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While our exposure to expensive areas of the market, like IT services, has hurt our performance during the recent sharp value rotation, our investments in these same sectors and industries have been, over the long term, among our biggest winners. IT services remains so fragmented—each of the global market leaders controls only a single-digit share—that there's ample opportunity for small competitors to carve out niches.

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Composite Performance

Total Return (%) — Periods Ended June 30, 2022¹

	3 Months	YTD	1 Year	3 Years ²	5 Years ²	10 Years ²	Since Inception ^{2,3}
HL International Small Cos. (Gross of Fees)	-17.45	-28.52	-24.33	2.65	4.04	8.54	7.47
HL International Small Cos. (Net of Fees)	-17.65	-28.86	-25.04	1.58	2.95	7.39	6.31
MSCI All Country World ex-US Small Cap Index ^{4,5}	-17.38	-22.69	-22.08	3.35	2.96	6.62	4.04

¹The Composite performance returns shown are preliminary; ²Annualized Returns; ³Inception Date: December 31, 2006; ⁴The benchmark index; ⁵Gross 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 ISC	ACWI ex-US SC	Under / Over
Info Technology	23.4	11.1	12.3
Health Care	14.4	7.0	7.4
Comm Services	11.2	4.0	7.2
Cash	3.5	-	3.5
Cons Staples	8.6	6.3	2.3
Utilities	2.2	3.7	-1.5
Energy	1.7	3.9	-2.2
Financials	8.1	10.9	-2.8
Industrials	16.7	19.6	-2.9
Materials	5.9	11.4	-5.5
Cons Discretionary	3.8	11.4	-7.6
Real Estate	0.5	10.7	-10.2

Geography	HL ISC	ACWI ex-US SC	Under / Over
Europe ex-EMU	28.4	20.7	7.7
Europe EMU	19.7	13.4	6.3
Frontier Markets ⁶	5.8	-	5.8
Cash	3.5	-	3.5
Other ⁷	2.7	-	2.7
Middle East	1.8	2.0	-0.2
Emerging Markets	24.0	25.9	-1.9
Canada	2.0	7.4	-5.4
Japan	11.6	20.2	-8.6
Pacific ex-Japan	0.5	10.4	-9.9

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 Equity Composite GIPS Presentation. Source: Harding Loevner International Small Companies Equity 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.

What Happened

International small-cap stocks traded off sharply during the quarter as the worst inflation in decades triggered a new wave of monetary tightening, along with fears that the policy response could topple the global economy into a recession. The MSCI ACWI ex-US Small Cap Index fell 17.4% in the quarter. Its 22.7% decline for the year to date marks its worst first-half performance since 1994.

The war in Ukraine's impact on commodity prices added to inflationary pressures that had been building ever since pandemic lockdown orders lifted in much of the world. Wheat, corn, and fertilizer prices remained elevated, with critical shipping routes in the Black Sea still closed or severely limited. Reductions in gas shipments from Russia to Europe also raised concerns; Germany announced it was moving to stage two of its emergency gas plan because it expects the supply situation to worsen as winter approaches, further clouding the economic growth outlook for the country and the region. Meanwhile, oil prices, after surging to levels last seen in 2008, began to pull back at the end of the quarter as anticipation of softened demand offset some of the supply-constraint concerns.

Central bankers responded to rising inflation at varying speeds, with the Bank of England and the Reserve Bank of Australia taking a gradual approach, while the European Central Bank announced

MSCI ACWI ex-US Small Cap Index Performance (USD %)

Sector	2Q 2022	Trailing 12 Months
Communication Services	-19.9	-29.3
Consumer Discretionary	-16.6	-31.8
Consumer Staples	-10.8	-21.3
Energy	-7.3	21.5
Financials	-15.9	-16.1
Health Care	-17.5	-36.4
Industrials	-16.2	-19.9
Information Technology	-22.3	-27.1
Materials	-22.9	-20.7
Real Estate	-18.9	-19.4
Utilities	-8.7	-5.3
Geography	2Q 2022	Trailing 12 Months
Canada	-20.0	-12.6
Emerging Markets	-16.3	-20.3
Europe EMU	-17.9	-23.7
Europe ex-EMU	-21.0	-29.2
Japan	-11.3	-21.2
Middle East	-20.9	-7.0
Pacific ex-Japan	-20.2	-19.0
MSCI ACW ex-US Small Cap Index	-17.4	-22.1

