Frontier Emerging Markets Equity

Quarterly Report | First Quarter 2022

What's Inside

Market Review →
Frontier Emerging Markets (FEMs) stocks eked out a marginal gain in the first quarter, despite the "risk-off" sentiment Russia's war against Ukraine sparked across global stock markets.

Performance and Attribution →
Sources of relative return by sector and geography.

Perspective and Outlook →
From an investment perspective, it is important not to lose sight of the fact that, while the war and its impact on commodity prices will likely slow many FEMs' growth in the near term, it does not change the FEMs' long-term growth drivers in any fundamental way.

Portfolio Highlights →
We look at the adaptive strategies being employed by our three holdings most directly impacted by the war—two with extensive operations in Russia and Ukraine, and one based in Egypt—and also at the opportunity it has created to buy a superior company in the Baltics at a more attractive valuation.

Portfolio Holdings →
Information about the companies held in the portfolio.

Portfolio Facts →
Contributors, detractors, characteristics, and completed transactions.

Get More Online

Webcast →
Watch the Frontier Emerging Markets quarterly review.

Insights →
View other reports.

Composite Performance

Total Return (%) — Periods Ended March 31, 2022[1]

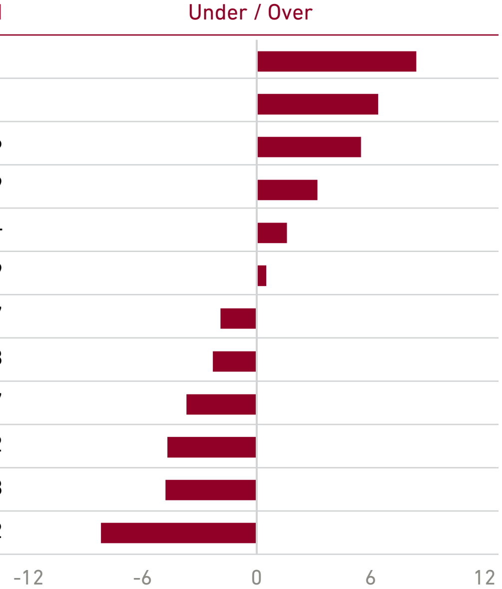
	3 Months	1 Year	3 Years[2]	5 Years[2]	10 Years[2]	Since Inception[2,3]
HL Frontier Emerging Markets Equity (Gross of Fees)	-5.94	7.45	3.69	4.80	5.30	1.75
HL Frontier Emerging Markets Equity (Net of Fees)	-6.25	6.00	2.29	3.39	3.83	0.34
MSCI Frontier Emerging Markets Index[4,5]	0.60	11.94	2.41	3.56	3.02	-0.61

[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.

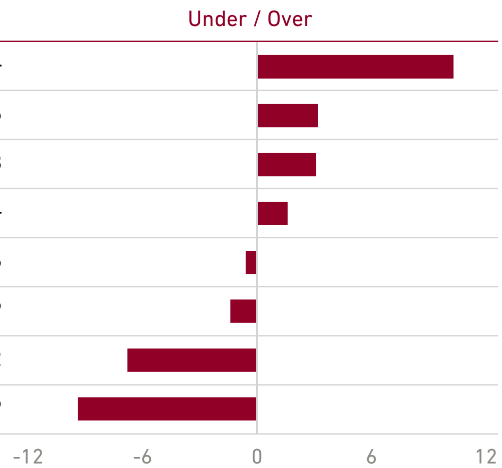
Please read the above performance in conjunction with the footnotes on the last page of this report. Past performance does not guarantee future results. All performance and data shown are in US dollar terms, unless otherwise noted.

