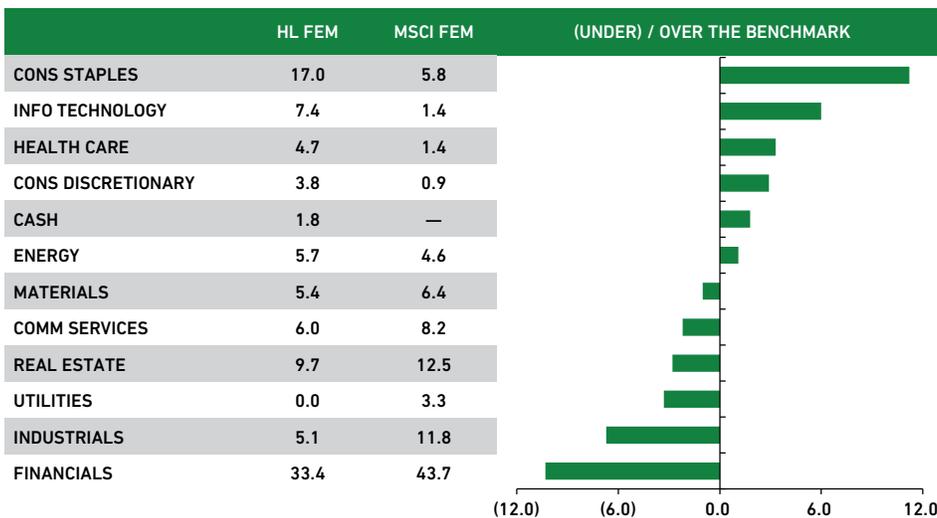
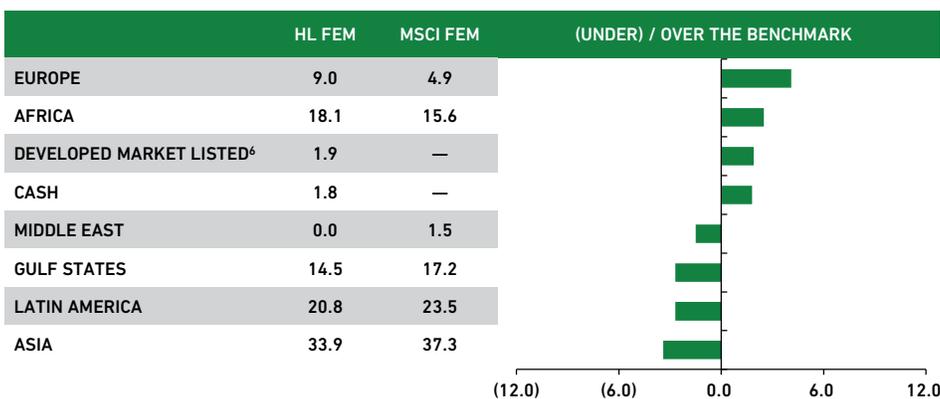


**COMPOSITE PERFORMANCE (% TOTAL RETURN) FOR PERIODS ENDED SEPTEMBER 30, 2019<sup>1</sup>**

	3 MONTHS	YTD	1 YEAR	3 YEARS <sup>2</sup>	5 YEARS <sup>2</sup>	10 YEARS <sup>2</sup>	SINCE INCEPTION <sup>2,3</sup>
HL FRONTIER EMERGING MARKETS (GROSS OF FEES)	-7.20	5.40	-0.77	4.55	-1.35	5.15	0.81
HL FRONTIER EMERGING MARKETS (NET OF FEES)	-7.53	4.33	-2.12	3.13	-2.74	3.66	-0.60
MSCI FRONTIER EMERGING MARKETS INDEX <sup>4,5</sup>	-6.69	7.19	2.95	3.79	-1.99	3.26	-1.56

<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 companies in frontier markets or small emerging markets listed in developed markets. Current frontier markets exposure in the portfolio is 45.1% and emerging markets exposure is 51.2%.

