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Composite Performance

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

	3 Months	1 Year	3 Years ²	Since Inception ^{2,3}
HL Global Small Companies Equity (Gross of Fees)	4.86	-4.07	15.62	11.18
HL Global Small Companies Equity (Net of Fees)	4.64	-4.90	14.60	10.20
MSCI All Country World Small Cap Index ^{4,5}	4.37	-9.11	18.44	9.21

¹The Composite performance returns shown are preliminary; ²Annualized Returns; ³Inception Date: December 31, 2018; 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 GSC	ACWI SC	Under / Over
Info Technology	20.2	12.8	7.4
Cons Staples	10.3	5.0	5.3
Comm Services	7.6	3.2	4.4
Cash	4.0	-	4.0
Health Care	11.5	10.0	1.5
Industrials	19.6	19.0	0.6
Financials	11.4	12.7	-1.3
Utilities	1.2	3.1	-1.9
Energy	2.1	4.3	-2.2
Cons Discretionary	10.0	13.0	-3.0
Materials	2.1	8.6	-6.5
Real Estate	0.0	8.3	-8.3

Geography	HL GSC	ACWI SC	Under / Over
Europe ex EMU	20.0	9.9	10.1
Cash	4.0	-	4.0
Europe EMU	10.5	6.8	3.7
Japan	12.5	10.2	2.3
Frontier Markets ⁶	2.1	-	2.1
Middle East	1.7	0.8	0.9
Canada	1.3	3.6	-2.3
Emerging Markets	9.6	12.9	-3.3
Pacific ex Japan	0.8	4.8	-4.0
United States	37.5	51.0	-13.5

⁶Includes countries with less-developed markets outside the Index.

Sector and geographic allocations are supplemental information only and complement the fully compliant Global Small Companies Equity Composite GIPS Presentation. Source: Harding Loevner Global Small Companies Equity 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.

What Happened

Global small-cap stocks climbed 4.4%, lagging global large caps by about 300 basis points (bps). Growing stress in the banking industry, both in the US and abroad, spurred a flight to high-quality companies, a response that favored large caps—given that large businesses are often perceived to be of higher quality.

Market optimism at the beginning of the quarter turned to caution after the collapse of three US specialty banks—Silicon Valley Bank, Signature Bank, and Silvergate Bank. Shares of smaller regional banks plummeted as customers yanked deposits and rushed to the supposed safety of larger institutions such as JPMorgan Chase and Wells Fargo. As the crisis escalated, the central banks of the US, Canada, England, Europe, Japan, and Switzerland took coordinated action to improve US dollar liquidity and ease global funding markets. The run also spooked depositors beyond US shores, with Swiss banking regulators forced to ram through a controversial merger between UBS and its troubled rival Credit Suisse. Despite the bedlam, fueled in no small part by sharp increases in interest rates and the consequent drop in bond values, central bankers continued to hike rates to combat inflation, albeit accompanied by a new, more cautious tone.

MSCI ACWI Small Cap Index Performance (USD %)

Sector	1Q 2023	Trailing 12 Months
Communication Services	6.0	-20.1
Consumer Discretionary	8.5	-6.1
Consumer Staples	4.0	-1.2
Energy	-4.2	1.4
Financials	-5.5	-12.9
Health Care	0.4	-17.0
Industrials	8.3	-1.1
Information Technology	14.2	-8.0
Materials	8.3	-8.4
Real Estate	-0.4	-23.5
Utilities	0.1	-6.0
Geography	1Q 2023	Trailing 12 Months
Canada	6.1	-12.2
Emerging Markets	4.0	-10.5
Europe EMU	10.3	-5.6
Europe ex EMU	6.3	-13.9
Japan	4.2	-1.0
Middle East	-8.2	-32.7
Pacific ex Japan	0.0	-15.0
United States	3.9	-8.6
MSCI ACWI Small Cap Index	4.4	-9.1

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

While the weakest sector was Financials, Energy also tumbled alongside a 5% drop in the Bloomberg Commodity Total Return Index as the economic outlook grew increasingly uncertain. Major currencies such as the euro and British pound were little changed, but commodity-exporting countries such as Norway, Canada, and Australia saw their currencies decline relative to the US dollar; an exception was the Brazilian real, which posted modest gains.

