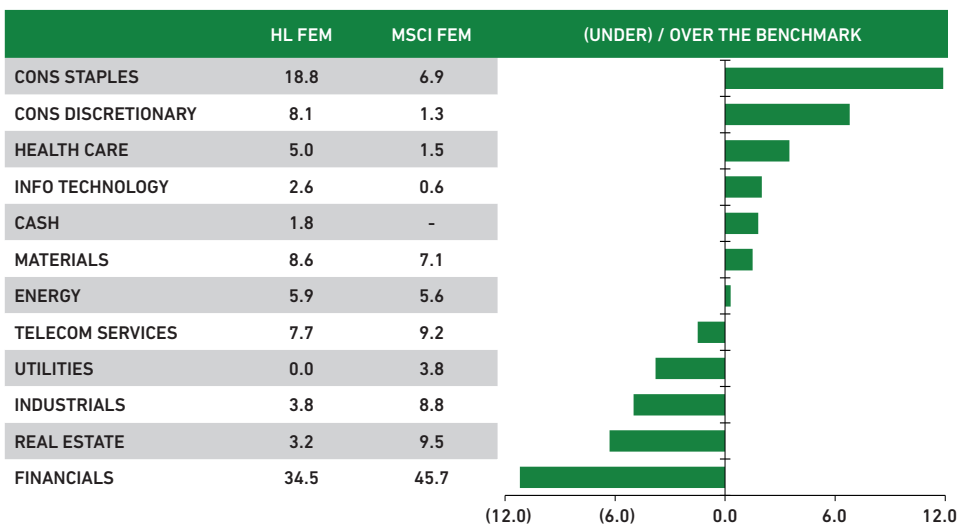
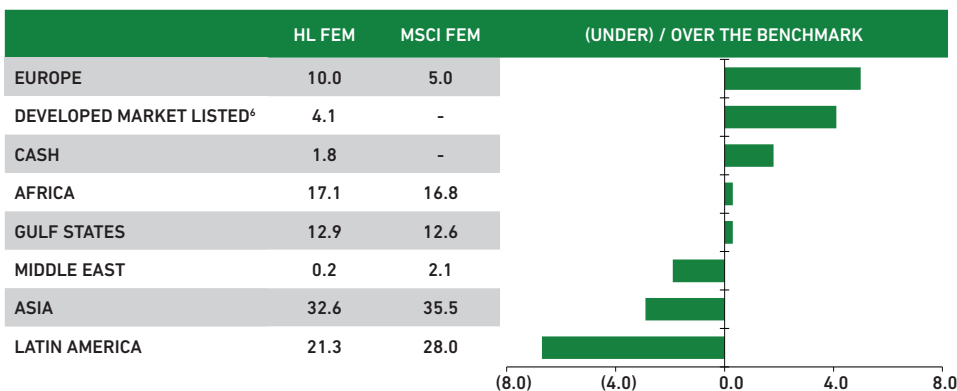


**COMPOSITE PERFORMANCE (% TOTAL RETURN) FOR PERIODS ENDING JUNE 30, 2017<sup>1</sup>**

	3 MONTHS	YTD	1 YEAR	3 YEARS <sup>2</sup>	5 YEARS <sup>2</sup>	SINCE INCEPTION <sup>2,3</sup>
HL FRONTIER EMERGING MARKETS (GROSS OF FEES)	6.66	13.00	12.64	-2.52	8.36	0.77
HL FRONTIER EMERGING MARKETS (NET OF FEES)	6.31	12.23	11.05	-3.95	6.79	-0.65
MSCI FRONTIER EMERGING MARKETS INDEX <sup>4,5</sup>	5.89	13.88	9.97	-3.79	4.43	-2.21

<sup>1</sup>The Composite performance returns shown are preliminary; <sup>2</sup>Annualized Returns; <sup>3</sup>Inception Date: May 31, 2008; <sup>4</sup>The Benchmark Index; <sup>5</sup>Gross of withholding taxes.

Please read the above performance in conjunction with the footnotes on the last 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 (%)**

**GEOGRAPHIC EXPOSURE (%)**


<sup>6</sup>Includes frontier markets or small emerging markets companies listed in developed markets. Current Frontier Markets exposure in the portfolio is 55.2% and Emerging Markets exposure is 43.0%.

