Global Equity ADR

2014 Fourth Quarter Report

Composite Performance (%) For Periods Ending December 31, 2014[1]

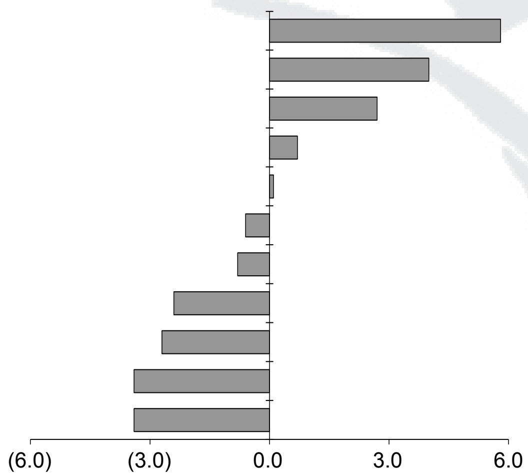
	3 Months	1 Year	3 Years[2]	5 Years[2]	10 Years[2]	Since Inception[2,3]
HL Global Equity ADR (gross of fees)	0.86	6.34	15.06	9.53	7.69	9.29
HL Global Equity ADR (net of fees)	0.65	5.47	14.13	8.66	6.82	8.40
MSCI All Country World Index[4,5]	0.52	4.71	14.70	9.74	6.64	6.98
MSCI World Index[5,6]	1.12	5.50	16.11	10.81	6.61	7.00

[1]The Composite performance returns shown are preliminary; [2]Annualized Returns; [3]Inception date: November 30, 1989 corresponds to that of the linked Global Equity Composite; [4]The Benchmark Index; [5]Gross of withholding taxes; [6]Supplemental Index.

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

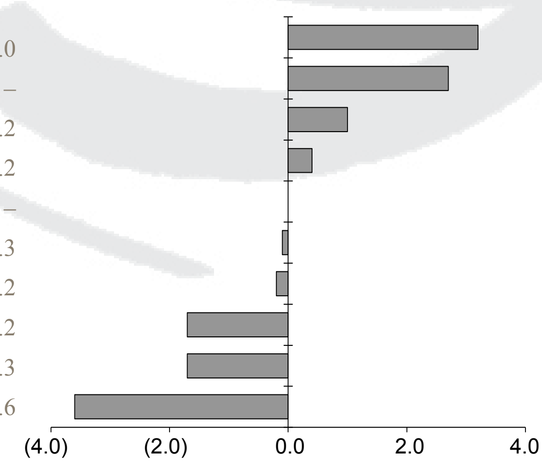
Sector Exposure (%)

Sector	HL Glbl ADR	MSCI ACWI	(Under) / Over The Benchmark
Info Technology	19.6	13.8	
Health Care	15.6	11.6	
Cash	2.7	–	
Materials	6.1	5.4	
Cons Staples	9.8	9.7	
Industrials	9.9	10.5	
Cons Discretionary	11.3	12.1	
Telecom Services	1.3	3.7	
Financials	19.1	21.8	
Utilities	0.0	3.4	
Energy	4.6	8.0	



Geographical Exposure (%)

Region	HL Glbl ADR	MSCI ACWI	(Under) / Over The Benchmark
Europe ex-EMU	15.2	12.0	
Cash	2.7	–	
Pacific ex-Japan	5.2	4.2	
Europe EMU	10.6	10.2	
Frontier Markets[7]	0.0	–	
United States	52.2	52.3	
Middle East	0.0	0.2	
Japan	5.5	7.2	
Emerging Markets	8.6	10.3	
Canada	0.0	3.6	



[7]Includes countries with less-developed markets outside the Index.

Sector and region allocations are supplemental information only and complement the fully compliant Global Equity ADR Composite GIPS Presentation. Source: Harding Loevner Global Equity ADR Model; MSCI 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.

Market Review

- The US was the strongest major market this quarter; returns outside the US were mixed with the exception of soaring returns in China/Hong Kong.
- Currency movements strongly influenced returns this quarter, as the US dollar appreciated against most major currencies.
- The collapse of crude oil prices sent Energy stocks plummeting in the quarter, while the Consumer Discretionary sector made solid gains.

Portfolio Highlights

- We continue to focus on high-quality companies with strong growth potential.
- In Financials, we've focused on banks pursuing growth opportunities in the US and emerging markets.
- We increased our holdings within the eurozone this quarter, taking advantage of depressed share prices and the weak currency to add three new multinationals based in Germany and Spain.

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Market Review

In the fourth quarter, markets continued to wrestle with the lingering effects of the debt crisis on economic activity, with the potential for falling price levels heightened by the collapse of crude oil prices. In late November, Saudi Arabia signaled that it would not play its historical role as global swing producer to offset what has become an excess supply of oil and gas, as OPEC and other traditional producers compete with US shale-based producers ramping up production despite the slow growth of energy demand concurrent with slow economic growth in most of the world. This gap between demand and supply, however imprecisely measured, has surely widened compared to expectations. Over the past decade, those expectations incorporated optimistic forecasts of Emerging Market (EM) demand growth, and underpinned strong and sustained energy development spending worldwide.

