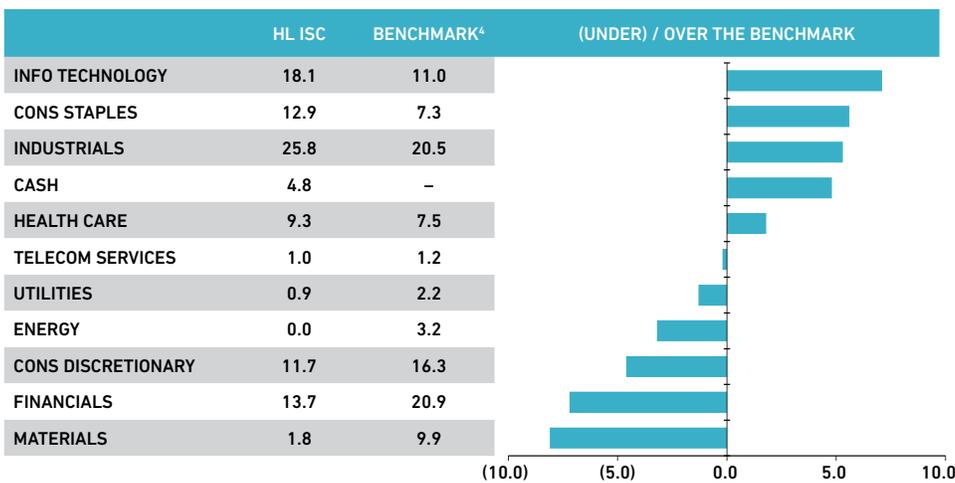
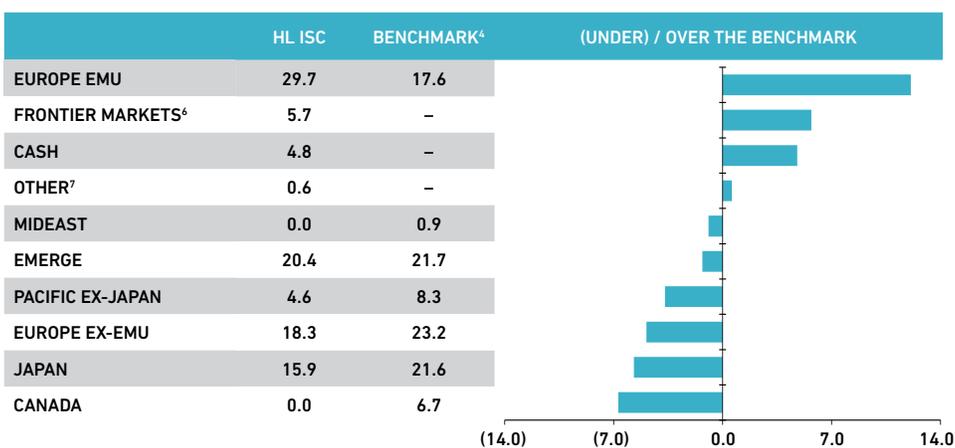


COMPOSITE PERFORMANCE (%) FOR PERIODS ENDING MARCH 31, 2016¹

	3 MONTHS	1 YEAR	3 YEARS ²	5 YEARS ²	SINCE INCEPTION ^{2,3}
HL INTL SMALL COMPANIES (GROSS OF FEES)	0.09	1.35	6.78	6.92	8.00
HL INTL SMALL COMPANIES (NET OF FEES)	-0.13	0.24	5.64	5.77	6.80
MSCI ALL COUNTRY WORLD EX-US SMALL CAP INDEX ^{4,5}	0.76	-0.26	4.03	2.75	3.14

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 page 8 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 (%)


⁴Includes 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 Barra and S&P. MSCI Barra 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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MARKET REVIEW

Stocks declined steeply in the first half of the quarter and rebounded in the second.

Markets that benefit from rising oil and commodity prices were the strongest performers.

The UK's potential exit from the European Union has weighed on the country's stock market.

PORTFOLIO HIGHLIGHTS

We prioritize our research by screening companies for high-quality fundamentals and strong growth, then conduct in-depth qualitative analysis to identify portfolio holdings.

