

## THE HARDING LOEVNER GLOBAL EQUITY FUND

### Supplement to the Prospectus dated 30 September, 2020 For Harding Loevner Funds plc

This Supplement contains specific information in relation to The Harding Loevner Global Equity Fund (the “**Fund**”), a Fund of Harding Loevner Funds plc (the “**Company**”) an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the “**Central Bank**”).

**This Supplement forms part of, may not be distributed unless accompanied by the Prospectus of the Company dated 30 September, 2020 (the “Prospectus”) (other than to prior recipients of the Prospectus), and must be read in conjunction with, the Prospectus.**

The Directors of Harding Loevner Funds plc, whose names appear in the **Directors of the Company** section of the Prospectus, accept responsibility for the information contained in the Prospectus and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

**The Fund may invest in in financial derivative instruments for investment and efficient portfolio management purposes.**

**An investment in this Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

**The Fund is actively managed.**

Dated: 30 September, 2020

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## **Investment Objective and Policies**

### **Investment Objective:**

The investment objective of the Fund is to achieve long-term capital appreciation by investing primarily in global equities.

### **Investment Policies:**

The Fund seeks to achieve its objective by investing in companies based both inside and outside the United States, as well as in established companies in emerging and frontier markets that the Investment Manager regards as well managed, financially sound, fast growing, strongly competitive, and priced by the market below their estimated value.

The Fund will invest in freely transferable equities and equity related securities, primarily of issuers listed or traded on a regulated stock exchange or market, including emerging as well as developed markets.

The securities will primarily be common stocks and other securities with equity characteristics, including but not limited to preferred stocks, warrants (not more than 5% of the Fund's Net Asset Value), rights (which are issued by a company to allow holders to subscribe for additional securities issued by that company), convertible securities, Depository Receipts, equity-linked notes and participatory notes as more particularly set out in the section "Funds" in the Prospectus.

The Fund will invest on a long only basis.

The Fund may also invest (up to 10% of its Net Asset Value) indirectly in such securities through holdings in open-ended collective investment schemes that satisfy Regulation 3(2) of the Regulations which shall be predominantly in the form of exchange traded funds and listed and traded in the United States and Europe.

Under normal circumstances at least 80% of the Fund's net assets will be invested in the foregoing instruments, i.e., freely transferable equities and equity related securities, primarily of issuers listed or traded on a regulated stock exchange or market, including emerging and frontier as well as developed markets. The Fund will be highly diversified and therefore will not be concentrating on any specific regions or economic sectors. It will pursue a policy of active stock selection in the markets in which it operates.

No more than 25% of the net assets of the Fund may be invested in emerging and frontier markets.

The Fund may hold investments from time to time that are listed or traded in Russia. It is not anticipated that such investments will normally constitute a substantial element of the Fund and shall not in any event exceed 20% of the net assets of the Fund. Investment will only be made in equity securities that are listed or traded on level 1 or level 2 of the RTS Stock Exchange and MICEX.

### **Investment Restrictions**

The general investment restrictions set out under the heading **FUNDS – Investment Restrictions** in the Prospectus shall apply.

### **Borrowings**

In accordance with the general provisions set out in the Prospectus under the heading **FUNDS – Borrowing and Lending Powers** the Fund may borrow up to 10% of its net assets on a temporary basis.

### **Leverage**

It is not intended that the Fund will be leveraged, however, should leverage be generated by the use of financial derivatives instruments, it will not exceed 100% of the Net Asset Value of the Fund thus

total exposure cannot exceed 200% of Net Asset Value. The market risk of the Fund associated with the use of financial derivative instruments will be measured using the commitment approach in accordance with the requirements of the Central Bank.

### **Risk Factors**

The general risk factors are set out in the Prospectus under the heading **RISK FACTORS**. In addition, the following risk factors apply to the Fund:

#### **Market Risk**

Investments in the Fund may lose value due to a general downturn in stock markets.

#### **Currency Risk**

The Base Currency of the Fund is US Dollars. As the Sterling, Euro, Singapore Dollar, Australian Dollar, Swiss Franc and Canadian Dollar Classes are denominated in currencies other than the Base Currency of the Fund, and as currency conversions will take place on subscriptions, redemptions and distributions at prevailing exchange rates, the Euro, Sterling, Singapore Dollar, Australian Dollar, Canadian Dollar and Swiss Franc Class Shares will have a currency risk exposure to US Dollars.

#### **Emerging Market and Frontier Market Risk**

Emerging market securities involve unique risks such as exposure to economies less diverse and mature than that of the United States or more established foreign markets. Economic or political instability may cause larger price changes in emerging market securities of issuers based in more developed countries.

