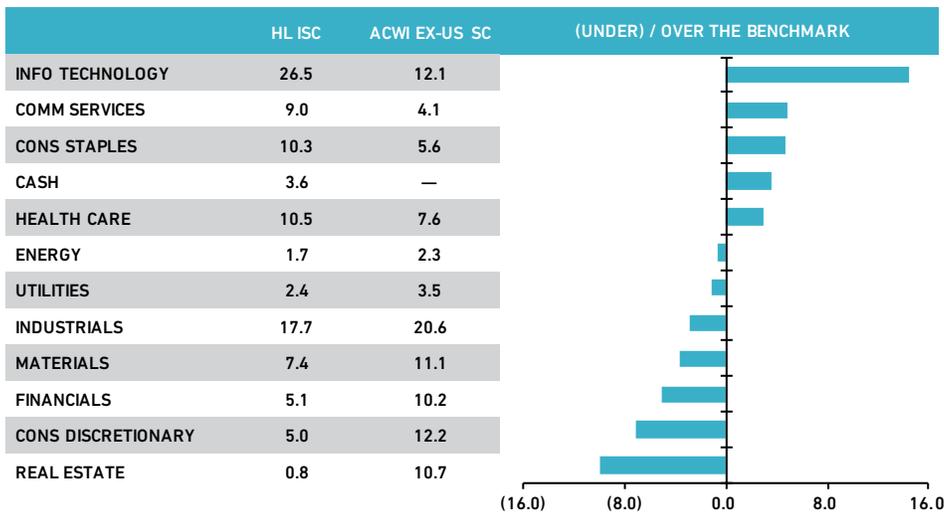
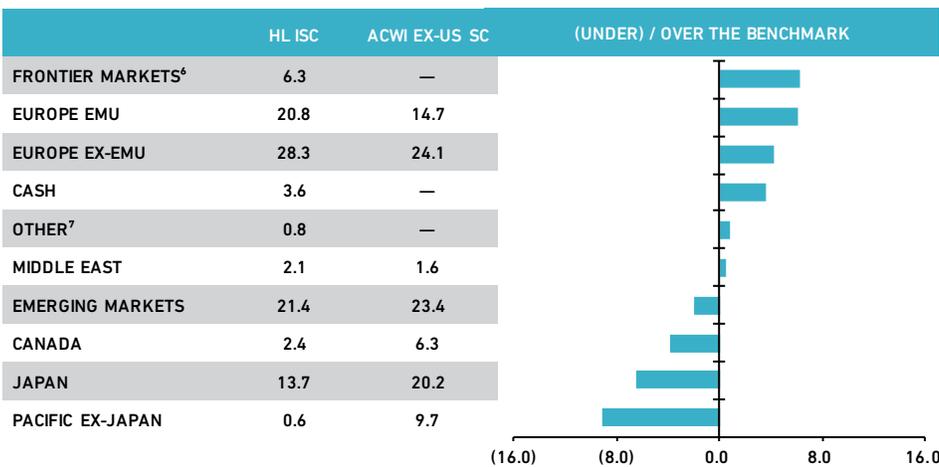


COMPOSITE PERFORMANCE (% TOTAL RETURN) FOR PERIODS ENDED DECEMBER 31, 2020¹

	3 MONTHS	1 YEAR	3 YEARS ²	5 YEARS ²	10 YEARS ²	SINCE INCEPTION ^{2,3}
HL INTL SMALL COMPANIES (GROSS OF FEES)	15.79	20.14	9.66	12.82	10.41	9.84
HL INTL SMALL COMPANIES (NET OF FEES)	15.50	18.81	8.43	11.63	9.23	8.64
MSCI ALL COUNTRY WORLD EX-US SMALL CAP INDEX ^{4,5}	18.63	14.67	4.99	9.77	6.33	5.47

¹The Composite performance returns shown are preliminary; ²Annualized Returns; ³Inception Date: December 31, 2006; ⁴The Benchmark Index; ⁵Gross of withholding taxes.

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

SECTOR EXPOSURE (%)

GEOGRAPHIC EXPOSURE (%)


⁶Includes countries with less-developed markets outside the Index; ⁷Includes companies classified in countries outside the index.

Sector and geographic allocations are supplemental information only and complement the fully compliant International Small Companies Composite GIPS Presentation.

Source: Harding Loevner International Small Companies 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.

