

## Performance (% Total Return)

Periods ended October 31, 2021 <sup>1</sup>	1 Month	YTD	1 Year	3 Years <sup>2</sup>	5 Years <sup>2</sup>	Since Inception <sup>2,3</sup>
HL World Equity (Gross)	6.18	22.62	43.09	25.89	21.24	16.34
HL World Equity (Net)	6.08	22.15	42.54	25.39	20.76	15.87
MSCI World Index <sup>4,5</sup>	5.69	19.89	41.05	18.80	16.05	11.94
MSCI All Country World Index <sup>5,6</sup>	5.13	17.21	37.86	18.04	15.30	11.25

## Portfolio Positioning (% Weight)

Sector	HL World	MSCI World	Under / Over
Health Care	23.6	12.4	11.2
Cash	3.8	—	3.8
Comm Services	11.0	8.7	2.3
Industrials	12.3	10.3	2.0
Info Technology	23.3	22.9	0.4
Financials	13.5	13.8	-0.3
Energy	2.4	3.3	-0.9
Real Estate	0.5	2.7	-2.2
Utilities	0.2	2.7	-2.5
Materials	0.0	4.1	-4.1
Cons Discretionary	8.2	12.4	-4.2
Cons Staples	1.2	6.7	-5.5

Geography	HL World	MSCI World	Under / Over
Emerging Markets	4.9	—	4.9
Cash	3.8	—	3.8
Europe ex-EMU	11.5	8.9	2.6
Frontier Markets <sup>7</sup>	0.0	—	0.0
Middle East	0.0	0.2	-0.2
Pacific ex-Japan	3.0	3.2	-0.2
Europe EMU	8.3	9.4	-1.1
Japan	3.7	6.5	-2.8
Canada	0.0	3.3	-3.3
United States	64.8	68.5	-3.7

## Investment Perspectives

### Market

Strong company earnings, especially by those in tech and its related sectors, sparked enthusiasm for equities. Software and semiconductor companies continued to experience strong demand. In Consumer Discretionary, returns were led by the automotive industry as Tesla jumped on news that rental car companies would expand their fleets of electric vehicles. In Communications Services, investors struggled to make sense of yet another **Facebook** controversy, this time instigated by a whistleblower report, as well as the company's ambitious plan to invest in the metaverse—leading to it renaming itself Meta Platforms. All major markets gained except Japan, where optimism over new Prime Minister Fumio Kishida quickly faded after he suggested a possible increase in capital gains taxes.

### Portfolio

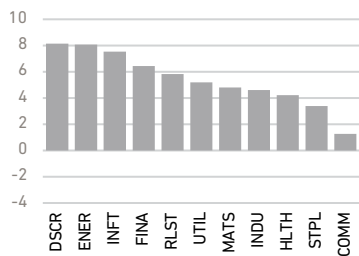
Supply chain bottlenecks and related rising costs have dominated recent news headlines. Many of our holdings have been able to pass on price increases to customers, thanks in large part to their strong competitive positions. While this insulates them from inflation to some extent, they are not immune. In the case of **Nike**, factory closures and lengthy transit times have increased costs and reduced inventory; the company has indicated that supply chain challenges may continue through mid-2022. However, Nike has more than offset these headwinds by increasing prices and by accelerating its shift to focus its distribution more on direct-to-consumer channels, driving sales growth in both its own stores and online.

## Ten Largest Holdings

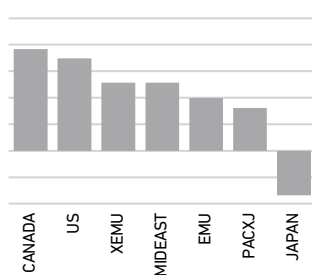
Company	Market	Sector
Alphabet	US	Comm Services
First Republic Bank	US	Financials
SVB Financial Group	US	Financials
Amazon.com	US	Cons Discretionary
Microsoft	US	Info Technology
John Deere	US	Industrials
ASML	Netherlands	Info Technology
Meta Platforms	US	Comm Services
Illumina	US	Health Care
Adobe	US	Info Technology