Investments in frontier markets involve risks similar to investments in emerging markets but to a greater extent since frontier markets are even smaller, less developed and less accessible than emerging markets. Frontier markets may also experience greater political and economic instability and may have less transparency, less ethical practices, and weaker corporate governance compared to emerging markets. The countries that comprise frontier markets include the lesser developed countries located in Africa, Asia (including countries in the Commonwealth of Independent States, formerly the Soviet Union), the Middle East, Eastern Europe and Latin America.

#### **Russian markets**

As the Fund may invest in Russia, investors should note that Russia has different corporate governance, auditing and other financial standards to developed markets, which could result in a less thorough understanding of the financial condition, results of operations and cash flow of companies in which the Fund invests. Accordingly, an investment in shares of a Russian corporation may not afford the same level of investor protection as would apply in more developed jurisdictions.

### **Risk Management Process**

The Fund employs a Risk Management Process which enables it to accurately measure, monitor and manage the various risks associated with financial derivative instruments and which is available to investors.

### **Dividend Policy**

There are no dividend entitlements for Euro, US Dollar, Singapore Dollar, Australian Dollar, Canadian Dollar or Swiss Franc Classes.

The Directors intend to declare a dividend in respect of the Sterling Class A Shares, Sterling Class B Shares, Sterling Class D Shares, Sterling Class M Shares, Sterling Class I Shares and Sterling Class S Shares such that substantially all of the net income relating to such Classes shall be distributed on a semi-annual basis (on or about 15 January and 15 July in each calendar year). Such dividends shall be paid to Shareholders in accordance with the terms of the Prospectus.

### **Profile of a Typical Investor**

The Fund is suitable for investors seeking capital growth who are prepared to accept a medium to high degree of volatility over a five to seven year market cycle.

### **Benchmark Index**

The Fund's performance will be compared to the MSCI All Country World Index (the "**Comparator Benchmark**"). The Comparator Benchmark is a market capitalization-weighted index designed to provide a broad measure of equity-market performance throughout the world. The Comparator Benchmark is used to compare the performance of the Fund against but is not used to constrain portfolio composition or as a target for the performance of the Fund.

### **Key Information for Buying and Selling**

#### **Base Currency**

US Dollars

#### **Business Day**

Any day on which banks are open for business in London, New York and Dublin and/or such other place or places as the Directors may, with the consent of the Depositary, determine.

#### **Dealing Day**

Each Business Day and/or such other day or days as the Directors may in their absolute discretion determine and notify in advance to Shareholders provided that there shall be at least two Dealing Days in each month (with at least one Dealing Day per two week period).

#### **Dealing Deadline**

In respect of a Dealing Day, the Dealing Deadline is 3.00pm (Irish time) on each Dealing Day.

Investors should note that share purchase and repurchase requests received prior to the Dealing Deadline may not be withdrawn prior to the relevant Dealing Day.

#### **Minimum Amounts**

| <b>Class</b>             | <b>Minimum Shareholding</b>          | <b>Minimum Initial Investment Amount</b> | <b>Minimum Additional Investment Amount</b> |
|--------------------------|--------------------------------------|--|---|
| Sterling Class I         | \$100,000,000 or currency equivalent | \$100,000,000 or currency equivalent     | £100  |
| US Dollar Class I        | \$100,000,000                        | \$100,000,000                            | \$100                                       |
| US Dollar Class M        | \$50,000,000                         | \$50,000,000                             | \$100                                       |
| Sterling Class M         | \$50,000,000 or currency equivalent  | \$50,000,000 or currency equivalent      | £100  |
| Euro Class M             | \$50,000,000 or currency equivalent  | \$50,000,000 or currency equivalent      | €100  |
| Singapore Dollar Class M | \$50,000,000 or currency equivalent  | \$50,000,000 or currency equivalent      | SGD100                                      |