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ONLINE SUPPLEMENTS

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MARKET REVIEW

International small cap stocks rose dramatically in the fourth quarter despite an escalation in the global pandemic. The starting gun for the run-up was Pfizer's announcement of better-than-expected results for its COVID-19 vaccine trials and was followed in rapid succession by positive reports from Moderna, AstraZeneca, and China's Sinopharm. Accelerated approvals gave investors further hope for some return to normal commerce in 2021 even as COVID-19 hospitalizations in the US and Europe soared. The market rally was broad, with all sectors and regions finishing in positive territory.

The quarter capped a roller coaster ride for the asset class for the year. At one point in mid-April, the MSCI ACW Ex-US Small Cap Index was down nearly 30%, but ultimately it rocketed up more than 63% from that trough to its fourth-quarter peak. The index went on to beat its large cap counterpart by 354 basis points (bps) for the full year. The US dollar was a barometer of investor fear, rallying during the depths of the crisis, as investors sought the safety of the world's premier reserve currency, only to reverse course over the rest of the year. Only a handful of currencies from commodity-exporting countries such as Russia and Brazil were lower against the dollar for the year.

The shift to remote work, the surge in e-commerce, and the focus on health care spending to find a vaccine propelled Information Technology (IT) and Health Care stocks, while Energy and Real Estate finished the year in negative territory. The fourth quarter saw a partial reversal of these patterns, with the cyclical Energy, Materials, and Industrials sectors benefiting most from the pickup in growth expectations, while the defensive Health Care sector lagged. IT bucked the trend, however, by continuing to outperform.

The quarter also saw a partial reversal of geographical trends seen earlier in the year. The EMU, a laggard for three quarters, experienced stronger returns in the fourth, as some of the countries hardest hit by the virus were buoyed most by the vaccine developments. Quarter returns in the UK, the largest weight in Europe ex-EMU, were helped by the last-minute Brexit trade deal. Emerging Markets (EMs) also outperformed, with good returns from Brazil and South Korea countering weakness in Taiwan, where suppliers to Chinese technology firms blacklisted by the Trump administration saw a steep sell-off. Pacific ex-Japan also fared well, helped by Australia, which rebounded alongside a global recovery in commodity prices.

Style effects, having favored fast-growing and high-quality companies most of the year heedless of valuation, also reversed over the quarter. Though valuation had relatively little predictive power, shares of the slowest-growing companies, including many cyclicals such as energy companies and banks, outperformed those of the fastest-growing cohort by nearly 600 bps. Quality effects were even more pronounced, as shares of companies with more leverage and less consistent financial returns outperformed those of the soundest companies by over 1,600 bps.

MARKET PERFORMANCE (USD %)

MARKET	4Q 2020	TRAILING 12 MONTHS
CANADA	20.8	18.5
EMERGING MARKETS	22.3	19.7
EUROPE EMU	21.1	15.5
EUROPE EX-EMU	22.2	13.6
JAPAN	8.1	6.8
MIDDLE EAST	26.7	9.2
PACIFIC EX-JAPAN	19.8	19.7
MSCI ACW EX-US SC INDEX	18.6	14.7

SECTOR PERFORMANCE (USD %) OF THE MSCI ACW EX-US SMALL CAP INDEX

SECTOR	4Q 2020	TRAILING 12 MONTHS
COMMUNICATION SERVICES	15.0	19.6
CONSUMER DISCRETIONARY	19.2	9.3
CONSUMER STAPLES	7.0	12.6
ENERGY	34.0	-24.3
FINANCIALS	21.3	2.4
HEALTH CARE	8.8	33.4
INDUSTRIALS	22.3	13.8
INFORMATION TECHNOLOGY	20.5	35.8
MATERIALS	23.5	30.2
REAL ESTATE	14.3	-2.7
UTILITIES	20.6	19.6

Source: FactSet (as of December 31, 2020); MSCI Inc. and S&P.

PERFORMANCE AND ATTRIBUTION

For the year, the International Small Companies composite gained 20.1%, versus the index's increase of 14.7%. The composite rose 15.8% in the quarter, trailing the index's 18.6% increase.

For the year, sectoral allocation had a pronounced effect on our returns. Our overweight to IT and Health Care, two of the three (along with Materials) best-performing sectors, and our underweight to Real Estate, one of the weakest, were beneficial. While stock selection within sectors detracted overall, it was best in IT and Industrials, two sectors that have been among our most fertile hunting grounds for high-quality growth companies historically. Within IT, the real-time management and analytics capabilities of Canadian supply chain logistics company **Kinaxis** were in high demand as customers navigated disruptions related to the pandemic. Its revenues grew 25% in the first nine months of the year while the company continued to invest in strengthening its demand forecasting capabilities by incorporating alternative data sources beyond traditional enterprise resource planning metrics.