Sector and geographic allocations are supplemental information only and complement the fully compliant Frontier Emerging Markets Composite GIPS Presentation.

Source: Harding Loevner Frontier Emerging Markets Model; MSCI and S&P 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.

**TABLE OF CONTENTS**

- 2 | Market Review
- 3 | Performance and Attribution
- 4 | Investment Perspectives
- 5 | Portfolio Highlights
- 6 | Portfolio Largest Holdings
- 7 | Portfolio Facts

**MARKET REVIEW**

Positive performance was broadly based across most regions. Africa was led by Nigeria, which introduced an investor-friendly currency exchange window.

Argentina continued to show signs of recovery from recession.

The Gulf States and the Energy sector suffered from low oil prices.

**PORTFOLIO HIGHLIGHTS**

Benchmark composition changes and associated capital flows create significant short term volatility, but they have virtually no impact on our portfolio construction.

Our portfolio activity during the quarter was defined by our assessment of the attractiveness of individual companies.

## MARKET REVIEW

Frontier emerging markets (FEMs) shared in the strong returns of global equity markets in the second quarter of 2017. The MSCI FEM Index rose 5.9%. Gains were broadly based, as all regions except the Gulf States and the Middle East rose in the quarter.

Rising 17%, Africa was the best-performing region by far, led by Nigeria and Kenya. The Nigerian market was buoyed by generally improving corporate earnings and by the Central Bank of Nigeria's partial liberalization of its exchange-rate regime. The NAFEX<sup>1</sup> benchmark rate for foreign-exchange transactions was created to boost dollar liquidity; Nigeria has suffered from a shortage of dollars since the price of oil, its key export, plunged in 2014, and Nigerian authorities had continued to manage the local currency's exchange rate even after it was devalued in June 2016. The NAFEX provides a window for foreign investors to conduct currency transactions without restriction or delay, and its inception ushered in several weeks of strong capital inflows. We began using the NAFEX

### MARKET PERFORMANCE (USD %)

COUNTRY	2Q 2017	TRAILING 12 MONTHS
PHILIPPINES	7.2	-5.7
ARGENTINA	5.0	27.7
COLOMBIA	2.5	8.8
KUWAIT	-1.2	23.3
PERU	7.2	17.2
VIETNAM	2.7	2.0
NIGERIA	33.8	14.6
MOROCCO	12.3	30.0
PAKISTAN	-2.1	19.1
EGYPT	3.2	-2.0
MSCI FEM INDEX	5.9	10.0

### SECTOR PERFORMANCE (USD %) OF THE MSCI FEM INDEX

SECTOR	2Q 2017	TRAILING 12 MONTHS
CONS DISCRETIONARY	4.7	-0.1
CONS STAPLES	7.3	-10.1
ENERGY	-1.4	13.8
FINANCIALS	6.4	14.3
HEALTH CARE	8.3	8.7
INDUSTRIALS	7.6	5.0
INFO TECHNOLOGY	19.3	10.4
MATERIALS	-0.9	10.2
REAL ESTATE	11.6	2.6
TELECOM SERVICES	5.5	9.0
UTILITIES	4.1	25.8

Source: FactSet (as of June 30, 2017). MSCI Inc. and S&P. Selected countries are the 10 largest by weight, representing 82% of the MSCI Frontier Emerging Markets Index.

rate, which is lower than the interbank rate used by pricing services such as index provider MSCI, to value our portfolio's Nigerian holdings because we believe it reflects most closely the rate readily available to foreign investors in open market transactions.

Asia's 6% gain was largely due to the Philippines, which, at a quarter of the weight of the MSCI FEM Index, is its largest constituent. Generally strong corporate earnings growth supported stock prices in the country, especially those of banks, gaming companies, and property developers. At the one-year mark of President Rodrigo Duterte's controversial administration, investors have shifted their attention from politics back to the economy, focusing on Duterte's tax reforms and a renewed push for infrastructure spending. The tax reforms are expected to boost overall tax revenue by increasing excise rates on automobiles and fuel, which are largely luxury goods, while limiting value-added tax exemptions to mostly essentials like raw foodstuffs, health care, and education. The progressive reform also includes cuts to personal income tax rates for lower- and middle-income Filipinos in an effort to increase disposable income. This should support retailers and quick-service restaurant chains such as **Jollibee Foods** that cater to the middle class.

