

# International Equity Fund

as of quarter ending December 31, 2024

## Overall Morningstar Ranking™



**Category: Foreign Large Growth**  
(as of month ending December 31, 2024)

Rated against 648 foreign large growth funds, as of 12/31/2024, based on risk-adjusted return. Ratings are determined monthly and subject to change. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics. *Past performance is no guarantee of future results.*

### Management

Harding Loevner LP (effective January 15, 2016)

### Investment Objective and Strategy

The International Equity Fund seeks long-term capital appreciation through investments in equity securities of companies based outside the United States.

The fund invests primarily in companies based in developed markets outside the United States as well as in established companies in emerging and frontier markets. Harding Loevner LP, the fund's subadvisor, undertakes fundamental research in an effort to identify companies that it believes are well managed, financially sound, fast growing and strongly competitive and whose shares are under-priced relative to estimates of their value. In an effort to reduce its volatility, the fund seeks to be diversified across dimensions of geography, industry, currency and market capitalization. The fund normally holds investments across at least 10 countries.

### Fund Profile

Inception	January 22, 2001
Asset Allocation	Stock
Benchmark	MSCI EAFE Index
Ticker Symbol	HISIX
CUSIP Number	437769805
Fee Structure	No Load
Expense Ratio	Gross 1.14% (Net 1.14%)*
Median Expense Ratio for Peer Group	Gross 1.33% (Net 1.23%)*
Minimum for Initial Purchase	\$500/\$200 IRA

\*As of 12/31/23. The expense ratio shows the percentage of fund assets deducted annually to cover operating costs. Fund expense ratios shown here do not include acquired fund fees and expenses. If applicable, these additional costs are disclosed in the prospectus. For some funds, the investment advisor has agreed voluntarily or contractually (for at least the current fiscal year) to waive or reimburse a portion of expenses. The net expense ratio is the expense ratio minus the portion of expenses waived or reimbursed. Please see the current prospectus for additional details. The peer ratio is according to Morningstar Direct, based on each fund's Morningstar classification.

## Firm History: We're Wired Differently

Homestead Funds was created over 30 years ago by the National Rural Electric Cooperative Association (NRECA), a non-profit organization whose mission is to serve electric cooperative employees. Through the creation of Homestead Funds, NRECA sought to give the employees who bring power to America's farms, factories, schools, and homes access to high-quality money management and financial services. From our early roots in rural America, we have expanded our outreach to offer equity and fixed-income strategies to **all investors**.

With a thoughtful approach to money management and a watchful eye on operating expenses, we are wired differently. **We believe our boutique style gives us a competitive advantage, setting us apart and allowing us to provide affordable, high touch client service.** The portfolio managers have deep involvement in running the strategies and extensive experience in managing asset classes through different market cycles. And as stewards of service, while we've grown in size and scope, we've always kept who we serve clearly in sight.

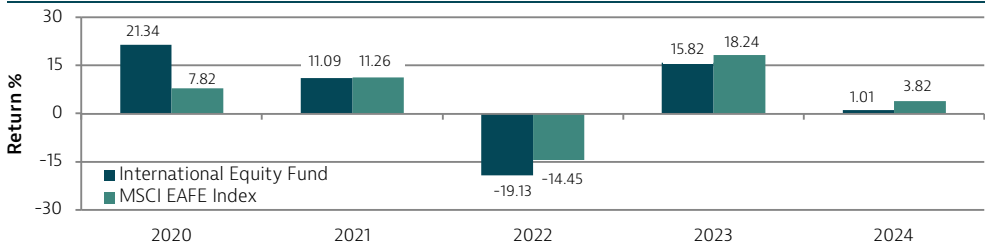
### Total Returns

	AGGREGATE YTD	AVERAGE ANNUAL				SINCE FUND'S INCEPTION
		1 YR	3 YR	5 YR	10 YR	
International Equity Fund	1.01%	1.01%	-1.83%	4.98%	6.06%	4.26%
MSCI EAFE Index	3.82	3.82	1.65	4.73	5.20	4.45

The MSCI EAFE Index is an equity index that captures large- and mid-cap representation across developed markets countries around the world, excluding the U.S. and Canada. Indices are unmanaged, and investors cannot invest directly in an index. Unless otherwise noted, performance of indices does not account for any fees, commissions or other expenses that would be incurred. The index's returns include reinvested dividends.

