FRONTIER EMERGING MARKETS EQUITY

2017 Year End Report

COMPOSITE PERFORMANCE (% TOTAL RETURN) FOR PERIODS ENDED DECEMBER 31, 2017[1]

	3 MONTHS	1 YEAR	3 YEARS[2]	5 YEARS[2]	SINCE INCEPTION[2,3]
HL FRONTIER EMERGING MARKETS (GROSS OF FEES)	5.91	27.33	3.59	7.63	1.99
HL FRONTIER EMERGING MARKETS (NET OF FEES)	5.56	25.62	2.10	6.09	0.56
MSCI FRONTIER EMERGING MARKETS INDEX[4,5]	5.07	27.19	3.21	4.34	-0.96

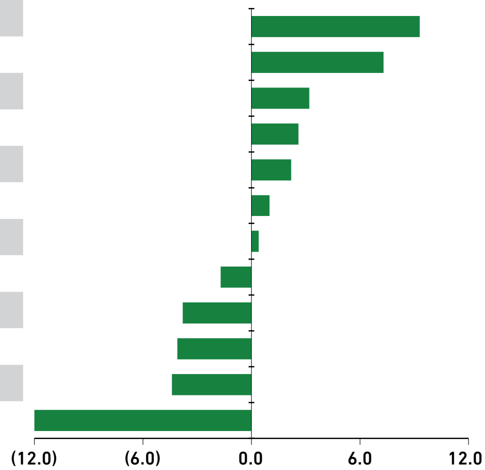
[1]The Composite performance returns shown are preliminary; [2]Annualized Returns; [3]Inception Date: May 31, 2008; [4]The Benchmark Index; [5]Gross of withholding taxes.

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 (%)

	HL FEM	MSCI FEM
CONS STAPLES	16.5	7.2
CONS DISCRETIONARY	8.4	1.1
HEALTH CARE	4.7	1.5
MATERIALS	9.3	6.7
INFO TECHNOLOGY	2.7	0.5
CASH	1.0	–
ENERGY	6.5	6.1
TELECOM SERVICES	7.4	9.1
UTILITIES	0.0	3.8
REAL ESTATE	5.6	9.7
INDUSTRIALS	4.0	8.4
FINANCIALS	33.9	45.9

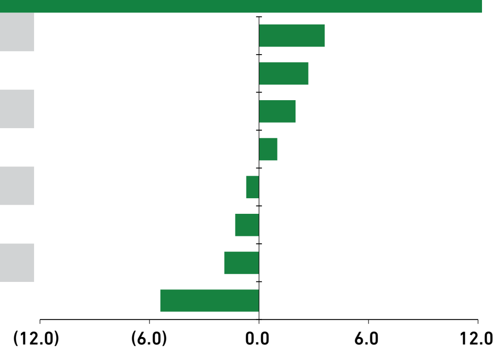
(UNDER) / OVER THE BENCHMARK



GEOGRAPHIC EXPOSURE (%)

	HL FEM	MSCI FEM
EUROPE	8.7	5.1
DEVELOPED MARKET LISTED[6]	2.7	–
AFRICA	17.0	15.0
CASH	1.0	–
ASIA	35.4	36.1
GULF STATES	10.3	11.6
MIDDLE EAST	0.0	1.9
LATIN AMERICA	24.9	30.3

(UNDER) / OVER THE BENCHMARK



[6]Includes frontier markets or small emerging markets companies listed in developed markets.
Current Frontier Markets exposure in the portfolio is 54.8% and Emerging Markets exposure is 44.2%.

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 Inc. 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.

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MARKET REVIEW

Every region except the Gulf States and every sector except Consumer Discretionary and Telecom Services advanced in the fourth quarter.

Argentina was the year's best-performing market, as investors welcomed President Mauricio Macri's continued pro-business reforms.

The Pakistani market declined in the full year due to political upheaval and index-related outflows.

PORTFOLIO HIGHLIGHTS

Our focus on financial strength—one of the key pillars of our investment philosophy—leads us to invest in more-profitable and better-capitalized banks that should be less affected by new accounting standard IFRS 9 than their weaker peers.

MARKET REVIEW

Frontier emerging market (FEM) equities rose 5.1% in the fourth quarter, according to MSCI. Every region except the Gulf States and every sector except Consumer Discretionary and Telecom Services advanced. FEM stocks ended the year having gained 27.2%—their strongest performance since 2010.

