International Equity Research

Quarterly Report | Third Quarter 2021

HARDING LOEVNER

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Composite Performance

Total Return (%) — Periods Ended September 30, 2021[1]

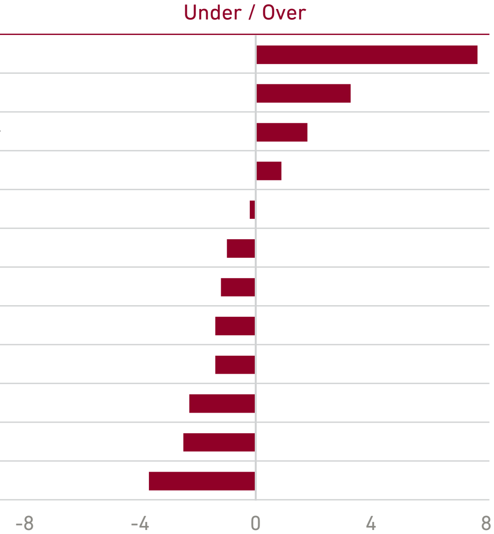
	3 Months	YTD	1 Year	3 Years[2]	5 Years[2]	Since Inception[2,3]
HL International Equity Research (Gross of Fees)	-1.84	5.50	23.68	9.88	10.89	11.72
HL International Equity Research (Net of Fees)	-2.02	4.94	22.82	9.10	10.09	10.91
MSCI All Country World ex-US Index[4,5]	-2.88	6.29	24.45	8.51	9.44	9.31

[1]The Composite performance returns shown are preliminary; [2]Annualized Returns; [3]Inception Date: December 31, 2015; [4]The Benchmark Index; [5]Gross of withholding taxes.

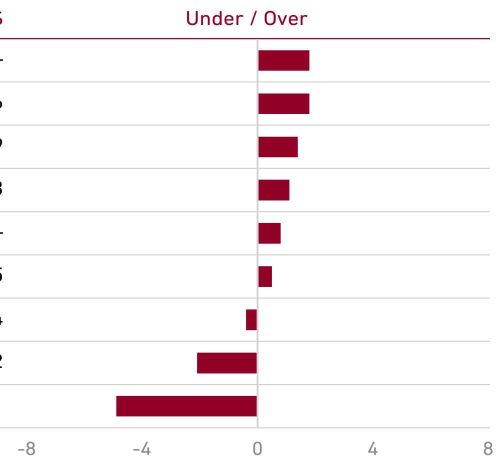
Please read the above performance in conjunction with the footnotes on the last page of this report. Past performance does not guarantee future results. All performance and data shown are in US dollar terms, unless otherwise noted.

Portfolio Positioning (% Weight)

Sector	HL IER	ACWI ex-US
Industrials	19.9	12.2
Health Care	12.8	9.5
Cash	1.8	–
Cons Staples	9.4	8.5
Energy	4.7	4.9
Info Technology	12.2	13.2
Cons Discretionary	11.5	12.7
Comm Services	4.9	6.3
Real Estate	1.1	2.5
Utilities	0.7	3.0
Materials	5.5	8.0
Financials	15.5	19.2



Geography	HL IER	ACWI ex-US
Cash	1.8	–
Emerging Markets	31.4	29.6
Europe EMU	22.3	20.9
Japan	16.4	15.3
Frontier Markets[6]	0.8	–
Europe ex-EMU	20.0	19.5
Middle East	0.0	0.4
Pacific ex-Japan	5.1	7.2
Canada	2.2	7.1



[6]Includes countries with less-developed markets outside the index. Sector and geographic allocations are supplemental information only and complement the fully compliant International Equity Research Composite GIPS Presentation. Source: Harding Loevner International Equity Research 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.

Market Review

Stock markets fell in the quarter as soaring consumer price indexes collided with the prospect of slowing growth and higher interest rates. After bottoming out in May 2020, inflation expectations have ballooned, stoked by tight labor markets, pent-up consumer demand, and pandemic-mangled supply chains. The spread of the Delta variant, despite high vaccination rates in many developed economies, dampened the pace of recovery. But even with the ongoing effects of COVID-19 and decelerating global growth expectations, central banks have begun to signal the impending end of unprecedented monetary support and, in some cases, have already acted, by reducing bond buying (European Central Bank) or actually raising interest rates (Norway, Brazil, and Russia). The US Federal Reserve adopted a more-hawkish tone following its September meeting, suggesting it could begin to scale back its monthly bond purchases as soon as this year, while its short-term interest rate forecasts now indicate a liftoff for rates as early as next year. US Treasury bond prices fell sharply late in the quarter, but their yields remain below levels reached in March. Oil prices marched higher, with Brent crude trading near US$80 per barrel for the first time since 2018.

