International Equity Research

Quarterly Report | Second Quarter 2022

HARDING LOEVNER

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International stocks and bonds fell precipitously as interest rate hikes provoked by soaring consumer prices threatened a global recession.

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The biggest changes in sector exposure during the quarter were an increase in our exposure to Health Care and a decrease in Industrials. By region, Emerging Markets (EM) increased the most while Japan saw the biggest fall.

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Composite Performance

Total Return (%) — Periods Ended June 30, 2022[1]

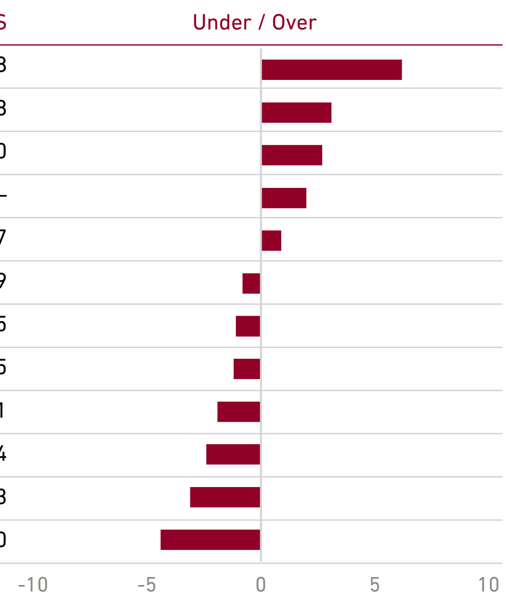
	3 Months	YTD	1 Year	3 Years[2]	5 Years[2]	Since Inception[2,3]
HL International Equity Research (Gross of Fees)	-15.09	-23.13	-24.00	0.39	2.90	6.05
HL International Equity Research (Net of Fees)	-15.24	-23.40	-24.54	-0.32	2.16	5.28
MSCI All Country World ex-US Index[4,5]	-13.54	-18.15	-19.01	1.81	2.97	5.22

[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.

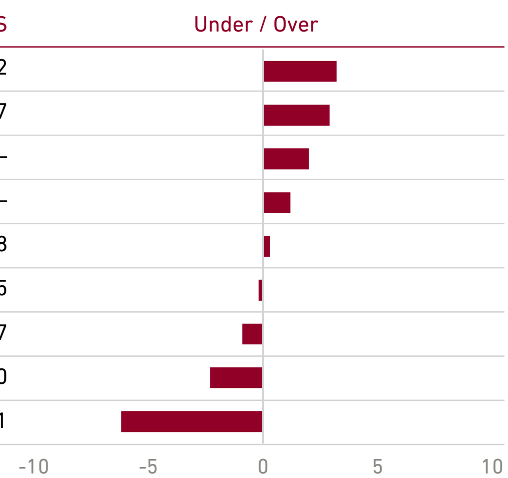
Past Performance does not guarantee future results. Invested capital is at risk of loss. Please read the above performance in conjunction with the footnotes on the last page of this report. All performance and data shown are in US dollar terms, unless otherwise noted.

Portfolio Positioning (% Weight)

Sector	HL IER	ACWI ex-US
Industrials	18.0	11.8
Health Care	12.9	9.8
Info Technology	13.7	11.0
Cash	2.0	–
Cons Discretionary	12.6	11.7
Cons Staples	8.1	8.9
Comm Services	5.4	6.5
Real Estate	1.3	2.5
Materials	6.2	8.1
Utilities	1.0	3.4
Financials	17.2	20.3
Energy	1.6	6.0



Geography	HL IER	ACWI ex-US
Europe EMU	22.4	19.2
Emerging Markets	32.6	29.7
Cash	2.0	–
Frontier Markets[6]	1.2	–
Japan	14.1	13.8
Middle East	0.3	0.5
Europe ex-EMU	19.8	20.7
Pacific ex-Japan	5.7	8.0
Canada	1.9	8.1



[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

International stocks and bonds fell precipitously as interest rate hikes provoked by soaring consumer prices threatened a global recession. This year's rout has wiped over US$5 trillion from non-US stock markets.