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Meanwhile, Information Technology (IT), one of the largest detractors in 2022, reversed course, generating this quarter's biggest return. IT's strong performance was largely driven by the semiconductor industry: as large players outlined workarounds for the US ban on exports of chips and other high-tech equipment to China, the stocks of smaller companies along the semiconductor supply chain also benefited. This was in addition to investor enthusiasm over the potential commercial applications of artificial-intelligence technologies, such as ChatGPT, which requires the use of many chips.

On a regional basis, the European Monetary Union (EMU) and Europe ex EMU came out ahead after a mild winter helped the region avert an energy crisis, a feared consequence of it spurning Russian oil and gas supplies. Pacific ex Japan was the weakest major region, weighed down by Australia, an economy reliant on demand for energy and commodities. The US also lagged amid panic in the banking industry.

How We Did

The Global Small Companies composite rose 4.9% gross of fees in the first quarter, eclipsing the 4.4% gain in the MSCI ACWI Small Cap Index. The portfolio benefited from positive stock selection as well as sector and region allocation.

IT was our top sector, led by software and services, in which the portfolio has a large active weight. US design-software company **Altair Engineering** reported earnings that were better than expected and offered a rosy outlook for the year due to robust demand from customers in the electric-vehicle market. Strong quarterly reports also boosted our Industrials holdings. Results for UK-based aerospace manufacturer **Senior** reflected an ongoing recovery in aerospace spending. US commercial HVAC provider **AAON** reported healthy demand in equipment for data centers, a new source of growth for the company.

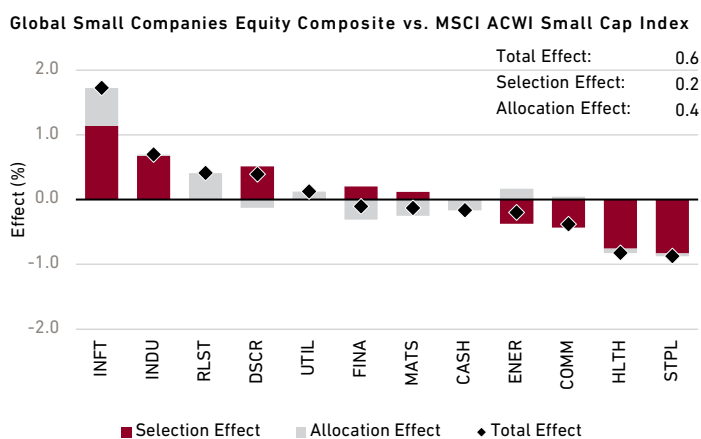
Companies held in the portfolio at the end of the quarter appear in bold type; only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any 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 5 and 6 of this report.

We underperformed in Health Care, in which **Neurocrine Biosciences** was our biggest relative detractor. The drugmaker's quarterly results failed to impress the market even as the outlook for its Ingrezza product—the only treatment for tardive dyskinesia, a nervous-system disorder resulting from psychiatric medicines—remains solid.

