FRONTIER EMERGING MARKETS EQUITY

First Quarter 2021 Report

HARDING LOEVNER

COMPOSITE PERFORMANCE (% TOTAL RETURN) FOR PERIODS ENDED MARCH 31, 2021[1]

	3 MONTHS	1 YEAR	3 YEARS[2]	5 YEARS[2]	10 YEARS[2]	SINCE INCEPTION[2,3]
HL FRONTIER EMERGING MARKETS (GROSS OF FEES)	-1.80	47.30	-2.56	5.35	3.79	1.32
HL FRONTIER EMERGING MARKETS (NET OF FEES)	-2.13	45.33	-3.88	3.91	2.32	-0.09
MSCI FRONTIER EMERGING MARKETS INDEX[4,5]	-5.99	33.99	-3.99	2.77	1.78	-1.53

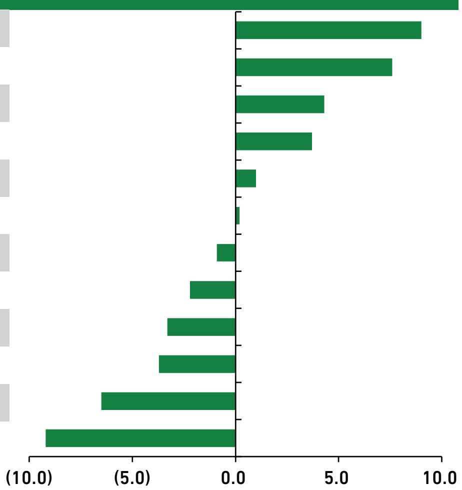
[1]The Composite performance returns shown are preliminary; [2]Annualized Returns; [3]Inception Date: May 31, 2008; [4]The Benchmark Index; [5]Gross of withholding taxes.

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	16.1	7.1
INFO TECHNOLOGY	12.1	4.5
CONS DISCRETIONARY	5.3	1.0
HEALTH CARE	5.7	2.0
CASH	1.0	—
FINANCIALS	34.2	34.0
ENERGY	4.2	5.1
COMM SERVICES	6.3	8.5
MATERIALS	5.1	8.4
UTILITIES	0.0	3.7
INDUSTRIALS	5.3	11.8
REAL ESTATE	4.7	13.9

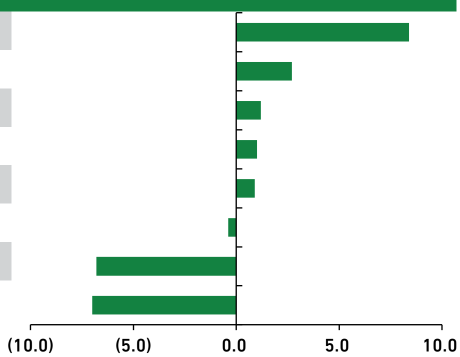
(UNDER) / OVER THE BENCHMARK



GEOGRAPHIC EXPOSURE (%)

	HL FEM	MSCI FEM
DEVELOPED MARKET LISTED[6]	8.4	—
AFRICA	19.8	17.1
GULF STATES	5.5	4.3
CASH	1.0	—
EUROPE	11.0	10.1
MIDDLE EAST	0.0	0.4
LATIN AMERICA	15.8	22.6
ASIA	38.5	45.5

(UNDER) / OVER THE BENCHMARK



[6]Includes companies in frontier markets or small emerging markets listed in developed markets. Current frontier markets exposure in the portfolio is 40.0% and emerging markets exposure is 50.6%.

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

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MARKET REVIEW

The strong rebound in Frontier Emerging Markets (FEMs) stocks since March 2020 reversed in the first quarter, as the index declined 6%, lagging both Emerging Markets (EMs) (+2%) and Developed Markets (DMs) (+5%). The optimism over the clinical trial success of vaccines that initially lifted FEMs' performance late last year waned when it became apparent just how much FEM countries (with a few exceptions, like United Arab Emirates) would lag in their access to, and ability to roll out, the vaccines to their populations. These concerns were amplified by new waves of COVID-19 infections and the emergence of more contagious and virulent variants of the virus, prompting further mobility restrictions and business disruptions. A sell-off ensued, as investors fretted over the impact of the containment measures on economic recovery and corporate earnings.