MSCI ACW ex-US Index Performance (USD %)

Geography	3Q 2021	Trailing 12 Months
Canada	-2.4	34.9
Emerging Markets	-8.0	18.6
Europe EMU	-1.8	29.6
Europe ex-EMU	-1.1	26.1
Japan	4.7	22.5
Middle East	2.9	28.6
Pacific ex-Japan	-4.4	25.9
MSCI ACWI ex-US Index	-2.9	24.4

Sector	3Q 2021	Trailing 12 Months
Communication Services	-9.6	9.6
Consumer Discretionary	-11.4	10.3
Consumer Staples	-3.4	10.1
Energy	7.0	56.7
Financials	1.2	43.3
Health Care	-1.9	10.5
Industrials	0.5	28.9
Information Technology	-0.9	37.1
Materials	-5.4	27.5
Real Estate	-6.3	12.4
Utilities	-1.7	11.1

Source: FactSet (as of September 30, 2021). MSCI Inc. and S&P.

Proliferating regulatory interventions and an impending debt default by Evergrande, China's second largest property company, savaged Chinese share prices. The regulatory crackdown, which began last November with the tabling of Ant Group's IPO, expanded with the adoption of anti-monopoly legislation aimed at the country's internet giants and new rules to strengthen the data security of social media platforms. Chinese President Xi Jinping's stated goal to tackle income inequality and promote "common prosperity," including the "reasonable adjustment of excessive incomes," raised questions about the future of many firms. The turbulence in the Chinese property market coupled with mandates to curb Chinese industrial carbon emissions led to a sharp selloff in iron ore, with spot prices falling over 50% since peaking in May, and along with it the share prices of mining stocks. Meanwhile, in the US, a major infrastructure spending bill—which if adopted would help offset falling Chinese demand for iron ore—fell victim to political gridlock as politicians were unable to reach consensus on the scale of a companion package focused on climate change and expanding the social safety net. Partisan gamesmanship around the US debt ceiling added to the general uncertainty.

September was the worst month for stocks since March 2020. Regional performance resembled the pattern in that early stage of the pandemic, marked by the outperformance of Japan and underperformance of Europe and EMs. One major difference this time, however, was China significantly underperforming; Chinese stocks declined by over 18%, trailing EMs overall by 10% for the quarter. Most major currencies declined against the US dollar, with the biggest falls seen in commodity-exposed currencies, including the Australian and Canadian dollars and the Brazilian real.

Sector performance was heavily influenced by the Chinese regulatory headwinds and the diverging fortunes of iron ore and oil prices. Consumer Discretionary stocks slumped, hurt by roughly a 35% decline in heavyweight Alibaba's shares.

Sector performance was heavily influenced by the Chinese regulatory headwinds and the diverging fortunes of iron ore and oil prices. Consumer Discretionary stocks slumped, hurt by roughly a 35% decline in heavyweight **Alibaba's** shares, along with other Chinese retailers such as Pinduoduo and **Meituan**. **Baidu** and **Tencent's** declines hurt returns in Communication

Companies held in the portfolio during 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 list of the 25 largest holdings at September 30, 2021 is available on page 6 of this report.

Services. Materials, heavily weighted toward mining stocks, fell in conjunction with the decline in ore prices. The Energy sector eked out positive gains on the back of pricier oil, while Financials also gained, supported by the prospect of widening spreads as interest rates normalize.

Viewed by style, the highest-quality stocks, i.e., those of companies in the best quintile according to our quality measures including degree of leverage and volatility of returns, outperformed the index by approximately 280 basis points. Shares of faster-growing companies, meanwhile, underperformed substantially. For year-to-date returns, however, the "value rally" still dominates, despite being on hold since May. The cheapest quintile of stocks in terms of valuation has outperformed the most expensive by a staggering 1,200 basis points, and the MSCI ACW ex-US Value Index's return of over 9% for the year is still well ahead of the nearly 3% return for MSCI ACW ex-US Growth.

