

## Performance (% Total Return)

Periods ended October 31, 2021 <sup>1</sup>	1 Month	YTD	1 Year	3 Years <sup>2</sup>	5 Years <sup>2</sup>	10 Years <sup>2</sup>	Since Inception <sup>2,3</sup>
HL International Equity (Gross)	3.78	8.64	31.34	16.42	13.28	10.28	8.94
HL International Equity (Net)	3.71	8.06	30.53	15.68	12.56	9.62	8.14
MSCI All Country World ex-US Index <sup>4,5</sup>	2.41	8.86	30.23	12.51	10.28	7.15	5.59
MSCI EAFE Index <sup>5,6</sup>	2.48	11.49	34.80	12.06	10.31	7.86	5.27

## Portfolio Positioning (% Weight)

Sector	HL Intl	MSCI ACWI ex-US	Under / Over
Info Technology	18.6	13.1	5.5
Health Care	13.8	9.4	4.4
Cons Staples	12.6	8.5	4.1
Industrials	16.2	12.1	4.1
Cash	2.7	-	2.7
Materials	8.2	7.9	0.3
Comm Services	5.3	6.2	-0.9
Energy	3.4	5.0	-1.6
Utilities	0.9	3.0	-2.1
Real Estate	0.0	2.4	-2.4
Financials	15.9	19.5	-3.6
Cons Discretionary	2.4	12.9	-10.5

Geography	HL Intl	MSCI ACWI ex-US	Under / Over
Europe ex-EMU	26.2	20.1	6.1
Cash	2.7	-	2.7
Other <sup>7</sup>	1.1	-	1.1
Middle East	1.2	0.4	0.8
Europe EMU	21.6	21.2	0.4
Frontier Markets <sup>8</sup>	0.0	-	0.0
Pacific ex-Japan	7.2	7.2	0.0
Japan	12.6	14.5	-1.9
Emerging Markets	25.3	29.2	-3.9
Canada	2.1	7.4	-5.3

## Investment Perspectives

### Market

While supply chain disruptions continue to affect many businesses, the most likely scenario is that most bottlenecks will ease in the coming year and the recent bump in inflation will prove transitory. In the meantime, companies in our portfolio have strong competitive positions, giving them bargaining power over their customers and suppliers, and enabling many of them to protect margins by raising prices. The semiconductor chip shortage, however, may persist since costly capacity expansions take several years and demand for semiconductors will only increase, led by new applications ranging from automotive electrification to artificial intelligence. Intermittent pandemic-forced shutdowns have also been a culprit in supply chain troubles, leading to increased demand for industrial automation products. Even as supply chain issues ease, we expect the secular trend of rising industrial automation to continue.

### Portfolio

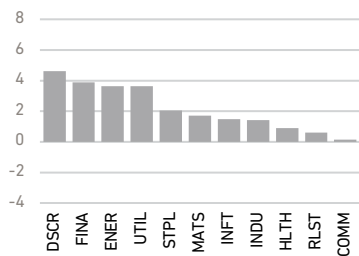
Our Swiss Health Care stocks have strongly performed year to date, especially pharmaceutical contract developer and manufacturer **Lonza**. During its recent capital markets day, Lonza highlighted growth prospects through 2024 and outlined an ambitious capital expansion plan. With its recent divestiture of its specialty ingredients business, Lonza has ample liquidity to pursue facility expansions. These investments are substantially de-risked by the company's large and diverse set of customers, its substantial backlog and pipeline, and its long duration contracts, which provide some certainty on future revenues.

## Ten Largest Holdings

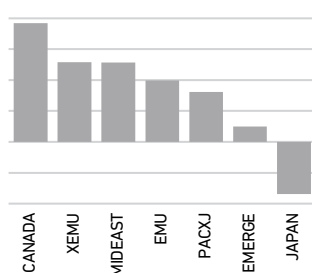
Company	Market	Sector
Atlas Copco	Sweden	Industrials
L'Oréal	France	Cons Staples
TSMC	Taiwan	Info Technology
Infineon Technologies	Germany	Info Technology
Tencent	China	Comm Services
Samsung Electronics	South Korea	Info Technology
Adyen	Netherlands	Info Technology
Roche	Switzerland	Health Care
AIA Group	Hong Kong	Financials
Schneider Electric	France	Industrials

## Benchmark Performance | Oct.

Total Return by Sector (%)

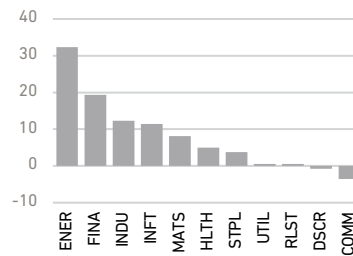


Total Return by Geography (%)

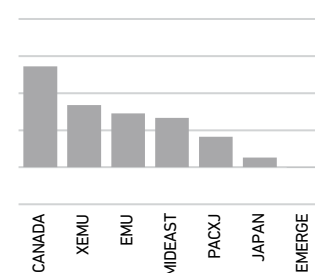


## Benchmark Performance | YTD

Total Return by Sector (%)