Currency was another headwind as FEM currencies along with all major global currencies depreciated against a resurgent greenback, breaking the positive FEM currency trend observed since last March. The rise in US bond yields was to blame. Consequently, negative currency effects accounted for about one-fifth of the dollar-based index's decline in the quarter.

The Philippines, by far the biggest market in the MSCI FEM Index at about 30%, declined 10% in the quarter. In a bid to curb the spread of new COVID-19 outbreaks, President Rodrigo Duterte ordered fresh mobility restrictions and quarantine measures in Manila and four neighboring provinces in March. Even though the government's vaccination program finally kicked off, investors worry it comes too late to save the economy, and corporate earnings, from another poor year.

Colombia, another large market that sold off, found itself in a similar position as one of the last countries in Latin America to begin its vaccination program. A weak earnings report from its largest bank, **Bancolombia**, whose deteriorating asset quality has led to significant write-downs, added to the market's woes.

PHILIPPINES COVID-19 DAILY NEW CASES

Source: CSLA Philippines

MARKET PERFORMANCE (USD %)

COUNTRY	1Q 2021	TRAILING 12 MONTHS
PHILIPPINES	-10.4	27.9
VIETNAM	4.6	74.3
PERU	-10.6	32.6
COLOMBIA	-17.2	33.9
MOROCCO	-0.9	36.6
ARGENTINA	-6.0	74.7
KENYA	6.2	28.6
EGYPT	-4.0	2.4
ROMANIA	5.2	55.5
BAHRAIN	-3.8	11.7
MSCI FEM INDEX	-6.0	34.0

SECTOR PERFORMANCE (USD %) OF THE MSCI FEM INDEX

SECTOR	1Q 2021	TRAILING 12 MONTHS
COMMUNICATION SERVICES	-2.0	27.3
CONSUMER DISCRETIONARY	-9.0	75.8
CONSUMER STAPLES	-6.1	38.7
ENERGY	6.6	49.0
FINANCIALS	-6.5	20.1
HEALTH CARE	-3.2	46.6
INDUSTRIALS	-11.1	34.3
INFORMATION TECHNOLOGY	-4.6	136.2
MATERIALS	0.2	100.5
REAL ESTATE	-8.9	34.0
UTILITIES	-10.6	44.0

Source: FactSet (as of March 31, 2021); MSCI Inc. and S&P.
Selected countries are the 10 largest by weight, representing 86% of the MSCI Frontier Emerging Markets Index, listed in order of their weighting.

Philippines, by far the biggest market in the FEM Index at about 30%, declined 10% in the quarter. Even though the government's vaccination program finally kicked off, investors worry it comes too late to save the economy, and corporate earnings, from another poor year.

For a different reason, the Lebanese market (which accounts for less than 1% of the index and was not represented in our portfolio) collapsed after prolonged political uncertainty and fiscal distress. The country has been grappling with a debt crisis for many years and eventually defaulted on its foreign debt obligations in March 2020. To try to limit the outflow of capital from the country, the government imposed stiff capital controls through its peg of the Lebanese pound to the US dollar. Index provider MSCI finally responded, removing Lebanon from the FEM index in February at a value 80% below the last traded price, reflecting the difference between the official pegged rate and the grey-market rate at which foreign investors would actually be able to repatriate their assets.

Energy was the best-performing sector as global oil prices continued to climb amid continued production constraints imposed by OPEC+ and expectations of improved economic growth. Materials also outperformed, with mining companies buoyed by China's surging demand for industrial metals as well as the Biden administration's plans for a massive infrastructure spend. Industrial metals rallied 15% in February, with copper finishing 50% above pre-pandemic levels and double the lows of March last year. Among the weakest FEM sectors were Industrials, Real Estate, and Consumer Discretionary, all of which are dominated by Filipino companies.

In terms of style, stocks of the highest-quality and fastest-growing companies outperformed. The least highly valued stocks performed best due to the poor performance of some industrial stocks in the Philippines and Colombia that were expensive relative to the rest of the index. And, unlike those in DMs, high-quality, high-growth stocks in FEMs have generally not lagged this year.