At the moment, though, only the US economy appears to be gathering steam, and as a result, the US Federal Reserve has continued its announced, methodical reversal of the extraordinary monetary expansion measures taken over the past six years, and is poised to begin raising short-term interest rates in 2015. This policy shift contrasts with those of monetary authorities in other regions, who either are actively engaged in or are contemplating more dramatic monetary stimulus. The most notable are the Bank of Japan's (BOJ) ongoing efforts and the nascent ones of the European Central Bank (ECB), both of which feel an imperative to break out of the grinding deflationary trends. These divergent paths in monetary policy between the Fed and most other monetary authorities have led to meaningful currency movements, with the US dollar gaining ground against nearly all other currencies, the size of which gains have trumped most changes in local securities indices around the world.

Bond markets were of one accord, however different the intentions of central bank policy: if the threat of deflation loomed so great as to cause the BOJ to monetize government debt and to persuade the Germans to back more unconventional monetary policies at the ECB, then Japanese and European bond prices were going higher; if the Fed was likely to tighten policy and raise short-term interest rates, then long-term inflation risks were falling, and bond prices were going higher. Government bond yields hit fresh record lows, without there being any crisis-induced panic-to-quality, and seemingly without regard to credit standing, so that the Italian and Irish Governments were borrowing at the same interest rates as the US Government.

Sector Performance (%) of the MSCI ACW Index

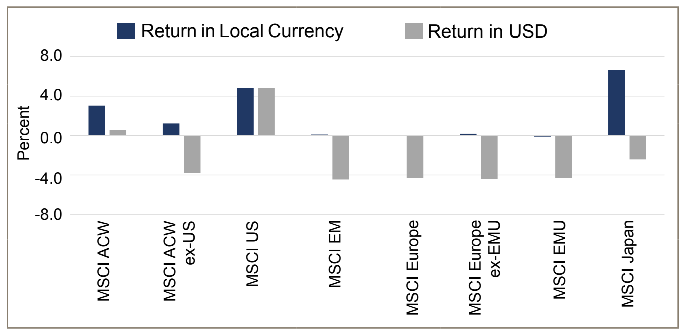
Sector	4Q 2014	Trailing 12 months
	USD	USD
Consumer Discretionary	5.7	3.9
Consumer Staples	3.1	6.8
Energy	-15.3	-12.9
Financials	1.6	4.1
Health Care	3.0	18.8
Industrials	1.1	0.7
Information Technology	4.0	15.6
Materials	-5.6	-6.9
Telecom Services	-2.9	-1.0
Utilities	3.5	14.8

Source: Wilshire Atlas (as of December 31, 2014).

The US stock market, seemingly oblivious to the economic and currency morass beyond US shores, rebounded from September's correction to rise strongly in the quarter. Investors took encouragement from steady employment gains that confirmed the resilience of the US economy, gains that could lead to stronger consumer spending as well as presage stronger corporate investment.

These gains were in contrast to the performance of markets outside the US, which turned in much more mixed results. A good number of non-US markets achieved modestly positive returns in their own local currencies, but, for most markets, all of those gains, and more, were negated when viewed through the lens of a US dollar-based investor. China and Hong Kong were exceptions, with the Chinese market soaring on hints of renewed government stimulus and the opening of the Hong Kong and Shanghai Connect conduit, creating a broader link between Chinese equity markets and the outside world, while their currencies were held stable against the US dollar.

Fourth Quarter 2014 Total Returns



Source: MSCI.

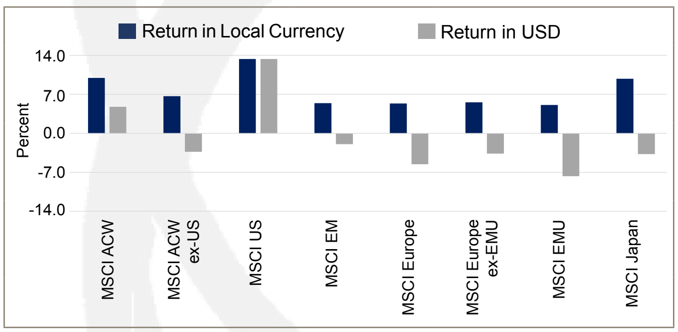
Among the biggest foreign exchange (FX) losers in the quarter were the countries with significant energy or commodity sectors in their economy, notably Russia (-35%), Norway (-14%), Brazil (-8%), Mexico (-9%), and Australia (-7%). But Japan and Sweden also witnessed steep slides in their currencies, in both cases guided by central bank policies aimed at stimulating exports. The euro fell 4%, making its decline for the year, at 12%, equal to that of the Japanese yen. In fact, this entire discussion reflects our US-centric view of the world: From the standpoint of investors or policy-makers in Japan or the eurozone, their currencies were stable against each other, and against most others, while the US dollar appreciated strongly on the back of stronger economic growth and changing monetary policy. For students of economic history, there is more than a whiff amongst all these currency adjustments of what the 1930's knew as "competitive devaluations" that leave most with little new advantage except against a small but economically formidable handful (US, China, South Korea). Today's pundits have taken to calling such intentional beggar-thy-neighbor strategies "currency wars."