Latin America returned 5% in the quarter, with all markets recording gains. The Argentinian market was volatile but ended the quarter in positive territory. Investors were cheered by evidence of the country's recovery from recession as recently released data showed broad, albeit uneven, economic expansion across sectors. Enthusiasm was somewhat dampened, however, by MSCI's decision in late June not to reclassify Argentina to emerging market (EM) status in 2017. We discuss additional Index changes later in this report.

New risks emerged on the political front. Former Argentine President Cristina Fernández de Kirchner has formed a new populist political party and announced her intention to run in October's mid-term parliamentary elections in the province of Buenos Aires. As the election approaches, it will become increasingly important from an economic perspective for current President Mauricio Macri and his coalition government to garner strong popular support. A favorable outcome for Macri would ensure the continuation of his reforms and sustain the country's recovery from Kirchner's mismanagement.

The Gulf States region declined 3% this quarter due largely to weakness in the price of oil. The region's fragile political stability was jeopardized in June, when Saudi Arabia, the United Arab Emirates (UAE), Bahrain, and Egypt abruptly announced their decision to sever diplomatic ties with Qatar, citing the latter's alleged support of terrorist organizations, amongst other reasons. S&P has downgraded Qatar's sovereign credit

<sup>1</sup>NAFEX stands for Nigerian Autonomous Foreign Exchange Rate Fixing. The rate is computed based on the survey of ten Nigerian banks conducting currency operations involving purchases and sales of currency on behalf of their clients.

rating as a result, and has put the country on negative credit watch. Our exposure to Qatar, which is not included in the MSCI FEM Index, is limited to a single stock, discussed later in this report.

Viewed by sector, benchmark performance was broadly positive for the quarter. Financials was boosted by a rally in Nigerian banks, as confidence returned to the market following the introduction of the NAFEX window. Real Estate was buoyed by the strength of Philippine real-estate developers, which benefited from the sustained positive trend in residential and commercial property sales and steady income from mall properties.

Telecom Services advanced in part due to strength in shares of Kenya's index heavyweight **Safaricom**, which bounced back as fears regarding a potential break-up by the government regulator receded. The company reported strong 2016 results, showing double-digit increases in revenue and profitability, helped by solid growth in data and M-Pesa subscribers. Safaricom continues to innovate, pushing into areas such as e-commerce and further enhancing the functionality and stickiness of M-Pesa, its flagship mobile payment platform.

Energy's negative return was a result of the decline in the price of oil, which reached \$45 per barrel in late June—a drop of over 20% from its January level. In late 2016, OPEC and non-OPEC producers agreed on production cuts that were extended this quarter for an additional nine months. However, rising production in Libya and Nigeria, countries exempt from the cuts, coupled with the absence of supply disruptions from other regions and the resilience of the US shale producers have contributed to rising stockpiles of oil and depressed its price.

## ■ PERFORMANCE AND ATTRIBUTION

The Frontier Emerging Markets composite outperformed its benchmark in the second quarter, rising 6.7% while the MSCI FEM Index rose 5.9%. For the year to date, the composite posted a 13.0% return to the Index's 13.9%. The following charts illustrate performance attribution for the quarter by sector and region, respectively.

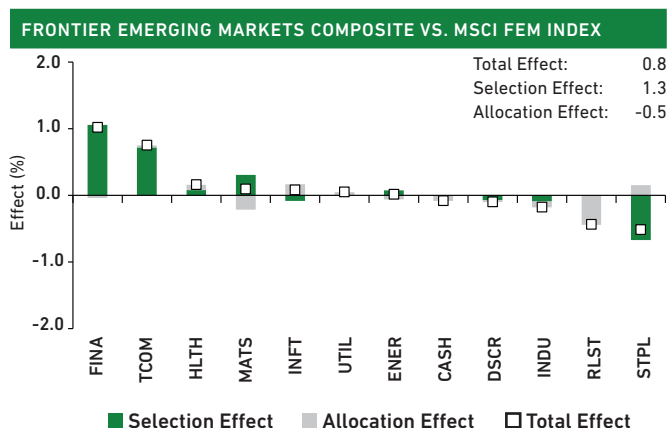
By sector, stock selection was strongest in Financials, led by **Halyk Savings Bank** of Kazakhstan. The bank benefited from favorable terms in its merger with rival Kazkommertsbank, a move supported by the Kazakh government. The portfolio also benefited from good stock selection in Telecom Services, pri-