Our stock selection for the full year by region was strongest in the EMU. A pair of German holdings performed especially well. Diagnostics instruments supplier **STRATEC** benefited

from pandemic-related testing demand and its new products emanating from several years of elevated R&D investment. Shares of **Bechtle**, an IT services company specializing in enterprise system integrations, performed well throughout the year as German companies sought to adapt IT capabilities for remote work.

In the quarter, Materials was our best-performing sector. Vietnamese steel producer **Hoa Phat Group** was the largest contributor to the sector's relative returns, after reporting nine-month revenue and net income growth of 40% and 57%, respectively. The opening of a new plant in south-central Vietnam helped the company expand beyond its customer base in the north. Nationwide, steel demand has also been strong in advance of an anticipated public infrastructure program intended to hasten recovery from the pandemic. In Industrials, **Senior**, a UK-based aerospace supplier, contributed positively to relative returns following vaccine approvals, which prefigured a recovery in air travel, and official US re-approval of the troubled Boeing 737 MAX. Outside of these stronger sectors, one particular IT holding, Israeli-based **CyberArk**, surged following discovery of the massive Solarwinds hack in mid-September. The company provides security software to fortify network usernames and passwords, useful to block access to breached accounts after a cyberattack.

Our stock selection for the quarter by region was poor everywhere but Japan and the Middle East (which includes only one stock—CyberArk). Our EMU holdings were generally the worst performing, despite STRATEC's healthy contribution to full-year returns.

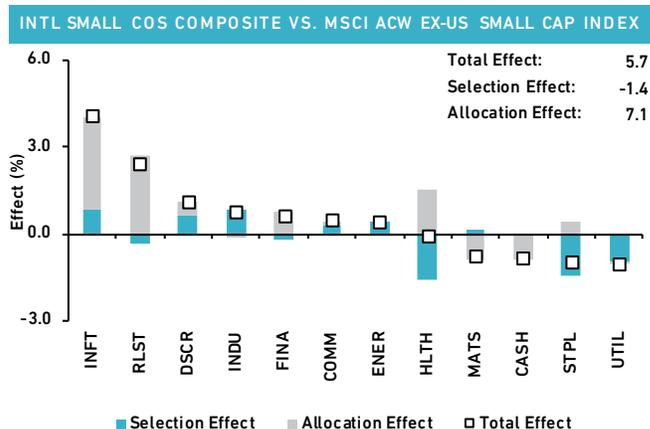
PERSPECTIVE AND OUTLOOK

Many have described the past nine months as “COVID time,” referring to an alternation of the monotony of social distancing with the fear of infection and death, and how each day seemed simultaneously to crawl and to fly. A similar phenomenon presented in our asset class. Rarely, if ever, has there been a period when an entire multi-year market cycle seemed packed into twelve months. In fact, when looking back and trying to make sense of our own portfolio's experience, it feels more appropriate to talk of the three distinct phases of the cycle since March.

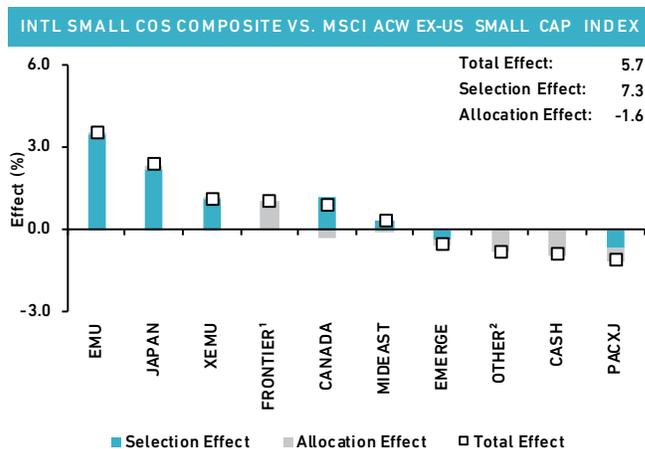
The first started the week beginning March 9th, when the index coughed up the first 15% of its value in a week. The selling was especially fierce in some of the lower-quality reaches of the Small Cap Index, where investors fled from financially

Companies held in the portfolio during the year 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 complete list of holdings as of December 31, 2020 is available on page 6 of this report.