We visited Japan and India this quarter, two countries with a large number of small companies available for investment.

We added a new holding based in Tanzania, increasing the portfolio's exposure to frontier markets.

MARKET REVIEW

In the first quarter of 2016, the MSCI All Country World ex-US Small Cap Index gained 0.8%, tumbling 13% in the first half of the period before rebounding 15%. During the initial plunge, fears of a slowing economy in China and collapsing commodity prices weighed on all stocks. By mid-February, however, positive economic news from China helped support global growth expectations and spurred a jump in commodity prices. Low-quality stocks, which declined most in the quarter's first half, led the rebound and outperformed in the second half.

Canada led developed markets in the Index, a reflection of its heavy exposure to commodity markets. The worst region was Europe outside the eurozone (Europe ex-EMU), which declined 2%, largely due to poor returns from the UK. The British pound fell against the US dollar, one of only a small number of Index currencies to do so. The country's upcoming referendum in June on whether to exit from the European Union has weighed on both the currency and stock prices. The potential consequences of a vote to leave have already hampered the economy; a Deloitte study found that hiring and investment expectations among UK chief financial officers have fallen to a three-year low.¹

Equities in emerging markets (EMs) showed mixed performance. The markets of countries that benefit from rising oil

and metal prices performed best; South Africa, Russia, and Brazil each rose over 20% this quarter. Commodity-importing countries performed the worst, such as India and China which both declined 9%.

Positive news from China helped support global growth expectations and spurred a jump in commodity prices.

By sector, Materials led performance, followed by Consumer Staples. The performance of Health Care, Telecom Services, and Consumer Discretionary lagged in the period. There was no clear preference for cyclical or defensive sectors.

PERFORMANCE ATTRIBUTION

The International Small Companies composite returned 0.1% in the first quarter, slightly underperforming the Index. The charts on the following page illustrate performance attribution for the quarter by sector and geography.

The portfolio benefited most from strong stock selection in the eurozone. Italian IT service provider **Reply** reported strong revenue and earnings growth for 2015. Already a leader in helping Italian businesses to improve their efficiency, Reply is now expanding to the UK and Germany.

The largest detractors from relative performance were our zero weight in Canada's strong market, and poor stock selection in EMs. In China, smart electricity meter manufacturer **Wasion Group Holdings** announced that one of its largest customers, the State Grid Corporation, has slowed its investment in smart-grid technologies. This announcement, plus credit issues among its customers, contributed to a 13% decrease in earnings in 2015. However, we believe Wasion's long-term prospects remain strong because China needs the company's products to help ameliorate the country's pollution crisis.

By sector, our underweight in Materials detracted most from relative performance, followed by our stock selection in Consumer Staples. Shares of Chinese soy milk manufacturer **Vita-soy** underperformed on slowing (though still strong) growth. Our stock selection was positive in Information Technology (IT), where software provider **Industrial and Financial Systems** was acquired by a private equity firm.

MARKET PERFORMANCE (USD %)

MARKET	1Q 2016	TRAILING 12 MONTHS
CANADA	15.7	-8.8
EMERGING MARKETS	1.1	-8.8
EUROPE EMU	-0.5	3.5
EUROPE EX-EMU	-1.5	5.8
JAPAN	-1.4	4.0
MIDDLE EAST	1.8	4.1
PACIFIC EX-JAPAN	4.5	-5.5
MSCI ACW EX-US SMALL CAP INDEX	0.8	-0.3

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

SECTOR	1Q 2016	TRAILING 12 MONTHS
CONSUMER DISCRETIONARY	-1.2	1.5
CONSUMER STAPLES	5.5	15.1
ENERGY	-0.4	-29.2
FINANCIALS	-0.6	-2.4
HEALTH CARE	-2.2	10.1
INDUSTRIALS	0.9	-0.9
INFORMATION TECHNOLOGY	-0.3	-1.4
MATERIALS	6.9	-2.4
TELECOM SERVICES	-1.8	-2.1
UTILITIES	3.6	-1.3