Portfolio Positioning (% Weight)

Sector	HL FEM	MSCI FEM
Info Technology	8.5	0.1
Cons Discretionary	7.5	1.1
Cons Staples	12.1	6.6
Health Care	6.1	2.9
Cash	1.6	–
Energy	5.4	4.9
Comm Services	5.8	7.7
Financials	34.5	36.8
Utilities	0.0	3.7
Materials	4.5	9.2
Real Estate	8.0	12.8
Industrials	6.0	14.2



Geography	HL FEM	MSCI FEM
Dev. Market Listed[6]	10.3	–
Africa	17.8	14.6
Gulf States	8.9	5.8
Cash	1.6	–
Middle East	0.0	0.6
Europe	11.5	12.9
Asia	40.4	47.2
Latin America	9.5	18.9



[6]Includes companies in frontier markets or small emerging markets listed in developed markets. Current frontier markets exposure in the portfolio is 40.5% and emerging markets exposure is 47.6%.

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.

Market Review

Frontier Emerging Markets (FEMs) stocks eked out a marginal gain of 0.6% in the first quarter gross of fees, despite the "risk-off" sentiment Russia's war against Ukraine sparked across global stock markets. FEMs' better performance compared to other asset classes—the MSCI Emerging Markets Index fell 6.9% and the developed markets MSCI All Country Index fell 5.0%—was largely due to the boost that higher commodity prices gave to Energy and Materials companies and the economies of commodity export-dependent countries. Global prices of oil and industrial metals such as aluminum, nickel, steel, and palladium rose sharply on expectations that sanctions against Russia, a major producer, would disrupt global supply.

The markets of Latin America and the Gulf, big commodity-exporting regions, recorded the best performance for the quarter. Peru, the Index's top-performing country, shot up 35% as rising copper and other metal prices buoyed the country's mining stocks.

MSCI FEM Index Performance (USD %)

Geography	1Q 2022	Trailing 12 Months
Philippines	2.4	10.4
Vietnam	-8.2	9.5
Peru	34.9	20.9
Colombia	33.9	39.6
Morocco	-9.6	3.4
Bahrain	19.4	59.5
Iceland	-6.1	-9.4
Romania	-3.5	11.6
Kazakhstan	-42.3	-11.3
Kenya	-8.8	-1.9
MSCI FEM Index	0.6	11.9

Sector	1Q 2022	Trailing 12 Months
Communication Services	-4.7	9.5
Consumer Discretionary	1.5	21.2
Consumer Staples	-9.4	-2.7
Energy	12.6	30.6
Financials	3.3	19.4
Health Care	-11.2	0.7
Industrials	-2.6	6.3
Information Technology	-33.5	-19.4
Materials	11.4	19.2
Real Estate	-3.0	-1.2
Utilities	5.7	5.3

Source: FactSet (as of March 31, 2022). MSCI Inc. and S&P.

Selected countries are the 10 largest by weight, representing 80.6% of the MSCI Frontier Emerging Markets Index, listed in order of their weighting.

The expectation of higher royalties and tax revenue from mining gave a badly needed lift to Peru's financial condition following months of political strife and flagging business confidence. Colombia, the other Latin American market in the FEM Index, rose 34%; its oil-producing economy benefited from the rising oil price, which also strengthened the Colombian Peso by 8.5% against the US dollar.

In contrast, Europe stocks suffered the most from the war, due not only to concerns that hostilities could spread beyond Ukraine but also to its adverse economic impact on countries with strong trade and financial linkages with Russia. Kazakhstan was the worst-performing market in the region, down 42%. The market started plunging prior to the invasion; when protests over the removal of a fuel price cap in January turned violent, President Kassym-Jomart Tokayev sought help from Russia, which sent in troops to restore order. In a concession to the protesters, Tokayav reinstated fuel price controls. Attempting to quiet broader grievances about the country's yawning wealth disparities, he also issued a call for higher taxes on mining companies. But whatever social harmony he might have achieved was soon overwhelmed by the devastating impact of the war on Kazakhstan's economy. Although the country exports oil, its economic dependence on Russia has all but negated any benefit from rising oil prices. Its trade with Russia is equivalent to about 11% of Kazakhstan's GDP. More importantly, Kazakhstan, a landlocked country, relies on Russia as a transit country for trade with other countries. As many of its trade partners sought to comply with Western sanctions and ceased shipping goods to Russian ports, Kazakh supply chains were thrown into disarray, its companies left scrambling for alternative trade routes through China or Latvia.