Peformance and Attribution

The International Equity Research composite returned -1.8% in the second quarter gross of fees, compared to the MSCI ACW-ex US Index which returned -2.9%. For the year to date, the composite returned 5.5% (also gross of fees) trailing the benchmark's return of 6.3%.

Outperformance was due to strong stock selection across regions and sectors. Regionally, holdings in Japan and EMs were large contributors. In the former, **Shionogi's** shares gained after the pharmaceutical maker announced positive results for its COVID-19 antiviral medication and hopes rose for its reformulated COVID-19 vaccine candidate after the government simplified Japan's clinical-trial rules. **Benefit One**, a Japanese corporate benefits outsourcer, saw strong profit growth on a rebound in health care support services as members got back to scheduling non-urgent medical appointments put off earlier in the pandemic. In EMs, we were helped by our smaller exposure versus the index to Tencent and Alibaba as the Chinese tech giants continued to be a prime target of Chinese regulators.

Pacific ex-Japan was a drag on returns. Mining company **BHP** in Australia suffered from the huge drop in iron ore prices. Furthermore, its Australian-listed shares were impacted by the company's decision to streamline its corporate structure by moving to a single global share class; investors sold out of the more-expensive Australian listing to buy into the cheaper London one.

We benefited from strong stock selection across several sectors. Shionogi's performance boosted our relative returns in Health Care. In Consumer Discretionary, **NITORI**, Japan's largest home furnishing retailer, continued integrating its online and offline channels to drive sales. Having built up inventory of its most popular items, it managed to stay ahead of supply chain disruptions. And in Communication Services, **Hakuhodo**, the second-largest advertising company in Japan, saw gross profits and operating profits rise with the strong rebound in the domestic advertising market.

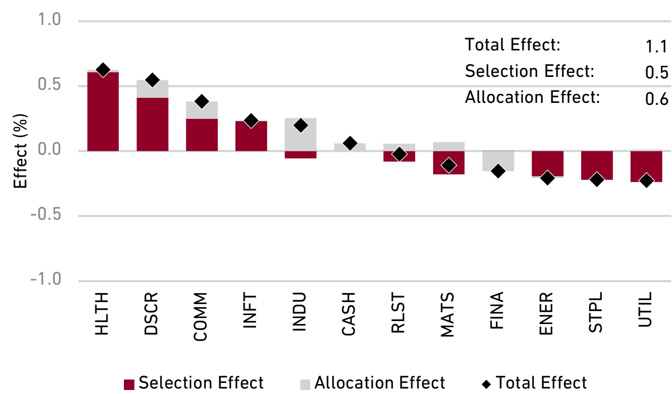
Perspective and Outlook

In our 2020 first quarter letter, at the early stage of the global pandemic, we marveled at the resiliency of the Chinese stock market, which we ascribed to the country's success in containing the domestic spread of the coronavirus through

Third Quarter 2021 Performance Attribution

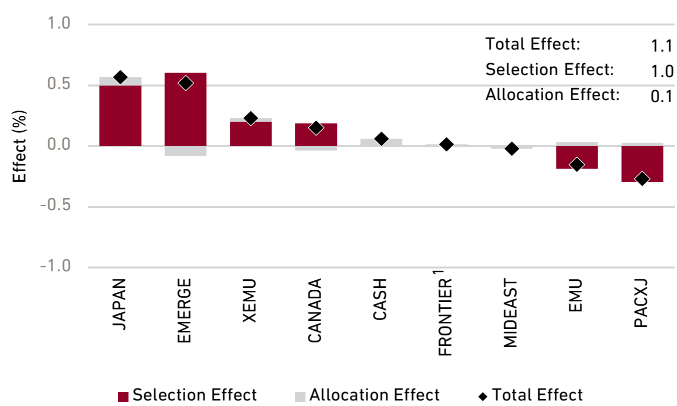
Sector

International Equity Research Composite vs. MSCI ACW ex-US Index



Geography

International Equity Research Composite vs. MSCI ACW ex-US Index



[1]Includes countries with less-developed markets outside the index. Source: FactSet; Harding Loevner International Equity Research 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.

draconian lockdowns, whose efficacy was made possible by its authoritarian political system. Eighteen months later, a similarly authoritarian intervention has left investors reeling. While government intervention is not uncommon in China, the scale and pace of this latest crop of reforms is unprecedented. Is Xi Jinping, China's most powerful leader since Chairman Mao, revealing his allegiance to a collectivist ideology long thought to be discredited? Or is he boldly grasping the nettle of reform to redress economic imbalances and social ills before they become more entrenched and undermine the Chinese Communist Party's legitimacy?