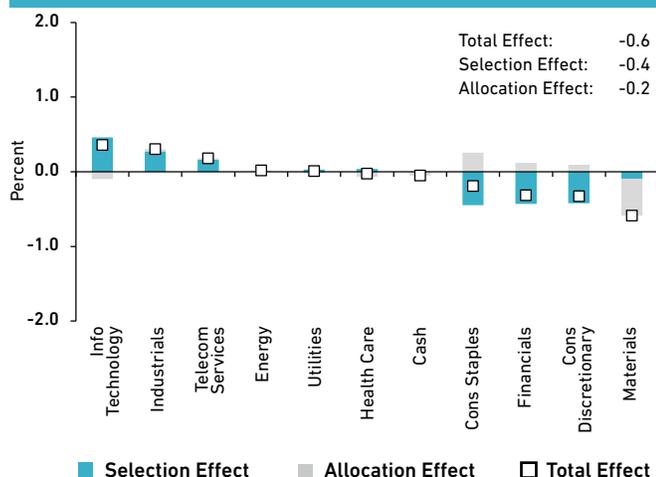
Source: FactSet (as of March 31, 2016); MSCI Barra and S&P.

¹Emily Cadman, "Brexit causing 'fog of uncertainty' among financial chiefs," *Financial Times*, (April 4, 2016).

Companies held in the portfolio during the quarter appear in bold type; only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the security identified has been or will be profitable. To request a complete list of holdings for the past year, please contact Harding Loevner. A complete list of holdings at March 31, 2016 is available on page 6 of this report.

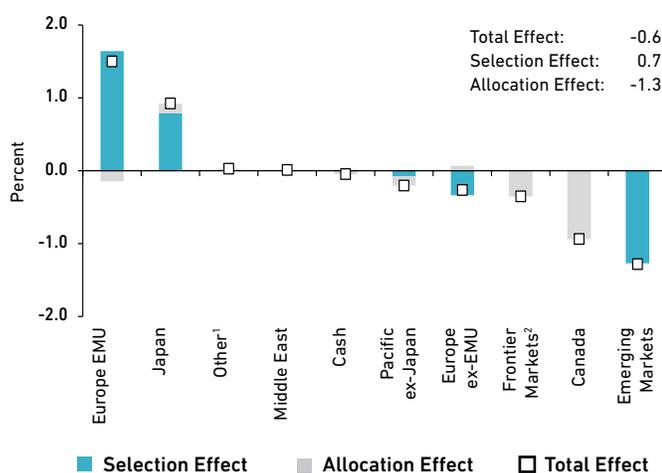
SECTOR PERFORMANCE ATTRIBUTION FIRST QUARTER 2016

INTL SMALL COS COMPOSITE VS. MSCI ACW EX-US SMALL CAP INDEX



GEOGRAPHIC PERFORMANCE ATTRIBUTION FIRST QUARTER 2016

INTL SMALL COS COMPOSITE VS. MSCI ACW EX-US SMALL CAP INDEX



¹Includes companies classified in countries outside the Index; ²Includes countries with less-developed markets outside the Index. Source: FactSet; Harding Loevner International Small Companies Composite; MSCI Barra and S&P. The total effect shown here may differ from the variance of the Composite performance and benchmark performance shown on page 1 of this report due to the way in which FactSet calculates performance attribution. This information is supplemental to the Composite GIPS Presentation.

INVESTMENT PERSPECTIVE

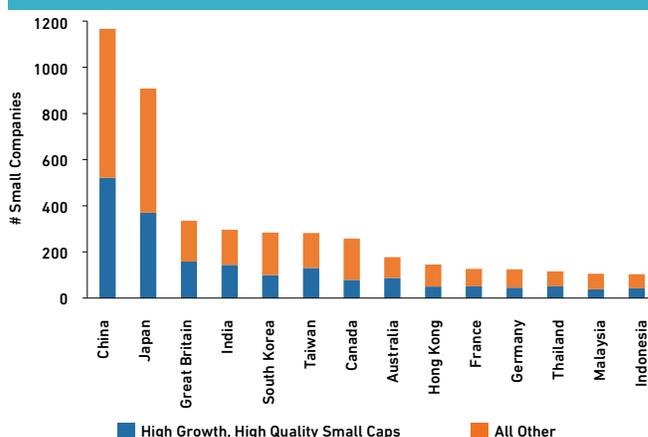
International Small Cap Geography and Process