With Energy by far the weakest sector, the strongest was Consumer Discretionary, reflecting not only the rising potential for US consumer spending from the continued employment gains, but also because consumers there and globally are beneficiaries of falling energy prices in terms of disposable income. Information Technology (IT) was also strong, sharing in the optimism about US economic recovery and thus about stronger capital spending. Utilities, another strong sector, rejoiced in the dual benefits of dramatically lower input (energy) prices and lower long-term interest rates at which they might re-finance their considerable debts.

Style effects were evident, with stocks of high-quality companies outperforming those of low-quality companies. Stocks of faster-growing companies also performed better than slower-growing ones.

For the year as a whole, the picture is similar: the US was the best performing market, and soared from the vantage point of a non-US investor, augmented by the steady rise of the US currency through the year. So while we here in Bridgewater note the healthy 13% return of our domestic market, our Canadian and Australian clients see a whopping 24% return here, and our eurozone clients 29%. Meanwhile, most other markets posted modest but positive returns in local currencies, but US-based investors saw declines for non-US markets in the year in US dollar terms. Pacific ex-Japan and Canada were the stronger regions outside the US, while the eurozone was the weakest. EMs as a whole did better than developed non-US markets, but the Index return masked a very wide dispersion of EM country returns, at the extremes seeing India, Indonesia, and Turkey outstripping even the strong US returns, while Russia fell nearly in half—including the decline of the ruble.

Trailing 12 Months Total Returns



Source: MSCI.

Health Care, IT, and Utilities were the best performing sectors, while Energy and Materials, due to their dreadful fourth quarter, were the worst. In the year, both Health Care and IT featured strong index returns derived from a relatively narrow set of companies, with M&A stocks featuring strongly, while IT returns came from the strong performance of some of the largest market caps, especially Apple, **Microsoft**, and Facebook.

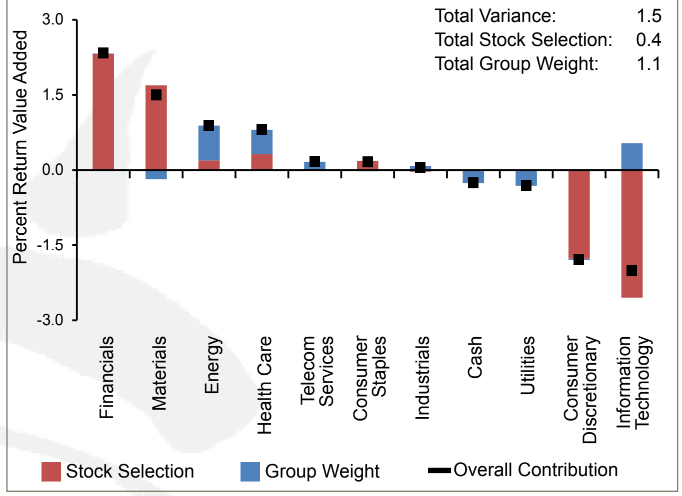
Performance and Attribution

The Global Equity ADR Composite rose 0.9% in the fourth quarter, ahead of its benchmark, the MSCI All Country World Index, which rose 0.5%. In the year, the Composite rose 6.3%, ahead of the 4.7% return of the Index. The following charts illustrate performance attribution for the year by sector and region respectively.

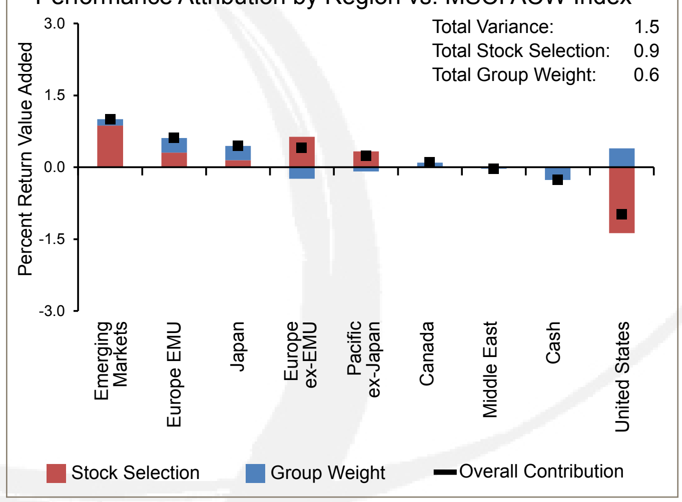
In the quarter, the portfolio benefited most from our underweight to the falling Energy sector as well as good stock selection within the Financials and Materials sectors. In Financials, our holdings in EM banks, especially in India (**HDFC Bank**, **ICICI Bank**) and Turkey (**Garanti Bank**), helped performance, along with US-based **Wells Fargo**. In Materials, our holdings look very little like the commodity-type companies that dominate the global sector Index; our stocks each outperformed the sector, with agro-science specialist **Monsanto** a stand-out in the quarter. Poor stock selection in the IT sector partially offset these good results, with **Google** falling as heavy R&D investment limited profit margins, and Russian search engine provider **Yandex** suffering concerns about the faltering Russian economy. **Trimble Navigation** was also weak, as sharply falling crop prices caused farmers to defer adopting the US company's precision planting software and services.