Latin America posted gains in the fourth quarter and stellar results for the year, led by Argentina and Peru. Argentina was the best-performing market in 2017, rising nearly 75%. Investors applauded President Mauricio Macri as he advanced his pro-business reform agenda. Since coming to office in 2015, Macri has abolished foreign-exchange controls, reduced or eliminated export duties on agricultural products and oil—important steps toward encouraging capital investment in the agricultural and petroleum sectors—and negotiated greater wage flexibility in contracts with the country's powerful labor unions. In the banking sector, the administration abolished minimum rates on deposits and caps on fees, and relaxed mandatory lending requirements to certain sectors, such as agriculture.

All Asian markets except Pakistan rose in 2017. Vietnam was Asia's best-performing market in both the fourth quarter and the year, buoyed by a strong economy, stable politics, and robust foreign direct investment. Several successful initial public offerings, mainly in the banking and real estate sectors, lifted investors' optimism, as did the government's continued reduction of its ownership stakes in some of Vietnam's largest and highest-profile enterprises. In November, it sold its stake in **Vietnam Dairy Products**, the country's leading dairy products producer, and secured a bid for a 25% stake in Saigon Alcohol Beer & Beverages Corporation (Sabeco), the country's largest brewer.

The fortunes of Pakistan, one of 2016's strongest FEMs, reversed dramatically in 2017. The market debuted in the MSCI Emerging Markets (EM) Index on schedule but at a lower-than-expected weight, triggering a sell-off. Prime Minister Nawaz Sharif was ousted following a corruption scandal. And the country's widening trade deficit and falling foreign exchange reserves forced authorities to let the Pakistani rupee fall by almost 6% against the US dollar, improving the competitiveness of Pakistani exports but increasing pressure on consumers in the short term.

African markets recorded gains for the quarter and full year. Nigeria was bolstered by strong capital inflows following the liberalization of its exchange-rate regime for investors. Many Nigerian companies continued to grow their earnings despite still-challenging business conditions. For example, **Dangote Cement** and **Nestlé Nigeria** successfully raised prices to offset a devaluation-induced increase in their dollar-linked input costs, which, combined with cost-savings initiatives, improved their profitability.

Kenya, unlike Pakistan, performed strongly despite political upheaval. Its Supreme Court, citing vote-counting irregularities, annulled the results of the August presidential election in which incumbent President Uhuru Kenyatta was declared victor. A court-mandated revote, held in October amid opposition protests, resulted in Kenyatta's repeat victory, clearing the way for his second term. The months of political uncertainty weakened private sector demand, while an interest rate cap implemented in 2016 contributed to a slowdown in private sector lending. After the election, investors welcomed Kenyatta's reappointment of his treasury secretary, who has criticized the interest rate cap. Kenya's banks also remained

MARKET PERFORMANCE (USD %)

COUNTRY	4Q 2017	TRAILING 12 MONTHS
PHILIPPINES	6.5	25.2
ARGENTINA	7.4	73.6
COLOMBIA	0.8	16.3
KUWAIT	-7.2	18.7
PERU	7.3	38.4
VIETNAM	36.2	64.9
MOROCCO	2.0	11.8
NIGERIA	4.3	37.6
EGYPT	-2.1	5.2
KENYA	4.4	36.7
MSCI FEM INDEX	5.1	27.2

SECTOR PERFORMANCE (USD %)
OF THE MSCI FEM INDEX

SECTOR	4Q 2017	TRAILING 12 MONTHS
CONS DISCRETIONARY	-20.7	-0.8
CONS STAPLES	15.8	28.9
ENERGY	18.5	44.9
FINANCIALS	3.1	27.6
HEALTH CARE	6.0	26.3
INDUSTRIALS	4.3	24.8
INFO TECHNOLOGY	15.9	39.3
MATERIALS	7.4	15.0
REAL ESTATE	8.2	28.4
TELECOM SERVICES	-0.4	23.1
UTILITIES	2.7	40.1

Source: FactSet (as of December 31 2017). MSCI Inc. and S&P. Selected countries are the 10 largest by weight, representing 84% of the MSCI Frontier Emerging Markets Index.

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 December 31, 2017 is available on page 6 of this report.

strong through the year due to growth in non-interest income and lower expenses.