Performance information for the International Equity Fund (formerly the International Value Fund) reflects its investment as an actively managed fund subadvised by Mercator Asset Management from December 31, 2006, to September 14, 2015; as a passively managed portfolio directed by SSgA Funds Management, Inc. from September 15, 2015, to January 8, 2016; and, after a transition, as an actively managed fund subadvised by Harding Loevner LP from January 15, 2016, to period end.

### Calendar-Year Total Returns



The total returns shown above represent past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. For performance data current to the most recent month-end, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).

Fund total returns include changes in principal value and reinvested dividends, income and capital gain distributions.

### Portfolio Characteristics

	International Equity Fund	MSCI EAFE Index
Net Assets	\$86M	
Number of Holdings	48	722
Price to Earnings <sup>1,2</sup>	18.6	16.2
Price to Book <sup>1,2</sup>	2.7	1.9
Return on Equity <sup>1</sup>	15.6	14.1
Earnings per Share Growth <sup>1</sup>	7.4	8.0
Beta <sup>3</sup>	0.92	NA
Active Share <sup>1,3</sup>	84.8%	NA

<sup>1</sup>Source: FactSet. <sup>2</sup>Weighted harmonic average/FY1 estimate. <sup>3</sup>Compared with the MSCI EAFE Index and calculated by FactSet.

## Country Diversification

	International Equity Fund	MSCI EAFE Index
Japan	19.3%	23.2%
Germany	10.3	9.2
Britain	9.3	14.9
Switzerland	9.1	9.6
France	9.0	11.1
Sweden	8.5	3.6
Canada	7.7	0.0
Singapore	4.9	1.7
Denmark	3.3	2.9
Hong Kong	3.1	2.0
Spain	3.1	2.7
Taiwan	2.5	0.0
United States of America	2.0	0.0
Australia	1.8	7.4
Netherlands	1.6	4.6
India	1.0	0.0
Republic of South Korea	0.9	0.0
China	0.7	0.2
Austria	0.0	0.2
Other Countries	0.0	7.1
Short-term and other assets	1.9	0.0

## Top 10 Holdings

	% OF NET ASSETS
DBS Group Holdings Ltd.	4.9%
Chugai Pharmaceutical Co., Ltd.	4.0
Manulife Financial Corp.	3.9
Allianz SE REG	3.8
Haleon PLC	3.7
Schneider Electric SE	3.7
Shell PLC	3.6
Sony Group Corp.	3.5
Roche Holding AG REG	3.3
Banco Bilbao Vizcaya Argentaria SA	3.1
Total	37.5

Portfolio holdings are subject to change without notice. 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.

Numbers may not total due to rounding.

Morningstar rated this fund, in Morningstar's foreign large growth category, 3 stars for the Overall period out of 648 funds, 4 stars for the 10-year period out of 421 funds, 3 stars for the five-year period out of 618 funds and 1 star for the three-year period out of 648 funds for performance month ending 12/31/24. The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, close-end funds and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustments for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-year, five-year, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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## Definitions

Active share: A measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

Beta: A measure of a stock's volatility in relation to the overall market.

Earnings per share (EPS): A company's profit divided by the outstanding shares of its common stock.

Price to book: A ratio used to compare a firm's market-to-book value by dividing price per share by book value per share.

Price to earnings: The ratio of a company's stock price to the company's earnings per share. The ratio is used in valuing companies.

Return on equity: A measure of the profitability of a business in relation to the equity, also known as net assets or assets minus liabilities.

Investing in mutual funds involves risk, including the possible loss of principal. An investment in a mutual fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. **Past performance does not guarantee future results.**

**Before investing in any Homestead Fund, you should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus contains this and other information about the funds and should be read carefully. To obtain a prospectus, call 800.258.3030 or visit [homesteadadvisers.com](http://homesteadadvisers.com).**

Equity securities generally have greater price volatility than fixed-income securities. The market price of equity securities may go up or down, sometimes rapidly or unpredictably. Equity securities may decline in value due to factors affecting the issuer or equity securities markets generally. Foreign securities are subject to political, regulatory, and economic risks not present in domestic investments and may experience more extreme changes in value than securities of U.S. companies. Investing in emerging and frontier markets may be subject to greater political and economic instability, less developed securities markets, and other risks than in more developed markets.

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