Viewed by geography, the portfolio had good stocks in the eurozone, helped by Spanish fast fashion retailer **Inditex**, along with French cosmetics maker **L'Oréal**. Our zero weight to Canada also contributed to

Global Equity ADR Composite Trailing 12 Months Performance Attribution by Sector vs. MSCI ACW Index



Global Equity ADR Composite Trailing 12 Months Performance Attribution by Region vs. MSCI ACW Index



Source: Wilshire Atlas; Harding Loevner Global Equity ADR Composite; MSCI Barra and S&P. The total variance 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 Wilshire Atlas calculates performance attribution. This information is supplemental to the Composite GIPS presentation.

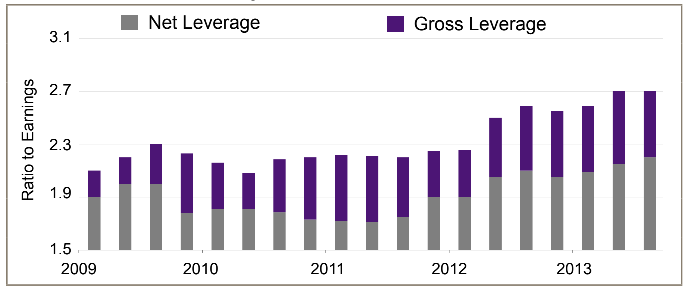
Bold font indicates companies held in the portfolio during the year. Only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings shown may not be current. Portfolio holdings should not be considered recommendations to buy or sell any security. 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 December 31, 2014 is available on page six of this report.

relative returns. We underperformed in Japan, in part due to Industrials holdings **MonotaRO** and **Fanuc**. A number of our Swiss holdings, along with **Shire** in the UK, held back performance in Europe ex-EMU. Our US holdings lagged the Index, with **Schlumberger** down sharply as investors revised their outlook for development spending on energy exploration and development, and Google, Trimble, and **Citrix Systems** within IT offset good stocks in other sectors. Within EMs, our very good Financials were offset by weak stocks in energy-hit markets, including South Africa's **Sasol** and Russia's Yandex.

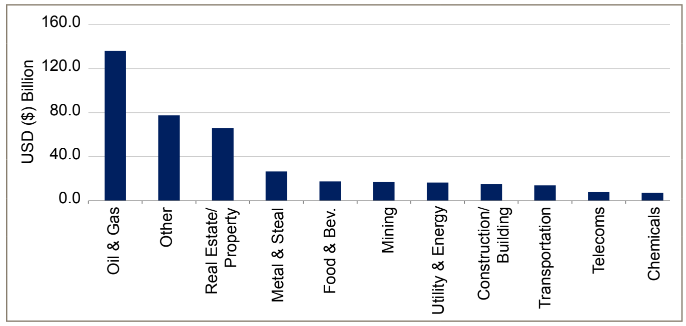
For the year, our good relative performance came mostly from sector allocation, the net result of underweighting the poorly performing Energy sector and our emphasis on the strong Health Care and IT sectors. Our stock selection was best in Financials—again, those EM and US banks, whilst avoiding the EMU and Japanese ones—and in Materials and Health Care, where we benefited from takeover bids in **Sigma-Aldrich** and **Allergan**. Offsetting this was poor stock selection in the IT sector (no Apple or Facebook, without which, the IT sector index return would have been 12% instead of 16%), which undermined our emphasis of this strongly performing sector. Yandex, Trimble, and Google, along with **ARM Holdings**, the UK chip designer, dragged down our returns.

Geographically, we had good stocks within all regions outside the US, reflecting in part the prospective benefits of a rising US dollar to the earnings of high-quality non-US multinationals. We benefited from good stocks in Europe (especially Shire, **Lonza Group**, and **Sonova Holding**—all in Health Care) and EM (our banks rose 37% in dollars!) holdings. Partially offsetting these results was poor stock selection in the US, where our companies' shares failed to keep pace with returns in the strongest-performing region, especially within the IT sector.

EM Corporate Leverage



Industry Classification of Non-Financial Corporate Debt Issuance by Emerging Economies



Source: HSBC Global Research, "*One False Move...,"* First Quarter 2015.