Sector performance was a tale of the competing effects of the meteoric rise in commodity prices and the inflationary pressures created, in part, by that rise. Energy and Materials each notched double-digit gains. But Health Care and Information Technology (IT), the quarter's two worst-performing sectors, suffered as equity investors increased the discount rates they use to value future cash flows, to the greater detriment of faster-growing companies whose cash flows lie farther in the future.

Viewed by style, stocks of both the fastest-growing and highest-quality quintiles of companies underperformed. The quality headwind was mainly due to the war's negative impact on high-quality European stocks. Of the two style factors, the effect on performance of growth was the more acute. The quintile of fastest-growing companies lagged the slowest-growing quintile by 20 percentage points.

Companies held in the portfolio at the end of 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 our ten largest holdings at March 31, 2022 is available on page 6 of this report.

Performance and Attribution

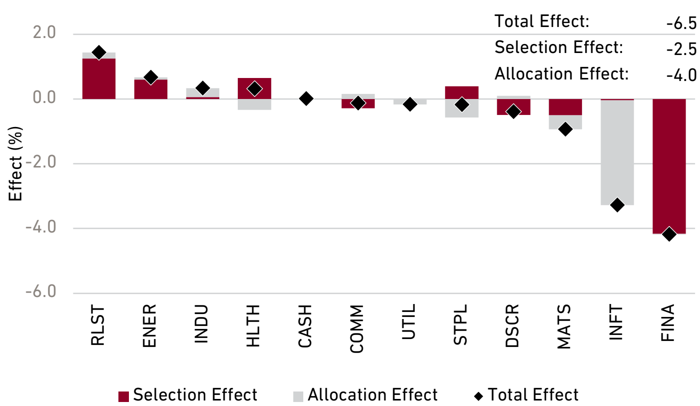
The Frontier Emerging Markets Composite fell 5.9% in the quarter, underperforming the MSCI Frontier Emerging Markets Index's gain of 0.6%.

Financials detracted most from performance due to poor stock picks, largely related, in one form or another, to the war. **Halyk Savings Bank** in Kazakhstan and **Bank of Georgia** plummeted even as each reported strong earnings. **Commercial International Bank (CIB)** also fell despite strong earnings, as the country's central bank devalued the Egyptian pound in response to soaring food prices. (Egypt is the world's largest importer of Ukrainian and Russian wheat.) Our overweight to the poorly performing IT sector also detracted from performance.

First Quarter 2022 Performance Attribution

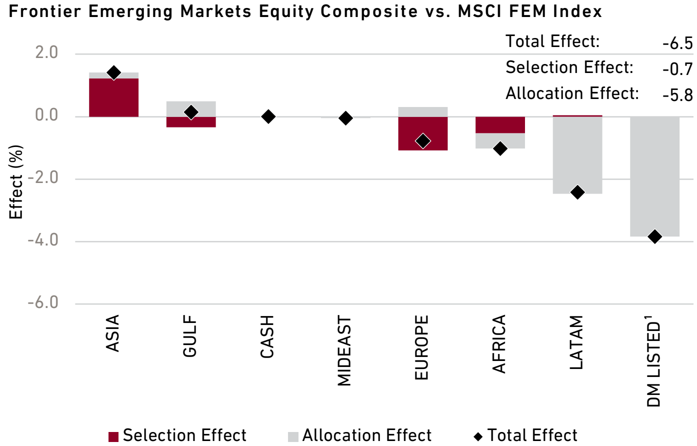
Sector

Frontier Emerging Markets Equity Composite vs. MSCI FEM Index



Geography

Frontier Emerging Markets Equity Composite vs. MSCI FEM Index



[1]Includes companies in frontier markets or small emerging markets listed in developed markets. Source: FactSet; Harding Loevner Frontier Emerging Markets Equity 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.

