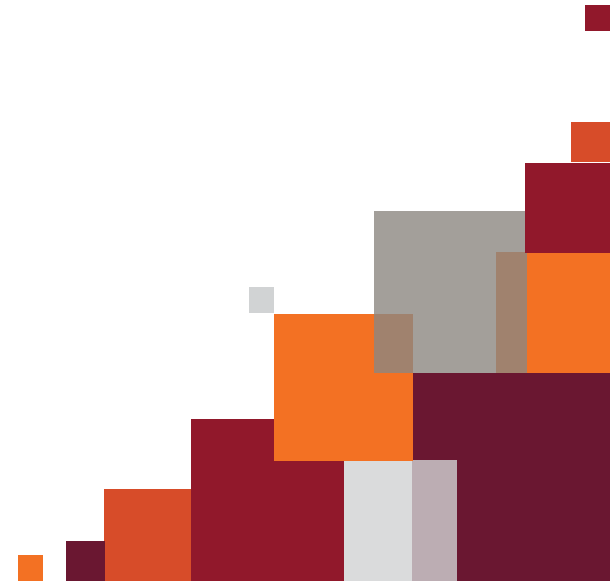




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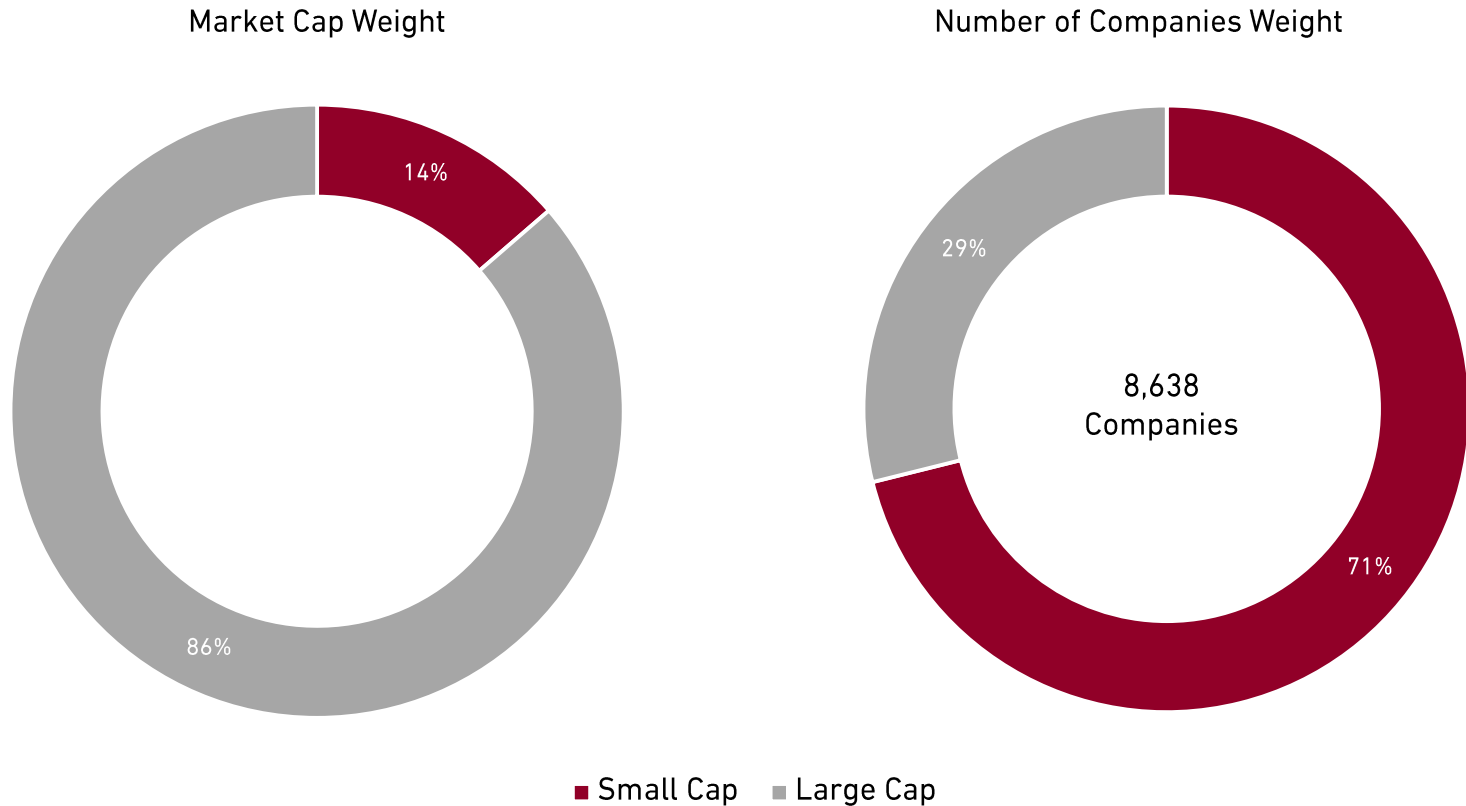
Fundamental. Thinking. Worldwide.

