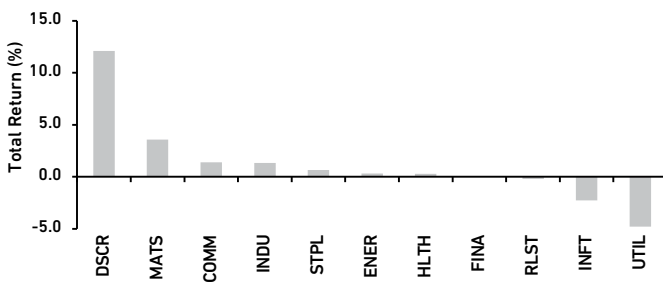


In many countries, education is one of the largest expenditures in GDP (second only to health care in the US, for example). Yet, given how hard it can be to teach and to learn without intensive human interaction, no company has ever quite figured out a truly scalable business model to capture a large share of those trillions of dollars in spending. By employing cutting-edge technology across an enormous footprint, China's **New Oriental Education** is getting close though.

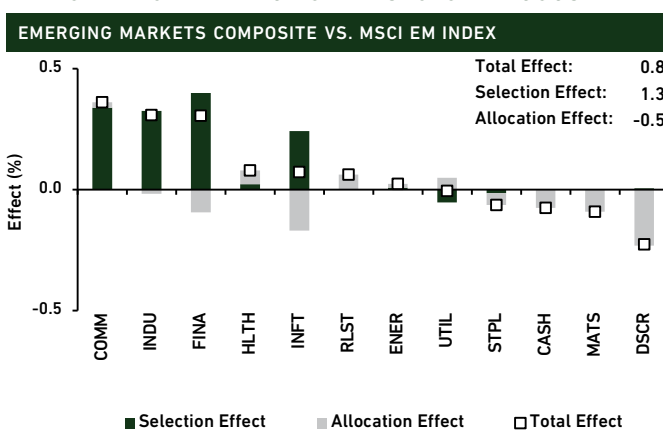
Founded in 1993 as an English tutoring service for foreign-university-bound students, New Oriental has developed among other specialties the leading prep course for the *gaokao*, the country's infamous college entrance exam. When the pandemic hit in March, most students were just entering the critical home stretch of preparing for this June test. New Oriental, which had been moving toward a hybrid online/classroom model, shifted almost 100% of instruction online rather seamlessly. Now that in-person restrictions have been lifted, most students are again receiving the main part of their instruction through the company's vast network of physical locations. Meanwhile, efficiencies mastered during the crisis have set the company up well to continue advancing the online portion of its model.

PERFORMANCE (% TOTAL RETURN) FOR THE PERIODS ENDED AUGUST 31, 2020¹

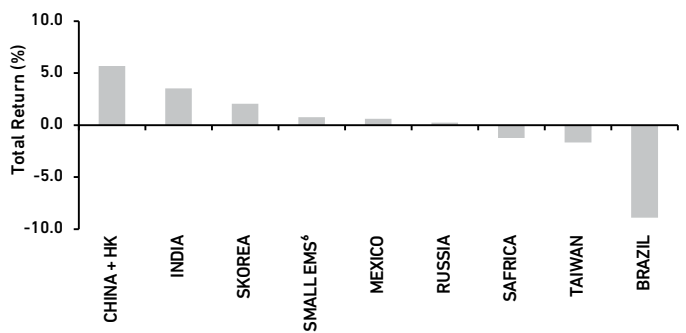
	1 MONTH	YTD	1 YEAR	3 YEARS ²	5 YEARS ²	10 YEARS ²	SINCE INCEPTION ^{2,3}
HL EMERGING MARKETS (GROSS OF FEES)	2.96	-4.96	8.29	2.05	9.03	6.00	12.03
HL EMERGING MARKETS (NET OF FEES)	2.89	-5.56	7.30	1.14	8.07	5.06	11.12
MSCI EMERGING MARKETS INDEX ^{4,5}	2.24	0.68	14.88	3.21	9.04	4.12	8.92

