference between net and gross composite performance for the Emerging Markets Equity Strategy prorated by asset weight in the portfolio and subtracted from each security's return. Contributors and detractors exclude cash and securities in the Composite not held in the Model Portfolio. Quarterly data is not annualized. Portfolio attribution and characteristics are supplemental information only and complement the fully compliant Emerging Markets Composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

Emerging Markets Equity Composite Performance (as of March 31, 2023)

	HL EM Gross (%)	HL EM Net (%)	MSCI EM Index ¹ (%)	HL EM 3-yr. Std. Deviation ² (%)	MSCI EM Index 3-yr. Std. Deviation ² (%)	Internal Dispersion ³ (%)	No. of Accounts	Composite Assets (\$M)	Firm Assets (\$M)
2023 YTD ⁴	3.50	3.30	4.02	19.52	18.58	N.A.	10	6,923	49,940
2022	-26.47	-27.10	-19.74	22.07	20.26	0.4	10	7,234	47,607
2021	-2.34	-3.19	-2.22	20.48	18.35	1.1	13	15,537	75,084
2020	15.43	14.37	18.69	21.65	19.62	0.8	15	19,162	74,496
2019	26.90	25.78	18.88	14.64	14.17	0.4	17	19,045	64,306
2018	-17.29	-18.03	-14.25	13.94	14.62	0.4	21	15,114	49,892
2017	36.81	35.64	37.75	13.90	15.36	0.3	23	19,177	54,003
2016	14.84	13.85	11.60	15.00	16.07	0.4	22	13,629	38,996
2015	-12.85	-13.59	-14.60	13.61	14.04	1.2	20	9,670	33,296
2014	0.74	-0.11	-1.82	14.06	14.99	0.5	14	8,212	35,005
2013	5.74	4.80	-2.27	17.56	19.03	0.6	12	5,649	33,142

¹Benchmark index; ²Variability of the Composite, gross of fees, and the Index returns over the preceding 36-month period, annualized; ³Asset-weighted standard deviation (gross of fees); ⁴The 2023 YTD performance returns and assets shown are preliminary; N.A.—Internal dispersion less than a 12-month period.

The Emerging Markets Equity Composite contains fully discretionary, fee-paying accounts investing in non-US equity and equity-equivalent securities of companies domiciled predominately in emerging markets and cash reserves and is measured against the MSCI Emerging Markets 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 Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Index consists of 24 emerging market countries. You cannot invest directly in this Index.

Harding Loevner LP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Harding Loevner has been independently verified for the period November 1, 1989 through December 31, 2022.

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 Emerging Markets Equity Composite has had a performance examination for the periods December 1, 1998 through December 31, 2022. 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 Affiliated Managers Group, Inc. (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 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 Emerging Markets Equity accounts is 1.05% annually of the market value for the first \$20 million; 0.75% for the next \$80 million; 0.70% for the next \$100 million; 0.55% above \$200 million. The management fee schedule and total expense ratio for the Emerging Markets Equity Collective Investment Fund, which is included in the Composite, are 0.90% on all assets and 1.00%, 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 Emerging Markets Equity Composite was created on November 30, 1998 and the performance inception date is December 1, 1998.

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