



Harding Loevner amid the COVID-19 Pandemic

Our investment and operational processes continue to function normally

We have not experienced nor do we foresee any impairment of our investment or business operations or ability to serve our clients as a result of the pandemic. All our activities—collaborative research, independent investment decision-making, trading and settlement, accounting and reporting—are continuing to proceed normally, with everyone performing their usual roles.

Following a period of intensive re-testing of systems, most of our personnel have been working from home since we activated the remote work protocols of our Business Continuity Plan (BCP) on March 11. Systems and habits to support remote work have always been part of our professional lives because our research and client-facing personnel need to remain seamlessly connected to their departmental workflows while travelling for research purposes or to meet with clients. Our research, investment, and operational processes depend exclusively upon work that is created digitally for sharing and recording. Decisions are never made by committee and physical collocation is not an important factor in our work. We are therefore confident in our ability to operate normally indefinitely with all staff working remotely.

We suspended all business travel and closed our offices to visitors. In lieu of meeting them in person, we are interacting with company managements, clients, and advisers via email, phone, and videoconference. It is helpful that cancelled investor presentations and conferences have been replaced by webcasts in most cases. Given the speed at which issuers and clients worldwide have adapted to a new reality of interacting by electronic means instead of in person, we do not foresee an inability to travel, even if long-lasting, impairing our ability to conduct our investment research and operations or to serve our clients.

We have taken additional precautionary measures

To mitigate the risk of cross infection or mass quarantine of personnel impacting our ability to invest and otherwise serve our clients, we put into effect a sequestration arrangement, dividing the entire staff into teams (each team representing a cross-section of departments) and prohibiting members of each team from being in physical proximity with any members of other teams. Also, our BCP provides multiple levels of redundancy for all investment, operational, and managerial roles by specifying an order of emergency succession for each individual. We are thus prepared to prevent any gaps in responsibilities from occurring in the event any of our personnel are sidelined by illness, quarantine, or personal emergencies.

Our service providers are also prepared

Our key service providers are large, sophisticated, well-resourced, and geographically diversified organizations. We have not experienced nor do we anticipate experiencing any impairment of their ability to support us as usual. We re-verified their pandemic preparedness and contingency plans on March 3, and we continue to monitor their evolving crisis responses and operating statuses.

Thank you for your continued confidence in Harding Loevner. Please direct any questions on our pandemic response to your Harding Loevner contact, or to info@hardingloevner.com.

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