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Despite headlines conjuring memories of the CCP's gruesome past, we accept that on balance the policy changes are intended to benefit the long-term health of Chinese society and economy, especially its middle class. The message the Party is sending to business leaders across China is clear: compete on a level playing field and pay a fair wage. For instance, much of the coverage of Ant Group's canceled IPO focused on the ostensible desire of the CCP to clip the wings of its tech oligarchs. More persuasive in our view is that having observed and learned from the West's subprime debacle a decade prior, Chinese financial regulators are not keen to allow loan origination to be divorced from the underlying credit risks of the loans—a source of moral hazard that would potentially destabilize a financial system still dominated by lumbering state-owned banks with weak credit cultures and poor management systems. Antitrust interventions targeting the largest e-commerce platforms echo the statements (if not yet the achievements) of many Western policymakers to improve competition by increasing the bargaining power of smaller businesses versus the giants.

Meanwhile, although the gutting of the private educational tutoring sector may seem disproportionate, it has with the stroke of a pen stigmatized one of the educational advantages of affluence while inhibiting the exam preparation arms race that many middle-class families feel has spiraled out of control. Actions taken to strengthen the data privacy protections of social media companies, tighten local ownership of Macau casinos, and rein in speculation in the high-end liquor market would not be out of place in Europe or the US. Not to minimize the serious consequences of these abrupt and radical reforms for private businesses; as investors we are viewing these actions mainly as problems requiring further analysis rather than as indications that China has become too unpredictable to be investable.

More troubling for China's long-term prospects, although less of an immediate danger to our portfolio, is the looming default of Evergrande. For years, the Chinese government has promised to wean the economy from fixed asset investments in favor of consumption, with little to show for the rhetoric. Regional governments have continued to rely on a red-hot property sector to provide their funding and to achieve their mandated growth targets. Alarmed by the outsized role of property development in the economy, and the associated risks to the financial system of too much property speculation, the central government pushed through a series of policies last year to force the property sector to deleverage. Evergrande's plight looks like the direct consequence of those blunt top-down mandates as the heavily indebted company started to find itself cut off from its usual credit lines. While the government may be happy to make an example of Evergrande, the probable spillover effects to the rest of the economy will be hard to contain and likely to require yet more interventions.

> Not to minimize the seriousness of these reforms for private businesses; as investors we are viewing these actions mainly as problems requiring further analysis rather than as indications that China has become un-investable.

Equally disturbing to us are the rolling power outages afflicting as many as 20 provinces. Dueling top-down mandates with competing objectives seem to be playing a role here. Earlier in the year, the central government renewed its commitment to "dual control," a mandate to curb carbon emissions by limiting both energy usage and the intensity (i.e., the amount of energy used per unit of GDP). That directive was issued, however, without anticipating this year's spike in industrial output, whose emissions far exceed those from less energy-intensive sectors. Now that they have met their local growth targets, regional administrators are rushing to institute power shutdowns to avoid breaching stipulated emission ceilings. Woe be to the regional leaders who fail to shrink their carbon footprint before President Xi goes before the UN Climate Change Conference in early November determined to show that China is no climate backslider. To be sure, there are other factors contributing to the power crisis—not least, skyrocketing coal prices whose rise was exacerbated by China's boycott of Australian coal imports in retaliation for that country's insistence on re-opening the inquiry into the origins of the COVID-19 virus.