SECTOR PERFORMANCE ATTRIBUTION TRAILING 12 MONTHS



GEOGRAPHIC PERFORMANCE ATTRIBUTION TRAILING 12 MONTHS



¹Includes countries with less-developed markets outside the Index; ²Includes companies classified in countries outside the index. Source: FactSet; Harding Loevner International Small Companies 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.

weak companies as they sought safety and quality above all else. Our portfolio's permanent aversion to such companies helped limit the damage during this period, much like in past periods of market distress.

The second phase started in early May, as massive liquidity injections by the world's central banks were initiated to help limit the economic damage. As people began to look beyond the present business distress, fear receded and expectations of a V-shaped recovery took hold. Investors' attention turned from strong balance sheets to sustainable growth prospects, providing a further tailwind to a portfolio that is also highly tilted toward the fastest growers.

This phase lasted until early November, when a flurry of vaccine breakthroughs encouraged the thought of a return

to normalcy in 2021. International small caps jumped by nearly 1,400 bps during the month, led predominantly by lower-quality companies that were, during the first phase, thought to be at greatest financial risk. In this “junk” rally, our portfolio lagged, ultimately giving up nearly 425 bps of relative performance in November alone. Hyper-compressed as it was, our relative performance in this phase, too, followed an accustomed pattern. Our process affords us flexibility to pursue a number of avenues for seeking returns, but stooping to pick up cigar butts isn’t one of them.

Our process affords us flexibility to pursue a number of avenues for seeking returns, but stooping to pick up cigar butts isn’t one of them.

There is value in pausing here to reflect on how international small caps have performed through other market cycles. With the ever-valid caveat that the past is not a guarantee of future returns, history does provide an empirical basis for thinking about the returns from small caps. While international small caps are indisputably more volatile than international large caps, their returns have been demonstrably higher, by an average of 320 bps a year over the past twenty years, enough to outperform large caps on a risk-adjusted basis over that period (Sharpe ratio of 0.40 vs. 0.25). As active managers, though, we are attracted by the potential afforded by this vast opportunity set of over 10,000 listed businesses to generate alpha. Lax listing requirements across many markets allow many sub-par companies to sneak into the international small cap index. Given the sheer number of listings and the dearth of sell-side research on all but the largest, investment approaches that discriminate between companies that score highly on objective measures of quality and those that score the opposite tend to do well. Indeed, academic studies have shown that one of the easiest ways to outperform the small cap index is simply to tilt factor exposures to emphasize the higher-quality companies and avoid the “junk.”¹

Our approach goes further. We emphasize quality (financial strength, distinguished track records, able management) but also growth. Through our bottom-up process we identify durable competitive advantages that enable companies to grow earnings reliably. A portfolio that scores high on quality and growth will shine in market environments such as those of 2020’s first two phases. But a feature of such a portfolio is that it will often appear expensive on metrics such as price-to-earnings and price-to-book ratios. This has increasingly been the case during the last half-decade, when high-quality growth stocks were rising in popularity (and price) because a slow-growing economy and low interest rates encouraged investors to seek growth at almost any cost. Our response to

this growing challenge has been incremental; we have reacted to perceived overvaluations, selling for something more reasonably priced, one stock at a time. Unfortunately, an incremental approach is ineffective (“too little too late”) once a junk rally begins. Regardless, factor rotation is not driving our decisions. We have no particular skill in identifying when style factors will be in or out of favor. Factors can rotate a few times even within a year, as they did in 2020. Our focus remains on identifying high-quality companies that can grow throughout market cycles. And we pay attention to valuations.

■ PORTFOLIO HIGHLIGHTS

Our purchase of **SimCorp**, a Danish IT company, is one incremental change we made in 2020 in response to being offered a better price. Founded in 1971, the company today operates in a corner of the software market, asset management operations, that has grown at a CAGR of about 6% over the last decade. SimCorp has grown as asset management companies’ operations have changed over time. Historically, they relied on a patchwork of internally developed systems, but as software is used to manage more processes and these processes need to talk to one another more, the homegrown approach has become increasingly unwieldy. When companies look to upgrade their systems, they now look to all-in-one cloud-based solutions from third-party providers and have three leading offerings to consider: Blackrock’s Aladdin, State Street’s Charles River, and SimCorp’s Dimension. Of the three providers, SimCorp is the only one not affiliated with a major financial institution. This is often viewed as an advantage by customers wary of allowing a competitor an intimate view into their operations. Most of SimCorp’s revenue comes from dedicated payments for licenses and maintenance, but the company has been transitioning to a subscription-based software as a service (SaaS) model, which should reduce the variability of its revenue growth. The shift to a SaaS model, combined with an unlevered balance sheet, enabled the company to meet our quality-growth qualification criteria easily. But we do not invest at just any price. Having long since identified the company’s superior competitive position, we waited patiently for a window of opportunity, which opened in the first quarter when quality businesses were offered at discounts to recent history.

