



Fundamental. Thinking. Worldwide.

Harding Loevner Funds Plc

Semi-Annual Commentary

31 December 2019

Global Equity Fund

International Equity Fund

Emerging Markets Equity Fund

Global Small Companies Equity Fund

Table of Contents

3	Global Equity Fund
7	International Equity Fund
11	Emerging Markets Fund
16	Global Small Companies Equity Fund

Contact

Harding Loevner - Transfer Agency
c/o Northern Trust International Fund Administration Services
(Ireland) Ltd.
George's Court, 54-62 Townsend Street
Dublin 2, Ireland

Phone: +353 1 434 5085
Fax: +353 1 434 5289
www.hardingloevnerfundsplc.com

PORTFOLIO MANAGEMENT TEAM



PETER BAUGHAN, CFA
CO-LEAD PORTFOLIO MANAGER

FERRILL ROLL, CFA
CO-LEAD PORTFOLIO MANAGER



SCOTT CRAWSHAW
PORTFOLIO MANAGER

JINGYI LI
PORTFOLIO MANAGER



CHRISTOPHER MACK, CFA
PORTFOLIO MANAGER

RICHARD SCHMIDT, CFA
PORTFOLIO MANAGER

■ PERFORMANCE SUMMARY

The Global Equity Fund USD Class A shares rose 9.32% (at dealing prices) for the six months ended 31 December 2019, net of fees, in US dollar terms, outperforming its benchmark, the MSCI All Country World Index, which rose 8.92%. Please refer to the chart immediately following this commentary for returns related to the fund's other share classes.

■ MARKET REVIEW

Global stock markets rose in the six months ended 31 December, as fears of a downturn faded amid renewed central bank largesse and a de-escalation of US-China trade frictions. All regions and all sectors other than Energy finished in positive territory for the period.

Central banks and governments responded to a flattening yield curve, declining inflation expectations, and weak commodity prices with fiscal and monetary support, retracing some normalizing steps of 2018. The People's Bank of China cut its bank reserve ratios and lowered its short-term funding rate for the first time since 2015. Chinese state-owned banks were guided to increase their lending. The European Central Bank renewed its quantitative easing program and pushed short-term interest rates deeper into negative territory. In October, calling it insurance against recession, the US Federal Reserve again cut interest rates, almost completely reversing the rate increases of 2018. In December, Japan's government launched a large round of fiscal stimulus, the first since 2016, to combat the combined effects of a recent consumption tax hike, typhoon damage, and a slowing global economy. Not to be left out, the Bank of Japan revised its forward guidance, signaling it may take interest rates deeper into negative territory.

The trade war between the US and China witnessed something of a détente late in 2019, with the two parties agreeing to a limited pull-back from their entrenched positions. In mid-December, days before new tariffs were to take effect, officials announced a "Phase One" trade agreement. The deal, hinted at in November, rolls back some US tariffs on Chinese goods while boosting Chinese purchases of US energy, manufactured goods, and agricultural products. The countries also agreed on enhanced protections for intellectual property. The developments bolstered investor sentiment toward China and Emerging Markets (EMs) generally. China's GDP growth, which appeared to falter at the end of 2018, stabilized by the end of 2019.

In the UK, politics were front and center. Its markets and currency rose after voters resoundingly rejected Labour Party leader Jeremy Corbyn and the socialist policies he embraced, handing the Tories the largest majority in the House of Commons since Margaret Thatcher's in 1987. Prime Minister Boris Johnson solidified his control of the fractious Tory party and put an end to the political stalemate over the UK's divorce from the EU, committing to "get Brexit done" on 31 January. Its details and economic effects, short and long term, remain as murky as ever.

Viewed by sector, Information Technology (IT) performed the best, with strong returns in economically sensitive semiconductor stocks. Health Care also fared well, boosted by pharmaceutical and biotechnology stocks, as worries over a Medicare for All program in the US receded after detailed promotion by several Democratic presidential candidates failed to help them gain traction in polls. Most other non-cyclical sectors lagged, with Consumer Staples performing poorly, although still posting positive returns. Japan was the strongest region. It was one of the few countries whose projected 2019 growth rate was upgraded by the OECD, which, citing the impact of the US-China tariff wars on global trade and capital investment, reduced GDP growth rates for 2020 for 18 of the G20 economies. US markets also performed well—unfazed by impeachment.

■ PERFORMANCE ATTRIBUTION

Viewed by sector, the Fund's outperformance came partly from our underweight in Energy, the only sector that did not rise in the period, and our overweights in Health Care and IT sectors, although our stocks in IT didn't keep up with the sector's strong returns. Solid stocks in Communication Services and Health Care offset the lagging stocks in Industrials, IT, and Consumer Staples.

In Communication Services, Google parent **Alphabet** stood out. In Health Care, the share price of Japanese medical information services company **M3** rose sharply after the announcement that it would be added to the Nikkei 225 Index.

Industrials detracted from our results. Shares in risk analytics firm **Verisk** suffered after a court ordered it to pay damages in a pat-

ent infringement lawsuit. **Roper**, an operator of diverse technology businesses, underperformed. Several of its industrial units, including those providing pumps, flow meters, and electron microscopes were hit by a cyclical slowdown in US corporate demand.

By region, outperformance was mostly due to our stocks in EMs and Japan. **AAC Technologies**, a Shenzhen-based smartphone components manufacturer that caused us so much pain last year, posted strong results as new phone models and the rollout of 5G wireless networks provided a shot in the arm to the smartphone market. Chinese e-commerce and internet companies also helped our relative returns, led by **Alibaba** and **Baidu**. The former's retail commerce business maintained its torrid pace of growth, while the latter's core search business showed signs of a rebound following a period of lackluster growth. In Japan, M3 was the strongest contributor. Stocks in the US and Europe ex-EMU detracted.

PERSPECTIVE AND OUTLOOK

**"Yet let's be content, and the times lament,
you see the world turn'd upside down."**

— *English ballad*

A decade of monetary stimulus has turned many of the rules of investing on their head. Short-term interest rates, controlled by central banks, are now set firmly below zero in Japan and every European money market except Britain. The global stock of fixed-income securities with negative yields remained above US\$11 trillion in December, in spite of declining pessimism about the global economy and the rebound of cyclical securities. The Dutch might have it the worst: 10-year government bonds currently yield -0.14% but the Dutch consumer price index is currently at 2.7%, making the total real erosion, er...yield, a whopping -2.8% per year. In the US, bonds sport a comparatively generous (but still stingy by old standards) 1.8% nominal yield, but inflation is currently high enough to offset all of that. The world is upside down when savers must pay borrowers for the privilege of lending to them, as happened this summer with mortgage loans in Denmark.

GEOGRAPHIC EXPOSURE (%) at 31 DECEMBER 2019

COUNTRY/REGION	FUND	BENCHMARK ¹
CANADA	0.0	3.0
EMERGING MARKETS	15.5	12.2
EUROPE EMU	7.5	9.4
EUROPE EX-EMU	9.9	9.0
FRONTIER MARKETS ²	0.0	—
JAPAN	9.5	7.2
MIDDLE EAST	0.0	0.2
PACIFIC EX-JAPAN	2.7	3.4
UNITED STATES	50.3	55.6
CASH	4.6	—

¹MSCI All Country World Index; ²Includes countries with less-developed markets outside the Index.

SECTOR EXPOSURE (%) at 31 DECEMBER 2019

SECTOR	FUND	BENCHMARK ¹
COMMUNICATION SERVICES	9.3	8.7
CONS DISCRETIONARY	10.1	10.8
CONS STAPLES	5.6	8.1
ENERGY	2.4	5.2
FINANCIALS	14.1	16.7
HEALTH CARE	17.3	11.8
INDUSTRIALS	10.6	10.3
INFO TECHNOLOGY	20.0	17.1
MATERIALS	6.0	4.8
REAL ESTATE	0.0	3.2
UTILITIES	0.0	3.3
CASH	4.6	—

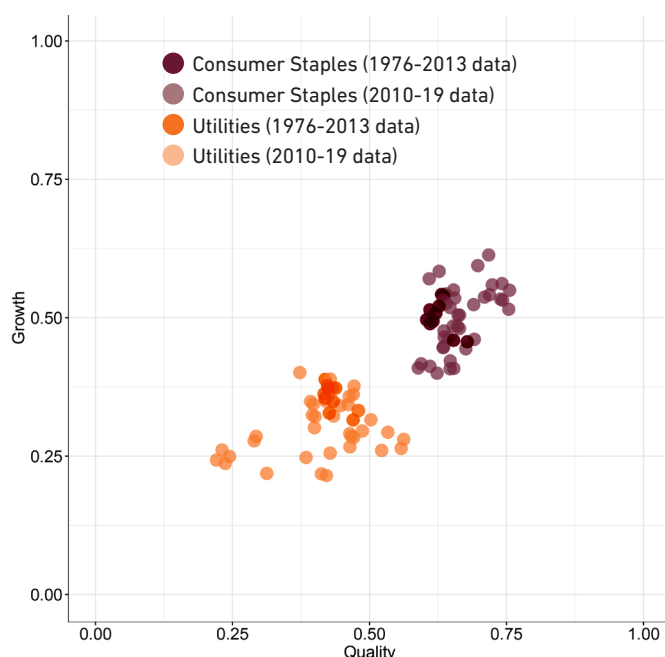
¹MSCI All Country World Index.

Denied the prospect of positive yields (and perhaps only dimly recognizing the dreadful negative real yields, after inflation), investors are reaching for current investment income in every manner possible. This has been a bonanza for thinly capitalized issuers of speculative debt, who are on target to issue US\$270 billion of high-yield/junk paper in 2019 alone. Investors have also embraced equities as a source of income. Stocks yielding more than government bonds make them a tempting alternative. It's not crazy to eschew bonds yielding zero and own stocks with a dividend yield of 3% (the yield of the MSCI All Country World ex-US Index), especially when those dividends are growing 5% or more. The world is upside down when investors are pursuing stocks for income but bonds for capital gains.

This thirst for yield has encouraged the pursuit of "low volatility" equity strategies (and stock funds), which seek to mimic the stability of bonds while delivering both dividend income and a total return approximating the broader market. They do not promise a higher return but rather a smoother ride to the same destination. We take a keen interest in this phenomenon because it competes with us for high-quality companies—whose emphasis in our portfolios is the deliberate bias that has tended to produce less volatile returns than the typical growth-stock oriented portfolio.

There are several possible behavioral explanations for better returns from high-quality companies that have more stable stock prices than average: human investors crave excitement more than dullness, tend to extrapolate current trends, and are overconfident in their ability to spot changes of trends. That leaves boring, well-diversified, consistently growing companies relatively neglected, to the benefit of those investors willing to invest patiently. Both the underlying consistency and the neglect could lead their share prices to be less volatile than average. Put another way, because investors have less fear of a complete loss of capital from higher-quality companies, the stocks of such companies may fall less than average in a downturn and be among the first to rebound. But note the essential difference in approach: we're identifying solid business fundamentals first, with lower stock-price volatility as a potential fringe benefit. The difference in approach from that of low-volatility strategies,

GLOBAL CONSUMER STAPLES VS UTILITIES SECTORS: QUALITY VS GROWTH RANK (1976-2019)



Source: Harding Loevner, HOLT database.

whose starting point is the price action itself, becomes apparent when you compare the quality and growth financial metrics of two sectors that feature prominently in low-volatility portfolios, Utilities and Consumer Staples.

Comparing the two sectors on our quality and growth rankings over the past 40-odd years, Consumer Staples has been more profitable than Utilities and more stable, while also consistently growing faster. It is thus no accident that our portfolios have invariably featured far more Staples than Utilities. Nevertheless, the broad and, in some sense, indiscriminate pursuit of stable yield is also part of the explanation for the rising prices of the fundamentally high-quality companies we favor, due to the overlap of high quality with low price volatility. Their rising prices make our job of building well-priced portfolios more challenging.

Negative bond yields present us with additional challenges because they directly feed investors' equity discount rates, and thus the price they are willing to pay for future earnings and dividends. (Our own valuation models do not start with market yields of risk-free bonds, but rather with a stable estimate of what we imagine is the long-term cost of capital.) Ultra-low risk-free rates feeding through to equity discount rates mean higher prices for earnings in the distant future, where most of the value of a growth business lies. With many of the fastest-growing companies emerging from the ranks of new technology-enabled business models, the willingness to tolerate higher prices is a more significant factor in the last couple of years than at any time since the TMT bubble of 1999–2000. The key difference this time is that, unlike in that egregious episode, many, if not most, of the companies with the highest prices are actually delivering prodigious

TEN LARGEST HOLDINGS at 31 DECEMBER 2019

COMPANY	SECTOR	COUNTRY	%
PAYPAL	INFO TECHNOLOGY	US	4.0
VERTEX PHARMACEUTICALS	HEALTH CARE	US	2.9
ALPHABET	COMM SERVICES	US	2.9
FIRST REPUBLIC BANK	FINANCIALS	US	2.7
BOOKING HOLDINGS	CONS DISCRETIONARY	US	2.7
AIA GROUP	FINANCIALS	HONG KONG	2.7
ROPER	INDUSTRIALS	US	2.7
MASTERCARD	INFO TECHNOLOGY	US	2.3
VERISK	INDUSTRIALS	US	2.3
LONZA	HEALTH CARE	SWITZERLAND	2.2

revenue accompanied by robust profits (though we note with trepidation that the number of IPOs of loss-making companies in the US in 2019 matched the previous record of 1999).

Very low discount rates for equities bring with them a feature from the bond market: duration arithmetic. The more distant the cash flows, the greater the impact on today's fair price from a given change in the discount rate. Moreover, the lower the starting discount rate, the greater the change in fair price for any given variation in the discount rate. The implication for long-duration growth stocks from this vantage point of low discount rates? Fluctuations in the discount rate will cause larger price changes than we're accustomed to: even a small further decline in the discount rate will be magnified in the appreciation of growth stocks, while a rise will be reflected in substantial stock price declines. Said another way, growth stocks are subject not only to greater surges but also more frequent bouts of skittishness than in accustomed environments; that phenomenon has been manifest in the performance of our portfolios, which no longer react less erratically than the index in the way we could rely on in earlier years. The increased relative volatility has been an additional challenge for us in building portfolios.

We have stayed squarely focused on identifying companies with reliable profitability, sound finances, and strong management, along with bright growth prospects; but we continue to wrestle with what we must pay for such companies. We pursue strong quality characteristics in the businesses we follow, not low volatility for its own sake, because the former is more persistent than the latter. We pursue faster growth, so all else being equal, our portfolio will benefit from better-than-average earnings growth over time. High-quality companies have gained popularity, and their stocks subject to price-insensitive (passive) buying, becoming more highly priced as a result. Stocks of faster-growing businesses have become more highly priced still, and simultaneously more volatile as sentiment drives changes in the market's discount rate. Our response to higher prices, as is usual for most things at Harding Loevner, has been incremental. Despite tolerance for seemingly stretched valuation in a period of ultra-low interest rates, and ample appreciation of the approximate nature of valuation, we continue, at the margin, to reduce holdings of the most expensive stocks in our portfolio.

PERFORMANCE (% TOTAL RETURN)

as of 31 December 2019

CLASS A	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	SINCE INCEPTION
US DOLLAR ¹						21 JUNE 2007
GLOBAL EQUITY FUND USD A ²	9.32	28.99	15.23	10.52	—	9.94
MSCI ALL COUNTRY WORLD INDEX ³	8.92	26.60	12.44	8.41	—	8.66
EURO						21 JUNE 2007
GLOBAL EQUITY FUND EUR A ²	10.82	31.74	12.83	12.22	12.74	8.68
MSCI ALL COUNTRY WORLD INDEX ³	10.51	28.93	10.13	10.05	11.49	6.42
GBP STERLING						5 MARCH 2008
GLOBAL EQUITY FUND GBP A ²	4.83	24.05	12.49	14.16	12.23	11.68
MSCI ALL COUNTRY WORLD INDEX ³	4.64	21.71	9.86	12.00	10.96	9.65
CLASS B	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	SINCE INCEPTION
US DOLLAR						5 JUNE 2018
GLOBAL EQUITY FUND USD B ²	9.19	28.59	—	—	—	5.82
MSCI ALL COUNTRY WORLD INDEX ³	8.92	26.60	—	—	—	8.07
GBP STERLING						15 AUGUST 2018
GLOBAL EQUITY FUND GBP B ²	4.60	23.81	—	—	—	5.63
MSCI ALL COUNTRY WORLD INDEX ³	4.64	21.71	—	—	—	6.61
CLASS D	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	SINCE INCEPTION
US DOLLAR						4 JANUARY 2018
GLOBAL EQUITY FUND USD D ²	8.81	27.85	—	—	—	5.43
MSCI ALL COUNTRY WORLD INDEX ³	8.92	26.60	—	—	—	6.06
CLASS M	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	SINCE INCEPTION
US DOLLAR ⁴						21 SEPTEMBER 2015
GLOBAL EQUITY FUND USD M ²	9.36	29.09	15.17	—	—	12.93
MSCI ALL COUNTRY WORLD INDEX ³	8.92	26.60	12.44	—	—	11.05
EURO						31 JANUARY 2018
GLOBAL EQUITY FUND EUR M ²	10.87	31.87	—	—	—	10.18
MSCI ALL COUNTRY WORLD INDEX ³	10.51	28.93	—	—	—	10.22
SINGAPORE DOLLAR						21 SEPTEMBER 2015
GLOBAL EQUITY FUND SGD M ²	8.72	27.32	12.48	—	—	11.75
MSCI ALL COUNTRY WORLD INDEX ³	8.25	24.89	9.78%	—	—	9.82
CLASS S	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	SINCE INCEPTION
GBP STERLING						26 OCTOBER 2018
GLOBAL EQUITY FUND GBP S ²	5.14	24.93	—	—	—	16.23
MSCI ALL COUNTRY WORLD INDEX ³	4.64	21.71	—	—	—	14.93
EURO						6 MARCH 2019
GLOBAL EQUITY FUND EUR S ²	—	—	—	—	—	16.40
MSCI ALL COUNTRY WORLD INDEX ³	—	—	—	—	—	15.48
CLASS S1	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	SINCE INCEPTION
US DOLLAR						29 AUGUST 2018
GLOBAL EQUITY FUND USD S1 ²	9.40	29.12	—	—	—	6.06%
MSCI ALL COUNTRY WORLD INDEX ³	8.92	26.60	—	—	—	7.44%

¹USD Class A shares launched on 18 July 2011; returns prior to this are derived from EUR Class A returns; ²Net of fees; ³Net of withholding taxes; ⁴USD Class M shares are not yet launched; returns are derived from SGD Class M returns. Returns are annualized for periods greater than one year.

Please read the separate disclosures page for important information.

PORTFOLIO MANAGEMENT TEAM



FERRILL ROLL, CFA
CO-LEAD PORTFOLIO MANAGER

BRYAN LLOYD, CFA
PORTFOLIO MANAGER

ANDREW WEST, CFA
CO-LEAD PORTFOLIO MANAGER

PATRICK TODD, CFA
PORTFOLIO MANAGER

■ PERFORMANCE SUMMARY

The International Equity Fund USD Class A shares rose 7.36% (at dealing prices) for the six months ended 31 December 2019, net of fees, in US dollar terms, outperforming its benchmark, the MSCI All Country World ex-US Index, which gained 6.97%. Please refer to the chart immediately following this commentary for returns related to the fund's other share classes.

■ MARKET REVIEW

International stock markets rose in the six months ended 31 December, as fears of a downturn faded amid renewed central bank largesse and a de-escalation of US-China trade frictions. All sectors and regions finished in positive territory for the period.

Central banks and governments responded to a flattening yield curve, declining inflation expectations, and weak commodity prices with fiscal and monetary support, retracing some normalizing steps of 2018. The People's Bank of China cut its bank reserve ratios and lowered its short-term funding rate for the first time since 2015. Chinese state-owned banks were guided to increase their lending. The European Central Bank renewed its quantitative easing program and pushed short-term interest rates deeper into negative territory. In October, calling it insurance against recession, the US Federal Reserve again cut interest rates, almost completely reversing the rate increases of 2018. In December, Japan's government launched a large round of fiscal stimulus, the first since 2016, to combat the combined effects of a recent consumption tax hike, typhoon damage, and a slowing global economy. Not to be left out, the Bank of Japan revised its forward guidance, signaling it may take interest rates deeper into negative territory.

The trade war between the US and China witnessed something of a détente late in 2019, with the two parties agreeing to a limited pull-back from their entrenched positions. In mid-December, days before new tariffs were to take effect, officials announced a "Phase One" trade agreement. The deal, hinted at in November, rolls back some US tariffs on Chinese goods while boosting Chinese purchases of US energy, manufactured goods, and agricultural products. The countries also agreed on enhanced protections for intellectual property. The developments bolstered investor sentiment toward China and Emerging Markets (EMs) generally. China's GDP growth, which appeared to falter at the end of 2018, stabilized by the end of 2019.

In the UK, politics were front and center. Its markets and currency rose after voters resoundingly rejected Labour Party leader Jeremy Corbyn and the socialist policies he embraced, handing the Tories the largest majority in the House of Commons since Margaret Thatcher's in 1987. Prime Minister Boris Johnson solidified his control of the fractious Tory party and put an end to the political stalemate over the UK's divorce from the EU, committing to "get Brexit done" on 31 January. Its details and economic effects, short and long term, remain as murky as ever.

Cyclical sectors were strong, with good performance in Information Technology (IT), Consumer Discretionary, and Industrials. IT performed the best, with strong returns in economically sensitive semiconductor stocks. Health Care also fared well, boosted by pharmaceutical and biotechnology stocks, as worries over a Medicare for All program in the US receded after detailed promotion by several Democratic presidential candidates failed to help them gain traction in polls. Most other non-cyclical sectors lagged, with Consumer Staples performing poorly, although still posting positive returns. Japan was the strongest region. It was one of the few countries whose projected 2019 growth rate was upgraded by the OECD, which, citing the impact of the US-China tariff wars on global trade and capital investment, reduced GDP growth rates for 2020 for 18 of the G20 economies.

■ PERFORMANCE ATTRIBUTION

The Fund's outperformance came partly from its overweight in IT, although our stocks didn't keep up with the sector's strong returns. Solid stocks in Health Care and Industrials offset the lagging stocks in IT and Financials.

In Health Care, the share price of Japanese medical information services company **M3** rose sharply after the announcement that it would be added to the Nikkei 225 Index. **Chugai Pharmaceutical** reported strong sales of its new hemophilia drug in Japan and overseas. Shares of Swiss drug maker **Roche Holdings** rallied in September on rising expectations for the company's newly

launched drugs for treating multiple sclerosis and cancer, along with the positive news from affiliate Chugai.

Swedish compressor maker **Atlas Copco** led within Industrials. Strong order growth for industrial compressors and vacuum technology products demonstrated the resilience of the company's business model in the face of economic pressure. Results were also strong for another Swedish industrial, **Alfa Laval**, a maker of specialty heat-transfer, centrifugal-separation, and fluid-handling products. Sales growth exceeded expectations, and management reported solid customer demand in October.

Poor stocks in Financials and IT dragged on relative returns. Shares of **AIA Group**, a Hong Kong-based insurer, fell amid escalating political unrest in its home market. The protests temporarily closed the city's airports and subways, and investors are concerned that fewer people from mainland China will travel to Hong Kong to purchase AIA's policies. India's **HDFC Bank** lagged due to rising doubt about the quality of the bank's unsecured consumer loan book.

In IT, enterprise software maker **SAP** reported weaker-than-expected margins after several deals in China were delayed. Other software holdings also underperformed despite reporting stable financial results in the period, including network security firm **Check Point Software**. Semiconductor holdings were the bright spot within IT, as cyclical fears subsided.

By region, outperformance was mostly due to our stocks in EMs and Japan. **TSMC**, the world's largest chip foundry, and **Lukoil** led our performance in EMs. The former issued better-than-expected forward guidance for the second half of the year, citing strong demand for logic chips from smartphone manufacturers. Indian bank **ICICI Bank**, in contrast to HDFC Bank, rose due to improving asset quality. In Japan, M3 and Chugai Pharmaceutical were the strongest contributors. Stocks in Israel, Canada, and the UK detracted.

GEOGRAPHIC EXPOSURE (%) at 31 DECEMBER 2019

COUNTRY/REGION	FUND	BENCHMARK ¹
CANADA	2.8	6.7
EMERGING MARKETS	23.3	27.5
EUROPE EMU	23.0	21.1
EUROPE EX-EMU	25.7	20.4
FRONTIER MARKETS ²	0.0	—
JAPAN	11.4	16.1
MIDDLE EAST	2.4	0.4
PACIFIC EX-JAPAN	5.8	7.8
OTHER ³	3.4	—
CASH	2.2	—

¹MSCI All Country World ex-US Index; ²Includes countries with less-developed markets outside the Index; ³Includes companies classified in countries outside the Index.

SECTOR EXPOSURE (%) at 31 DECEMBER 2019

SECTOR	FUND	BENCHMARK ¹
COMMUNICATION SERVICES	6.4	6.7
CONS DISCRETIONARY	1.9	11.8
CONS STAPLES	15.4	9.4
ENERGY	4.5	6.5
FINANCIALS	19.1	21.4
HEALTH CARE	10.3	8.9
INDUSTRIALS	12.7	12.0
INFO TECHNOLOGY	20.2	9.3
MATERIALS	7.3	7.4
REAL ESTATE	0.0	3.2
UTILITIES	0.0	3.4
CASH	2.2	—

¹MSCI All Country World ex-US Index.