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

a larger-than-expected rate hike of 50 basis points (bps) in July. The US Federal Reserve, for its part, followed through on a promise to pick up the pace, increasing the federal funds rate by 75 bps in June; more hikes of similar magnitude are expected. The Bank of Japan was the exception as it reaffirmed its loose policy aimed to achieve "healthy" inflation led by wage growth. In response, the yen fell to a 20-year low against the US dollar; this presents new cost pressures for Japanese manufacturers that depend on imported inputs—even if it enhances the competitiveness of their finished goods overseas.

As the quarter dragged on, the question became how long business and consumer spending could hold up against rising inflationary and financial headwinds. The answer to that question is perhaps most consequential for small caps.

As the quarter dragged on, the question became how long business and consumer spending could hold up against rising inflationary and financial headwinds. The answer to that question is perhaps most consequential for small caps, which tend to be more sensitive to the economic cycle because they are more reliant on external financing. In June, the World Bank offered its opinion by lowering its estimate of 2022 global GDP growth to 2.9% from the 4.1% estimated as recently as January. Fears of a slowdown reverberated across equities and, by quarter's end, not a single sector or region was in the black. Even Energy capitulated, finishing the period down 7%.

Value stocks, because the discounted present value of their future cash flows may be less impacted by rising rates, fared better than their faster-growing counterparts. The MSCI ACWI ex-US Small Cap Value Index has outperformed its Growth twin by more than 1,100 bps year to date—although that disparity had been even wider before the sell-off in Energy, Materials, and other cheaply priced cyclicals in the quarter's final two weeks. High-quality stocks, after being out of favor for several quarters, rallied in inverse proportion to those of cyclical businesses, as investors finally began to seek out stronger balance sheets and more durable cash flows. For the quarter, the cheapest stocks outperformed the most expensive and the slowest-growing outpaced the fastest—in both cases by 8.4 percentage points.

How We Did

The International Small Companies Composite fell 17.5% in the quarter, gross of fees, essentially matching the dismal performance of the MSCI ACWI ex-US Small Cap Index. Year to date, the Composite has declined 28.5% (also gross of fees), underperforming the Index by 583 bps.

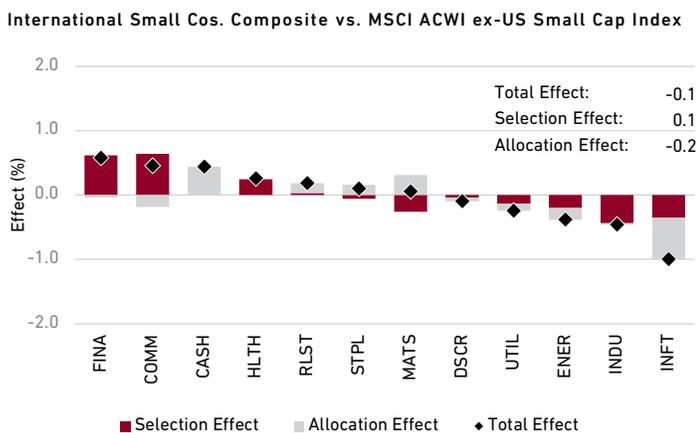
Companies held in the portfolio at the end of the quarter appear in bold type; only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the security identified has been or will be profitable. A complete list of holdings at June 30, 2022 is available on page 6 of this report.

High-quality companies that rapidly and durably grow their earnings do not come cheap and, for several quarters, investors have been fleeing richly priced stocks. This quarter, as those headwinds began to abate, investors fled cheaper segments of the market as well, narrowing our underperformance. Yet, in a period when stock picking was positive overall across sectors, our skew toward more expensive companies still hurt, contributing about 100 bps of underperformance.