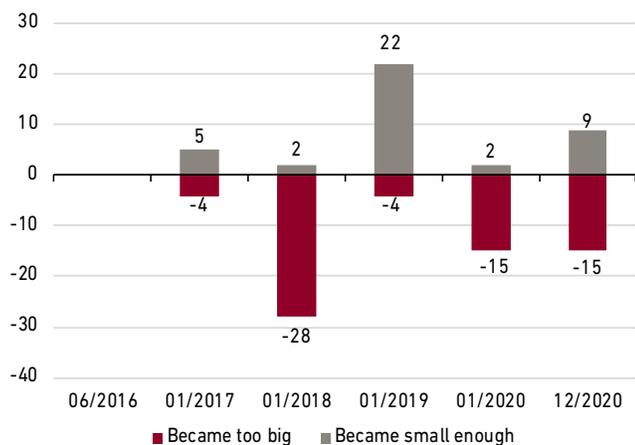
Nokian Tyres, a Finland-based tire manufacturer, is an example of a slightly different sort. Within the confines of quality and growth, we do have the flexibility to include cyclical companies in our portfolio, and are not shy in doing so when they are priced attractively enough. However, cyclical companies must demonstrate the financial strength needed to weather troughs of the business cycle. In Nokian’s case, tire demand was hit hard by the pandemic, but we expect it to recover over time as driving patterns normalize. The question is when. By our estimation, Nokian’s balance sheet and its diversified product line (including a strong presence in snow and industrial replacement tires) can withstand a prolonged downturn. To boot, it also has a new CEO who is highly

¹Clifford S. Asness, Andrea Frazzini, Ronen Israel, Tobias J. Moskowitz, and Lasse Heje Pedersen, AQR, “Size Matters, If You Control Your Junk,” SSRN (January 2015); among other publications.

regarded, with a track record of improving growth as CEO of Finnish food packager Huhtamaki. An attractive valuation gave us a terrific opportunity to add it to the portfolio.

Besides these additions, we also increased several existing holdings. We added to UK-based aerospace supplier Senior at a time when the entire aerospace supply chain was reeling from Boeing's issues with its 737 MAX and the plunge in air travel from the pandemic. We recognized order cancellations were a near-term risk, but Senior's order books for its major

CHANGES TO HL-ANALYST-RATED INTERNATIONAL SMALL COMPANIES (BELOW US\$6B MARKET CAP) BASED ON SIZE



Source: HOLT; as of December 21, 2020. HL analyst-rated companies refers to Harding Loevner's list of stocks that have been researched, valued, and rated by the firm's analysts. These companies (and only these companies) are eligible for portfolio managers to select for client portfolios.

customers such as Boeing and Airbus extend out many years, providing long-term visibility and a degree of cushion. Historically, it has generated free cash flow even in downturns. We expect management to steer the company through this one as it has in past ones.

During such an eventful year, it is notable that our turnover was just 12%. That is below our historical average of 24%, which itself is low compared to the typical small-cap manager. Our long investment horizon helps keep us from harvesting gains too early. We subscribe to Charlie Munger's maxim that successful investing is a matter of finding "a few great companies, then you can sit on your ass."² Of course, like Munger, once we make an investment, we do more than just sit. We spent the past year, as every year, intensively monitoring our portfolio companies' business results to gauge their progress against the mileposts we set out in advance.

Our sale earlier in the year of Italian-based specialty steel producer **Danieli** shows that we will rouse ourselves when necessary to respond to an adverse shift in a holding's long-term business outlook. While the company had a growing backlog of orders for one of its leading product lines—digital transformers used in powering electric arc furnaces—increased competition and weaker demand for its other products led to a reassessment of its growth prospects and, ultimately, an exit from the investment. Similarly, in our ongoing assessment of the Indian wireless telecom market, we determined that increasing regulatory oversight and provider consolidation was likely to weigh on growth for cell tower installer **Bharti Infratel**, which prompted us to sell it also.

