

Global Developed Markets Equity



Monthly Update | November 2022

Performance (% Total Return)

Periods ended November 30, 2022 ¹	1 Month	YTD	1 Year	3 Years ²	5 Years ²	Since Inception ^{2,3}
HL Global Developed Markets Equity (Gross)	8.41	-25.93	-24.39	8.15	8.19	10.58
HL Global Developed Markets Equity (Net)	8.41	-26.23	-24.70	7.72	7.76	10.14
MSCI World Index ^{4,5}	7.00	-14.12	-10.42	8.04	7.90	8.89
MSCI All Country World Index ^{5,6}	7.80	-14.64	-11.19	7.12	6.94	8.16

Portfolio Positioning (% Weight)

Sector	HL GDM	MSCI World	Under / Over
Health Care	21.8	14.1	7.7
Industrials	17.6	10.4	7.2
Cash	3.5	-	3.5
Info Technology	24.2	21.0	3.2
Comm Services	8.7	6.6	2.1
Financials	12.0	14.0	-2.0
Real Estate	0.2	2.7	-2.5
Utilities	0.0	3.0	-3.0
Cons Discretionary	7.1	10.5	-3.4
Energy	1.9	5.6	-3.7
Materials	0.0	4.4	-4.4
Cons Staples	3.0	7.7	-4.7

Geography	HL GDM	MSCI World	Under / Over
Emerging Markets	3.6	-	3.6
Cash	3.5	-	3.5
Europe ex-EMU	12.4	8.9	3.5
Europe EMU	11.4	8.8	2.6
Frontier Markets ⁷	0.0	-	0.0
Middle East	0.0	0.2	-0.2
Pacific ex-Japan	3.2	3.4	-0.2
Japan	3.1	6.0	-2.9
Canada	0.0	3.5	-3.5
US	62.8	69.2	-6.4

Investment Perspectives

Market

Markets rebounded from October lows. While the Federal Reserve and the Bank of England raised policy rates, sentiment improved on better-than-expected inflation data in the United States and Germany, fueling hopes that US inflation has peaked. The Chinese government partially eased its zero-COVID policy and unveiled a support package aimed at boosting liquidity in the property sector. All sectors posted positive returns.

Portfolio

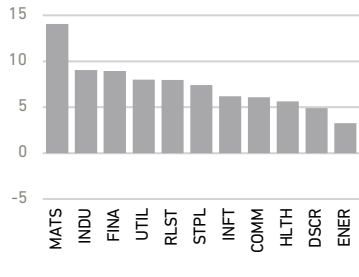
We continue to find high-quality, durable-growth companies in Health Care. One underappreciated industry is eye care, which features high barriers to entry, fewer participants, and good long-term growth prospects fueled by aging populations. **Alcon**, a leader in both ophthalmic surgery solutions and contact lenses, should benefit from anticipated growth in cataract surgeries and rising contact lens adoption in less developed markets. Sales fell in 2020 as elective eye care procedures and purchases were postponed during the pandemic but have since rebounded. Alcon continues to innovate, creating strong demand for new products such as reengineered contact lenses focused on easing dry eye and an advanced technology intraocular lens product. Management raised its full year guidance in its most recent earnings update.

Ten Largest Holdings

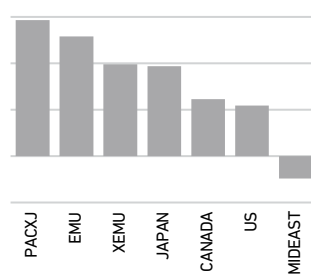
Company	Market	Sector
Vertex Pharmaceuticals	US	Health Care
John Deere	US	Industrials
Alphabet	US	Comm Services
Schneider Electric	France	Industrials
First Republic Bank	US	Financials
Microsoft	US	Info Technology
UnitedHealth Group	US	Health Care
Amazon.com	US	Cons Discretionary
Synopsys	US	Info Technology
ASML	Netherlands	Info Technology

Benchmark Performance | Nov.

Total Return by Sector (%)

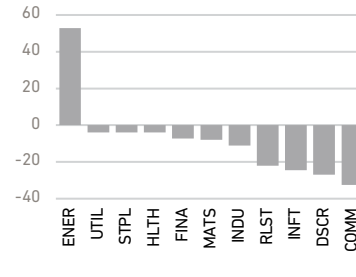


Total Return by Geography (%)

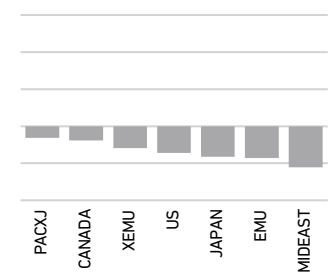


Benchmark Performance | YTD

Total Return by Sector (%)

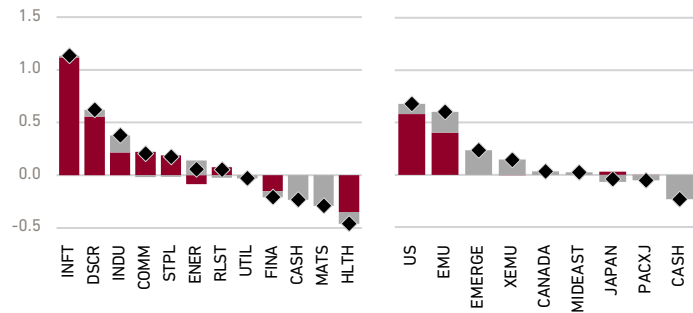


Total Return by Geography (%)