Nobel Prize-winning economist Friedrich Hayek would have predicted that the Chinese government would ultimately fail to manage its economy by mandate, because officials can't foresee and prevent every unintended consequence of their own actions. If China's growth slows further, more such shortcomings are likely to surface. The Chinese authorities exhibited competence at virus management, but even when their intentions are good, leaders inevitably miscalculate. When the views of authoritarians are subjected to little debate and their mandates are implemented without checks and balances, miscalculations can have outsized consequences. It's unclear to us when a greater trust in the spontaneous order spawned by private actors and market forces, however well-mitigated by regulation and taxation, will take hold in China. Likely not as soon as we had hoped.

Portfolio Highlights

The International Equity Research portfolio's holdings follow analysts' recommendations from Harding Loevner's collection of researched companies. During this quarter, our analysts recommended establishing new positions in ten companies and selling seven. Additionally, several purchases and sales resulted from companies either meeting or failing to meet a theshold we've established to ensure that smaller cap companies, which fall below a certain market capitalization, can't also continue to look expensive. By sector, we decreased the portfolio's exposure to Information Technology (IT) the most, while we increased Heath Care the most, followed by Financials and Industrials. By region, our exposure to EMs declined the most and Japan represented the biggest increase, though in both those cases the change was driven by the relative performance of the respective regions, not by transactions on our part.

In IT, we sold **Halma**, a UK-based producer of medical, safety, and environmental equipment following our analyst's downgrade of the stock due to high valuation. We trimmed our position in **Hon Hai Precision**, a large Taiwan-based electronics contract manufacturer, to stay within our EM risk limit. We also reduced our positions in **Hexagon**, a Swedish producer of industrial virtual reality applications, and **Advantech**, a Taiwan-based producer of internet of things systems, due to high valuations relative to their future growth potential. Both trades were part of a larger move we have made in the last few quarters to reduce the valuation risk of the portfolio. We also trimmed **Reply**, an Italian IT services provider, after a period of outperformance caused it to exceed the maximum single-position weight allowed in the portfolio.

In Health Care, we made two purchases: Slovenia-based generic drug maker **Krka** and Italian audiology chain **Amplifon**. However, the portfolio's increase in exposure to the sector was mainly due to our adding to existing holdings of Chinese pharmaceutical makers **Jiangsu Hengrui Medicine** and **Sino Biopharmaceutical**, each of which had fallen *below* our minimum single-position weight after a period of underperformance. We also added to our holding of Denmark-based biotech firm **Genmab**, whose growth profile our analyst still finds attractive despite what may appear a high valuation. He is particularly encouraged by the upside for Darzalex, the company's breakthrough multiple myeloma treatment, as the utilization rate of the drug is still low and most other new blood cancer drugs tend to be mere complements to existing treatments.

In EM, we made several new purchases, including four companies (one in Brazil and three in China) recently added to our research universe. **Magazine Luiza** is a leading Brazilian omnichannel retailer that has made the successful transition from a traditional brick-and-mortar chain to become the country's largest-volume e-commerce retailer. The company now generates almost 70% of its sales online even as its physical stores provide it with branding and distribution advantages over many of its pure digital rivals. In China, our analysts continue to identify numerous attractive investment candidates generally unaffected by the fraught regulatory environment. **Haier Smart Home** is among the world's largest home-appliance makers, though it has yet to establish a strong presence in the high-end market outside of China. However, Haier's lean manufacturing and growing strength in design and innovation should help it expand its global share in this area. **Meyer Optoelectronic** makes systems incorporating optical sensors and software algorithms to accomplish things that human eyes and hands cannot. Already the leading supplier of dental-imaging equipment and food-sorting systems in China, the company has a significant long-term growth opportunity in recycling, where machine vision has yet to be deployed at scale. **Shandong Sinocera** makes nano-sized ceramics used in dental implants and in multilayer ceramic capacitors (MLCCs), what are sometimes referred to as the "blood vessels" of electric vehicles, smartphones, computers, and industrial automation equipment. The company has 70–90% share of the dental ceramic and MLCC markets in mainland China and 20–30% share of the markets globally, generating superior margins due to its proprietary synthesis process that is considerably more efficient than those of most competitors.

In Europe ex-EMU, we sold and trimmed some positions. In the UK, in addition to Halma, we sold shipping services provider **Clarkson**, and **Abcam**, a provider of monoclonal antibodies, which have been in high demand for COVID-19 research as well immunotherapy-related research work in a host of major disease areas. Clarkson and Abcam breached our market-cap and valuation thresholds. We also trimmed Sweden's Hexagon and Swiss-based luxury goods company **Richemont** due to valuation considerations.