|                           |   |   |        |
|---------------------------|---|---|--------|
| Australian Dollar Class M | \$50,000,000 or<br>currency<br>equivalent | \$50,000,000 or<br>currency equivalent    | AUD100 |
| Sterling Class A          | \$1,000,000 or<br>currency<br>equivalent  | \$1,000,000 or<br>currency equivalent     | £100   |
| Euro Class A              | \$1,000,000 or<br>currency<br>equivalent  | \$1,000,000 or<br>currency equivalent     | €100   |
| US Dollar Class A         | \$1,000,000                               | \$1,000,000                               | \$100  |
| Singapore Dollar Class A  | \$1,000,000 or<br>currency<br>equivalent  | \$1,000,000 or<br>currency equivalent     | SGD100 |
| Australian Dollar Class A | \$1,000,000 or<br>currency<br>equivalent  | \$1,000,000 or<br>currency equivalent     | AUD100 |
| Swiss Franc Class A       | \$1,000,000 or<br>currency<br>equivalent  | \$1,000,000 or<br>currency equivalent     | CHF100 |
| Canadian Dollar Class A   | \$1,000,000 or<br>currency<br>equivalent  | \$1,000,000 or<br>currency equivalent     | CAD100 |
| Sterling Class B          | \$100 or currency<br>equivalent           | \$100 or currency<br>equivalent           | £100   |
| US Dollar Class B         | \$100                                     | \$100                                     | \$100  |
| Sterling Class D          | \$100 or currency<br>equivalent           | \$100 or currency<br>equivalent           | £100   |
| Euro Class D              | \$100 or currency<br>equivalent           | \$100 or currency<br>equivalent           | €100   |
| US Dollar Class D         | \$100                                     | \$100                                     | \$100  |
| Singapore Dollar Class D  | \$100 or currency<br>equivalent           | \$100 or currency<br>equivalent           | SGD100 |
| Swiss Franc Class D       | \$100 or currency<br>equivalent           | \$100 or currency<br>equivalent           | CHF100 |
| Australian Dollar Class F | \$100,000 or<br>currency<br>equivalent    | \$100,000 or<br>currency<br>equivalent    | AUD100 |
| Sterling Class S          | \$20 million or<br>currency<br>equivalent | \$20 million or<br>currency<br>equivalent | £100   |
| Euro Class S              | \$20 million or<br>currency<br>equivalent | \$20 million or<br>currency<br>equivalent | €100   |
| Singapore Dollar Class S  | \$20 million or<br>currency<br>equivalent | \$20 million or<br>currency<br>equivalent | SGD100 |
| Canadian Dollar Class S   | \$20 million or<br>currency<br>equivalent | \$20 million or<br>currency<br>equivalent | CAD100 |
| US Dollar Class S         | \$20 million                              | \$20 million                              | \$100  |
| US Dollar Class S1        | \$20 million                              | \$20 million                              | \$100  |

(subject to the discretion of the Directors in each case to allow lesser amounts).

### **Initial Offer Period**

The Initial Offer Periods for the Sterling Class A Shares, the Euro Class A Shares, the US Dollar Class A Shares, the Euro Class M Shares, the US Dollar Class B Shares, the Sterling Class B Shares, the US Dollar Class D Shares, the Singapore Dollar Class M Shares, the US Dollar Class S Shares, the Euro Class S Shares, the Sterling Class S Shares, the Canadian Dollar Class S Shares and the US Dollar Class S1 Shares have now closed and these Share Classes are continuously open for subscription.

The Initial Offer Period for the US Dollar Class I Shares, the Sterling Class I Shares (which were previously in issue and were subsequently fully redeemed), the US Dollar Class M Shares, the Sterling Class M Shares (which were previously in issue and were subsequently fully redeemed), the Australian Dollar Class M Shares, the Canadian Dollar Class A Shares, the Australian Dollar Class A Shares, the Swiss Franc Class A Shares, the Singapore Dollar Class A Shares, the Sterling Class D Shares, the Euro Class D Shares, the Singapore Dollar Class D Shares, the Swiss Franc Class D Shares, the Australian Dollar Class F Shares and the Singapore Dollar Class S Shares is open and shall close at 5.00 p.m. (Irish time) on 29 March, 2021.

The end date of the Initial Offer Period may be subject to such earlier or later date as the Directors may determine and notified to the Central Bank.

The Australian Dollar Class F Shares and the US Dollar Class S1 Shares shall only be made available for subscription to such entities or persons as the Investment Manager may determine from time to time and notify to the Administrator and Depositary.

### **Initial Issue Price**

1.000 of the applicable currency per Share.

### **Settlement Date**

In the case of initial share requests, the Application Form, where appropriate (and all supporting documentation), or an application by electronic means (such as an application via a Recognised Clearing System), must be received before the Dealing Deadline.

Subsequent share purchase requests and repurchase requests should be made by completing the appropriate dealing form where appropriate, or by electronic means as noted above, and be submitted in accordance with the provisions set out in the Prospectus to be received by the Administrator before the Dealing Deadline.

Payment in respect of the issue of Shares must be received by the Administrator within three Business Days of the relevant Dealing Day by electronic transfer in cleared funds in the currency of the relevant Share Class.