BENCHMARK PERFORMANCE BY SECTOR – AUGUST


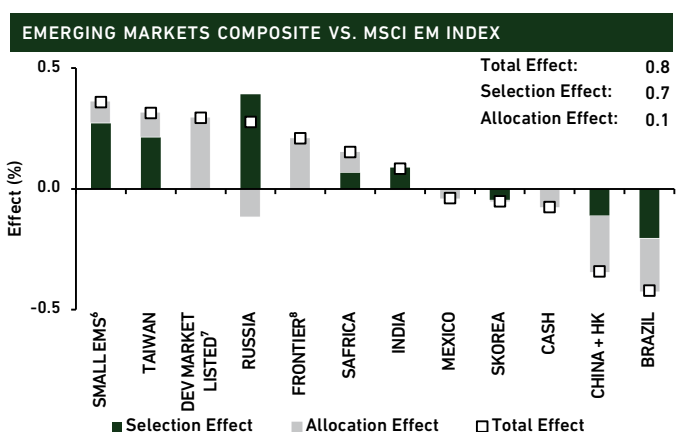
- Consumer Discretionary returns were boosted by Chinese companies including e-commerce heavyweight **Alibaba**, which posted strong quarterly results.
- In Utilities, Chinese gas companies, including **ENN Energy**, issued a weaker-than-expected outlook for the second half of 2020 as the pandemic continues to impact parts of the country's economy.

PERFORMANCE ATTRIBUTION BY SECTOR – AUGUST


- In Financials, Hong Kong-based insurer **AIA Group** posted solid second-quarter results and announced the incorporation of a new life-insurance subsidiary on the mainland, boosting its expansion there.
- Our underweight of Alibaba hurt relative returns in Consumer Discretionary.

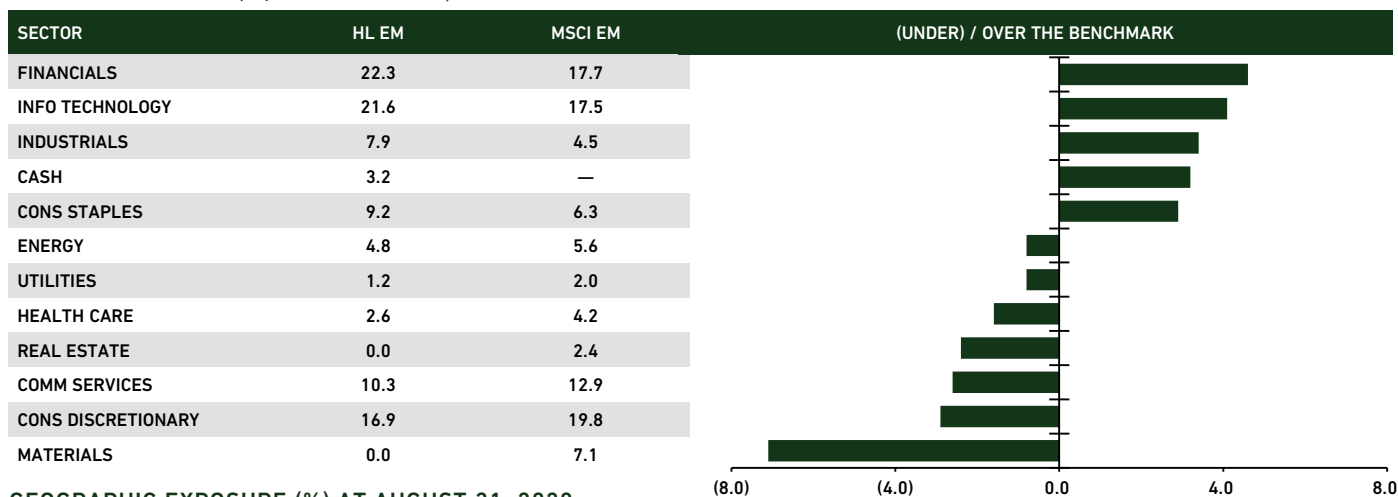
BENCHMARK PERFORMANCE BY GEOGRAPHY – AUGUST


- Egypt was the best-performing market (up 8%) as inflation moderated in July and the country saw a significant drop in new COVID-19 cases compared to early summer.
- Chile was the worst-performing market as the pandemic continued to impact the economy; in August the central bank reported that second-quarter GDP declined 14% and household consumption fell over 20%.