*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 list of the ten largest holdings at June 30, 2017 is available on page 6 of this report.*

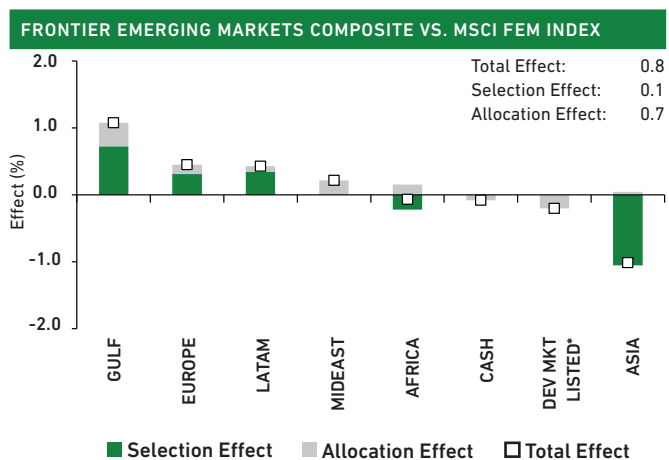
marily **Safaricom**. Positive net-subscriber growth coupled with declining capital-expenditure intensity led to strongly rising free cash flow generation. Poor selection in Consumer Staples detracted most from performance. UAE-based packaged-food producer **Agthia** led the underperformance as its flour and animal-feed business faced a delay in a tender by the Farmer's Service Center of Abu Dhabi. Our shortage of investments in the strongly performing Real Estate sector also detracted from performance.

Viewed by region, strong stock selection in the Gulf States contributed to relative performance. Our off-benchmark Saudi Arabian holdings, including **Saudi British Bank** and **Al Rajhi Bank**, were propelled by MSCI's proposal to include the country in the EM Index in 2018. Our investments in Asia detracted most from relative returns, especially our holdings in the Philippines, which accounted for half of our underperformance in the region. Our overweight in the poorly perform-

### SECTOR PERFORMANCE ATTRIBUTION SECOND QUARTER 2017



### GEOGRAPHIC PERFORMANCE ATTRIBUTION SECOND QUARTER 2017



*\*Includes frontier markets or emerging markets companies listed in developed markets. Source: FactSet; Harding Loevner Frontier Emerging Markets Composite; MSCI Inc. and S&P. The total effect 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 FactSet calculates performance attribution. This information is supplemental to the Composite GIPS Presentation.*

ing Pakistani market detracted, as did poor stock selection in the country, including fertilizer-producer **Engro** and cement-producer **Maple Leaf Cement**, the latter of which was hurt by rising expenses due to higher coal prices.

**Qatar National Bank (QNB)**, one of Qatar’s largest banks by loans and deposits, was a modest detractor. The bank has a solid balance sheet, strong capital base, and low asset-quality risk because close to 40% of its lending and the majority of its investments book is to the Qatari government or quasi-government entities. To date, the regional crisis has not affected QNB’s operations nor materially increased its funding costs. QNB draws nearly a quarter of its deposit funding from non-resident deposits, but the proportion contributed by the Gulf States region is minimal. Loan exposure to the four disputing countries is also insignificant. However, if regional tensions persist or escalate, Qatar and QNB will likely face tougher overall economic conditions and heightened risk perception from investors.

## ■ INVESTMENT PERSPECTIVES

### Index Composition and Portfolio Construction

During the second quarter, index provider MSCI made several important announcements regarding the composition of the FEM Index:

1. Pakistan was officially reclassified from a frontier market to an EM in May.
2. Saudi Arabia will be included in the 2018 Annual Market Classification Review for potential inclusion in the EM Index.
3. Argentina will not be reclassified as an EM in 2017, but remains on the review list for potential inclusion in 2018.
4. An anticipated decision regarding the removal of Nigeria from the FEM Index due to capital-mobility issues has been delayed to November 2017 to allow investors time to assess the effectiveness of the NAFEX window.