PERSPECTIVE AND OUTLOOK

**"Yet let's be content, and the times lament,
you see the world turn'd upside down."
— English ballad**

A decade of monetary stimulus has turned many of the rules of investing on their head. Short-term interest rates, controlled by central banks, are now set firmly below zero in Japan and every European money market except Britain. The global stock of fixed-income securities with negative yields remained above US\$11 trillion in December, in spite of declining pessimism about the global economy and the rebound of cyclical securities. The Dutch might have it the worst: 10-year government bonds currently yield -0.14% but the Dutch consumer price index is currently at 2.7%, making the total real erosion, er...yield, a whopping -2.8% per year. In the US, bonds sport a comparatively generous (but still stingy by old standards) 1.8% nominal yield, but inflation is currently high enough to offset all of that. The world is upside down when savers must pay borrowers for the privilege of lending to them, as happened this summer with mortgage loans in Denmark.

Denied the prospect of positive yields (and perhaps only dimly recognizing the dreadful negative real yields, after inflation), investors are reaching for current investment income in every manner possible. This has been a bonanza for thinly capitalized issuers of speculative debt, who are on target to issue US\$270 billion of high-yield/junk paper in 2019 alone. Investors have also embraced equities as a source of income. Stocks yielding more than government bonds make them a tempting alternative. It's not crazy to eschew bonds yielding zero and own stocks with a dividend yield of 3% (the yield of the MSCI All Country World ex-US Index), especially when those dividends are growing 5% or more. The world is upside down when investors are pursuing stocks for income but bonds for capital gains.

TEN LARGEST HOLDINGS at 31 DECEMBER 2019

COMPANY	SECTOR	COUNTRY	%
TSMC	INFO TECHNOLOGY	TAIWAN	4.1
ROCHE	HEALTH CARE	SWITZERLAND	3.9
NESTLÉ	CONS STAPLES	SWITZERLAND	3.6
AIA GROUP	FINANCIALS	HONG KONG	3.3
SAMSUNG ELECTRONICS	INFO TECHNOLOGY	SOUTH KOREA	3.1
SAP	INFO TECHNOLOGY	GERMANY	3.0
ALLIANZ	FINANCIALS	GERMANY	3.0
L'OREAL	CONS STAPLES	FRANCE	2.9
ATLAS COPCO	INDUSTRIALS	SWEDEN	2.9
INFINEON TECHNOLOGIES	INFO TECHNOLOGY	GERMANY	2.9

This thirst for yield has encouraged the pursuit of “low volatility” equity strategies (and stock funds), which seek to mimic the stability of bonds while delivering both dividend income and a total return approximating the broader market. They do not promise a higher return but rather a smoother ride to the same destination. We take a keen interest in this phenomenon because it competes with us for high-quality companies—whose emphasis in our portfolios is the deliberate bias that has tended to produce less volatile returns than the typical growth-stock oriented portfolio.

There are several possible behavioral explanations for better returns from high-quality companies that have more stable stock prices than average: human investors crave excitement more than dullness, tend to extrapolate current trends, and are overconfident in their ability to spot changes of trends. That leaves boring, well-diversified, consistently growing companies relatively neglected, to the benefit of those investors willing to invest patiently. Both the underlying consistency and the neglect could lead their share prices to be less volatile than average. Put another way, because investors have less fear of a complete loss of capital from higher-quality companies, the stocks of such companies may fall less than average in a downturn and be among the first to rebound. But note the essential difference in approach: we’re identifying solid business fundamentals first, with lower stock-price volatility as a potential fringe benefit. The difference in approach from that of low-volatility strategies, whose starting point is the price action itself, becomes apparent when you compare the quality and growth financial metrics of two sectors that feature prominently in low-volatility portfolios, Utilities and Consumer Staples.

Comparing the two sectors on our quality and growth rankings over the past 40-odd years, Consumer Staples has been more profitable than Utilities and more stable, while also consistently growing faster. It is thus no accident that our portfolios have invariably featured far more Staples than Utilities. Nevertheless, the broad and, in some sense, indiscriminate pursuit of stable yield is also part of the explanation for the rising prices of the fundamentally high-quality companies we favor, due to the overlap of high quality with low price volatility. Their rising prices make our job of building well-priced portfolios more challenging.

Negative bond yields present us with additional challenges because they directly feed investors’ equity discount rates, and thus the price they are willing to pay for future earnings and dividends. (Our own valuation models do not start with market yields of risk-free bonds, but rather with a stable estimate of what we imagine is the long-term cost of capital.) Ultra-low risk-free rates feeding through to equity discount rates mean higher prices for earnings in the distant future, where most of the value of a growth business lies. With many of the fastest-growing companies emerging from the ranks of new technology-enabled business models, the willingness to tolerate higher prices is a more significant factor in the last couple of years than at any time since the TMT bubble of 1999–2000. The key difference this time is that, unlike in that egregious episode, many, if not most, of the companies with the highest prices are actually delivering prodigious revenue accompanied by robust profits (though we note with trepidation that the number of IPOs of loss-making companies in the US in 2019 matched the previous record of 1999).

Very low discount rates for equities bring with them a feature from the bond market: duration arithmetic. The more distant the cash flows, the greater the impact on today’s fair price from a given change in the discount rate. Moreover, the lower the starting discount rate, the greater the change in fair price for any given variation in the discount rate. The implication for long-duration growth stocks from this vantage point of low discount rates? Fluctuations in the discount rate will cause larger price changes than we’re accustomed to: even a small further decline in the discount rate will be magnified in the appreciation of growth stocks, while a rise will be reflected in substantial stock price declines. Said another way, growth stocks are subject not only to greater surges but also more frequent bouts of skittishness than in accustomed environments; that phenomenon has been manifest in the performance of our portfolios, which no longer react less erratically than the index in the way we could rely on in earlier years. The increased relative volatility has been an additional challenge for us in building portfolios.

We pursue strong quality characteristics in the businesses we follow, not low volatility for its own sake, because the former is more persistent than the latter.

We have stayed squarely focused on identifying companies with reliable profitability, sound finances, and strong management, along with bright growth prospects; but we continue to wrestle with what we must pay for such companies. We pursue strong quality characteristics in the businesses we follow, not low volatility for its own sake, because the former is more persistent than the latter. We pursue faster growth, so all else being equal, our portfolio will benefit from better-than-average earnings growth over time. High-quality companies have gained popularity, and their stocks subject to price-insensitive (passive) buying, becoming more highly priced as a result. Stocks of faster-growing businesses have become more highly priced still, and simultaneously

more volatile as sentiment drives changes in the market's discount rate. Our response to higher prices, as is usual for most things at Harding Loevner, has been incremental. Despite tolerance for seemingly stretched valuation in a period of ultra-low interest rates, and ample appreciation of the approximate nature of valuation, we continue, at the margin, to reduce holdings of the most expensive stocks in our portfolio.



Portfolio Management Team Update

Patrick Todd, CFA, a member of the International Equity strategy portfolio management team since 2016, has assumed responsibility for managing the EAFE Equity strategy, which is based on our International Equity strategy but benchmarked to the developed market MSCI EAFE Index. Scott Crawshaw, whose previous responsibility on the International team had been to manage the EAFE strategy, has left the team. Scott remains a co-lead portfolio manager of the Emerging Markets Equity strategy and a member of the Global Equity strategy portfolio management team.

PERFORMANCE (% TOTAL RETURN)

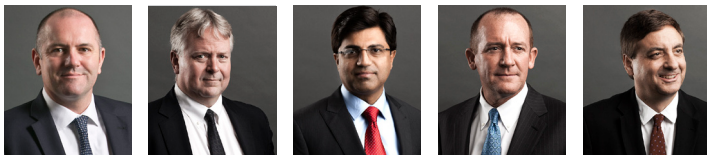
as of 31 December 2019

CLASS A	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
US DOLLAR¹					7 JUNE 2013
INTERNATIONAL EQUITY FUND USD A ²	7.36	25.02	11.70	7.63	6.41
MSCI ALL COUNTRY WORLD EX-US INDEX ³	6.97	21.51	9.87	5.51	4.09
GBP STERLING					7 JUNE 2013
INTERNATIONAL EQUITY FUND GBP A ²	2.91	20.28	9.05	11.19	9.80
MSCI ALL COUNTRY WORLD EX-US INDEX ³	2.76	16.82	7.35	9.00	7.93
CLASS B	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
US DOLLAR					27 SEPTEMBER 2013
INTERNATIONAL EQUITY FUND USD B ²	7.15	24.61	11.44	7.35	6.15
MSCI ALL COUNTRY WORLD EX-US INDEX ³	6.97	21.51	9.87	5.51	4.33
CLASS S	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
US DOLLAR					26 OCTOBER 2018
INTERNATIONAL EQUITY FUND USD S ²	7.70	25.85	—	—	18.09
MSCI ALL COUNTRY WORLD EX-US INDEX ³	6.97	21.51	—	—	16.20

¹USD Class A shares launched on 2 December 2013; returns prior to this are derived from GBP Class A return; ²Net of fees; ³Net of withholding taxes. Returns are annualized for periods greater than one year.

Please read the separate disclosures page for important information.

PORTFOLIO MANAGEMENT TEAM



SCOTT CRAWSHAW
CO-LEAD PORTFOLIO MANAGER

PRADIPTA CHAKRABORTY
PORTFOLIO MANAGER

CRAIG SHAW, CFA
CO-LEAD PORTFOLIO MANAGER

G. RUSTY JOHNSON, CFA
PORTFOLIO MANAGER

RICHARD SCHMIDT, CFA
PORTFOLIO MANAGER

■ PERFORMANCE SUMMARY

The Emerging Markets Fund USD Class A shares rose 8.23% (at dealing prices) for the six months ended 31 December 2019, net of fees, in US dollar terms, outperforming its benchmark, the MSCI Emerging Markets Index, which rose 7.09%. Please refer to the chart immediately following this commentary for returns related to the fund's other share classes.

■ MARKET REVIEW

The fiscal year had a rocky start, with concerns over escalating US-China trade tensions and signs of a global slowdown weighing on markets. However, starting in October, a new de-escalation in the US-China trade conflict, accommodative central bank policies, and easing fears of an imminent global recession all contributed to renewed bullishness.

In late July, President Donald Trump tweeted his frustration over China not buying as many US agricultural goods as it had promised. Within days, he announced 10% levies on an additional US\$300 billion worth of Chinese goods not previously covered by tariffs. Global stock markets fell sharply, as did the Chinese currency, which weakened past the 7-yuan-to-the-dollar level for the first time in more than a decade. The US Treasury Department labeled China a "currency manipulator" in response.

Signs the trade war was weighing on global economic growth also appeared. In September, the OECD cut its 2019 forecast for global economic growth to the slowest rate in a decade, citing the impact of the US-China dispute on global trade and capital investment. China's economy grew at a rate of only 6% in the second quarter of 2019, the slowest rate in nearly three decades. In India, the second-quarter GDP growth rate was just 5%, the lowest in six years.

Central banks and governments responded with fiscal and monetary support, retracing some normalizing steps of 2018. The People's Bank of China continued to cut its bank reserve ratios (bringing the total to three cuts in 2019) and lowered its short-term funding rate for the first time since 2015. Chinese state-owned banks were guided to increase their lending. Starting in July, Brazil's central bank cut its key rate four times, down to 4.5% in December, a record low. The European Central Bank (ECB) lowered the interest rate on the deposit facility in September and restarted asset purchases in November. At the end of 2019, calling it insurance against recession, the US Federal Reserve again cut interest rates, almost completely reversing the rate increases of 2018. By the end of the six-month period, positive economic data from the US gradually dispelled fears of an imminent recession in the world's largest economy. China's economy continued to slow, but the resilience of its consumers, who experienced real wage growth and benefited from targeted fiscal policy measures, helped avert a worse economic downturn.

The trade war between the US and China also witnessed something of a détente as the year wore on. In September, Trump delayed the latest tariff hikes until mid-October, after China's national holiday celebrating 70 years of Communist Party rule. He postponed them again on October 11, after negotiators made purported progress toward a deal. Finally, in mid-December, days before new tariffs were to take effect, officials announced a "Phase One" trade agreement. The deal rolls back some US tariffs on Chinese goods while boosting Chinese purchases of US energy, manufactured goods, and agricultural products. The countries also agreed on enhanced protections for intellectual property. The developments bolstered investor sentiment toward China and Emerging Markets (EMs) generally.

In the trailing six months, emerging Europe was the strongest region. The tiny Greek and Hungarian markets rose as investors anticipated a continuation of the ECB's accommodative policies. Russia, which has relatively little exposure to global trade war issues, advanced over 15% despite anemic corporate earnings growth. The country's large state-owned enterprises soared after increasing their dividends and clarifying their payout policies.

In Asia, the technology-heavy markets of Taiwan, China, and South Korea performed strongly, with Taiwan (up 24%) posting the best performance of the three. China exhibited high volatility throughout the six months as trade negotiations waxed and waned. But with an initial trade agreement appearing within grasp at last, the market advanced strongly toward the end of the period. India fell slightly as measures by the Indian government to support its ailing economy, including reducing corporate taxes and funding affordable housing projects, had little impact on its overall market.

Latin America lagged the index despite a strong contribution from Brazil, where the parliament enacted a long-overdue pension reform that should boost the country's fiscal position. Chile's market fell sharply amid increasing social unrest over government plans to privatize businesses and increase subway fares. The severity of the protests prompted lawmakers to call a referendum on creating a new constitution.

The Information Technology (IT) and Consumer Discretionary sectors led EMs in the first half of the fiscal year. Semiconductor manufacturers rose on improving demand for memory and logic chips, and smartphone component makers were boosted by the rollout of 5G wireless networks and the launches of new smartphones that feature higher-quality cameras than previous models. Consumer Discretionary's gains were led by index heavyweight **Alibaba**, China's dominant e-commerce platform. The company reported growth in customers in small cities and stable profit margins. Materials posted a small positive return, making it the worst-performing sector this period. The sector declined in July and August amid fears of weakening global growth but subsequently recovered with rising optimism about a resolution to the trade war and reduced fears about the deceleration of the Chinese economy. Utilities also underperformed as increasingly optimistic investors flocked to stocks promising faster growth.

■ PERFORMANCE ATTRIBUTION

The strong performance of high-quality stocks contributed to our returns in the trailing six months. Our underweight to Materials and overweight to IT were also helpful, as was good stock selection in Industrials and IT. In Industrials, our relative returns were boosted by a diverse group of companies, including Brazil's electric motor maker **WEG** and car-rental company **Localiza**, which rose in line with Brazil's improving economic outlook. In IT,

SECTOR EXPOSURE (%) at 31 DECEMBER 2019

SECTOR	FUND	BENCHMARK ¹
COMMUNICATION SERVICES	8.1	11.0
CONS DISCRETIONARY	15.0	14.2
CONS STAPLES	8.9	6.3
ENERGY	7.5	7.4
FINANCIALS	26.5	24.2
HEALTH CARE	1.2	2.9
INDUSTRIALS	7.9	5.3
INFO TECHNOLOGY	18.9	15.7
MATERIALS	0.7	7.4
REAL ESTATE	0.0	3.0
UTILITIES	2.1	2.6
CASH	3.2	—

¹MSCI Emerging Markets Index.

shares of smartphone camera-equipment manufacturers **Sunny Optical** and **AAC Technologies** of China and **Largan Precision** of Taiwan rose in response to rising demand from makers of premium smartphones. The increase was partly spurred by the launches of new phones, including Apple's iPhone 11 Pro, which incorporate advanced cameras requiring high-specification lens sets. Hong Kong-based semiconductor equipment maker **ASM Pacific Technology** rose after Taiwanese chip foundry **TSMC** issued stronger-than-anticipated guidance for the second half of the year.

Financials and Consumer Discretionary stocks detracted from our relative returns. **Hong Kong Exchanges** and Hong Kong-listed insurer **AIA Group** were both weak as protesters calling for more direct democracy, among other demands, brought the city to a standstill at times. Meanwhile protests in Chile over the rising cost of living stoked fears about its economic prospects, weighing on shares of **Banco Santander Chile**. In South Africa, insurer **Discovery Holdings** sold off after the government announced a preliminary plan to develop a universal health insurance program over the course of the next seven years. We think the impact on Discovery's business will be less than initially feared, because the government's fiscal position is challenged and the basic public plan it can afford won't satisfy the growing demand for quality health care. In Consumer Discretionary, two auto stocks were significant detractors: South Korea's **Hankook Tire**, whose profits have remained weak despite some success in growing its share in premium tires, and automaker **Astra International** of Indonesia, which faced a weak home market.

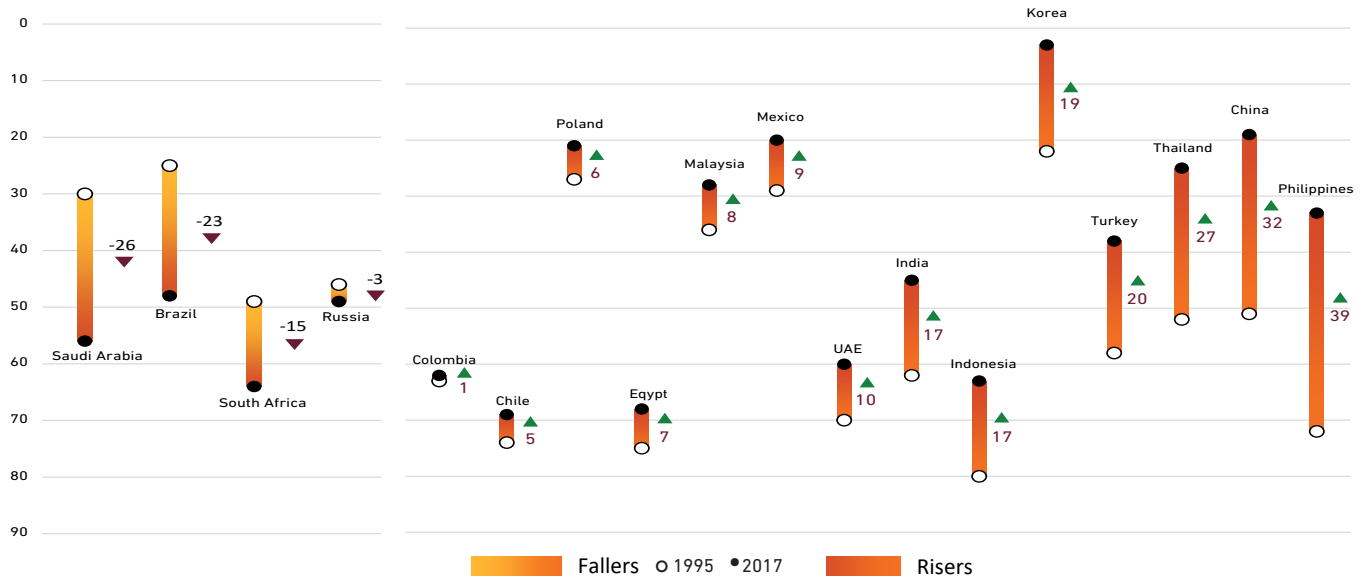
By region, holdings in China were significant contributors to out-performance. Good stocks in the former included Sunny Optical and AAC Technologies as well as Health Care holdings **CSPC** and **Sino Biopharmaceuticals**, which rose after they reported continued strong revenue growth. **Hangzhou Hikvision**, a leading global manufacturer of surveillance equipment, also reported strong revenue growth that beat market expectations.

GEOGRAPHIC EXPOSURE (%) at 31 DECEMBER 2019

COUNTRY/REGION	FUND	BENCHMARK ¹
BRAZIL	7.5	7.5
CHINA + HONG KONG ²	33.4	34.3
INDIA	6.4	8.6
MEXICO	4.4	2.3
RUSSIA	8.6	3.9
SOUTH AFRICA	2.6	4.7
SOUTH KOREA	9.3	11.7
TAIWAN	8.3	11.7
SMALL EMERGING MARKETS ³	9.6	15.3
FRONTIER MARKETS ⁴	2.3	—
DEVELOPED MARKET LISTED ⁵	4.4	—
CASH	3.2	—

¹MSCI Emerging Markets Index; ²The Emerging Markets Equity Fund's end weight in China is 26.9% and Hong Kong is 6.5%. The Benchmark does not include Hong Kong; ³Includes the remaining emerging markets which, individually, comprise less than 5% of the Index; ⁴Includes countries with less-developed markets outside the Index; ⁵Includes emerging markets or frontier markets companies listed in developed markets.

BIGGEST RISERS AND FALLERS IN ECONOMIC COMPLEXITY INDEX, SELECTED EM COUNTRIES



Negative selection effects came from South Africa due to Discovery Holdings and specialty-chemical company **Sasol**, whose shares have fallen as the ramp-up of its new cracker plant in Louisiana has cost more and taken longer than expected. Our underweight to the strong Taiwanese market also detracted.

INVESTMENT PERSPECTIVES

Over the past 20 years, economic progress has played out well in some EM countries (notably China and South Korea), while in others it has been retarded by poor policies or plain bad luck. Some countries have failed to implement policies fostering competitive and dynamic business environments. Others have failed to adapt their economies to take advantage of globalization and the resulting new opportunities to participate in cross-border supply chains. As a result, many EM economies are still tethered to the boom-and-bust of the commodity cycle.

Our experience has shown us, and academic studies confirm, that over short horizons a country's economic growth rate is at best weakly correlated to the returns of its stock market, and that economic growth forecasts are of little value in trying to predict equity market returns. That is why we do not spend our time trying to forecast GDP growth rates. We think working to achieve a deep understanding of companies' business models and their competitive positions within their industries is a more productive pursuit because high-quality, growing *companies* are to be found in faster-growing and slower-growing emerging economies alike.

That is not to say, however, that a company's growth prospects are independent of the conditions of the countries in which it operates. A more subtle measure of economic conditions than GDP growth rate, and one that we find particularly thought-provoking, is the Economic Complexity Index (ECI), created by the econo-

mists Ricardo Hausmann of Harvard University and César Hidalgo of the Massachusetts Institute of Technology. For more than a decade, they have been refining the ECI as a way to assess a country's progress in economic development based on the breadth and sophistication of its exports. Countries that export a more diverse range of products than other countries are more economically complex and have a higher ECI score. Exporting products that are produced by few other nations is a further sign of economic complexity meriting a higher score.¹ Hausmann and Hidalgo found evidence that countries with higher levels of economic complexity relative to others at their level of per-capita income grow their economies at a faster and more sustained rate.

The ECI is interesting to us because it represents a framework for describing economic development that aligns with our industry-focused approach to identifying investment opportunities. Rising complexity in manufacturing and services attests to a history of good capital allocation decisions, an increasingly educated workforce, and a growing base of companies with characteristics desired by investors such as us. As economies become more complex, they are rewarded with faster and more sustainable economic development, in a virtuous circle of ever-increasing complexity. Incomes rise, fostering the growth of the middle class, which becomes itself an important incremental source of demand. Companies adapt and new companies emerge to meet the new demands and tastes of the increasingly educated and affluent population.

The ECI figures confirm that most EM countries—and by extension their companies—are no longer simply suppliers of natural resources and the manufactured output of inexpensive labor. In some developing countries, global technology leaders have arisen

¹ The *Atlas of Economic Complexity* website maintained by Harvard University provides striking visualizations of the ECI data: <http://atlas.cid.harvard.edu/>.

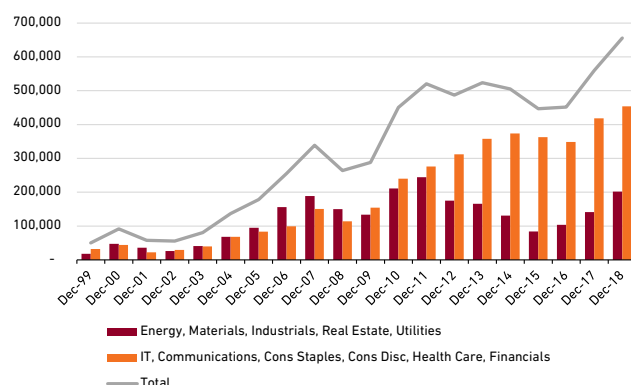
TEN LARGEST HOLDINGS at 31 DECEMBER 2019

COMPANY	SECTOR	COUNTRY	%
TSMC	INFO TECHNOLOGY	TAIWAN	5.5
SAMSUNG ELECTRONICS	INFO TECHNOLOGY	SOUTH KOREA	4.9
ALIBABA	CONS DISCRETIONARY	CHINA	4.8
TENCENT	COMM SERVICES	CHINA	4.3
LUKOIL	ENERGY	RUSSIA	2.8
SBERBANK	FINANCIALS	RUSSIA	2.7
HDFC CORP	FINANCIALS	INDIA	2.6
AIA GROUP	FINANCIALS	HONG KONG	2.6
NOVATEK	ENERGY	RUSSIA	2.4
ENN ENERGY	UTILITIES	CHINA	2.1

to replace low-tech, labor-intensive manufacturers. China, the largest EM, has moved from the fifty-first most complex nation in 1995 to the nineteenth in 2017 as it has increased the diversity and sophistication of its export basket (see chart above). South Korea, Thailand, and other Asian countries whose manufacturers are highly embedded within global supply chains have also progressed—indeed, Korea is ranked third in ECI behind only Japan and Switzerland. But the traditional image of EMs as producers of basic materials is not yet entirely inaccurate. The list of countries where ECI status has stagnated or regressed over this period includes several countries such as Brazil, Peru, Colombia, and South Africa whose economies remain commodity oriented. The commodity boom of 2003–2011 did little to incent progressive policy-making in these countries aimed at increasing economic diversity.