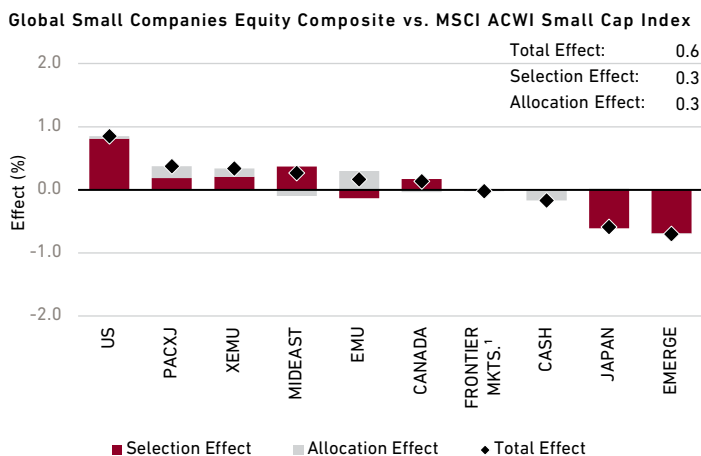
By region, the US posted the biggest outperformance. **Atkore** reported higher demand for electrical conduit, particularly for non-residential uses such as data centers and chip-fabrication plants. The growth outlook issued by discount retailer **Ollie's Bargain Outlet** topped expectations, as worries over inflation drove consumers to seek out lower-priced goods. Our bank holdings also outperformed amid a broad industry sell-off.

First Quarter 2023 Performance Attribution

Sector



Geography



¹Includes countries with less-developed markets outside the index. Source: FactSet; Harding Loevner Global Small Companies 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.

The portfolio's Emerging Markets holdings, such as South Korean advertising agency **Cheil Worldwide** and Indonesian bank **BTPN Syariah**, underperformed. Cheil said growth decelerated in the fourth quarter and will continue slowing this year. Operating margins, which had expanded for most of 2022, also contracted due to higher expenses from outsourced work and consulting.

What's On Our Minds

In Rudyard Kipling's 1895 poem "If," he writes of the value of "keep[ing] your head when all about you are losing theirs." Since the arrival of the COVID-19 pandemic, there has been no shortage of idiosyncratic events disrupting the operations of companies and industries around the world, triggering investor anxiety at different turns. The latest was a spate of bank runs in the US provoked by sharply higher interest rates, for which the banks' balance sheets were ill-prepared. But before panic struck the banking system, labor shortages, record increases in inflation, supply-chain bottlenecks, and the ongoing reassessment of globalization in reaction to rising geopolitical tensions were just some of the market worries *du jour*.

Rather than attempt to predict the unpredictable, we strive to "keep our heads" during times of macroeconomic tumult by focusing on the fundamentals of companies and their industries. As one part of our process to determine whether a business meets our quality-growth criteria, we expend a great deal of effort to understand the quality of its management team—that is, management's ability to see opportunities and threats and to deliver to shareholders the expected returns. This entails studying the executive team's operational record, the effectiveness of its capital-allocation decisions, and its ability to guide a business through adversity. We also look at how it is compensated and verify that the financial targets and measurements it uses are appropriate. Furthermore, we want to ensure that management's strategy aligns with what we believe is the company's competitive advantage.

As the recent banking crisis demonstrated, a quality management team must prepare its company's balance sheet for unavoidably difficult times. Take our UK holding **Senior**, a business that has been dealt a shockingly bad hand in recent years. Not long after we purchased the stock in 2015, the supplier of thermal-management and fluid-conveyance systems ramped up investment in its manufacturing capacity to keep pace with demand from Airbus and Boeing as they upgraded engines on certain aircraft, including the Boeing 737 MAX. While this spending initially hurt Senior's profit margins, the long-term growth afforded by the new jet-engine programs looked attractive.

Just when Senior's investments were set to pay off, a Boeing 737 MAX crashed in October 2018, followed by another less than five months later. Boeing halted production of the plane amid what became the longest grounding of a US airliner in history.

Even though Senior's systems weren't implicated in the crashes, the event had a material impact on its profitability and growth. Unfortunately, the following year proved no better. The pandemic hit in 2020, and passenger air traffic plummeted 60%, the most severe downturn the industry had ever suffered.

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Through all of these external challenges, Senior's ability to survive was never in question. This was largely because management had maintained such a strong financial position over the years. Senior kept its debt load manageable, and in 2019 and 2020, it slashed expenses by £50 million (US\$63 million). The company also kept generating free cash flow throughout the pandemic. By mid-2021, as its stock languished, a private equity firm made an opportunistic bid to acquire Senior. We were glad, and still are, that management rejected the offer as well as subsequent bids that substantially undervalued the company. In 2022, Senior's sales increased nearly 30% and operating profits tripled.