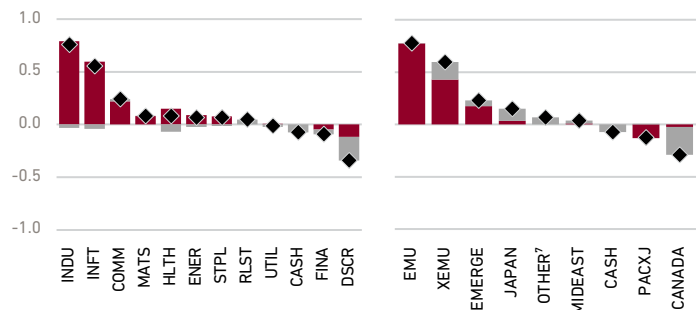


Total Return by Geography (%)



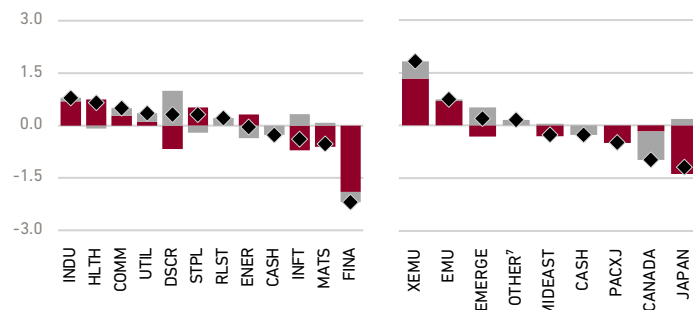
## Performance Attribution | Oct.

	Effect (%)	Selection	Allocation	Total
Sector	1.9		-0.5	1.4
Geography	1.3		0.1	1.4



## Performance Attribution | YTD

	Effect (%)	Selection	Allocation	Total
Sector	-1.3		1.0	-0.3
Geography	-0.7		0.4	-0.3



- Growth outperformed, providing a tailwind to the portfolio.
- Swedish industrials—**Alfa Laval**, **Atlas Copco**, and **Epiroc**—continued to perform well even with lingering supply chain uncertainties.
- Our investments in Information Technology, particularly software & services, also strongly contributed. Dutch payments processor **Adyen** and French design software company **Dassault Systèmes** led the group; the latter reported robust quarterly results and raised guidance for the second time this year. German semiconductor manufacturer **Infineon Technologies** introduced impressive new guidance, calling for double-digit revenue growth in automotive, its largest segment.

- Despite the October rebound, growth still lags meaningfully YTD.
- Financials detracted the most, especially in Emerging Markets, including Brazilian bank **Itaú Unibanco** and Chinese insurer **Ping An Insurance**. Good returns in Swedish Industrial holdings provided some offset.
- The chip shortage impacted returns in Information Technology. Our largest sector holding, **TSMC**, trailed equipment makers like ASML (not held) that stand to benefit from myriad plant expansions.
- Health Care performed strongly, boosted by our Swiss holdings. As discussed above, Lonza announced a positive long-term outlook. Ophthalmology specialist **Alcon** and hearing aid manufacturer **Sonova Holding** both reported market share gains.

## Top Five Contributors/Detractors (%) | Oct.

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Infineon Technologies	Germany	INFT	0.2	0.33
Epiroc	Sweden	INDU	0.1	0.23
L'Oréal	France	STPL	0.4	0.23
Alfa Laval	Sweden	INDU	<0.1	0.19
Lonza	Switzerland	HLTH	0.2	0.14
<b>Detractors</b>				
Unicharm	Japan	STPL	0.1	-0.23
CSPC Pharmaceutical Group	China	HLTH	<0.1	-0.20
Samsung Electronics	South Korea	INFT	1.3	-0.15
NITORI	Japan	DSCR	0.1	-0.15
Rio Tinto	UK	MATS	0.3	-0.12

## Top Five Contributors/Detractors (%) | YTD

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Alfa Laval	Sweden	INDU	<0.1	0.60
Sonova Holding	Switzerland	HLTH	0.1	0.58
Adyen	Netherlands	INFT	0.2	0.56
Lukoil	Russia	ENER	0.1	0.54
Atlas Copco	Sweden	INDU	0.2	0.52
<b>Detractors</b>				
Chugai Pharmaceutical	Japan	HLTH	0.1	-0.79
Samsung Electronics	South Korea	INFT	1.5	-0.64
Ping An Insurance	China	FINA	0.3	-0.61
Unicharm	Japan	STPL	0.1	-0.54
ASML*	Netherlands	INFT	1.0	-0.46

\*Company was not held in the portfolio; its absence had a significant 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 October 2021 Composite performance shown is preliminary (2) Annualized returns  
(3) Inception date: December 31, 1989 (4) The benchmark index (5) Gross of withholding taxes  
(6) Supplemental index (7) Includes companies classified in countries outside the index  
(8) Includes countries with less-developed markets outside the index.

## Sources

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

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

Sector/Geographic Positioning and Ten Largest Holdings: FactSet; Harding Loevner International 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 All Country World ex-US 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, 2021. 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 International Equity Composite has had a performance examination for the periods January 1, 1990 through June 30, 2021. 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 International Equity Composite, please contact Harding Loevner at (908) 218-7900 or visit [www.hardingloevner.com](http://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.

The MSCI All Country World ex-US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US. The index consists of 49 developed and emerging market countries. The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US and Canada. The index consists of 21 developed market countries. You cannot invest directly in these indexes.

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. 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 International 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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