Though informative, the ECI does not paint a complete picture of where attractive investment opportunities can be found. Based mainly on export (product) data, it misses the full extent of industrial advances being made through the increased use of technology, such as the digitization of operations, to create high-returning, durable-growth, *domestic* businesses. Fundamental, bottom-up research can identify champions of local industries that are not reliant on global trade to sustain their businesses. Brazil is a case in point: the country has stalled in its ECI progression with its export mix still dominated by basic materials such as soybeans and (admittedly premium grade) iron ore. However, Brazilian financial institutions like **Banco Bradesco** have embraced new technologies to launch digital banks that are providing payment and banking services that are reaching an increasing percentage of the country's previously unbanked population. Advanced real-time data analytics are being adopted by fashion retailers, beverage companies, and other industries to create efficiencies in supply chains and improve customer engagement and service. E-commerce platforms are using technology to overcome Brazil's still-wretched logistics infrastructure to optimize distribution and delivery resources with Uber-like apps that secure last-mile couriers, in order to provide products in a timely fashion. These developments echo the growth of online businesses we have witnessed in China over the past decade, and they are happening across most EMs.

MSCI EM INDEX: NET INCOME BY SECTOR (US\$)



Source: FactSet, MSCI Inc. Data as of December 31, 2018.

The changing earnings base of industries provides another industry-centric view of countries' economic development. The chart above depicts the aggregate earnings (net income) of index companies within slower-growing sectors, dominated by Energy and Materials. The earnings in these sectors peaked in 2011 at roughly US\$240 billion and at the time contributed nearly 70% of non-financials EM earnings. This proportion fell to a low of 40% in 2015 before rebounding modestly to 50% in 2018. Contrast this earnings pattern with that of "growth" sectors in EMs. Led by technology and recently reclassified Communication Services companies, these sectors have grown their earnings base strongly over the last ten years, and almost ten-fold over the previous 20 years.

The rising complexity of economies and the shifting earnings base of industries reflect the increasingly diverse opportunity set of EM companies. Today, EMs provide the ingredients for a more robust portfolio than was the case 20 years ago. Moreover (and this is of particular interest to us), out of the more than 500 companies that rank in the top 25% in terms of quality and growth worldwide, nearly a third are based in EM countries.²

² HOLT. Data as of June 30, 2019.

PERFORMANCE (% TOTAL RETURN)

as of 31 December 2019

CLASS A	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
US DOLLAR					25 SEPTEMBER 2012
EMERGING MARKETS EQUITY FUND USD A ¹	8.23	25.26	11.35	6.25	5.48
MSCI EMERGING MARKETS INDEX ²	7.09	18.42	11.57	5.61	3.92
CLASS B	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
US DOLLAR					25 OCTOBER 2013
EMERGING MARKETS EQUITY FUND USD B ¹	8.06	24.88	11.02	5.94	4.33
MSCI EMERGING MARKETS INDEX ²	7.09	18.42	11.57	5.61	3.77
CLASS I	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
US DOLLAR					9 JANUARY 2017
EMERGING MARKETS EQUITY FUND USD I ¹	8.39	25.60	—	—	11.13
MSCI EMERGING MARKETS INDEX ²	7.09	18.42	—	—	10.98
CANADIAN DOLLAR					14 NOVEMBER 2013
EMERGING MARKETS EQUITY FUND CAD I ¹	7.50	19.51	10.43	8.97	9.26
MSCI EMERGING MARKETS INDEX ²	6.27	12.43	10.33	8.02	8.04
EURO					18 JANUARY 2017
EMERGING MARKETS EQUITY FUND EUR I ¹	9.83	28.30	—	—	8.55
MSCI EMERGING MARKETS INDEX ²	8.65	20.60	—	—	8.45
CLASS M	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION
CANADIAN DOLLAR					22 DECEMBER 2014
EMERGING MARKETS EQUITY FUND CAD M ¹	7.37	19.36	10.25	8.80	8.82
MSCI EMERGING MARKETS INDEX ²	6.27	12.43	10.33	8.02	7.89

¹Net of fees; ²Net of withholding taxes; Returns are annualized for periods greater than one year.

Please read the separate disclosures page for important information.

PORTFOLIO MANAGEMENT TEAM



CHRISTOPHER MACK, CFA
CO-LEAD PORTFOLIO MANAGER



JAFAR RIZVI, CFA
CO-LEAD PORTFOLIO MANAGER

- The European Central Bank renewed its quantitative easing program, lowered the interest rate on the deposit facility in September, and restarted asset purchases in November.
- The People's Bank of China lowered its short-term funding rate for the first time since 2015 and Chinese state-owned banks were guided to increase their lending.
- The Indian government reduced its corporate tax rate to boost its stalling economy.
- The Bank of Japan revised its forward guidance, signaling it may take interest rates deeper into negative territory.

However, as if on cue, the negative sentiment that dominated the news cycle abruptly reversed course in the closing months of 2019:

- The trade war between the US and China witnessed something of a détente, with the two parties agreeing to a limited pull-back from their entrenched positions. In mid-December, days before new tariffs were to take effect, officials announced a “Phase One” trade agreement. The deal, hinted at in November, rolls back some US tariffs on Chinese goods while boosting Chinese purchases of US energy, manufactured goods, and agricultural products. The countries also agreed on enhanced protections for intellectual property. The developments bolstered investor sentiment toward China and Emerging Markets (EMs) generally. China's GDP growth, which appeared to falter at the end of last year, stabilized by the end of 2019.
- In the UK, markets and currency rose after voters resoundingly rejected Labour Party leader Jeremy Corbyn and the socialist policies he embraced, handing the Tories the largest majority in the House of Commons since Margaret Thatcher's in 1987. Prime Minister Boris Johnson solidified his control of the fractious Tory party and put an end to the political stalemate over the UK's divorce from the EU, committing to “get Brexit done” on 31 January. Its details and economic effects, short and long term, however, remain as murky as ever.
- Elsewhere, Japan's trade dispute with South Korea began to cool as officials rolled back part of the restrictions on exports to South Korea of high-tech materials used in chip manufacturing.

By sector, Information Technology (IT) widely outperformed during the period, returning 14%. Stocks of semiconductor manufacturers and chip-equipment providers led the way, gaining 27%. Investors were cheered by signs of a pickup in demand for chips, in addition to the easing of trade tensions. Energy was the only sector which detracted, falling 7% during the period.

■ PERFORMANCE SUMMARY

The Global Small Companies Equity Fund USD Class A shares rose 7.62% from 30 June 2019 through 31 December 2019. The Fund's benchmark, the MSCI All Country World Small Cap Index rose 8.38% in the period.

■ MARKET REVIEW

The period began with geopolitics further weighing on markets. The US-China conflict escalated, with both sides raising tariffs, while a separate trade dispute broke out between Japan and South Korea over World War II reparations. In Europe, the UK's Brexit fiasco dragged on, as the country looked set to further extend the deadline to leave the EU. In Latin America, an unexpected primary election loss for Argentine President Mauricio Macri triggered a sharp drop in the peso and the country's stock market. In the Middle East, a drone attack on Saudi Arabia's largest oil production facility disrupted nearly half of the kingdom's oil output, and at least 5% of global oil production, causing a brief spike in oil prices.

As the year drew on, the US-China trade war took an increasing toll on bilateral trade and global GDP growth. The IMF estimated worldwide growth of just 3% in 2019, the lowest since 2009. In October, China reported that its GDP rose 6% in the third quarter, the weakest in 27 years. India's GDP fell from 8% in the first half of 2018 to 4.5% at the end of the third quarter. Developed economies were also weak. In the eurozone, the manufacturing Purchaser's Manager Index (PMI) closed the year at its lowest level since the 2011–12 European debt crisis.

Confronted with anemic economic growth and still no inflationary impulse from ten years of easy money, central banks responded with additional stimulus:

- The Federal Reserve cut interest rates three times during the period, almost completely reversing the rate increases of 2018.

All major regions posted positive returns, with the Middle East (Israel) and Europe ex-EMU (especially the UK) performing the strongest at 17% and 15%, respectively. Pacific ex-Japan was the weakest sector, returning 3% as the protests in Hong Kong dragged on performance.

■ PERFORMANCE ATTRIBUTION

In the period from 30 June 2019 to 31 December 2019, the Fund underperformed the index. By sector, our weak stock selection in Industrials detracted the most from relative performance. Weak stocks in Consumer Staples and Energy, as well as the portfolio's lack of holdings in Real Estate and modest allocation to cash during this period of strong equity performance, also detracted. In Industrials, shares of US-based provider of outsourced housekeeping and dietary services **Healthcare Services** declined due to disappointing earnings (as a result of revised customer contract renegotiations and the decision to exit additional customer facilities in New York) as well as the ongoing SEC investigation into the company's EPS rounding practices. In Consumer Staples, shares of Hong Kong-based beverage company **Vitasoy** declined as new entrants have ramped up competition in the fast-growing soymilk market, leading to a slowdown in China growth. The company has also experienced slowing growth in Hong Kong (due to an increase in infrastructure spending) and Australia (where extreme drought has disrupted soybean supply).

Weak stocks were partially offset by strong stocks in IT, particularly Netherlands-based semiconductor equipment manufacturer **ASM International**, which posted 38% year-over-year revenue growth for the first nine months of 2019 as new orders rose 40%. The company's operating profit jumped over 80% during the same period. The portfolio's overweight in IT was also helpful.

By region, stock selection in Europe outside the eurozone detracted the most from returns. UK-based life sciences company **Abcam** detracted as the company signaled its intentions to invest in a series of

SECTOR EXPOSURE (%) at 31 DECEMBER 2019

SECTOR	FUND	BENCHMARK ¹
COMMUNICATION SERVICES	5.6	3.6
CONS DISCRETIONARY	8.4	12.3
CONS STAPLES	9.3	4.6
ENERGY	2.0	3.4
FINANCIALS	8.4	13.6
HEALTH CARE	12.6	10.5
INDUSTRIALS	21.7	17.2
INFO TECHNOLOGY	24.6	13.2
MATERIALS	2.5	7.4
REAL ESTATE	0.0	11.2
UTILITIES	1.3	3.0
CASH	3.6	—

¹MSCI All Country World Small Cap Index.

internally funded projects. While this will compress margins in the short term, we believe this renewed focus on growth will ultimately benefit the company. Elsewhere, weak stocks in the US as well as the portfolio's allocation to off-benchmark Frontier Markets also detracted. Conversely, strong stocks in Europe inside the eurozone contributed, particularly ASM International and Germany-based medical device manufacturer **Carl Zeiss Meditec**, which posted 11% revenue growth and boosted guidance as margins expanded.

■ PERSPECTIVE AND OUTLOOK

Corporate managers recognized as early as the 1960s how computers and software could boost productivity and reduce costs. They also realized that the design, implementation, and management of increasingly sophisticated and constantly evolving systems required expertise that most companies could not readily sustain internally, so they turned to specialist companies for help. The IT services industry took off, its growth occurring in waves that mirrored technological advances. At first, companies sought services to set up hardware (e.g., mainframes, minicomputers, PCs, and servers), customize off-the-shelf software, and install corporate networks. Later, growth was propelled by the emergence of the internet and more advanced software for enterprise and supply-chain management. While IT leaders like IBM and Electronic Data Systems captured most of the early growth, later phases offered opportunities for smaller companies to carve out places for themselves.

Advances in artificial intelligence, cloud computing, and Big Data analytics are driving the latest wave of growth for IT services companies. Corporate managers who believe these tools will transform their businesses are spending heavily in hopes that the technologies will allow them to capture new growth opportunities, fend off rivals, and improve their returns on capital. Once again, they're seeking outside help. The total addressable market for the "digital"

GEOGRAPHIC EXPOSURE (%) at 31 DECEMBER 2019

COUNTRY/REGION	FUND	BENCHMARK ¹
CANADA	2.0	3.4
EMERGING MARKETS	10.4	10.3
EUROPE EMU	16.8	8.1
EUROPE EX-EMU	18.0	12.1
FRONTIER MARKETS ²	1.7	—
JAPAN	17.6	10.9
MIDDLE EAST	0.4	0.7
PACIFIC EX-JAPAN	1.3	4.3
UNITED STATES	28.2	50.2
CASH	3.6	—

¹MSCI All Country World Small Cap Index; ²Includes countries with less-developed markets outside the Index.

services, within the broader US\$1 trillion IT Services and Consulting industry, is estimated to be as much as US\$300 billion, and it's growing about 20% a year, significantly higher than the industry's overall growth of about 5% a year. But the IT services giants that benefited most from the earlier growth are not in the best position to capture this new opportunity. Large incumbents like TCS in India, IBM in the US, and Capgemini in France are saddled with high revenue exposure to older technologies. Smaller IT services companies, on the other hand, have little to no exposure to legacy technologies and have smaller, nimbler, and more focused teams of engineers who specialize in the cutting-edge technologies most in demand today.

The strong growth and potentially high profits of digital IT services have attracted numerous companies to the industry.

The strong growth and potentially high profits of digital IT services have attracted numerous companies to the industry. Barriers to entry are low: engineers with expertise in the right niche can easily set up their own companies and attract customers. However, the transition from a single entrepreneur to a growing company (and a potential long-term investment opportunity) requires more than just the specialized knowledge of an individual engineer. Management ability and organizational structure are the defining characteristics between a small IT shop and large organization with more sustainable growth. As a company executes on projects, management must develop repeatable methodologies and processes, as well as document mistakes and how they were fixed. Companies that do this well tend to be more successful at accumulating and applying these skills across multiple clients.

Italy-based **Reply** is an IT services company that has developed areas of expertise and an organizational structure conducive to long-term growth. It was founded in 1996 by Mario Rizzante, who left his position at the systems integrator Atos because he saw the potential of the internet to reshape the ways businesses operated internally and how they interacted with customers externally. At the time, many of the largest IT services companies were not focused on the internet. Rizzante filled the void. He realized that Reply would need to build a nimble organization that could adapt to new technological trends more quickly than larger companies. Reply was structured differently than most IT services companies, relying on small teams that operated as independent companies. The parent company incentivized these subsidiary companies appropriately, paying their managers bonuses for growing earnings. Each developed a particular technological or business focus, and, due to their small size, they stayed nimble over a period marked by technological advancement. In Reply's early days, one subsidiary—a marketing agency called “Creative Reply”—focused on advertising strategies for the internet, cell phones, and other new channels. “Technology Reply,” which focused primarily on supply chain and customer relationship management tools, was another example. Its work in the early days led to a specialty in developing e-commerce platforms.

TEN LARGEST HOLDINGS at 31 DECEMBER 2019

COMPANY	SECTOR	COUNTRY	%
SIGNATURE BANK	FINANCIALS	US	2.2
GUIDEWIRE SOFTWARE	INFO TECHNOLOGY	US	2.2
ENERSYS	INDUSTRIALS	US	2.2
KINAXIS	INFO TECHNOLOGY	CANADA	2.0
ABCAM	HEALTH CARE	UK	1.9
ALTEN	INFO TECHNOLOGY	FRANCE	1.9
ARIAKE	CONS STAPLES	JAPAN	1.8
NIHON M&A CENTER INC.	INDUSTRIALS	JAPAN	1.7
COSMOS PHARMACEUTICAL	CONS STAPLES	JAPAN	1.7
COGNEX	INFO TECHNOLOGY	US	1.7

Today, Reply's 7,600 employees still operate in small business units; the company now has a network of over 80 subsidiaries, each focused on a specific technology or industry. An executive board oversees all the offerings and coordinates collaboration among the teams. The autonomous nature of the subsidiaries allows the company as a whole to be extremely adaptable. At the same time, their aggregate knowledge can be applied to multiple customers. Its “Data Reply” subsidiary, for example, specializes in providing customers with applications for acquiring, analyzing, and interpreting Big Data. Recently, the company was hired by a large energy supplier to apply machine learning tools to sensor data collected at a wind farm to help better predict when its turbines might fail. By doing so, the energy company could undertake maintenance work more efficiently and reduce costly downtime. Separately, Data Reply has worked with several telecom operators to analyze their customer base to reduce churn.

With its network of small businesses, Reply has been quicker to offer solutions for cutting-edge technology than most other IT services companies. Its selling point is knowledge of the newest technology, not low cost. Customers do not mind: over the past five years, Reply's revenues and operating profits have risen at a compounded rate of 10% and 15%, respectively, per year—a growth rate we expect to continue.

Argentina-based **Globant** is another example of a small IT services firm that has developed sustainable competitive advantages. The company was founded in 2003 by four engineers who foresaw a fundamental shift in how software services and products could be delivered thanks to the ubiquitous availability of high-speed internet and its ability to transmit live data, images, and video. Rather than follow the “we work while you sleep” model of Indian IT services providers, they envisioned a company that could help clients during their workdays, regardless of location. Argentina's economy and perennially weak currency also helped in that engineers were paid in pesos while clients outside Argentina paid their bills in stronger currencies. Globant's early focus was on software development, infrastructure management, and globalization/localization,

which entailed developing programs for different languages. One of its first clients was Google, which hired the young company to help build its AdWords online-advertising system. The success of that project led to additional work on Google's online e-commerce engine and the social media capabilities of a subsequent acquisition—YouTube.

The early work led to a specialization in numerous areas of interest to future clients: social media integration, data security, and designing software for mobile devices. Over time, it gained more business from Google and added many other blue-chip clients, including Disney, Ubisoft, and American Express. Unlike larger rivals that have more bureaucratic management structures, Globant organizes its people into small cross-functional teams. It now has over 9,200 employees, many of whom are located in Argentina and elsewhere in Latin America.

Globant's low-cost base, differentiated service offering, and unique operating model have helped drive nearly 30% compound annual revenue growth and approximately 80% operating profit growth over the last five years. We think the company can continue to grow revenues and profits at a rate much higher than the IT services industry as a whole due to its unique services offering, providing opportunities for further penetration at existing customers and the addition of new clients.

PERFORMANCE (% TOTAL RETURN)

as of 31 December 2019

CLASS A	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION
US DOLLAR				13 DECEMBER 2018
GLOBAL SMALL COS EQUITY FUND USD A ¹	7.62	29.10	—	21.71
MSCI ALL COUNTRY WORLD SMALL CAP INDEX ²	8.38	24.65	—	18.48

¹Net of fees; ²Net of withholding taxes.

Please read the separate disclosures page for important information.

■ DISCLOSURES

Companies held in the Funds during the period appear in bold type; only the first reference to a particular holding appears in bold. The Funds are actively managed; therefore holdings shown may not be current. Fund holdings and sector and geographic allocations should not be considered recommendations to buy or sell any security. Current and future Fund holdings are subject to risk.

Sector and geographical weightings and Top 10 data is sourced from: FactSet, Harding Loevner Funds, and MSCI Inc. Differences may exist between this source data and similar information reported in the financial statements due to timing differences and/or adjustments required pursuant to International Financial Reporting Standards (IFRS).

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; All data is based on the US dollar class.

FactSet Fundamentals, Copyright 2020 FactSet Research Systems, Inc. All rights reserved.

SOURCES

Global Equity Fund: FactSet; Harding Loevner Funds plc Global Equity Fund, based on the underlying holdings; MSCI Inc. and S&P.

International Equity Fund: FactSet; Harding Loevner Funds plc International Equity Fund, based on the underlying holdings; MSCI Inc. and S&P.

Emerging Market Equity Fund: FactSet; Harding Loevner Funds plc Emerging Markets Equity Fund, based on the underlying holdings; MSCI Inc. and S&P.

Global Small Companies Equity Fund: FactSet; Harding Loevner Funds plc Global Small Companies Equity Fund, based on the underlying holdings; MSCI Inc. and S&P.

INDEX DEFINITIONS

The MSCI All Country World Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The Index consists of 49 developed and emerging market countries. The Index is net of foreign withholding taxes on dividends.

The MSCI All Country World ex-US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US. The Index consists of 48 developed and emerging market countries. The Index is net of foreign withholding taxes on dividends.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Index consists of 26 emerging market countries. The Index is net of foreign withholding taxes on dividends.

The MSCI All Country World Small Cap Index is a free float-adjusted market capitalization index that is designed to measure small cap developed and emerging market equity performance. The Index consists of 49 developed and emerging market countries, and is comprised of companies that fall within a market capitalization range of USD 35-27,339 million (as of December 31, 2019).

You cannot invest directly in these Indexes.



Fundamental. Thinking. Worldwide.

Harding Loevner Funds Plc

Unaudited Interim Financial Statements

31 December 2019

Global Equity Fund

International Equity Fund

Emerging Markets Equity Fund

Global Small Companies Equity Fund

Harding Loevner Funds plc

Table of Contents

Directors and Other Information	1
Background to the Company	3
Unaudited Schedule of Investments	
The Harding Loevner Global Equity Fund	6
The Harding Loevner International Equity Fund	8
The Harding Loevner Emerging Markets Equity Fund	10
The Harding Loevner Global Small Companies Equity Fund	12
Unaudited Significant Purchases and Sales	14
Unaudited Statement of Financial Position	18
Unaudited Statement of Comprehensive Income	24
Unaudited Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	26
Unaudited Statement of Cash Flows	28
Unaudited Notes to Financial Statements	30
Unaudited Financial Information	47

Harding Loevner Funds plc

Directors and Other Information

For the financial period ended 31 December 2019

DIRECTORS

David Loevner	(US resident) (Non-executive)
Mike Kirby	(Irish resident) (Non-executive)
Jim Cleary	(Irish resident) (Independent, Non-executive)
Ryan Bowles	(US resident) (Non-executive)

REGISTERED OFFICE

(Effective from 4th December 2019)
2nd Floor
5 Earlsfort Terrace
Dublin 2
Ireland

(Effective to 3rd December 2019)
3rd Floor
3 George's Dock, IFSC
Dublin, D01 X5X0
Ireland

INVESTMENT MANAGER

Harding Loevner LP
400 Crossing Boulevard
4th Floor
Bridgewater
New Jersey 08807
USA

DEPOSITARY

Northern Trust Fiduciary Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2
Ireland

ADMINISTRATOR

Northern Trust International Fund Administration Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2
Ireland

COMPANY SECRETARY

(Effective from 4th December 2019)
Dechert Secretarial Limited
2nd Floor
5 Earlsfort Terrace
Dublin 2
Ireland

(Effective to 3rd December 2019)
Dechert Secretarial Limited
3rd Floor
3 George's Dock, IFSC
Dublin, D01 X5X0
Ireland

INDEPENDENT AUDITORS

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

Harding Loevner Funds plc

Directors and Other Information

For the financial period ended 31 December 2019 (Continued)

IRISH LEGAL ADVISERS

(Effective from 4th December 2019)

Dechert
2nd Floor
5 Earlsfort Terrace
Dublin 2
Ireland

(Effective to 3rd December 2019)

Dechert
3rd Floor
3 George's Dock, IFSC
Dublin, D01 X5X0
Ireland

Harding Loevner Funds plc

Background to the Company

For the financial period ended 31 December 2019

The following information is derived from and should be read in conjunction with the full text and definition section of the Prospectus. Capitalised terms shall bear the meaning as defined in the Prospectus, unless otherwise stated.

Date of Incorporation

Harding Loevner Funds plc (the “Company”) was incorporated on 29 March 2007 and commenced operations on 1 June 2007.

Background to the Company

The Company is an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds. The sub-funds are governed by the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (“the UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, (the “Central Bank UCITS Regulations”). Shares representing interests in different sub-funds may be issued from time to time by the Directors. Shares of more than one class may be issued in relation to a sub-fund. A separate portfolio of assets will be maintained for each sub-fund (and accordingly not for each class of shares) and will be invested in accordance with the investment objective and policies applicable to such sub-fund.

There are five sub-funds (the “sub-funds”) of the Company currently in existence, namely:

The Harding Loevner Global Equity Fund

The Company created the Harding Loevner Global Equity Fund (the “Global Equity Fund”) on 31 May 2007 and commenced its operations on 1 June 2007.

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

As at 31 December 2019, the following classes of shares were authorised to be issued in the Global Equity Fund:

US Dollar	Euro	Sterling	Australian Dollar	Singapore Dollar
Class A Class B Class D Class I Class M Class S Class S1	Class A Class D Class M Class S	Class A Class B Class D Class I Class M Class S	Class A Class F Class M	Class A Class D Class M Class S
Swiss Franc	Canadian Dollar			
Class A Class D	Class A Class S			

As at 31 December 2019, the following share classes were in issue in the Global Equity Fund:

US Dollar	Euro	Sterling	Singapore Dollar	Canadian Dollar
Class A Class B Class D Class S1 Class S	Class A Class M Class S	Class A Class B Class S	Class M	Class S

The Harding Loevner International Equity Fund

The Company created the Harding Loevner International Equity Fund (the “International Equity Fund”) on 31 May 2007 and commenced its operations on 3 April 2013.

