

## Performance (% Total Return)

Periods ended October 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)	1.91	-28.25	-27.73	0.53	1.45	5.87	7.58
HL International Equity (Net)	1.85	-28.64	-28.19	-0.10	0.81	5.22	6.80
MSCI All Country World ex-US Index <sup>4,5</sup>	3.00	-23.96	-24.35	-1.23	-0.13	3.75	4.52
MSCI EAFE Index <sup>5,6</sup>	5.39	-22.81	-22.62	-0.82	0.39	4.61	4.29

## Portfolio Positioning (% Weight)

Sector	HL Intl.	MSCI ACWI ex-US	Under / Over
Cash	3.4	-	
Health Care	13.4	10.0	
Cons Staples	12.1	9.1	
Industrials	15.3	12.5	
Info Technology	13.6	10.9	
Materials	9.5	8.1	
Financials	20.7	20.9	
Comm Services	3.6	5.7	
Real Estate	0.0	2.2	
Utilities	1.1	3.3	
Energy	2.8	6.6	
Cons Discretionary	4.5	10.7	

Geography	HL Intl.	MSCI ACWI ex-US	Under / Over
Europe ex-EMU	24.8	21.2	
Cash	3.4	-	
Other <sup>7</sup>	1.5	-	
Pacific ex-Japan	9.0	7.8	
Europe EMU	20.7	20.3	
Frontier Markets <sup>8</sup>	0.0	-	
Japan	13.5	14.1	
Middle East	0.0	0.6	
Canada	4.3	8.5	
Emerging Markets	22.8	27.5	

## Investment Perspectives

### Market

Emerging Markets (EM) underperformed, dragged down by China, which fell nearly 17% following the recent Communist Party Congress meeting where President Xi gained an unprecedented third term and further expanded his government control. This offset strength in other EM countries such as South Korea, Brazil, and Mexico. In Europe, the UK rose 6% after a steep decline last month. Newly appointed Chancellor of the Exchequer Jeremy Hunt largely reversed his predecessor's controversial tax plan that had triggered a sharp rise in the yields of UK sovereign bonds and a decline in the British pound. By sector, Energy and Industrials were the strongest, while Communication Services and Real Estate fell the most.

### Portfolio

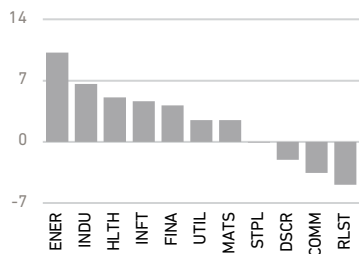
**FEMSA**, Mexico's largest convenience store retailer with nearly 20,000 stores, reported positive results last quarter as rising inflation and slowing growth failed to impact earnings. Higher prices and strong same-store sales growth in OXXO, its Mexican convenience stores, as well as overall volume growth in its beverage businesses, led to 15% organic revenue growth overall. FEMSA also benefitted from a highly cash-generative 45% stake in Coca-Cola FEMSA, Mexico's largest Coca-Cola bottler, a 15% economic interest in Heineken, and fuel and logistics interests. The company continues to expand its retail offerings in Mexico, Brazil, and Colombia, which should support long-term growth.

## Ten Largest Holdings

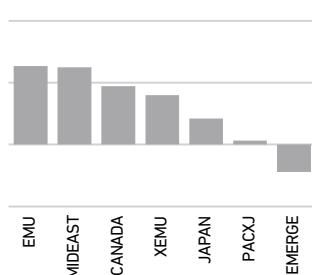
Company	Market	Sector
DBS Group	Singapore	Financials
Samsung Electronics	South Korea	Info Technology
Roche	Switzerland	Health Care
Atlas Copco	Sweden	Industrials
L'Oréal	France	Cons Staples
Schneider Electric	France	Industrials
SE Banken	Sweden	Financials
ICICI Bank	India	Financials
BHP	Australia	Materials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

## Benchmark Performance | Oct.

Total Return by Sector (%)

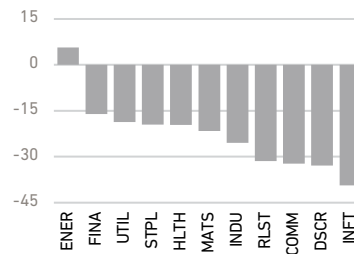


Total Return by Geography (%)

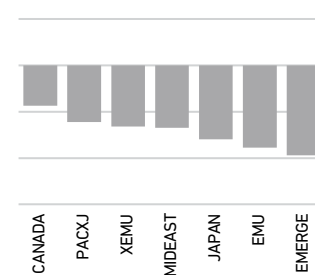


## Benchmark Performance | YTD

Total Return by Sector (%)