Kuwait dragged down the Gulf States in the fourth quarter. Political strife surfaced in October when the prime minister and entire cabinet resigned ahead of a no-confidence vote by Parliament. Still, Kuwait and the Gulf States region as a whole posted positive returns for the year, supported by rising oil prices. The 2016 agreement among OPEC and non-OPEC oil producers to cut production will likely be extended through 2018, reinforcing oil price stability.

By sector, Energy performed well for the year due to rising oil prices. Financials was boosted by Argentina's **Banco Macro** and **Grupo Financiero Galicia**. The banks capitalized on rising loan demand from local businesses previously unable to afford long-term financing.

Vietnamese companies represent 40% of the entire FEM Consumer Staples sector, and their rise contributed materially to the sector's strong returns. Vietnam Dairy Products increased its profits, helped by rising sales and a stable price for milk powder, its key raw material. Several strategic foreign investors acquired minority stakes in the company from the government in 2016–17 through its privatization program. Diversified consumer-products company **Masan Group** rose after repurchasing 10% of its shares. Masan also announced plans to list its non-core assets in banking and mining to unlock value for its shareholders.

PERFORMANCE AND ATTRIBUTION

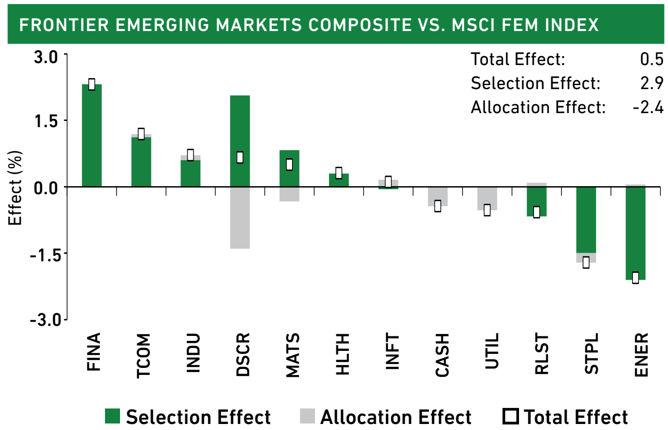
The Frontier Emerging Markets composite outperformed its benchmark in the fourth quarter, rising 5.9% compared with the MSCI FEM Index's 5.1% gain. For the year, the composite posted a 27.3% return, in line with the benchmark's 27.2%. The charts on the right illustrate the sources of relative return for the year by sector and region, respectively.

In the fourth quarter, **Safaricom** and **Grameenphone** led our strong stock selection in Telecom Services. Despite Kenya's disputed election results and noise from potential regulatory changes, Safaricom performed well throughout the fourth quarter and the full year, as continued net-subscriber growth in the mobile data and voice segments resulted in strongly rising free cash flow. Grameenphone, Bangladesh's leading mobile telecom operator, enjoyed sustained profit growth due to strong increases in subscribers and data revenues. It also benefited from diminished market rivalry following the 2016 merger of its competitors Airtel and Robi Axiata.

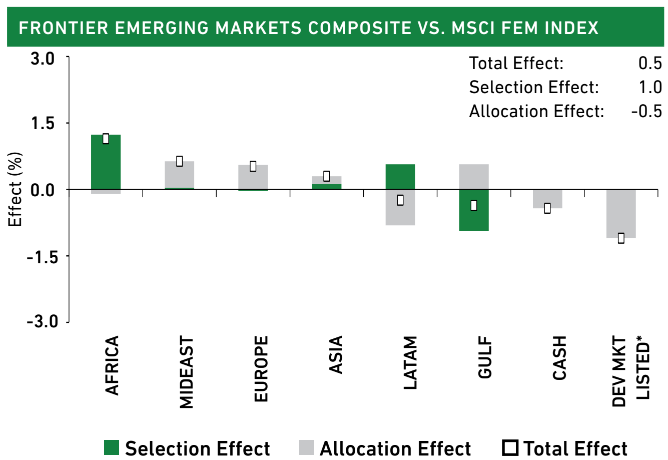
Our poor stock selection in Real Estate detracted from performance. The United Arab Emirates' **Emaar Properties** fell when its sale of shares in Emaar Development, its property development subsidiary, fetched a lower-than-expected price.