Perspectives and Outlook

Our biggest worry for 2015 is the recognition that, in our experience, shifts in monetary policy direction are usually accompanied by a rise in market volatility, as investors and corporate treasurers coalesce around, and adapt to, a new world view, and shift portfolios and exposures more quickly than available liquidity can easily accommodate. When monetary policies of major economies diverge, the interactions are likely to be more violent still, and that is exactly what we have currently in the opposing directions of the Fed's and the ECB's signaled intentions.

The speed and size of the oil price decline, combined with the breadth of the dollar appreciation, may be merely the first salvos of rising volatility. Those moves alone give rise to worries about where the financial casualties are buried—in the portfolios of investors, in the balance sheets of companies, and in the derivative books of financial intermediaries. We are not sure where in the financial system the biggest risks lie, but are fairly confident that we will hear of "surprising" losses before the history of this episode is written.

We know that foreign debts of EM companies have risen substantially since the financial crisis, as higher yields, rising creditworthiness, and diversification benefits attracted bond investors and lenders to seek out borrowers there. Most of this debt has been raised in dollars rather than the local currencies of the borrowers, but the money has likely been brought home for liquidity or investment purposes.

For the borrowers, the obligations to repay in dollars can be crippling when their currencies slide. And even when their respective central bank's commitment to maintain their currency's stability against the major currencies is strong, we know from past experience that the actions of "the herd" of investors can overwhelm the resources of even the most capable of defenses. The companies with the soundest finances (in this case, the least financial leverage and minimal currency mismatches) are able to sail through these episodes of dislocation and extreme volatility and the most intrepid managements can even exploit them.

What is clear, though, is that the halving of oil prices is an unalloyed benefit to consumers of oil, except for those in some way exposed to cutbacks on energy development spending, which are mounting rapidly. The countries that benefit most obviously would seem to be those in the developing world that do not have large energy reserves, and who have younger populations entering the workforce. India is a perfect case in point: the economy has little dependency on exports to the seemingly stagnating Western economies, imports most of its non-coal energy, and has a young population eager to spend what it earns. The reform-minded government has a great opportunity to strip away all manner of energy subsidy and to implement regulation enabling a more efficient economy. It also has the benefit of a central bank smart enough to help manage the shift.

The consensus view is that the US is mending and that China is making progress on its corruption reforms and economic rebalancing, but that most other major economies are facing stagnation and potentially a deflationary spiral. We worry about its verity. What seems little recognized is the degree to which sharp currency shifts are importing deflation into the US. Diminished competitiveness, i.e., profitability, abroad and price cuts enabled by devaluations could derail US corporate optimism (and hiring enthusiasm). Rather than the US economy dragging the rest of the world up, it's conceivable the world may drag the US down.

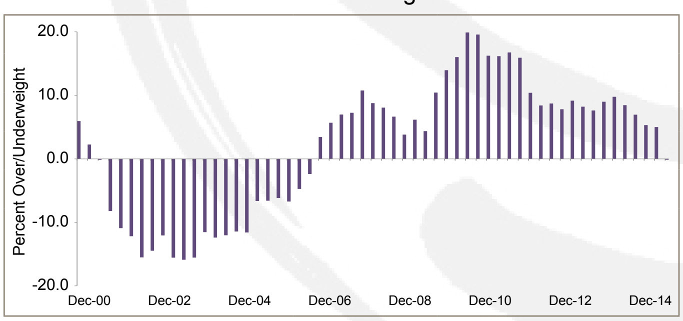
The US has been a plentiful fishing ground for investors like us who strongly prefer high-quality companies. But there is a danger of complacency for quality-minded investors, after an extended run of US markets outperforming non-US, and high quality companies outperforming low quality ones. We recall that, at the end of 1999, the IT sector dominated the ranks of ostensibly high-quality companies globally, heavily over-represented in the top third of the global index sorted by quality metrics. Just three years later, there were almost 40% fewer high-quality IT companies in the top echelon. Needless to say, their share prices fell harder than their quality metrics as their businesses were revealed to be less robust than investors supposed. US companies, enjoying the fruits of globalization and a more flexible and resilient domestic business environment (not to mention a stock market elevated by a sustained campaign of banking recapitalization and monetary stimulus), have come to account for more than 60% of the companies in the top third of high-quality companies worldwide.[1] Nothing breeds comfort among equity investors like the outperformance by stocks of admirable companies.

We continue to believe, as we have for some time, that growth is scarce in the world, and that therefore the rare companies who find ways to grow their sales and profits are worth a premium price. But not any price.

Portfolio Structure

The portfolio's regional allocation has shifted slightly, with the multi-year emphasis on US companies now beginning to wane, as shown in the chart below. On the one hand, the strong performance of the US market overall has led to its weight in the benchmark Index increasing to more than 52%, while on the other our own exposure has not increased in the same proportion, due in part to sales of US holdings and in part to our US holdings having not kept up with the US market over the year. In the quarter we sold two aforementioned US holdings, Allergan and Sigma-Aldrich, to takeover bidders, and reinvested the proceeds into a combination of existing and new holdings. We have allowed the US weight to remain flat in the portfolio even as it has risen in the Index, because the bargains today are not in the US but abroad, where pessimism about both economic growth and profit growth is great.