Global Small Companies Quarterly Review | Fourth Quarter 2018



Global Small Companies are a Big Part of the Opportunity Set

Large Hunting Ground

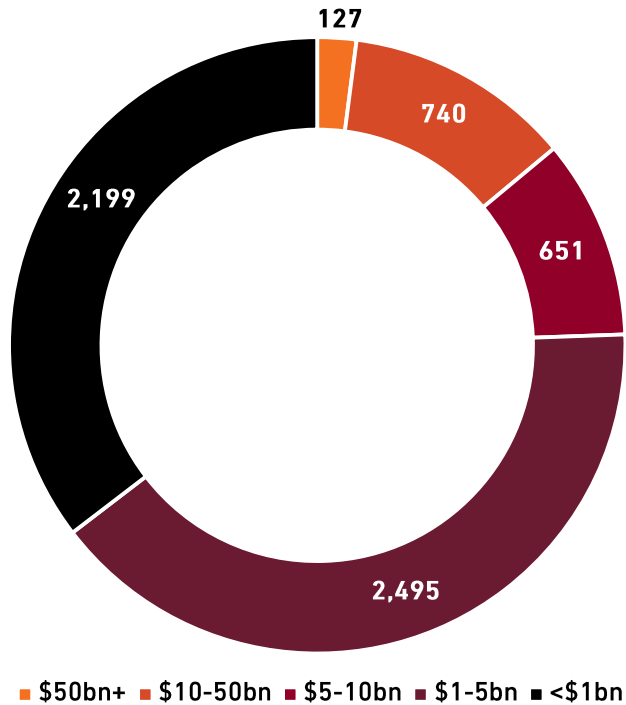


Source: MSCI Inc. Market cap weight based on the total US\$ market cap of the MSCI ACWI and MSCI ACWI Small Cap Indices, respectively. Number of companies based on the number of constituents in the MSCI ACWI and MSCI ACWI Small Cap Indices, respectively. Data as of December 31, 2017.

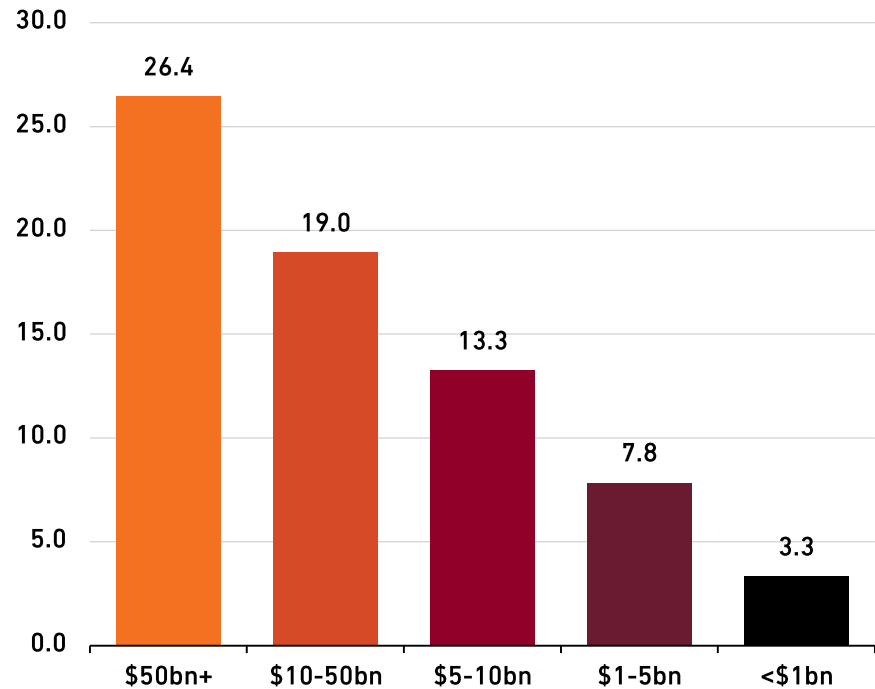
More Companies With Less Broker Coverage

Information Asymmetry – Good for Bottom-up, Fundamental Investing

Number of Companies in the Index¹
By Market Cap Range (US\$ Billions)