International Equity Research 25 Largest Holdings (as of September 30, 2021)

Company	Market	Sector	End Wt.(%)
Imperial Oil (Oil and gas producer)	Canada	Energy	1.3
Royal Dutch Shell (Oil and gas producer)	United Kingdom	Energy	1.2
SE Banken (Commercial bank)	Sweden	Financials	1.2
DBS Group (Commercial bank)	Singapore	Financials	1.1
Hakuhodo (Marketing and advertising services)	Japan	Comm Services	1.1
Reply (IT consultant)	Italy	Info Technology	1.1
NITORI (Home-furnishings retailer)	Japan	Cons Discretionary	1.1
OCBC Bank (Financial services)	Singapore	Financials	1.0
Shionogi (Pharma manufacturer)	Japan	Health Care	1.0
Genmab (Biotechnology producer)	Denmark	Health Care	1.0
ASML (Semiconductor equipment manufacturer)	Netherlands	Info Technology	1.0
Alcon (Eye care products manufacturer)	Switzerland	Health Care	1.0
ASSA ABLOY (Security equipment manufacturer)	Sweden	Industrials	1.0
BMW (Automobile manufacturer)	Germany	Cons Discretionary	1.0
Brenntag (Chemical distribution services)	Germany	Industrials	0.9
Couche-Tard (Convenience stores operator)	Canada	Cons Staples	0.9
Diploma (Specialized technical services)	United Kingdom	Industrials	0.9
Alfa Laval (Industrial equipment manufacturer)	Sweden	Industrials	0.9
Kubota (Industrial and consumer equipment manufacturer)	Japan	Industrials	0.9
Banco Santander (Commercial bank)	Spain	Financials	0.9
Rinnai (Consumer appliances manufacturer)	Japan	Cons Discretionary	0.9
Makita (Power tool manufacturer)	Japan	Industrials	0.9
Rio Tinto (Mineral miner and processor)	United Kingdom	Materials	0.8
Dechra (Veterinary pharma manufacturer)	United Kingdom	Health Care	0.8
Symrise (Fragrances and flavors manufacturer)	Germany	Materials	0.8

Model Portfolio holdings are supplemental information only and complement the fully compliant International Equity Research 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.

3Q21 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Alibaba	DSCR	0.2	1.4	0.42
Shionogi	HLTH	0.8	0.1	0.26
Benefit One	INDU	0.5	0.0	0.24
Tencent	COMM	0.3	1.4	0.23
Reply	INFT	1.2	0.0	0.18

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Alibaba	DSCR	0.3	1.8	1.46
Imperial Oil	ENER	0.7	<0.1	0.58
Tencent	COMM	0.3	1.7	0.41
Nestlé*	STPL	0.0	1.4	0.34
BBVA	FINA	0.6	0.1	0.34

3Q21 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Rubis	UTIL	0.8	0.0	-0.17
AAC Technologies	INFT	0.4	<0.1	-0.13
CBD	STPL	0.3	0.0	-0.12
ASM Pacific Technology	INFT	0.8	0.0	-0.12
Novo Nordisk*	HLTH	0.0	0.6	-0.10

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Vopak	ENER	0.8	0.0	-0.46
HomeServe	INDU	0.8	0.0	-0.33
Kobayashi Pharma	STPL	0.7	0.0	-0.29
Stanley Electric	DSCR	0.8	0.0	-0.29
Symrise	MATS	0.9	0.1	-0.28

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

Portfolio Characteristics

Quality and Growth	HL IER	ACWI ex-US
Profit Margin[1] (%)	10.2	10.5
Return on Assets[1] (%)	6.4	4.7
Return on Equity[1] (%)	11.6	10.7
Debt/Equity Ratio[1] (%)	43.6	60.5
Std. Dev. of 5 Year ROE[1] (%)	3.5	3.9
Sales Growth[1,2] (%)	5.6	4.0
Earnings Growth[1,2] (%)	5.9	5.9
Cash Flow Growth[1,2] (%)	10.2	8.7
Dividend Growth[1,2] (%)	8.4	6.0
Size and Turnover	**HL IER**	**ACWI ex-US**
Wtd. Median Mkt. Cap. (US $B)	22.3	46.1
Wtd. Avg. Mkt. Cap. (US $B)	43.3	95.0
Turnover[3] (Annual %)	43.8	–