HL Global ADR Portfolio Relative Weight in US vs. MSCI ACWI



Source: Wilshire Atlas (as of December 31, 2014).

Holdings within the eurozone saw the most significant increase in the quarter, as we added three new holdings in Germany and Spain. A common denominator is a multinational spread of businesses including significant operations in North America, but a depressed share price—due, in part, to weakness in, and pessimism surrounding, their base European business. **SAP**, the German-based enterprise software provider, has seen its shares underperform for some time, with investors skeptical about customer acceptance of the next software product cycle. While new software sales growth is weak, maintenance revenues from its installed base of users remain robust. Meanwhile, SAP continues its transition to remotely hosted ("cloud") software, using its considerable financial resources to buy or build new cloud products and sell them to its installed base of customers globally. These product transitions are reflected in muted financial results, poor investor sentiment and fundamentally attractive valuation. We believe SAP will manage its software cycle successfully, resuming growth in on-premises software, while profitably developing and cross-selling its evolving cloud software.

We also bought a new holding in **Linde**, a Germany-based multinational industrial gas producer. Linde has powered through the past few years of lean capital investment globally, both improving its returns and finding ways to grow. Its acquisition of home health care specialist Lincare will provide it further avenues to invest its steady cash flows organically and profitably in coming years, when its peers are competing over large projects. The current pessimism regarding economic growth prospects in Europe and China, along with a weak euro, provided an attractive entry price. In Spain, the name **Grifols** will be familiar to longstanding Harding Loevner Global Equity ADR clients, in that the company acquired former portfolio holding Talecris a number of years ago. We admired the way Grifols management integrated the US company's operations, and sharply expanded margins. The combined company now enjoys the favorable growth prospects and industry structure for blood plasma proteins, where CSL, Grifols, and Baxter together control some 75% of the worldwide market. Strict quality regulation by national health systems keeps new entrants from easily setting up, and existing companies are rational: capacity additions are disciplined, and competition among them centers around product innovation, rather than around price. Plasma proteins are used in a wide variety of applications, including neurological treatments, immune deficiencies and blood clotting, and numerous additional and potential "off-label" uses. Having corrected by approximately 30% after weak second quarter earnings, Grifols shares look undervalued to us.

We expect more bargain hunting expeditions in the course of 2015. We have maintained a modest underweight in EMs over the past two years, so far having mostly resisted the lower prices that have accompanied the slowing growth emanating from weaker demand from both China and the developed economies. Now we are on the lookout for bargains stemming from market dislocations, as illustrated by the new position we added in Russian company Yandex in the first half of the year, or the addition to Turkey's Garanti Bank during the year. Our sense is that, while the earlier price declines fairly reflected slowing earnings growth, there is growing despair among investors in non-US markets that is producing attractive valuations. We aim to capitalize on that despair, as the best companies are discarded alongside the rest.

[1]Source: Wilshire Atlas, excluding Financials companies in the Index.

Global Equity ADR Holdings (as of December 31, 2014)

Sector/Company/Description	Country	End Wt. %
Consumer Discretionary		
BorgWarner - Auto component manufacturer	US	1.2
Inditex - Fashion apparel retailer	Spain	2.2
Nike - Global athletic footwear and apparel	US	3.7
Ralph Lauren - Women's and men's apparel	US	0.9
Sands China - Integrated resorts & casinos operator	Hong Kong	0.7
Swatch Group - Watch manufacturer	Switzerland	1.0
WPP - Advertising and marketing services	UK	1.6
Consumer Staples		
Bunge - Soybean processor	US	1.3
Colgate Palmolive - Household products	US	1.9
L'Oréal - Beauty and personal care products	France	1.0
Nestlé - Food company	Switzerland	2.6
Procter & Gamble - Consumer goods company	US	1.1
Unicharm - Absorbent consumer products	Japan	1.9
Energy		
ExxonMobil - Integrated oil and gas company	US	1.3
Sasol - Refined product and chemicals group	South Africa	0.9
Schlumberger - Oilfield services company	US	2.4
Financials		
AIA Group - Life insurance	Hong Kong	2.8
American Express - Consumer finance & payments	US	1.8
Bank Central Asia - Commercial bank	Indonesia	0.8
DBS Group - Commercial bank	Singapore	1.8
First Republic Bank - Private banking & wealth mgt.	US	1.8
Garanti Bank - Commercial bank	Turkey	1.3
HDFC Bank - Commercial bank	India	1.2
ICICI Bank - Commercial bank	India	0.7
Itau Unibanco - Commercial bank	Brazil	2.1
JPMorgan Chase - Commercial & invest. bank	US	0.8
SVB Financial - Commercial bank	US	2.0
Wells Fargo - Commercial bank	US	2.0
Health Care		
Abbott Labs - Health care and nutrition products	US	1.1
Cochlear - Hearing implants producer	Australia	0.9
DaVita HealthCare Partners - Dialysis & medical svcs.	US	2.0
Elekta - Radiation therapy equipment	Sweden	1.7
Essilor International - Ophthalmic lens manufacturer	France	1.0
Grifols - Biopharmaceutical and diagnostics	Spain	1.0

