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International small caps posted modest gains, lagging behind their large-caps peers, which have been the primary beneficiaries of the market's enthusiasm over artificial intelligence.

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Allegro's ability to ward off Amazon in Poland demonstrates the opportunity that exists for small-cap investors in identifying situations in which the market has overestimated the threat of a sizable new entrant.

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Composite Performance

Total Return (%) — Periods Ended June 30, 2024

	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
HL International Small Cos. (Gross)	-3.39	-3.47	1.56	-3.89	4.87	5.41	7.56
HL International Small Cos. (Net)	-3.62	-3.93	0.59	-4.80	3.82	4.32	6.42
MSCI All Country World ex US Small Cap Index	0.85	3.08	11.80	-0.96	6.59	4.86	4.88

The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. International Small Cos. composite inception date: December 31, 2006. MSCI All Country World ex US Small Cap Index, the benchmark index, is shown 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	Index	Under / Over
Comm Services	10.6	3.5	7.1
Info Technology	17.9	12.2	5.7
Health Care	10.5	6.3	4.2
Cash	4.1	-	4.1
Cons Staples	9.3	6.1	3.2
Industrials	20.5	21.4	-0.9
Utilities	1.5	3.1	-1.6
Energy	1.8	4.0	-2.2
Financials	9.0	11.6	-2.6
Materials	8.1	11.2	-3.1
Cons Discretionary	6.1	11.7	-5.6
Real Estate	0.6	8.9	-8.3

Geography	HL	Index	Under / Over
Europe EMU	24.4	11.2	13.2
Europe ex EMU	28.9	19.0	9.9
Frontier Markets	7.6	-	7.6
Cash	4.1	-	4.1
Other	0.8	-	0.8
Middle East	2.3	1.8	0.5
Canada	1.0	6.7	-5.7
Pacific ex Japan	0.7	8.7	-8.0
Japan	10.9	21.4	-10.5
Emerging Markets	19.3	31.2	-11.9

"HL": International Small Companies model portfolio. "Index": MSCI All Country World ex US Small Cap Index. "Frontier Markets": Includes countries with less-developed markets outside the index. "Other": Includes 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, FactSet, MSCI Inc. 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 equity markets rose slightly in the quarter, led by good returns among large-cap Information Technology (IT) stocks, especially within the semiconductor industry. However, international small caps, a group that contains fewer chip-related stocks, posted more modest gains, with the MSCI All Country World ex US Small Cap Index trailing the broader international benchmark.

Monetary policies continued to diverge in developed markets. The US Federal Reserve kept the federal funds rate within the range of 5.25% and 5.5%, reflecting a cautious stance aimed at containing inflation while supporting growth. Despite earlier forecasts suggesting multiple rate cuts in 2024, markets are now pricing in just two. The Bank of Japan also kept rates stable but further reduced its bond purchases; Governor Kazuo Ueda indicated that further rate hikes remain a possibility despite signs of economic weakness. In contrast, the European Central Bank lowered its key rate to 3.75% from 4%, making its first cut since 2019, even as wage cost pressures persist.

While inflation appears under control in most countries and bond yields remain stable, recent election results have introduced new volatility in both developed and emerging markets. In Europe, far-right parties made significant gains in the parliamentary

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

Sector	2Q 2024	Trailing 12 Months
Communication Services	-1.4	6.3
Consumer Discretionary	-2.1	4.3
Consumer Staples	-0.3	7.4
Energy	2.3	24.0
Financials	3.9	25.2
Health Care	0.2	4.3
Industrials	1.9	15.3
Information Technology	2.3	15.9
Materials	0.9	7.7
Real Estate	-3.5	4.1
Utilities	5.3	10.6
Geography	2Q 2024	Trailing 12 Months
Canada	1.3	8.7
Emerging Markets	6.0	20.5
Europe EMU	-2.3	5.4
Europe ex EMU	3.2	14.1
Japan	-5.7	6.9
Middle East	-4.0	5.9
Pacific ex Japan	-0.5	4.3
MSCI ACWI ex US Small Cap Index	0.8	11.8