The investment objective of the International Equity Fund is to achieve long-term capital appreciation by investing primarily in equities of companies based in global markets other than the United States of America.

Harding Loevner Funds plc

Background to the Company

For the financial period ended 31 December 2019 (Continued)

The Harding Loevner International Equity Fund (Continued)

As at 31 December 2019, the following classes of shares were authorised to be issued in the International Equity Fund:

US Dollar	Euro	Sterling
Class A Class B Class I Class M Class S	Class A Class S	Class A Class S

As at 31 December 2019, the following share classes were in issue in the International Equity Fund:

US Dollar	Sterling
Class A Class B Class S	Class A

The Harding Loevner Emerging Markets Equity Fund

The Company created the Harding Loevner Emerging Markets Equity Fund (the "Emerging Markets Equity Fund") on 31 May 2007 and commenced its operations on 25 September 2012.

The investment objective of the Emerging Markets Equity Fund is to achieve long-term capital appreciation by investing primarily in emerging markets equities.

As at 31 December 2019, the following classes of shares were authorised to be issued in the Emerging Markets Equity Fund:

US Dollar	Euro	Sterling	Australian Dollar	Canadian Dollar
Class A Class B Class I	Class A Class B Class I Class M	Class A Class B Class I Class M	Class A Class B Class I Class F	Class A Class B Class I Class M

As at 31 December 2019, the following share classes were in issue in the Emerging Markets Equity Fund:

US Dollar	Euro	Canadian Dollar
Class A Class B Class I	Class I	Class I Class M

The Harding Loevner Frontier Emerging Markets Equity Fund

The Company created the Harding Loevner Frontier Emerging Markets Equity Fund (the "Frontier Emerging Markets Equity Fund") on 31 May 2007 and commenced its operations on 25 September 2012. On 15 August 2017 shares for the Frontier Emerging Markets Equity Fund were fully redeemed. The Fund will remain in a dormant status and open to investors should Subscriptions arise in the future.

The investment objective of the Frontier Emerging Markets Equity Fund is to achieve long-term capital appreciation by investing primarily in frontier emerging markets equities.

As at 31 December 2019, the following classes of shares were authorised to be issued in the Frontier Emerging Markets Equity Fund:

US Dollar	Euro	Sterling	Australian Dollar
Class A	Class A	Class A	Class A

As at 31 December 2019, there were no share classes in issue in the Frontier Emerging Markets Equity Fund.

The Harding Loevner Global Small Companies Equity Fund

The Company created the Harding Loevner Global Small Companies Equity Fund ("Global Small Companies Equity Fund") on 4 December 2018 and commenced its operations on 13 December 2018.

Harding Loevner Funds plc

Background to the Company

For the financial period ended 31 December 2019 (Continued)

The Harding Loevner Global Small Companies Equity Fund (Continued)

The investment objective of the Global Small Companies Equity Fund is to achieve long-term capital appreciation through investments in equity securities of small companies based both inside and outside the United States.

As at 31 December 2019, the following class of shares were authorised to be issued in the Global Small Companies Equity Fund:

Euro	Sterling	US Dollar
Class A	Class A	Class A Class B Class S

As at 31 December 2019, the US Dollar Share Class A was in issue in the Global Small Companies Equity Fund.

Connected Persons

The Central Bank UCITS Regulations requires that any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group of such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if conducted at arm's length and must be in the best interests of the shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the period complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

Significant Events During the Financial Period

During the financial period ended 31 December 2019, the Global Equity Fund distributed the following net income:

A distribution of 0.004635976 per share on the Sterling Class A shares, with a total value of GBP 234,661, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

A distribution of 0.001324085 per share on the Sterling Class B shares, with a total value of GBP 131, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

A distribution of 0.006940208 per share on the Sterling Class S shares, with a total value of GBP 1,407,020, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

During the financial period ended 31 December 2019, the International Equity Fund distributed the following net income:

A distribution of 0.025452857 per share on the Sterling Class A shares, with a total value of GBP 25,856, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

On 26 July 2019, Sterling Class M shares for Emerging Markets Equity Fund were fully redeemed.

On 16 August 2019, the Prospectus and Supplements in respect of the Fund of the Company were updated. Within the Prospectus, several risk disclosures were amended, including those related to the Fund's use of participatory notes, convertible securities, and the risks posed by Brexit. Within the Supplements, the repurchase charge was removed from all sub-funds. Within the Global Equity Supplement, specifically, the minimum initial investment for Class S shares was lowered and the investment manager fees for Class S1 shares were adjusted. The documents were approved by the Central Bank.

On 23 August 2019, the Canadian Dollar Class S shares for the Global Equity Fund were first issued.

Events After the Reporting Date

There has been no material events to report subsequent to the financial period ended 31 December 2019.

Harding Loevner Funds plc

Global Equity Fund Unaudited Schedule of Investments 31 December 2019

Transferable Securities Security Description - Equities	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
Brazil: 0.99% (30 June 2019: 1.12%)				South Africa: 0.45% (30 June 2019: 1.55%)			
Itau Unibanco (Pref) ADR (Financials)	1,094,874	10,018,097	0.99%	Sasol ADR (Materials)	211,673	4,574,254	0.45%
China: 6.91% (30 June 2019: 4.87%)				Spain: 0.73% (30 June 2019: 2.07%)			
AAC Technologies (Information Technology)	1,271,500	11,095,825	1.09%	BBVA (Financials)	1,327,340	7,419,076	0.73%
Alibaba Group Holding ADR (Consumer Discretionary)	90,454	19,185,293	1.89%	Sweden: 0.00% (30 June 2019: 0.41%)			
Baidu ADR (Communication Services)	129,438	16,360,963	1.62%	Switzerland: 5.52% (30 June 2019: 4.85%)			
NetEase ADR (Communication Services)	33,726	10,341,741	1.02%	Alcon (Health Care)	153,527	8,685,022	0.86%
Trip.com ADR (Consumer Discretionary)	387,990	13,013,185	1.29%	Lonza Group (Health Care)	61,957	22,611,296	2.23%
CHINA TOTAL		69,997,007	6.91%	Nestle ADR (Consumer Staples)	124,914	13,523,190	1.34%
Denmark: 0.63% (30 June 2019: 0.81%)				Sonova Holding (Health Care)	48,356	11,067,219	1.09%
CHR. Hansen (Materials)	80,113	6,366,373	0.63%	SWITZERLAND TOTAL		55,886,727	5.52%
Finland: 0.99% (30 June 2019: 0.98%)				United Kingdom: 3.80% (30 June 2019: 2.30%)			
Kone (Industrials)	153,939	10,063,405	0.99%	Abcam (Health Care)	817,520	14,640,634	1.44%
France: 3.61% (30 June 2019: 4.43%)				Network International (Information Technology)	1,374,755	11,672,614	1.15%
Air Liquide (Materials)	76,206	10,787,611	1.07%	Standard Chartered PLC (Financials)	1,295,612	12,225,980	1.21%
EssilorLuxottica (Consumer Discretionary)	98,738	15,040,451	1.48%	UNITED KINGDOM TOTAL		38,539,228	3.80%
L'Oreal (Consumer Staples)	36,105	10,691,731	1.06%	United States: 50.33% (30 June 2019: 49.38%)			
FRANCE TOTAL		36,519,793	3.61%	3M Company (Industrials)	37,221	6,566,529	0.65%
Germany: 2.23% (30 June 2019: 2.37%)				Abbott Labs (Health Care)	146,888	12,758,692	1.26%
Symrise (Materials)	214,398	22,557,986	2.23%	Alphabet (Communication Services)	21,622	28,960,291	2.86%
Hong Kong: 2.69% (30 June 2019: 3.03%)				Apple Inc (Information Technology)	76,470	22,455,415	2.22%
AIA Group (Financials)	2,598,000	27,272,615	2.69%	Booking Holdings (Consumer Discretionary)	13,426	27,573,379	2.72%
India: 2.96% (30 June 2019: 2.92%)				Cognex (Information Technology)	141,865	7,950,115	0.78%
HDFC Bank ADR (Financials)	164,280	10,410,424	1.03%	Cognizant Technology (Information Technology)	121,888	7,559,494	0.75%
ICICI Bank ADR (Financials)	1,298,226	19,590,230	1.93%	Colgate-Palmolive (Consumer Staples)	241,660	16,635,874	1.64%
INDIA TOTAL		30,000,654	2.96%	Disney (Communication Services)	82,669	11,956,417	1.18%
Indonesia: 1.65% (30 June 2019: 1.60%)				eBay (Consumer Discretionary)	225,179	8,131,214	0.80%
Bank Central Asia (Financials)	6,954,876	16,745,307	1.65%	ExxonMobil (Energy)	154,115	10,754,145	1.06%
Israel: 0.00% (30 June 2019: 0.95%)				Facebook (Communication Services)	57,610	11,824,453	1.17%
Japan: 9.48% (30 June 2019: 9.84%)				First Republic Bank (Financials)	236,460	27,772,227	2.74%
Fanuc (Industrials)	35,100	6,567,420	0.65%	Illumina (Health Care)	28,291	9,385,256	0.93%
Keyence (Information Technology)	49,700	17,605,752	1.74%	Linde (Materials)	79,643	17,045,225	1.68%
Kubota (Industrials)	627,800	9,972,691	0.98%	Mastercard (Information Technology)	78,144	23,333,017	2.30%
M3 (Health Care)	597,494	18,174,200	1.80%	Microsoft (Information Technology)	86,958	13,713,277	1.35%
Makita (Industrials)	254,547	8,925,720	0.88%	Nike (Consumer Discretionary)	188,898	19,137,256	1.89%
MonotaRO (Industrials)	218,400	5,875,323	0.58%	NVIDIA (Information Technology)	71,887	16,915,011	1.67%
Nidec (Industrials)	69,300	9,570,167	0.95%	PayPal (Information Technology)	373,184	40,367,313	3.99%
Shiseido (Consumer Staples)	109,300	7,828,196	0.77%	Regeneron (Health Care)	39,777	14,935,468	1.47%
Sysmex (Health Care)	167,056	11,452,764	1.13%	Roper (Industrials)	75,882	26,879,681	2.65%
JAPAN TOTAL		95,972,233	9.48%	salesforce.com (Information Technology)	62,075	10,095,878	1.00%
Republic of South Korea: 1.02% (30 June 2019: 0.95%)				Schlumberger (Energy)	332,878	13,381,695	1.32%
Samsung Electronics (Voting) GDR Reg S (Information Technology)	8,666	10,338,538	1.02%	SVB Financial Group (Financials)	45,271	11,364,832	1.12%
Russian Federation: 1.49% (30 June 2019: 1.42%)				UnitedHealth (Health Care)	31,287	9,197,752	0.91%
Yandex (Communication Services)	345,892	15,042,843	1.49%	Verisk Analytics (Industrials)	153,821	22,971,628	2.27%
				Vertex Pharmaceuticals (Health Care)	135,166	29,594,596	2.92%
				Walgreens Boots Alliance (Consumer Staples)	139,074	8,199,803	0.81%
				Waters (Health Care)	55,289	12,918,275	1.28%

Harding Loevner Funds plc

Global Equity Fund Unaudited Schedule of Investments 31 December 2019 (Continued)

Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
United States (Continued)			
Workday (Information Technology)	57,727	9,493,205	0.94%
UNITED STATES TOTAL		509,827,413	50.33%
Total transferable securities (30 June 2019: 95.85%)			
		967,141,549	95.48%
(Cost: USD 721,330,524) (30 June 2019: Cost: USD 745,864,406)			
Cash and cash equivalents (30 June 2019: 4.08%)			
		45,790,553	4.52%
Other assets and liabilities (30 June 2019: 0.07%)			
		(26,032)	0.00%
Net assets attributable to holders of redeemable participating shares			
		1,012,906,070	100.00%
Analysis of total gross assets			
			% of total gross assets
Transferable securities admitted to an official stock exchange listing			95.42%
Cash and cash equivalents			4.52%
Other assets			0.06%
			100.00%

Harding Loevner Funds plc

International Equity Fund Unaudited Schedule of Investments 31 December 2019

Transferable Securities Security Description - Equities	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
Brazil: 2.58% (30 June 2019: 2.83%)				Japan (Continued)			
Ambev ADR (Consumer Staples)	825,673	3,847,636	1.49%	Unicharm (Consumer Staples)	149,900	5,104,505	1.98%
Itau Unibanco (Pref) ADR (Financials)	306,584	2,805,244	1.09%	JAPAN TOTAL		29,458,704	11.44%
BRAZIL TOTAL		6,652,880	2.58%	Mexico: 0.90% (30 June 2019: 0.99%)			
Canada: 2.83% (30 June 2019: 3.06%)				FEMSA ADR (Consumer Staples)	24,449	2,310,675	0.90%
Alimentation Couche-Tard (Consumer Staples)	88,700	2,814,930	1.09%	Republic of South Korea: 3.05% (30 June 2019: 2.82%)			
Canadian National Railway (Industrials)	49,478	4,475,285	1.74%	Samsung Electronics (Pref) GDR Reg S (Information Technology)	4,080	3,957,600	1.54%
CANADA TOTAL		7,290,215	2.83%	Samsung Electronics (Voting) GDR Reg S (Information Technology)	3,274	3,905,882	1.51%
China: 6.08% (30 June 2019: 5.90%)				REPUBLIC OF SOUTH KOREA TOTAL		7,863,482	3.05%
Baidu ADR (Communication Services)	37,739	4,770,210	1.85%	Russian Federation: 2.99% (30 June 2019: 2.75%)			
China Mobile ADR (Communication Services)	81,191	3,431,943	1.33%	Lukoil ADR (Energy)	45,297	4,471,267	1.74%
Ping An Insurance (Financials)	399,000	4,715,925	1.83%	Yandex (Communication Services)	73,934	3,215,389	1.25%
Tencent Holdings (Communication Services)	56,800	2,737,841	1.07%	RUSSIAN FEDERATION TOTAL		7,686,656	2.99%
CHINA TOTAL		15,655,919	6.08%	Singapore: 2.55% (30 June 2019: 2.71%)			
Denmark: 0.84% (30 June 2019: 0.86%)				DBS Group (Financials)	340,750	6,556,831	2.55%
Novozymes (Materials)	44,245	2,165,145	0.84%	South Africa: 0.52% (30 June 2019: 1.63%)			
France: 6.76% (30 June 2019: 5.54%)				Sasol (Materials)	61,741	1,337,795	0.52%
Air Liquide (Materials)	18,013	2,549,894	0.99%	Spain: 3.56% (30 June 2019: 4.66%)			
Dassault Systemes (Information Technology)	23,714	3,898,229	1.51%	Amadeus IT Group (Information Technology)	45,100	3,682,856	1.43%
L'Oreal (Consumer Staples)	25,460	7,539,440	2.93%	BBVA (Financials)	979,407	5,474,328	2.13%
Schneider Electric SE (Industrials)	33,345	3,422,383	1.33%	SPAIN TOTAL		9,157,184	3.56%
FRANCE TOTAL		17,409,946	6.76%	Sweden: 5.34% (30 June 2019: 4.74%)			
Germany: 12.66% (30 June 2019: 12.55%)				Alfa Laval (Industrials)	142,244	3,582,544	1.39%
ADIDAS (Consumer Discretionary)	14,105	4,585,094	1.78%	Atlas Copco AB (Industrials)	188,358	7,513,124	2.92%
Allianz (Financials)	31,370	7,685,001	2.98%	Epiroc (Industrials)	218,525	2,667,884	1.03%
Fuchs Petrolub (Pref) (Materials)	29,757	1,473,991	0.57%	SWEDEN TOTAL		13,763,552	5.34%
Infineon Technologies (Information Technology)	325,997	7,426,775	2.89%	Switzerland: 11.64% (30 June 2019: 10.98%)			
SAP ADR (Information Technology)	57,514	7,706,301	2.99%	Lonza Group (Health Care)	12,608	4,601,308	1.79%
Symrise (Materials)	35,340	3,718,315	1.45%	Nestle ADR (Consumer Staples)	86,520	9,366,655	3.63%
GERMANY TOTAL		32,595,477	12.66%	Roche Holding (Health Care)	30,830	10,002,707	3.88%
Hong Kong: 3.29% (30 June 2019: 3.60%)				SGS (Industrials)	939	2,572,111	1.00%
AIA Group (Financials)	807,100	8,472,566	3.29%	Sonova Holding (Health Care)	15,037	3,441,512	1.34%
India: 3.08% (30 June 2019: 3.04%)				SWITZERLAND TOTAL		29,984,293	11.64%
HDFC Bank ADR (Financials)	56,539	3,582,877	1.39%	Taiwan: 4.07% (30 June 2019: 2.92%)			
ICICI Bank ADR (Financials)	287,980	4,345,618	1.69%	Taiwan Semiconductor ADR (Information Technology)	180,555	10,490,245	4.07%
INDIA TOTAL		7,928,495	3.08%	United Kingdom: 7.86% (30 June 2019: 7.49%)			
Israel: 2.42% (30 June 2019: 2.69%)				Diageo (Consumer Staples)	112,347	4,762,819	1.85%
Check Point (Information Technology)	56,123	6,227,408	2.42%	HSBC (Financials)	308,124	2,415,787	0.94%
Japan: 11.44% (30 June 2019: 11.46%)				Rio Tinto (Materials)	41,438	2,471,642	0.96%
Chugai Pharmaceutical (Health Care)	51,500	4,777,691	1.86%	Royal Dutch Shell (Energy)	118,575	3,517,459	1.37%
Dentsu Group (Communication Services)	65,000	2,258,295	0.88%	Standard Chartered PLC (Financials)	337,786	3,187,501	1.23%
Fanuc (Industrials)	12,800	2,394,956	0.93%	Unilever (Consumer Staples)	67,521	3,891,015	1.51%
Keyence (Information Technology)	13,400	4,746,822	1.84%	UNITED KINGDOM TOTAL		20,246,223	7.86%
Komatsu (Industrials)	93,500	2,273,499	0.88%	United States: 3.34% (30 June 2019: 3.42%)			
Kubota (Industrials)	245,600	3,901,391	1.52%	Linde (Materials)	23,958	5,127,500	1.99%
Nitori Holdings (Consumer Discretionary)	1,500	237,794	0.09%				
Shionogi (Health Care)	10,900	678,848	0.26%				
Sysmex (Health Care)	44,998	3,084,903	1.20%				

Harding Loevner Funds plc

International Equity Fund Unaudited Schedule of Investments 31 December 2019 (Continued)

Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
United States (Continued)			
Schlumberger (Energy)	86,644	3,483,089	1.35%
UNITED STATES TOTAL		8,610,589	3.34%
Total transferable securities (30 June 2019: 96.64%)		251,864,280	97.80%
(Cost: USD 212,726,630) (30 June 2019: Cost: USD 202,941,302)			
Cash and cash equivalents (30 June 2019: 3.22%)		5,846,182	2.27%
Other assets and liabilities (30 June 2019: 0.14%)		(189,898)	(0.07%)
Net assets attributable to holders of redeemable participating shares		257,520,564	100.00%
Analysis of total gross assets		% of total gross assets	
Transferable securities admitted to an official stock exchange listing		97.34%	
Cash and cash equivalents		2.26%	
Other assets		0.40%	
		<u>100.00%</u>	

Harding Loevner Funds plc

Emerging Markets Equity Fund Unaudited Schedule of Investments 31 December 2019

Transferable Securities Security Description - Equities	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
Brazil: 7.54% (30 June 2019: 7.99%)				India (Continued)			
Ambev ADR (Consumer Staples)	1,571,269	7,322,114	1.23%	Tata Consultancy Services (Information Technology)	215,701	6,532,543	1.10%
B3 (Financials)	378,000	4,037,751	0.67%	INDIA TOTAL		38,284,053	6.42%
Banco Bradesco ADR (Financials)	1,079,246	9,659,252	1.62%	Indonesia: 3.27% (30 June 2019: 3.40%)			
Itau Unibanco (Pref) ADR (Financials)	912,790	8,352,028	1.40%	Astra International (Consumer Discretionary)	8,517,200	4,248,630	0.71%
Localiza Rent a Car (Industrials)	387,555	4,567,575	0.77%	Bank Central Asia (Financials)	2,726,574	6,564,793	1.10%
Pao de Acucar (Pref) ADR (Consumer Staples)	136,083	2,976,135	0.50%	Bank Rakyat (Financials)	27,380,225	8,678,047	1.46%
WEG (Industrials)	936,390	8,068,033	1.35%	INDONESIA TOTAL		19,491,470	3.27%
BRAZIL TOTAL		44,982,888	7.54%	Italy: 0.95% (30 June 2019: 1.20%)			
Chile: 0.33% (30 June 2019: 0.47%)				Tenaris ADR (Energy)	250,114	5,662,581	0.95%
Banco Santander Chile ADR (Financials)	85,973	1,983,397	0.33%	Kenya: 1.29% (30 June 2019: 1.26%)			
China: 26.95% (30 June 2019: 24.00%)				East African Breweries (Consumer Staples)	652,359	1,277,684	0.21%
51job ADR (Industrials)	89,928	7,634,887	1.28%	Safaricom (Communication Services)	20,630,090	6,411,917	1.08%
AAC Technologies (Information Technology)	443,500	3,870,231	0.65%	KENYA TOTAL		7,689,601	1.29%
Alibaba Group Holding ADR (Consumer Discretionary)	134,714	28,572,839	4.79%	Mexico: 4.44% (30 June 2019: 4.54%)			
Autohome ADR (Communication Services)	52,941	4,235,809	0.71%	FEMSA ADR (Consumer Staples)	58,881	5,564,843	0.93%
Baidu ADR (Communication Services)	45,484	5,749,178	0.96%	GF Banorte (Financials)	1,333,570	7,451,629	1.25%
CNOOC ADR (Energy)	48,523	8,087,329	1.36%	Grupo Aeroportuario del Sureste ADR (Industrials)	35,912	6,729,550	1.13%
CSPC Pharmaceutical Group (Health Care)	2,078,000	4,954,794	0.83%	Wal-Mart de Mexico (Consumer Staples)	2,357,900	6,752,891	1.13%
ENN Energy (Utilities)	1,136,265	12,416,484	2.08%	MEXICO TOTAL		26,498,913	4.44%
Hangzhou Hikvision Digital Tec (China A) (Information Technology)	1,529,093	7,191,390	1.20%	Panama: 1.01% (30 June 2019: 0.99%)			
JD.com ADR (Consumer Discretionary)	74,014	2,607,513	0.44%	Copa Holdings (Industrials)	55,970	6,049,238	1.01%
Jiangsu Yanghe Brewery (Consumer Staples)	337,300	5,354,007	0.90%	Peru: 1.12% (30 June 2019: 1.31%)			
Midea Group (China A) (Consumer Discretionary)	1,034,587	8,656,917	1.45%	Credicorp (Financials)	31,431	6,698,889	1.12%
Ping An Insurance (Financials)	873,000	10,318,301	1.73%	Republic of South Korea: 9.34% (30 June 2019: 8.96%)			
SF Holding Co (Industrials)	643,200	3,436,153	0.58%	Amorepacific (Consumer Staples)	29,144	5,040,253	0.85%
Shenzhen (Consumer Discretionary)	431,550	6,307,964	1.06%	Conway (Consumer Discretionary)	71,541	5,759,408	0.97%
Sino Biopharmaceutical (Health Care)	1,684,440	2,356,223	0.39%	Hankook Tire (Consumer Discretionary)	177,674	5,154,535	0.86%
Sunny Optical (Information Technology)	475,100	8,224,913	1.38%	LG Household & Health Care (Consumer Staples)	9,710	10,587,842	1.77%
Tencent Holdings (Communication Services)	539,250	25,992,621	4.36%	Samsung Electronics (Pref) GDR Reg S (Information Technology)	5,629	5,460,130	0.91%
Trip.com ADR (Consumer Discretionary)	81,145	2,721,603	0.45%	Samsung Electronics (Voting) GDR Reg S (Information Technology)	19,910	23,752,630	3.98%
Weibo ADR (Communication Services)	45,044	2,087,789	0.35%	REPUBLIC OF SOUTH KOREA TOTAL		55,754,798	9.34%
CHINA TOTAL		160,776,945	26.95%	Russian Federation: 8.62% (30 June 2019: 8.71%)			
Colombia: 1.22% (30 June 2019: 1.23%)				Lukoil ADR (Energy)	171,946	16,972,790	2.85%
Bancolombia (Pref) ADR (Financials)	132,869	7,279,892	1.22%	NovaTek GDR Reg S (Energy)	70,085	14,227,255	2.38%
Czech Republic: 0.83% (30 June 2019: 0.98%)				Sberbank ADR (Financials)	982,624	16,154,338	2.71%
Komerční Banka (Financials)	134,972	4,938,642	0.83%	Yandex (Communication Services)	93,593	4,070,360	0.68%
Egypt: 0.82% (30 June 2019: 0.74%)				RUSSIAN FEDERATION TOTAL		51,424,743	8.62%
Commercial International Bank GDR (Financials)	962,067	4,906,542	0.82%	South Africa: 2.60% (30 June 2019: 4.49%)			
Hong Kong: 6.55% (30 June 2019: 7.77%)				Discovery Holdings (Financials)	559,744	4,820,928	0.81%
AIA Group (Financials)	1,490,600	15,647,637	2.62%	Sasol (Materials)	179,447	3,888,232	0.65%
ASM Pacific Technology (Information Technology)	340,029	4,717,110	0.79%	Standard Bank (Financials)	566,160	6,803,945	1.14%
Sands China (Consumer Discretionary)	2,215,300	11,840,823	1.98%	SOUTH AFRICA TOTAL		15,513,105	2.60%
Techtronic (Industrials)	846,500	6,903,619	1.16%	Taiwan: 8.35% (30 June 2019: 6.98%)			
HONG KONG TOTAL		39,109,189	6.55%	Eclat (Consumer Discretionary)	517,273	6,954,032	1.16%
India: 6.42% (30 June 2019: 5.75%)				Hon Hai Precision (Information Technology)	984,568	2,982,246	0.50%
HDFC Corp (Financials)	465,399	15,730,281	2.64%				
Kotak Mahindra Bank (Financials)	380,329	8,974,835	1.50%				
Maruti Suzuki India (Consumer Discretionary)	68,257	7,046,394	1.18%				