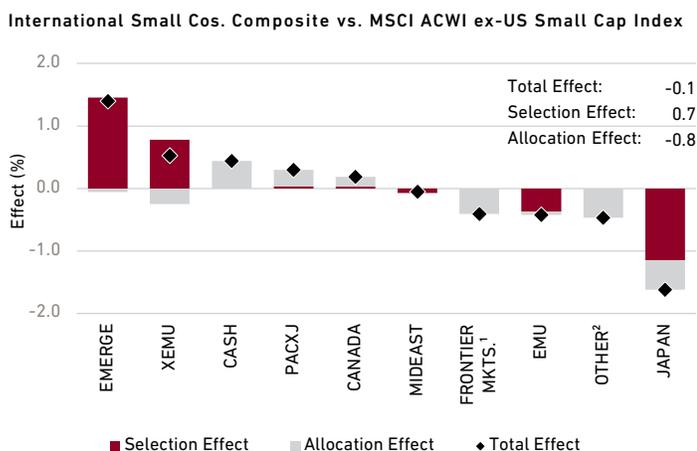
Information Technology (IT), one of the market's worst-performing sectors, was our primary detractor due to a combination of our overweight position and poor stock selection in it. The curse of rich valuation was most vividly on display in several of our IT-services holdings. Argentina-based **Globant** saw fears of an economic slowdown dampen its near-term outlook despite posting first-quarter revenue and earnings-per-share growth above 40% year over year and increasing its full-year guidance for both metrics.

Second Quarter 2022 Performance Attribution

Sector



Geography



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

Chief among the positive contributors were our Financials and Communication Services holdings. **Bank of Georgia's** shares began to recover from a steep sell-off triggered by the war in Ukraine. Despite its proximity to the conflict, Georgia's economy is projected to grow 5-6% in 2022, and a flood of young IT workers fleeing Russia has added to the vibrancy of its major cities. Bank of Georgia, holding just shy of 40% of the country's loans and deposits, has benefited. Likewise, strong, profitable growth helped our Indonesian cellular tower companies, **Sarana Menara Nusantara** and **Tower Bersama**, outperform a weak Communication Services sector. The country's fast-rising data consumption supports the long-term growth prospects of both companies. In the near term, the pair is largely insulated from recession and inflation due to stable revenue streams anchored by long-term contracts and an ability to pass electricity costs through to their customers, the country's major wireless carriers.

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Along with the Indonesian tower operators, good stock selection in China helped make Emerging Markets our best-performing region. **Yantai China Pet Foods** reported strong sales growth in overseas markets and a positive outlook for domestic revenue growth. Stock selection was weakest in Japan due to our high exposure to the most expensive stocks. Our worst performer in Japan was **Infomart**, the dominant business-to-business online-ordering platform for the country's restaurant industry. Inflation and the lingering impact of the pandemic on restaurants have put a damper on some of the business's near-term growth. Over the long term, we expect Infomart's online-invoicing technology to benefit from regulations intended to promote greater adoption of online and digital services to combat Japan's persistent labor shortages.

What's On Our Minds

Increasingly over recent years we have felt the impact of the high valuations being demanded for high-quality growing businesses. Our historical response to this has been to trim and, in extreme cases, exit positions when valuations exceed what we think to be reasonable.

In hindsight, we should have responded more aggressively to the rising valuations. While our exposure to expensive areas of the market, like IT services, has hurt our performance during this sharp value rotation, our investments in these same sectors and industries have been, over the long term, among our biggest winners.

Within IT services, consider the growth opportunities facing small providers. The industry has an estimated US\$1 trillion in annual sales and is growing about 5% per year. One segment of the market, so-called “digital services,” is growing even faster as the adoption of advanced technologies—artificial intelligence (AI), machine learning, cloud-based solutions, among others—by business customers accelerates. That the industry remains so fragmented—each of the global market leaders controls only a single-digit share—shows there’s ample opportunity for small competitors to carve out niches.

While our exposure to expensive areas of the market, like IT services, has hurt our performance during this sharp value rotation, our investments in these same sectors and industries have been, over the long term, among our biggest winners.

We are long-term owners of several IT-services companies that have seized that opportunity: **Alten** and **Bechtle** (both purchased in 2013), **Reply** (2015), and **Globant**, discussed earlier, which we purchased in 2016. Reply, for example, stands out for its efforts to gain a competitive edge by way of an unusual corporate structure. It was started in 1996 by Mario Rizzante who, like many founders, left a larger organization (Atos, a French IT-services company). One of his key decisions was to organize the company differently than most IT-services providers: around numerous small teams that function as independent companies under the Reply umbrella. Today, Reply has 160 of these companies, and while it reports consolidated results for them each quarter, these units operate largely autonomously when it comes to hiring and spending decisions and profit-and-loss accounting. This autonomy has allowed each team to build deep expertise in specialized areas, such as internet of things (think autonomous machinery in industrial facilities), AI (developing a next-generation voice assistant) or working with a customer to establish a first-mover advantage in quantum computing. The decentralized structure also allows many teams to be in close geographic proximity to their

customers. While the effectiveness of this structure may diminish as Reply grows, it has proved to be influential as industry giant Accenture has begun trying to replicate aspects of it.