The stock was still clawing its way back when Boeing announced on April 13 that it had to pause deliveries of the 737 MAX after another supplier notified it of incorrectly installed parts. We aren't yet sure the degree to which this will impact Senior, but the company has been working to reduce its reliance on Boeing and increase its exposure to Airbus to create more balance between these two important customers. We think Senior will continue to withstand its sometimes-turbulent environment to produce long-term growth and offer meaningful upside to the share price.

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Sometimes the evaluation of management is even less straightforward and involves balancing various factors. Indeed, no company is perfect. On one hand, **Paradox Interactive**, a Swedish video-game publisher, is a prime example of the value created by a management strategy that's aligned with a business's core competitive advantage. On the other hand, Paradox hasn't been immune from the sexism that pervades the video-game industry, which is another consideration in our assessment of corporate leadership.

Paradox is known for war-strategy games with historical themes, such as *Hearts of Iron* and *Europa Universalis*, which are part of a genre called grand-strategy games. It was formerly a unit of Paradox Entertainment, a company that got its start making board games. After entering the video-game market with grand-strategy titles in the early 2000s, Paradox Entertainment set a new goal of becoming a leader in AAA video games—bigger-budget titles for which the competition is fierce.

To help with this risky transformation, the company hired an outside consultant named Fredrik Wester to advise on the plan. His advice, however, was to avoid competing in AAA games, where scale and deep experience are critical, and instead stick with the competitive advantage the company was developing in the grand-strategy niche. When management rejected this idea and nearly shuttered the gaming division altogether, Wester purchased the unit, forming what is now Paradox Interactive, a US\$2.7 billion company.

Wester stepped down as CEO in 2018, and a new CEO was hired from outside the industry. While Paradox had several successful game launches after that, failures soon started to mount, and its new projects no longer reflected the same cost discipline and strategic direction that the Wester-led team had instilled. COVID-19 also caused delays to production timelines. By the third quarter of 2021, the board reinstated Wester as CEO and pivoted back to its core strengths; writing off several of its riskier projects that quarter pushed Paradox to report the worst operating loss in its history. Wester, who owns a third of the common stock, quickly brought costs back under control and said that moving forward, Paradox would prioritize "a couple of niches where we're dominant and where we do a good job." We welcome his return and the focus he's brought back to the company. It's only been a year, but profits reached new highs in 2022.

Paradox Interactive, a Swedish video-game publisher, is a prime example of the value created by a management strategy that's aligned with a business's core competitive advantage.

While Paradox makes progress on the operational front, it's also working on its culture. After employee complaints of workplace sexual harassment and gender discrimination came to light, Paradox hired a third-party auditor recommended by its employee union to investigate the matter. It then made the suggested improvements to its human-resources policies, including those pertaining to harassment and victimization.

We were pleased with Paradox's response and the changes to its policies and culture, but as long-term shareholders, we remain actively engaged with the company on this important topic. We have used our interactions with management—including a meeting with the CFO last year and follow-up discussions with company representatives—to encourage it to further enhance the employee experience and provide ongoing updates to investors on those efforts. We look forward to continued progress to ensure Paradox remains a high-quality holding worthy of our portfolio.