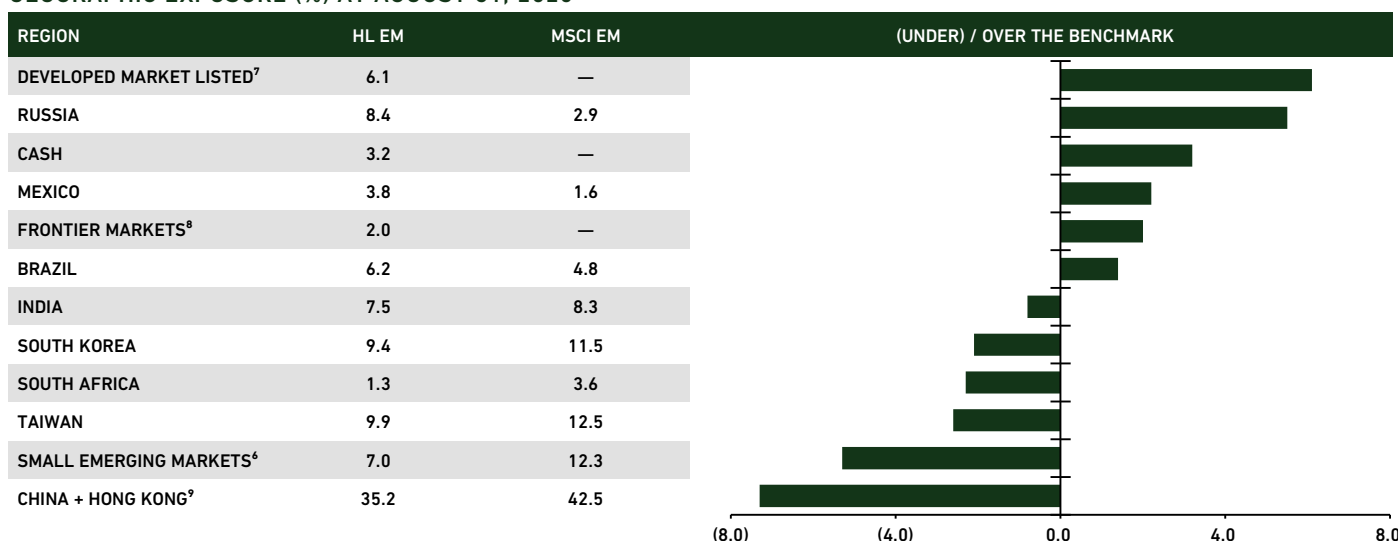
PERFORMANCE ATTRIBUTION BY GEOGRAPHY – AUGUST


- In China, US restrictions on Huawei continued to hurt its suppliers, smartphone component makers **Sunny Optical** and **AAC Technologies**.
- Good stocks in Russia included **Yandex**, which rose ahead of its addition to the EM Index now that local liquidity has improved in the Netherlands-domiciled (and originally-just-US-listed) search engine provider.

SECTOR EXPOSURE (%) AT AUGUST 31, 2020



GEOGRAPHIC EXPOSURE (%) AT AUGUST 31, 2020



ENDNOTES

(1) The August 2020 Composite performance shown is preliminary (2) Annualized returns (3) Inception date: November 30, 1998 (4) The Benchmark Index (5) Gross of withholding taxes (6) Includes the remaining emerging markets, which individually, comprise less than 5% of the Index (7) Emerging markets or frontier markets companies listed in developed markets (8) Includes countries with less-developed markets outside the Index (9) The Harding Loevner Emerging Markets Model Portfolio's end weight in China is 28.2% and Hong Kong is 7.0%. The Benchmark does not include Hong Kong.

SOURCES

Benchmark Performance: FactSet; MSCI Inc. and S&P.
Sector/Geographic Attribution: FactSet; Harding Loevner Emerging Markets Composite; MSCI Inc. and S&P.
Sector/Geographic Exposure: FactSet; Harding Loevner Emerging Markets Model; MSCI Inc. and S&P.

DISCLOSURES

The Emerging Markets 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. 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. Harding Loevner claims compliance with the Global Investment Performance Standards (GIPS®). Harding Loevner has been independently verified for the period November 1, 1989 through June 30, 2020. Verification assesses whether (1) the firm has complied with all composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policy and procedures are designed to calculate and present performance in compliance with GIPS standards. The Emerging Markets Composite has been examined for the periods December 1, 1998 through June 30, 2020. The verification and performance examination reports are available upon request. Performance data quoted represents past performance; past performance does not guarantee future results. Returns are presented both gross and net of management fees and include the reinvestment of all income. Net returns are calculated using actual fees. The US dollar is the currency used to express performance. For complete information on the construction and historical record of the Emerging Markets Composite, please contact Harding Loevner at (908) 218-7900 or visit www.hardingloevner.com. The firm maintains a complete list and description of composites, which 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 26 emerging market countries. You cannot invest directly in this Index.

Companies held in the portfolio during the month appear in bold type; only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings may not be current. They should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the securities identified has been or will be profitable. To request a complete list of holdings for the past year, please contact Harding Loevner.

Portfolio holdings, portfolio attribution, and sector/geographic allocations are supplemental information only and complement a fully compliant Emerging Markets Composite GIPS Presentation, which is available upon request. The Composite and Attribution returns may show discrepancies due to the different data sources for these returns. Composite performance is obtained from Harding Loevner's accounting system and Attribution returns are obtained from the FactSet portfolio analysis system. Please note returns from FactSet are not audited for GIPS compliance and are for reference only.

FactSet Fundamentals, Copyright 2020 FactSet Research Systems, Inc. All rights reserved.

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.