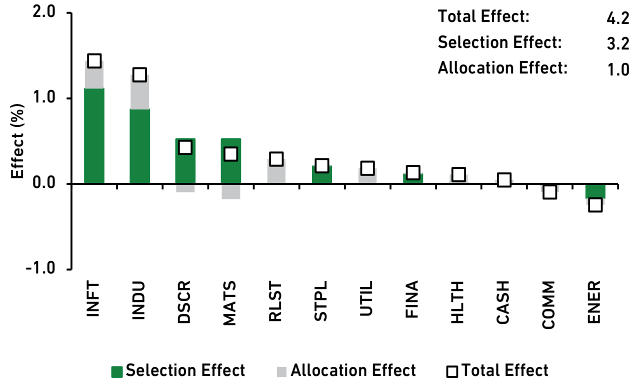
PERFORMANCE AND ATTRIBUTION

The Frontier Emerging Markets portfolio fell 1.80% in the quarter, compared to the benchmark's loss of 5.99%. By sector, strong stock selection in Information Technology (IT) contributed the most. Among our top performers was UAE-based payment processor **Network International**. Although the company's payment processing business for tourists visiting the UAE is still only about half what it was before COVID-19, its domestic UAE revenues have recovered to pre-pandemic levels and the company's new CEO Nandan Mer voiced optimism about processing fee levels projected for 2021. Belarus-based IT consultancy **EPAM**, which saw all its customer segments grow in 2020, also contributed to our performance. Its life sciences & health care segment saw the biggest gain, but even the travel & consumer segment managed modest growth, with demand from its retail and e-commerce clients offsetting the slump in tourism-related businesses. Stock selection in Energy hurt performance the most. Most investors failed to see synergies arising from a decision by Colombian state-owned oil company **Ecopetrol** to acquire a controlling stake in state-owned electric utility ISA.

Companies held in the portfolio during the year 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 March 31, 2021 is available on page 9 of this report.

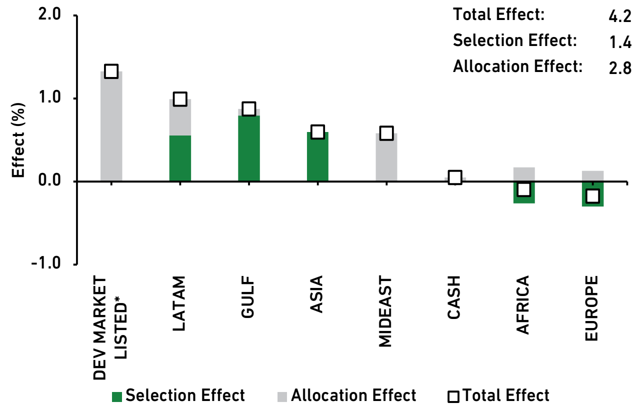
SECTOR PERFORMANCE ATTRIBUTION
FIRST QUARTER 2021

FRONTIER EMERGING MARKETS COMPOSITE VS. MSCI FEM INDEX



GEOGRAPHIC PERFORMANCE ATTRIBUTION
FIRST QUARTER 2021

FRONTIER EMERGING MARKETS COMPOSITE VS. MSCI FEM INDEX



**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.*

The Gulf was the biggest regional contributor to performance. UAE-based food and beverage producer **Agthia** rallied following its proposal to acquire several packaged foods companies with strong distribution in the UAE and neighboring Kuwait and Jordan. Saudi Arabia-based hospital **Mouwasat Medical Services** rose as patients stopped putting off non-urgent services, more than making up for a decline in COVID-19 patients. This year, Mouwasat will be opening a 200-bed long-term care facility and transitioning one of its major hospitals to a new larger building. Stock selection was weakest in frontier Europe, particularly Polish video game maker **CD Projekt**. The company was hacked, delaying fixes for troubling bugs in its recent launch of *Cyberpunk 2077*.

PERSPECTIVE AND OUTLOOK

In 2020, Kazakhstan's US$180 billion economy suffered its deepest economic recession in two decades. The national effort to contain the COVID-19 pandemic resulted in 100 total days of strict lockdowns starting in March and then again in July. The lockdowns suspended business operations in social-contact-heavy sectors like retail, hospitality, travel, leisure, and transport, which together account for more than half of the country's GDP. To make matters worse, last March's plunge in oil prices, triggered by the virus, inflicted further pain on a country for which oil generates a quarter of GDP and 60% of all exports.