Stock selection in the Real Estate sector helped. UAE-based **Emaar Properties** reported the highest property sales in the company's history as its rebound from the troughs of the pandemic quickened. Demand has been so strong that Emaar was able to discontinue its flexible payment policy that allowed buyers to pay for properties even after ownership was transferred to them. The change will strengthen the company's cash flow and financial position.

By region, our underweight to the strong Latin American market of Peru detracted from returns. Moreover, our holdings of Peruvian packaged food producer **Alicorp** and cement maker **Cementos Pacasmayo** failed to keep pace with the country's surging mining stocks. Our investment in US-listed (but Belarus-founded) technology services company **EPAM** was another detractor. Nearly 60% of the company's workforce was based in Ukraine, Belarus, and Russia. While many employees are relocating, the disruption to its operations is considerable. Stock selection in Asia helped performance the most, particularly in Vietnam. **Vietcombank (VCB)** performed well on a combination of strong mortgage loan growth and widening net interest margins.

Perspective and Outlook

Russia's unbridled invasion of Ukraine and the severe sanctions imposed on Russia by the Western powers is the epitome of a black swan event—one very difficult to predict but holding huge consequences. Russia and Ukraine are not part of the MSCI FEM Index or our portfolio, and only two of our portfolio holdings (EPAM and **Krka**, a Slovenia-based drug manufacturer) have significant direct business exposure to Russia and Ukraine. Nonetheless, the economic and investment implications extend far beyond Russia and Ukraine. We see two main impacts on FEMs. First, the geopolitical risk to neighboring countries in Eastern Europe have risen. Some of these, such as Kazakhstan, Georgia, and the Baltics, have strong financial and trade ties with Russia. These countries are now grappling with disrupted trade logistics, lower remittance inflows, and a large influx of refugees (which has also swamped other neighbors such as Poland and Romania). The increased risk and economic stress are reflected in the fall of their currencies, although they have since rebounded from the March lows. As of the end of the month, the Kazakhstan Tenge was down 7.4% for the quarter against the US dollar and the Polish Zloty down 3.3% while the Georgian Lari eked out a marginal 0.6% gain. Depending on the duration of the war, economic growth throughout the region could suffer.

The second impact is the war's effect on commodity prices. Russia and Ukraine combined account for nearly 30% of global wheat exports and 18% of global corn exports; most of those exports shipped through Black Sea ports that are now closed. Russia also accounts for 43% of the world's production of palladium, 6% of aluminum, 17% of natural gas, and 12% of oil. Spot prices for all these commodities jumped, aluminum and palladium briefly to record highs, reflecting disruptions to supply and the building of inventories by users (and speculators) in anticipation of disruptions to come.

We are concerned that these food and energy shocks will place an especially large burden on FEMs given the composition of consumer spending in those markets. For example, the IMF estimates that food costs account for 40% of consumer spending in Sub-Saharan Africa, two-and-a-half times the level in developed economies. The disproportionate impact on FEM households adds to the inflationary pressures from global supply chain disruptions that were present prior to the war. This perfect storm of inflation, coupled with interest rate hikes by the US Federal Reserve, will likely spur aggressive rate hikes by FEM central banks to support their currencies and keep consumer prices from spiraling out of control. Such hawkish monetary policies will retard the post-pandemic growth recovery in FEMs that finally got underway in recent months as their vaccination rates improved. Food and oil importing countries will face ballooning import bills that could badly erode their current account positions. This could weigh on the currencies of major FEMs such as Bangladesh, Pakistan, Egypt, Kenya, Vietnam, and the Philippines, making them even more susceptible to domestic inflation.

Some FEMs stand to benefit from the rising commodity prices. Latin America and the Gulf have seen a major lift due to their limited trade ties to Russia, geographical remove from the crisis, and high concentration of net commodity-exporting countries. But such regions are in the minority.

While the lower-income countries continue to see a significant portion of household income going to staple goods, households in places such as Philippines, Vietnam, and Saudi Arabia have the wherewithal to spend on discretionary categories and on services such as health care, laying new avenues for growth.