Our consumer sector stocks contributed little to overall performance, masking fairly large underlying allocation and selection

SECTOR PERFORMANCE ATTRIBUTION TRAILING 12 MONTHS



GEOGRAPHIC PERFORMANCE ATTRIBUTION TRAILING 12 MONTHS



**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.*

effects. Strong stock selection in Consumer Discretionary—led by **Cablevision**, a spinoff of Argentina-based **Clarin**—mitigated the portfolio's overweight to the poorly performing sector. Conversely, our poor stock selection in Energy and Consumer Staples—due to Philippines-based **Universal Robina**, whose consumer business faced continued competitive pressure—offset our large overweight to this well-performing sector.

Viewed geographically, strong stock selection in Latin America, especially Colombia, contributed most to relative performance in the quarter. Petroleum exploration and production company **Ecopetrol** benefited from rising oil prices and the successful implementation of deleveraging and cost-savings programs.

Our investments in Europe detracted most from relative returns. Ukrainian agricultural conglomerate **Kernel** (which is not in the benchmark) reported weak results for fiscal year

2017 due to the margin pressure within its oilseed processing segment. Margins reached their lowest point in five years. Outside Europe, poor stock selection in the strongly performing Vietnamese market also detracted from returns. Despite our overweight position in the country, rallies in a number of recently listed real estate companies, which we do not own, hurt relative performance.

For the year, our stock selection in Financials supported our relative performance. **Halyk Savings Bank** advanced as investors looked approvingly on its successful merger with rival Kazkommertsbank, creating the largest bank in Kazakhstan by assets and market share. The merger was financially supported by the Kazakhstani government on terms advantageous to shareholders, allowing the combined entity to maintain Halyk's traditionally strong profitability and solid capital position. Our investments in Energy and Consumer Staples dragged most on performance, as poor stock selection prevented the portfolio from capturing the returns of these highly performing sectors.

By region, stock picks in Africa contributed most to relative performance for the year. Egypt-based laboratory-diagnostics company **Integrated Diagnostic Holdings** benefited from rising revenues and earnings due to higher prices for its tests and good patient traffic. Strong stock selection in Nigeria, where foreign exchange risks subsided in the second half of the year, was also beneficial. Good stock selection in Latin America was offset by our underweight in the strongly performing Argentinian market.

INVESTMENT PERSPECTIVES

Banks are crucial to the local economies of FEMs and typically represent a sizable portion of the aggregate capitalization of their local stock exchanges. In fact, the Financials sector is the largest in the MSCI FEM Index, comprising almost 50% of its capitalization. In 2018, a change in International Financial Reporting Standards will affect how banks recognize and account for problem loans. The new rule—Standard 9 (IFRS 9)—has implications for banks' earnings and required capital buffers. Our focus on quality—one of the key pillars of our investment philosophy—leads us to invest in more-profitable and better-capitalized banks that should be less affected by IFRS 9 than their weaker peers.

Under IFRS 9, if a bank's core equity capital falls below the minimum threshold mandated by regulators, the bank may be required to raise additional equity capital, which could be dilutive to shareholders.

IFRS 9 took effect on January 1 for countries that rely on IFRS, which includes most countries except the US and a few FEMs such as Bangladesh and Vietnam, which operate under local accounting standards. The regulation aims to facilitate the "timely recognition of, and provision for, credit losses"* by changing the way companies measure and report certain financial assets and instruments. IFRS 9 will affect the way banks provision for loan losses on their financial statements.

When banks underwrite new loans, there is a possibility that some portion will default. Banks account for this by periodically setting aside loan loss provisions—allowances for uncollected loans. Under the previous "incurred loss" accounting model, banks recognized these provisions when they saw objective evidence that a loss on an existing loan had occurred or was likely to occur. The new IFRS 9 standard, however, is based on the "expected loss" model, meaning that loan losses must be recognized and accounted for when the loan is originated, based on management's best estimate of the probability of default in the next 12 months. The probability must be reassessed at any point over the lifetime of the loan if there is evidence of a significant increase in credit risk.

IFRS 9 is more likely to amplify the effects of credit formation on business cycles than to moderate it.