Global Equity ADR Holdings (as of December 31, 2014)

Sector/Company/Description	Country	End Wt. %
Health Care (continued)		
Lonza Group - Biopharmaceuticals/pharma mfg.	Switzerland	1.8
Roche Holding - Pharma & diagnostic equipment	Switzerland	1.3
Shire - Prescription medication developer	UK	2.5
Sonova Holding - Hearing aid manufacturer	Switzerland	1.3
Waters - Analytic instruments for life sciences	US	1.1
Industrials		
3M Company - Diversified indust. conglomerate	US	1.5
Emerson Electric - Industrial conglomerate	US	1.3
Fanuc - Industrial robots, controls, machine tools	Japan	2.9
MonotaRO - Online dist. of maintenance supplies	Japan	0.8
Roper - Niche industrial business conglomerate	US	2.4
Verisk - Risk analytics	US	1.0
Information Technology		
ARM Holdings - Semiconductor chip designer	UK	1.4
Citrix Systems - Enterprise software services	US	1.3
Dassault Systemes - CAD/CAM software designer	France	1.5
eBay - Internet shopping/payment solutions	US	2.5
F5 Networks - Network technology	US	1.5
Google - Internet search and multimedia	US	2.1
Informatica - Data integration software & services	US	1.0
IPG Photonics - High-perf. fiber lasers/amplifiers	US	1.2
MasterCard - Global payments	US	2.3
Microsoft - Software company	US	2.3
SAP - Enterprise software provider	Germany	1.0
Trimble Navigation - GPS technology	US	0.8
Yandex - Russian search engine	Russia	0.6
Materials		
Air Liquide - Industrial gas company	France	1.9
Linde - Industrial gases and engineering	Germany	0.9
Monsanto - Seed, genomics & agricultural products	US	2.1
Praxair - Industrial gas company	US	1.2
Telecom Services		
América Móvil - Cellular phone operator	Mexico	1.3
Utilities		
No holdings		
Cash		2.7

Model portfolio holdings are supplemental information only and complement the fully compliant Global Equity ADR 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.

Last Quarter

Largest Contributors to Absolute Return (%)

	Sector	Weight	Contribution
Allergan	HLTH	2.1	0.38
MasterCard	INFT	2.2	0.36
Nike	DSCR	3.6	0.28
3M Company	INDU	1.4	0.22
AIA Group	FINA	2.7	0.20

Largest Detractors from Absolute Return (%)

	Sector	Weight	Contribution
Shire	HLTH	2.5	-0.54
Schlumberger	ENER	2.6	-0.44
Sasol	ENER	1.1	-0.38
Yandex	INFT	0.8	-0.31
Fanuc	INDU	3.0	-0.28

Last 12 Months

Largest Contributors to Absolute Return (%)

	Sector	Weight	Contribution
Allergan	HLTH	2.0	1.28
Sigma-Aldrich	MATS	2.2	1.09
Shire	HLTH	2.3	0.87
Nike	DSCR	2.8	0.79
Wells Fargo	FINA	2.9	0.67

Largest Detractors from Absolute Return (%)

	Sector	Weight	Contribution
Coach	DSCR	0.8	-0.61
Swatch Group	DSCR	1.4	-0.55
Yandex	INFT	0.7	-0.39
Sands China	DSCR	0.4	-0.35
Elekta	HLTH	0.8	-0.33

The portfolio holdings identified above do not represent all of the securities held in the portfolio. 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. Quarterly data is not annualized.

Portfolio Characteristics

	HL Glbl ADR	MSCI ACWI		HL Glbl ADR	MSCI ACWI
Market Cap[1] ($M)	$40,873	$43,778	Wtd Avg Mkt Cap ($M)	$74,239	$88,770
Profit Margin[1] (%)	14.1	10.8	Price/Earnings[3]	24.2	18.3
Return on Assets[1] (%)	8.3	5.5	Price/Cash Flow[3]	15.3	10.6
Debt/Equity[1] (%)	16.6	45.3	Price/Book[3]	3.2	2.1
Return on Equity[1] (%)	15.8	14.1	Dividend Yield[4] (%)	1.3	2.4
Std Dev of 5 Year ROE[1] (%)	2.4	3.4	Alpha[2] (%)	-0.07	–
Sales Growth[1,2] (%)	8.9	5.3	Beta[2]	0.99	1.00
Earnings Growth[1,2] (%)	10.6	8.6	R-Squared[2]	0.94	1.00
Cash Flow Growth[1,2] (%)	14.2	8.8	Sharpe Ratio[2]	0.64	0.66
Dividend Growth[1,2] (%)	7.9	5.8	Standard Deviation[2] (%)	14.74	14.44

[1]Weighted median; [2]Trailing five years, annualized; [3]Weighted harmonic mean; [4]Weighted mean.