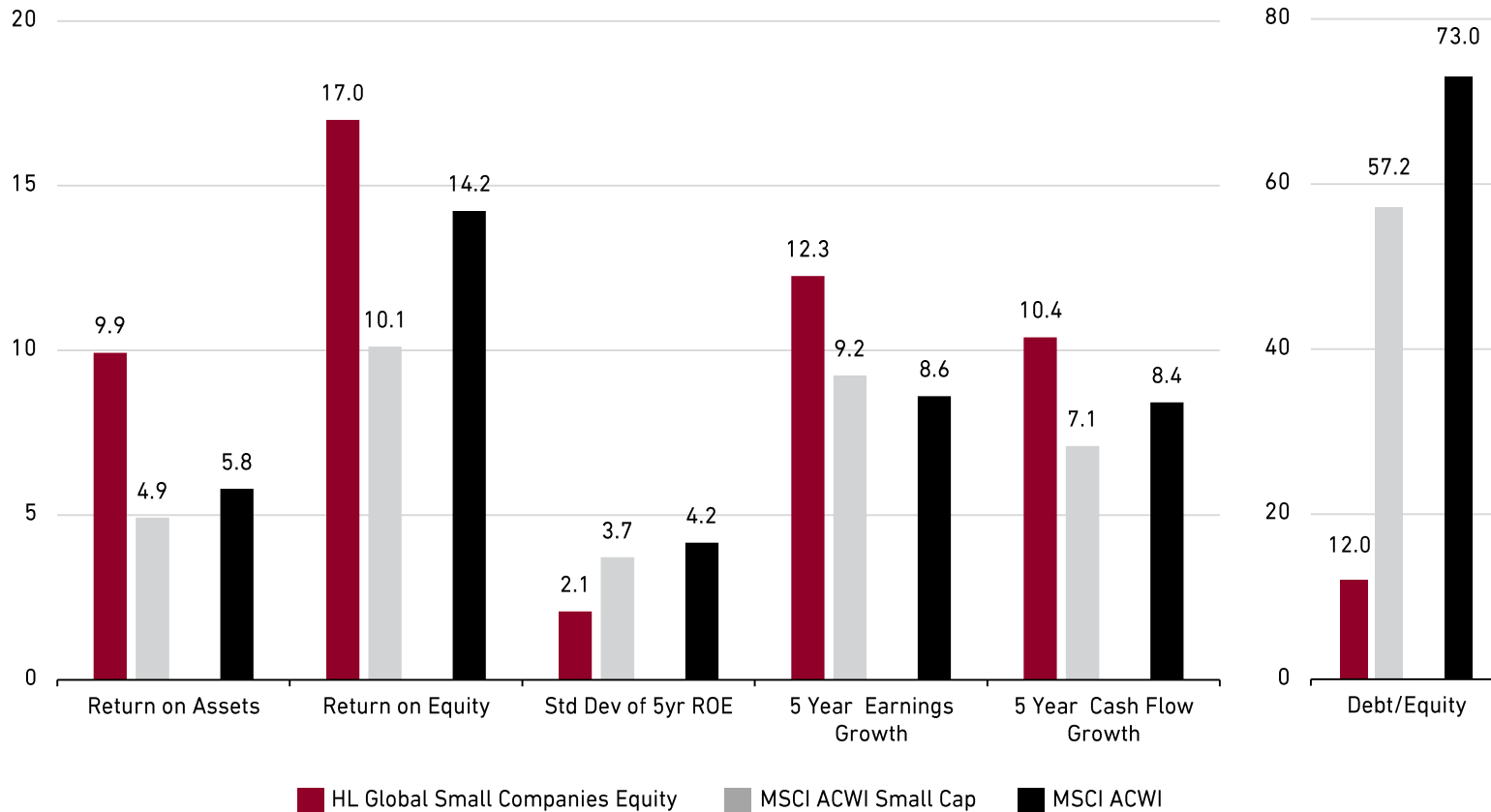


Number of Analysts per Company
By Market Cap Range (US\$ Billions)



Global Small Caps Have Good Quality Growth Characteristics

Our Hunting Ground – Significantly Higher Quality



Source: MSCI Inc., FactSet. December 31, 2018. Earnings Growth and Sales Growth based on trailing 5 years. Statistics are weighted medians. Please read the disclosures on the last page, which are an integral part of this presentation.

The Small Company Opportunity Set is Different

MSCI ACWI Small Cap vs MSCI ACWI Weights as of December 31, 2018

Sector Weights as of December 31, 2018

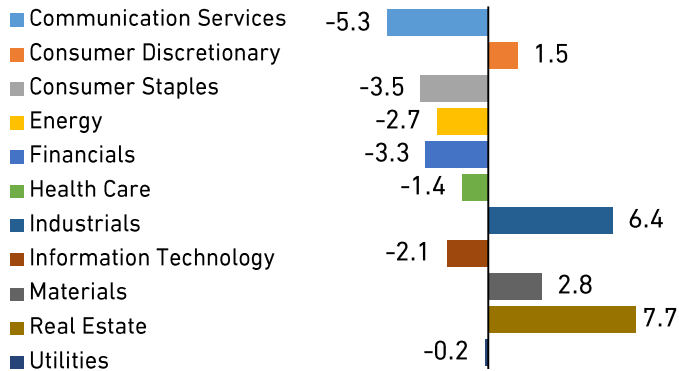
MSCI ACWI Small Cap



MSCI ACWI Large Cap

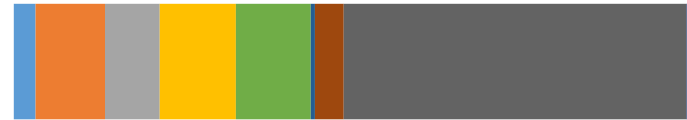


Relative Weights (Small Cap vs Large Cap)

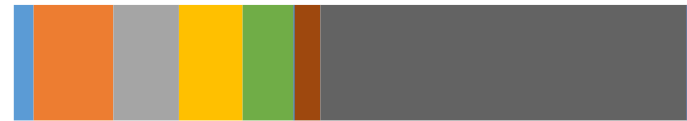


Region Weights as of December 31, 2018

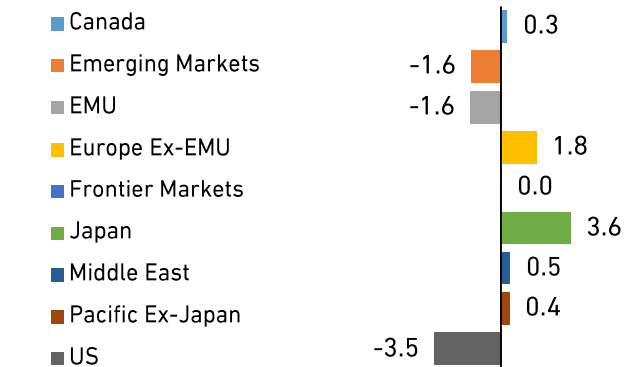
MSCI ACWI Small Cap



MSCI ACWI Large Cap



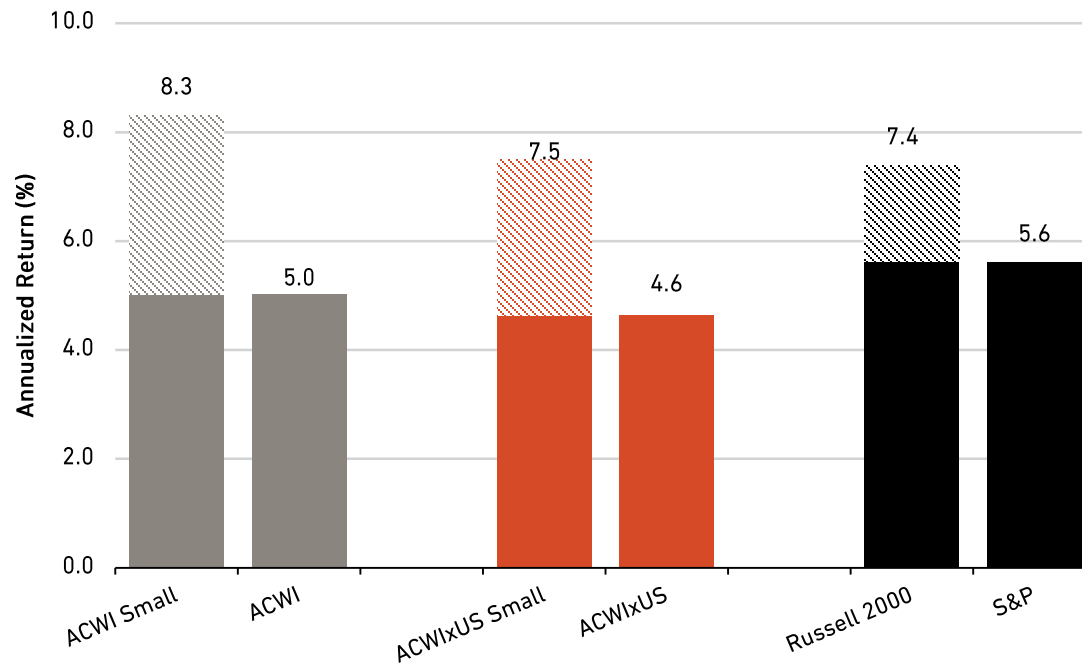
Relative Weights (Small Cap vs Large Cap)