Inflation in most developed economies continued to climb, reaching the highest level in a generation. Lingering supply chain disruptions, food and energy shortages worsened by the Ukrainian conflict, and resurgent consumer demand post-pandemic contributed to rising prices. Central banks, having previously insisted that price pressures were transitory, were forced to make a U-turn, setting out aggressive plans to regain the upper hand and restore price stability. The US Federal Reserve boosted its benchmark interest rate by 0.75%—the largest single increase in 28 years—after a worse-than-expected 8.6% rise in consumer prices in May and pledged to increase rates until inflation is under control. Central bankers in the UK, Canada, Australia, and Switzerland all raised borrowing rates, along with numerous Emerging Markets (EMs) central banks. The European Central Bank, despite faltering economic growth¬, previewed a July rate increase that will be its first in 11 years and hinted at additional hikes in the months ahead.

MSCI ACWI ex-US Index Performance (USD %)

Sector	2Q 2022	Trailing 12 Months
Communication Services	-10.6	-26.2
Consumer Discretionary	-8.2	-31.0
Consumer Staples	-7.4	-13.8
Energy	-4.5	9.0
Financials	-14.0	-9.7
Health Care	-9.5	-15.1
Industrials	-16.9	-21.6
Information Technology	-22.5	-31.3
Materials	-21.2	-18.7
Real Estate	-13.4	-22.9
Utilities	-9.3	-6.9
Geography	**2Q 2022**	**Trailing 12 Months**
Canada	-15.6	-7.3
Emerging Markets	-11.3	-25.0
Europe EMU	-15.4	-23.4
Europe ex-EMU	-13.0	-10.2
Japan	-14.6	-19.6
Middle East	-19.9	-17.7
Pacific ex-Japan	-14.1	-14.8
MSCI ACWI ex-US Index	-13.5	-19.0

Source: FactSet (as of June 30, 2022). MSCI Inc. and S&P.

An exception was the Bank of Japan, which remains committed to its ultra-accommodative monetary policy. All these factors weighed on the economic outlook; in the World Bank's most recent forecast, global growth slows to 2.9% in 2022—a marked drop from the 4.1% growth it forecast a mere five months earlier.

Swooning markets offered few places to hide. Global bonds, as measured by the Bloomberg Global-Aggregate Index, fell almost 10%. Commodities, stalwart performers since the rollout of vaccines in late 2020, cracked in the closing weeks of the quarter as fears of recession overshadowed inflation. Crypto assets suffered a ferocious collapse accelerated by leveraged structures. Value stocks, whose discounted cash flows may be less impacted by rising rates, fared somewhat better than broad-based indexes. The MSCI All-Country World ex-US Value Index has outperformed its Growth counterpart by 13 percentage points in the year to date; the disparity between the performance of the most expensive and the cheapest quintiles of stocks was wide, at over 15%, although it had been even wider until growing recession fears led to a sell-off of shares of cyclical companies in late June. Even high-quality companies—those with higher profitability, more stable cash flows, and lower leverage—failed to provide refuge: the highest quintile of quality trailed the overall market by over 150 basis points for the quarter and 475 basis points for the half year.

> Swooning markets offered few places to hide, though value stocks fared somewhat better than the rest. The MSCI All-Country World ex-US Value Index has outperformed its Growth counterpart by 13 percentage points in the year to date.

Expectations for more aggressive monetary tightening in the US boosted the US dollar relative to other major currencies. The Japanese yen sank to a 24-year low as the Bank of Japan intervened in the domestic bond market to keep long-term yields low.