From an investment perspective, we believe it is important not to lose sight of the fact that, while the current crisis will likely slow many FEMs' growth in the near term, it does not change the FEMs' long-term growth drivers in any fundamental way. They still benefit from distinctive qualities, especially favorable demographics including youthful populations and large and growing middle classes, which underpin growth in their labor force and in domestic consumption. The emergence of an aspiring middle class is redirecting consumer behavior—so that while the lower-income countries such as in Sub-Saharan Africa continue to see a significant portion of household income going to staple goods, households in places such as Philippines, Vietnam, and Saudi Arabia have the wherewithal to spend on discretionary categories and on services such as health care, laying new avenues for growth. We see a tremendous growth opportunity in banking given the very low penetration of credit in FEMs compared to developed markets. In FEMs, many people and small businesses do not yet participate in the formal financial system, transacting primarily in cash. Yet access to the internet has exploded through the widespread adoption of smart phones. This has led to the emergence of some of the world's pioneering payment platforms and super apps in FEMs, such as Kenya's **Safaricom** and Kazakhstan's **Kaspi Bank**, among other new digitally enabled businesses. Despite the tragedy visited upon Ukraine and its perturbation of the global economy, none of these long-term opportunities in FEMs are going away.

Portfolio Highlights

On the eve of the invasion, we owned two stocks with significant exposure to Russia and Ukraine—EPAM and Krka, together representing 4% of the portfolio.

EPAM has relocated about 25% of its Russian workforce, mostly to Georgia, Turkey, and Serbia, and expects to be able to relocate much of the rest over the next three months.

EPAM is an IT services company, headquartered in Pennsylvania and listed in the US but founded in Belarus. It delivers complex high-end software and digital solutions for its global corporate clients, utilizing abundant, cheap, and highly skilled computer science and engineering talent across FEMs, especially Eastern Europe. Before the war, 58% of its 53,000 employees were based in Russia, Ukraine, and Belarus, with 24% of its engineers based in Ukraine. The conflict has obviously impacted the ability of EPAM's employees to work effectively and disrupted the servicing of its clients. We estimate the company could spend US$500 million this year on relocating operations and aiding employees and their families. With most male Ukrainians under the age of 60 barred from the leaving the country, there are limits to what the company can do in the short term, yet it has managed to relocate over a thousand female Ukrainian employees to Poland, and moved many more workers from Harkiv and Kiev to western Ukraine. The company has also relocated about 25% of its Russian workforce, mostly to Georgia, Turkey, and Serbia, and expects to be able to relocate much of the rest over the next three months. It has seen good recovery in the productivity of relocated employees. With the US$1.2 billion in net cash it had available prior to the conflict, it is also accelerating hiring across its other locations in Central Europe, Latin America, and India. The extent to which its near-term earnings will be affected is not yet clear. Nevertheless, given EPAM's long-standing relationships with clients, the continued strong demand for IT services, and shortage of software engineers in developed countries, we expect it to survive this massive disruption. At EPAM's current valuation (down 60% year to date through March), we believe we are being fairly compensated for the challenges and risks.

Krka is a Slovenian generic drug manufacturer with 6% of its sales in Ukraine and 21% in Russia. The operation in Ukraine, entirely focused on sales and marketing, has been severely disrupted. The company has insurance to cover its trade receivables, so the EUR€40 million it was owed in Ukraine as of March 17, at least, is protected. Another saving grace is that its Ukrainian sales are conducted in euros, minimizing currency risk. The situation for Krka's Russian operations is almost completely the reverse. The company operates a manufacturing plant in Moscow, as well as a sizable distribution network in Russia; those operations have thus far been unaffected by the crisis: drugs are exempt from the Western sanctions and demand for its product remains high. However, all transactions are conducted in Russian rubles, a problem now that sanctions prevent counterparties from helping Krka hedge its currency risk. Even so, management estimates that its first-quarter sales in Russia will remain flat in euro terms when compared to the same period last year. It is hard to predict what the long-term impact of the war on Krka's Russian and Ukrainian businesses will be, but we believe the company is in a solid financial position to weather the crisis. It generates strong operating cash flows, has a cash balance of EUR€160 million, and no financial debt.