Our sales are sometimes forced by our internal market cap restrictions. If a company's share price appreciation carries its market capitalization out of our permissible range, we must bid it adieu. As the chart on the left shows, we saw a number of companies grow out of our investable zone this year, leading us to exit companies such as **Diasorin**, an Italian-based producer of in vitro diagnostic kits; **MonotaRO**, a Japanese industrial distribution company; **Rational**, a German-based producer of commercial cooking appliances; and **Alfa Laval**, a Swedish manufacturer of heat exchangers and other specialized industrial products. But even this flurry of "activity" (the main reason our exposure to Health Care and Industrials declined over the year) further illustrates our actively sitting on our rears. Alfa Laval, the quickest exit of the four, had been added to the portfolio in 2018. Diasorin and Monotaro had been held since 2013. In the fourth quarter, we were also forced to sell **Carl Zeiss Meditec**, a German-based optical systems manufacturer, after it reached a market cap of nearly \$12 billion. Beyond this sale, portfolio activity was light in the quarter; there were no new holdings or other exits. Proceeds from the Zeiss sale and from several reductions in positions were used to add to holdings that had become more attractively valued. These modest changes and those made earlier in the year left our portfolio profile basically unchanged, with our longstanding overweights to IT and Consumer Staples, and underweights to Consumer Discretionary and Real Estate, still firmly in place.

²Charlie Munger, Berkshire Hathaway annual meeting, 2000.

INTERNATIONAL SMALL COMPANIES HOLDINGS (AS OF DECEMBER 31, 2020)

SECTOR/COMPANY/DESCRIPTION	COUNTRY	END WT (%)	SECTOR/COMPANY/DESCRIPTION	COUNTRY	END WT (%)
COMMUNICATION SERVICES			INDUSTRIALS		
CHEIL WORLDWIDE Marketing and advertising services	South Korea	0.3	BBA AVIATION Flight support systems and services	UK	1.1
MEGACABLE Cable operator	Mexico	1.0	BOSSARD Industrial components supplier	Switzerland	1.2
PARADOX INTERACTIVE Video game publisher	Sweden	2.3	CLARKSON Shipping services	UK	1.1
RIGHTMOVE Online property listings operator	UK	0.9	DIPLOMA Specialized technical services	UK	1.6
SARANA MENARAJUSANTARA Telecom infrastructure provider	Indonesia	1.0	FERREYCORP Industrial equipment distributor	Peru	0.6
TIME DOTCOM BERHAD Telecom services	Malaysia	0.7	HAITIAN Plastic injection-molding machines manufacturer	China	1.4
TOWER BERSAMA Telecom infrastructure provider	Indonesia	1.3	INTRUM JUSTITIA Credit management services	Sweden	1.1
YOUGOV Market research and data analytics services	UK	1.5	LISI Industrial components manufacturer	France	0.6
CONSUMER DISCRETIONARY			INFORMATION TECHNOLOGY		
ABC-MART Footwear retailer	Japan	0.3	ADVANTECH Industrial PCs manufacturer	Taiwan	0.6
ECLAT TEXTILE Technology-based textile manufacturer	Taiwan	0.4	ALTEN Technology consultant and engineer	France	1.9
JARIR MARKETING Consumer products retailer	Saudi Arabia	0.9	ASM INTERNATIONAL Semiconductor eqpt manufacturer	Netherlands	0.8
NOKIAN TYRES Tire manufacturer	Finland	0.6	ASM PACIFIC TECHNOLOGY Semiconductor eqpt manufacturer	Hong Kong	0.6
RINNAI Consumer appliances manufacturer	Japan	0.4	BECHTLE IT services and IT products reseller	Germany	2.4
STANLEY ELECTRIC Automotive lighting manufacturer	Japan	1.9	CHIPBOND TECHNOLOGY Electronic chip packager	Taiwan	1.1
THULE GROUP Transportation equipment manufacturer	Sweden	0.5	CYBERARK Cybersecurity software developer	Israel	2.1
CONSUMER STAPLES			MATERIALS		
AGTHIA Foods and beverages manufacturer	UAE	0.7	FUCHS PETROLUB Lubricants manufacturer	Germany	2.3
ALICORP Consumer products manufacturer	Peru	0.5	HOA PHAT GROUP Steel producer	Vietnam	3.2
ARIAKE Natural seasonings manufacturer	Japan	2.0	JCU Industrial coating manufacturer	Japan	1.3
CLICKS GROUP Drugstores operator	South Africa	0.3	SH KELKAR Fragrances and flavors manufacturer	India	0.6
COSMOS PHARMACEUTICAL Drugstores operator	Japan	1.4	REAL ESTATE		
EDITA FOOD INDUSTRIES Foods and consumer products retailer	Egypt	1.1	MABANEE Real estate developer and manager	Kuwait	0.8
GRUPO HERDEZ Processed foods manufacturer	Mexico	1.3	UTILITIES		
KERNEL Foods and agricultural products manufacturer	Ukraine	0.8	RUBIS Liquid chemical storage and distribution	France	2.4
KWS SAAT Agricultural products producer	Germany	1.3	CASH		
PIGEON Consumer products manufacturer	Japan	0.3	3.6		
ROHTO PHARMACEUTICAL Health and consumer products manufacturer	Japan	0.6			
ENERGY					
CORE LABORATORIES Oilfield services	US	0.5			
DIALOG GROUP BERHAD Petrochemical services	Malaysia	0.9			
ROMGAZ Natural gas producer	Romania	0.3			
FINANCIALS					
BANK OF GEORGIA Commercial bank	UK	0.6			
DISCOVERY HOLDINGS Insurance provider	South Africa	0.4			
MAX FINANCIAL Financial services and insurance provider	India	2.0			
RATHBONE BROS Wealth manager	UK	0.6			
SECURITY BANK Commercial bank	Philippines	0.2			
SIAULIU BANKAS Commercial bank	Lithuania	1.3			
HEALTH CARE					
ABCAM Life science services	UK	2.3			
BML Clinical testing and information services	Japan	0.7			
DECHRA Veterinary pharma manufacturer	UK	2.0			
EMIS GROUP Health care software developer	UK	1.2			
INTEGRATED DIAGNOSTICS Medical laboratory services	Egypt	0.7			
SQUARE PHARMACEUTICALS Pharma manufacturer	Bangladesh	0.7			
STRATEC Life science products manufacturer	Germany	2.9			