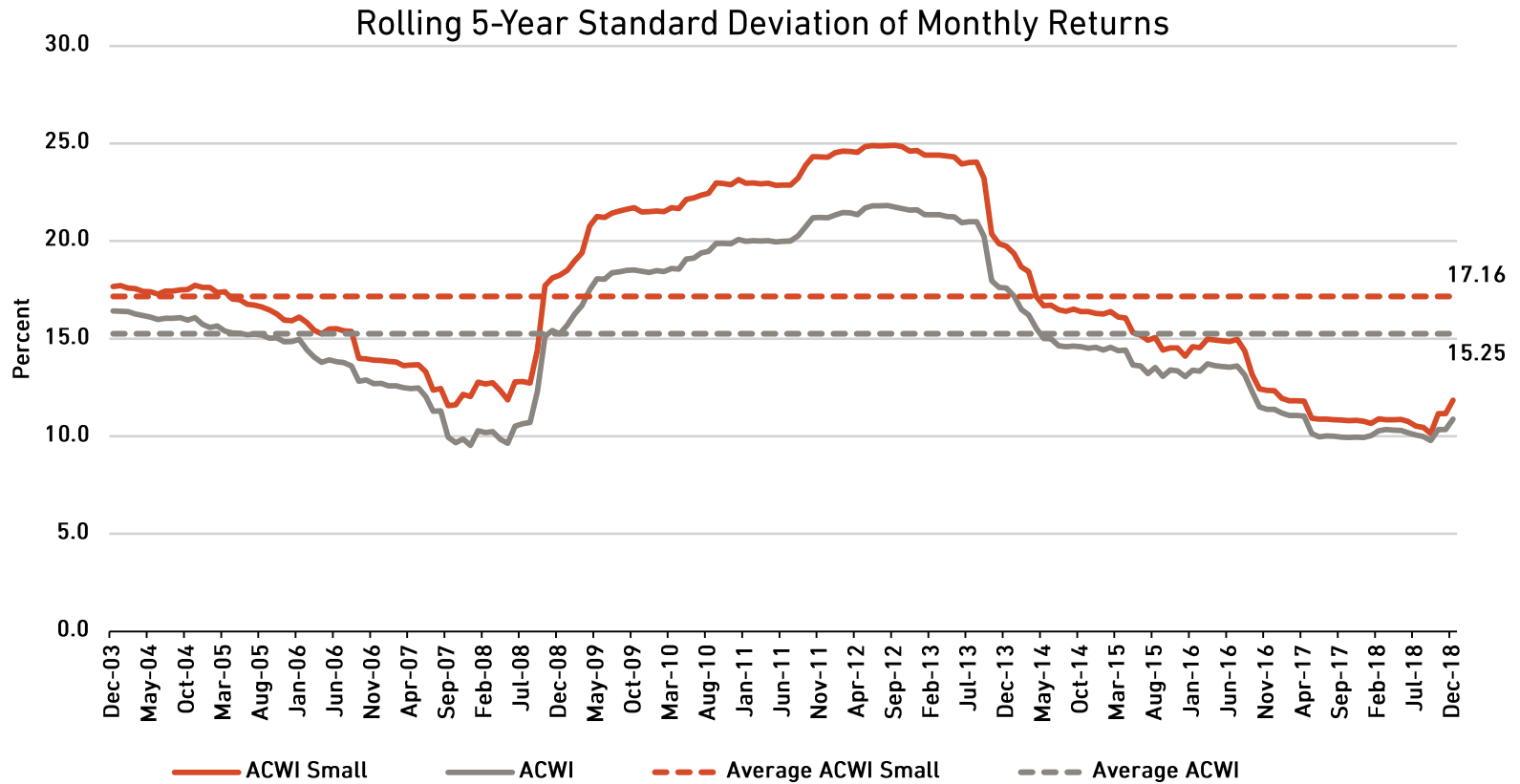
Small-Cap Stocks Have Outperformed Large-Cap Stocks

Small companies have delivered excess performance in the US and abroad.