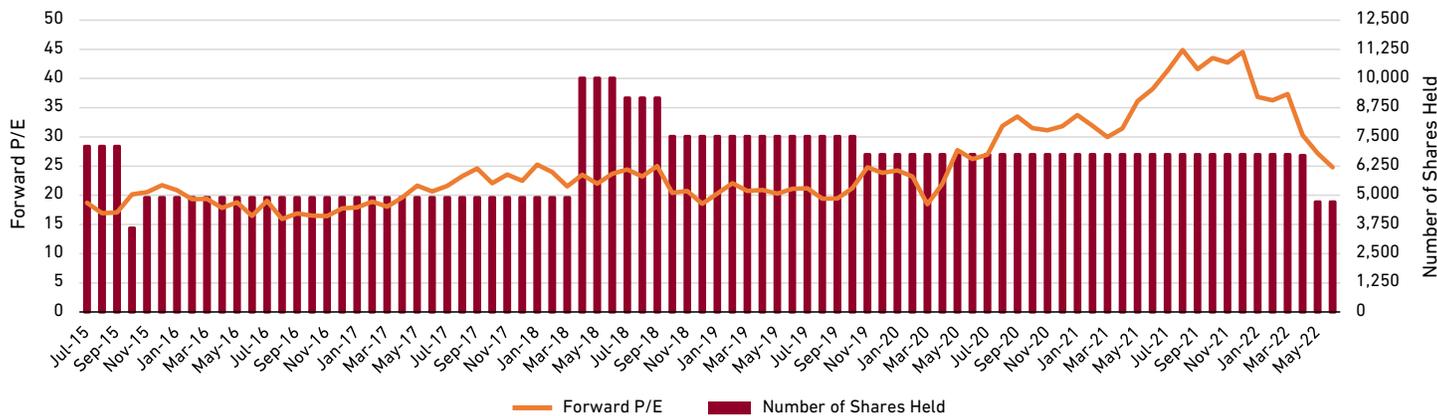
While many of Reply’s customers started upgrading their technological capabilities only at the onset of the pandemic, we expect these critical investments to continue through the coming period of economic volatility; they may even accelerate given that businesses will be searching for ways to cut costs by raising efficiency. We expect Reply to grow through opportunistic acquisitions as well, such as its recent purchases of US-based Enowa, a specialist in cloud-based SAP solutions for the industrials, health care, and consumer markets, and the Spur Group, a data-driven consultancy that advises on sales and marketing strategy. Reply is not immune to soaring labor costs hitting the IT world. Even so, its consistent revenue growth and steady profitability over the past decade are evidence that its unconventional structure helps it win customers, which may give Reply pricing power to pass on some of those costs.

While our returns *this quarter* likely would have been better had we not owned Reply and other IT-services holdings, their long-term prospects continue to be attractive due to the combination of their competitive offerings and capable management teams, as well as the rising demand for sophisticated IT solutions.