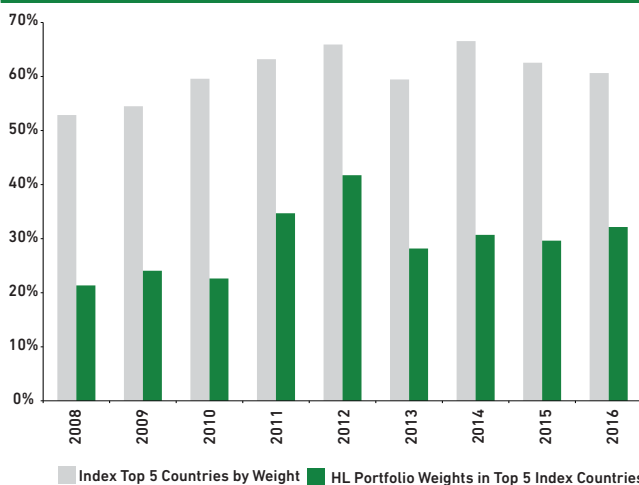
MSCI benchmark announcements typically trigger a flurry of investor activity in affected markets, so the money flows that followed this quarter’s announcements were no surprise. Pakistan’s upgrade to EM status has created strong momentum there since the announcement was made a year ago. However, sentiment turned this quarter when it was revealed that the country’s weight in the EM Index will be lower than many had expected, triggering heavy selling. After registering a 42% gain in 2016, the Pakistani market declined 4% in the first six months of this year.

In contrast, the Saudi Arabian market rose on the news that MSCI will consider including the country in the EM Index, hitting its highest level in the past 18 months. Saudi Arabia is currently classified by MSCI within a standalone index. Because the EM Index is tracked by an estimated US\$1.6 trillion worth of predominantly active investment funds, Saudi Ara-

bia’s inclusion will create large demand for its equities. That certain domestic and foreign investors are already “front-running” flows, both passive and active, that would result from a reclassification points to the dangers of attempting to play these events.

When constructing an index for a given universe, MSCI uses both qualitative criteria—such as the degree of openness to foreign ownership and ease of capital flow—and quantitative criteria—such as minimum levels of market capitalization and daily trading liquidity. The number and capitalization of stocks meeting the quantitative thresholds effectively determine the weight of each market in the index. This approach naturally leads to wide divergence in country weights: within the FEM Index the top three countries at the end of 2016 accounted for approximately 45% of the weight, while the bottom three combined represent less than 0.4%. The country weights change over time, sometimes significantly, based on changes in the US dollar capitalization of companies included in the index. Furthermore, as certain countries “graduate” to EM status and are eliminated from the FEM Index (as was the case with the UAE and Qatar in 2014), it becomes even more tilted toward a few heavyweight countries and less representative of the broader frontier universe. As seen in the chart below, since our FEM strategy was launched in 2008, the benchmark’s weight in the top five countries has not fallen below 50% and has, at times, exceeded 65%, while our portfolio has had a significantly lower concentration.

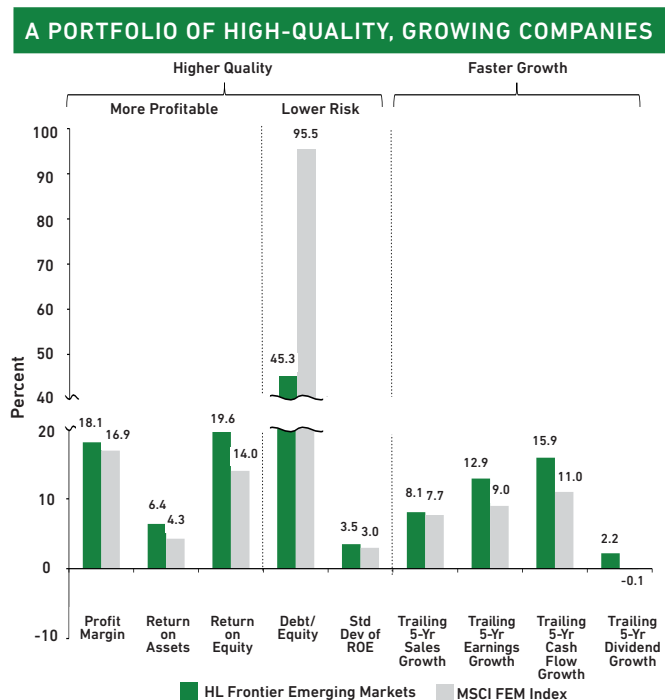
**MSCI FEM INDEX END WEIGHTS COMPARED TO FEM MODEL PORTFOLIO END WEIGHTS**



Source: FactSet.