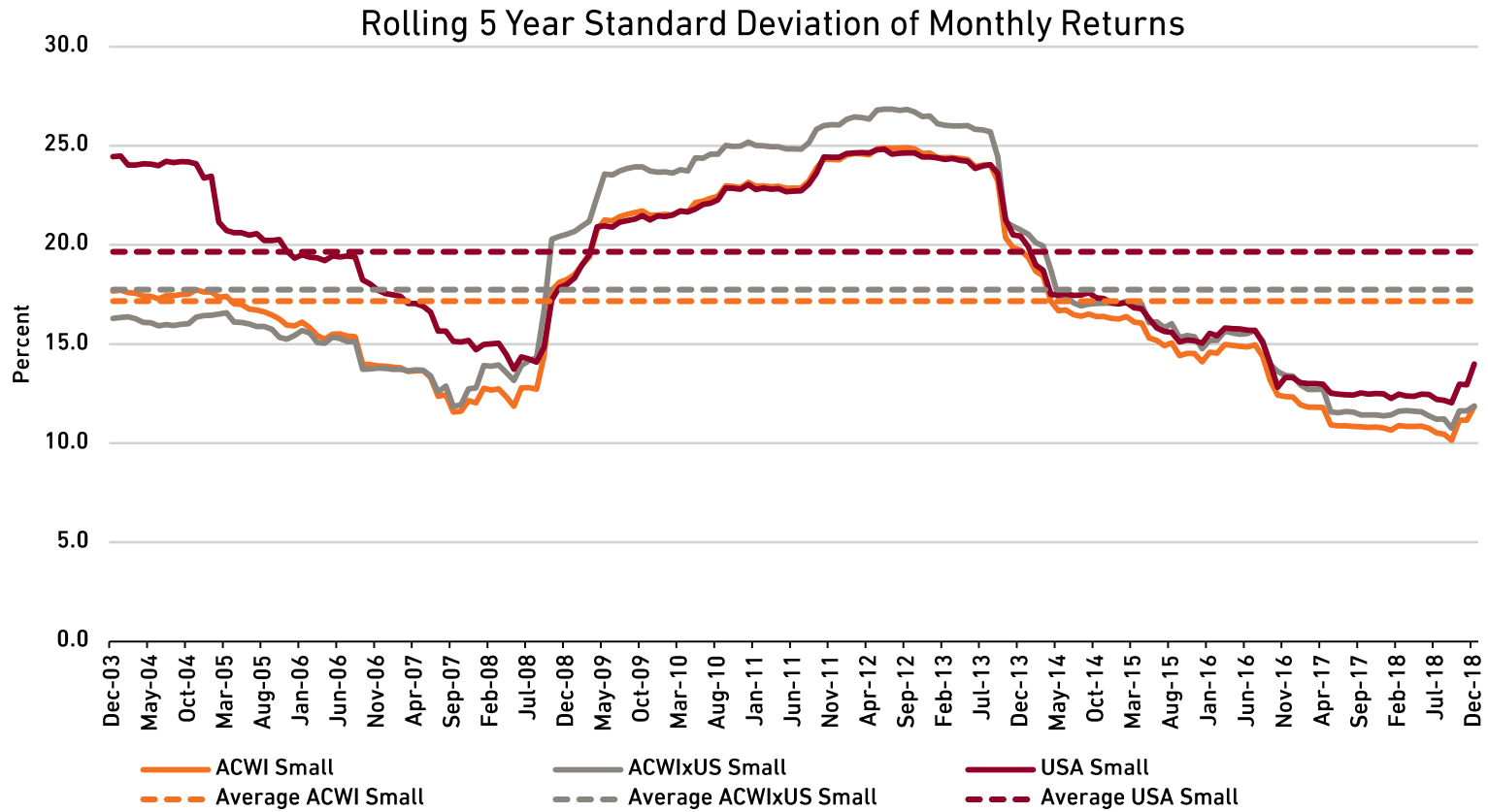
Annualized Returns for 20 Years ended December 31, 2018



Historical Volatility of Small Cap vs Large Cap



Historical Volatility of Small Cap

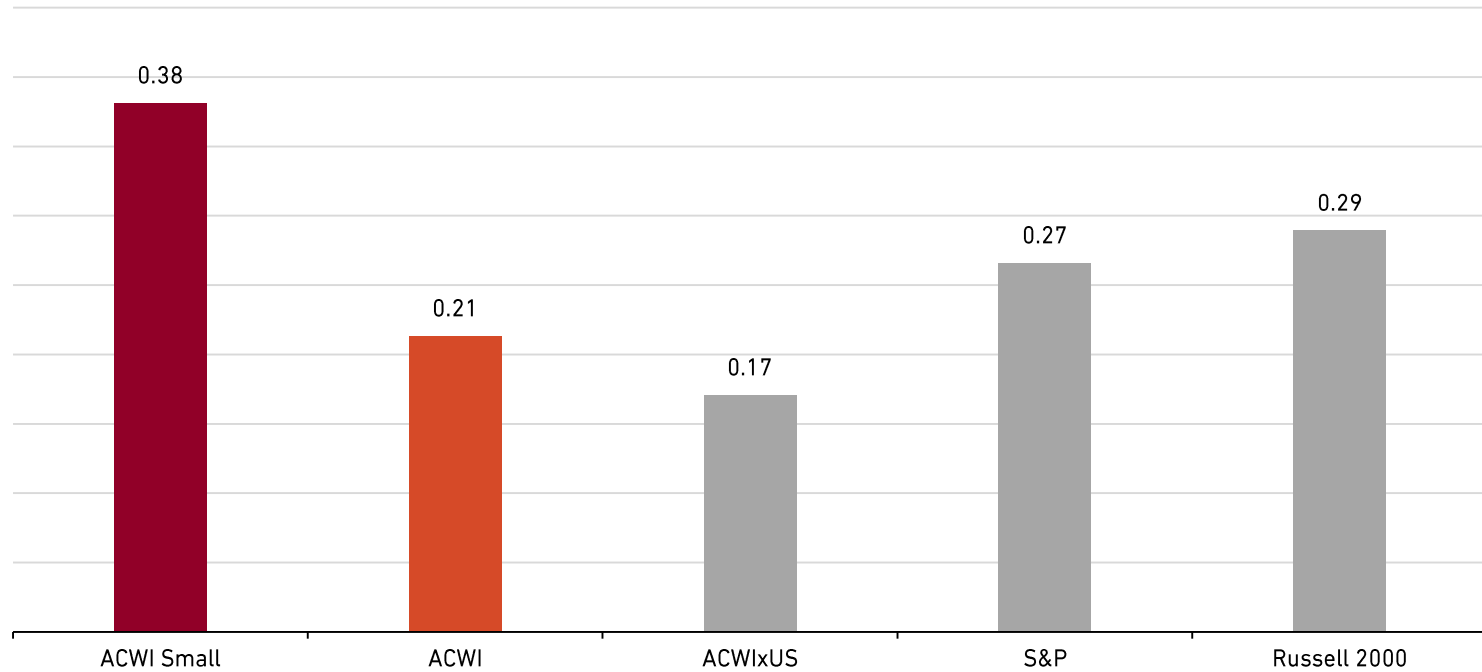


Source: MSCI Inc., Bloomberg, and Russell. Data as of December 31, 2018. Please read the disclosures on the last page which are an integral part of this presentation.