In our search for high-quality growth companies, we begin with a global database of over 10,000 companies that have market capitalizations below US\$3 billion. Our goal is to invest only in businesses that meet our four key criteria: they must benefit from competitive advantages in their industries, be skillfully managed, have strong finances, and offer above-average growth potential over the long term. Only a small percentage of companies meet our demands; to prioritize where to look, we first apply quantitative screens for quality and growth to

the vast small company universe. The characteristics most amenable to quantitative analysis include measures of financial strength (e.g., cash flows, margins, levels of debt) and growth (e.g., historical growth in revenues and earnings).

After applying our filters, we review the geographic distribution of the smaller universe of companies that, at least on a quantitative basis, appear to meet our investment criteria. The chart below includes the 14 largest countries (excluding the US) by number of companies in the US\$300 million to US\$3 billion market capitalization range (combined orange and blue bars), as well as the proportion of companies in those countries that exhibit attractive metrics for fundamental quality and growth (blue bars).

INTERNATIONAL SMALL COMPANIES BY MARKET



Based on Harding Loevner's composite quality and growth measures, ranked. Source: HOLT data.

China and Japan have the highest absolute number of small companies (though most of the companies in China are listed on the A-share market and not available for our strategy). To ensure we have a well-diversified portfolio to manage risk, we actively look beyond the few very large markets to also pursue opportunities in the smaller international markets. The underlying economies of these markets are quite varied in terms of their industry development, linkages with the global economy, and drivers of growth. Among the smaller markets, those with a higher-than-average percentage of high-quality growth companies include Great Britain, India, Taiwan, and Australia.

After reducing our pool of potential investment ideas based on quantitative metrics, we complete an in-depth qualitative analysis on remaining companies to judge whether they meet our investment criteria. As part of our research process, we often visit companies' headquarters to speak with management teams and tour their facilities.

This quarter we visited Japan and met with 63 small companies that, based on our quantitative screens, merited further research. As a result of our meetings, we rejected nearly 90% of these, often because they faced strong competitive threats or

were confined to niche markets where growth, though strong at the present, could quickly fade. In this regard, our fundamental research (of which company visits and management meetings are an important part) is helpful in identifying risks that would remain hidden if we relied purely on our initial quantitative variables. We ended up with seven Japanese businesses spanning a good mix of industries, including online advertising and payments, health care, IT, and retail that satisfied all our investment criteria. We will report more on these companies in the coming quarters as we conduct further research on them.

Our fundamental research is helpful in identifying risks that would remain hidden if we relied purely on our initial quantitative variables.

While in Japan, we also met with the management of current holding **Cosmos Pharmaceutical**. Cosmos is a leader in the drug retail industry; its stores sell over-the-counter drugs, food, cosmetics, and sundries at discounted prices. Cosmos operates with a lean management team and manages inventory closely. It also keeps its distribution costs low by having many stores within a relatively small geographic area. The company currently operates only in southwestern Japan, but it plans to expand to the rest of the country. Over the last ten years, Cosmos's revenues and earnings have grown significantly as a result of expanding the number of stores and improving margins, and the company forecasts medium-term growth in earnings of about 10% per year.

This quarter we also visited India, which has a high proportion (close to 50%) of high-quality, high-growth companies. We think India's fertile environment for quality-growth small companies comes from its innovative business culture and the long history of efficient enterprise management required to withstand a high cost of capital. We visited 15 new investment candidates in India. In the coming months, we plan to further research two of these that appear to meet our investment criteria. The others were rejected due to the lack of a clearly defined competitive strategy, regulatory issues, or concerns about corporate governance—again, issues that our quantitative factors are unable to capture. We also visited **Max India** and **Max Financial Services**, the latter a company recently spun from life insurance company Max India, which we purchased in 2014. We had already decided not to continue owning a second spin out, Max Ventures and Industries, a manufacturer of plastic film used in cigarette and food packaging. We believe Max Ventures and Industries' business is too narrowly focused on a niche that is dominated by larger global competitors.