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.

**WHAT'S INSIDE**
**Market Review >**

Frontier Emerging Markets declined in the quarter, with political developments within certain countries dragging on markets.

**Performance and Attribution >**

Sources of relative return by region and sector.

**Perspective and Outlook >**

Kenya provides an example of how the emergence of digital technology and the proliferation of mobile phones have created an unprecedented opportunity to improve financial inclusion around the world.

**Portfolio Highlights >**

Transactions this quarter included the sale of several Argentine companies and the purchase of a digital payments processor.

**Portfolio Holdings >**

Information about the companies held in our portfolio, and completed transactions.

**Portfolio Facts >**

Contributors, detractors, and characteristics.

**ONLINE SUPPLEMENTS**

 Watch the Frontier Emerging Markets Equity quarterly review

 View other reports at [hardingloevner.com/library](http://hardingloevner.com/library)

## MARKET REVIEW

Stocks in Frontier Emerging Markets (FEMs) fell 6.7% in the quarter, trimming their year-to-date return to 7.2%. Politics roiled the equity markets of Argentina and Peru, which together accounted for more than half of the index's decline.

Argentina's market plunged 48% in US-dollar terms in one day after President Mauricio Macri unexpectedly lost a primary election in August. The outcome means the business-friendly president is likely to be voted out of office in October's general election and replaced by Alberto Fernández of the *Frente de Todos* party, a coalition of leftist politicians. With former President Christina Kirchner as the vice-presidential candidate of the opposition party, investors fear the country's return to populist economic policies that included large fiscal deficits, price and capital controls, and the nationalization of some private companies.

A 25% fall in the Argentine peso following Macri's primary loss essentially guaranteed that inflation would rise. It led Macri's

### MARKET PERFORMANCE (USD %)

COUNTRY	3Q 2019	TRAILING 12 MONTHS
PHILIPPINES	-4.6	13.7
KUWAIT	-3.8	18.8
COLOMBIA	-6.1	-7.1
PERU	-9.3	-4.0
VIETNAM	4.3	0.3
ARGENTINA	-46.8	-32.2
MOROCCO	1.6	3.3
EGYPT	7.4	21.8
NIGERIA	-11.3	-19.2
KENYA	2.1	10.2
MSCI FEM INDEX	-6.7	2.9

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

SECTOR	3Q 2019	TRAILING 12 MONTHS
COMMUNICATION SERVICES	-5.8	1.1
CONSUMER DISCRETIONARY	-21.1	-16.6
CONSUMER STAPLES	-0.6	-0.8
ENERGY	-18.1	-25.5
FINANCIALS	-7.0	6.0
HEALTH CARE	-5.3	3.0
INDUSTRIALS	-4.4	10.1
INFORMATION TECHNOLOGY	-9.4	55.2
MATERIALS	-8.6	-11.8
REAL ESTATE	-1.2	15.5
UTILITIES	-14.1	-4.6

Source: FactSet (as of September 30, 2019); MSCI Inc. and S&P. Selected countries are the 10 largest by weight, representing 87% of the MSCI Frontier Emerging Markets Index.

government to impose a temporary freeze on fuel prices, and to reinstate capital controls to preserve the country's rapidly dwindling foreign exchange reserves. The government also announced a voluntary plan for debt renegotiation to push out repayments, including of debt owed to the IMF. Ratings agencies deemed the move a technical default; against the background of the country's recurring history of default, this created further panic and further declines in the country's equity and bond markets. US-dollar deposits in the banking system fell by a third, or nearly US\$11 billion from August 11—the date of the primaries—through September.

Elsewhere in Latin America, politics weighed on Peru's market, too. In July, President Martín Vizcarra, in a bid to oust opponents who have blocked his anti-corruption reforms, announced his intention to dissolve Congress and seek elections in 2020, a year earlier than scheduled. Congress has resisted the move, and investors fear the impasse will make it even harder for the executive and legislative branches to work together to approve investment projects needed to boost the Peruvian economy. As well, declining metal prices weighed on the Peruvian mining companies. Peru's market fell 9% over the quarter.