Global Small Companies Holdings (as of March 31, 2023)

Communication Services	Market	End Wt. (%)	Health Care	Market	End Wt. (%)
Bengo4.com (Lawyer and accountant listings services)	Japan	0.1	Abcam (Life science services)	UK	1.3
Cable One (Cable operator)	US	0.4	Ambu (Medical device manufacturer)	Denmark	0.2
Cheil Worldwide (Marketing and advertising services)	South Korea	0.7	BML (Clinical testing and information services)	Japan	0.7
Domain (Online property listings operator)	Australia	0.8	Dechra (Veterinary pharma manufacturer)	UK	1.2
Kakaku.com (E-commerce retailer)	Japan	1.0	DiaSorin (Reagent kits developer)	Italy	0.6
Megacable (Cable operator)	Mexico	0.7	Elanco (Animal health care products)	US	0.1
Paradox Interactive (Video game publisher)	Sweden	0.6	LeMaitre Vascular (Medical device manufacturer)	US	0.7
Rightmove (Online property listings operator)	UK	0.6	Neurocrine Biosciences (Biopharmaceutical mfr.)	US	2.4
Sarana Menara Nusantara (Telecom tower operator)	Indonesia	0.5	Repligen (Biopharma equipment supplier)	US	0.4
TIME dotCom Berhad (Telecom services)	Malaysia	0.8	Santen Pharmaceutical (Pharma manufacturer)	Japan	0.7
YouGov (Market research and data analytics services)	UK	1.5	Simulations Plus (Simulation software developer)	US	1.1
Consumer Discretionary			Square Pharmaceuticals (Pharma manufacturer)	Bangladesh	0.6
BorgWarner (Automotive parts manufacturer)	US	2.4	STRATEC (Life science products manufacturer)	Germany	0.4
Eclat Textile (Technology-based textile manufacturer)	Taiwan	0.5	Tecan (Life science products and services)	Switzerland	1.1
Five Below (Discount consumer products retailer)	US	1.3	Industrials		
Malibu Boats (Boat manufacturer)	US	1.7	AAON (HVAC manufacturer)	US	1.3
Ollie's Bargain Outlet (Discount cons. products retailer)	US	1.6	Alfa Laval (Industrial equipment manufacturer)	Sweden	0.4
Planet Fitness (Fitness centers operator)	US	0.6	Allegion (Security equipment manufacturer)	US	0.5
Rinnai (Consumer appliances manufacturer)	Japan	0.4	Atkore (Electrical conduit manufacturer)	US	1.9
Stanley Electric (Automotive lighting manufacturer)	Japan	0.8	Bossard (Industrial components supplier)	Switzerland	0.9
Thule Group (Lifestyle consumer products manufacturer)	Sweden	0.5	Clarkson (Shipping services)	UK	0.3
Consumer Staples			Diploma (Specialized technical services)	UK	1.5
Agthia (Foods and beverages manufacturer)	UAE	0.2	EnerSys (Industrial-battery manufacturer)	US	2.7
Ariake (Natural seasonings manufacturer)	Japan	1.4	Exponent (Engineering and scientific consultant)	US	1.9
Cosmos Pharmaceutical (Drugstores operator)	Japan	0.9	Haitian International (Injection-molding machines mfr.)	China	0.8
Cranswick (Foods manufacturer)	UK	1.2	MISUMI Group (Machinery-parts supplier)	Japan	1.5
MGP Ingredients (Alcoholic beverage ingredients mfr.)	US	2.2	MonotaRO (Factory materials supplier)	Japan	0.3
Pigeon (Consumer products manufacturer)	Japan	0.9	Nihon M&A Center Inc. (Financial advisory)	Japan	0.2
Reynolds (Consumer products manufacturer)	US	1.8	Rational (Commercial kitchen equipment manufacturer)	Germany	0.8
Robinsons Retail (Foods & consumer products retailer)	Philippines	1.0	Senior (Aerospace and auto parts manufacturer)	UK	1.9
Sugi Holdings (Drugstores operator)	Japan	0.7	Sensata Technologies (Industrial sensors mfr.)	US	0.4
Energy			SMS (Health care employment services)	Japan	0.5
Dialog Group Berhad (Petrochemical services)	Malaysia	1.0	Spirax-Sarco (Industrial components manufacturer)	UK	0.5
Helmerich & Payne (Oil driller)	US	1.1	TOMRA (Industrial sensors manufacturer)	Norway	0.3
Financials			UT Group (Manufacturing staffing services)	Japan	0.8
Bank of Georgia (Commercial bank)	UK	1.4	Information Technology		
BTPN Syariah (Commercial bank)	Indonesia	0.7	Advantech (Industrial PCs manufacturer)	Taiwan	0.9
Commerce Bank (Commercial bank)	US	1.2	Altair Engineering (Industrial design software developer)	US	2.8
Discovery Holdings (Insurance provider)	South Africa	0.8	Alten (Technology consultant and engineer)	France	1.4
Lazard (Financial advisory)	US	0.5	Appfolio (Real estate information services)	US	1.2
Linea Directa (Insurance provider)	Spain	0.6	Bechtle (IT services and IT products reseller)	Germany	1.5
MarketAxess (Electronic trading platform)	US	1.3	Cognex (Machine vision systems manufacturer)	US	0.8
Max Financial (Financial services & insurance provider)	India	1.1	Cyberark (Cybersecurity software developer)	Israel	1.7
Rathbones (Wealth manager)	UK	0.6	Endava (Software developer)	UK	1.5
RGA (Reinsurance provider)	US	2.2	Guidewire Software (Insurance software developer)	US	0.9
Siauliu Bankas (Commercial bank)	Lithuania	1.1	Infomart (Restaurant supply chain operator)	Japan	0.4