While periodic index changes and associated capital flows create significant short term movements, they have virtually no impact on our portfolio construction. As fundamental investors, we assemble our portfolio from the bottom up by selecting individual companies that meet our criteria across the entire FEM universe, including countries that are not part of the benchmark. Our primary objective is to own financially strong, high-quality, long-duration growth businesses that are run by experienced managers whose interests are aligned

with ours as shareholders. Indeed, as can be seen from the chart below, our portfolio companies, in aggregate, are faster-growing, more profitable, and have lower debt levels than the benchmark's constituents, on average.



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.

Managing risk is another crucial aspect of our investment process. It is no secret that individual frontier markets exhibit high levels of volatility. At the same time, they tend to be less sensitive to global factors, such as the UK's decision to leave the European Union or the direction of the US Federal Reserve interest rate policy. Since frontier markets' movements are driven to a large extent by factors and events specific to each country, they typically do not move in-line with each other. Thus a portfolio of FEM stocks diversified by sector and geography—especially those that have been selected for high business quality—should exhibit modest overall risk. To ensure diversification, our portfolio construction is guided by risk-management guidelines incorporating explicit country and sector exposure limits. This approach produces a portfolio that can deviate significantly from the benchmark, in terms of country allocation, in the direction of better diversification. It will exhibit high tracking error and therefore periods of significant underperformance, but we believe that this approach supports our overarching objective of achieving long term risk-adjusted returns for our clients.

## ■ PORTFOLIO HIGHLIGHTS

Our portfolio activity during the quarter was determined not by index reshuffling, but by our assessment of the attractive-

ness of individual companies, taking into account their competitive positions, growth prospects, financial strength, and valuations.

We added to long-time holding **Emaar Properties**, the leading UAE-based developer of residential communities, hotels, shopping malls, and theme parks. With significant land holdings in Dubai—a hub for business, transportation, and tourism in the Gulf region—Emaar is poised to benefit from a continued demand for new properties. The company enjoys access to a prime land bank in Dubai, which was granted to Emaar for free by the Dubai government, its 30% shareholder. Another key competitive advantage relative to its UAE peers is Emaar's portfolio of high-end hotels and malls in Dubai. These assets provide Emaar with a dependable source of recurring rental income, bolstering financial strength and reducing risk in the inescapably cyclical real estate business.

Recently management announced its intention to list 30% of Emaar's booming UAE property-development business on the Dubai Financial Market exchange and to distribute proceeds to the parent company's shareholders. The listing, targeted to be completed later in 2017, is expected to be one of the largest initial public offerings in Dubai since the listing of Emaar Malls in 2014 and should create value for Emaar shareholders.

We trimmed our position in Romania's **Banca Transilvania (BT)**—another long-time holding—taking advantage of its recent strong share price rise. BT has doubled its market share in the past six years by focusing on lending to small- and medium-sized businesses traditionally underserved by the country's banks. BT's current position as the second-largest privately owned bank in Romania, with 13% market share, affords it access to local currency deposits and the ability to lend in local currency, the leu. This compares favorably to its key competitors, subsidiaries of French, Austrian, and Greek banks, who depend in part on euro-denominated funding from their corporate parents.

In 2016, Romanian lawmakers passed two pieces of legislation that were potentially damaging to the country's banking system. As initially drafted, the legislation permitted certain stressed borrowers to forego mortgage payments and to convert legacy Swiss-franc mortgage loans into leu at historical, i.e., below-market, exchange rates. However, after being legally challenged, both laws were amended by the Romanian Constitutional Court on terms significantly more favorable to banks.

As fears of the impact of the legislation receded and operating performance remained robust, BT's shares re-rated strongly. Romania has one of the lowest domestic private sector debt to GDP ratios in Europe, which, combined with the relatively fast-growing economy, bodes well for sustained credit growth. BT's management has demonstrated operating acumen and an ability to grow both organically and through acquisition.