Harding Loevner Funds plc

Emerging Markets Equity Fund Unaudited Schedule of Investments 31 December 2019 (Continued)

Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
Taiwan (Continued)			
Largan Precision (Information Technology)	41,000	6,838,576	1.15%
Taiwan Semiconductor (Information Technology)	2,993,465	33,053,238	5.54%
TAIWAN TOTAL		49,828,092	8.35%
Thailand: 1.35% (30 June 2019: 1.63%)			
Siam Commercial Bank (Financials)	1,969,900	8,023,296	1.35%
United Arab Emirates: 0.64% (30 June 2019: 1.13%)			
DP World (Industrials)	292,657	3,833,807	0.64%
United Kingdom: 1.69% (30 June 2019: 1.86%)			
Bank of Georgia (Financials)	74,623	1,606,241	0.27%
Coca-Cola HBC (Consumer Staples)	249,481	8,476,365	1.42%
UNITED KINGDOM TOTAL		10,082,606	1.69%
United States: 1.81% (30 June 2019: 1.60%)			
EPAM Systems (Information Technology)	50,930	10,805,309	1.81%
Total transferable securities (30 June 2019: 96.99%)		579,617,996	97.14%
(Cost: USD 451,613,400) (30 June 2019: Cost: USD 496,932,351)			
Cash and cash equivalents (30 June 2019: 2.75%)		17,727,246	2.97%
Other assets and liabilities (30 June 2019: 0.26%)		(683,863)	(0.11%)
Net assets attributable to holders of redeemable participating shares		596,661,379	100.00%
Analysis of total gross assets			
Transferable securities admitted to an official stock exchange listing			96.71%
Cash and cash equivalents			2.96%
Other assets			0.33%
			100.00%

Harding Loevner Funds plc

Global Small Companies Equity Fund Unaudited Schedule of Investments 31 December 2019

Transferable Securities Security Description - Equities	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
Argentina: 0.93% (30 June 2019: 1.20%)				Japan: 18.23% (30 June 2019: 18.11%)			
Globant (Information Technology)	106	11,241	0.93%	ABC-Mart (Consumer Discretionary)	300	20,542	1.70%
Bangladesh: 0.29% (30 June 2019: 0.40%)				Ariake Japan (Consumer Staples)	300	22,447	1.86%
Square Pharmaceuticals (Health Care)	1,547	3,463	0.29%	Cosmos Pharmaceutical (Consumer Staples)	100	20,763	1.72%
Canada: 2.07% (30 June 2019: 1.81%)				FINDEX (Health Care)	500	6,231	0.51%
Kinaxis (Information Technology)	325	25,033	2.07%	Infomart (Information Technology)	1,400	12,692	1.05%
China: 1.29% (30 June 2019: 1.59%)				Kakaku.com (Communication Services)	200	5,141	0.42%
51job ADR (Industrials)	112	9,509	0.79%	Macromill (Communication Services)	1,500	14,496	1.20%
Haitian (Industrials)	2,500	6,057	0.50%	Misumi Group (Industrials)	750	18,789	1.56%
CHINA TOTAL		15,566	1.29%	MonotaRO (Industrials)	350	9,415	0.78%
Denmark: 2.96% (30 June 2019: 0.00%)				Nakanishi (Health Care)	800	15,329	1.27%
Ambu (Health Care)	985	16,516	1.37%	Nihon M&A Center Inc (Industrials)	600	20,791	1.72%
SimCorp (Information Technology)	169	19,216	1.59%	Nomura Research Institute (Information Technology)	400	8,607	0.71%
DENMARK TOTAL		35,732	2.96%	Pigeon (Consumer Staples)	300	11,086	0.92%
Finland: 0.94% (30 June 2019: 1.49%)				Rinnai (Consumer Discretionary)	100	7,869	0.65%
Nokian Renkaat (Consumer Discretionary)	112	3,220	0.27%	SMS (Industrials)	200	5,568	0.46%
Vaisala (Information Technology)	229	8,156	0.67%	Stanley Electric (Consumer Discretionary)	200	5,853	0.49%
FINLAND TOTAL		11,376	0.94%	Sugi (Consumer Staples)	200	10,602	0.87%
France: 4.63% (30 June 2019: 4.70%)				Yume No Machi Souzou Linka (Consumer Discretionary)	400	4,149	0.34%
Alten (Information Technology)	192	24,229	2.00%	JAPAN TOTAL		220,370	18.23%
Chargeurs SA (Consumer Discretionary)	250	4,846	0.40%	Kenya: 0.42% (30 June 2019: 0.45%)			
IPSOS (Communication Services)	99	3,215	0.27%	East African Breweries (Consumer Staples)	2,600	5,092	0.42%
LISI (Industrials)	211	7,112	0.59%	Mexico: 1.65% (30 June 2019: 1.89%)			
Rubis (Utilities)	269	16,520	1.37%	Grupo Herdez (Consumer Staples)	6,300	12,519	1.04%
FRANCE TOTAL		55,922	4.63%	Megacable Holdings (Communication Services)	1,800	7,372	0.61%
Germany: 8.12% (30 June 2019: 8.32%)				MEXICO TOTAL		19,891	1.65%
Bechtle (Information Technology)	142	19,942	1.65%	Netherlands: 0.57% (30 June 2019: 1.24%)			
Carl Zeiss Meditec (Health Care)	131	16,707	1.38%	ASM International (Information Technology)	61	6,853	0.57%
Fuchs Petrolub (Materials)	408	18,283	1.51%	Nigeria: 0.27% (30 June 2019: 0.31%)			
Nemetschek (Information Technology)	161	10,619	0.88%	Zenith Bank (Financials)	62,642	3,210	0.27%
Rational (Industrials)	18	14,477	1.20%	Norway: 0.89% (30 June 2019: 1.00%)			
STRATEC Biomedical (Health Care)	134	9,169	0.76%	Tomra Systems (Industrials)	341	10,813	0.89%
Symrise (Materials)	85	8,943	0.74%	Peru: 0.44% (30 June 2019: 0.54%)			
GERMANY TOTAL		98,140	8.12%	Alicorp (Consumer Staples)	1,914	5,315	0.44%
Hong Kong: 1.35% (30 June 2019: 1.07%)				Philippines: 0.00% (30 June 2019: 0.69%)			
Vitasoy International (Consumer Staples)	4,500	16,314	1.35%	Republic of South Korea: 1.09% (30 June 2019: 1.21%)			
Indonesia: 0.53% (30 June 2019: 0.49%)				Cheil Worldwide (Communication Services)	257	5,345	0.44%
Sarana Menara Nusantara (Communication Services)	109,900	6,373	0.53%	Conway (Consumer Discretionary)	70	5,635	0.47%
Israel: 0.44% (30 June 2019: 0.53%)				Hankook Tire (Consumer Discretionary)	76	2,205	0.18%
CyberArk (Information Technology)	46	5,363	0.44%	REPUBLIC OF SOUTH KOREA TOTAL		13,185	1.09%
Italy: 3.15% (30 June 2019: 3.07%)				South Africa: 1.54% (30 June 2019: 1.79%)			
DiaSorin (Health Care)	144	18,640	1.54%	Discovery Holdings (Financials)	2,159	18,595	1.54%
Fineco (Financials)	912	10,936	0.91%	Sweden: 3.48% (30 June 2019: 2.81%)			
Reply (Information Technology)	109	8,491	0.70%	Alfa Laval (Industrials)	175	4,407	0.36%
ITALY TOTAL		38,067	3.15%	Intrum Justitia (Industrials)	409	12,201	1.01%
				Paradox Interactive (Communication Services)	315	5,045	0.42%
				Thule Group AB (Consumer Discretionary)	887	20,455	1.69%
				SWEDEN TOTAL		42,108	3.48%

Harding Loevner Funds plc

Global Small Companies Equity Fund Unaudited Schedule of Investments 31 December 2019 (Continued)

Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
Switzerland: 2.33% (30 June 2019: 3.33%)				United States (Continued)			
Bossard (Industrials)	48	8,665	0.72%	SVB Financial Group (Financials)	45	11,297	0.93%
LEM Holding (Information Technology)	8	11,771	0.97%	Synopsys (Information Technology)	94	13,085	1.08%
Temenos Group AG (Information Technology)	49	7,756	0.64%	UNITED STATES TOTAL		352,136	29.14%
SWITZERLAND TOTAL		28,192	2.33%	Vietnam: 0.31% (30 June 2019: 0.33%)			
Taiwan: 2.55% (30 June 2019: 3.35%)				Hoa Phat Group (Materials)	3,640	3,691	0.31%
Advantech (Information Technology)	1,000	10,074	0.84%	Total transferable securities			
Eclat (Consumer Discretionary)	1,000	13,444	1.11%			1,204,985	99.71%
Silergy (Information Technology)	230	7,289	0.60%	(Cost: USD 1,027,370) (30 June 2019: Cost: USD 993,982)			
TAIWAN TOTAL		30,807	2.55%	(30 June 2019: 99.51%)			
Turkey: 0.56% (30 June 2019: 0.51%)				Cash and cash equivalents (30 June 2019: 1.64%)		44,850	3.71%
Anadolu Hayat Emeklilik (Financials)	2,389	2,747	0.23%	Other assets and liabilities (30 June 2019: (1.15%))			
Ulker Biskuvi Sanayi (Consumer Staples)	1,076	4,044	0.33%			(41,343)	(3.42%)
TURKEY TOTAL		6,791	0.56%	Net assets attributable to holders of redeemable participating shares			
Ukraine: 0.48% (30 June 2019: 0.57%)						1,208,492	100.00%
Kernel (Consumer Staples)	491	5,856	0.48%	Analysis of total gross assets			
United Arab Emirates: 0.18% (30 June 2019: 0.19%)				% total gross assets			
Agthia Group (Consumer Staples)	2,160	2,117	0.18%	Transferable securities admitted to an official stock exchange listing			95.34%
United Kingdom: 8.88% (30 June 2019: 9.26%)				Cash and cash equivalents			3.55%
Abcam (Health Care)	1,361	24,374	2.02%	Other assets			1.11%
Bank of Georgia (Financials)	356	7,663	0.63%				<u>100.00%</u>
Clarkson (Industrials)	98	3,927	0.33%				
Dechra Pharmaceuticals (Health Care)	451	17,325	1.43%				
EMIS Group (Health Care)	376	5,518	0.46%				
Rathbone Bros (Financials)	351	9,903	0.82%				
Rightmove (Communication Services)	1,824	15,308	1.26%				
Senior (Industrials)	2,052	4,699	0.39%				
Signature Aviation (Industrials)	1,105	4,643	0.38%				
Spirax-Sarco Engineering (Industrials)	119	14,013	1.16%				
UNITED KINGDOM TOTAL		107,373	8.88%				
United States: 29.14% (30 June 2019: 27.26%)							
Allegion (Industrials)	64	7,971	0.66%				
Altair Engineering (Information Technology)	539	19,356	1.60%				
BorgWarner (Consumer Discretionary)	385	16,701	1.38%				
Cable One (Communication Services)	5	7,442	0.62%				
Cognex (Information Technology)	370	20,735	1.72%				
Copart (Industrials)	135	12,277	1.02%				
Core Laboratories (Energy)	379	14,277	1.18%				
Elanco Animal Health (Health Care)	169	4,977	0.41%				
EnerSys (Industrials)	360	26,939	2.23%				
EPAM Systems (Information Technology)	30	6,365	0.53%				
Exponent (Industrials)	175	12,077	1.00%				
Gartner (Information Technology)	63	9,708	0.80%				
Guidewire Software (Information Technology)	246	27,003	2.24%				
Healthcare Services Group (Industrials)	682	16,586	1.37%				
HEICO (Industrials)	67	7,648	0.63%				
Helmerich & Payne (Energy)	227	10,313	0.85%				
IPG Photonics (Information Technology)	97	14,057	1.16%				
Kansas City Southern (Industrials)	39	5,973	0.50%				
Lazard (Financials)	211	8,431	0.70%				
LeMaitre Vascular (Health Care)	251	9,023	0.75%				
Proto Labs (Industrials)	133	13,506	1.12%				
Reinsurance Group of America (Financials)	35	5,707	0.47%				
Repligen (Health Care)	107	9,898	0.82%				
Rollins (Industrials)	216	7,163	0.59%				
Sensata (Industrials)	122	6,572	0.54%				
Signature Bank (Financials)	198	27,049	2.24%				

Harding Loevner Funds plc

Global Equity Fund Unaudited Significant Purchases & Sales 31 December 2019

Significant Purchases			Significant Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
Vertex Pharmaceuticals	104,804	18,574,126	Amazon.com	8,941	15,743,909
Trip.com	434,408	15,482,252	M3	591,500	14,618,305
Salesforce.com	69,442	10,726,374	Grifols (Pref)	598,933	12,803,868
Workday	63,474	10,504,119	EssilorLuxottica	80,608	11,708,123
Nidec	77,200	10,300,233	ZOZO	445,400	10,103,079
Alcon	171,213	10,164,635	Wuxi Biologics	1,049,000	9,921,467
Network International	1,517,184	10,162,639	Roper	26,934	9,832,409
Baidu ADR	98,194	10,160,907	MonotaRO	344,900	9,488,207
Shiseido	121,900	9,846,785	Check Point	84,793	9,173,726
Colgate-Palmolive	103,419	6,921,968	IPG Photonics	62,097	8,844,133
Abcam	356,108	5,113,332	Verisk Analytics	49,966	7,500,465
SVB Financial Group	14,037	2,717,762	Naspers	41,954	6,034,358
PayPal	13,601	1,459,560	PayPal	42,856	4,647,843
Roper	2,864	1,010,326	Intrum Justitia	159,123	4,252,140
AIA Group	94,800	954,258	Vertex Pharmaceuticals	15,638	3,399,621
Booking Holdings	489	928,437	Alphabet	2,483	3,347,941
Alphabet	788	903,081	First Republic Bank	27,155	3,133,117
Verisk Analytics	5,783	887,603	AIA Group	298,400	3,101,895
EssilorLuxottica	5,863	844,206	Booking Holdings	1,541	3,078,165
M3	38,800	836,630	Prosus	41,954	2,919,198
			Mastercard	8,975	2,642,356
			Lonza Group	7,116	2,509,497
			Symrise	24,621	2,461,394
			Apple Inc	8,782	2,435,428

The above represents aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases/sales that exceed 1 per cent during the period the largest 20 purchases/sales are disclosed.

Harding Loevner Funds plc

International Equity Fund Unaudited Significant Purchases & Sales 31 December 2019

Significant Purchases Security Description	Nominal	Base Cost USD	Significant Sales Security Description	Nominal	Base Proceeds USD
Schneider Electric SE	36,345	3,302,369	M3	245,202	5,942,422
Standard Chartered PLC	337,786	3,094,016	Nestle ADR	14,082	1,512,903
Unicharm	83,000	2,662,428	Naspers	10,109	1,499,591
Roche Holding	9,620	2,638,130	Roche Holding	4,916	1,424,457
Baidu ADR	15,263	1,853,504	Taiwan Semiconductor	29,364	1,400,332
Nestle ADR	14,830	1,564,897	Grifols	43,526	1,391,535
AIA Group	138,600	1,554,235	AIA Group	130,800	1,269,215
Taiwan Semiconductor	31,285	1,365,169	Grifols (Pref) ADR	57,916	1,238,294
Allianz	5,393	1,309,756	Allianz	5,093	1,202,656
SAP	10,006	1,277,844	SAP	9,370	1,184,025
Infineon Technologies	67,135	1,245,008	L'Oreal	4,142	1,115,407
L'Oreal	4,393	1,244,502	Atlas Copco AB	31,204	1,023,134
DBS Group	59,000	1,150,473	DBS Group	55,800	1,020,218
Check Point	9,734	1,137,601	Check Point	9,198	1,019,573
Atlas Copco AB	33,435	1,025,120	Infineon Technologies	52,965	1,002,051
BBVA	172,086	940,146	BBVA	162,915	840,502
Ping An Insurance	71,000	865,824	Linde	3,957	772,392
Linde	4,186	849,800	Ping An Insurance	67,000	769,542
Diageo	19,221	823,181	Lonza Group	2,111	752,397
Canadian National Railway	8,814	815,336	Canadian National Railway	8,348	751,483
Unilever	11,885	757,120	Diageo	17,342	706,998
Lonza Group	2,208	753,977	ADIDAS	2,320	697,663
ADIDAS	2,261	717,898	Unilever	11,460	685,616
Shionogi	10,900	667,586	Chugai Pharmaceutical	8,600	678,161
Keyence	1,100	665,448	Prosus	9,540	663,862
Ambev ADR	136,195	656,586	Lukoil ADR	7,533	649,022
Kubota	41,700	653,322	Kubota	42,000	642,308
Lukoil ADR	7,758	643,944	Ambev ADR	139,933	618,697
China Mobile	14,355	641,732	Keyence	1,000	596,372
Royal Dutch Shell	19,685	628,905	Dassault Systemes	4,006	591,986
M3	32,700	621,251	China Mobile	14,362	589,206
Chugai Pharmaceutical	9,000	613,456	Symrise	5,987	565,164
Dassault Systemes	3,969	609,117	ICICI Bank ADR	44,407	548,029
Amadeus IT Group	7,177	583,238	Sonova Holding	2,340	537,315
ICICI Bank ADR	46,566	569,111	Royal Dutch Shell	18,453	536,207
Symrise	5,949	555,021	Amadeus IT Group	7,019	520,532
HDFC Bank	4,352	553,096	Samsung Electronics (Pref) GDR Reg S	635	516,439
Schlumberger	13,890	538,793	Samsung Electronics (Voting) GDR Reg S	510	514,666
Sonova Holding	2,315	528,808	HDFC Bank	6,960	505,760
			Dentsu	13,600	476,530

The above represents aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases/sales that exceed 1 per cent during the period the largest 20 purchases/sales are disclosed.

Harding Loevner Funds plc

Emerging Markets Equity Fund Unaudited Significant Purchases & Sales 31 December 2019

Significant Purchases			Significant Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
Jiangsu Yanghe Brewery	274,585	4,785,895	Hong Kong Exchanges	258,669	7,644,715
SF Holding Co	643,200	3,563,395	Taiwan Semiconductor	610,000	5,478,624
Ambev ADR	504,718	2,299,287	Naspers	27,845	4,370,330
Ping An Insurance	183,500	2,113,367	Raia Drogasil	163,300	3,572,813
Baidu ADR	20,062	2,058,462	Tencent Holdings	76,700	3,556,343
Alibaba Group Holding	11,969	2,049,676	Alibaba Group Holding	18,088	3,152,581
HDFC Corp	61,259	1,855,421	Samsung Electronics (Voting) GDR Reg S	2,826	2,777,552
Techtronic	246,500	1,757,870	Han's Laser Technology (China A)	646,685	2,629,911
Maruti Suzuki India	16,442	1,593,975	AIA Group	213,200	2,307,240
Kotak Mahindra Bank	61,369	1,367,023	Sberbank GDR	139,673	2,099,350
Amorepacific	7,578	1,253,164	NovaTek GDR Reg S	9,962	2,081,261
Localiza Rent a Car	81,800	916,737	Lukoil ADR	24,441	1,996,624
Taiwan Semiconductor	110,000	880,029	HDFC Corp	59,515	1,907,654
Tata Consultancy Services	29,917	873,310	WEG	299,900	1,861,796
Coca-Cola HBC	23,847	803,919	Emaar	1,440,095	1,850,346
Tencent Holdings	18,800	785,608	Prosus	24,394	1,699,272
Grupo Aeroportuario del Sureste ADR	5,369	780,811	ENN Energy	162,000	1,646,403
Samsung Electronics (Voting) GDR Reg S	717	647,987	Sands China	310,800	1,580,322
Sands China	108,800	519,871	Banco Bradesco ADR	154,280	1,521,949
AIA Group	52,000	501,907	LG Household & Health Care	1,380	1,443,626
NovaTek GDR Reg S	2,437	462,055	EPAM Systems	7,205	1,423,207
Lukoil ADR	5,979	455,674	Itau Unibanco (Pref) ADR	129,747	1,260,548
Sberbank GDR	34,170	452,911	Bank Rakyat	3,891,700	1,240,285
			Siam Commercial Bank	280,000	1,237,833
			Ping An Insurance	102,000	1,234,211
			CNOOC ADR	6,897	1,164,744
			Midea Group (China A)	147,100	1,153,724
			Coca-Cola HBC	33,069	1,142,138
			Localiza Rent a Car	94,800	1,080,968
			Sunny Optical	84,400	1,064,144
			Standard Bank	80,470	1,052,710
			Credicorp	4,468	1,038,601
			51job ADR	12,783	1,031,109
			Kotak Mahindra Bank	46,972	1,021,727
			GF Banorte	189,500	996,951

The above represents aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases/sales that exceed 1 per cent during the period the largest 20 purchases/sales are disclosed.

Harding Loevner Funds plc

Global Small Companies Equity Fund Unaudited Significant Purchases & Sales 31 December 2019

Significant Purchases			Significant Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
Altair Engineering	539	18,836	ZOZO	500	11,651
Ambu	985	16,613	EPAM Systems	63	11,505
SimCorp	169	15,130	Silergy	380	9,350
Proto Labs	133	13,631	ASM International	101	9,168
Vitasoy International	2,000	8,391	HEICO	69	8,787
Repligen	107	8,184	LEM Holding	7	8,447
Nemetschek	161	8,085	Vaisala	300	7,516
LeMaitre Vascular	251	8,072	Carl Zeiss Meditec	60	6,987
Thule Group AB	405	7,692	Intl Container Terminal Services	2,690	6,495
Core Laboratories	120	5,397	STRATEC Biomedical	78	5,926
Discovery Holdings	513	4,132	Rational	8	5,698
Macromill	400	3,316	Bechtel	53	5,418
Guidewire Software	24	2,822	Kakaku.com	200	4,928
Misumi Group	100	2,620	Advantech	500	4,518
Healthcare Services Group	108	2,594	Haitian	2,000	3,945
Fuchs Petrolub	71	2,526	Reinsurance Group of America	22	3,526
Nomura Research Institute	100	2,168	Globant	27	2,949
			Brunel International	229	2,550
			Cable One	2	2,472
			Tiger Brands	162	2,320

The above represents aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the period or aggregate disposals greater than 1 per cent of the total value of sales. If there were fewer than 20 purchases/sales that exceed 1 per cent during the period the largest 20 purchases/sales are disclosed.