Model Portfolio holdings are supplemental information only and complement the fully compliant International Small Companies 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.

4Q20 CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
HOA PHAT GROUP	MATS	2.8	1.39
SENIOR	INDU	1.1	0.86
CYBERARK	INFT	1.6	0.82
KEYWORDS STUDIOS	INFT	1.9	0.69
ABCAM	HLTH	2.2	0.69

LAST 12 MOS CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
STRATEC	HLTH	2.3	2.65
PARADOX INTERACTIVE	COMM	2.2	2.29
HOA PHAT GROUP	MATS	2.3	2.27
BECHTLE	INFT	3.1	2.26
KINAXIS	INFT	2.6	2.24

4Q20 DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
PARADOX INTERACTIVE	COMM	2.6	-0.31
COSMOS PHARMACEUTICAL	STPL	1.6	-0.13
KINAXIS	INFT	2.7	-0.11
KWS SAAT	STPL	1.4	-0.10
MABANEE	RLST	0.9	-0.10

LAST 12 MOS DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
SENIOR	INDU	1.0	-1.42
NETWORK INTERNATIONAL	INFT	1.2	-1.21
NAKANISHI	HLTH	0.9	-0.91
ALTEN	INFT	2.0	-0.91
EDITA FOOD INDUSTRIES	STPL	0.8	-0.83

PORTFOLIO CHARACTERISTICS

QUALITY & GROWTH	HL ISC	ACWI EX-US SC
PROFIT MARGIN ¹ (%)	8.9	6.5
RETURN ON ASSETS ¹ (%)	8.4	4.7
RETURN ON EQUITY ¹ (%)	14.2	9.4
DEBT/EQUITY RATIO ¹ (%)	34.3	56.1
STD DEV OF 5 YEAR ROE ¹ (%)	3.1	3.8
SALES GROWTH ^{1,2} (%)	6.5	3.7
EARNINGS GROWTH ^{1,2} (%)	8.3	7.3
CASH FLOW GROWTH ^{1,2} (%)	11.6	8.8
DIVIDEND GROWTH ^{1,2} (%)	7.7	5.5
SIZE & TURNOVER	HL ISC	ACWI EX-US SC
WTD MEDIAN MKT CAP (US \$B)	3.3	2.2
WTD AVG MKT CAP (US \$B)	3.8	2.7
TURNOVER ³ (ANNUAL %)	24.2	—

RISK AND VALUATION	HL ISC	ACWI EX-US SC
ALPHA ² (%)	3.64	—
BETA ²	0.91	—
R-SQUARED ²	0.92	—
ACTIVE SHARE ³ (%)	97	—
STANDARD DEVIATION ² (%)	16.84	17.72
SHARPE RATIO ²	0.69	0.49
TRACKING ERROR ² (%)	5.1	—
INFORMATION RATIO ²	0.61	—
UP/DOWN CAPTURE ²	100/88	—
PRICE/EARNINGS ⁴	29.3	17.7
PRICE/CASH FLOW ⁴	16.9	11.0
PRICE/BOOK ⁴	3.3	1.4
DIVIDEND YIELD ⁵ (%)	1.4	2.1

¹Weighted median; ²Trailing five years, annualized; ³Five-year average; ⁴Weighted harmonic mean; ⁵Weighted mean. Source (Risk characteristics): eVestment Alliance (eA); Harding Loevner International Small Companies Composite, based on the Composite returns; MSCI Inc. Source (other characteristics): FactSet (Run Date: January 6, 2021, based on the latest available data in FactSet on this date); Harding Loevner International Small Companies Model, based on the underlying holdings; MSCI Inc.