## Benchmark Performance | Oct.

Total Return by Sector (%)

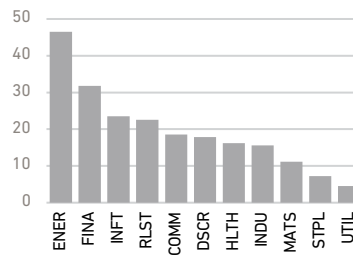


Total Return by Geography (%)

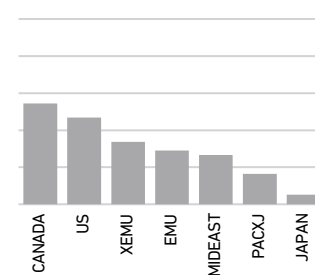


## Benchmark Performance | YTD

Total Return by Sector (%)

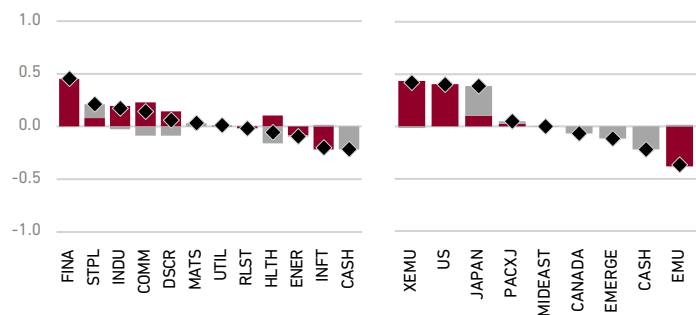


Total Return by Geography (%)



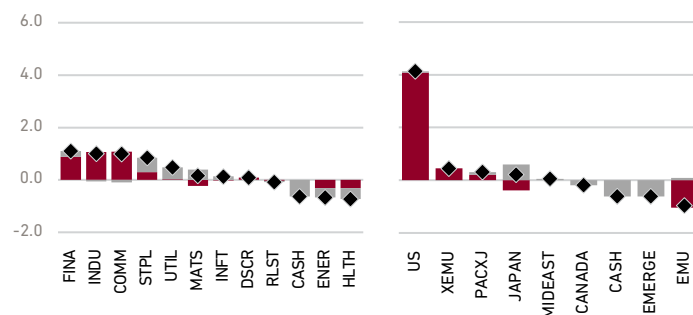
## Performance Attribution | Oct.

Effect (%)	Selection	Allocation	Total
Sector	0.9	-0.4	0.5
Geography	0.6	-0.1	0.5



## Performance Attribution | YTD

Effect (%)	Selection	Allocation	Total
Sector	2.5	0.2	2.7
Geography	3.3	-0.6	2.7



- Our US banks, **First Republic Bank** and **SVB Financial Group**, both reported robust growth while maintaining strong credit quality.
- Alphabet** shares gained after the company reported strong advertising revenue growth, overcoming fears it would be adversely impacted by **Apple's** data privacy changes.
- PayPal** shares declined after rumors surfaced of a potential acquisition of **Pinterest**, the picture-based social media company. Investors questioned the possible synergies that the acquisition could bring about; PayPal has since stated that it is not pursuing the deal for the time being.

- In the US, **EPAM** has experienced robust demand for digital modernization projects, while **Adobe** reported accelerating growth due to strong demand for its cloud offerings.
- In Health Care, **Vertex Pharmaceuticals** declined after disappointing clinical trial outcomes. **Chugai Pharmaceutical** declined on concerns of weaker royalties from its hemophilia drug.
- Game developer **CD Projekt** has suffered from residual issues related to a botched game launch last year.
- Remote work software company **TeamViewer** declined on market concerns that growth will slow as the COVID-19-related tailwind for its remote work products abates.