Harding Loevner Funds plc

Unaudited Statement of Financial Position

As at 31 December 2019

		Harding Loevner Global Equity Fund As at 31 December 2019	Harding Loevner International Equity Fund As at 31 December 2019	Harding Loevner Emerging Markets Equity Fund As at 31 December 2019	Harding Loevner Global Small Companies Equity Fund As at 31 December 2019	Harding Loevner Funds plc Total As at 31 December 2019
	Notes					
Current assets						
Financial assets at fair value through profit or loss	2,4,13	967,141,549	251,864,280	579,617,996	1,204,985	1,799,828,810
Cash and cash equivalents	2,5	45,790,553	5,846,182	17,735,454	44,850	69,417,039
Receivables	6	622,097	1,045,227	1,988,856	14,041	3,670,221
Total current assets		1,013,554,199	258,755,689	599,342,306	1,263,876	1,872,916,070
Financial liabilities not at fair value through profit or loss						
Creditors (amounts falling due within one year)	3,8	648,129	1,235,125	2,672,719	55,384	4,611,357
Bank Overdraft		—	—	8,208	—	8,208
Total liabilities excluding net assets attributable to holders of redeemable participating shares		648,129	1,235,125	2,680,927	55,384	4,619,565
Net assets attributable to holders of redeemable participating shares	15	1,012,906,070	257,520,564	596,661,379	1,208,492	1,868,296,505

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Financial Position

As at 31 December 2019 (Continued)

		Harding Loevner Global Equity Fund As at 31 December 2019	Harding Loevner International Equity Fund As at 31 December 2019	Harding Loevner Emerging Markets Equity Fund As at 31 December 2019	Harding Loevner Global Small Companies Equity Fund As at 31 December 2019
Redeemable participating shares in issue at period end	Notes				
Euro Class A	10	51,920,984.681	—	—	—
Sterling Class A	10	25,533,395.541	1,031,603.365	—	—
Sterling Class B	10	99,000.000	—	—	—
US Dollar Class B	10	3,013,327.318	6,345,409.815	4,365,897.958	—
US Dollar Class D	10	443,438.374	—	—	—
US Dollar Class I	10	—	—	98,817,574.656	—
Euro Class I	10	—	—	81,140,182.086	—
US Dollar Class S1	10	156,725,341.964	—	—	—
Canadian Dollar Class I	10	—	—	145,824,614.180	—
Euro Class M	10	61,072,803.997	—	—	—
Euro Class S	10	49,036,016.107	—	—	—
Sterling Class S	10	167,117,012.342	—	—	—
US Dollar Class A	10	34,463,563.313	39,442,211.437	41,732,037.519	1,000,000.000
Canadian Dollar Class M	10	—	—	72,215,000.000	—
Singapore Dollar Class M	10	69,491,829.620	—	—	—
US Dollar Class S	10	44,177,462.060	154,758,469.166	—	—
Canadian Dollar Class S	10	35,500,000.000	—	—	—
Net Asset Value per redeemable participating share					
Euro Class A	14	EUR 2.100	—	—	—
Euro Class A USD equivalent	14	USD 2.355	—	—	—
Sterling Class A	14	GBP 1.774	GBP 1.738	—	—
Sterling Class A USD equivalent	14	USD 2.349	USD 2.302	—	—
Sterling Class B	14	GBP 1.077	—	—	—
Sterling Class B USD equivalent	14	USD 1.427	—	—	—
US Dollar Class B	14	USD 1.093	USD 1.453	USD 1.300	—
US Dollar Class D	14	USD 1.111	—	—	—
US Dollar Class I	14	—	—	USD 1.369	—
Euro Class I	14	—	—	EUR 1.274	—

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Financial Position

As at 31 December 2019 (Continued)

		Harding Loevner Global Equity Fund As at 31 December 2019	Harding Loevner International Equity Fund As at 31 December 2019	Harding Loevner Emerging Markets Equity Fund As at 31 December 2019	Harding Loevner Global Small Companies Equity Fund As at 31 December 2019
	Notes				
Net Asset Value per redeemable participating share					
Euro Class I USD equivalent	14	—	—	USD 1.429	—
US Dollar Class S1	14	USD 1.082	—	—	—
Canadian Dollar Class I	14	—	—	CAD 1.721	—
Canadian Dollar Class I USD equivalent	14	—	—	USD 1.325	—
Euro Class M	14	EUR 1.204	—	—	—
Euro Class M USD equivalent	14	USD 1.350	—	—	—
Euro Class S	14	EUR 1.164	—	—	—
Euro Class S USD equivalent	14	USD 1.306	—	—	—
Sterling Class S	14	GBP 1.186	—	—	—
Sterling Class S USD equivalent	14	USD 1.571	—	—	—
US Dollar Class A	14	USD 2.358	USD 1.459	USD 1.473	USD 1.229
Canadian Dollar Class M	14	—	—	CAD 1.529	—
Canadian Dollar Class M USD equivalent	14	—	—	USD 1.177	—
Singapore Dollar Class M	14	SGD 1.608	—	—	—
Singapore Dollar Class M USD equivalent	14	USD 1.195	—	—	—
US Dollar Class S	14	USD 1.201	USD 1.217	—	—
Canadian Dollar Class S	14	CAD 1.120	—	—	—
Canadian Dollar Class S USD equivalent	14	USD 0.862	—	—	—

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

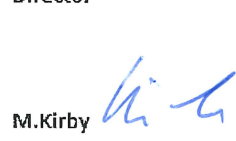
Director



J. Cleary

24 February 2020

Director



M. Kirby

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Statement of Financial Position

As at 30 June 2019

		Harding Loevner Global Equity Fund As at 30 June 2019	Harding Loevner International Equity Fund As at 30 June 2019	Harding Loevner Emerging Markets Equity Fund As at 30 June 2019	Harding Loevner Global Small Companies Equity Fund As at 30 June 2019	Harding Loevner Funds plc Total As at 30 June 2019
	Notes					
Current assets						
Financial assets at fair value through profit or loss	2,4,13	955,370,437	231,243,807	591,281,110	1,113,402	1,779,008,756
Cash and cash equivalents	2,5	40,633,643	7,708,263	16,741,085	18,345	65,101,336
Receivables	6	2,583,911	1,127,110	3,386,166	5,566	7,102,753
Total current assets		998,587,991	240,079,180	611,408,361	1,137,313	1,851,212,845
Financial liabilities not at fair value through profit or loss						
Creditors (amounts falling due within one year)	3,8	1,839,193	803,275	1,758,796	18,441	4,419,705
Total liabilities excluding net assets attributable to holders of redeemable participating shares		1,839,193	803,275	1,758,796	18,441	4,419,705
Net assets attributable to holders of redeemable participating shares	15	996,748,798	239,275,905	609,649,565	1,118,872	1,846,793,140

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Statement of Financial Position

As at 30 June 2019 (Continued)

		Harding Loevner Global Equity Fund As at 30 June 2019	Harding Loevner International Equity Fund As at 30 June 2019	Harding Loevner Emerging Markets Equity Fund As at 30 June 2019	Harding Loevner Global Small Companies Equity Fund As at 30 June 2019
Redeemable participating shares in issue at financial year end	Notes				
Euro Class A	10	47,720,263.794	—	—	—
Sterling Class A	10	50,439,870.474	1,611,803.998	—	—
Sterling Class B	10	99,000.000	—	—	—
US Dollar Class B	10	1,265,065.414	8,082,301.077	5,150,068.344	—
US Dollar Class D	10	470,500.513	—	—	—
US Dollar Class I	10	—	—	98,817,574.656	—
Euro Class I	10	—	—	81,140,182.086	—
US Dollar Class S1	10	156,725,341.964	—	—	—
Canadian Dollar Class I	10	—	—	132,640,698.557	—
Euro Class M	10	61,072,803.997	—	—	—
Euro Class S	10	52,523,826.776	—	—	—
Sterling Class S	10	202,788,813.837	—	—	—
Sterling Class M	10	—	—	52,485,751.570	—
US Dollar Class A	10	31,288,577.157	51,051,340.518	39,271,363.180	1,000,000.000
Canadian Dollar Class M	10	—	—	72,215,000.000	—
Singapore Dollar Class M	10	69,491,829.620	—	—	—
US Dollar Class S	10	49,952,866.483	137,582,470.500	—	—
Net Asset Value per redeemable participating share					
Euro Class A	14	EUR 1.895	—	—	—
Euro Class A USD equivalent	14	USD 2.155	—	—	—
Sterling Class A	14	GBP 1.697	GBP 1.715	—	—
Sterling Class A USD equivalent	14	USD 2.156	USD 2.178	—	—
Sterling Class B	14	GBP 1.031	—	—	—
Sterling Class B USD equivalent	14	USD 1.309	—	—	—
US Dollar Class B	14	USD 1.001	USD 1.356	USD 1.203	—
US Dollar Class D	14	USD 1.021	—	—	—
US Dollar Class I	14	—	—	USD 1.263	—
Euro Class I	14	—	—	EUR 1.160	—

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Statement of Financial Position

As at 30 June 2019 (Continued)

		Harding Loevner Global Equity Fund As at 30 June 2019	Harding Loevner International Equity Fund As at 30 June 2019	Harding Loevner Emerging Markets Equity Fund As at 30 June 2019	Harding Loevner Global Small Companies Equity Fund As at 30 June 2019
Net Asset Value per redeemable participating share	Notes				
Euro Class I USD equivalent	14	–	–	USD 1.319	–
US Dollar Class S1	14	USD 0.989	–	–	–
Canadian Dollar Class I	14	–	–	CAD 1.601	–
Canadian Dollar Class I USD equivalent	14	–	–	USD 1.223	–
Euro Class M	14	EUR 1.086	–	–	–
Euro Class M USD equivalent	14	USD 1.235	–	–	–
Euro Class S	14	EUR 1.046	–	–	–
Euro Class S USD equivalent	14	USD 1.190	–	–	–
Sterling Class S	14	GBP 1.135	–	–	–
Sterling Class S USD equivalent	14	USD 1.441	–	–	–
Sterling Class M	14	–	–	GBP 1.162	–
Sterling Class M USD equivalent	14	–	–	USD 1.476	–
US Dollar Class A	14	USD 2.157	USD 1.359	USD 1.361	USD 1.119
Canadian Dollar Class M	14	–	–	CAD 1.424	–
Canadian Dollar Class M USD equivalent	14	–	–	USD 1.087	–
Singapore Dollar Class M	14	SGD 1.479	–	–	–
Singapore Dollar Class M USD equivalent	14	USD 1.093	–	–	–
US Dollar Class S	14	USD 1.095	USD 1.130	–	–

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Comprehensive Income

For the financial period ended 31 December 2019

		Harding Loevner Global Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner International Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Funds plc Total Financial period ended 31 December 2019 USD
	Notes					
Income						
Dividend income	2	4,285,948	2,107,422	6,648,784	6,930	13,049,084
Interest income	2	400,112	94,750	177,717	331	672,910
Other income		7,381	2,885	4,821	78,873	93,960
Management fee rebate		–	13,801	73,369	–	87,170
Net realised gain on financial assets at fair value through profit or loss	2	59,409,362	5,328,271	11,779,677	28,624	76,545,934
Net realised gain/(loss) on foreign currency	2	78,064	(17,227)	(13,379)	21	47,479
Net movement in unrealised gain on financial assets at fair value through profit or loss	2	36,304,994	10,835,146	33,655,837	58,194	80,854,171
Net movement in unrealised gain/(loss) on foreign currency	2	3,613	616	(334)	(6)	3,889
Total investment gain		100,489,474	18,365,664	52,326,492	172,967	171,354,597
Expenses						
Operating expenses	3	(2,514,268)	(436,251)	(3,801,040)	(82,277)	(6,833,836)
Total investment gain before finance costs		97,975,206	17,929,413	48,525,452	90,690	164,520,761
Finance costs						
Distributions paid during the financial period	9	(2,098,072)	(33,042)	–	–	(2,131,114)
Bank interest expense		(2)	–	(168)	(1)	(171)
Withholding tax		(663,177)	(179,687)	(599,767)	(1,069)	(1,443,700)
Increase in net assets attributable to holders of redeemable participating shares from operations		95,213,955	17,716,684	47,925,517	89,620	160,945,776

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Comprehensive Income

For the financial period ended 31 December 2018

		Harding Loevner Global Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner International Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Emerging Markets Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Global Small Companies Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Funds plc Total Financial period ended 31 December 2018 USD
	Notes					
Income						
Dividend income	2	3,273,866	1,269,061	5,094,314	482	9,637,723
Interest income	2	166,132	74,093	141,187	–	381,412
Other income		6,312	1,675	6,218	1,932	16,137
Management fee rebate		2,192	22,339	77,946	–	102,477
Net realised gain/(loss) on financial assets at fair value through profit or loss	2	13,023,385	(1,002,496)	3,772,586	(4,613)	15,788,862
Net realised gain/(loss) on foreign currency	2	26,155	3,867	(101,114)	101	(70,991)
Net movement in unrealised loss on financial assets at fair value through profit or loss	2	(122,031,713)	(27,642,711)	(99,706,432)	(42,934)	(249,423,790)
Net movement in unrealised gain/(loss) on foreign currency	2	17,635	2,308	9,897	(1)	29,839
Total investment loss		(105,516,036)	(27,271,864)	(90,705,398)	(45,033)	(223,538,331)
Expenses						
Operating expenses	3	(2,713,547)	(660,357)	(3,093,434)	(28,683)	(6,496,021)
Total investment loss before finance costs		(108,229,583)	(27,932,221)	(93,798,832)	(73,716)	(230,034,352)
Finance costs						
Distributions paid during the financial period	9	(1,457,728)	(65,681)	–	–	(1,523,409)
Bank interest expense		(12,478)	(215)	(42)	(2)	(12,737)
Withholding tax		(529,128)	(84,980)	(593,950)	(73)	(1,208,131)
Decrease in net assets attributable to holders of redeemable participating shares from operations		(110,228,917)	(28,083,097)	(94,392,824)	(73,791)	(232,778,629)

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the financial period ended 31 December 2019

		Harding Loevner Global Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner International Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Funds plc Total Financial period ended 31 December 2019 USD
	Notes					
Net assets attributable to holders of redeemable participating shares at the beginning of the financial period		996,748,798	239,275,905	609,649,565	1,118,872	1,846,793,140
Increase in net assets attributable to holders of redeemable participating shares from operations		95,213,955	17,716,684	47,925,517	89,620	160,945,776
Issue of redeemable participating shares during the financial period		54,838,597	42,081,531	18,880,537	–	115,800,665
Payments for shares redeemed during the financial period		(133,895,280)	(41,553,556)	(79,777,937)	–	(255,226,773)
Anti-dilution levy	2	–	–	(16,303)	–	(16,303)
Net (decrease)/increase from redeemable participating shares issued/redeemed during the financial period		(79,056,683)	527,975	(60,913,703)	–	(139,442,411)
Net assets attributable to holders of redeemable participating shares at the end of the financial period	15	1,012,906,070	257,520,564	596,661,379	1,208,492	1,868,296,505

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the financial period ended 31 December 2018

		Harding Loevner Global Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner International Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Emerging Markets Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Global Small Companies Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Funds plc Total Financial period ended 31 December 2018 USD
	Notes					
Net assets attributable to holders of redeemable participating shares at the beginning of the financial period		673,965,481	200,431,732	640,206,191	–	1,514,603,404
Decrease in net assets attributable to holders of redeemable participating shares from operations		(110,228,917)	(28,083,097)	(94,392,824)	(73,791)	(232,778,629)
Issue of redeemable participating shares during the financial period		397,950,957	162,068,841	19,887,602	1,000,000	580,907,400
Payments for shares redeemed during the financial period		(236,088,286)	(144,823,572)	(11,591,366)	–	(392,503,224)
Anti-dilution levy	2	–	–	–	–	–
Net increase from redeemable participating shares issued/redeemed during the financial period		161,862,671	17,245,269	8,296,236	1,000,000	188,404,176
Net assets attributable to holders of redeemable participating shares at the end of the financial period	15	725,599,235	189,593,904	554,109,603	926,209	1,470,228,951

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Cash Flows

For the financial period ended 31 December 2019

	Harding Loevner Global Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner International Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund Financial period ended 31 December 2019 USD	Harding Loevner Funds plc Total Financial period ended 31 December 2019 USD
Cash flows from operating activities					
Increase in net assets attributable to holders of redeemable participating shares from operations	95,213,955	17,716,684	47,925,517	89,620	160,945,776
Adjustment for:					
Net realised gain on financial assets at fair value through profit or loss	(59,409,362)	(5,328,271)	(11,779,677)	(28,624)	(76,545,934)
Net movement in unrealised gain on financial assets at fair value through profit or loss	(36,304,994)	(10,835,146)	(33,655,837)	(58,194)	(80,854,171)
Purchase of financial assets	(149,223,898)	(51,258,538)	(42,149,807)	(130,209)	(242,762,452)
Sale of financial assets	233,167,142	46,801,482	99,248,435	125,444	379,342,503
Dividends paid	2,098,072	33,042	–	–	2,131,114
Decrease/(increase) in receivables and other assets	1,961,814	81,883	1,397,310	(8,475)	3,432,532
(Decrease)/increase in creditors	(1,191,064)	431,850	913,923	36,943	191,652
Net cash flows provided by/(used in) operating activities	86,311,665	(2,357,014)	61,899,864	26,505	145,881,020
Cash flows from financing activities					
Proceeds from redeemable participating shares issued during the financial period	54,838,597	42,081,531	18,880,537	–	115,800,665
Payments for redeemable participating shares redeemed during the financial period	(133,895,280)	(41,553,556)	(79,794,240)	–	(255,243,076)
Dividends paid	(2,098,072)	(33,042)	–	–	(2,131,114)
Net cash flows (used in)/provided by financing activities	(81,154,755)	494,933	(60,913,703)	–	(141,573,525)
Net increase/(decrease) in cash and cash equivalents	5,156,910	(1,862,081)	986,161	26,505	4,307,495
Reconciliation of cash movement during the financial period					
Net cash and cash equivalents at the beginning of the financial period	40,633,643	7,708,263	16,741,085	18,345	65,101,336
Net cash and cash equivalents at the end of the financial period	45,790,553	5,846,182	17,727,246	44,850	69,408,831
Supplementary information					
Dividends received	4,166,248	2,110,197	7,853,098	7,146	14,136,689
Interest received	385,137	99,560	179,573	316	664,586
Interest paid	(103)	–	(160)	(1)	(264)

The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Statement of Cash Flows

For the financial period ended 31 December 2018

	Harding Loevner Global Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner International Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Emerging Markets Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Global Small Companies Equity Fund Financial period ended 31 December 2018 USD	Harding Loevner Funds plc Total Financial period ended 31 December 2018 USD
Cash flows from operating activities					
Decrease in net assets attributable to holders of redeemable participating shares from operations	(110,228,917)	(28,083,097)	(94,392,824)	(73,791)	(232,778,629)
Adjustment for:					
Net realised (gain)/loss on financial assets at fair value through profit or loss	(13,023,386)	1,002,496	(3,772,586)	4,613	(15,788,863)
Net movement in unrealised loss on financial assets at fair value through profit or loss	122,031,713	27,642,711	99,706,432	42,934	249,423,790
Purchase of financial assets	(211,062,539)	(43,241,237)	(108,977,459)	(969,683)	(364,250,918)
Sale of financial assets	61,033,075	24,570,477	89,189,176	11,690	174,804,418
Dividends paid	1,457,728	65,681	–	–	1,523,409
Decrease/(increase) in receivables and other assets	1,798,641	111,519	870,886	(2,139)	2,778,907
(Decrease)/increase in creditors	(12,191,536)	409,860	1,991,759	40,589	(9,749,328)
Net cash flows provided used in operating activities	(160,185,221)	(17,521,590)	(15,384,616)	(945,787)	(194,037,214)
Cash flows from financing activities					
Proceeds from redeemable participating shares issued during the financial period	397,950,957	162,068,841	19,887,602	1,000,000	580,907,400
Payments for redeemable participating shares redeemed during the financial period	(236,088,286)	(144,823,572)	(11,591,366)	–	(392,503,224)
Dividends paid	(1,457,728)	(65,681)	–	–	(1,523,409)
Net cash flows provided by financing activities	160,404,943	17,179,588	8,296,236	1,000,000	186,880,767
Net increase/(decrease) in cash and cash equivalents	219,722	(342,002)	(7,088,380)	54,213	(7,156,447)
Reconciliation of cash movement during the financial period					
Net cash and cash equivalents at the beginning of the financial period	17,445,160	6,657,357	21,886,252	–	45,988,769
Net cash and cash equivalents at the end of the financial period	17,664,882	6,315,355	14,797,872	54,213	38,832,322
Supplementary information					
Dividends received	3,431,833	1,384,655	6,887,836	362	11,704,686
Interest received	154,892	70,188	159,935	–	385,015
Interest paid	(1)	(196)	(42)	–	(239)

Cash held in the dormant Harding Loevner Frontier Emerging Markets Equity Fund at 30 June 2018 (USD 16,849) has been excluded in the beginning cash balance in the Statement of Cash Flows, above. The sub-fund did not hold any cash at 31 December 2018. The notes on pages 30 to 46 are an integral part of these financial statements.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019

1. General Information

Harding Loevner Funds plc (the “Company”) is 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”) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (“the UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended (the “Central Bank UCITS Regulations”).

The Company was incorporated and registered in Ireland under the Companies Act 2014 on 29 March 2007, with registered number 437095.

2. Significant Accounting Policies

Statement of Compliance and Basis of Preparation

The condensed interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting (“IAS 34”), with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (“the UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended (the “Central Bank UCITS Regulations”). The condensed interim financial statements should be read in conjunction with the annual financial statements for the financial year ended 30 June 2019 which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and in accordance with Irish Statute comprising the Companies Act 2014 and UCITS Regulations.

The accounting policies applied are consistent with those of the annual financial statements for the financial year ended 30 June 2019, as described in those financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise its judgement in the process of applying the Company’s accounting policies.

Accounting standards in issue

IFRS 9 Financial Instruments (effective January 2018)

IFRS 9 “Financial Instruments”, published in July 2014, has replaced the existing guidance in IAS 39. It includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment of financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, and early adoption was permitted.

IFRS 9 has two measurement categories: amortised cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent solely payments of principal and interest. All other financial assets would be measured at fair value. For liabilities, the standard retains most of the IAS 39 requirements. These include amortised-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless an accounting mismatch is created. IFRS 9 also introduces a new expected credit loss (“ECL”) impairment model. The adoption of this standard did not have a material effect on the financial statements.

IFRS 15, ‘Revenue from Contracts with Customers’ (effective January 2018)

IFRS 15 ‘Revenue from Contracts with Customers’ replaces IAS 11 and IAS 18 and was effective from 1 January 2018. It establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. The adoption of this standard did not have a material effect on the financial statements.

IFRS 16, ‘Leases’ (effective January 2019)

The IASB published IFRS 16 Leases in January 2016 with an effective date of 1 January 2019. The new standard requires lessees to recognise nearly all leases on the statement of financial position which will reflect their right to use an asset for a period of time and the associated liability for payments. The adoption of this standard did not have a material effect on the financial statements.

Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. Transaction costs, when incurred, are immediately recognized in Statement of Comprehensive Income as a change in fair value of financial assets and at fair value through profit or loss.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

2. Significant Accounting Policies (Continued)

Transaction Costs (Continued)

For the financial period ended 31 December 2019 the Company incurred transaction costs totaling USD 558,447 (financial period ended 31 December 2018: USD 412,261). The transaction costs include USD 323,820 (financial period ended 31 December 2018: USD 221,662) of commissions and USD 234,626 (financial period ended 31 December 2018: USD 190,560) of brokerage charges.

3. Operating Expenses

	Harding Loevner Global Equity Fund 31 December 2019 USD	Harding Loevner International Equity Fund 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund 31 December 2019 USD	Harding Loevner Funds plc Total 31 December 2019 USD
Administration fee	167,716	51,836	97,165	42,233	358,950
Directors' fees	11,847	3,246	7,016	–	22,109
Audit fee	5,681	5,681	5,681	5,681	22,724
Transfer agent fee	20,896	11,165	12,788	8,673	53,522
Sub-custodian fee	58,985	22,172	108,356	3,717	193,230
Depository fee	95,299	34,903	66,812	4,526	201,540
Management fee	2,063,724	285,123	2,418,001	5,229	4,772,077
Capital gains tax provision	–	–	1,022,852	–	1,022,852
Legal fees	26,669	6,460	14,159	26	47,314
Other fees	63,451	15,665	48,210	12,193	139,519
Total	2,514,268	436,251	3,801,040	82,278	6,833,837

	Harding Loevner Global Equity Fund 31 December 2018 USD	Harding Loevner International Equity Fund 31 December 2018 USD	Harding Loevner Emerging Markets Equity Fund 31 December 2018 USD	Harding Loevner Global Small Companies Equity Fund 31 December 2018 USD	Harding Loevner Funds plc Total 31 December 2018 USD
Administration fee	123,762	51,698	102,832	16	278,308
Directors' fees	11,276	2,998	9,569	27	23,870
Audit fee	13,233	13,233	13,233	1,467	41,166
Transfer agent fee	11,739	10,781	13,269	9	35,798
Sub-custodian fee	38,108	15,759	130,253	90	184,210
Depository fee	77,382	26,980	69,009	13	173,384
Management fee	2,373,115	529,738	2,586,067	421	5,489,341
Capital gains tax provision	–	–	121,756	–	121,756
Legal fees	20,009	4,653	13,907	55	38,624
Other fees	44,923	4,517	33,539	26,585	109,564
Total	2,713,547	660,357	3,093,434	28,683	6,496,021

Establishment expenses for the Global Small Companies Equity Fund USD 26,513 are included within other fees and expensed in full in the first year in accordance with the requirements in IFRS.

Directors' Fees

The total Directors' fees are disclosed in the operating expense tables. All of these fees were emoluments in respect of services for the Company. The listing of the members of the Board of Directors is shown on pages 1 and 2 of the financial statements. Currently only Mike Kirby and Jim Cleary receive a Director's fee. David Loevner's and Ryan Bowles's fees have been waived. The fees for the financial period ended 31 December 2019 were USD 22,109 (financial period ended 31 December 2018: USD 23,870). The amount payable as at 31 December 2019 was USD 454 (30 June 2019: USD 22,779).