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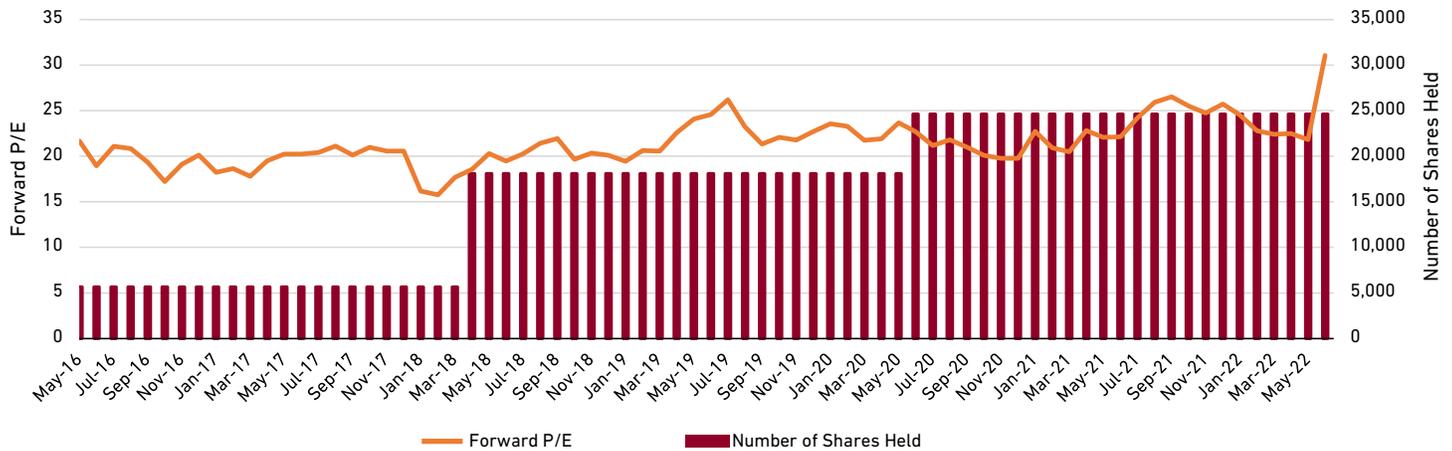
Our patience has paid off with EMIS Group, a software provider to primary care physicians in the UK. When we initiated our position in 2016, our thesis was straightforward: as the National Health Service looked to software to improve health care inefficiencies, EMIS’s dominant position in this niche would translate into

Reply Valuation vs. Number of Shares Held in HL ISC Model



Source: FactSet

EMIS Group Valuation vs. Number of Shares Held in HL ISC Model



Source: FactSet

durable growth. After Andy Thorburn took over as CEO in 2017, EMIS embarked on several initiatives directed at enabling patient information to flow securely and seamlessly across the UK’s sprawling health system. Even though the share price approached the top of our valuation estimates in 2019 as those efforts began to bear fruit, we held on; in 2020 amid the COVID-19-induced market sell-off we added to our position. Finally, in June of this year, Optum, a subsidiary of UnitedHealth Group—a large US-based health care company owned in our Global Equity strategy—offered to acquire EMIS for roughly US\$1.5 billion, a nearly 50% premium to our estimate of fair value.

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Of course, we don’t count on buyouts to justify our valuations. While EMIS’s share price was volatile at times, it was our focus on the company’s strong fundamentals that kept us invested, drove us to add to our position, and allowed us to benefit from its ultimate sale.

This latest broad market downturn, while painful, abounds with opportunities to purchase other high-quality companies whose long-term growth pictures remain clear and whose prices are no longer an obstacle. We are carefully sifting through this expanded universe of companies that, from a valuation perspective, are suddenly within reach.

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 Small Companies Holdings (as of June 30, 2022)