The Middle East, which accounts for just 2% of the index, also fell in the quarter. The credit-rating agencies Fitch and S&P downgraded heavily indebted Lebanon, which needs to find US\$1.7 billion for debt repayment in the coming months.

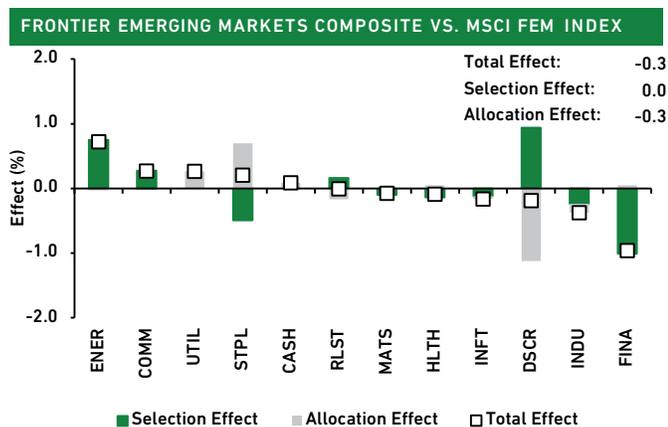
Europe recorded the quarter's best performance, lifted by Romania. Its market rose after the government lowered its proposed taxes on banks, and was also helped by the country's improving political environment. In August, the liberal party ALDE broke out of the ruling coalition that was responsible for several anti-business proposals. The exit likely limits the ability of the coalition to impose new regulations harmful to companies.

Among sectors, Consumer Discretionary posted the largest decline because of a 22% fall in **Jollibee Foods**, a Philippines-based quick-service restaurant operator. Investors fled after the company announced the acquisition of The Coffee Bean & Tea Leaf, a loss-making US coffee shop chain. It followed closely on an earlier US acquisition, Smashburger, which continues to drag on Jollibee's profits.

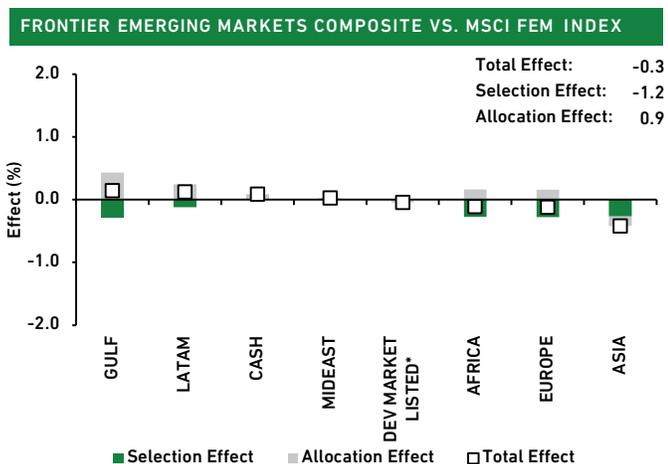
The Argentine collapse impacted several sectors, especially Financials, Utilities, and Energy. The latter's decline was partly due to falling oil prices, but amplified by the sell-off of Argentine energy companies YPF and Transportadora de Gas del Sur.

Real Estate and Consumer Staples outperformed the index. The former was boosted by Vietnam's real estate companies, which are seeing increased demand from manufacturers looking to relocate factories from China.

## SECTOR PERFORMANCE ATTRIBUTION THIRD QUARTER 2019



## GEOGRAPHIC PERFORMANCE ATTRIBUTION THIRD QUARTER 2019



\*Includes companies in frontier markets or small emerging markets 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.

## PERFORMANCE AND ATTRIBUTION

The Frontier Emerging Markets composite fell 7.2% in the quarter, underperforming the benchmark, which dropped 6.7%. The charts above illustrate performance attribution for the quarter by region and sector.