Every sector finished in the red. Like last quarter, shares of companies sensitive to business confidence, such as those in Information Technology (IT) and Industrials, registered the biggest losses. Higher rates and their portent of expanding net interest margins did little for shares of Financials, as investors weighed the offsetting prospects of anemic loan growth and mounting defaults. Materials stocks fell alongside declines in iron ore and copper prices. Even the Energy sector sold off on a late fade in oil prices.

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 list of the 25 largest holdings at June 30, 2022 is available on page 6 of this report.

All regions declined. EMs performed the best, helped by the positive performance of China as Beijing and Shanghai eased their weeks-long COVID-19 lockdowns. The government also announced new stimulus measures, including tax relief and infrastructure spending, to boost economic activity in the wake of the shutdowns. Other than tiny Middle East (which just contains Israel), Canada performed the worst, weighed down by its large tilt to slumping Energy stocks.

Peformance and Attribution

The International Equity Research composite fell 15.1% gross of fees in the second quarter, compared to the MSCI ACWI-ex US Index, which fell 13.5%.

As in the prior quarter, investors fled from shares of high-quality growth companies. This quarter, they also fled from cheaper stocks of slower-growing companies, which helped mitigate our underperformance relative to the benchmark. (A small comfort, to be sure.) While headwinds to high valuation and high growth began to subside, our emphasis on high business quality continued to drag on returns. The failure of shares of high-quality companies to provide protection is the subject of the next section.

Beyond the quality headwind, much of our underperformance came from poor-performing stocks in the Health Care and Industrials sectors. Swiss contract drug maker **Lonza** fell despite strong operating results as investors grew timorous toward expensive Health Care companies. Among Industrials, Japanese factory automation specialist **MISUMI Group** fell in response to pandemic-related lockdowns in Shanghai, the location of its single Chinese production facility.

Materials was our strongest sector, led by Chinese battery technology company **Tinci**, the largest producer of the electrolytes essential for car batteries. Tinci continues to see high demand for its products and is gaining market share on the heels of a major expansion that allowed it to drive down costs and prices. German fragrance and flavors maker **Symrise** outperformed as the company reported faster-than-expected organic growth, and management reaffirmed its 2022 guidance for strong revenue growth and margins.

From a geographic perspective, nearly all the portfolio's underperformance was in Europe. **Schneider Electric**, the French leader in energy management engineering, underperformed on concerns about the impact of the Shanghai lockdowns on its manufacturing and distribution in China, as well as broader supply chain and recession fears. Swedish industrial tool and equipment maker **Atlas Copco** slid on concerns about its revenue outlook in the face of decelerating economic growth. EM was the only region that significantly added to relative performance, mostly driven by the strong performance by shares of China-based Tinci.

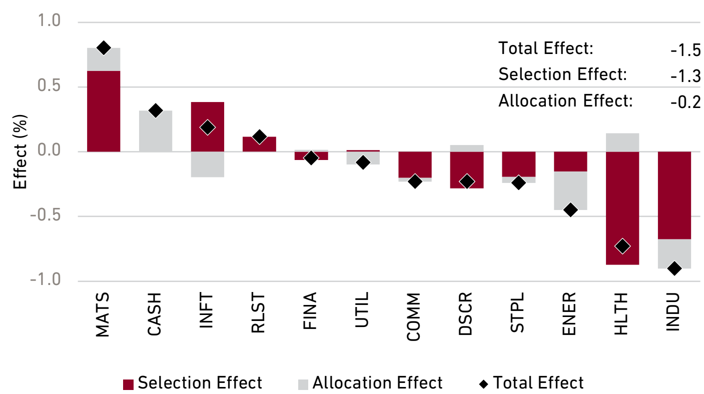
Perspective and Outlook

Since our founding 33 years ago, we have stuck to the same approach: investing in reasonably priced shares of high-quality growing businesses. We want to own growing companies because the compounding of economic value creation is the foundation for long-term investor returns. We prefer high-quality businesses because they typically create more economic value and are more resilient in the face of adversity than lesser businesses. Moreover, because quality and growth are synergistic, the benefit of insisting on both factors can be greater than the sum of the factor parts. High-quality businesses can sustain their profitable growth over multiple business cycles, and there is greater visibility into their long-term cash flows than for companies whose businesses are more exposed to economic vagaries. Much of our focus is aimed at projecting uncertain future cash flows, handicapping