Communication Services	Market	End Wt. (%)
CD Projekt (Video game developer)	Poland	0.3
Cheil Worldwide (Marketing and advertising services)	South Korea	1.7
Megacable (Cable operator)	Mexico	1.7
Paradox Interactive (Video game publisher)	Sweden	1.6
Rightmove (Online property listings operator)	UK	0.9
Sarana Menara Nusantara (Telecom tower operator)	Indonesia	1.9
Scout24 (Real estate information services)	Germany	0.5
TIME dotCom Berhad (Telecom services)	Malaysia	0.8
Tower Bersama (Telecom infrastructure provider)	Indonesia	0.7
YouGov (Market research and data analytics services)	UK	1.0
Consumer Discretionary		
Eclat Textile (Technology-based textile manufacturer)	Taiwan	0.5
Jarir Marketing (Consumer products retailer)	Saudi Arabia	1.1
Rinnai (Consumer appliances manufacturer)	Japan	0.6
Stanley Electric (Automotive lighting manufacturer)	Japan	1.2
Thule Group (Lifestyle consumer products manufacturer)	Sweden	0.4
Consumer Staples		
Ariake (Natural seasonings manufacturer)	Japan	1.4
Clicks Group (Drugstores operator)	South Africa	0.4
Cosmos Pharmaceutical (Drugstores operator)	Japan	1.1
Cranswick (Foods manufacturer)	UK	0.7
Edita Food Industries (Foods & cons. products retailer)	Egypt	0.9
Grupo Herdez (Processed foods manufacturer)	Mexico	0.6
KWS SAAT (Agricultural products producer)	Germany	1.2
Pigeon (Consumer products manufacturer)	Japan	0.7
Rohto Pharmaceutical (Health & consumer products mfr.)	Japan	0.7
Yantai China Pet Foods (Pet food manufacturer)	China	0.9
Energy		
Core Laboratories (Oilfield services)	US	0.5
Dialog Group Berhad (Petrochemical services)	Malaysia	0.6
Romgaz (Natural gas producer)	Romania	0.6
Financials		
Bank of Georgia (Commercial bank)	UK	1.8
Bankinter (Commercial Bank)	Spain	1.0
Discovery Holdings (Insurance provider)	South Africa	0.4
Linea Directa (Insurance provider)	Spain	1.2
Max Financial (Financial services and insurance provider)	India	1.5
Rathbones (Wealth manager)	UK	0.5
Siauliu Bankas (Commercial bank)	Lithuania	1.6
Health Care		
Abcam (Life science services)	UK	1.9
BML (Oil distributor)	Japan	0.7
Dechra (Veterinary pharma manufacturer)	UK	2.2
EMIS Group (Health care software developer)	UK	2.3
Integrated Diagnostics (Medical laboratory services)	Egypt	0.6
Prodia (Medical laboratory services)	Indonesia	0.7
Santen Pharmaceutical (Pharma manufacturer)	Japan	1.0

Health Care	Market	End Wt. (%)
Solasto (Medical admin outsourcing)	Japan	0.9
Square Pharmaceuticals (Pharma manufacturer)	Bangladesh	0.9
STRATEC (Life science products manufacturer)	Germany	1.8
Tecan (Life science products and services)	Switzerland	1.3
Industrials		
Bossard (Industrial components supplier)	Switzerland	1.4
Clarkson (Shipping services)	UK	1.3
Diploma (Specialized technical services)	UK	1.8
Haitian International (Injection-molding machines mfr.)	China	1.9
Intrum Justitia (Credit management services)	Sweden	1.0
Localiza (Automobile rental services)	Brazil	2.1
Meyer Optoelectronic (Optical machine manufacturer)	China	1.0
MISUMI Group (Machinery-parts supplier)	Japan	0.4
Pfeiffer Vacuum (Vacuum pump manufacturer)	Germany	0.8
Senior (Aerospace and auto parts manufacturer)	UK	2.0
Sensata Technologies (Industrial sensors manufacturer)	US	0.6
SMS (Health care employment services)	Japan	1.4
TOMRA (Industrial sensors manufacturer)	Norway	1.1
Information Technology		
Advantech (Industrial PCs manufacturer)	Taiwan	0.6
Alten (Technology consultant and engineer)	France	2.3
ASM Pacific Technology (Semiconductor eqpt. mfr.)	Hong Kong	0.5
Bechtle (IT services and IT products reseller)	Germany	1.7
Chipbond Technology (Electronic chip packager)	Taiwan	0.8
CyberArk (Cybersecurity software developer)	Israel	1.8
Globant (Software developer)	US	1.6
Infomart (Restaurant supply chain operator)	Japan	0.5
Keywords Studios (Video game technical services)	UK	1.9
Kinaxis (Supply chain software developer)	Canada	2.0
LEM Holdings (Electrical components manufacturer)	Switzerland	2.0
Network International (Electronic payment services)	UK	0.8
Reply (IT consultant)	Italy	2.4
SimCorp (Asset management software provider)	Denmark	0.5
TeamViewer (Remote connectivity software developer)	Germany	0.9
TravelSky (Aviation IT services)	China	1.0
Vaisala (Atmospheric measuring devices manufacturer)	Finland	2.2
Materials		
Fuchs Petrolub (Lubricants manufacturer)	Germany	1.5
Hoa Phat Group (Steel producer)	Vietnam	2.7
JCU (Industrial coating manufacturer)	Japan	1.0
SH Kelkar (Fragrances and flavors manufacturer)	India	0.8
Real Estate		
Mabaneer (Real estate developer and manager)	Kuwait	0.5
Utilities		
Rubis (Liquid chemical storage and distribution)	France	2.2
Cash		3.5