The government responded to the economic crisis by tapping into its US$60 billion national oil windfall fund to finance a stimulus package of US$15 billion, representing 9% of GDP—roughly the same percentage as the initial wave of the stimulus in the US. This measure and the recent rebound in oil prices have brought some relief to Kazakhstan. The government has also been continuing with longer-term structural economic reforms throughout the crisis. The structural reforms, started in 2013 by autocratic long-time former president Nursultan Nazarbayev, seek to diversify the economy away from oil and to increase the role of the private sector. A decade ago, the World Bank's annual Ease of Doing Business report ranked Kazakhstan 63rd in the world. It has since moved up to 25th place, higher than Japan, China, France, and even *Switzerland*. Although the government brooks as little political dissent as ever (see *The Economist* Intelligence Unit's latest Democracy Index, where it is ranked 128th out of 167 countries), president Kassym-Jomart Tokayev has redoubled his predecessor's economic liberalization agenda. In March he announced a new national development plan through 2025 that includes support for manufactured exports and tourism, as well as major investments in private-sector factory automation and the creation of technology hubs.

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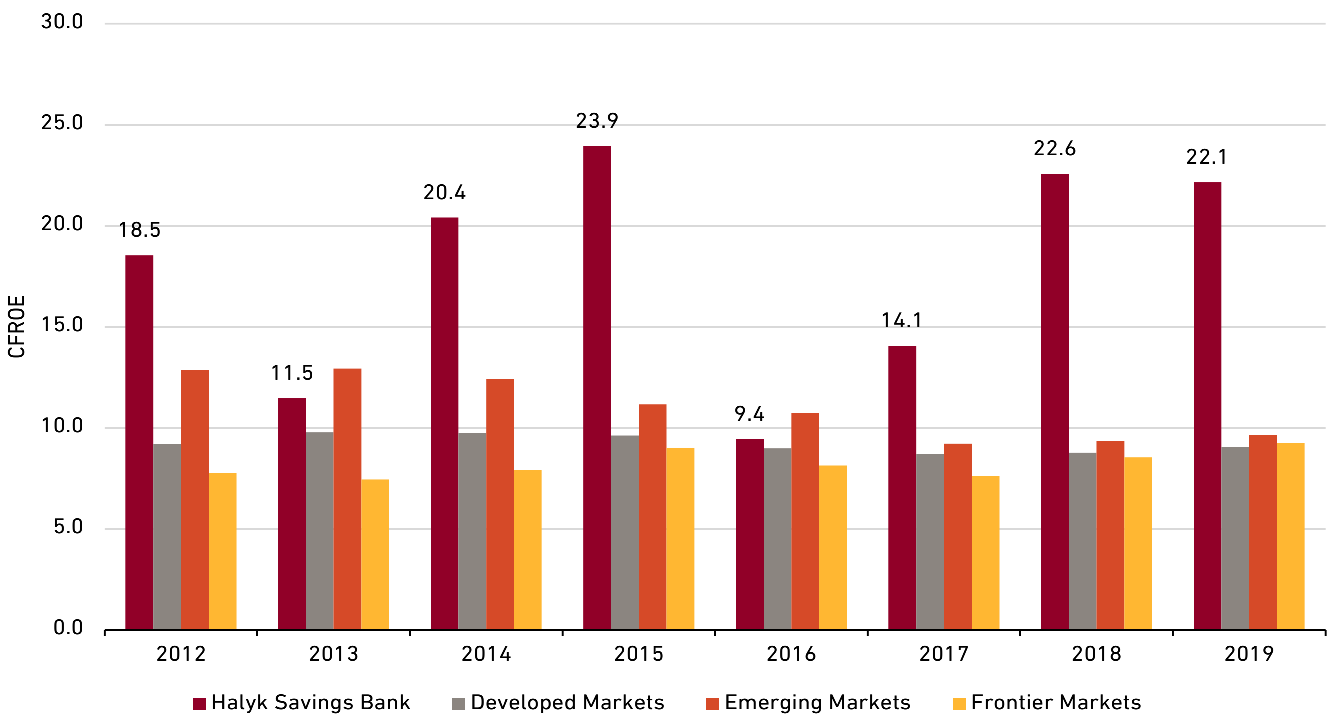
Despite these efforts of the Kazakh government, the country's banking sector remains severely hampered by the pandemic. Even prior to the current crisis, its weak risk management policies and the excessive debt on the country's corporate balance sheets were concerns. Kazakhstan's central bank has estimated that, as of 2018, 35% of large, 37% of medium-sized, and 40% of all small enterprises in the country were made financially vulnerable by their levels of debt. As COVID-19 reduced corporate cash flows, banks' asset quality deteriorated further. The pressures have been especially pronounced at small and mid-sized banks, at some of which non-performing loans (NPLs) account for up to 90% of total loans, leading

CASH FLOW RETURN ON EQUITY FOR HALYK SAVINGS BANK VS. GLOBAL BANK AVERAGES



Source: HOLT.