Source: FactSet, MSCI Inc. Data as of June 30, 2024.

elections in the European Monetary Union. French President Emmanuel Macron reacted to his party's rout at the ballot box by hastily calling for snap legislative elections, prompting French markets to fall. In Germany, Chancellor Olaf Scholz's center-left Social Democrats also received a drubbing and are now polling behind the extreme-right wing Alternative for Germany (AfD) party, although with elections there more than a year away, markets were calmer. In another anti-incumbent outcome, the Labour party secured the majority in the UK Parliament, bringing an end to Conservative Rishi Sunak's 20-month tenure as Prime Minister, and to the Tories' 14-year hold on power.

Emerging economies also experienced political upheavals. In India, Prime Minister Narendra Modi's Bharatiya Janata Party (BJP) failed to secure a majority in that country's elections, which means that he will need to seek alliances across party lines to secure his third term. In Mexico, Claudia Sheinbaum's decisive victory over Xóchitl Gálvez led to a larger drop in Mexican stocks; investors braced for populist policies as her party's gains in the legislature may lead to an unconstrained majority.

The ongoing weakness of the Japanese yen remained the headline story in currency markets, as it fell an additional 6% against the dollar, reaching its lowest level since 1990. The decline appears to be caused by local investors seeking higher real yields outside their domestic market, as policies remain targeted at stimulating inflation in the economy. Emerging market currencies in Latin America fared even worse: the Brazilian real and Mexican peso both dropped roughly 10%, weighed down by narrowing interest-rate differentials with the US dollar and, in the case of the peso, the election results.

Among international small caps, Utilities was the best performing sector, with expectations of rising energy demand for the large data centers that tech companies are building for artificial-intelligence applications.

Among international small caps, Utilities was the best performing sector, with expectations of rising energy demand for the large data centers that tech companies are building for artificial-intelligence applications. Communication Services, specifically media & entertainment stocks, and Consumer Discretionary performed poorly due to signs of weakening consumer spending, which fueled recession worries.

Regional performance was mixed, although there was a notable shift in investor sentiment toward Japan. Because of a government-policy-induced rally in value stocks, Japan had been the index's top-performing region in the first quarter, posing a

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, 2024 is available on page 6 of this report.

significant headwind for this portfolio given its quality growth holdings and low exposure to the region. This quarter, however, Japan was the index's worst performer, while headwinds for growth stocks there also showed signs of waning. Meanwhile, Emerging Markets (EMs) led market returns, even though poor performance by Brazil and Mexico, which fell 17% and 18%, respectively, offset gains for China and India.

How We Did

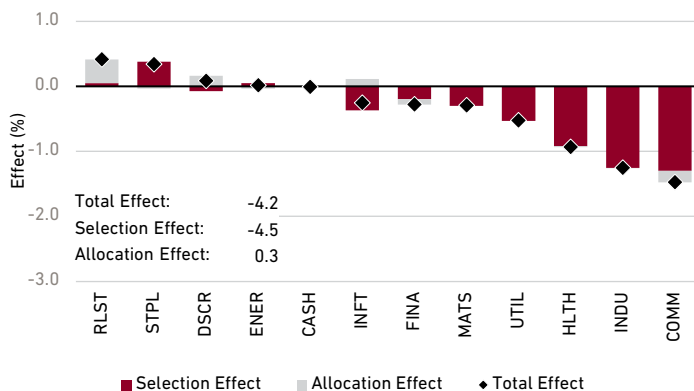
The International Small Companies Equity portfolio declined 3.4% gross of fees in the second quarter, compared with a 0.9% gain in the MSCI ACWI ex US Small Cap Index.