Size and Valuation	HL IER	ACWI ex-US
Alpha[2] (%)	1.5	–
Beta[2]	0.98	–
R-Squared[2]	0.97	–
Active Share[3] (%)	82	–
Standard Deviation[2] (%)	14.47	14.51
Sharpe Ratio[2]	0.67	0.57
Tracking Error[2] (%)	2.5	–
Information Ratio[2]	0.58	–
Up/Down Capture[2]	101/94	–
Price/Earnings[4]	20.9	15.6
Price/Cash Flow[4]	15.6	10.1
Price/Book[4]	2.5	1.9
Dividend Yield[5] (%)	1.8	2.4

[1]Weighted median; [2]Trailing five years, annualized; [3]Five-year average; [4]Weighted harmonic mean; [5]Weighted mean. Source (Risk characteristics): eVestment Alliance (eA); Harding Loevner International Equity Research Composite, based on the Composite returns; MSCI Inc. Source (other characteristics): FactSet (Run Date: October 4, 2021, based on the latest available data in FactSet on this date.); Harding Loevner International Equity Research Model, based on the underlying holdings; MSCI Inc.

The portfolio is actively managed therefore holdings identified above do not represent all of the securities held in the portfolio and holdings may not be current. It should not be assumed that investment in the securities identified has been or will be profitable. The following information is available upon request: (1) information describing the methodology of the contribution data in the tables above; and (2) a list showing the weight and relative contribution of all holdings during the quarter and the last 12 months. Past performance does not guarantee future results. In the tables above, "weight" is the average percentage weight of the holding during the period, and "contribution" is the contribution to overall relative performance over the period. Contributors and detractors exclude cash and securities in the Composite not held in the Model Portfolio. Quarterly data is not annualized. Portfolio attribution and characteristics are supplemental information only and complement the fully compliant International Equity Research Composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

International Equity Research Composite Performance (as of September 30, 2021)

	Intl. Equity Research Gross (%)	Intl. Equity Research Net (%)	MSCI ACWI ex-US[1] (%)	MSCI EAFE[2] (%)	Intl. Equity Research 3-yr. Std. Deviation[3] (%)	MSCI ACWI ex-US 3-yr. Std. Deviation[3] (%)	MSCI EAFE 3-yr. Std. Deviation[3] (%)	Internal Dispersion[4] (%)	No. of Accounts	Composite Assets ($M)	Firm Assets ($M)
2021 YTD[5]	5.50	4.94	6.29	8.79	17.51	17.47	17.52	N.A.[6]	1	15	73,857
2020	15.43	14.59	11.13	8.28	17.76	17.92	17.87	N.M.[7]	1	15	74,496
2019	24.06	23.20	22.13	22.66	11.18	11.33	10.8	N.M.	1	20	64,306
2018	-12.08	-12.74	-13.78	-13.36	11.45	11.40	11.27	N.M.	1	10	49,892
2017	30.59	29.64	27.77	25.62	+	+	+	N.M.	1	11	54,003
2016	9.09	8.28	5.01	1.51	+	+	+	N.M.	1	8	38,996

[1]Benchmark Index;. [2]Supplemental Index; [3]Variability of the composite, gross of fees, and the Index returns over the preceding 36-month period, annualized; [4]Asset-weighted standard deviation (gross of fees); [5]The 2021 YTD performance returns and assets shown are preliminary; [6]N.A.–Internal dispersion less than a 12-month period; [7]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 International Equity Research Composite contains fully discretionary, fee-paying accounts investing in non-US equity and equity-equivalent securities and cash reserves, and is measured against the MSCI All Country World ex-US 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 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 Indices.

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 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. 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. Additional information is available upon request. 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 International Equity Research accounts is 1.00% annually of the market value up to $20 million; 0.50% of amounts from $20 million to $100 million; 0.45% of amounts from $100 million to $250 million; 0.40% of amounts from $250 million to $500 million; above $500 million on request. 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 International Equity Research Composite was created on December 31, 2015 and the performance inception date is January 1, 2016.