Administration Fee

The Company has an administration agreement with Northern Trust International Fund Administration Services (Ireland) Limited (the "Administrator") to provide fund accounting & financial reporting services and transfer agency services for the sub-funds. As per the terms of the agreement, the sub-funds pay an administration fee determined as a percentage of the Net Asset Value of the sub-funds calculated in accordance with a sliding scale subject to a minimum monthly fee of USD 7,000 per sub-fund (up to 2 classes of shares) plus a minimum monthly fee of USD 750 per additional share class.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

3. Operating Expenses (Continued)

Administration Fee (continued)

The Administrator is also entitled to receive an annual fee of USD 15,000 per sub-fund plus a per investor transaction fee of USD 40 for providing Transfer Agency services to the sub-funds and an account maintenance or registration fee for each account of USD 150 per annum. For provision of services in respect of German, UK and Swiss tax filings, the Administrator will be entitled to receive out of the net assets of each sub-fund requiring such services an annual fee of EUR 15,000, USD 2,000, and USD 2,000 respectively. In addition, the Administrator will be entitled to receive new account fee of USD 25 per account opened, account maintenance fee of USD 25 per account per annum, reporting to tax authorities fee of USD 2,000 per report submitted, nil reporting to tax authorities fee of USD 250 per nil report submitted, and pre-existing due diligence review fee of USD 75 per investor. The Administration fee is accrued and calculated at each valuation point and payable monthly in arrears. The Administrator is entitled to be repaid all of its properly vouched out-of-pocket expenses out of the assets of the sub-funds plus value added tax, if any.

The Administration fee for the Company for the financial period ended 31 December 2019 was USD 358,950 (financial period ended 31 December 2018: USD 278,308). The amount payable at 31 December 2019 was USD 179,659 (30 June 2019: USD 99,139).

The Northern Trust Company, London Branch ("TNTC") provides KIID services to the Company. Fees of USD 29,855 (financial period ended 31 December 2018: 5,311) were charged by TNTC during the financial period and USD 29,634 (30 June 2019: USD 6,929) was payable at 31 December 2019.

Depository Fee

The Company has a depository agreement with Northern Trust Fiduciary Services (Ireland) Limited (the "Depository") to provide oversight and verification services for the sub-funds. Per the terms of the agreement, the sub-funds pay a fee determined as a percentage of the Net Asset Value of the sub-funds calculated in accordance with a sliding scale subject to a minimum monthly fee of USD 750 per sub-fund.

Subject to a minimum annual custody fee of USD 9,000 per sub-fund, the Depository will be entitled to receive out of the net assets of each subfund the following additional transaction fees: Clean Payments USD 10, ETD Transactions USD 25, Hedge Fund Holdings USD 1,500, Hedge Funds Transactions USD 25, Margin Movements USD 20, OTC Holdings Moderate – IM Valuations USD 900, OTC Holdings Moderate – Independent Valuations USD 900, OTC Holdings Simple – IM Valuations USD 600, OTC Holdings Simple – Independent Valuations USD 600, OTC Transactions – Moderate USD 150, OTC Transactions – Simple USD 100, Principal Paydowns USD 5, Private Market Holdings USD 1,500, Private Market Transactions USD 25, Real Estate Fund Holdings USD 1,500, Real Estate Holding Transactions USD 25, Single Line Item USD 1,500, Single Line Transactions USD 25, STIF Holdings, USD 1,500, STIF Transactions USD 10, Swap Resets USD 20, Third Party Fixed Deposits USD 50, and Third Party FX USD 50. The Depository fee is accrued and calculated at each valuation point and payable monthly in arrears.

The Depository fee for the financial period ended 31 December 2019 was USD 394,770 (financial period ended 31 December 2018: USD 357,594). The amount payable at 31 December 2019 was USD 213,549 (30 June 2019: USD 120,175).

Investment Manager Fees and Expenses

The Investment Manager is entitled to receive from the sub-funds out of the assets of the sub-funds an annual fee of:

- 0.65% for the Global Equity Fund Class I shares, 0.70% for the Class M shares, 0.75% for the Class A shares, 1.00% for the Class B shares, 1.50% for the Class D shares and the following for USD Class S1 shares:
 - 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.
- 0.65% for the International Equity Fund Class I shares, 0.70% for the Class M shares, 0.75% for the Class A shares, 1.00% for the Class B shares
- 0.80% for the Emerging Markets Equity Fund Class I shares, 0.95% for the Class M shares, 1.10% for the Class A shares and 1.35% for the Class B shares; and
- 1.50% for the Frontier Emerging Markets Equity Fund Class A shares; and
- 0.90% for the Global Small Companies Equity Fund Class A shares and 1.15% for the US Dollar Class B Shares.

The Investment Manager shall not receive a fee for the Class F shares of the Global Equity Fund and the Emerging Markets Equity Fund, nor the Class S shares of the Global Equity Fund, the International Equity Fund and Global Small Companies Equity Fund. Fees for these share classes are charged outside of the net asset value.

This fee accrues and is calculated on each dealing day and is payable monthly in arrears.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

3. Operating Expenses (Continued)

Investment Manager Fees and Expenses (continued)

The Investment Manager is also entitled to be reimbursed out of the assets of the sub-funds for its reasonable out-of-pocket costs and expenses incurred in the performance of its duties. The Investment Manager fee for the financial period ended 31 December 2019 for the Company was USD 4,772,077 (financial period ended 31 December 2018: USD 5,489,341). The amount payable as at 31 December 2019 was USD 848,828 (30 June 2019: USD 731,051).

In order to limit the sub-funds' expenses to a maximum cap of the sub-funds' Net Asset Value, the Investment Manager has agreed to reimburse the sub-funds for expenses in excess of this voluntarily imposed limit as follows:

- 0.75% for the Global Equity Fund Class I shares, 0.80% for the Class M shares, 0.90% for the Class A shares, 1.15% for the Class B shares, 0.68% (10 bps of operating expenses excluding Management Fees) for the USD Class S1 and 0.10% for Class S shares;
- 0.75% for the International Equity Fund Class I shares, 0.80% for the Class M shares, 0.90% for the Class A shares, 1.15% for the Class B shares and 0.10% for the Class S Shares;
- 0.90% for the Emerging Markets Equity Fund Class I shares, 1.05% for the Class M shares, 1.20% for the Class A shares and 1.50% for the Class B shares;
- 1.75% for the Frontier Emerging Markets Equity Fund; and
- 1.05% for the Global Small Companies Equity Fund Class A Shares.

4. Financial Assets at Fair Value Through Profit or Loss

	Harding Loevner Global Equity Fund 31 December 2019 USD	Harding Loevner International Equity Fund 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund 31 December 2019 USD	Harding Loevner Funds plc Total 31 December 2019 USD
Equity and equity related instruments					
At cost	721,330,524	212,726,630	451,613,400	1,027,370	1,386,697,924
Unrealised gain on financial assets at fair value through profit or loss	245,811,025	39,137,650	128,004,596	177,615	413,130,886
	967,141,549	251,864,280	579,617,996	1,204,985	1,799,828,810

	Harding Loevner Global Equity Fund 30 June 2019 USD	Harding Loevner International Equity Fund 30 June 2019 USD	Harding Loevner Emerging Markets Equity Fund 30 June 2019 USD	Harding Loevner Global Small Companies Equity Fund 30 June 2019 USD	Harding Loevner Funds plc Total 30 June 2019 USD
Equity and equity related instruments					
At cost	745,864,406	202,941,302	496,932,351	993,982	1,446,732,041
Unrealised gain on financial assets at fair value through profit or loss	209,506,031	28,302,505	94,348,759	119,420	332,276,715
	955,370,437	231,243,807	591,281,110	1,113,402	1,779,008,756

5. Cash and Cash Equivalents

	Harding Loevner Global Equity Fund 31 December 2019 USD	Harding Loevner International Equity Fund 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund 31 December 2019 USD	Harding Loevner Funds plc Total 31 December 2019 USD
Cash held at custodian bank	45,790,553	5,846,182	17,727,246	44,850	69,408,831
	45,790,553	5,846,182	17,727,246	44,850	69,408,831

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

5. Cash and Cash Equivalents (Continued)

	Harding Loevner Global Equity Fund 30 June 2019 USD	Harding Loevner International Equity Fund 30 June 2019 USD	Harding Loevner Emerging Markets Equity Fund 30 June 2019 USD	Harding Loevner Global Small Companies Equity Fund 30 June 2019 USD	Harding Loevner Funds plc Total 30 June 2019 USD
Cash held at custodian bank	40,633,643	7,708,263	16,741,085	18,345	65,101,336
	40,633,643	7,708,263	16,741,085	18,345	65,101,336

Cash and cash equivalents include cash held in an interest bearing account with TNTC.

6. Receivables

	Harding Loevner Global Equity Fund 31 December 2019 USD	Harding Loevner International Equity Fund 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund 31 December 2019 USD	Harding Loevner Funds plc Total 31 December 2019 USD
Interest and dividends receivable	618,104	542,918	1,660,244	736	2,822,002
Amounts receivable on securities sold	—	—	301,952	—	301,952
Amounts receivable on shares issued	—	496,250	—	—	496,250
Other assets	3,993	6,059	26,660	13,305	50,017
	622,097	1,045,227	1,988,856	14,041	3,670,221

	Harding Loevner Global Equity Fund 30 June 2019 USD	Harding Loevner International Equity Fund 30 June 2019 USD	Harding Loevner Emerging Markets Equity Fund 30 June 2019 USD	Harding Loevner Global Small Companies Equity Fund 30 June 2019 USD	Harding Loevner Funds plc Total 30 June 2019 USD
Interest and dividends receivable	483,429	550,503	2,866,414	937	3,901,283
Amounts receivable on securities sold	2,098,843	460,004	514,767	35	3,073,649
Amounts receivable on shares issued	—	115,000	—	—	115,000
Other assets	1,639	1,603	4,985	4,594	12,821
	2,583,911	1,127,110	3,386,166	5,566	7,102,753

7. Forward Foreign Exchange Contracts

The Company may engage in forward foreign currency transactions for protection against exchange rate risk. The Investment Manager would not normally expect to utilise such instruments except to act as a hedge against an adverse movement in the value of the portfolio of income producing securities held by the Company.

As at 31 December 2019 and 30 June 2019, the Company had no open forward foreign currency exchange contracts for the purpose of trade settlement.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

8. Creditors (Amounts Falling Due Within One Year)

	Harding Loevner Global Equity Fund 31 December 2019 USD	Harding Loevner International Equity Fund 31 December 2019 USD	Harding Loevner Emerging Markets Equity Fund 31 December 2019 USD	Harding Loevner Global Small Companies Equity Fund 31 December 2019 USD	Harding Loevner Funds plc Total 31 December 2019 USD
Amounts payable on securities purchased	–	–	174,242	–	174,242
Amounts payable on capital shares redeemed	999	1,040,350	42	–	1,041,391
Management fee payable	367,142	47,598	433,133	955	848,828
Administration fee payable	84,356	25,639	48,549	21,115	179,659
Depositary fee payable	82,541	30,619	96,695	3,694	213,549
Capital gains tax provision	–	–	1,635,170	–	1,635,170
Other accrued expenses	113,091	90,919	284,888	29,620	518,518
	648,129	1,235,125	2,672,719	55,384	4,611,357

	Harding Loevner Global Equity Fund 30 June 2019 USD	Harding Loevner International Equity Fund 30 June 2019 USD	Harding Loevner Emerging Markets Equity Fund 30 June 2019 USD	Harding Loevner Global Small Companies Equity Fund 30 June 2019 USD	Harding Loevner Funds plc Total 30 June 2019 USD
Amounts payable on securities purchased	1,339,964	620,449	–	–	1,960,413
Amounts payable on capital shares redeemed	–	–	9,271	–	9,271
Management fee payable	292,820	48,862	388,598	771	731,051
Administration fee payable	49,931	16,488	32,657	63	99,139
Depositary fee payable	47,063	18,150	54,471	491	120,175
Capital gains tax provision	–	–	861,673	1	861,674
Other accrued expenses	109,415	99,326	412,126	17,115	637,982
	1,839,193	803,275	1,758,796	18,441	4,419,705

9. Distributions to Redeemable Participating Shareholders

The Directors intend to declare a dividend in respect of the Sterling Class shares of Global Equity Fund such that substantially all of the net income relating to such classes shall be distributed on a semi-annual basis. There are no dividend entitlements for all other share classes of the Global Equity Fund. The Directors also intend to declare a dividend in respect of Sterling Class shares of the International Equity Fund on a semi-annual basis. There are no dividend entitlements for all other share classes of the International Equity Fund. There are no dividend entitlements for share classes of the Emerging Markets Equity Fund or the Global Small Companies Equity Fund.

During the financial period ended 31 December 2019 the Directors declared dividends totaling USD 2,131,114 (financial period ended 31 December 2018: USD 1,523,409).

10. Redeemable Participating Shares

The authorised share capital of the Company is 1,000,000,000,000 shares of no par value initially designated as unclassified shares. The minimum issued share capital of the Company is €2 represented by 2 shares (the “Subscriber Shares”) issued for the purposes of the incorporation of the Company and to obtain a certificate to commence trade at an issue price of €1 per share which are fully paid up and which are beneficially owned by David Loevner (1 share) and Ryan Bowles (1 share). The maximum issued share capital of the Company is 1,000,000,000,000 unclassified shares of no par value. The Subscriber Shares do not form part of the Net Asset Value of the Company and are thus disclosed in the financial statements by way of this note only.

The unclassified shares are available for issue as shares. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the shares in the Company.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

10. Redeemable Participating Shares (Continued)

The Harding Loevner Global Equity Fund

The Global Equity Fund issued the following redeemable participating shares during the financial period:

Share class	Initial offer price	Minimum initial investment	Minimum additional investment
US Dollar Class A	USD 1.000	USD 1,000,000	USD 100
Euro Class A	EUR 1.000	USD 1,000,000 or currency equivalent	EUR 100
Sterling Class A	GBP 1.000	USD 1,000,000 or currency equivalent	GBP 100
US Dollar Class B	USD 1.000	USD 100	USD 100
Sterling Class B	GBP 1.000	USD 100 or currency equivalent	GBP 100
US Dollar Class D	USD 1.000	USD 100	USD 100
Euro Class M	EUR 1.000	USD 50,000,000 or currency equivalent	EUR 100
Sterling Class M	GBP 1.000	USD 50,000,000 or currency equivalent	GBP 100
US Dollar Class S	USD 1.000	USD 20,000,000	USD 100
Euro Class S	EUR 1.000	USD 20,000,000 or currency equivalent	EUR 100
Sterling Class S	GBP 1.000	USD 20,000,000 or currency equivalent	GBP 100
Canadian Dollar Class S	CAD 1.000	USD 20,000,000 or currency equivalent	EUR 100
US Dollar Class S1	USD 1.000	USD 30,000,000	USD 100

The Harding Loevner International Equity Fund

The International Equity Fund issued the following redeemable participating shares during the financial period:

Share class	Initial offer price	Minimum initial investment	Minimum additional investment
US Dollar Class A	USD 1.000	USD 1,000,000	USD 100
Sterling Class A	GBP 1.000	USD 1,000,000 or currency equivalent	EUR 100
US Dollar Class B	USD 1.000	USD 100,000	USD 100
US Dollar Class S	USD 1.000	USD 30,000,000	USD 100

The Harding Loevner Emerging Markets Equity Fund

The Emerging Markets Equity Fund issued the following redeemable participating shares during the financial period:

Share class	Initial offer price	Minimum initial investment	Minimum additional investment
US Dollar Class A	USD 1.000	USD 1,000,000	USD 100
US Dollar Class B	USD 1.000	USD 100,000	USD 100
Canadian Dollar Class I	CAD 1.000	USD 100,000,000 or currency equivalent	CAD 100
Euro Class I	EUR 1.000	USD 100,000,000 or currency equivalent	EUR 100
US Dollar Class I	USD 1.000	USD 100,000,000	USD 100
US Dollar Class M	USD 1.000	USD 50,000,000	USD 100
Canadian Dollar Class M	CAD 1.000	USD 50,000,000 or currency equivalent	CAD 100

The Harding Loevner Frontier Markets Equity Fund

As at 31 December 2019 there were no share classes in issue in the Frontier Emerging Markets Equity Fund.

The Harding Loevner Global Small Companies Equity Fund

The Global Small Companies Equity Fund issued the following redeemable participating shares during the financial period:

Share class	Initial offer price	Minimum initial investment	Minimum additional investment
US Dollar Class A	USD 1.000	USD 1,000,000	USD 100

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

10. Redeemable Participating Shares (Continued)

The Harding Loevner Global Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Closing shares
31 December 2019				
US Dollar Class A	31,288,577.157	3,600,192.704	(425,206.548)	34,463,563.313
Euro Class A	47,720,263.794	4,534,724.703	(334,003.816)	51,920,984.681
Sterling Class A	50,439,870.474	247,379.497	(25,153,854.430)	25,533,395.541
Sterling Class B	99,000.000	—	—	99,000.000
US Dollar Class B	1,265,065.414	2,798,261.904	(1,050,000.000)	3,013,327.318
US Dollar Class D	470,500.513	172,937.861	(200,000.000)	443,438.374
US Dollar Class S1	156,725,341.964	—	—	156,725,341.964
Euro Class M	61,072,803.997	—	—	61,072,803.997
Euro Class S	52,523,826.776	3,846,154.000	(7,333,964.669)	49,036,016.107
Sterling Class S	202,788,813.837	650,679.758	(36,322,481.253)	167,117,012.342
Singapore Dollar Class M	69,491,829.620	—	—	69,491,829.620
Canadian Dollar Class S	—	35,500,000.000	—	35,500,000.000
US Dollar Class S	49,952,866.483	1,342,682.094	(7,118,086.517)	44,177,462.060

30 June 2019

US Dollar Class A	30,362,748.154	8,606,842.444	(7,681,013.441)	31,288,577.157
Euro Class A	36,057,447.517	107,320,409.803	(95,657,593.526)	47,720,263.794
Sterling Class A	48,868,125.062	1,571,745.412	—	50,439,870.474
Sterling Class B	—	108,950.000	(9,950.000)	99,000.000
US Dollar Class B	252,670.140	1,012,395.274	—	1,265,065.414
US Dollar Class D	519,229.100	50,085.642	(98,814.229)	470,500.513
Sterling Class I	70,752,332.270	296,524.826	(71,048,857.096)	—
US Dollar Class S1	—	156,725,341.964	—	156,725,341.964
Euro Class M	50,023,080.240	11,049,723.757	—	61,072,803.997
Euro Class S	—	52,544,300.610	(20,473.834)	52,523,826.776
Sterling Class S	—	208,129,513.653	(5,340,699.816)	202,788,813.837
Sterling Class M	67,459,350.092	101,068.326	(67,560,418.418)	—
Singapore Dollar Class M	69,491,829.620	—	—	69,491,829.620
US Dollar Class S	—	50,000,000.000	(47,133.517)	49,952,866.483

The Harding Loevner International Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Closing shares
31 December 2019				
US Dollar Class A	51,051,340.518	1,984,652.726	(13,593,781.807)	39,442,211.437
US Dollar Class S	137,582,470.500	34,769,094.139	(17,593,095.473)	154,758,469.166
Sterling Class A	1,611,803.998	15,746.924	(595,947.557)	1,031,603.365
US Dollar Class B	8,082,301.077	116,189.001	(1,853,080.263)	6,345,409.815
30 June 2019				
US Dollar Class A	19,810,706.397	39,121,093.797	(7,880,459.676)	51,051,340.518
US Dollar Class S	—	179,217,298.769	(41,634,828.269)	137,582,470.500
Sterling Class A	2,905,768.910	37,161.837	(1,331,126.749)	1,611,803.998
US Dollar Class B	9,955,178.951	1,157,904.777	(3,030,782.651)	8,082,301.077
US Dollar Class I	141,545,751.542	—	(141,545,751.542)	—

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

10. Redeemable Participating Shares (Continued)

The Harding Loevner Emerging Markets Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Closing shares
31 December 2019				
US Dollar Class A	39,271,363.180	2,729,988.855	(269,314.516)	41,732,037.519
US Dollar Class B	5,150,068.344	162,762.865	(946,933.251)	4,365,897.958
US Dollar Class I	98,817,574.656	—	—	98,817,574.656
Euro Class I	81,140,182.086	—	—	81,140,182.086
Canadian Dollar Class I	132,640,698.557	13,183,915.623	—	145,824,614.180
Sterling Class M	52,485,751.570	—	(52,485,751.570)	—
Canadian Dollar Class M	72,215,000.000	—	—	72,215,000.000
30 June 2019				
US Dollar Class A	17,514,740.993	30,833,761.776	(9,077,139.589)	39,271,363.180
US Dollar Class B	6,065,886.762	621,872.231	(1,537,690.649)	5,150,068.344
US Dollar Class I	98,817,574.656	16,175,331.268	(16,175,331.268)	98,817,574.656
Euro Class I	103,677,744.690	—	(22,537,562.604)	81,140,182.086
Canadian Dollar Class I	115,943,472.900	16,697,225.657	—	132,640,698.557
US Dollar Class M	29,013,364.448	—	(29,013,364.448)	—
Sterling Class M	52,485,751.570	—	—	52,485,751.570
Canadian Dollar Class M	72,215,000.000	—	—	72,215,000.000

The Harding Loevner Global Small Companies Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Closing shares
31 December 2019				
US Dollar Class A	1,000,000.000	—	—	1,000,000.000
30 June 2019				
US Dollar Class A	—	1,000,000.000	—	1,000,000.000

Each of the shares entitles the shareholder to participate equally on a pro rata basis in the dividends and net assets of the Company, save in the case of dividends declared prior to becoming a shareholder. Each of the shares entitles the holder to attend and vote at meetings of the Company. No Class of shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other Class of shares or any voting rights in relation to matters relating solely to any other Class of shares. The Company may from time to time by ordinary resolution alter the share capital by consolidating, sub-dividing, cancelling and redenominating the currency of any Class of shares.

11. Efficient Portfolio Management Techniques

The Company may employ investment techniques and instruments relating to its investments for the purpose of efficient portfolio management under the conditions and within the limits stipulated from time to time by the Central Bank under the UCITS Regulations. The Company may use the various investment techniques and instruments for efficient portfolio management such as taking long or short positions in derivative instruments including options, futures, forward contracts, and swaps so as to alter the interest rate, credit and/or currency exposure of the portfolio. Derivative instruments may be purchased for the purposes of efficient portfolio management only and in accordance with the Central Bank's guidelines. The Company did not use these techniques during the financial period.

12. Related Party Transactions

IAS 24 – Related Party Transactions (“IAS 24”) requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Company has appointed Harding Loevner LP (the “Investment Manager”) to perform investment management and advisory services, in accordance with the investment objectives and policies of the Company.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

12. Related Party Transactions (Continued)

Entities owned by David Loevner are limited partners and Ryan Bowles is an employee of the Investment Manager. David Loevner's and Ryan Bowles' directors' fees have been waived. They each hold one Subscriber Share.

Mike Kirby is the Managing Principal of KB Associates, who provide consulting services to the Company. Fees of USD 13,565 (31 December 2018: USD 15,496) were paid to KB Associates during the financial period and USD 37,322 (30 June 2019: USD 50,501) was payable at 31 December 2019.

The Northern Trust Company ("TNTC") earned fees for provision of KIID services to the Company. Please refer to Note 3 for details of these fees.

The amounts earned by the Directors and the Investment Manager are disclosed in Note 3 on pages 31 to 33. The amount owing to the Directors and the investment manager are disclosed in Note 3 on pages 31 to 33.

Although not deemed to be related parties under IFRS as they do not exercise "significant influence" over the activities of the sub-funds, UCITS Regulations also deems a "Depository" and its "associated or group companies" to be related parties to the Company. As such, Northern Trust Fiduciary Services (Ireland) Limited, the Depository, and Northern Trust International Fund Administration Services (Ireland) Limited, the Administrator, are related parties to the Company under the Central Bank's UCITS Regulations. During the financial period, Northern Trust Fiduciary Services (Ireland) Limited and Northern Trust International Fund Administration Services (Ireland) Limited earned fees for provision of custody and administration services to the Company as disclosed in Note 3 to the financial statements. During the financial period, companies related to the Custodian were also selected by the Investment Manager on behalf of the Company to execute foreign currency spot and forward foreign currency transactions and to accept deposits. All of the above transactions were carried out as if negotiated at arms length.

13. Financial Instruments and Associated Risks

Valuation of Financial Instruments

IFRS 13 requires disclosures surrounding the level in the fair value hierarchy in which fair value measurements are categorised for assets and liabilities measured in the statement of financial position. The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques as described in Note 2, Significant accounting policies. For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Company categorises investments using the following hierarchy as defined by IFRS 13:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data;
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant impact on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

13. Financial Instruments and Associated Risks (Continued)

Valuation of Financial Instruments (continued)

The following table analyses within the fair value hierarchy each sub-fund's financial assets measured at fair value as at 31 December 2019 and 30 June 2019.