## Top Five Contributors/Detractors (%) | Oct.

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
First Republic Bank	US	FINA	0.1	0.29
SVB Financial Group	US	FINA	0.1	0.18
Etsy	US	DSCR	<0.1	0.17
Nike	US	DSCR	0.3	0.16
VAT Group	Switzerland	INDU	-	0.15
<b>Detractors</b>				
TeamViewer	Germany	INFT	<0.1	-0.60
Tesla*	US	DSCR	1.1	-0.42
PayPal	US	INFT	0.5	-0.28
Pinterest	US	COMM	<0.1	-0.20
Align Technology	US	HLTH	1.0	-0.18

## Top Five Contributors/Detractors (%) | YTD

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
SVB Financial Group	US	FINA	0.1	1.48
First Republic Bank	US	FINA	0.1	1.05
EPAM	US	INFT	<0.1	0.75
Alphabet	US	COMM	2.5	0.58
Protolabs	US	INDU	-	0.58
<b>Detractors</b>				
TeamViewer	Germany	INFT	<0.1	-1.65
Vertex Pharmaceuticals	US	HLTH	0.1	-0.83
Chugai Pharmaceutical	Japan	HLTH	0.1	-0.41
Symex	Japan	HLTH	<0.1	-0.40
Tesla*	US	DSCR	1.0	-0.36

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

Index weight is the average weight of the security in the index over the MTD and YTD periods. Please read the disclosures on the last page, which are an integral part of this presentation.

## Endnotes

(1) The October 2021 Composite performance shown is preliminary (2) Annualized returns  
(3) Inception date: September 30, 2013 (4) The benchmark index (5) Gross of withholding taxes  
(6) Supplemental index (7) Includes countries with less-developed markets outside the index.

## Sources

Benchmark Performance: FactSet; MSCI Inc. and S&P.

Sector/Geographic Attribution: FactSet; Harding Loevner World Equity Composite; MSCI Inc. and S&P.

Sector/Geographic Positioning and Ten Largest Holdings: FactSet; Harding Loevner World Equity Model; MSCI Inc. and S&P.

## Disclosures

Past performance does not guarantee future results. The holdings identified do not represent all of the securities purchased, sold, or recommended for advisory clients.

For comparison purposes the Composite return is measured against the MSCI World Total Return Index (Gross). Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. Harding Loevner claims compliance with the Global Investment Performance Standards (GIPS®). Harding Loevner has been independently verified for the period November 1, 1989 through June 30, 2021. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The World Equity Composite has had a performance examination for the periods October 1, 2013 through June 30, 2021. The verification and performance examination reports are available upon request. Performance data quoted represents past performance; past performance does not guarantee future results. Returns are presented both gross and net of management fees and include the reinvestment of all income. Net returns are calculated using actual fees. The US dollar is the currency used to express performance. For complete information on the construction and historical record of the World Equity Composite, please contact Harding Loevner at (908) 218-7900 or visit [www.hardingloevner.com](http://www.hardingloevner.com). The firm maintains a complete list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds, which 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.

The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. The index consists of 23 developed market countries. The MSCI All Country World Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The index consists of 50 developed and emerging market countries. You cannot invest directly in these indexes.

Companies held in the portfolio during the month appear in bold type; only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings may not be current. They should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the securities identified has been or will be profitable. The portfolio holdings identified above do not represent all of the securities held in the portfolio. To request a complete list of holdings for the past year, please contact Harding Loevner. The following information is available upon request: (1) information describing the methodology of the contribution data and (2) a list showing the weight and relative contribution to return of all holdings during the month.

Portfolio holdings, portfolio attribution, contributors and detractors, and sector/geographic portfolio positioning are supplemental information only and complement a fully compliant World Equity Composite GIPS Presentation, which is available upon request. The Composite and Attribution returns may show discrepancies due to the different data sources for these returns. Composite performance is obtained from Harding Loevner's accounting system and Attribution returns are obtained from the FactSet portfolio analysis system. Please note returns from FactSet are not audited for GIPS compliance and are for reference only.

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.

FactSet Fundamentals, Copyright 2021 FactSet Research Systems, Inc. All rights reserved.