Global Small Companies Holdings (as of March 31, 2023)

Information Technology	Market	End Wt. (%)
Keywords Studios (Video game technical services)	UK	0.5
Kinaxis (Supply chain software developer)	Canada	1.3
LEM Holdings (Electrical components manufacturer)	Switzerland	1.1
Nemetschek (Engineering software developer)	Germany	1.3
Rakus (IT employment and cloud services)	Japan	0.5
Reply (IT consultant)	Italy	0.9
SimCorp (Asset management software provider)	Denmark	0.9
Vaisala (Atmospheric measuring devices manufacturer)	Finland	0.8
Materials		
Fuchs Petrolub (Lubricants manufacturer)	Germany	1.0
Hoa Phat Group (Steel producer)	Vietnam	0.5
JCU (Industrial coating manufacturer)	Japan	0.6
Real Estate		
No Holdings		
Utilities		
Rubis (Liquid chemical storage and distribution)	France	1.2
Cash		4.0

Model Portfolio holdings are supplemental information only and complement the fully compliant Global Small Companies 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.

1Q23 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL GSC	ACWI SC	
Altair Engineering	INFT	2.4	<0.1	1.04
Senior	INDU	1.8	<0.1	0.38
BorgWarner	DSCR	2.3	-	0.36
Bechtle	INFT	1.3	-	0.36
MarketAxess	FINA	1.2	-	0.35

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL GSC	ACWI SC	
Bank of Georgia	FINA	1.1	<0.1	0.83
EMIS Group	HLTH	0.3	<0.1	0.66
Atkore	INDU	1.0	0.1	0.66
BorgWarner	DSCR	2.0	-	0.65
AAON	INDU	0.9	<0.1	0.55

1Q23 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL GSC	ACWI SC	
Neurocrine Biosciences	HLTH	2.4	-	-0.56
Helmerich & Payne	ENER	1.4	0.1	-0.49
MGP Ingredients	STPL	2.2	<0.1	-0.34
Stock Yards	FINA	1.4	<0.1	-0.30
Abcam	HLTH	1.4	-	-0.28

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL GSC	ACWI SC	
Signature Bank	FINA	0.7	-	-0.73
Dechra	HLTH	1.4	0.1	-0.50
Cable One	COMM	0.7	<0.1	-0.41
Discovery Holdings	FINA	0.8	-	-0.33
Commerce Bank	FINA	0.7	0.1	-0.32