Max Financial Services, the inheritor of the group's pure life insurance business, has good long-term growth prospects due to the under-penetration of life insurance in India. It is focused on growth via the bancassurance channel, from existing distribution relationships with Yes Bank and Lakshmi Vilas Bank, and from other tie-ups it expects with state-owned banks, which

tend to have good branch networks. Max Financial Services' potential weakness is its lack of a deep-pocketed financial partner, such as a big bank or insurance company, to provide capital in the company's early growth stage. It could also benefit from taking advantage of a good international partner's operational and product development expertise. The chances of Max Financial Services attracting such a partner have increased as a result of insurance industry reforms that the government instituted last year, which raised the permitted level of foreign ownership of Indian companies from 26% to 49%.

■ PORTFOLIO HIGHLIGHTS

We purchased two new holdings this quarter. The first, **Bossard**, is a Swiss distributor of industrial fasteners. Bossard differentiates itself by engaging with customers in the design phase of product development to help them determine their technical requirements. Where those cannot be met off-the-shelf, Bossard can design and source custom fasteners. The company's consulting engineering services allow customers, mostly machine and equipment manufacturers, to focus on their core businesses. Because Bossard is integral to their supply chains, customers face high switching costs, allowing Bossard to reap economic returns well above those of a typical distributor of nuts and bolts; over the last five years, the company has consistently earned double-digit cash flow returns on investment.

We think India's fertile environment for quality-growth small companies comes from its innovative business culture and the long history of efficient enterprise management.

Harnessing Harding Loevner's extensive research effort in frontier markets, we also purchased **Tanzania Breweries Limited** (TBL), a partly-owned subsidiary of the global behemoth SAB-Miller. The Tanzanian beer industry is an effective duopoly, in which TBL has over 80% market share and Serengeti Breweries (controlled by Diageo) has around 15%. This consolidated industry structure allows both companies to increase their products' prices at least in line with inflation, which is a valuable ability in developing countries like Tanzania where the inflation rate is often very high. The industry's consolidation also presents a high barrier to would-be new entrants because economies of scale are large in the beer industry. TBL operates nationally, giving it lower advertising and promotional costs per unit sold, as well as a distribution network that would be expensive to replicate.

The branded-alcohol market is underpenetrated in Tanzania. Currently 88% of the alcohol consumed is in the form of tradi-

²Andrew Howell, CFA and Andrea Pistacchi, "African Beer: Initiating on 4 Brewers," *Citi Research* (February 5, 2015): 12; "Ranked: 50 Countries That Drink the Most Beer around the World," *Food Republic*, (September 29, 2014); Esili Eigbe, "Equity Research: Nigerian and East Africa's Beer Market," *SBG Securities* (January 21, 2013): 29.

tional brews from non-commercial and unlicensed producers. These traditional brews are generally lower quality. As incomes in Tanzania rise, so too should the demand for high-quality, branded beer. The annual per capita consumption for branded beer is only about 8 liters, which is low compared to the sub-Saharan average of 12 liters.² The youthful demographic profile of Tanzania should also sustain growing demand for beer as more consumers reach legal drinking age. In addition to its valuable brands, TBL has a first-class management team to lead the company's future growth. Moreover, the company's strong balance sheet and steady free cash flow provide it with the resources to fund investments for the improvement of the affordability, availability, and variety of its products.