Second Quarter 2022 Performance Attribution

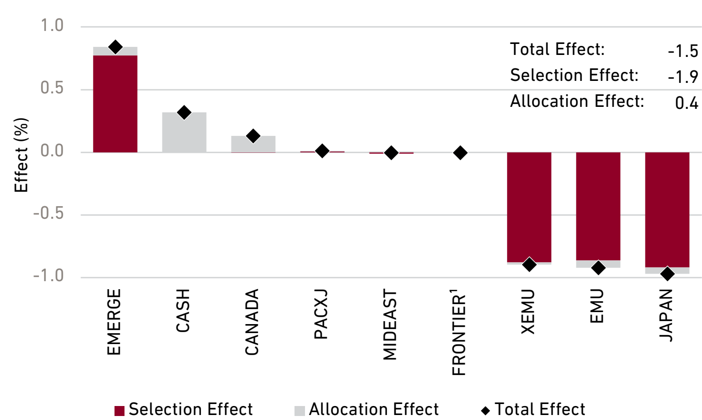
Sector

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



Geography

International Equity Research Composite vs. MSCI ACWI 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.

them to account for risk, and continually monitoring fluctuations in the attendant valuations, which allows us to judge when to pounce on price declines in the shares of fundamentally strong businesses or—conversely—to take some of our exposure to strong and expensive businesses off the table. After all, returns are inextricably linked to what you paid (or could have received).

We've worried—and written—a good deal about the nosebleed valuations for the fastest-growing cohort of companies, and we've repeatedly trimmed our holdings of them to the point where, in the eyes of certain observers, we risked forsaking our reputation as bona fide growth investors. So, when the tide turned against the most expensive stocks of the growthiest companies in late 2020, we were relatively prepared.

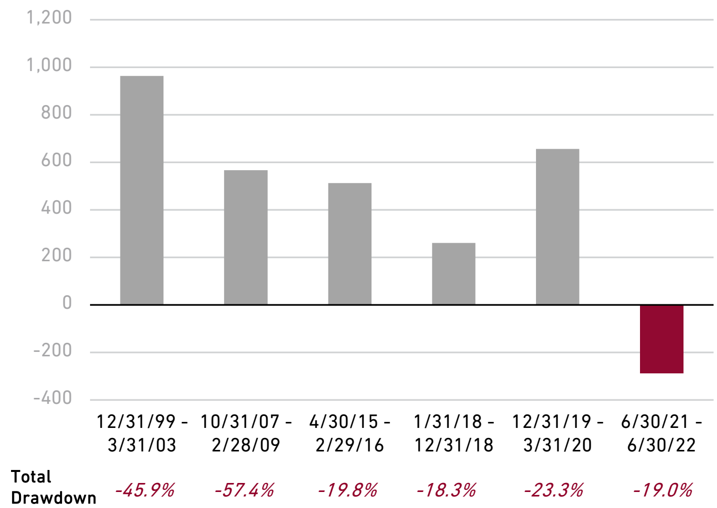
> We've worried—and written—a good deal about the nosebleed valuations for the market's fastest-growing companies. Recent market behavior shows we would have benefitted from having an equal level of concern about high valuations for high-quality companies.

Recent market behavior shows we would have benefitted from having an equal level of concern about high valuations for high-quality companies. Contrary to historical form, the shares of high-quality businesses have underperformed for two consecutive quarters in the teeth of a brutal market pullback. The poor shareholder returns of our portfolio companies in the market's highest-quality quintile, as measured by consistency of profitability, balance sheet strength, and free cash flow generation, among other metrics, has been disappointing.