Besides the direct impact on EPAM and Krka, we are closely monitoring the secondary impact of the war and sanctions via financial and trade linkages as well as the impact of escalating commodity prices. Egypt has found itself in an especially vulnerable position. Because bread is such a large component of the Egyptian diet, Egypt is the world's biggest importer of wheat—80% of which it gets from Russia and Ukraine. The country also imports oil and receives a significant share of its tourists from Russia and Ukraine. With these issues threatening its current account, the Egyptian central bank hiked interest rates by 100bps and devalued the Egyptian pound by 14% against the US dollar to stem capital outflows from the country.

> During the fourth quarter, with inflation in Egypt already on the rise, Edita Food Industries raised prices by 19% but still saw sales volumes increase 6%.

We did not sell any of our holdings in Egypt. The stock market anticipated the currency impact of the war; two weeks before the March 21 currency devaluation, the global depositary receipt of our Egyptian banking holding CIB, which is traded on the London Stock Exchange in US dollars, was already trading at a 14% discount to its ordinary shares priced in Egyptian pounds. But the bank's attractive valuation, and its track record navigating Egypt's periodic upheavals, has provided a margin of comfort. During the last major Egyptian currency devaluation in 2016, the bank managed the crisis better than peers and emerged in a stronger competitive position; we expect a similar outcome this time.

We could say the same for **Edita Food Industries**, Egypt's market leader in packaged snacked food, which currently trades at a price-to-earnings multiple of 11x, despite our expectation of annual earnings growth of 17% over the next seven years.[1] Edita has rights to well-recognized brands such as Twinkies and Molto and extensive distribution across the country. Its products are popular among Egypt's young and fast-growing population of 106 million. It has demonstrated its pricing power and achieved earnings growth even during difficult economic times; amid soaring inflation and currency devaluation in 2016, it maintained its margins by cutting costs and raising prices. The company is in an even better position now, brand-wise, to use the same playbook. During the fourth quarter, with inflation already on the rise, it raised prices by 19% but still saw sales volumes increase 6%. More recently, management announced further hikes of between 25% and 50% to cover the spiking cost of flour—a tougher test of its customers' price sensitivity to be sure, but one that we think it has the power to pass without a big drop-off in sales.

Periods of uncertainty and fear create opportunities to buy superior companies at valuations more attractive than usual. An example is our purchase of Lithuania-based **Baltic Classifieds (BCG)**. BCG operates 12 online classified advertising portals across Lithuania, Estonia, and Latvia. Dominant within its markets, BCG's platforms are bolstered by powerful network effects that create barriers to entry for possible competitors. Lack of competition has allowed BCG to become profitable even though the prices charged by portals in the Baltics—even relative to average income—are much lower than those charged in other European markets. Management sees room to increase fees gradually for many years before they reach prevailing European levels, while also growing volumes through the addition of ancillary products such as credit checks and mortgage pre-approvals (free for now) that connect users with finance companies that pay Baltic for the leads. The company's share price fell in half due to the heightened risk of an expansion of the war or future Russian aggression, which allowed us to buy it at a price below that which justified our expectations of future growth.

[1]Source: Analyst's linker model

Frontier Emerging Markets Ten Largest Holdings (as of March 31, 2022)

Company	Market	Sector	End Wt. (%)
Ecopetrol (Oil and gas producer)	Colombia	Energy	4.2
Emaar Properties (Real estate developer and manager)	United Arab Emirates	Real Estate	4.1
Vietcombank (Commercial bank)	Vietnam	Financials	4.1
Globant (Software developer)	United States	Info Technology	4.1
Bancolombia (Commercial bank)	Colombia	Financials	3.9
SM Prime Holdings (Real estate developer)	Philippines	Real Estate	3.8
Hoa Phat Group (Steel producer)	Vietnam	Materials	3.8
Banca Transilvania (Commercial bank)	Romania	Financials	3.7
Commercial International Bank (Commercial bank)	Egypt	Financials	3.5
Safaricom (Mobile network operator)	Kenya	Comm Services	3.4

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.