Cash flow return on equity or CFROE, is a measure of a bank's economic value created as a function of the total equity. The chart above shows the CFROEs for Kazakhstan's Halyk Savings Bank and for regional banking sector averages.

to liquidity issues. In September, the regulator revoked the license of one small (US$300M) bank, whose capital was insufficient to cover potential losses, then shut down another (US$100M) in February.

The precarious situation for the country's weaker banks plays into the hands of **Halyk Savings Bank**, our sole bank holding in Kazakhstan. The leading bank in Kazakhstan, with the largest customer base (8 million) and a third of the sector's assets, Halyk has already been taking market share from those weakened by the crisis. One of its competitive advantages is its large in-country network, including over 611 branches, 4,500 ATMs, and 100,000 point-of-sale terminals. Its widespread distribution and strong brand give Halyk an edge in cash management and other transaction fee-generating services.

It is at this point in the narrative that we would ordinarily be closing this chapter of our analysis. High-quality FEM bank uses financial strength to turn a crisis into opportunity to gain market share and improve competitive position. Rinse and repeat at next crisis.

Over the years, Halyk's management has been thorough and conservative in their lending decisions. Its NPLs currently stand at just 4% of total loans, significantly better than Kazakhstan's banking industry average of 6.8%. In some respects, the bank's current position is a legacy of its skillful handling of the *last* crisis. In 2015, Kazakhstan experienced a major oil shock and economic downturn. Halyk emerged from this period in significantly better shape than its peers. From its position of strength, Halyk's management made a play for distressed Kazkommertsbank, which it acquired at a steep discount to book value in 2017. This acquisition catapulted Halyk Bank's asset share from 19% to around 30%, raised its profile, and left it with greater economies of scale and funding cost advantages. Now Halyk is able to cherry-pick creditworthy customers from its troubled rivals. As a measure of the headway it has made so far, the bank's loan book grew by 16% in 2020, three times faster than Kazakhstan's banking industry growth of 5%. As lending activity recovers along with the Kazakh economy and the next wave of private-sector reforms take hold, Halyk Bank is very well positioned.

It is at this point in the narrative that we would ordinarily be closing this chapter of our analysis. High-quality FEM bank uses financial strength to turn a crisis into opportunity to gain market share and improve competitive position. Rinse and repeat at next crisis. However, there is an added element to Halyk's resilience and opportunism during the health, oil, and financial shock of 2020-21, and it has to do with *technology*. Having seen how disruptive fintech companies have been to traditional banking services in more developed markets, including the dramatic rise of Alipay in China and Nubank in Brazil, Halyk has been marshalling resources that in the past it would have put into bricks-and-mortar expansion towards mounting a robust defense against potential fintech challengers.

In this, Halyk is nimble enough to have gained first-mover advantage. While the bank already had 4.2 million online banking customers (half its customer base) before the pandemic, management made it a 2020 strategic priority to increase this number further, on a conviction that the high use of remote banking services during the lockdowns is here to stay. To lay the groundwork for the post-pandemic era, they modified their online banking platform so it is now able to onboard new retail customers without their needing to visit a branch. Because customers who sign up online typically conduct most of their transactions online, this generates *more* cost savings, as transactions shift online from physical branches. The bank has also created an open retail ecosystem through a "super app" concept, modelled on China's Alipay, that connects the bank's clients with partner merchants. The super app includes its own e-commerce marketplace, areas for booking travel reservations and cinema tickets, and for buying insurance and wealth management products, as well as robust functionality for processing Halyk's loans, including an expanded installment loan offering. Management says it has just begun to tap the cross-selling opportunities unlocked by the data they can now collect on consumer spending patterns, conservatively estimating the initiative could boost operating income by about 16% over the next three years.

In the meantime, digital expansion has already had a significant impact on some of the bank's other metrics. The number of online banking customers increased 41% over the year to 6.2 million users (now 70% of the client base), and online transaction volumes doubled. The share of loans disbursed online went from zero in 2019 to 40% in 2020, which management expects to further accelerate, reaching 60+% in 2021. As a result, they expect 2020's 16% bump in the overall loan book to repeat in 2021, and retail loans to increase by 22%. After a flat 2020, they forecast 2021 fee income growth of 25%.