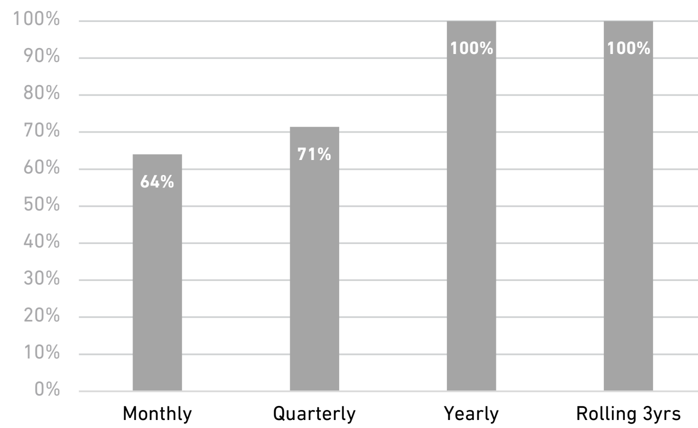
Several interrelated factors explain the underperformance. Top of the list is price, as valuation premiums for quality coming into 2022 were higher than we've seen since the height of the global financial crisis (GFC) in 2008. Second is rising interest rates, which penalize the discounted-cash-flow-based valuations of companies with long-lived earnings streams disproportionally, a trait that is emblematic of quality companies. A third is that, because the rout appears largely to reflect retreating valuations, the absence thus far of the impact of an economic contraction on corporate earnings means the advantages held by intrinsically robust businesses have yet to be highlighted. Intriguingly, this raises the possibility that the relative performance of quality companies will improve should the nascent slowdown morph into an actual recession.

Our insistence that the companies in which we invest meet our quality and growth criteria is not just a philosophical holding, it is also a form of self-discipline. Our research process requires evaluation of a company in terms of quality and growth criteria before we consider its shares' valuation. The idea behind this rule is simple: addressing valuation too early in the process can cloud one's judgement about a business' fundamentals. So, we leave consideration of valuation for last. Consequently, we

Quality Outperformace During Drawdowns (bps)
MSCI ACWI ex-US Index (Total Returns, not annualized)



% of Down Market Periods Where Quality Outperformed
MSCI ACWI ex-US Index since 12/31/1998



Source: Bloomberg, MSCI Inc.

will miss out on some good-performing stocks of not-so-good companies. And we will sometimes spend a great deal of time and effort identifying and monitoring good companies whose stocks never become attractively priced enough for us to buy them.

Despite the inability of the shares of high-quality companies to distinguish themselves from high-priced growth stocks in this market correction thus far, we think it is only a matter of time before many "good companies" again become "good stocks." We do not know if the shares of high-quality companies have reached a trough, but, while the valuations of high-quality companies are still elevated relative to those of low-quality companies, that premium has declined during this year's sell-off. *That* puts us in a more favorable position to find excellent companies whose shares are priced to perform well in the years ahead.

Portfolio Highlights

Our portfolio holdings are a function of the recommendations made by our fundamental analysts. We finished the quarter with a total of 220 holdings, a small decrease driven by more downgrades than upgrades. The biggest changes in sector exposure were an increase in our exposure to Health Care and a decrease in Industrials. By region, EM increased the most while Japan saw the biggest fall.

> We have many debates and discussions, some of them quite quarrelsome, but each member of the investment team is responsible and ultimately accountable for their own decisions. How we came to invest in BioNtech is a case in point.