The amount due on the repurchase of Shares of any Share Class in the Fund, with the exception of Australian Dollar Class F Shares, will be paid within three Business Days by electronic transfer to an account in the name of the Shareholder or settlement bank account, as appropriate. The amount due on the repurchase of Australian Dollar Class F Shares will be paid within six Business Days by electronic transfer to an account in the name of the Shareholder or settlement bank account, as appropriate. Repurchase proceeds will only be paid on receipt by the Administrator of any relevant repurchase documentation.

### **Subscription Charge**

No subscription charge will be charged in respect of Shares of the Fund. However, the Directors may in their discretion introduce such a fee at a later date in accordance with the terms of the Prospectus and upon prior written notification to Shareholders of the affected Share Class(es).

## **Repurchase Charge**

No repurchase charge will be charged in respect of Shares of the Fund. However, the Directors may in their discretion introduce such a fee at a later date in accordance with the terms of the Prospectus and the requirements of the Central Bank.

## **Anti-Dilution Charge**

Cost of dealing (subject to the Directors' discretion to waive such fees).

The Directors may, where there are large net subscriptions and/or redemptions, charge an Anti-Dilution Levy which will be calculated to cover the costs of acquiring and/or redeeming investments as a result of net subscriptions and/or redemptions on any Dealing Day, which will include any dealing spreads and commissions and will be charged in circumstances where the Directors believe it is necessary to prevent an adverse effect on the value of the assets of the Fund.

## **Valuation Point**

Close of business (New York time) on the relevant Dealing Day.

## **Fees and Expenses**

### **Fees of the Investment Manager**

The Investment Manager will be entitled to receive from the Company out of the assets of the Fund an annual fee of:

0.65% of the net assets attributable to the US Dollar Class I Shares and the Sterling Class I Shares;

0.70% of the net assets attributable to the US Dollar Class M Shares, the Sterling Class M Shares, the Euro Class M Shares, the Singapore Dollar Class M Shares, and the Australian Dollar Class M Shares;

0.75% of the net assets attributable to the Sterling Class A Shares, the Euro Class A Shares, the US Dollar Class A Shares, the Singapore Dollar Class A Shares, the Australian Dollar Class A Shares, the Swiss Franc Class A Shares and the Canadian Dollar Class A Shares;

1.00%% of the net assets attributable to the US Dollar Class B Shares and the Sterling Class B Shares;

1.50% of the net assets attributable to the Sterling Class D Shares, the Euro Class D Shares, the US Dollar Class D Shares, the Singapore Dollar Class D Shares and the Swiss Franc Class D Shares;

(plus VAT if any).

In respect of the US Dollar Class S1 Shares, the Investment Manager will be entitled to receive from the Company out of the assets of the Fund the following annual fees:

0.65% on the first USD 50 million of assets attributable to the US Dollar Class S1 shares; plus

0.55% on the next USD 50 million of assets attributable to the US Dollar Class S1 shares;  
plus

0.45% on the next USD 150 million of assets attributable to the US Dollar Class S1 shares;  
plus

0.40% on the next USD 250 million of assets attributable to the US Dollar Class S1 shares;  
plus



0.35% on the next USD 250 million of assets attributable to the US Dollar Class S1 shares;  
plus

0.30% on assets attributable to the US Dollar Class S1 shares in excess of 750 million

(plus VAT if any).

These fees will accrue and be calculated on each Dealing Day and be payable monthly in arrears. The Investment Manager may, at its absolute discretion, waive any portion of the investment management fee or pay any portion of such investment management fee to any third party in any manner whatsoever, whether by rebate or otherwise. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for its reasonable out-of-pocket costs and expenses incurred by the Investment Manager in the performance of its duties.

The Investment Manager shall not receive a fee in respect of Australian Dollar Class F Shares, Euro Class S Shares, Sterling Class S Shares, Singapore Dollar Class S Shares, the Canadian Dollar Class S Shares and the US Dollar Class S Shares.

This section should be read in conjunction with the section entitled **Fees and Expenses** in the Prospectus.

#### **Miscellaneous**

Portfolio holdings data are posted to [www.hardingloevnerfundsplc.com](http://www.hardingloevnerfundsplc.com) and to third party data vendors (eg Bloomberg, Reuters) on a quarterly basis.

Monthly data on portfolio holdings will be made available to investors, on request, within 10 business days of each month-end. This is subject to receipt by the Investment Manager of certain representations from investors requesting such data.

There are four other Funds of the Company currently in existence, namely:

**The Harding Loevner Emerging Markets Equity Fund**  
**The Harding Loevner Frontier Emerging Markets Equity Fund**  
**The Harding Loevner International Equity Fund**  
**The Harding Loevner Global Small Companies Equity Fund**

#### **Notification of Prices**

The Net Asset Value per Share will be available on each Business Day from the Administrator.

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