Source (Alpha, Beta, R-Squared, Sharpe Ratio, Standard Deviation): eVestment Alliance (eA); Harding Loevner Global Equity ADR Composite, based on the Composite returns; MSCI Barra.

Source (other characteristics): Wilshire Atlas (Run Date: January 8, 2015); Harding Loevner Global Equity ADR Model, based on the underlying holdings; MSCI Barra.

Completed Portfolio Transactions

Positions Initiated

Company	Country	Sector
Grifols	Spain	HLTH
Linde	Germany	MATS
SAP	Germany	INFT
Verisk	United States	INDU

Positions Sold

Company	Country	Sector
Allergan	United States	HLTH
Cognizant	United States	INFT
MTN Group	South Africa	TCOM
Qiagen	Germany	HLTH
Sigma-Aldrich	United States	MATS

Portfolio attribution and statistics are supplemental information only and complement the fully compliant Global Equity ADR 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. The complete list of holdings at December 31, 2014 is available on the previous page.

Global Equity ADR Composite Performance (as of December 31, 2014)

	Global ADR Gross (%)	Global ADR Net (%)	MSCI ACWI[1] (%)	MSCI World[2] (%)	Global ADR 3-Yr Std Deviation[3] (%)	MSCI ACWI 3-Yr Std Deviation[3] (%)	MSCI World 3-Yr Std Deviation[3] (%)	Internal Dispersion[4] (%)	No. of Accounts[5]	Composite Assets[5] ($M)	Percent Firm Assets (%)
2014[6]	6.34	5.47	4.71	5.50	10.90	10.48	10.21	0.1	5	4	0.01
2013	20.91	19.95	23.44	27.37	14.53	13.92	13.52	0.1	7	5	0.02
2012	18.53	17.56	16.80	16.54	17.52	17.11	16.72	0.5	7	4	0.02
2011	-8.70	-9.41	-6.86	-5.02	20.15	20.59	20.16	0.2	15	8	0.06
2010	13.33	12.44	13.21	12.34	22.87	24.51	23.74	0.8	37	31	0.28
2009	37.05	35.88	35.41	30.79	20.48	22.37	21.44	N.M.[7]	35	21	0.33
2008	-37.11	-37.63	-41.84	-40.33	16.24	17.98	17.03	N.M.	3	1	0.03
2007	15.83	14.91	12.18	9.57	8.88	8.64	8.09	0.4	31	37	0.58
2006	15.32	14.42	21.53	20.65	9.29	8.11	7.62	0.2	28	37	0.78
2005	15.58	14.64	11.37	10.02	10.41	9.90	9.67	0.8	26	35	1.37
2004	12.62	11.72	15.75	15.25	14.49	14.79	14.75	0.2	28	33	2.17

[1]Benchmark Index; [2]Supplemental Index; [3]Variability of the composite and the Index returns over the preceding 36-month period, annualized; [4]Asset-weighted standard deviation (gross of fees); [5]Total product accounts and assets are 558 and are $130 million, respectively, at December 31, 2014 and are presented as supplemental information; [6]The 2014 performance returns and assets shown are preliminary; [7]N.M.–Information is not statistically significant due to an insufficient number of portfolios in the Composite for the entire year.

The Global Equity ADR Composite contains fully discretionary, fee paying global equity accounts with the objective of long-term capital appreciation. Securities are held in Depository Receipt (DR) form, including American Depository Receipts (ADRs) and Global Depository Receipts (GDRs) or are otherwise traded on US exchanges. For comparison purposes, the Composite is measured against the MSCI All Country World Index, presented gross of withholdings. (Prior to December 31, 2012, the Composite was measured against the MSCI All Country World Index net of foreign withholding taxes for the periods presented. The presentation was changed to conform the treatment of withholding of the benchmark with that of the Composite.) 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 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 46 developed and emerging market countries. 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. You cannot invest directly in these Indices.

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 September 30, 2014.

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 Global Equity ADR Composite has been examined for the periods December 1, 1989 through September 30, 2014. The verification and performance examination reports are available upon request.

Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. Harding Loevner is an affiliate of Affiliated Managers Group, Inc. (NYSE: AMG), an investment holding company with stakes in a diverse group of boutique firms. 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 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 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 Global Equity ADR accounts is 0.80% annually of the market value up to $20 million; 0.40% of amounts above $20 million. Actual investment advisory fees incurred by clients may vary. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year.

The Global Equity ADR Composite was created on October 31, 2001. Performance prior to October 31, 2001 is that of the Global Equity Composite, which was managed similarly and materially represented the strategy of the Global ADR Composite.

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