Global Small Caps Have Superior Risk Adjusted Returns

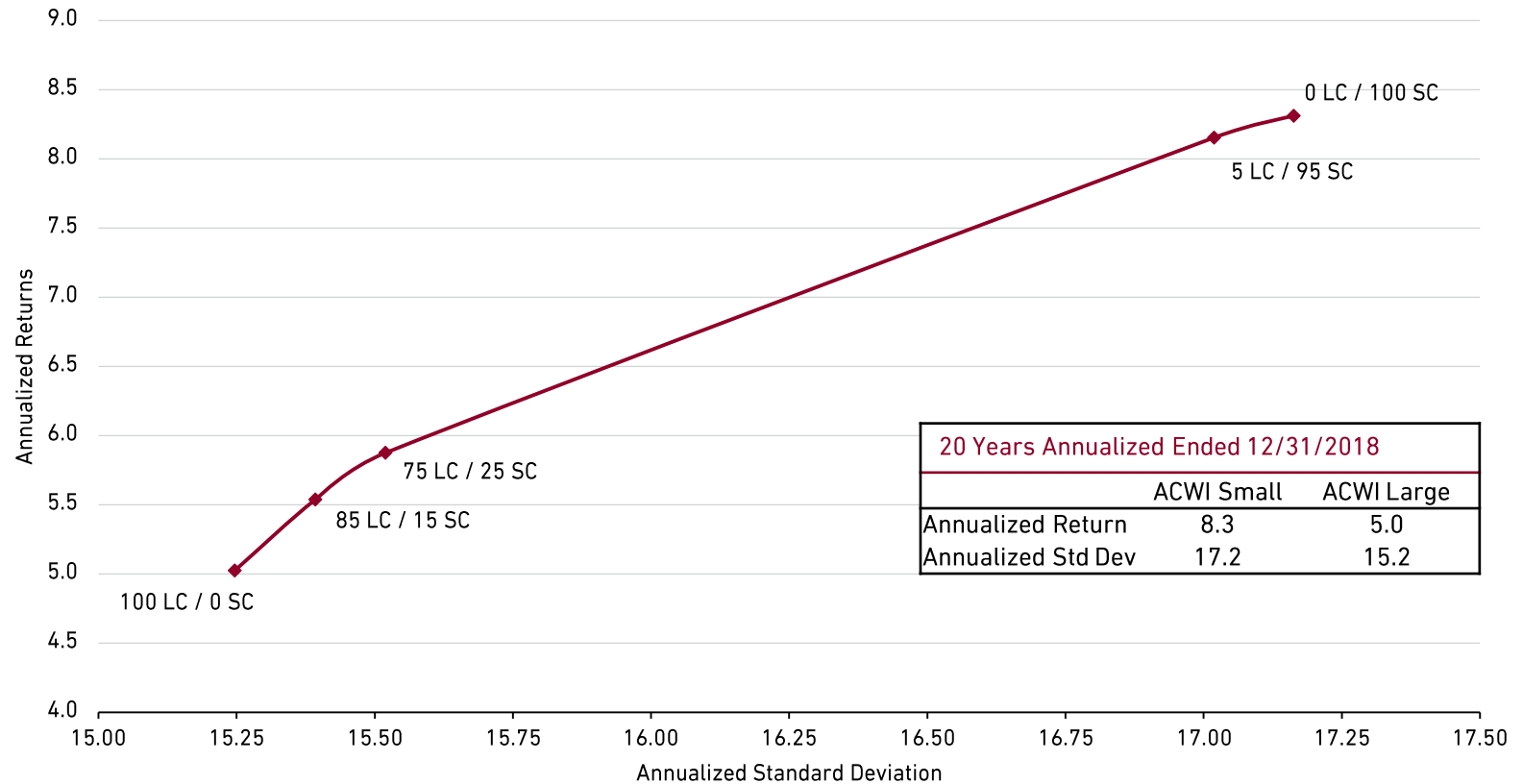
20 Years ended December 31, 2018

20 Year Annualized Sharpe Ratio



Adding Global Small Caps Improves Risk-Return Tradeoff

20 Years ended December 31, 2018

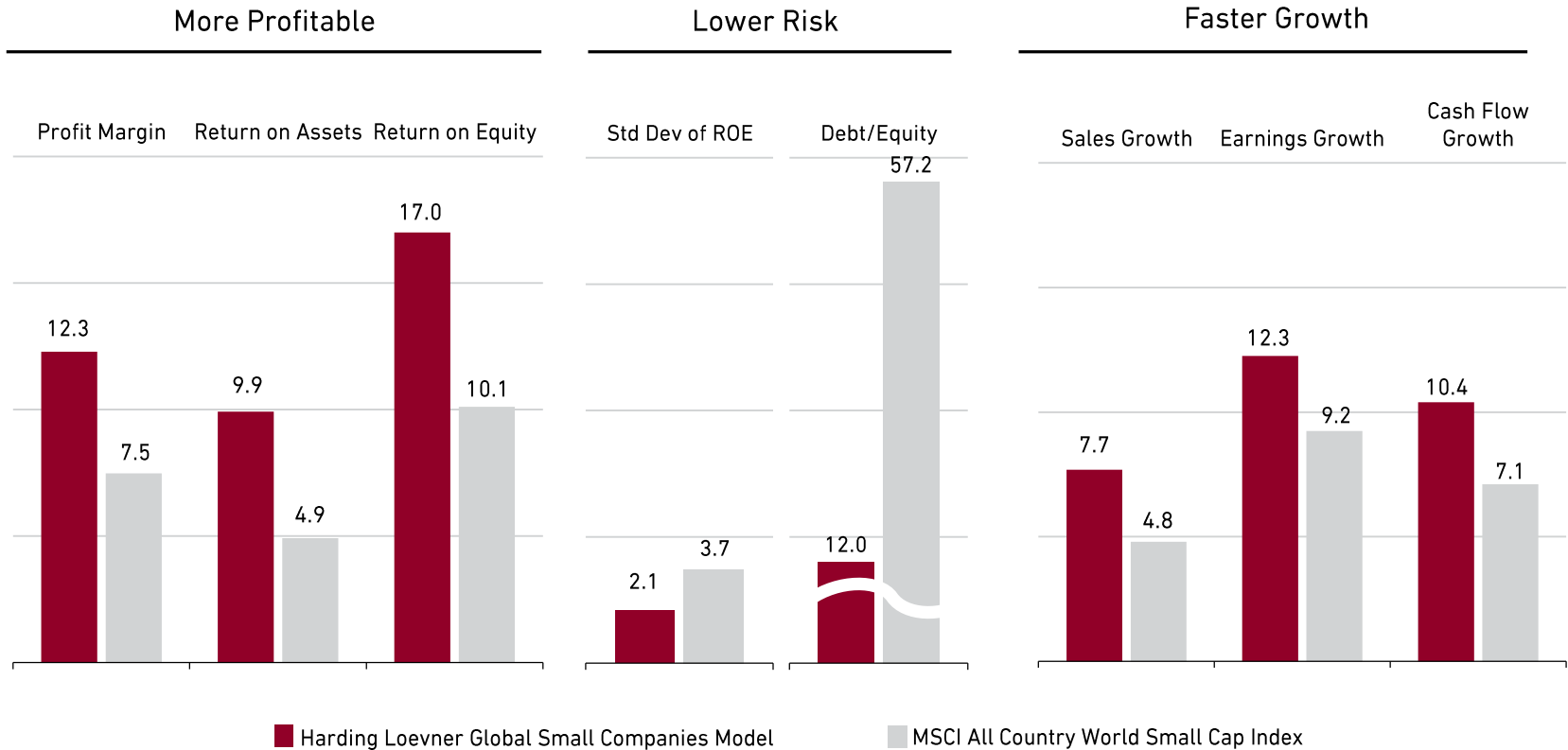


20 Years Annualized Ended 12/31/2018		
	ACWI Small	ACWI Large
Annualized Return	8.3	5.0
Annualized Std Dev	17.2	15.2

Source: MSCI Inc. and S&P. "LC" refers to large cap; "SC" refers to small cap.