PORTFOLIO CHARACTERISTICS

QUALITY & GROWTH	HL ISC	ACWI EX-US SC
PROFIT MARGIN ¹ (%)	8.0	6.5
RETURN ON ASSETS ¹ (%)	8.1	5.0
RETURN ON EQUITY ¹ (%)	15.8	10.4
DEBT/EQUITY RATIO ¹ (%)	23.0	47.0
STD DEV OF 5 YEAR ROE ¹ (%)	2.8	4.3
SALES GROWTH ^{1,2} (%)	6.1	2.9
EARNINGS GROWTH ^{1,2} (%)	6.4	5.3
CASH FLOW GROWTH ^{1,2} (%)	7.1	3.5
DIVIDEND GROWTH ^{1,2} (%)	9.2	4.9
SIZE & TURNOVER	HL ISC	ACWI EX-US SC
WTD MEDIAN MKT CAP (US \$B)	1.5	1.6
WTD AVG MKT CAP (US \$B)	2.0	1.9
TURNOVER ³ (ANNUAL %)	26.0	–

RISK & VALUATION	HL ISC	ACWI EX-US SC
ALPHA ² (%)	5.05	–
BETA ²	0.97	1.00
R-SQUARED ²	0.96	1.00
ACTIVE SHARE ³ (%)	97	–
STANDARD DEVIATION ² (%)	15.67	15.82
SHARPE RATIO ²	0.51	0.19
TRACKING ERROR ²	3.21	–
INFORMATION RATIO ²	1.58	–
UP/DOWN CAPTURE ²	116/78	–
PRICE/EARNINGS ⁴	19.7	15.3
PRICE/CASH FLOW ⁴	12.7	10.3
PRICE/BOOK ⁴	2.6	1.4
DIVIDEND YIELD ⁵ (%)	2.3	2.5

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 Equity Composite, based on the Composite returns; MSCI Barra. Source (other characteristics): FactSet (Run Date: April 7, 2016); Harding Loevner International Small Companies Equity Model, based on the underlying holdings; MSCI Barra.

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

INTERNATIONAL SMALL COS HOLDINGS (AS OF MARCH 31, 2016)