Viewed by sector, our weak stocks in Financials detracted significantly. Argentine banks **Banco Macro** and **Grupo Financiero Galicia** plummeted on the turn of events. Our Energy stocks contributed the most. Romanian natural gas producer **Romgaz** performed well as regulatory pressures eased. The government announced that industrial customers will not be subject to a government-imposed price cap, allowing the company to charge them market prices.

By region, our stocks in Asia, particularly Vietnam, detracted the most. Steel producer **Hoa Phat Group** faced rising costs for imported iron ore, which contributed to a year-on-year margin decline.

Despite the collapse of our Argentine bank stocks, Latin America as a whole contributed to our relative performance. The reason was another Argentine holding, Information Technology outsourcing firm **Globant**. It reported healthy organic sales growth, including strong demand from its leading customer, Disney. Globant's margins expanded as the company exercised disciplined cost control. Our Gulf holdings, especially in Kuwait, boosted performance, too. Shares of real estate operator **Mabaneer** rose after the company announced steady improvements in occupancy rates at its mall projects.

## PERSPECTIVE AND OUTLOOK

### Deepening Financial Inclusion in Kenya

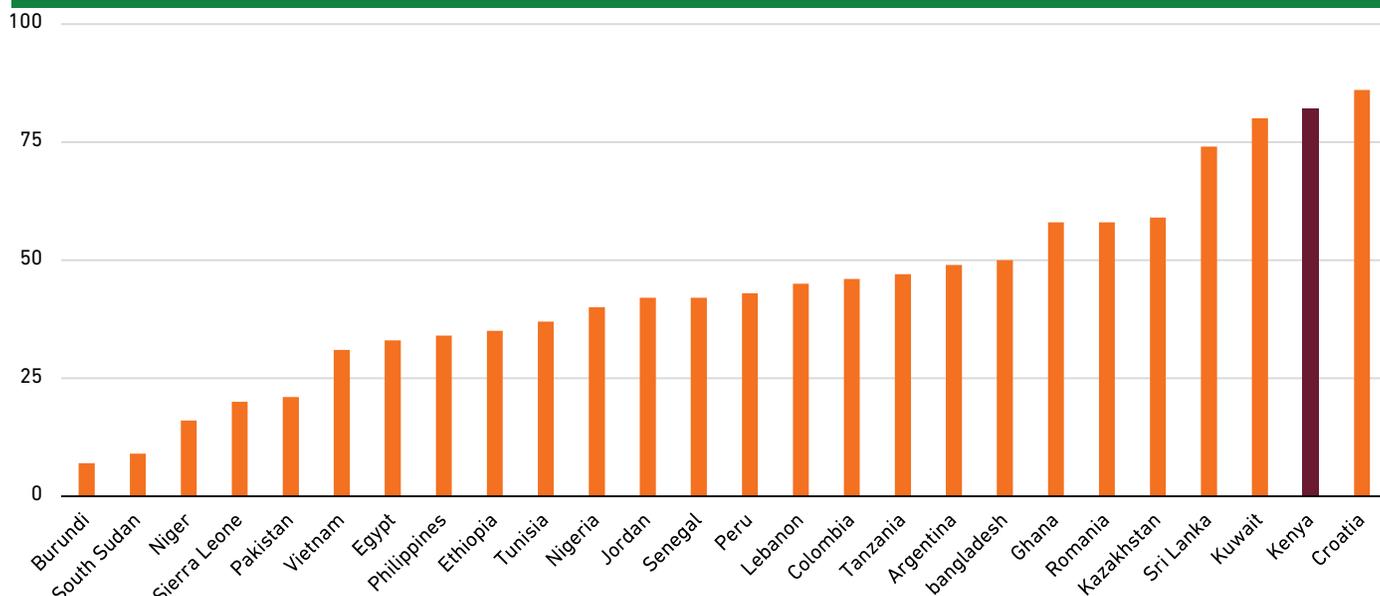
For developing economies to grow, businesses and individuals need access to bank accounts and loans. We estimate that only about half of adults in FEM countries have access to financial services, compared with 94% in developed countries. Low financial inclusion is particularly striking in sub-Saharan Africa (SSA). According to the World Bank, 57% of people in the region are unbanked. The majority of people can ill afford to travel to a distant bank branch to access or deposit cash and pay bills and, even if physical branches were more accessible, banking services are prohibitively expensive for many.