Quality-Growth Investment Philosophy

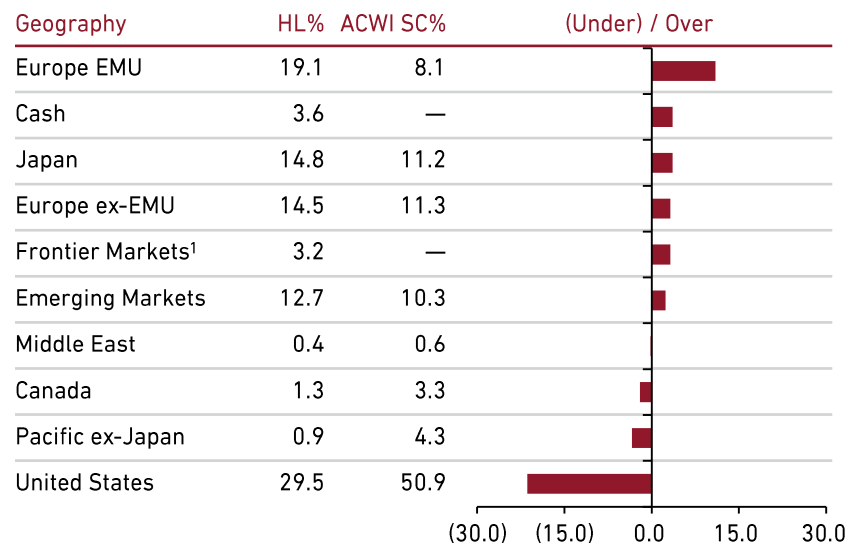
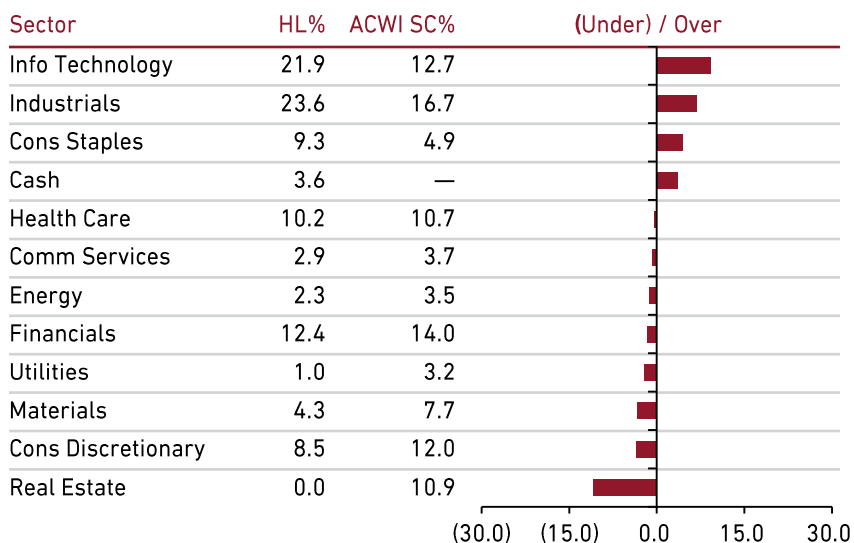
As of December 31, 2018



Source: FactSet. Growth and volatility metrics are based on five-year historical data; the other ratios are based on the most recent annual data. All metrics and ratios are presented as weighted medians. Please read the disclosures on the last page, which are an integral part of this presentation.