Portfolio characteristics are supplemental information only and complement the fully compliant International Small Companies Composite GIPS Presentation.

COMPLETED PORTFOLIO TRANSACTIONS

POSITIONS ESTABLISHED	COUNTRY	SECTOR
THERE WERE NO COMPLETED PURCHASES THIS QUARTER.		

POSITIONS SOLD	COUNTRY	SECTOR
CARL ZEISS MEDITEC	GERMANY	HLTH

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 charts above; and (2) a list showing the weight and contribution of all holdings during the quarter and the last 12 months. Past performance does not guarantee future results. In the charts above, "weight" is the average percentage weight of the holding during the period, and "contribution" is the contribution to overall 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 Small Companies Composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

INTERNATIONAL SMALL COMPANIES EQUITY COMPOSITE PERFORMANCE (AS OF DECEMBER 31, 2020)

	HL ISC GROSS	HL ISC NET	ACWI EX-US SMALL CAP ¹	HL ISC 3-YR STD DEVIATION ²	ACWI EX-US SMALL CAP 3-YR STD DEVIATION ²	INTERNAL DISPERSION ³	NO. OF ACCOUNTS	COMPOSITE ASSETS	FIRM ASSETS
	(%)	(%)	(%)	(%)	(%)	(%)		(\$M)	(\$M)
2020 ⁴	20.14	18.81	14.67	19.78	20.97	N.M. ⁵	1	454	74,496
2019	31.30	29.83	22.93	12.36	11.60	N.M.	1	350	64,306
2018	-16.39	-17.34	-17.89	12.47	12.36	N.M.	1	165	49,892
2017	37.61	36.34	32.12	10.76	11.54	N.M.	3	323	54,003
2016	0.79	-0.22	4.29	10.78	12.15	N.M.	2	154	38,996
2015	5.83	4.63	2.95	10.26	11.32	N.M.	1	95	33,296
2014	-2.12	-3.14	-3.69	12.30	13.13	N.M.	3	157	35,005
2013	28.37	26.92	20.13	16.41	16.65	N.M.	3	166	33,142
2012	25.73	24.31	18.96	19.24	19.96	N.M.	2	119	22,658
2011	-11.90	-12.80	-18.21	23.37	23.89	N.M.	2	84	13,597
2010	25.94	24.40	25.58	28.53	30.38	N.M.	1	18	11,010

¹Benchmark Index; ²Variability of the Composite, gross of fees, and the Index returns over the preceding 36-month period, annualized; ³Asset-weighted standard deviation (gross of fees); ⁴The 2020 performance returns and assets shown are preliminary; ⁵N.M.-Information is not statistically significant due to an insufficient number of portfolios in the Composite for the entire year.

The International Small Companies Equity Composite contains fully discretionary, fee-paying accounts investing primarily in non-US equity and equity-equivalent securities of companies with market capitalizations that fall within the range of the Composite's benchmark index and cash reserves. For comparison purposes, the Composite is measured against the MSCI All Country World ex-US Small Cap Total Return Index (Gross). 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 Small Cap Index is a free-float market capitalization index that is designed to measure small cap developed and emerging market equity performance. The Index consists of 49 developed and emerging market countries, and is comprised of companies that fall within a market capitalization range of USD 91-10,964 million (as of December 31, 2020). You cannot invest directly in this Index.

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. 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. Harding Loevner has been independently verified for the period November 1, 1989 through September 30, 2020.

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 Small Companies Equity Composite has had a performance examination for the periods January 1, 2007 through September 30, 2020. The verification and performance examination reports are available upon request.

Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. Harding Loevner is an affiliate of Affiliated Managers Group, Inc. (NYSE: AMG), an investment holding company with stakes in a diverse group of boutique firms. A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request.

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 Small Companies accounts is 1.00% annually of the market value up to \$20 million; 0.80% of amounts above \$20 million. 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 Small Companies Equity Composite was created on December 31, 2006 and the performance inception date is January 1, 2007.