Collaboration without consensus is a central plank of our investment culture. We have many debates and discussions, some of them quite quarrelsome, but analysts and portfolio managers are not required to reach a consensus. Each member of the investment team is responsible and ultimately accountable for their own decisions. How we came to invest in **BioNTech** is a case in point. BioNTech is an immunotherapy company with a focus on developing and commercializing individualized therapies for cancer and infectious disease. The company rose to prominence in 2020 when its COVID-19 vaccine, developed in partnership with Pfizer, was the first one approved by the FDA. We did not invest then since our emphasis on quality means, in part, that we only invest in companies after they have demonstrated a sustained record of profitability. Now that the company has proved profitable (hugely so, in fact), many of our analysts question whether the company can sustain its growth if the demand for COVID-19 vaccines wanes. Our Health Care analyst responsible for researching the company and rating its shares believes that a growth cliff is already priced into the shares. He also argues that the company's successful development of a vaccine has de-risked some aspects of its mRNA platform and that its prodigious cash flows are being smartly reinvested to accelerate R&D and increase the likelihood of establishing successful new applications for the technology. In particular, he believes BioNTech's oncology pipeline is showing early signs of promise.

After a lengthy debate, BioNTech was added to our research universe with an initial "Buy" rating, and we purchased it for the portfolio during the quarter. We also added to several of our Health Care holdings, including German pharmaceutical and lab equipment supplier **Sartorius**, Swiss lab instruments and diagnostics company **Tecan**, and Japanese health care market research and career development platform **M3** after steep declines in their share prices had reduced their weights in the portfolio.

Our exposure to Industrials decreased primarily due to the relative underperformance of the sector. In addition, we sold Kubota, a leading Japanese construction equipment maker, after our analyst downgraded the stock on expectations that sales would slow in line with a global slowdown in building. We also sold Japanese automation specialist Fanuc, in this case due to concerns around valuation coupled with an anticipated reduction in demand from automakers due to weakening consumer demand.

The portfolio's EM exposure increased due to the relative outperformance of the region, especially China.

In Japan, in addition to Kubota and Fanuc, we sold economic research and consulting firm Nomura Research Institute due to valuation concerns. We also sold Kobayashi Pharma, which specializes in over-the-counter medications and oral hygiene products for the domestic Japanese market, after the analyst stopped coverage over concerns about the company's ability to keep growing.

Harding Loevner's Quality, Growth, and Value rankings are proprietary measures determined using objective data. Quality rankings are based on the stability, trend, and level of profitability, as well as balance sheet strength. Growth rankings are based on historical growth of earnings, sales, and assets, as well as expected changes in earnings and profitability. Value rankings are based on several valuation measures, including price ratios.

International Equity Research 25 Largest Holdings (as of June 30, 2022)

Company	Market	Sector	End Wt. (%)
Alcon (Eye care products manufacturer)	Switzerland	Health Care	1.1
NITORI (Home-furnishings retailer)	Japan	Cons Discretionary	1.0
Adevinta (E-commerce retailer)	Norway	Comm Services	1.0
BHP (Mineral miner and processor)	Australia	Materials	1.0
OCBC Bank (Financial services)	Singapore	Financials	1.0
BioNTech (Pharma manufacturer)	Germany	Health Care	1.0
BMW (Automobile manufacturer)	Germany	Cons Discretionary	1.0
Rio Tinto (Mineral miner and processor)	United Kingdom	Materials	1.0
BBVA (Commercial bank)	Spain	Financials	1.0
Chugai Pharmaceutical (Pharma manufacturer)	Japan	Health Care	1.0
Genmab (Biotechnology producer)	Denmark	Health Care	1.0
Couche-Tard (Convenience stores operator)	Canada	Cons Staples	1.0
Evolution (Online casino services)	Sweden	Cons Discretionary	1.0
Royal Dutch Shell (Oil and gas producer)	United Kingdom	Energy	1.0
Daifuku (Material-handling equipment manufacturer)	Japan	Industrials	1.0
ASM Pacific Technology (Semiconductor eqpt. mfr.)	Hong Kong	Info Technology	0.9
Tinci (Battery materials manufacturer)	China	Materials	0.9
Manulife (Financial services and insurance provider)	Canada	Financials	0.9
Air Liquide (Industrial gases producer)	France	Materials	0.9
Komatsu (Industrial equipment manufacturer)	Japan	Industrials	0.9
Shimano (Bicycle component manufacturer)	Japan	Cons Discretionary	0.9
ASSA ABLOY (Security equipment manufacturer)	Sweden	Industrials	0.9
DBS Group (Commercial bank)	Singapore	Financials	0.9
Ipsos (Market-research services)	France	Comm Services	0.9
Makita (Power tools manufacturer)	Japan	Industrials	0.9

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.

