

## Performance (% Total Return)

Periods ended August 31, 2022 <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)	-5.39	-23.85	-24.18	4.66	3.72	6.86	7.82
HL International Equity (Net)	-5.43	-24.17	-24.66	4.00	3.06	6.20	7.03
MSCI All Country World ex-US Index <sup>4,5</sup>	-3.19	-18.02	-19.10	3.33	2.15	4.96	4.78
MSCI EAFE Index <sup>5,6</sup>	-4.74	-19.24	-19.37	2.86	2.12	5.48	4.45

## Portfolio Positioning (% Weight)

Sector	HL Intl.	MSCI ACWI ex-US	Under / Over
Health Care	13.1	9.3	3.8
Cash	3.5	-	3.5
Industrials	15.2	12.2	3.0
Cons Staples	11.8	9.1	2.7
Info Technology	13.8	11.2	2.6
Materials	9.4	8.0	1.4
Financials	20.1	20.3	-0.2
Comm Services	4.6	6.2	-1.6
Utilities	1.6	3.4	-1.8
Real Estate	0.0	2.4	-2.4
Energy	2.5	6.2	-3.7
Cons Discretionary	4.4	11.7	-7.3

Geography	HL Intl.	MSCI ACWI ex-US	Under / Over
Cash	3.5	-	3.5
Europe ex-EMU	23.9	20.4	3.5
Other <sup>7</sup>	1.3	-	1.3
Pacific ex-Japan	9.4	8.1	1.3
Europe EMU	19.6	18.9	0.7
Frontier Markets <sup>8</sup>	0.0	-	0.0
Middle East	0.0	0.5	-0.5
Japan	13.7	14.3	-0.6
Canada	4.0	8.1	-4.1
Emerging Markets	24.6	29.7	-5.1

## Investment Perspectives

### Market

So far in 2022, European markets have generally underperformed their Asian counterparts. This may be because Asian economies tend to have fewer energy-intensive industrial companies and are less reliant than Europe on natural gas imports. For example, China is over 50% self-sufficient in gas and can access cheap Russian gas if supplies are needed. In contrast, due to Russia's recent decision to halt gas deliveries to Europe (at least for the time being), the continent is now scrambling to secure gas before the colder months. Some manufacturers in Germany, a country that purchases more than half its gas from Russia, have stopped production and are preparing for blackouts and factory closures. Historically, energy-related dislocations caused by global events have proven to be temporary, and companies with strong industry position and astute management teams are better positioned to weather the storm.

### Portfolio

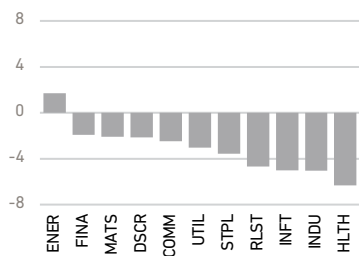
**Infineon Technologies**, the leading manufacturer of power semiconductors, has been among the worst stocks this year after strong performance in 2021. The semiconductor industry faces numerous headwinds, including supply chain disruptions and slowing economic growth. However, Infineon's recent earnings results show little evidence of these issues, at least for now. Earlier this month, the company reported 33% growth in revenues and a record high operating margin this quarter, fueled by strength in its auto and power/sensor businesses. The order backlog rose on new customer wins, and management raised full-year revenue guidance.

## Ten Largest Holdings

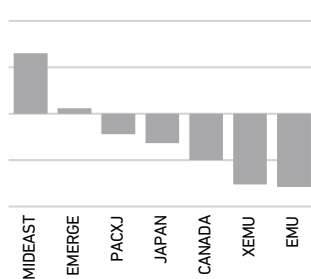
Company	Market	Sector
L'Oréal	France	Cons Staples
Samsung Electronics	South Korea	Info Technology
DBS Group	Singapore	Financials
Roche	Switzerland	Health Care
AIA Group	Hong Kong	Financials
Atlas Copco	Sweden	Industrials
Tencent	China	Comm Services
BHP	Australia	Materials
Schneider Electric	France	Industrials
ICICI Bank	India	Financials

## Benchmark Performance | Aug.

Total Return by Sector (%)

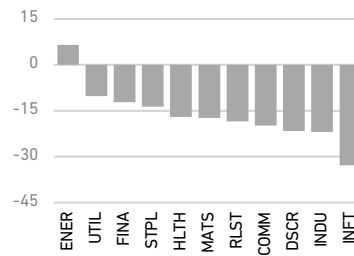


Total Return by Geography (%)

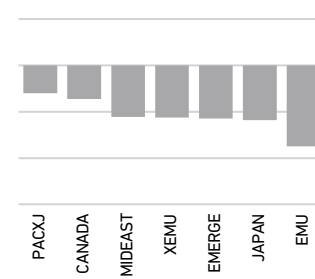


## Benchmark Performance | YTD

Total Return by Sector (%)