Portfolio Exposures

As of December 31, 2018



Ten Largest Holdings – Total Weight: 19.9%

Company	Country	Sector	Wt (%)
EnerSys	United States	Industrials	2.5
Healthcare Services Group	United States	Industrials	2.2
Signature Bank	United States	Financials	2.1
Guidewire Software	United States	Info Technology	2.1
Alten	France	Info Technology	2.0

Company	Country	Sector	Wt (%)
Abcam	United Kingdom	Health Care	2.0
HEICO	United States	Industrials	1.8
Ariake	Japan	Cons Staples	1.8
ABC-Mart	Japan	Cons Discretionary	1.7
RIB Software	Germany	Info Technology	1.7

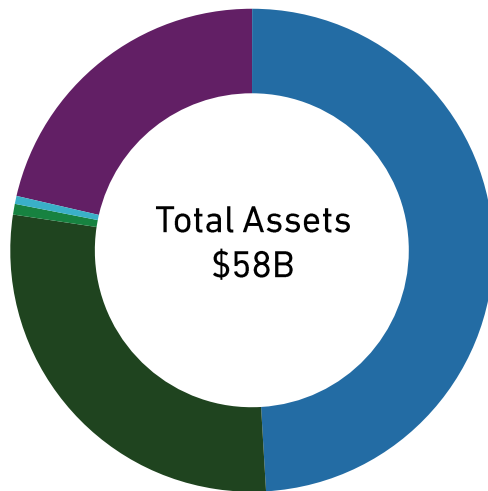
¹Includes countries with less-developed markets outside the Index.

Source: Harding Loevner Global Small Companies Equity Model; MSCI Inc. and S&P. Sector and region end weights, holdings, and active share are shown as supplemental information only and complement the fully compliant Global Small Companies Composite GIPS Presentation. Please read the disclosures on the last page, which are an integral part of this presentation.

Harding Loevner Profile

As of December 31, 2018

- 41 investment professionals
- Global Small Companies Equity portfolio management team averages 13 years at Harding Loevner



	Strategy Assets	Firm Assets
Global	\$13.3B	23%
International (Non-US)	\$28.6B	50%
Emerging Markets	\$15.1B	26%
International Small Companies	\$0.2B	<1%
Frontier Emerging Markets	\$0.4B	1%
Research Portfolios	<\$0.1B	<1%
Global Small Companies	<\$0.1B	<1%

Disclosures

The information provided in this Presentation should not be considered a recommendation to purchase or sell a particular security. Unless otherwise stated, non-performance based criteria have been used to select the securities listed. The portfolio is actively managed therefore securities shown may not be current. It should not be assumed that investment in the securities identified has been or will be profitable. To request a complete list of portfolio holdings for the past year contact Harding Loevner. A complete list of holdings for the Global Small Companies Equity Model at December 31, 2018 is available on request.

Investing in stocks entails the risks of market volatility. The value of all types of stocks may increase or decrease over varying time periods. To the extent the investments depicted herein represent international securities, you should be aware that there may be additional risks associated with international investing, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes, and differences in financial and accounting standards.

Quality-Growth Characteristics, Investment Statistics, Benchmark Returns, Performance Attribution, Portfolio Exposures and Portfolio Transactions are shown as supplemental information only and complement the fully compliant Global Small Companies Composite GIPS Presentation, which is available on request.

Alpha: a measure of risk-adjusted return. *Beta*: a measure of the portfolio's sensitivity to the market. *R-Squared*: a measure of how well a portfolio tracks the market. *Standard Deviation*: the statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. *Information Ratio*: a measure of risk-adjusted return calculated by dividing the portfolio active return (i.e., portfolio returns minus benchmark return) by the standard deviation of the active return. *Sharpe Ratio*: the return over the risk free rate per unit of risk. *Up/Down Capture*: a measure of the manager's performance in up/down markets relative to the market itself. *Profit Margin*: relationship of gross profits to net sales. *Return on Assets*: net income for past 12 months divided by total assets. *Return on Equity*: the net income divided by total common equity outstanding, expressed as a percent. *Debt/Equity Ratio*: total long-term debt divided by total shareholder's equity. *Sales Per Share*: the total revenue earned per share over a 12-month period, net of returns, allowances, and discounts. *Earnings Per Share*: portion of a company's profit allocated to each outstanding share of common stock. *Cash Flow*: a measure of the cash generating capability of a company calculated by adding non-cash charges (e.g. depreciation) and interest expense to pretax income. *Turnover*: calculated by dividing the lesser of Purchases or Sales by Average Capital.

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 46 developed and emerging market countries, and is comprised of companies that fall within a market capitalization range of USD 96-8,807 million (as of December 31, 2018). You cannot invest directly in this Index.

Harding Loevner's Quality, Growth, and Value rankings are proprietary measures determined using objective data. Quality rankings are based on the stability, trend, and level of profitability, as well as balance sheet strength. Growth rankings are based on historical growth of earnings, sales, and assets, as well as expected changes in earnings and profitability. Value rankings are based on several valuation measures, including price ratios.

The Composite and Attribution returns may show discrepancies due to the different data sources for these returns. Composite performance is preliminary and 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.

Source (Benchmark Performance, Performance Attribution, Contributors and Detractors): FactSet, Harding Loevner Global Small Companies Composite; MSCI Inc.

Source (Portfolio Exposures, Portfolio Transactions, Portfolio Allocation Comparison, Quality-Growth Characteristics [Run date: January 9, 2019]): FactSet; Harding Loevner Global Small Companies Equity Model; MSCI Inc.

Source (Investment Statistics): eVestment Alliance; Harding Loevner Global Small Companies Composite, based on composite returns.

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