2Q22 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Tinci	MATS	0.5	<0.1	0.31
Sanhua Intelligent Controls	INDU	0.3	<0.1	0.17
Bankinter	FINA	0.8	–	0.14
Sunny Optical	INFT	0.5	<0.1	0.13
Standard Chartered	FINA	0.7	0.1	0.13

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Alibaba	DSCR	<0.1	1.0	0.44
Imperial Oil	ENER	0.6	<0.1	0.41
Shopify*	INFT	–	0.5	0.35
Emaar Properties	RLST	0.6	<0.1	0.27
Tinci	MATS	0.1	<0.1	0.26

2Q22 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Magazine Luiza	DSCR	0.2	<0.1	-0.18
MISUMI Group	INDU	0.9	<0.1	-0.16
Nemetschek	INFT	0.6	<0.1	-0.16
Recruit	INDU	0.8	0.2	-0.14
Bechtle	INFT	0.9	<0.1	-0.14

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL IER	Avg. Weight ACWI ex-US	Effect
Magazine Luiza	DSCR	0.2	<0.1	-0.27
Novo Nordisk*	HLTH	–	0.7	-0.27
TeamViewer	INFT	0.3	<0.1	-0.23
Makita	INDU	0.8	<0.1	-0.23
NITORI	DSCR	0.9	<0.1	-0.23

*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] (%)	12.5	12.9
Return on Assets[1] (%)	8.0	5.6
Return on Equity[1] (%)	14.7	13.9
Debt/Equity Ratio[1] (%)	38.3	60.2
Std. Dev. of 5 Year ROE[1] (%)	3.8	4.4
Sales Growth[1,2] (%)	9.0	6.2
Earnings Growth[1,2] (%)	12.7	10.9
Cash Flow Growth[1,2] (%)	12.0	8.0
Dividend Growth[1,2] (%)	8.1	6.6
Size and Turnover	**HL IER**	**ACWI ex-US**
Wtd. Median Mkt. Cap. (US $B)	18.0	38.8
Wtd. Avg. Mkt. Cap. (US $B)	36.6	82.3
Turnover[3] (Annual %)	41.8	–

Risk and Valuation	HL IER	ACWI ex-US
Alpha[2] (%)	-0.03	–
Beta[2]	0.99	–
R-Squared[2]	0.97	–
Active Share[3] (%)	81	–
Standard Deviation[2] (%)	15.70	15.56
Sharpe Ratio[2]	0.11	0.12
Tracking Error[2] (%)	2.8	–
Information Ratio[2]	-0.03	–
Up/Down Capture[2]	97/98	–
Price/Earnings[4]	13.8	11.9
Price/Cash Flow[4]	11.7	8.3
Price/Book[4]	2.1	1.7
Dividend Yield[5] (%)	2.3	3.2

[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: July 6, 2022, based on the latest available data in FactSet on this date.); Harding Loevner International Equity Research Model, based on the underlying holdings; MSCI Inc.

International Equity Research Composite Performance (as of June 30, 2022)

	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)
2022 YTD[5]	-23.13	-23.40	-18.15	-19.25	17.53	17.21	17.75	N.A.[6]	1	11	50,423
2021	6.26	5.51	8.29	11.78	16.58	16.77	16.89	N.M.[7]	1	15	75,084
2020	15.43	14.59	11.13	8.28	17.76	17.92	17.87	N.M.	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 2022 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 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.

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 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. 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 of assets for the first $20 million; 0.50% for the next $80 million; 0.45% for the next $150 million; 0.40% for the next $250 million; above $500 million upon 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.