We are encouraged by the record of Halyk because it corroborates our philosophy when it comes to investing in FEM banks. The thesis for us has always been simple. We only invest in high-quality banks capable of success *across* economic cycles. High-quality FEM institutions like Halyk have a number of advantages, including a strong balance sheet, a well-established distribution network, and funding costs that enable them to at least keep up with, if not perform better than, lower-quality banks in good economic times—and to significantly outperform and gain market share during periods of economic crisis. A strong balance sheet and competent management invariably allow them to emerge from crises with a superior competitive position, which further solidifies their dominance. The fact that some of the most well-run and innovative of these companies are now training their advantages on seizing the mantle of digital leadership in their marketplaces is another, potentially even more encouraging, factor in their favor.

PORTFOLIO HIGHLIGHTS

As we discussed in last quarter's report, MSCI upgraded Kuwait from frontier to EM status in November 2020, resulting in the country's removal from the MSCI FEM Index. From all indications, this is the last major change MSCI has in store for FEM investors for a while. The index provider announced plans to include Iceland in the FEM Index in May 2021, but we anticipate the impact to be minor, with Iceland likely to account for less than 3%. Our portfolio already has an investment in Iceland, which we have held since 2019: **Marel**, a global leader in the manufacturing of meat processing equipment.

With Kuwait having accounted for 20%, its removal left the Index even more concentrated in the Philippines, which saw its weight jump seven percentage points to one third of the benchmark as of the end of 2020. Our portfolio has a single country risk limit of 20%, guaranteeing that we will continue to be significantly underweight in the Philippines. Though such country ceilings bring higher tracking error, the tradeoff to reduce overall portfolio risk is worth making. Indeed, we see country diversification as being especially important in FEMs, as a means to manage individual political and currency risks that are typically higher than those in DMs.

FEMs have not experienced a cyclical low-quality rally such as that seen over the past six months in DMs and EMs. If that were to occur, our portfolio, with its emphasis on high-quality growth stocks, might underperform for a stretch. But, given that scenario, prevailing market winds could help our cyclically driven stocks like Wilcon and Jollibee.

This risk regime has been helpful to our strategy over the past few quarters, during which the Philippines market badly underperformed other FEMs, largely due to the havoc COVID-19 has wreaked on its economy. In this densely populated country of over 7,600 islands, the efficient flow of goods and services can be challenging in the best of times. The country's GDP shrank 9.5% in 2020 as COVID-19 cases remained stubbornly high despite extensive quarantine measures taken by the government. Such unforeseeable calamities are precisely the reason we have country ceilings in place.

Nevertheless, the Philippines economy and its corporate earnings will rebound at some point. We have been using the sell-off as an opportunity to add to our Philippine positions at cheaper valuations. We added to our position in **Jollibee Foods**, the country's dominant quick-service restaurant chain, whose 60% local market share is complemented by sizeable businesses in the US, China, and throughout Southeast Asia. Its shares became cheap after it posted record losses because many of its locations in the Philippines, and elsewhere, temporarily closed or faced declining traffic. It didn't help that management had purchased a pair of unprofitable US food chains, Smashburger and Coffee Bean & Tea Leaf, which it was struggling to turn around before the pandemic hit. Management has since taken sensible actions to lift Jollibee out of crisis and position it for faster recovery post-pandemic. By the last quarter of 2020, Jollibee was already back to generating profits, while making notable progress in reducing losses at Smashburger and Coffee Bean & Tea Leaf, for both of whom a profitable 2021 now looks to be within reach.

We also added to our position in **Wilcon Depot**, the leading home improvement big-box retailer in the Philippines. Like Jollibee, the company was severely impacted by the country's lockdowns, but we expect earnings to pick back up this year with a cyclical recovery in the construction sector and recent cuts in mortgage interest rates. Management is rolling out new stores across the provinces while enhancing its e-commerce platform and logistics capabilities. We like that they plan to grow their private-label business from 51% to 55% of total revenue over the next three years, supporting margin expansion in the medium term.

As noted earlier, FEMs have not experienced a cyclical low-quality rally such as that seen over the past six months in DMs and EMs. If that were to occur, our portfolio, with its emphasis on high-quality growth stocks, might underperform for a stretch. But, given that scenario, the prevailing market winds should favor our cyclically driven Consumer Discretionary stocks like Wilcon and Jollibee. Our large position in Financials (another cyclically driven, and by far the index's largest, sector) and in places such as Georgia, Kenya, the UAE, and Egypt that will benefit from increased travel and tourism, and in places like Kazakhstan, Nigeria, and the Gulf that are seeing a lift from the oil price rebound, will also help. These are examples of other exposures, in addition to our country exposures, whose risk implications we think about diversifying and mitigating.