SECTOR/COMPANY/DESCRIPTION	COUNTRY	END WT (%)	SECTOR/COMPANY/DESCRIPTION	COUNTRY	END WT (%)
CONSUMER DISCRETIONARY			ROHTO PHARMACEUTICAL Pharma/cosmetics mfg	Japan	0.5
ABC-MART Footwear retailer	Japan	0.8	INDUSTRIALS		
CHEIL WORLDWIDE Marketing services	South Korea	1.0	AIRTAC Pneumatic component manufacturer	Taiwan	0.8
DIGNITY Funeral services provider	UK	1.0	AKR CORPORINDO Petroleum distribution	Indonesia	1.4
HANON SYSTEMS Automobile A/C	South Korea	0.6	ARCADIS Engineering consulting services	Netherlands	1.0
HERFY FOOD SERVICES Quick service restaurant chain	Saudi Arabia	0.8	BERTRANDT Engineering services	Germany	1.4
HIDAY HIDAKA Restaurants	Japan	2.6	BOSSARD Fasteners distributor	Switzerland	1.4
IPSOS Market research	France	1.0	BRUNEL INTERNATIONAL Employment services	Netherlands	1.8
KOLAO HOLDINGS Car retailer	South Korea	0.6	COASTAL CONTRACTS Marine transportation services	Malaysia	0.6
LEONI Automobile parts	Germany	1.1	DANIELI Builds iron and steel facilities	Italy	0.9
PICO FAR EAST HOLDINGS Events services	Hong Kong	0.7	DIALOG GROUP BERHAD Petrochemical tech. services	Malaysia	0.6
SHENZHOU INTERNATIONAL Textile manufacturer	China	0.8	GRAFTON GROUP Building supplies retailer	UK	1.3
STANLEY ELECTRIC Auto lighting and LED packaging	Japan	0.7	LISI Industrial fasteners manufacturer	France	1.1
CONSUMER STAPLES			MISUMI GROUP Machinery parts distributor	Japan	0.9
ARIAKE Produces seasonings from meat products	Japan	1.5	MONOTARO Online distributor of maintenance supplies	Japan	1.2
BRITVIC Soft drink supplier	UK	1.0	PARK24 24-hour automated parking operator	Japan	1.1
CLICKS GROUP Retail pharmacy chain	South Africa	0.9	PFEIFFER VACUUM TECHNOLOGY Vacuum pump mfg.	Germany	1.2
COSMOS PHARMACEUTICAL Drug store operator	Japan	0.9	RATIONAL Semi combi-steamers for industrial kitchens	Germany	1.0
EAST AFRICAN BREWERIES Beverage manufacturer	Kenya	1.2	RPS GROUP Environmental health, safety and risk	UK	1.8
GRUPO HERDEZ Processed foods	Mexico	0.8	SAI GLOBAL Business information services	Australia	0.8
KWS SAAT Agricultural products	Germany	1.1	SEMPERIT Rubber product manufacturer	Austria	2.3
PIGEON Baby care goods	Japan	0.8	SENIOR Aerospace and auto parts manufacturer	UK	1.4
PRICESMART Membership club warehouse retailer	US	0.6	TOMRA Creates solutions to critical industries	Norway	1.0
SUGI HOLDINGS Pharmacy drugstore chain	Japan	0.8	VALID SOLUCOES Security printing services	Brazil	0.8
SUPER GROUP Packaged beverages	Singapore	0.9	INFORMATION TECHNOLOGY		
TANZANIA BREWERIES Beverage manufacturer	Tanzania	0.9	ADVANTECH Manufacturer & marketer of industrial PCs	Taiwan	0.8
VITASOY INTL HOLDINGS Soy-based foods & bev. mfg.	Hong Kong	1.5	ALTEN Technology consulting	France	2.5
ENERGY			ASM INTERNATIONAL Semiconductor equipment	Netherlands	1.2
No holdings			BECHTLE IT servicing and IT product reseller	Germany	3.2
FINANCIALS			CHIPBOND TECHNOLOGY Chip packaging service	Taiwan	1.2
ANADOLU HAYAT EMEKLILIK Life insurance/pension	Turkey	1.6	INFOMART Online restaurant supply chain operator	Japan	1.4
BANK OF GEORGIA Commercial bank	UK	1.2	LEM HOLDINGS Electrical components mfg.	Switzerland	1.6
BRAC BANK Commercial bank	Bangladesh	1.0	PAX GLOBAL Electronic payments	China	1.1
CETIP Securities registry and depository	Brazil	2.2	REPLY IT services company	Italy	2.2
EQUITY BANK Commercial bank	Kenya	1.7	TEMENOS GROUP Banking software	Switzerland	0.9
GRUH FINANCE Mortgages	India	1.7	VAISALA Atmospheric measuring devices	Finland	1.2
JARDINE LLOYD THOMPSON Insurance brokerage	UK	0.5	WASION GROUP HOLDINGS Smart metering company	China	0.9
MAX FINANCIAL SERVICES Life insurance	India	1.5	MATERIALS		
MAX INDIA Insurance company	India	0.2	CHR. HANSEN Natural food ingredients producer	Denmark	0.9
RATHORNE BROS Wealth management	UK	2.0	RPC Plastic packaging manufacturer	UK	0.8
HEALTH CARE			TELECOM SERVICES		
ABCAM Research antibody mfg. and distributor	UK	1.5	TOWER BERSAMA Wireless telecom towers	Indonesia	0.4
BML Medical laboratory operator	Japan	1.6	TPG TELECOM Telecom services	Australia	0.6
CARL ZEISS MEDITEC Ophthalmology systems	Germany	2.0	UTILITIES		
DIASORIN Producer of reagents for diagnostics	Italy	0.9	RUBIS Liquid chemical storage and distribution	France	0.9
GERRESHEIMER Specialty packaging manufacturer	Germany	1.6	CASH		
NAKANISHI Dental tool manufacturer	Japan	1.3	4.8		

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.