## FRONTIER EMERGING MARKETS TEN LARGEST HOLDINGS (AS OF JUNE 30, 2017)

COMPANY	COUNTRY	SECTOR	END WT (%)
SAFARICOM Mobile operator	KENYA	TELECOM SERVICES	4.1
HOA PHAT GROUP Steel producer	VIETNAM	MATERIALS	3.5
CREDICORP Commercial bank	PERU	FINANCIALS	3.2
SQUARE PHARMACEUTICALS Pharmaceuticals manufacturer	BANGLADESH	HEALTH CARE	3.2
HALYK SAVINGS BANK Commercial bank	KAZAKHSTAN	FINANCIALS	3.1
EMAAR PROPERTIES Real estate developer	UNITED ARAB EMIRATES	REAL ESTATE	2.8
BANCO MACRO Commercial bank	ARGENTINA	FINANCIALS	2.7
ALICORP Consumer goods manufacturer	PERU	CONS STAPLES	2.6
NOSTRUM OIL & GAS Kazakhstani oil and gas company	UNITED KINGDOM	ENERGY	2.6
COMMERCIAL INTERNATIONAL BANK Commercial bank	EGYPT	FINANCIALS	2.6

Source: Harding Loevner Frontier Emerging Markets Model.

Model Portfolio holdings are supplemental information only and complement the fully compliant Frontier Emerging Markets 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.

## 2Q17 CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
SAFARICOM	TCOM	3.9	0.90
HALYK SAVINGS BANK	FINA	2.8	0.73
HOA PHAT GROUP	MATS	3.5	0.39
CREDICORP	FINA	3.1	0.37
EAST AFRICAN BREWERIES	STPL	1.8	0.28

## 2Q17 DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
AGTHIA	STPL	1.0	-0.12
MASAN GROUP	STPL	1.0	-0.11
CEMENTOS ARGOS	MATS	2.7	-0.11
DP WORLD	INDU	0.5	-0.11
MAPLE LEAF CEMENT	MATS	0.8	-0.08

## PORTFOLIO CHARACTERISTICS

QUALITY & GROWTH	HL FEM	MSCI FEM
PROFIT MARGIN <sup>1</sup> (%)	18.1	16.9
RETURN ON ASSETS <sup>1</sup> (%)	6.4	4.3
RETURN ON EQUITY <sup>1</sup> (%)	19.6	14.0
DEBT/EQUITY RATIO <sup>1</sup> (%)	45.3	95.5
STD DEV OF 5 YEAR ROE <sup>1</sup> (%)	3.5	3.0
SALES GROWTH <sup>1,2</sup> (%)	8.1	7.7
EARNINGS GROWTH <sup>1,2</sup> (%)	12.9	9.0
CASH FLOW GROWTH <sup>1,2</sup> (%)	15.9	11.0
DIVIDEND GROWTH <sup>1,2</sup> (%)	2.2	-0.1
SIZE & TURNOVER	HL FEM	MSCI FEM
WTD MEDIAN MKT CAP (US \$B)	3.5	5.7
WTD AVG MKT CAP (US \$B)	6.1	7.4
TURNOVER <sup>3</sup> (ANNUAL %)	30.7	-

<sup>1</sup>Weighted median; <sup>2</sup>Trailing five years, annualized; <sup>3</sup>Five-year average; <sup>4</sup>Weighted harmonic mean; <sup>5</sup>Weighted mean. Source (Risk characteristics): eVestment Alliance (eA); Harding Loevner Frontier Emerging Markets Composite, based on the Composite returns; MSCI Inc. Source (other characteristics): FactSet (Run Date: July 6, 2017); Harding Loevner Frontier Emerging Markets Model, based on the underlying holdings; MSCI Inc.

## COMPLETED PORTFOLIO TRANSACTIONS

POSITIONS ESTABLISHED	COUNTRY	SECTOR
THERE WERE NO NEW PURCHASES THIS QUARTER.		

## LAST 12 MOS CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
HALYK SAVINGS BANK	FINA	2.5	1.53
HOA PHAT GROUP	MATS	3.6	1.44
SAFARICOM	TCOM	4.0	1.27
BANCA TRANSILVANIA	FINA	3.1	0.90
ALICORP	STPL	2.6	0.70

## LAST 12 MOS DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
EQUITY BANK	FINA	0.5	-1.00
UNIVERSAL ROBINA	STPL	2.7	-0.95
JOLLIBEE FOODS	DSCR	2.9	-0.76
AGTHIA	STPL	1.0	-0.66
OLYMPIC INDUSTRIES	STPL	2.4	-0.43