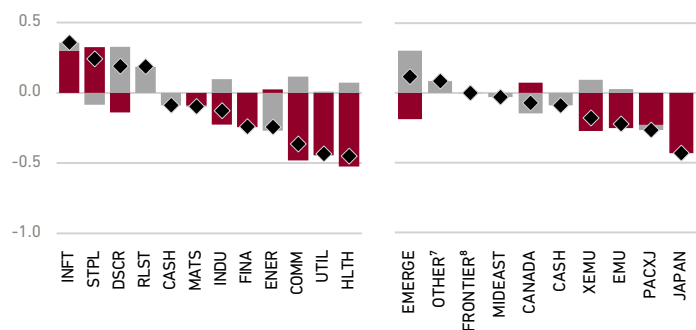


Total Return by Geography (%)



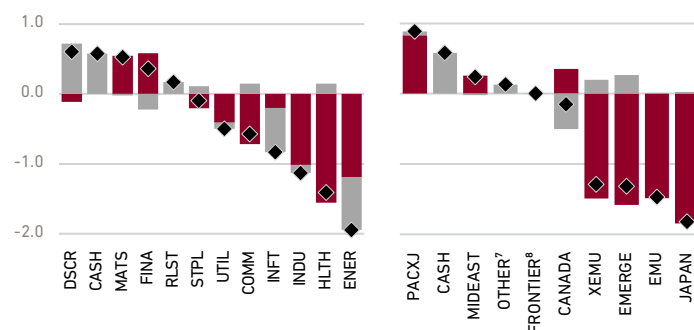
## Performance Attribution | Oct.

	Effect (%)	Selection	Allocation	Total
Sector	-1.5		0.4	-1.1
Geography	-1.3		0.2	-1.1



## Performance Attribution | YTD

	Effect (%)	Selection	Allocation	Total
Sector	-4.3		0.1	-4.2
Geography	-5.0		0.8	-4.2



- Style headwinds resumed this month. Higher quality, faster growing, and more expensive companies lagged in October.
- In Health Care, **Chugai Pharmaceutical** hurt relative returns. Sales of its rheumatoid arthritis drug fell due to supply chain problems and worries that low inventories of the company's hemophilia drug may hurt sales next year.
- Japan was the weakest region. In addition to Chugai mentioned above, consumer products manufacturer **Unicharm** fell as higher input costs fueled by higher oil prices squeezed margins.
- The Informational Technology sector was a bright spot. **Samsung Electronics** outperformed on optimism about a rebound in the memory market next year and the possibility that it may gain share back in DRAM.

- Within Energy—the strongest performing sector this year—our underweight hurt performance as did the write-down of our **Lukoil** position.
- The portfolio benefitted from its underweight to Consumer Discretionary, which was the second weakest sector so far this year.
- On a relative basis, Japan is now our weakest region this year. Part of the weakness is attributed to the yen, which has fallen throughout 2022. Among our holdings, **Sysmex**, the maker of diagnostic testing equipment, was the biggest detractor as supply chain issues and rolling lockdowns in China impacted sales.

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

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Atlas Copco	Sweden	INDU	0.2	0.31
FEMSA	Mexico	STPL	0.1	0.19
Allianz	Germany	FINA	0.3	0.19
Samsung Electronics	South Korea	INFT	1.1	0.19
Alibaba*	China	DSCR	0.7	0.18
<b>Detractors</b>				
ENN Energy	China	UTIL	<0.1	-0.44
Haier Smart Home	China	DSCR	<0.1	-0.36
Tencent	China	COMM	1.0	-0.36
AIA Group	Hong Kong	FINA	0.5	-0.28
Ping An Insurance	China	FINA	0.2	-0.18

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

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
DBS Group	Singapore	FINA	0.2	0.61
ICICI Bank	India	FINA	0.2	0.54
BHP	Australia	MATS	0.6	0.45
Royal Dutch Shell	UK	ENER	0.9	0.36
Telkom Indonesia	Indonesia	COMM	0.1	0.31
<b>Detractors</b>				
Lukoil	Russia	ENER	<0.1	-1.23
Infineon Technologies	Germany	INFT	0.2	-0.73
Sysmex	Japan	HLTH	<0.1	-0.62
Tencent	China	COMM	1.2	-0.50
Adyen	Netherlands	INFT	0.1	-0.49

\*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 October 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 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 International Equity Composite has had a performance examination for the periods January 1, 1990 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 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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