1Q16 CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	WEIGHT	CONTRIBUTION
CETIP	FINA	2.0	0.43
BML	HLTH	1.4	0.41
BRUNEL INTERNATIONAL	INDU	1.8	0.34
SEMPERIT	INDU	2.0	0.32
ASM INTERNATIONAL	INFT	1.5	0.26

1Q16 DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	WEIGHT	CONTRIBUTION
WASION GROUP HOLDINGS	INFT	1.1	-0.99
MAX FINANCIAL	FINA	1.2	-0.52
HERFY FOOD SERVICES	DSCR	0.7	-0.45
NAKANISHI	HLTH	1.6	-0.35
RPS GROUP	INDU	1.8	-0.35

COMPLETED PORTFOLIO TRANSACTIONS

POSITIONS ESTABLISHED	COUNTRY	SECTOR
BOSSARD	SWITZERLAND	INDU
TANZANIA BREWERIES	TANZANIA	STPL

LAST 12 MOS CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	WEIGHT	CONTRIBUTION
BECHTLE	INFT	2.7	1.06
MONOTARO	INDU	1.6	0.74
RUBIS	UTIL	1.9	0.68
INDUSTRIAL & FINANCIAL	INFT	1.8	0.63
ALTEN	INFT	1.8	0.61

LAST 12 MOS DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	WEIGHT	CONTRIBUTION
WASION GROUP HOLDINGS	INFT	1.8	-1.22
LEONI	DSCR	1.3	-0.74
ARCADIS	INDU	1.2	-0.66
SENIOR	INDU	1.6	-0.61
GERRY WEBER	DSCR	0.4	-0.56

POSITIONS SOLD	COUNTRY	SECTOR
INDUSTRIAL AND FINANCIAL SYSTEMS	SWEDEN	INFT
YOOX	ITALY	DSCR

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 Equity Composite GIPS Presentation. Portfolio holdings should not be considered recommendations to buy or sell any security.

INTERNATIONAL SMALL COMPANIES COMPOSITE PERFORMANCE (AS OF MARCH 31, 2016)

	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 (%)
2016 YTD ⁴	0.09	-0.13	0.76	11.32	12.95	N.A. ⁵	3	169	0.48
2015	5.83	4.63	2.95	10.26	11.32	N.M. ⁶	1	95	0.29
2014	-2.12	-3.14	-3.69	12.30	13.13	N.M.	3	157	0.45
2013	28.37	26.92	20.13	16.41	16.65	N.M.	3	166	0.50
2012	25.73	24.31	18.96	19.24	19.96	N.M.	2	119	0.53
2011	-11.90	-12.80	-18.21	23.37	23.89	N.M.	2	84	0.62
2010	25.94	24.40	25.58	28.53	30.38	N.M.	1	18	0.16
2009	75.88	73.80	63.50	26.81	28.45	N.M.	1	8	0.13
2008	-47.01	-47.67	-50.01	+	+	N.M.	1	3	0.09
2007	17.80	16.73	11.11	+	+	N.M.	1	6	0.09

¹Benchmark Index; ²Variability of the composite and the Index returns over the preceding 36-month period, annualized; ³Asset-weighted standard deviation (gross of fees); ⁴The 2016 YTD performance returns and assets shown are preliminary; ⁵N.A.—Internal dispersion is 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; +Less than 36 months of return data.

The International Small Companies Composite contains fully discretionary, fee paying international equity accounts investing primarily in non-US equity and equity-equivalent securities of companies with a market capitalization of below \$3 billion. The investment objective of the Composite is long-term capital appreciation. For comparison purposes, the Composite is measured against the MSCI All Country World ex-US Small Cap Index (gross of withholding taxes). 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 45 developed and emerging market countries, targeting companies market capitalization range of USD 30–7,824 million (as of March 31, 2016) in terms of the company's full market capitalization. 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 by Ashland Partners & Company, LLP for the period November 1, 1989 through December 31, 2015.

Verification assesses whether (1) the firm has complied with all composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policy and procedures are designed to calculate and present performance in compliance with GIPS standards. The International Small Companies Composite has been examined for the periods January 1, 2007 through December 31, 2015. The verification and performance exam 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. The firm maintains a complete list and description of composites, which is 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. Past performance is not indicative of future results. Policies for valuing portfolios, calculating performance, and preparing compliant presentations 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 1.15% annually of the market value up to \$15 million; 0.80% of amounts above \$15 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 Composite was created on December 31, 2006.