The emergence of digital technology and the proliferation of mobile phones have created an unprecedented opportunity to improve financial inclusion around the world. Two-thirds of unbanked adults in the world have a mobile phone. In SSA, Kenya stands out as a success story, largely thanks to the digital financial platform operated by **Safaricom**, the country's largest mobile operator. Safaricom's innovation in mobile technology has allowed Kenyans to leapfrog the need for traditional branches and ATMs in remote locations where setting them up can be uneconomical. As a result, the value of mobile money transactions leaped from zero in 2007 to about half of Kenya's GDP in 2018, and the percentage of adults in Kenya with an account almost doubled from 42% in 2011 to 82% in 2017.

The impact of mobile financial services has been transformational for Kenyans. It has improved the way they pay for goods and services, transfer money, save, and borrow. In a country

*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 September 30, 2019 is available on page 6 of this report.*

## ACCESS TO FINANCIAL SERVICES BY COUNTRY (% OF POPULATION AGE 15+)



Source: World Bank G20 Financial Inclusion Indicators Database 2017.

where many people receive remittances from a relative or friend living in another part of the country or abroad, mobile technology has delivered substantial savings of fees. Mobile platforms are also facilitating trade, as unbanked farmers in rural areas of Kenya now benefit from the security and convenience of digital payments for their agricultural sales. Overall, the improved financial access in Kenya has helped stimulate consumption, increase access to credit for small business owners, boost employment, reduce poverty, and set the stage for broad-based economic growth.

Safaricom was formed in 1997 by the government of Kenya, with Vodafone acquiring a 40% stake in May 2000 as part of a privatization process. In March 2007, the company launched its pioneering mobile payments system, M-Pesa, the Swahili word for money. From their mobile phones, M-Pesa account holders can send money to each other almost instantaneously and inexpensively, using an extensive network of retail agents, typically located in shops. To deposit or remit cash, customers exchange real-world money with a Safaricom agent for “e-float” that is credited or debited to their mobile-money account; recipients visit another agent to collect the cash. In Kenya, Safaricom has established a network of over 176,000 M-Pesa agents, which dwarfs competitors Telkom’s 28,000 and Airtel’s 20,000 mobile money agents. Today, Safaricom dominates the Kenyan market with a 90% share of mobile financial services.

Safaricom has significantly broadened the scope of its services to include savings and loan products offered through local banks. There is ample room for continued growth in electronic payments as eight out of ten domestic transactions are still settled in cash. The company is taking initiatives to capitalize on M-Pesa’s huge customer base, which encompasses 27 million active users. Among the more promising is MaSoko, an e-commerce platform that enables small businesses to sell their products and

get paid through M-Pesa. Another service helps farmers obtain higher prices by connecting them directly to markets, bypassing middlemen. The company is also rolling out a health care application called M-Tiba, which is a mobile health insurance scheme that guides people to high-quality primary care centers. This wave of innovation has helped Safaricom grow M-Pesa revenues at a ten-year cumulative annual growth rate of 38%, and it now contributes about a third of the company’s revenue. We believe M-Pesa has a long runway for growth as Safaricom continues to eat into the share of cash transactions and increase the use of M-Pesa beyond Kenya’s borders.

Through the widespread usage of its M-Pesa product, Safaricom has cultivated tremendous customer loyalty to build a strong retail brand. In a 2009 survey, 84% of users claimed that losing the service of M-Pesa would have a significant, negative effect on their lives. The pricing power this gives the company over its customers lets it consistently pass on increased costs to consumers.