Our underperformance was primarily due to a handful of weak stocks in the Communication Services, Industrials, and Health Care

Second Quarter 2024 Performance Attribution

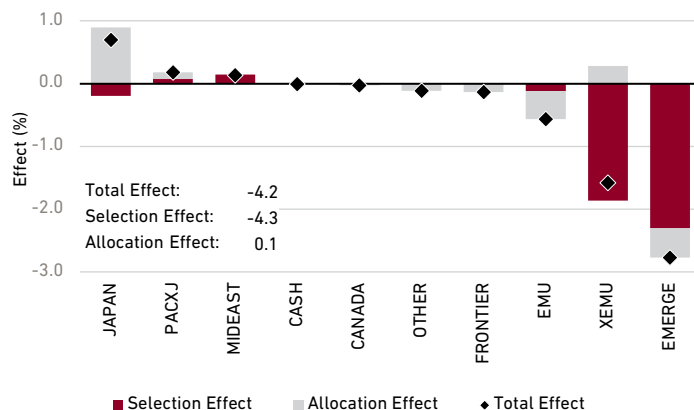
Sector

Intl. Small Cos. Equity Composite vs. MSCI ACWI ex US Small Cap Index



Geography

Intl. Small Cos. Equity Composite vs. MSCI ACWI ex US Small Cap Index



*"FRONTIER": Includes countries with less-developed markets outside the index.

*"OTHER": Includes companies classified in countries outside the index.

Source: Harding Loevner International Small Cos. composite, FactSet, MSCI Inc. Data as of date June 30, 2024. 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.

sectors. In Communication Services, market research services provider **YouGov** unexpectedly lowered projections for revenue and earnings, citing weaker-than-expected sales in its data-products division and falling demand for its fast-turnaround research services. The revised outlook caused the shares to plummet. The strong market reaction may partly reflect a common misconception among investors that YouGov primarily conducts political polling, as those investors would expect the company to do particularly well in a year full of democratic elections. (Political polling is only a small percentage of overall revenue.)

In Industrials, Brazilian car-rental service **Localiza** fell due to concern that declining prices for used cars will lower the expected resale value of the company's fleet and increase depreciation expenses. **TOMRA**, a Norway-based provider of machines used in recycling and sorting, reported weak profitability because of lower volumes in its recycling and food segments.

In Health Care, Germany's **Evotec** lowered its guidance in conjunction with the announcement of a new chief executive. An industry downturn has hurt demand for the company's contract-research services, which help pharmaceutical and biotechnology clients in the discovery of new drugs.

A bright spot was Consumer Staples. Plant-breeding company **KWS SAAT** of Germany raised its outlook following stronger-than-expected demand for its sugar beet products.

Stock selection was poor across geographies. The portfolio's EM holdings failed to keep up with the robust returns of their peers, especially in India. Life-insurance provider **Max Financial** reported strong new business growth, but margins continued to soften as the industry contends with a weaker sales mix. **SH Kelkar**, India's largest local flavors and fragrances company, reported a fire at one of its fragrance production facilities, forcing it to shift production to one of its flavor manufacturing sites and operate on a double-shift basis.

In Europe, shares of UK-based **Keywords Studios**, a provider of IT services to the video-game industry, surged following a buyout offer from private-equity firm EQT. However, the declines of YouGov and Tomra more than offset that gain.

What's On Our Minds

Small caps have underperformed their larger peers by a wide margin over the last couple of years, as a handful of mega-cap stocks, particularly in the US tech industry, dominates overall market returns. The relative weakness in small-cap stocks has added to a perception that small companies are also generally at an inherent disadvantage vis-à-vis large companies, should the latter be tempted to encroach on their industries. In this environment, the mere rumor that a deep-pocketed competitor such as Amazon may be ready to enter a market can quickly topple the share price of smaller industry incumbents.

However, the success of a large company entering a new market is not a certainty by any means. A smaller company focused on a specific region can create high barriers to entry for would-be competitors by developing a differentiated product and strong brand, while learning and catering to local preferences and requirements. A rival's product would also have to be vastly superior to win over customers should they face high switching costs. For a large company with a broad set of expansion opportunities, the attractiveness of a new market is diminished if competing with the incumbent comes at a steep cost.