For newly originated loans, periodic provision charges computed under IFRS 9 flow through banks' profit and loss statements, directly affecting profitability. But for existing loan portfolios, the excess of provisions over what was computed under the previous methodology is charged against banks' core equity capital. If, as a result, a bank's core equity capital falls below the minimum threshold mandated by regulators, the bank may be required to raise additional equity capital, which could be dilutive to shareholders. In certain jurisdictions, such as the European Union, regulators have opted for a gradual phase-in of IFRS 9 by allowing banks to add back a portion of the expected loss provisions to their core equity capital in order to avoid sharp drops in core equity capital. Whether regulators in other countries follow suit remains to be seen.

IFRS 9 is intended as a forward-looking assessment that highlights credit-quality deterioration to bank managements, regulators, and shareholders. However, it has limitations. First, individual banks calculate expected losses with different internal assumptions that are inherently subjective. Second, it introduces potentially greater volatility to banks' earnings, as provisions will increase or decrease depending on the economic and credit cycle. Specifically, estimates of expected losses are likely to spike at the start of an economic downturn, when borrowers experience a significant deterioration in credit quality. Provisions may escalate as a result, further constricting lending activity and depriving the economy of much-needed credit. Thus, IFRS 9 is more likely to amplify the effects of credit formation on business cycles than to moderate it.

This amplification could be especially acute when a regional market is stressed. For example, in a crisis environment like that of Asia in 1997, banks may conclude that the probabilities of

*Basel Committee on Banking Supervision, "Regulatory treatment of accounting provisions." *Bank for International Settlements* (October 2016) default in multiple countries have significantly increased. The banks would then increase their estimates of expected losses on a country's full portfolio before any stress on the individual borrowers became visible. The same logic applies to sectors. Had IFRS 9 been in place, the oil price decline that started in 2014 could have triggered an increase in credit risk assessment and a corresponding reduction in lending to the entire oil exploration and production sector. At the same time, the subsequent oil price recovery in early 2016 could have resulted in the release of provisions (except those related to companies that became distressed during the oil price downturn).

Banks with prudent lending policies, lower levels of problem loans, higher levels of existing loan loss provisions, and solid capital buffers are better positioned to withstand the impact of IFRS 9.

The implementation of IFRS 9 will produce divergent outcomes across regional banks in the frontier universe, depending on each country's level of provision coverage and collateral in the banking system, sector exposures, and stage of the business cycle. Generally speaking, the effect could be significantly adverse for institutions with weak loan underwriting standards and a significant overhang of historical credit problems. Banks with prudent lending policies, lower levels of problem loans, higher levels of existing loan loss provisions, and solid capital buffers are better positioned to withstand the impact of IFRS 9. These have always been the kinds of banks we seek to identify and own in our FEM portfolio.

Portfolio Management Team Update

Richard Schmidt, CFA has stepped down as Portfolio Manager for the Frontier Emerging Markets Equity strategy as of January 2, 2018. Rick joined the team in 2012, assuming responsibility for top-down assessment of country risks. As external sources of country risk information have improved, this aspect of the strategy's risk management has been assumed by the co-lead PMs Pradipta Chakrabortty and Tunde Ojo, CFA. Rick remains a PM on the Global Equity and Emerging Markets Equity strategies and a consumer industries analyst.

FRONTIER EMERGING MARKETS TEN LARGEST HOLDINGS (AS OF DECEMBER 31, 2017)

COMPANY	COUNTRY	SECTOR	END WT. (%)
HOA PHAT GROUP Steel producer	VIETNAM	MATERIALS	5.0
SAFARICOM Mobile operator	KENYA	TELECOM SERVICES	4.3
BANCO MACRO Commercial bank	ARGENTINA	FINANCIALS	3.4
CREDICORP Commercial bank	PERU	FINANCIALS	3.3
GRUPO FINANCIERO GALICIA Commercial bank	ARGENTINA	FINANCIALS	3.1
SM PRIME Real estate developer	PHILIPPINES	REAL ESTATE	3.1
ALICORP Consumer goods manufacturer	PERU	CONS STAPLES	3.1
SQUARE PHARMACEUTICALS Pharmaceuticals manufacturer	BANGLADESH	HEALTH CARE	2.8
ECOPETROL Oil & gas E&P	COLUMBIA	ENERGY	2.8
JOLLIBEE FOODS Quick service restaurant chain	PHILIPPINES	CONS DISCRETIONARY	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.