In contrast to the increased regulatory scrutiny of internet giants in China and the West, FEM governments are generally supportive of their domestic companies' ambitions on expanding their reach.

Over the longer term, the portfolio is well positioned for structural growth. We have an overweight position in IT, where we are encouraged by the accelerating scale and pace of innovation in FEMs. As illustrated by Halyk Savings Bank, many FEM companies are catching up with their DM counterparts in e-commerce, fintech, and electronic payments. In contrast to the increased regulatory scrutiny of internet giants in China and the West, FEM governments are generally supportive of their domestic companies' ambitions on expanding their reach. We also like our IT holdings such as **Globant** and EPAM, businesses built on leveraging the abundant computer science and engineering talents in FEMs to meet global corporations' exploding demand for digital. As we acknowledged in our last report, 2020 was a tough year—coming on top of five tough years—in FEMs. But our IT investments, along with our similarly high-quality investments in financial, consumer, health care, and other businesses where market penetration remain quite low, provide ample exposure to secular growth and real opportunity for a bright future.

FRONTIER EMERGING MARKETS TEN LARGEST HOLDINGS (AS OF MARCH 31, 2021)

COMPANY	COUNTRY	SECTOR	END WT.(%)
HOA PHAT GROUP Steel producer	VIETNAM	MATERIALS	4.8
EPAM IT consultant	US	INFO TECHNOLOGY	4.6
GLOBANT Software developer	ARGENTINA	INFO TECHNOLOGY	4.5
SAFARICOM Mobile network operator	KENYA	COMM SERVICES	4.1
COMMERCIAL INTERNATIONAL BANK Commercial bank	EGYPT	FINANCIALS	4.0
SM PRIME HOLDINGS Real estate developer	PHILIPPINES	REAL ESTATE	4.0
VIETNAM DAIRY PRODUCTS Dairy products producer	VIETNAM	CONS STAPLES	3.8
BANCA TRANSILVANIA Commercial bank	ROMANIA	FINANCIALS	3.7
ECOPETROL Oil and gas producer	COLOMBIA	ENERGY	3.1
HALYK SAVINGS BANK Commercial bank	KAZAKHSTAN	FINANCIALS	3.0

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.

1Q21 CONTRIBUTORS TO RELATIVE RETURN (%)

		AVG WEIGHT		
LARGEST CONTRIBUTORS	SECTOR	PORT	INDEX	EFFECT
AGTHIA	STPL	1.7	0.0	0.76
NETWORK INTERNATIONAL	INFT	2.4	0.0	0.74
EPAM	INFT	4.2	0.0	0.69
SOLIDERE*	RLST	0.0	0.5	0.61
HOA PHAT GROUP	MATS	4.7	1.7	0.55

LAST 12 MOS CONTRIBUTORS TO RELATIVE RETURN (%)

		AVG WEIGHT		
LARGEST CONTRIBUTORS	SECTOR	PORT	INDEX	EFFECT
HOA PHAT GROUP	MATS	4.6	1.1	4.11
EPAM	INFT	4.3	0.0	2.43
GLOBANT	INFT	4.5	3.5	1.63
AGTHIA	STPL	1.3	0.0	1.10
ZENITH BANK	FINA	1.8	0.4	0.78

1Q21 DETRACTORS FROM RELATIVE RETURN (%)

		AVG WEIGHT		
LARGEST DETRACTORS	SECTOR	PORT	INDEX	EFFECT
SOUTHERN COPPER*	MATS	0.0	3.4	-0.35
VINGROUP*	RLST	0.0	2.2	-0.34
KAZATOMPROM*	ENER	0.0	0.8	-0.28
VINHOMES*	RLST	0.0	2.0	-0.27
CD PROJEKT	COMM	0.8	0.0	-0.27

LAST 12 MOS DETRACTORS FROM RELATIVE RETURN (%)

		AVG WEIGHT		
LARGEST DETRACTORS	SECTOR	PORT	INDEX	EFFECT
SOUTHERN COPPER*	MATS	0.0	2.4	-1.52
MABANEE	RLST	2.7	0.4	-0.64
CD PROJEKT	COMM	0.3	0.0	-0.63
AYALA*	INDU	0.0	2.3	-0.56
VINHOMES*	RLST	0.0	1.6	-0.56

*Not held in the portfolio; its absence had an impact on the portfolio's return relative to the Index.