When Safaricom launched M-Pesa with the approval of the Kenyan Central Bank, few regulations governed its activities. In recent years, however, there have been several attempts to pass legislation in the Kenyan Parliament aimed at breaking up telecommunication service providers, with the goal to loosen Safaricom’s grip on the market. The breakup efforts have failed primarily because of Safaricom’s crucial role in the growth of the Kenyan economy; the company accounts for 6% of Kenya’s GDP, more than 40% of the Nairobi Securities Exchange capitalization, and creates about one million direct and indirect jobs for Kenyans. The government benefits in other ways from digital payments: they are easier to monitor for anticorruption and taxation purposes, and they reduce the not-insignificant cost of printing and distributing paper currency.

## ■ PORTFOLIO HIGHLIGHTS

In our second-quarter report, we noted that we trimmed our Argentine holdings after an April market rally. Investors were cheered by an improving economic and political outlook, including President Macri's rising approval rating. "We believe significant risks remain that could jeopardize the companies' high valuations," we wrote in explaining our actions. The risk materialized forcefully in mid-August, when Macri unexpectedly lost an election and the Argentine stock market fell by half in US-dollar terms.

We reassessed our exposure to the country in light of the sharp fall in the Argentine peso and rapid drawdown of foreign reserves. We exited our positions in **Loma Negra**, a leading cement company, and **Telecom Argentina**, which have high levels of debt denominated in foreign currencies. We were doubtful of the companies' ability to pass on to consumers who are struggling with high inflation and recession the sharply higher cost in pesos of servicing these debts. Concerned about a potential run on the banks as Argentines started withdrawing their deposits, we also exited our two financial holdings, Banco Macro and Grupo Financiero Galicia.

Our only remaining Argentine holding is Globant, whose exposure to the domestic economy is limited. It derives over 90% of its revenue from clients in the US and Europe, whom it bills in US dollars and euros. The company repatriates to Argentina only enough dollars to cover the operating costs of its local subsidiary, which accounts for less than a quarter of the consolidated company's operating costs. Globant keeps the majority of its cash outside of Argentina in dollars, shielding it from capital controls.

We also reduced our exposure to Saudi Arabia during the quarter as share prices there rallied strongly this year in anticipation of the country's inclusion in the MSCI Emerging Markets Index and valuations became stretched. The profit outlook for Saudi banks is challenged by falling interest rates.

In the Consumer Discretionary sector, we pared down our position in Philippine quick-service restaurant chain Jollibee Foods following its US coffee shop acquisition. We do not believe Jollibee can replicate in the highly-competitive US market the success it has achieved in the Philippines where it has distinctive competitive advantages. In the Philippines, Jollibee is a well-known brand and enjoys cost advantages with vertically integrated operations such as raw materials processing. Because of its 60% share of the Philippine fast-food market, it can negotiate lower prices from its suppliers.

We used the cash from the Jollibee sale to buy **Wilcon Depot**, a leading home improvement and construction supply retailer in the Philippines. Over more than 40 years, the company has grown from a single shop in Manila selling building materials to become the leading "big box" home-improvement retailer with 52 stores throughout the country. Wilcon's strong brand, extensive store footprint, and wide assortment of leading local

and international brands make it the top destination for the Philippines' rising middle class. The company enjoys long-standing relationships with over 400 domestic and foreign suppliers. Its size enables it to source products at lower prices than regional chains and "mom and pop" stores. Wilcon's in-house brands, making up 49% of its sales, set it apart from other home-improvement retailers and carry higher margins.

In addition to companies in sectors traditionally associated with FEM countries, such as banking, cement, and consumer staples, we are increasingly finding high-quality, growing companies in "new economy" industries like software and digital payments. One example is UAE-based **Network International**, which we bought this quarter. The company enables over 65,000 merchants in the region, including Etihad Airways, Four Seasons, Zara, and many smaller merchants, to accept digital (electronic) payments in stores and online. It works with over 220 regional banks, including Abu Dhabi Commercial Bank, Standard Bank, and Zenith Bank, to manage card issuance and process transactions on their behalf. The company has become the largest independent merchant acquirer and payment processor in the Middle East & Africa (MEA). Its market shares in merchant acquiring and outsourced card issuance stand at 19% and 24%, respectively—more than twice those of its next largest competitor.