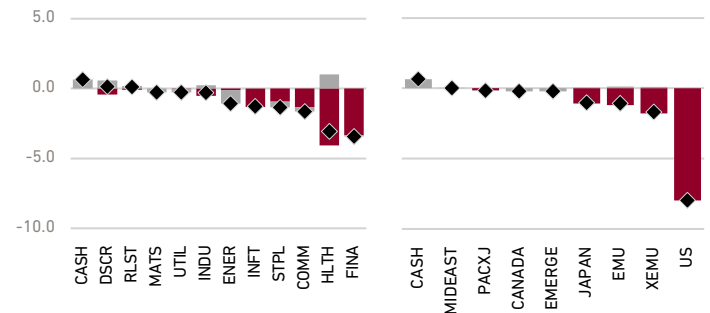
Performance Attribution | Nov.

Effect (%)	Selection	Allocation	Total
Sector	1.8	-0.4	1.4
Geography	1.0	0.4	1.4



Performance Attribution | YTD

Effect (%)	Selection	Allocation	Total
Sector	-12.1	0.4	-11.7
Geography	-12.2	0.5	-11.7



- In Information Technology, semiconductor holdings **ASML** and **TSMC** contributed to the portfolio's relative outperformance.
- Shares of US-based biotechnology company **Illumina** weighed on returns in Health Care; the company is reducing its headcount by 5%.
- The portfolio's US holdings outperformed their index peers, led by a rebound in **Etsy** shares. The company reported better than expected earnings due to improving consumer demand.

- High-quality, fast-growing, expensive companies significantly underperformed year-to-date, with the most expensive quintile underperforming the least expensive by over 3,500 basis points.
- In Financials, **SVB Financial Group** declined sharply. The pace of interest rate increases has hurt startup companies, a sizeable portion of SVB's customer base, resulting in lower net interest margin expansion.
- In the US, **Vertex Pharmaceuticals** has been a bright spot as it reported progress on its drug pipeline while peer efforts stalled.

Top Five Contributors/Detractors (%) | Nov.

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Apple	US	INFT	4.7	0.36
ASML	Netherlands	INFT	0.4	0.35
Tesla*	US	DSCR	1.0	0.26
Etsy	US	DSCR	<0.1	0.23
Schneider Electric	France	INDU	0.2	0.20
Detractors				
Vertex Pharmaceuticals	US	HLTH	0.2	-0.21
Illumina	US	HLTH	0.1	-0.19
Abcam	UK	HLTH	-	-0.16
Schlumberger	US	ENER	0.1	-0.15
UnitedHealth Group	US	HLTH	1.0	-0.14

Top Five Contributors/Detractors (%) | YTD

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Vertex Pharmaceuticals	US	HLTH	0.1	1.07
Schlumberger	US	ENER	0.1	0.92
John Deere	US	INDU	0.2	0.87
Tesla*	US	DSCR	1.3	0.40
UnitedHealth Group	US	HLTH	0.9	0.36
Detractors				
SVB Financial Group	US	FINA	<0.1	-1.80
Meta Platforms	US	COMM	0.8	-0.98
Align Technology	US	HLTH	<0.1	-0.92
First Republic Bank	US	FINA	0.1	-0.79
Symex	Japan	HLTH	<0.1	-0.78

*Company was not held in the portfolio; its absence had an impact on the portfolio's return relative to the Index.

Index weight is the average weight of the security in the Index over the MTD and YTD periods. Please read the disclosures on the last page, which are an integral part of this presentation.

Endnotes

(1) The November 2022 Composite performance shown is preliminary (2) Annualized returns
(3) Inception date: September 30, 2013 (4) The benchmark index (5) Gross of withholding taxes
(6) Supplemental index (7) Includes countries with less-developed markets outside the Index.

Sources

Benchmark Performance: FactSet; MSCI Inc. and S&P.

Sector/Geographic Attribution: FactSet; Harding Loevner Global Developed Markets Equity Composite; MSCI Inc. and S&P.

Sector/Geographic Positioning and Ten Largest Holdings: FactSet; Harding Loevner Global Developed Markets Equity Model; MSCI Inc. and S&P.

Disclosures

Past performance does not guarantee future results. The holdings identified do not represent all of the securities purchased, sold, or recommended for advisory clients.

For comparison purposes the Composite return is measured against the MSCI World Total Return Index (Gross). Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. 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, 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 Global Developed Markets Equity Composite has had a performance examination for the periods through June 30, 2022. 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 Global Developed Markets Equity Composite, please contact Harding Loevner at (908) 218-7900 or visit www.hardingloevner.com. The firm maintains a complete list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds, which 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. As of October 1, 2022, the World Equity Composite was renamed "Global Developed Markets Equity Composite".

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. 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. You cannot invest directly in these indexes.

Companies held in the portfolio at the end of 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. The portfolio holdings identified above do not represent all of the securities held in the portfolio. To request a complete list of holdings for the past year, please contact Harding Loevner. The following information is available upon request: (1) information describing the methodology of the contribution data and (2) a list showing the weight and relative contribution to return of all holdings during the month.

Portfolio holdings, portfolio attribution, contributors and detractors, and sector/geographic portfolio positioning are supplemental information only and complement a fully compliant Global Developed Markets Equity 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.

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