1Q22 Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL FEM	Avg. Weight MSCI FEM	Effect
Emaar Properties	RLST	3.4	–	0.70
Ecopetrol	ENER	3.4	2.0	0.49
Thaiholdings*	INDU	–	0.7	0.42
Vingroup*	RLST	–	1.9	0.31
Bank Central Asia	FINA	3.1	–	0.27

Last 12 Mos. Contributors to Relative Return (%)

Largest Contributors	Sector	Avg. Weight HL FEM	Avg. Weight MSCI FEM	Effect
Wilcon Depot	DSCR	3.6	–	1.42
Emaar Properties	RLST	2.4	–	1.25
Vingroup*	RLST	–	2.1	0.85
Hoa Phat Group	MATS	4.1	2.4	0.74
SM Investments*	INDU	–	2.4	0.61

1Q22 Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL FEM	Avg. Weight MSCI FEM	Effect
EPAM	INFT	2.7	–	-2.42
Credicorp*	FINA	–	5.3	-1.65
Halyk Savings Bank	FINA	2.7	0.6	-1.08
Globant	INFT	3.8	–	-0.77
Southern Copper*	MATS	–	3.0	-0.63

Last 12 Mos. Detractors from Relative Return (%)

Largest Detractors	Sector	Avg. Weight HL FEM	Avg. Weight MSCI FEM	Effect
Network International	INFT	2.2	–	-1.41
Ahli United Bank*	FINA	–	2.8	-1.23
Credicorp	FINA	0.3	4.5	-1.22
Halyk Savings Bank	FINA	3.3	0.8	-0.81
Agthia	STPL	1.6	–	-0.75

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

Portfolio Characteristics

Quality and Growth	HL FEM	MSCI FEM
Profit Margin[1] (%)	20.6	18.5
Return on Assets[1] (%)	4.9	3.9
Return on Equity[1] (%)	19.2	13.6
Debt/Equity Ratio[1] (%)	55.0	102.6
Std. Dev. of 5 Year ROE[1] (%)	3.7	3.9
Sales Growth[1,2] (%)	7.6	4.6
Earnings Growth[1,2] (%)	9.9	4.3
Cash Flow Growth[1,2] (%)	6.6	2.4
Dividend Growth[1,2] (%)	4.8	0.8
Size and Turnover	**HL FEM**	**MSCI FEM**
Wtd. Median Mkt. Cap. (US $B)	6.3	8.8
Wtd. Avg. Mkt. Cap. (US $B)	10.7	10.7
Turnover[3] (Annual %)	21.3	–

Risk and Valuation	HL FEM	MSCI FEM
Alpha[2] (%)	1.39	–
Beta[2]	1.01	–
R-Squared[2]	0.93	–
Active Share[3] (%)	60	–
Standard Deviation[2] (%)	17.22	16.53
Sharpe Ratio[2]	0.22	0.15
Tracking Error[2] (%)	4.5	–
Information Ratio[2]	0.3	–
Up/Down Capture[2]	99/93	–
Price/Earnings[4]	11.7	13.8
Price/Cash Flow[4]	11.3	10.6
Price/Book[4]	2.1	2.0
Dividend Yield[5] (%)	2.4	2.2

[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 5, 2022, 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	Market	Sector
Baltic Classifieds	UK	COMM

Positions Sold	Market	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 tables 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 tables 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, 2022)

	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)
2022 YTD[4]	-5.94	-6.25	0.60	20.23	19.39	N.A.[5]	1	197	64,240
2021	12.18	10.67	4.61	20.37	19.75	N.M.[6]	1	213	75,084
2020	2.66	1.27	-2.36	20.72	19.66	N.M.	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

[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 2022 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 28 frontier markets and 4 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, 2021.

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. 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.

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 for the first $20 million; 1.15% 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.