The Harding Loevner Global Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 December 2019				
Equities	967,141,549	–	–	967,141,549
	967,141,549	–	–	967,141,549

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
30 June 2019				
Equities	955,370,437	–	–	955,370,437
	955,370,437	–	–	955,370,437

The Harding Loevner International Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 December 2019				
Equities	251,864,280	–	–	251,864,280
	251,864,280	–	–	251,864,280

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
30 June 2019				
Equities	231,243,807	–	–	231,243,807
	231,243,807	–	–	231,243,807

The Harding Loevner Emerging Markets Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 December 2019				
Equities	579,617,996	–	–	579,617,996
	579,617,996	–	–	579,617,996

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
30 June 2019				
Equities	591,281,110	–	–	591,281,110
	591,281,110	–	–	591,281,110

The Harding Loevner Global Small Companies Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 December 2019				
Equities	1,204,985	–	–	1,204,985
	1,204,985	–	–	1,204,985

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

13. Financial Instruments and Associated Risks (Continued)

The Harding Loevner Global Small Companies Equity Fund (continued)

30 June 2019	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Equities	1,113,402	–	–	1,113,402
	1,113,402	–	–	1,113,402

14. Net Asset Value per Redeemable Participating Share

Harding Loevner Global Equity Fund

Net assets attributable to holders of redeemable participating shares	31 December 2019	30 June 2019	30 June 2018
US Dollar Class A	USD 81,256,926	USD 67,487,737	USD 63,956,300
Euro Class A	EUR 109,013,685	EUR 90,419,093	EUR 64,966,707
Euro Class A USD equivalent	USD 122,280,659	USD 102,815,554	USD 75,868,121
Sterling Class A	GBP 45,287,120	GBP 85,617,562	GBP 78,191,660
Sterling Class A USD equivalent	USD 59,987,327	USD 108,730,033	USD 103,192,133
Sterling Class B	GBP 106,647	GBP 102,025	–
Sterling Class B USD equivalent	USD 141,264	USD 129,567	–
US Dollar Class B	USD 3,294,571	USD 1,266,879	USD 247,743
US Dollar Class D	USD 492,803	USD 480,325	USD 521,538
Sterling Class I	–	–	GBP 116,455,605
Sterling Class I USD equivalent	–	–	USD 153,692,298
US Dollar Class S1	USD 169,612,316	USD 155,005,715	–
Euro Class M	EUR 73,510,293	EUR 66,321,832	EUR 51,630,557
Euro Class M USD equivalent	USD 82,456,502	USD 75,414,557	USD 60,294,165
Euro Class S	EUR 57,081,249	EUR 54,964,458	–
Euro Class S USD equivalent	USD 64,028,042	USD 62,500,087	–
Sterling Class S	GBP 198,265,412	GBP 230,142,137	–
Sterling Class S USD equivalent	USD 262,622,396	USD 292,269,036	–
Sterling Class M	–	–	GBP 107,626,787
Sterling Class M USD equivalent	–	–	USD 142,040,464
Singapore Dollar Class M	SGD 111,711,111	SGD 102,782,293	SGD 101,033,079
Singapore Dollar Class M USD equivalent	USD 83,059,675	USD 75,966,218	USD 74,152,719
Canadian Dollar Class S	CAD 39,748,633	–	–
Canadian Dollar Class S USD equivalent	USD 30,610,013	–	–
US Dollar Class S	USD 53,063,576	USD 54,683,090	–

Net Asset Value per redeemable participating share	31 December 2019	30 June 2019	30 June 2018
US Dollar Class A	USD 2.358	USD 2.157	USD 2.106
Euro Class A	EUR 2.100	EUR 1.895	EUR 1.802
Euro Class A USD equivalent	USD 2.355	USD 2.155	USD 2.104
Sterling Class A	GBP 1.774	GBP 1.697	GBP 1.600
Sterling Class A USD equivalent	USD 2.349	USD 2.156	USD 2.112
Sterling Class B	GBP 1.077	GBP 1.031	–
Sterling Class B USD equivalent	USD 1.427	USD 1.309	–
US Dollar Class B	USD 1.093	USD 1.001	USD 0.980
US Dollar Class D	USD 1.111	USD 1.021	USD 1.004

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

14. Net Asset Value per Redeemable Participating Share (Continued)

Harding Loevner Global Equity Fund (Continued)

Net Asset Value per redeemable participating share	31 December 2019	30 June 2019	30 June 2018
Sterling Class I	–	–	GBP 1.646
Sterling Class I USD equivalent	–	–	USD 2.172
US Dollar Class S1	USD 1.082	USD 0.989	–
Euro Class M	EUR 1.204	EUR 1.086	EUR 1.032
Euro Class M USD equivalent	USD 1.350	USD 1.235	USD 1.205
Euro Class S	EUR 1.164	EUR 1.046	–
Euro Class S USD equivalent	USD 1.306	USD 1.190	–
Sterling Class S	GBP 1.186	GBP 1.135	–
Sterling Class S USD equivalent	USD 1.571	USD 1.441	–
Sterling Class M	–	–	GBP 1.595
Sterling Class M USD equivalent	–	–	USD 2.106
Singapore Dollar Class M	SGD 1.608	SGD 1.479	SGD 1.454
Singapore Dollar Class M USD equivalent	USD 1.195	USD 1.093	USD 1.067
Canadian Dollar Class S	CAD 1.120	–	–
Canadian Dollar Class S USD equivalent	USD 0.862	–	–
US Dollar Class S	USD 1.201	USD 1.095	–

Harding Loevner International Equity Fund

Net assets attributable to holders of redeemable participating shares	31 December 2019	30 June 2019	30 June 2018
US Dollar Class A	USD 57,534,754	USD 69,385,905	USD 26,790,227
US Dollar Class S	USD 188,391,692	USD 155,424,540	–
Sterling Class A	GBP 1,792,646	GBP 2,763,763	GBP 4,839,263
Sterling Class A USD equivalent	USD 2,374,539	USD 3,509,842	USD 6,386,619
US Dollar Class B	USD 9,219,580	USD 10,955,618	USD 13,460,344
US Dollar Class I	–	–	USD 153,794,542

Net Asset Value per redeemable participating share	31 December 2019	30 June 2019	30 June 2018
US Dollar Class A	USD 1.459	USD 1.359	USD 1.352
US Dollar Class S	USD 1.217	USD 1.130	–
Sterling Class A	GBP 1.738	GBP 1.715	GBP 1.665
Sterling Class A USD equivalent	USD 2.302	USD 2.178	USD 2.198
US Dollar Class B	USD 1.453	USD 1.356	USD 1.352
US Dollar Class I	–	–	USD 1.087

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

14. Net Asset Value per Redeemable Participating Share (Continued)

Harding Loevner Emerging Markets Equity Fund			
Net assets attributable to holders of redeemable participating shares	31 December 2019	30 June 2019	30 June 2018
US Dollar Class A	USD 61,459,673	USD 11,724,616	USD 24,193,426
US Dollar Class B	USD 5,675,402	USD 6,195,701	USD 7,427,071
US Dollar Class I	USD 135,260,337	USD 124,804,012	USD 126,310,637
Euro Class I	EUR 103,398,283	EUR 94,112,972	EUR 118,506,304
Euro Class I USD equivalent	USD 115,981,862	USD 107,015,864	USD 138,391,663
Canadian Dollar Class I	CAD 250,963,858	CAD 212,406,426	CAD 188,633,456
Canadian Dollar Class I USD equivalent	USD 193,264,686	USD 162,198,027	USD 143,485,685
US Dollar Class M	–	–	USD 42,289,614
Sterling Class M	–	GBP 61,011,719	GBP 59,485,752
Sterling Class M USD equivalent	–	USD 77,481,840	USD 78,534,609
Canadian Dollar Class M	CAD 110,401,967	CAD 102,808,567	CAD 104,611,284
Canadian Dollar Class M USD equivalent	USD 85,019,420	USD 78,506,790	USD 79,573,486
Net Asset Value per redeemable participating share	31 December 2019	30 June 2019	30 June 2018
US Dollar Class A	USD 1.473	USD 1.361	USD 1.381
US Dollar Class B	USD 1.300	USD 1.203	USD 1.224
US Dollar Class I	USD 1.369	USD 1.263	USD 1.278
Euro Class I	EUR 1.274	EUR 1.160	EUR 1.143
Euro Class I USD equivalent	USD 1.429	USD 1.319	USD 1.335
Canadian Dollar Class I	CAD 1.721	CAD 1.601	CAD 1.627
Canadian Dollar Class I USD equivalent	USD 1.325	USD 1.223	USD 1.238
US Dollar Class M	–	–	USD 1.458
Sterling Class M	–	GBP 1.162	GBP 1.134
Sterling Class M USD equivalent	–	USD 1.476	USD 1.496
Canadian Dollar Class M	CAD 1.529	CAD 1.424	CAD 1.449
Canadian Dollar Class M USD equivalent	USD 1.177	USD 1.087	USD 1.102

Harding Loevner Global Small Companies Equity Fund		
Net assets attributable to holders of redeemable participating shares	31 December 2019	30 June 2019
US Dollar Class A	USD 1,229,141	USD 1,118,872
Net Asset Value per redeemable participating share	31 December 2019	30 June 2019
US Dollar Class A	USD 1.229	USD 1.119

15. Reconciliation of Net Asset Value

The published Net Asset Value per redeemable participating share at which shareholders may subscribe to or redeem from the sub-funds, differs from the Net Asset Value per the financial statements. The difference is due to the treatment of preliminary expenses. In accordance with provisions of the Company's Memorandum and Articles of Association, preliminary expenses are being amortised over 60 months. However, for the purposes of these financial statements, preliminary expenses have been expensed as incurred in line with International Financial Reporting Standards.

There was no reconciliation of net asset value as at 31 December 2019 and 30 June 2019 for Harding Loevner Global Equity Fund, Harding Loevner International Equity Fund and Harding Loevner Emerging Markets Equity Fund.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

15. Reconciliation of Net Asset Value (Continued)

The Harding Loevner Global Small Companies Equity Fund

	31 December 2019 USD	30 June 2019 USD
Net Asset Value attributable to redeemable participating shareholders per financial statements	1,208,492	1,118,872
Preliminary expenses	—	23,345
Net Asset Value attributable to redeemable participating shareholders per offering memorandum	<u>1,208,492</u>	<u>1,142,217</u>
Net Asset Value per redeemable participating share at dealing prices US Dollar Class A	USD 1.229	USD 1.119

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

16. Exchange Rates

The following exchange rates (against the USD) were used to convert the investments and other assets and liabilities denominated in currencies other than USD as at 31 December 2019 and 30 June 2019:

		31 December 2019	30 June 2019
AED	UAE Dirham	3.673	3.673
AUD	Australian Dollar	1.423	1.425
BDT	Bangladesh Taka	84.895	84.600
BRL	Brazilian Real	4.023	3.833
CAD	Canadian Dollar	1.297	1.307
CHF	Swiss Franc	0.968	0.975
CLP	Chilean Peso	751.950	678.950
CNH	Chinese Renminbi	6.965	6.873
CNY	Chinese Yuan	6.966	6.868
COP	Colombian Peso	3,281.500	3,207.000
CZK	Czech Republic Koruna	22.641	22.343
DKK	Danish Krone	6.657	6.554
EEK	Estonian Kroon	13.939	13.740
EGP	Egyptian Pound	16.050	16.695
EUR	Euro	0.891	0.878
GBP	British Sterling Pound	0.755	0.786
GHS	Ghanian Cedi	5.700	5.450
HKD	Hong Kong Dollar	7.792	7.813
HRK	Croatian Kuna	6.629	6.497
HUF	Hungarian Forint	294.619	283.434
IDR	Indonesian Rupiah	13,882.500	14,127.500
INR	Indian Rupee	71.378	69.028
JOD	Jordanian Dinar	0.709	0.709
JPY	Japanese Yen	108.675	107.740
KES	Kenyan Shilling	101.350	102.200
KRW	South Korean won	1,156.450	1,154.650
KZT	Kazakhstan Tenge	382.925	380.625
LKR	Sri Lankan Rupee	181.375	176.495
MAD	Moroccan Dirham	9.560	9.569
MUR	Mauritian Rupee	36.350	35.500
MXN	Mexican Nuevo Peso	18.884	19.212
MYR	Malaysian Ringgit	4.091	4.133
NGN	Nigerian Naira	362.920	360.000
PEN	Peruvian Nuevo Sol	3.311	3.288
PHP	Philippine Peso	50.645	51.235
PKR	Pakistani Rupee	154.865	159.750
PLN	Polish Zloty	3.787	3.729
QAR	Qatari Rial	3.641	3.641
RON	Romanian Leu	4.264	4.154
RUB	Russian Rouble	62.111	63.075
SAR	Saudi Arabia Riyal	3.751	3.750
SEK	Swedish Krona	9.361	9.278
SGD	Singapore Dollar	1.345	1.353
THB	Thai Baht	29.954	30.668
TRY	Turkish Lira	5.951	5.784
TTD	Trinidad & Tabago Dollar	6.769	6.753
TWD	Taiwan Dollar	29.977	31.060
TZS	Tanzanian Shilling	2,298.000	2,300.000
VND	Vietnamese Dong	23,172.500	23,305.000
XOF	West African CFA Franc	584.372	576.007
ZAR	South African Rand	13.984	14.101

17. Soft Commissions

The Investment Manager may place trades on behalf of the Company with brokers that will, from time to time, provide or procure research products, specialised software or related services that assist the investment manager in the provision of investment services to its clients, including the Company, provided that each broker has agreed to provide best execution with respect to such trades. The Investment Manager's use of soft commissions falls within the safe harbor created by Section 28(e) of the U.S. Securities Exchange Act of 1934. Where a product or service provides both eligible and non-eligible assistance, the Investment Manager will make a reasonable allocation of the cost that may be paid for with soft commissions.

Harding Loevner Funds plc

Unaudited Notes to Financial Statements

For the financial period ended 31 December 2019 (Continued)

18. Contingent Liabilities

There were no contingent liabilities as at 31 December 2019 or 30 June 2019.

19. Events During the Financial Period

During the financial period ended 31 December 2019, the Global Equity Fund distributed the following net income:

A distribution of 0.004635976 per share on the Sterling Class A shares, with a total value of GBP 234,661, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

A distribution of 0.001324085 per share on the Sterling Class B shares, with a total value of GBP 131, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

A distribution of 0.006940208 per share on the Sterling Class S shares, with a total value of GBP 1,407,020, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

During the financial period ended 31 December 2019, the International Equity Fund distributed the following net income:

A distribution of 0.025452857 per share on the Sterling Class A shares, with a total value of GBP 25,856, for the financial period ended 31 December 2019. This distribution was declared on 15 October 2019 with a record date of 11 October 2019, an ex-date of 15 October 2019 and a pay date of 17 October 2019.

On 26 July 2019, Sterling Class M shares for Emerging Markets Equity Fund were fully redeemed.

On 16 August 2019, the Prospectus and Supplements in respect of the Fund of the Company were updated. Within the Prospectus, several risk disclosures were amended, including those related to the Fund's use of participatory notes, convertible securities, and the risks posed by Brexit. Within the Supplements, the repurchase charge was removed from all sub-funds. Within the Global Equity Supplement, specifically, the minimum initial investment for Class S shares was lowered and the investment manager fees for Class S1 shares were adjusted. The documents were approved by the Central Bank.

On 23 August 2019, the Canadian Dollar Class S shares for the Global Equity Fund were first issued.

20. Events After the Reporting Date

There have been no material events to report subsequent to the financial period ended 31 December 2019.

21. Approval of the Financial Statements

The financial statements were approved and authorised for issue on 24 February 2020.

Harding Loevner Funds plc

Unaudited Financial Information

For the financial period ended 31 December 2019

The Harding Loevner Global Equity Fund

For the financial period ended 31 December 2019

Total Expenses Ratio	US Dollar Class A 31 December 2019 USD	US Dollar Class B 31 December 2019 USD	US Dollar Class D 31 December 2019 USD	Euro Class A 31 December 2019 USD	Euro Class M 31 December 2019 USD	Sterling Class A 31 December 2019 USD	Euro Class S 31 December 2019 USD
Expenses	299,918	9,819	3,439	459,648	303,950	435,125	28,447
Average net assets	70,641,999	1,779,674	426,826	108,264,333	76,153,103	102,519,758	65,618,166
Total Expense Ratio (*,**)	0.84%	1.09%	1.59%	0.84%	0.79%	0.84%	0.09%

	Canadian Dollar Class S 31 December 2019 USD	Singapore Dollar Class M 31 December 2019 USD	US Dollar Class S 31 December 2019 USD	Sterling Class S 31 December 2019 USD	US Dollar Class S1 31 December 2019 USD	Sterling Class B 31 December 2019 USD
Expenses	8,700	306,173	22,557	126,125	502,266	721
Average net assets	28,465,558	76,710,166	52,006,882	290,882,355	156,584,666	130,662
Total Expense Ratio (*,**)	0.09%	0.79%	0.09%	0.09%	0.09%	1.09%

Portfolio Turnover Ratio

Purchases and sales of securities (i)

Subscription and redemption of shares (ii) ***

Monthly average of total assets (iii)

Portfolio Turnover Ratio

Total
382,391,040
186,663,277
1,030,184,147
19%

* The Total Expense Ratios for Global Equity Fund include Investment Management fee rebates of USD Nil (31 December 2018: USD 2,191).

** The Total Expense Ratio is annualised.

*** The subscription and redemption of shares figure in the above table excludes share class switches.

Note - the portfolio turnover ratio is calculated as follows ((i-ii)/iii) x 100). The portfolio turnover ratio is not annualised.

Harding Loevner Funds plc

Unaudited Financial Information

For the financial period ended 31 December 2019 (Continued)

The Harding Loevner Global Equity Fund For the financial period ended 31 December 2018

Total Expenses Ratio	US Dollar Class A 31 December 2018 USD	US Dollar Class B 31 December 2018 USD	US Dollar Class D 31 December 2018 USD	Euro Class A 31 December 2018 USD	Euro Class M 31 December 2018 USD	Sterling Class A 31 December 2018 USD	Sterling Class I 31 December 2018 USD
Expenses	259,405	2,270	3,677	334,292	235,344	433,674	375,262
Average net assets	60,886,928	411,089	456,005	78,483,431	58,737,825	101,802,976	154,943,774
Total Expense Ratio (*)	0.84%	1.09%	1.59%	0.84%	0.79%	0.84%	0.74%

	Sterling Class M 31 December 2018 USD	Singapore Dollar Class M 31 December 2018 USD	Sterling Class S 31 December 2018 USD	US Dollar Class S1 31 December 2018 USD	Sterling Class B 31 December 2018 USD
Expenses	505,437	289,438	26,874	241,013	549
Average net assets	126,129,828	72,238,656	171,780,641	105,436,125	133,738
Total Expense Ratio (*)	0.79%	0.79%	0.09%	0.67%	1.09%

Portfolio Turnover Ratio

Purchases and sales of securities (i)

Subscription and redemption of shares (ii) **

Monthly average of total assets (iii)

Portfolio Turnover Ratio

Total

272,095,614

283,275,290

931,441,017

1%

* The Total Expense Ratio is annualised.

** The subscription and redemption of shares figure in the above table excludes share class switches.

Note - the portfolio turnover ratio is calculated as follows ((i-ii)/iii) x 100). The portfolio turnover ratio is not annualised.

Harding Loevner Funds plc

Unaudited Financial Information

For the financial period ended 31 December 2019 (Continued)

The Harding Loevner International Equity Fund

For the financial period ended 31 December 2019

Total Expenses Ratio	US Dollar Class A 31 December 2019 USD	US Dollar Class B 31 December 2019 USD	Sterling Class A 31 December 2019 USD	US Dollar Class S 31 December 2019 USD
Expenses	255,744	59,436	11,355	93,031
Average net assets	58,229,130	10,492,867	2,586,924	183,061,497
Total Expense Ratio (*,**)	0.86%	1.11%	0.86%	0.10%

Portfolio Turnover Ratio

Purchases and sales of securities (i)	Total
Subscription and redemption of shares (ii) ***	98,060,020
Monthly average of total assets (iii)	83,635,087
Portfolio Turnover Ratio	254,370,418
	6%

For the financial period ended 31 December 2018

Total Expenses Ratio	US Dollar Class A 31 December 2018 USD	US Dollar Class B 31 December 2018 USD	Sterling Class A 31 December 2018 USD	US Dollar Class I 31 December 2018 USD	US Dollar Class S 31 December 2018 USD
Expenses	132,803	76,827	26,384	392,227	30,441
Average net assets	29,827,876	13,426,293	5,918,767	153,738,973	137,580,519
Total Expense Ratio (*,**)	0.88%	1.13%	0.88%	0.75%	0.10%

Portfolio Turnover Ratio

Purchases and sales of securities (i)	Total
Subscription and redemption of shares (ii) ***	67,811,714
Monthly average of total assets (iii)	31,727,472
Portfolio Turnover Ratio	340,492,428
	11%

* The Total Expense Ratios for International Equity Fund include Investment Management fee rebates of USD 13,801 (31 December 2018: USD 22,338).

** The Total Expense Ratio is annualised.

*** The subscription and redemption of shares figure in the above table excludes share class switches.

Note - the portfolio turnover ratio is calculated as follows ((i-ii)/iii) x 100). The portfolio turnover ratio is not annualised.

Harding Loevner Funds plc

Unaudited Financial Information

For the financial period ended 31 December 2019 (Continued)

The Harding Loevner Emerging Markets Equity Fund

For the financial period ended 31 December 2019

Total Expenses Ratio	US Dollar Class A	US Dollar Class B	US Dollar Class I	Canadian Dollar Class I	Canadian Dollar Class M	Sterling Dollar Class M	EUR Class I
	31 December 2019	31 December 2019	31 December 2019	31 December 2019	31 December 2019	31 December 2019	31 December 2019
	USD	USD	USD	USD	USD	USD	USD
Expenses	337,452	45,783	569,367	789,792	417,688	51,702	488,215
Average net assets	55,334,860	6,101,567	124,485,153	172,678,643	78,276,343	64,363,757	106,742,452
Total Expense Ratio (*, **)	1.20%	1.48%	0.90%	0.90%	1.05%	1.05%	0.90%

Portfolio Turnover Ratio

Purchases and sales of securities (i)

Subscription and redemption of shares (ii) ***

Monthly average of total assets (iii)

Portfolio Turnover Ratio

Total

141,398,242

98,658,474

607,982,774

7%

* The Total Expense Ratios for Emerging Markets Equity Fund include Investment Management fee rebates of USD 73,369 (31 December 2018: USD 77,946).

** The Total Expense Ratio is annualised.

*** The subscription and redemption of shares figure in the above table excludes share class switches.

Note - the portfolio turnover ratio is calculated as follows ((i-ii)/iii) x 100). The portfolio turnover ratio is not annualised.

Harding Loevner Funds plc

Unaudited Financial Information

For the financial period ended 31 December 2019 (Continued)

The Harding Loevner Emerging Markets Equity Fund

For the financial period ended 31 December 2018

Total Expenses Ratio	US Dollar Class A	US Dollar Class B	US Dollar Class I	US Dollar Class M	Canadian Dollar Class I	Canadian Dollar Class M	Sterling Class M
	31 December 2018 USD	31 December 2018 USD	31 December 2018 USD	31 December 2018 USD	31 December 2018 USD	31 December 2018 USD	31 December 2018 USD
Expenses	90,611	51,357	546,901	212,683	669,541	400,191	394,966
Average net assets	14,586,836	6,863,854	116,499,243	38,990,500	142,591,789	73,365,768	72,407,936
Total Expense Ratio (*)	1.20%	1.48%	0.90%	1.05%	0.90%	1.05%	1.05%
Total Expenses Ratio							EUR Class I 31 December 2018 USD
Expenses							599,210
Average net assets							127,641,855
Total Expense Ratio (*)							0.90%
Portfolio Turnover Ratio							Total
Purchases and sales of securities (i)							198,166,635
Subscription and redemption of shares (ii) **							31,478,968
Monthly average of total assets (iii)							592,947,780
Portfolio Turnover Ratio							28%

* The Total Expense Ratio is annualised.

** The subscription and redemption of shares figure in the above table excludes share class switches.

Note - the portfolio turnover ratio is calculated as follows ((i-ii)/iii) x 100). The portfolio turnover ratio is not annualised.

Harding Loevner Funds plc

Unaudited Financial Information

For the financial period ended 31 December 2019 (Continued)

The Harding Loevner Global Small Companies Equity Fund

For the financial period ended 31 December 2019

Total Expenses Ratio	US Dollar Class A 31 December 2019 USD
Expenses	6,100
Average net assets	1,143,255
Total Expense Ratio (*, **, ***)	1.05%
Portfolio Turnover Ratio	Total
Purchases and sales of securities (i)	255,653
Subscription and redemption of shares (ii) ****	-
Monthly average of total assets (iii)	1,143,255
Portfolio Turnover Ratio	22%

For the financial period ended 31 December 2018

Total Expenses Ratio	US Dollar Class A 31 December 2018 USD
Expenses	2,451
Average net assets	948,188
Total Expense Ratio (*, **, ***)	1.05%
Portfolio Turnover Ratio	Total
Purchases and sales of securities (i)	981,373
Subscription and redemption of shares (ii) ****	1,000,000
Monthly average of total assets (iii)	948,188
Portfolio Turnover Ratio	2%

* The Total Expense Ratios for Global Small Companies Equity Fund include Investment Management fee rebates of USD 78,011 (31 December 2018: USD 1,932).

** The Total Expense Ratios for Global Small Companies Equity Fund include preliminary expenses of USD 2,695 (31 December 2018: USD 280). These are amortised for valuation purposes over five years; however, they were expensed in the financial statements during the period they were incurred.

*** The Total Expense Ratio is annualised.

**** The subscription and redemption of shares figure in the above table excludes share class switches.

Note - the portfolio turnover ratio is calculated as follows ((i-ii)/iii) x 100). The portfolio turnover ratio is not annualised.