Therefore, attractive opportunities exist for small-cap investors in correctly identifying those situations in which the knee-jerk fears over a new entrant aren't justified. This requires an understanding of industry structure, which we evaluate using Michael Porter's Five Forces as one of the initial steps of our research process. Evaluating the threat of new entrants is particularly important in the case of small companies because any industry offering above-average growth and profitability is almost certain to attract the interest of larger, well-capitalized competitors. That's why **Allegro**, the leading e-commerce platform in Poland, has found itself going head-to-head with Amazon.com, a company that is 200 times larger by market cap.

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Between 2017 and 2020, Allegro's revenue grew at an annual compounded rate of 34%, and it had an adjusted EBITDA margin of 40% in 2020. One reason for its strong growth is that unlike in the US, spending on e-commerce platforms in Poland is still relatively low. Naturally, Amazon, flush with cash from the pandemic-fueled online-shopping boom, initiated an attempt to seize this opportunity in 2021, hoping to leverage its existing infrastructure in Poland (including warehouses that had been supporting its operations in other Western European markets, predominantly Germany) to capture some of the growth Allegro has enjoyed and further strengthen its international business. After Amazon announced its Polish website, shares of Allegro promptly fell, with its market value shrinking by 70% over the next 18 months alongside a sell-off in tech stocks.

So how has Allegro managed to fend off Amazon in Poland? A key factor has been Allegro's smart parcel distribution strategy. One of the biggest challenges for an e-commerce company operating in Poland is that the country has a low population density, which makes it difficult to deliver packages in a cost-efficient manner. To solve this problem, Allegro partnered with InPost, a local logistics provider, as well as operators of gas stations, convenience stores, and other businesses, to create a network of thousands of delivery lockers in highly trafficked areas such as train stations and shopping malls. The cost of delivering orders to these lockers, called Automated Parcel Machines (APMs), is 25–30% lower than shipping directly to a customer's home. It's also cheaper and

convenient for the customer. As this proposition entices users and merchants to its marketplace, additional users and merchants become interested, allowing Allegro to expand its selection—to 445 million products sold by more than 150,000 merchants—and offer attractive prices. In other words, network effects have begun to take hold. (If any of this strategy sounds like a page out of the Amazon playbook, several of Allegro's top managers came from the US company.)

In addition to continuing to invest in its logistics, Allegro has tried to ward off competition from Amazon by lowering the price of its member subscription program, called SMART. While this initially caused the company's high profit margins to take a hit, they began to stabilize and improve early last year. Margins for Allegro's Polish operations have now fully recovered, its market share is little changed, and its stock price has nearly doubled since late 2022 (when margins bottomed). While the stock is still well below where it traded before Amazon's incursion, this is largely due to Allegro's aggressive investment in its own international expansion, an effort which may begin to bear fruit in the near future as its Czech Republic business should turn profitable within the next few years. The competition with Amazon is far from over, but to this point, Allegro's competitive advantage has proved durable.

Another small company that has managed to keep a large new entrant at bay is **Rightmove**, the leading UK portal for residential sales and rentals. Like e-commerce, online real estate portals are subject to network effects that cause most of the market share to accrue to one company—in this case, Rightmove, which has an estimated 80% market share. Buyers naturally flock to the website with the most listings, and sellers' agents are drawn to sites with the most buyers. CoStar, the owner of the popular US websites Homes.com and Apartments.com, has attempted to compete in the UK by acquiring OnTheMarket.com, Rightmove's distant third-place rival, in October of last year and aggressively spending on marketing to gain users. Rightmove shares dropped more than 13% on the day the deal was announced. But while web-traffic data show that OnTheMarket temporarily claimed the No. 2 spot following a March marketing campaign, the site lost ground in May, falling back to third place. To overtake Rightmove, CoStar will need to, at the very least, sustain its large marketing spend—a strategy that runs counter to management's focus on returns on investment. More likely, it will have to settle for second place behind Rightmove. Investors' fears have also been allayed: Shares of Rightmove have recouped their losses.