Portfolio Characteristics

Quality and Growth	HL GSC	ACWI SC
Profit Margin ¹ (%)	9.4	7.8
Return on Assets ¹ (%)	7.2	5.2
Return on Equity ¹ (%)	14.2	11.4
Debt/Equity Ratio ¹ (%)	25.1	61.0
Std. Dev. of 5 Year ROE ¹ (%)	4.3	6.0
Sales Growth ^{1,2} (%)	10.1	7.5
Earnings Growth ^{1,2} (%)	10.7	10.2
Cash Flow Growth ^{1,2} (%)	7.3	7.1
Dividend Growth ^{1,2} (%)	8.4	5.3
Size and Turnover		
Wtd. Median Mkt. Cap. (US \$B)	3.8	3.0
Wtd. Avg. Mkt. Cap. (US \$B)	4.6	3.6
Turnover ³ (Annual %)	21.3	-

Risk and Valuation	HL GSC	ACWI SC
Alpha ² (%)	-1.05	-
Beta ²	0.92	-
R-Squared ²	0.88	-
Active Share ³ (%)	98	-
Standard Deviation ² (%)	19.62	19.86
Sharpe Ratio ²	0.75	0.88
Tracking Error ² (%)	7.1	-
Information Ratio ²	-0.40	-
Up/Down Capture ²	87/95	-
Price/Earnings ⁴	19.0	12.4
Price/Cash Flow ⁴	13.9	7.7
Price/Book ⁴	2.9	1.6
Dividend Yield ⁵ (%)	1.5	2.3

¹Weighted median; ²Trailing five years, annualized; ³Three-year average; ⁴Weighted harmonic mean; ⁵Weighted mean. Source (Risk characteristics): eVestment Alliance (eA); Harding Loevner Global Small Companies 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 Global Small Companies Model, based on the underlying holdings; MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector
Cranswick	UK	STPL
Endava	UK	INFT

Positions Sold	Market	Sector
Bankinter	Spain	FINA
FinecoBank	Italy	FINA
HEICO	US	INDU
Lakeland Financial	US	FINA
Signature Bank	US	FINA
Silergy	Taiwan	INFT
Stock Yards	US	FINA

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Global Small Companies Composite Performance (as of March 31, 2023)

	HL Global Small Cos. Gross (%)	HL Global Small Cos. Net (%)	MSCI ACWI Small Cap Index ¹ (%)	HL Global Small Cos. 3-yr. Std. Deviation ² (%)	MSCI ACWI Small Cap Index 3-yr. Std. Deviation ² (%)	Internal Dispersion ³ (%)	No. of Accounts	Composite Assets (\$M)	Firm Assets (\$M)
2023 YTD ⁴	4.86	4.64	4.37	19.62	19.86	N.A.	1	1	49,940
2022	-21.46	-22.14	-18.27	21.86	23.83	N.M.	1	1	47,607
2021	12.53	11.52	16.54	18.58	21.27	N.M.	1	2	75,084
2020	29.24	28.09	16.83	+	+	N.M.	1	2	74,496
2019	30.99	29.82	25.23	+	+	N.M.	1	1	64,306

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; N.M.—Information is not statistically significant due to an insufficient number of portfolios in the Composite for the entire year. +Less than 36 months of return data.

The Global Small Companies Composite contains fully discretionary, fee-paying accounts investing primarily in US and non-US equity and equity-equivalent securities of companies with market capitalizations that fall within the range of the Composite's benchmark index and cash reserves, and is measured against the MSCI All Country World Small Cap 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 Small Cap Index is a free float-adjusted market capitalization index that is designed to measure small cap developed and emerging market equity performance. The Index consists of 47 developed and emerging market countries, and is comprised of companies that fall within a market capitalization range of USD 51-28,200 million (as of March 31, 2023). 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 verification report is 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.

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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. 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 Small Companies Equity accounts is 1.00% annually of the market value for the first \$20 million; 0.80% for the next \$80 million; 0.70% above \$100 million. 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 Small Companies Composite was created on December 31, 2018 and the performance inception date is January 1, 2019.