RISK & VALUATION	HL FEM	MSCI FEM
ALPHA <sup>2</sup> (%)	4.59	-
BETA <sup>2</sup>	0.82	1.00
R-SQUARED <sup>2</sup>	0.79	1.00
ACTIVE SHARE <sup>3</sup> (%)	70	-
STANDARD DEVIATION <sup>2</sup> (%)	10.74	11.64
SHARPE RATIO <sup>2</sup>	0.76	0.37
TRACKING ERROR <sup>2</sup> (%)	5.3	-
INFORMATION RATIO <sup>2</sup>	0.74	-
UP/DOWN CAPTURE <sup>2</sup>	96/72	-
PRICE/EARNINGS <sup>4</sup>	13.6	14.4
PRICE/CASH FLOW <sup>4</sup>	9.8	11.0
PRICE/BOOK <sup>4</sup>	2.3	1.9
DIVIDEND YIELD <sup>5</sup> (%)	2.6	3.6

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

## FRONTIER EMERGING MARKETS COMPOSITE PERFORMANCE (AS OF JUNE 30, 2017)

	HL FEM GROSS	HL FEM NET	MSCI FEM INDEX <sup>1</sup>	HL FEM 3-YR STD DEVIATION <sup>2</sup>	MSCI FEM INDEX 3-YR STD DEVIATION <sup>2</sup>	INTERNAL DISPERSION <sup>3</sup>	NO. OF ACCOUNTS	COMPOSITE ASSETS	FIRM ASSETS
	(%)	(%)	(%)	(%)	(%)	(%)		(\$M)	(%)
2017 YTD <sup>4</sup>	13.00	12.23	13.88	10.73	12.13	N.A. <sup>5</sup>	1	437	0.93
2016	4.89	3.34	5.41	11.22	12.43	N.M. <sup>6</sup>	1	387	0.99
2015	-16.76	-18.00	-17.99	11.28	11.81	N.M.	1	432	1.30
2014	8.51	6.93	7.52	10.19	10.76	N.M.	1	537	1.53
2013	19.77	18.09	4.59	12.68	11.82	N.M.	1	317	0.96
2012	22.92	21.08	21.23	14.01	13.97	N.M.	1	88	0.39
2011	-19.63	-20.83	-17.26	20.62	20.70	N.M.	1	95	0.70
2010	27.25	25.59	29.07	+	+	N.M.	1	96	0.87
2009	42.83	41.02	25.85	+	+	N.M.	1	10	0.16
2008 <sup>7</sup>	-53.41	-53.77	-54.74	+	+	N.A.	1	5	0.15

<sup>1</sup>Benchmark Index; <sup>2</sup>Variability of the Composite and the Index returns over the preceding 36-month period, annualized; <sup>3</sup>Asset-weighted standard deviation (gross of fees); <sup>4</sup>The 2017 YTD performance returns and assets shown are preliminary; <sup>5</sup>N.A.—Internal dispersion is less than a 12-month period; <sup>6</sup>N.M.—Information is not statistically significant due to an insufficient number of portfolios in the Composite for the entire year; <sup>7</sup>2008 represents the partial year, June 1, 2008 to December 31, 2008; +Less than 36 months of return data.

The Frontier Emerging Markets Composite contains fully discretionary, fee paying frontier emerging markets accounts investing in non-US equity and equity equivalent securities of companies domiciled predominantly in frontier and smaller emerging markets countries with the objective of long-term capital appreciation. For comparison purposes, the Composite is measured against the MSCI Frontier Emerging Market Index (gross of withholding taxes). Returns include the effect of foreign currency exchange rates. The exchange rate source of the benchmark index is Reuters. The exchange rate source of the Composite is Bloomberg. Additional information about the benchmark index, including the percentage of composite assets invested in countries or regions not included in the Index, is available upon request.

The MSCI Frontier Emerging Markets Index is a free float-adjusted market capitalization index designed to measure equity market performance in all countries from the MSCI Frontier Markets Index and the lower size spectrum of the MSCI Emerging Markets Index. The Index consists of 29 frontier markets and 5 emerging markets. 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 for the period November 1, 1989 through March 31, 2017.

Verification assesses whether (1) the firm has complied with all the 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 the GIPS standards. Verification does not ensure the accuracy of any composite presentation. The verification 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 Frontier Emerging Market accounts is 1.50% annually of the market value up to \$20 million; 1.15% 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 Frontier Emerging Markets Composite was created on May 31, 2008.