PORTFOLIO CHARACTERISTICS

QUALITY & GROWTH	HL FEM	MSCI FEM
PROFIT MARGIN[1] (%)	14.9	13.3
RETURN ON ASSETS[1] (%)	4.8	3.6
RETURN ON EQUITY[1] (%)	16.2	10.1
DEBT/EQUITY RATIO[1] (%)	50.5	91.7
STD DEV OF 5 YEAR ROE[1] (%)	3.6	3.4
SALES GROWTH[1,2] (%)	7.0	3.4
EARNINGS GROWTH[1,2] (%)	9.4	1.2
CASH FLOW GROWTH[1,2] (%)	14.3	4.0
DIVIDEND GROWTH[1,2] (%)	2.3	-0.6
SIZE & TURNOVER	**HL FEM**	**MSCI FEM**
WTD MEDIAN MKT CAP (US $B)	5.4	7.6
WTD AVG MKT CAP (US $B)	8.5	9.7
TURNOVER[3] (ANNUAL %)	23.4	—

RISK AND VALUATION	HL FEM	MSCI FEM
ALPHA[2] (%)	2.65	—
BETA[2]	0.98	—
R-SQUARED[2]	0.92	—
ACTIVE SHARE[3] (%)	61	—
STANDARD DEVIATION[2] (%)	16.61	16.33
SHARPE RATIO[2]	0.25	0.10
TRACKING ERROR[2] (%)	4.6	—
INFORMATION RATIO[2]	0.56	—
UP/DOWN CAPTURE[2]	98/87	—
PRICE/EARNINGS[4]	16.4	17.6
PRICE/CASH FLOW[4]	14.8	10.9
PRICE/BOOK[4]	2.2	1.7
DIVIDEND YIELD[5] (%)	2.6	2.7

[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: April 6, 2021, based on the latest available data in FactSet on this date.); Harding Loevner Frontier Emerging Markets Model, based on the underlying holdings; MSCI Inc.

COMPLETED PORTFOLIO TRANSACTIONS

POSITIONS ESTABLISHED	COUNTRY	SECTOR
THERE WERE NO COMPLETED PURCHASES THIS QUARTER		

POSITIONS SOLD	COUNTRY	SECTOR
THERE WERE NO COMPLETED SALES THIS 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 relative 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 relative 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 MARCH 31, 2021)

	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 ($M)	FIRM ASSETS ($M)
2021 YTD[4]	-1.80	-2.13	-5.99	20.29	19.71	N.A.[5]	1	232	74,230
2020	2.66	1.27	-2.36	20.72	19.66	N.M.[6]	1	227	74,496
2019	12.85	11.32	14.46	10.58	10.95	N.M.	1	291	64,306
2018	-13.95	-15.11	-14.37	10.79	11.42	N.M.	1	356	49,892
2017	27.33	25.62	27.19	10.84	11.87	N.M.	1	480	54,003
2016	4.89	3.34	5.41	11.22	12.43	N.M.	1	387	38,996
2015	-16.76	-18.00	-17.99	11.28	11.81	N.M.	1	432	33,296
2014	8.51	6.93	7.52	10.19	10.76	N.M.	1	537	35,005
2013	19.77	18.09	4.59	12.68	11.82	N.M.	1	317	33,142
2012	22.92	21.08	21.23	14.01	13.97	N.M.	1	88	22,658
2011	-19.63	-20.83	-17.26	20.62	20.70	N.M.	1	95	13,597

[1]Benchmark Index; [2]Variability of the composite, gross of fees, and the Index returns over the preceding 36-month period, annualized; [3]Asset-weighted standard deviation (gross of fees); [4]The 2021 YTD performance returns and assets shown are preliminary; [5]N.A.–Internal dispersion less than a 12-month period; [6]N.M.–Information is not statistically significant due to an insufficient number of portfolios in the Composite for the entire year.

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 27 frontier markets and 7 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 December 31, 2020. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The verification report is 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. A list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are 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. Additional information is available upon request. Past performance does not guarantee future results. Policies for valuing investments, calculating performance, and preparing GIPS Reports 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 and the performance inception date is June 1, 2008.

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