Over the last three years, the company has spent \$90 million to upgrade its technology platform, which resulted in a five-fold increase in transaction-processing capacity. Today, Network International's solution supports cross-border payments in more than 140 currencies and enables transactions via credit and debit cards, QR codes, and digital wallets like AliPay, ApplePay, and SamsungPay.

Digital payments currently account for only 14% of total payment transactions in the MEA region, significantly lower than North America (74%) and Europe (51%). Yet the share of digital payments is rising as consumers gain access to bank accounts and adopt card-based payments. In parallel, rapid growth in internet and smartphone penetration in the region is boosting e-commerce and mobile-commerce transactions.

## FRONTIER EMERGING MARKETS TEN LARGEST HOLDINGS (AS OF SEPTEMBER 30, 2019)

COMPANY	COUNTRY	SECTOR	END WT.(%)
NATIONAL BANK OF KUWAIT Commercial bank	KUWAIT	FINANCIALS	4.7
CREDICORP Commercial bank	PERU	FINANCIALS	4.4
MABANEE Real estate developer and manager	KUWAIT	REAL ESTATE	4.4
SAFARICOM Mobile network operator	KENYA	COMM SERVICES	4.4
ECOPETROL Oil and gas producer	COLOMBIA	ENERGY	4.4
SM PRIME HOLDINGS Real estate developer	PHILIPPINES	REAL ESTATE	4.3
BANCOLOMBIA Commercial bank	COLOMBIA	FINANCIALS	4.0
GLOBANT Software developer	ARGENTINA	INFO TECHNOLOGY	3.7
COMMERCIAL INTERNATIONAL BANK Commercial bank	EGYPT	FINANCIALS	3.4
HOA PHAT GROUP Steel producer	VIETNAM	MATERIALS	3.4

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.

## COMPLETED PORTFOLIO TRANSACTIONS

POSITIONS ESTABLISHED	COUNTRY	SECTOR
BRAC BANK	BANGLADESH	FINA
EPAM	US	INFT
NETWORK INTERNATIONAL	UAE	INFT
SAIGON CARGO SERVICES	VIETNAM	INDU
TBC BANK	GEORGIA	FINA
WILCON DEPOT	PHILIPPINES	DSCR

POSITIONS SOLD	COUNTRY	SECTOR
BANCO MACRO	ARGENTINA	FINA
GRUPO FINANCIERO GALICIA	ARGENTINA	FINA
LOMA NEGRA	ARGENTINA	MATS
NATIONAL COMMERCIAL BANK	SAUDI ARABIA	FINA
PAKISTAN PETROLEUM	PAKISTAN	ENER
TELECOM ARGENTINA	ARGENTINA	COMM

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.

### 3Q19 CONTRIBUTORS TO ABSOLUTE RETURN (%)

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
SECURITY BANK	FINA	2.4	0.27
COMMERCIAL INTERNATIONAL BANK	FINA	3.0	0.24
BPI	FINA	1.7	0.23
VIETNAM DAIRY PRODUCTS	STPL	2.8	0.22
SAFARICOM	COMM	4.3	0.15

### 3Q19 DETRACTORS FROM ABSOLUTE RETURN (%)

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
BANCO MACRO	FINA	1.3	-1.66
GRUPO FINANCIERO GALICIA	FINA	1.1	-1.41
JOLLIBEE FOODS	DSCR	1.7	-0.65
GLOBANT	INFT	3.7	-0.35
ALICORP	STPL	2.1	-0.32