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IT services is an industry in which many local small companies have been resilient in the face of competition from larger rivals. One that stands out is **Bechtel**, which has a strong position in Germany as the country's largest provider of turnkey IT solutions—called a systems house—despite the presence of

global competitors such as Accenture. Bechtle differentiates itself by focusing on the entire lifecycle of IT systems, including the purchase of new products as well as managing or retiring older tools. This makes it a one-stop shop for customers to manage technological change in a cost-efficient manner.

Even as the largest tech companies in the world post robust growth—in their businesses and their stock prices—Bechtle has demonstrated that there remains a need for third-party value-added services that help customers solve unique challenges.

Through a partnership that began with IBM four decades ago, Bechtle has cultivated long-term trusted relationships with local customers, including many in the public sector. It now boasts about 100 offices of consultants and IT professionals across Germany

and the nearby German-speaking countries of Switzerland and Austria, enabling Bechtle to provide better customer service than larger competitors, building a strong barrier to entry. It also has partnerships with other tech leaders, such as Microsoft and Amazon Web Services, as a reseller of their products and solutions. Even as the largest tech companies in the world post robust growth—in their businesses and their stock prices—Bechtle has demonstrated that there remains a need for third-party value-added services that help customers solve unique challenges.

It is reasonable for the market to be worried about the fate of smaller companies in a world where it seems that the bigger will continue to get even bigger and stronger. But not all small companies are alike. Our portfolio is characterized by high-quality businesses with competitive advantages in growing, profitable niches that can withstand attacks by large, well-funded competitors.

International Small Companies Holdings (as of June 30, 2024)