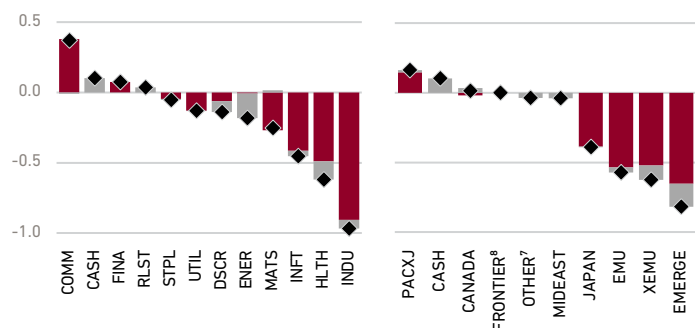


Total Return by Geography (%)



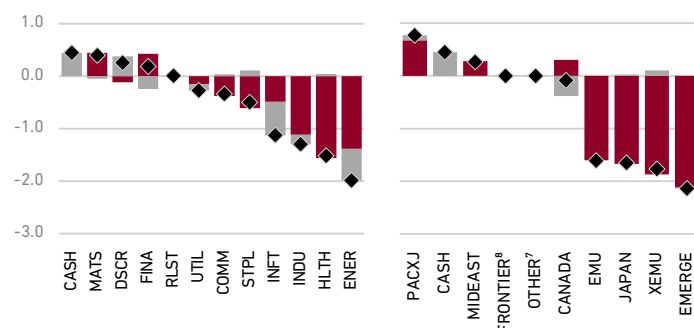
## Performance Attribution | Aug.

	Effect (%)	Selection	Allocation	Total
Sector	-1.9	-0.3	-2.2	
Geography	-2.0	-0.2	-2.2	



## Performance Attribution | YTD

	Effect (%)	Selection	Allocation	Total
Sector	-5.0	-0.8	-5.8	
Geography	-6.0	0.2	-5.8	



- In Industrials, **Atlas Copco** declined amid concerns that a winter energy crunch in Europe could disrupt operations. Despite strong 2Q22 results, **Sanhua Intelligent Controls** fell after rising nearly 80% since the end of May.
- Health Care equipment was another sore spot for the portfolio. **Alcon** shares declined; despite good 2Q22 results and strong underlying demand, management cut guidance due to the strong US dollar. Shares of **Sonova Holding** were also under pressure.
- Communication Services was buoyed by our holding in **Tencent**, which benefitted from an improved growth outlook for the second half of 2022 due to China's stimulus measures. **Telkom Indonesia** shares rallied as management laid out their strategic initiative to unlock value of the different business units.

- Our underweight in Energy, the only benchmark sector in positive territory so far this year, hurt performance, as well as the write-down of **Lukoil**.
- Performance was poor in Health Care. **Lonza**, the Swiss life-science product manufacturer, has been a consistent share price laggard despite solid results. Diagnostic testing equipment maker **Sysmex** has faced distribution issues in China in addition to rolling lockdowns in the country.
- Capital goods companies Atlas Copco and **Schneider Electric** have been weak for most of the year due to expectations of higher inflation and a decelerating global economy.

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

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
DBS Group	Singapore	FINA	0.2	0.19
ICICI Bank	India	FINA	0.2	0.17
Telkom Indonesia	Indonesia	COMM	0.1	0.16
Tencent	China	COMM	1.1	0.14
Haier Smart Home	China	DSCR	<0.1	0.11
<b>Detractors</b>				
Sonova Holding	Switzerland	HLTH	0.1	-0.31
Sanhua Intelligent Controls	China	INDU	-	-0.29
Atlas Copco	Sweden	INDU	0.2	-0.26
Schneider Electric	France	INDU	0.3	-0.22
Alcon	Switzerland	HLTH	0.2	-0.21

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

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
BHP	Australia	MATS	0.6	0.47
ICICI Bank	India	FINA	0.2	0.43
DBS Group	Singapore	FINA	0.2	0.40
Telkom Indonesia	Indonesia	COMM	0.1	0.35
Shopify*	Canada	INFT	0.3	0.33
<b>Detractors</b>				
Lukoil	Russia	ENER	<0.1	-1.33
Infineon Technologies	Germany	INFT	0.2	-0.91
Atlas Copco	Sweden	INDU	0.2	-0.77
Sysmex	Japan	HLTH	0.1	-0.62
Yandex	Russia	COMM	<0.1	-0.52

\*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 August 2022 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 March 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 International Equity Composite has had a performance examination for the periods January 1, 1990 through March 31, 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 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 46 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 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 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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