4Q17 CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
ECOPETROL	ENER	2.3	1.06
HOA PHAT GROUP	MATS	4.7	0.95
VIETNAM DAIRY PRODUCTS	STPL	2.3	0.84
GRUPO FINANCIERO GALICIA	FINA	2.8	0.72
ALICORP	STPL	3.1	0.44

LAST 12 MOS CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
HOA PHAT GROUP	MATS	4.0	2.57
GRUPO FINANCIERO GALICIA	FINA	1.7	1.78
BANCO MACRO	FINA	2.7	1.75
SAFARICOM	TCOM	4.0	1.65
HALYK SAVINGS BANK	FINA	2.4	1.61

4Q17 DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
EMAAR PROPERTIES	RLST	2.6	-0.54
NOSTRUM OIL & GAS	ENER	1.8	-0.43
BANCOLOMBIA	FINA	1.9	-0.30
COMMERCIAL INTL BANK	FINA	2.3	-0.13
ORIENTAL WEAVERS	DSCR	0.6	-0.12

LAST 12 MOS DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
NOSTRUM OIL & GAS	ENER	1.8	-0.48
AGTHIA	STPL	0.9	-0.41
MAPLE LEAF CEMENT	MATS	0.6	-0.26
OLYMPIC INDUSTRIES	STPL	1.7	-0.24
PAKISTAN PETROLEUM	ENER	1.4	-0.20

PORTFOLIO CHARACTERISTICS

QUALITY & GROWTH	HL FEM	MSCI FEM
PROFIT MARGIN[1] (%)	18.1	16.9
RETURN ON ASSETS[1] (%)	6.4	4.2
RETURN ON EQUITY[1] (%)	19.5	14.0
DEBT/EQUITY RATIO[1] (%)	52.8	87.6
STD DEV OF 5 YEAR ROE[1] (%)	2.7	2.7
SALES GROWTH[1,2] (%)	8.9	8.2
EARNINGS GROWTH[1,2] (%)	12.9	9.6
CASH FLOW GROWTH[1,2] (%)	15.3	11.0
DIVIDEND GROWTH[1,2] (%)	3.8	0.7
SIZE & TURNOVER	**HL FEM**	**MSCI FEM**
WTD MEDIAN MKT CAP (US $B)	4.3	6.7
WTD AVG MKT CAP (US $B)	7.4	8.7
TURNOVER[3] (ANNUAL %)	28.3	—

RISK & VALUATION	HL FEM	MSCI FEM
ALPHA[2] (%)	3.94	—
BETA[2]	0.83	—
R-SQUARED[2]	0.81	—
ACTIVE SHARE[3] (%)	69	—
STANDARD DEVIATION[2] (%)	10.63	11.55
SHARPE RATIO[2]	0.69	0.35
TRACKING ERROR[2] (%)	5.1	—
INFORMATION RATIO[2]	0.65	—
UP/DOWN CAPTURE[2]	92/72	—
PRICE/EARNINGS[4]	14.9	16.3
PRICE/CASH FLOW[4]	11.1	11.7
PRICE/BOOK[4]	2.4	2.1
DIVIDEND YIELD[5] (%)	2.4	2.5

[1]Weighted median; [2]Trailing five years, annualized; [3]Five-year average; [4]Weighted harmonic mean; [5]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: January 4, 2018); Harding Loevner Frontier Emerging Markets Model, based on the underlying holdings; MSCI Inc.

COMPLETED PORTFOLIO TRANSACTIONS

POSITIONS ESTABLISHED	COUNTRY	SECTOR
ROMGAZ	ROMANIA	ENER

POSITIONS SOLD	COUNTRY	SECTOR
THERE WERE NO COMPLETE SALES IN THE QUARTER.		

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 DECEMBER 31, 2017)

	HL FEM GROSS (%)	HL FEM NET (%)	MSCI FEM INDEX[1] (%)	HL FEM 3-YR STD DEVIATION[2] (%)	MSCI FEM INDEX 3-YR STD DEVIATION[2] (%)	INTERNAL DISPERSION[3] (%)	NO. OF ACCOUNTS	COMPOSITE ASSETS ($M)	FIRM ASSETS (%)
2017[4]	27.33	25.62	27.19	10.84	11.87	N.M.[5]	1	480	0.89
2016	4.89	3.34	5.41	11.22	12.43	N.M.	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[6]	-53.41	-53.77	-54.74	+	+	N.A.[7]	1	5	0.15

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

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 September 30, 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.