	Market	End Wt. (%)		Market	End Wt. (%)
Communication Services			Industrials		
Airtel Africa (Telecom services)	UK	1.7	Belimo (HVAC manufacturer)	Switzerland	1.2
Baltic Classifieds (Online classifieds portal operator)	UK	0.7	Bossard (Industrial components supplier)	Switzerland	1.5
Cheil Worldwide (Marketing and advertising services)	South Korea	0.8	Burckhardt Compression (Compressor manufacturer)	Switzerland	1.6
Megacable (Cable operator)	Mexico	1.9	Clarkson (Shipping services)	UK	2.0
Paradox Interactive (Video game publisher)	Sweden	0.6	Copa Holdings (Airline operator)	Panama	1.3
Rightmove (Online property listings operator)	UK	0.3	Diploma (Specialized technical services)	UK	2.4
Sarana Menara Nusantara (Telecom tower operator)	Indonesia	1.0	Grafton (Construction products distributor)	UK	1.3
Scout24 (Real estate information services)	Germany	1.3	Haitian International (Injection-molding machines mfr.)	China	0.7
TIME dotCom Berhad (Telecom services)	Malaysia	0.7	Hanbell Precise Machinery (Compressor manufacturer)	China	0.8
YouGov (Market research and data analytics services)	UK	1.6	Localiza (Automobile rental services)	Brazil	0.7
Consumer Discretionary			Meyer Optoelectronic (Optical machine manufacturer)	China	0.6
Allegro (E-commerce retailer)	Poland	0.9	MISUMI Group (Machinery-parts supplier)	Japan	0.5
Eclat Textile (Technology-based textile manufacturer)	Taiwan	0.5	Pfeiffer Vacuum (Vacuum pump manufacturer)	Germany	1.5
Jarir Marketing (Consumer products retailer)	Saudi Arabia	0.4	Senior (Aerospace and auto parts manufacturer)	UK	2.1
Stanley Electric (Automotive lighting manufacturer)	Japan	1.5	SMS (Health care employment services)	Japan	1.5
Thule Group (Lifestyle consumer products manufacturer)	Sweden	1.2	TOMRA (Industrial sensors manufacturer)	Norway	0.9
TravelSky (Aviation IT services)	China	1.5	Information Technology		
Consumer Staples			Advantech (Industrial PCs manufacturer)	Taiwan	0.6
Ariake (Natural seasonings manufacturer)	Japan	1.5	Alten (Technology consultant and engineer)	France	1.4
Cranswick (Foods manufacturer)	UK	2.1	ASM Pacific Technology (Semiconductor eqpt. mfr.)	Hong Kong	0.7
Grupo Herdez (Processed foods manufacturer)	Mexico	1.1	Bechtle (IT services and IT products reseller)	Germany	1.7
KWS SAAT (Agricultural products producer)	Germany	1.8	Bochu (Laser control system manufacturer)	China	0.7
Lotus Bakeries (Confectionery snack manufacturer)	Belgium	0.9	Cyberark (Cybersecurity software developer)	Israel	2.3
Pigeon (Consumer products manufacturer)	Japan	0.4	Globant (Software developer)	US	0.8
Robinsons Retail (Foods & consumer products retailer)	Philippines	0.9	Keywords Studios (Video game technical services)	UK	1.6
Yantai China Pet Foods (Pet food manufacturer)	China	0.6	Kinaxis (Supply chain software developer)	Canada	1.1
Energy			LEM Holdings (Electrical components manufacturer)	Switzerland	0.9
Dialog Group Berhad (Petrochemical services)	Malaysia	1.2	Nemetschek (Engineering software developer)	Germany	1.1
Romgaz (Natural gas producer)	Romania	0.6	Reply (IT consultant)	Italy	2.2
Financials			Shift (Software assurance provider)	Japan	0.5
Bank of Georgia (Commercial bank)	UK	0.8	TeamViewer (Remote connectivity software developer)	Germany	0.9
Bankinter (Commercial bank)	Spain	1.1	Vaisala (Atmospheric measuring devices manufacturer)	Finland	1.5
GMO Payment Gateway (Payment processing services)	Japan	1.6	Materials		
Linea Directa (Insurance provider)	Spain	1.1	Fuchs Petrolub (Lubricants manufacturer)	Germany	1.9
Max Financial (Financial services & insurance provider)	India	2.1	Hoa Phat Group (Steel producer)	Vietnam	3.0
Rathbones (Wealth manager)	UK	0.4	JCU (Industrial coating manufacturer)	Japan	1.1
Siauliu Bankas (Commercial bank)	Lithuania	1.8	Novonosis (Biotechnology producer)	Denmark	1.2
Health Care			SH Kelkar (Fragrances and flavors manufacturer)	India	0.9
BML (Clinical testing and information services)	Japan	0.7	Real Estate		
CellaVision (Medical device manufacturer)	Sweden	1.6	Mabanee (Real estate developer and manager)	Kuwait	0.6
DiaSorin (Reagent kits developer)	Italy	1.1	Utilities		
Evotec (Drug discovery and developer)	Germany	1.8	Rubis (Liquid chemical storage and distribution)	France	1.5
Santen Pharmaceutical (Pharma manufacturer)	Japan	0.7	Cash		4.1
Solasto (Medical admin outsourcing)	Japan	0.8			
Square Pharmaceuticals (Pharma manufacturer)	Bangladesh	0.9			
STRATEC (Life science products manufacturer)	Germany	1.6			
Tecan (Life science products and services)	Switzerland	1.3			

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.

2Q24 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Keywords Studios	INFT	1.5	<0.1	1.04
Linea Directa	FINA	1.5	<0.1	0.30
KWS SAAT	STPL	1.7	-	0.27
Airtel Africa	COMM	1.6	<0.1	0.21
Diploma	INDU	2.2	0.2	0.20

2Q24 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
YouGov	COMM	1.8	<0.1	-1.27
Evotec	HLTH	1.3	<0.1	-0.52
Bank of Georgia	FINA	1.5	<0.1	-0.45
Alten	INFT	1.6	0.1	-0.42
Rubis	UTIL	2.6	0.1	-0.40

"HL": International Small Companies composite. "Index": MSCI All Country World ex US Small Cap Index.