Model Portfolio holdings are supplemental information only and complement the fully compliant International Small Companies Composite 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 ISC	ACWI ex-US SC	Effect
EMIS Group	HLTH	1.7	<0.1	0.70
Bank of Georgia	FINA	1.8	<0.1	0.34
Haitian International	INDU	1.7	-	0.31
Sarana Menara Nusantara	COMM	1.6	-	0.29
TravelSky	INFT	0.5	-	0.28

2Q22 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		
		HL ISC	ACWI ex-US SC	Effect
Hoa Phat Group	MATS	3.2	-	-0.64
YouGov	COMM	1.3	<0.1	-0.34
Globant	INFT	1.8	-	-0.34
Reply	INFT	2.9	0.1	-0.31
Alten	INFT	2.5	0.1	-0.27

Portfolio Characteristics

Quality and Growth	HL ISC	ACWI ex-US SC
Profit Margin ¹ (%)	10.2	8.3
Return on Assets ¹ (%)	8.4	5.5
Return on Equity ¹ (%)	15.6	11.2
Debt/Equity Ratio ¹ (%)	25.6	49.5
Std. Dev. of 5 Year ROE ¹ (%)	3.7	5.2
Sales Growth ^{1,2} (%)	10.0	6.6
Earnings Growth ^{1,2} (%)	9.6	8.6
Cash Flow Growth ^{1,2} (%)	9.1	6.7
Dividend Growth ^{1,2} (%)	7.4	5.3
Size and Turnover	HL ISC	ACWI ex-US SC
Wtd. Median Mkt. Cap. (US \$B)	2.6	1.9
Wtd. Avg. Mkt. Cap. (US \$B)	3.0	2.2
Turnover ³ (Annual %)	16.6	-

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

Completed Portfolio Transactions

Positions Established	Market	Sector
Prodia	Indonesia	HLTH
TravelSky	China	INFT

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		
		HL ISC	ACWI ex-US SC	Effect
EMIS Group	HLTH	1.4	<0.1	0.81
Localiza	INDU	1.1	-	0.45
Vaisala	INFT	2.0	-	0.44
CyberArk	INFT	1.7	-	0.27
Bankinter	FINA	0.7	0.1	0.26

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		
		HL ISC	ACWI ex-US SC	Effect
TeamViewer	INFT	1.0	<0.1	-0.79
Hoa Phat Group	MATS	3.4	-	-0.75
Infomart	INFT	1.0	<0.1	-0.49
Rubis	UTIL	2.1	0.1	-0.45
Network International	INFT	1.0	<0.1	-0.40

Risk and Valuation	HL ISC	ACWI ex-US SC
Alpha ² (%)	1.34	-
Beta ²	0.93	-
R-Squared ²	0.89	-
Active Share ³ (%)	96	-
Standard Deviation ² (%)	18.07	18.26
Sharpe Ratio ²	0.16	0.10
Tracking Error ² (%)	6.2	-
Information Ratio ²	0.18	-
Up/Down Capture ²	98/95	-
Price/Earnings ⁴	14.9	10.2
Price/Cash Flow ⁴	11.1	7.1
Price/Book ⁴	2.4	1.3
Dividend Yield ⁵ (%)	2.4	3.0

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 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 June 30, 2022)

	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 (\$M)	Firm Assets (\$M)
2022 YTD ⁴	-28.52	-28.86	-22.69	20.69	21.14	N.A. ⁵	1	474	50,423
2021	14.71	13.60	13.36	18.81	19.85	N.M. ⁶	1	594	75,084
2020	20.14	18.81	14.67	19.78	20.97	N.M.	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

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 2022 YTD performance returns and assets shown are preliminary; ⁵N.A.—Internal dispersion less than a 12-month period; ⁶N.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, excluding the US. The Index consists of 46 developed and emerging market countries, and is comprised of companies that fall within a market capitalization range of USD 88-8,393 million (as of June 30, 2022). 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. Harding Loevner has been independently verified for the period November 1, 1989 through March 31, 2022.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The International Small Companies Equity Composite has had a performance examination for the periods January 1, 2007 through March 31, 2022. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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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 Small Companies accounts is 1.00% annually of the market for the first \$20 million; 0.80% for the next \$80 million; 0.70% above \$100 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.