### PORTFOLIO CHARACTERISTICS

QUALITY & GROWTH	HL FEM	MSCI FEM
PROFIT MARGIN <sup>1</sup> (%)	20.2	17.9
RETURN ON ASSETS <sup>1</sup> (%)	6.7	4.1
RETURN ON EQUITY <sup>1</sup> (%)	17.2	13.6
DEBT/EQUITY RATIO <sup>1</sup> (%)	68.4	99.8
STD DEV OF 5 YEAR ROE <sup>1</sup> (%)	2.8	1.9
SALES GROWTH <sup>1,2</sup> (%)	6.6	5.2
EARNINGS GROWTH <sup>1,2</sup> (%)	8.0	8.9
CASH FLOW GROWTH <sup>1,2</sup> (%)	11.3	6.5
DIVIDEND GROWTH <sup>1,2</sup> (%)	6.5	5.4
SIZE & TURNOVER	HL FEM	MSCI FEM
WTD MEDIAN MKT CAP (US \$B)	4.0	7.6
WTD AVG MKT CAP (US \$B)	8.3	9.8
TURNOVER <sup>3</sup> (ANNUAL %)	28.0	—

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

LARGEST CONTRIBUTORS	SECTOR	AVG. WT.	CONTRIBUTION
GLOBANT	INFT	3.4	1.51
JARIR MARKETING	DSCR	3.9	0.87
AL RAJHI BANK	FINA	3.5	0.83
NATIONAL BANK OF KUWAIT	FINA	3.6	0.61
SECURITY BANK	FINA	2.0	0.61

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

LARGEST DETRACTORS	SECTOR	AVG. WT.	CONTRIBUTION
HOA PHAT GROUP	MATS	3.7	-1.72
ECOPETROL	ENER	3.8	-1.70
GRUPO FINANCIERO GALICIA	FINA	1.7	-0.76
NOSTRUM OIL & GAS	ENER	0.2	-0.73
PAKISTAN PETROLEUM	ENER	0.6	-0.41

RISK AND VALUATION	HL FEM	MSCI FEM
ALPHA <sup>2</sup> (%)	0.40	—
BETA <sup>2</sup>	0.87	—
R-SQUARED <sup>2</sup>	0.85	—
ACTIVE SHARE <sup>3</sup> (%)	65	—
STANDARD DEVIATION <sup>2</sup> (%)	11.35	12.02
SHARPE RATIO <sup>2</sup>	-0.20	-0.24
TRACKING ERROR <sup>2</sup> (%)	4.7	—
INFORMATION RATIO <sup>2</sup>	0.13	—
UP/DOWN CAPTURE <sup>2</sup>	87/88	—
PRICE/EARNINGS <sup>4</sup>	12.7	12.7
PRICE/CASH FLOW <sup>4</sup>	10.2	9.6
PRICE/BOOK <sup>4</sup>	2.1	1.8
DIVIDEND YIELD <sup>5</sup> (%)	3.3	3.2

<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: October 4, 2019); Harding Loevner Frontier Emerging Markets Model, based on the underlying holdings; MSCI Inc.

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 SEPTEMBER 30, 2019)

	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)	(%)
2019 YTD <sup>4</sup>	5.40	4.33	7.19	10.61	11.33	N.A. <sup>5</sup>	1	291	0.50
2018	-13.95	-15.11	-14.37	10.79	11.42	N.M. <sup>6</sup>	1	356	0.71
2017	27.33	25.62	27.19	10.84	11.87	N.M.	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

<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 2019 YTD performance returns and assets shown are preliminary; <sup>5</sup>N.A.—Internal dispersion 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; +Less than 36 months of return data.

The Frontier Emerging Markets Composite contains fully discretionary, fee-paying accounts investing in non-US equity and equity-equivalent securities, and cash reserves of companies domiciled predominately in frontier emerging markets and is measured against the MSCI Frontier Emerging Markets Total Return Index (Gross) for comparison purposes. Returns include the effect of foreign currency exchange rates. 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 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 28 frontier markets and 6 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 June 30, 2019.

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. 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 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 Frontier Emerging Markets 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.