Portfolio Characteristics

Quality and Growth	HL	Index
Profit Margin ¹ (%)	8.8	7.6
Return on Assets ¹ (%)	6.9	5.3
Return on Equity ¹ (%)	12.9	10.7
Debt/Equity Ratio ¹ (%)	30.0	47.0
Std. Dev. of 5 Year ROE ¹ (%)	3.6	5.5
Sales Growth ^{1,2} (%)	9.3	4.8
Earnings Growth ^{1,2} (%)	5.5	7.8
Cash Flow Growth ^{1,2} (%)	11.0	9.3
Dividend Growth ^{1,2} (%)	9.1	5.1
Size and Turnover	HL	Index
Wtd. Median Mkt. Cap. (US \$B)	2.9	2.3
Wtd. Avg. Mkt. Cap. (US \$B)	3.9	2.7
Turnover ³ (Annual %)	17.4	-

¹Weighted median. ²Trailing five years, annualized. ³Five-year average. ⁴Weighted harmonic mean. ⁵Weighted mean. Source: (Risk characteristics): Harding Loevner International Small Companies composite based on the composite returns, gross of fees, eVestment Alliance LLC, MSCI Inc. Source: (other characteristics): Harding Loevner International Small Companies model based on the underlying holdings, FactSet (Run Date: July 3, 2024) based on the latest available data in FactSet on this date.), MSCI Inc.

Completed Portfolio Transactions

Positions Established	Market	Sector
GMO Payment Gateway	Japan	FINA
Shift	Japan	INFT

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight		Effect
		HL	Index	
Cyberark	INFT	2.1	-	1.00
Diploma	INDU	1.9	0.1	0.44
Keywords Studios	INFT	1.6	<0.1	0.42
Clarkson	INDU	1.6	<0.1	0.42
Cranswick	STPL	1.8	0.1	0.38

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight		Effect
		HL	Index	
YouGov	COMM	2.0	<0.1	-1.48
Evotec	HLTH	1.0	0.1	-0.92
LEM Holdings	INFT	1.7	<0.1	-0.85
Localiza	INDU	1.2	-	-0.84
Alten	INFT	1.8	0.1	-0.79

Risk and Valuation	HL	Index
Alpha ² (%)	-1.19	-
Beta ²	0.95	-
R-Squared ²	0.9	-
Active Share ³ (%)	97	-
Standard Deviation ² (%)	19.54	19.51
Sharpe Ratio ²	0.14	0.22
Tracking Error ² (%)	6.3	-
Information Ratio ²	-0.27	-
Up/Down Capture ²	99/105	-
Price/Earnings ⁴	18.2	14.8
Price/Cash Flow ⁴	11.2	8.6
Price/Book ⁴	2.3	1.4
Dividend Yield ⁵ (%)	2.2	2.7

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. Performance of contributors and detractors is net of fees, which is calculated by taking the difference between net and gross composite performance for the International Small Companies Equity strategy prorated by asset weight in the portfolio and subtracted from each security's return. 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, 2024)

	HL ISC Gross (%)	HL ISC Net (%)	MSCI ACWI ex US Small Cap ¹ (%)	HL ISC 3-yr. Std. Deviation ² (%)	MSCI ACWI ex US Small Cap 3-yr. Std. Deviation ² (%)	Internal Dispersion ³ (%)	No. of Accounts	Composite Assets (\$M)	Firm Assets (\$M)
2024 YTD ⁴	-3.47	-3.93	3.08	18.26	16.82	N.A.	1	491	41,641
2023	13.91	12.83	16.23	18.05	16.98	N.M.	1	537	43,924
2022	-23.74	-24.46	-19.57	21.96	22.72	N.M.	1	523	47,607
2021	14.71	13.60	13.36	18.81	19.85	N.M.	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

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 2024 YTD performance returns and assets shown are preliminary. N.A.—Internal dispersion less than a 12-month period. N.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-adjusted 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 77-8,588 million (as of June 30, 2024). 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, 2024.

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, 2024. 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.

Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. Harding Loevner is an affiliate of AMG (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 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.