



**HARDING  
LOEVNER**

Fundamental. Thinking. Worldwide.

# Semi-Annual Commentary

**Harding  
Loevner  
Funds plc**

31 December 2023

Global Equity Fund

Global Paris-Aligned Equity Fund

Global Small Companies Equity Fund

International Equity Fund

Emerging Markets Equity Fund

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## Portfolio Management Team



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*Portfolio Manager*



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*Portfolio Manager*

## Performance Summary

The Global Equity Fund USD Class I shares gained 6.67% (at dealing prices, net of fees, in US dollar terms) for the six months ended 31 December 2023, while the MSCI All Country World Index rose 7.25%. Please refer to the table immediately following this commentary for returns related to the Fund's other share classes.

## Market Review

After rising in July, global markets declined from August through October amid signs from central banks that interest rates might stay high for longer than anticipated to bring inflation back to target. In late July, the US Federal Reserve raised short-term rates to 5.5%, the Bank of England hiked rates in August, and Sweden's Riksbank hiked in September. The European Central Bank followed in mid-September with its own rate hike to 4%, the highest level in its 25-year history, despite lowering its growth forecast for the eurozone. Meanwhile the US yield curve flattened, indicating the economy was more resistant to the tightening medicine than assumed, postponing, perhaps, the start of any imminent recession but not, by any means, sending an all-clear signal.

However, by November, markets staged a sharp turnaround, erasing the earlier losses and concluding the six-month period with a solid positive return. The rally reflected an abrupt reversal in investors' outlook for interest rates. Underwhelming US economic data including a deceleration in job creation and lower inflation in

the US and the eurozone—a large contrast from the double-digit inflation in 2022—supported the view that central banks' intensive efforts to combat inflation might be drawing to a close. The US Federal Reserve opted to keep the federal funds rate unchanged at 5.25% to 5.5% in its three final meetings of 2023 while hinting at possible rate cuts in 2024. The European Central Bank followed suit, keeping its policy rate unchanged, indicating a shift in the balance of risks between inflation and growth. The Bank of Japan maintained its negative interest rate policy despite rising inflation, citing subdued wage growth, lackluster housing investment, and flat government spending. The People's Bank of China continued to loosen policy, albeit only modestly, amid ongoing struggles to stimulate economic growth.

Financials was the top-performing sector, with bank shares rebounding as fears in early 2023 about the health of the global banking system receded. Communication Services and Information Technology (IT) also outperformed, buoyed by the continued enthusiasm for the potential of artificial intelligence (AI) to spur new growth opportunities for many companies. Consumer Staples was the only sector to decline.

The US was the best-performing large market in the trailing six-months, with help from most of the select group of mega-cap US stocks dubbed the "Magnificent Seven," including **Alphabet**, **Amazon.com**, **Meta Platforms**, **Microsoft**, and **NVIDIA**. However, two members of this group declined (**Apple** and **Tesla**) while some non-tech companies such as warehouse wholesale chain **Costco** also posted especially strong returns. News of China's ban on Apple devices for state employees hurt that company's shares. Emerging Markets lagged the broad market, despite strong returns in India, due to China's market woes.

By style, the shares of the fastest-growing companies significantly outperformed those of slow-growing companies, a phenomenon that was particularly pronounced in the US. The lowest-quality quintile of stocks also outpaced the highest-quality quintile, perhaps reflecting declining concern about the prospects for a recession.

## Performance Attribution

The Fund modestly lagged the MSCI ACWI Index during the six-month period primarily due to poor stocks in Financials and Industrials. Strong stocks in Communications Services and Consumer Staples were helpful.

In Financials, Dutch payment processing service provider **Adyen** reported strong year-on-year sales in the first half of 2023, but shares fell sharply through August and September due to signs of

pricing pressure from competitors, particularly in the US market. This decline was exacerbated by an already lofty valuation that anticipated faster growth. At the end of 2023, Adyen's stock had recovered about half of the summer's decline as management outlined a three-year plan to deliver greater than 20% annualized revenue growth while improving margins. In Industrials, US-based industrial automation solutions company **Rockwell Automation** reported lower-than-expected revenue and margin and also lowered its outlook for year-end orders. We think the company continues to enjoy favorable long-term growth prospects given its strong position in the increasingly prominent industrial automation industry.

Two US social media companies, **Pinterest** and Meta Platforms, were positive contributors in Communications Services. Pinterest reported growth in total subscribers, diminishing concerns over its ability to retain users who flocked to its platform during the pandemic lockdowns. Meta's stock rose sharply as the company dialed back its previously aggressive capital-expenditure plans and increased share repurchases. The company has also reported benefitting from its proprietary AI development, which is increasing automation for advertisers.

#### Portfolio Positioning (% Weight) at 31 December 2023

Sector	Fund	Benchmark
Comm Services	13.1	7.4
Cons Discretionary	7.6	11.1
Cons Staples	4.2	6.8
Energy	1.5	4.5
Financials	8.0	15.9
Health Care	20.8	11.2
Industrials	18.2	10.7
Info Technology	21.6	22.9
Materials	1.1	4.5
Real Estate	1.1	2.4
Utilities	0.0	2.6
Cash	2.8	–
Geography	Fund	Benchmark
Canada	0.0	2.9
Emerging Markets	5.3	10.5
Europe EMU	13.6	8.1
Europe ex EMU	9.3	7.7
Frontier Markets	0.0	–
Japan	5.1	5.4
Middle East	0.0	0.2
Pacific ex Japan	0.9	2.7
United States	63.0	62.5
Cash	2.8	–

"Benchmark": MSCI All Country World Index. "Frontier Markets": Includes countries with less-developed markets outside the index.

## Perspective and Outlook

As we approach the four-year anniversary of the COVID-19 pandemic, it might appear that the virus has had little lasting impact on the global macroeconomy. Inflation is abating, and unemployment levels in the US and Europe are rapidly falling to pre-COVID levels. US and global GDP growth, as well as the US national deficit, also have reverted to pre-pandemic trends. The exception to this backdrop is interest rates, which the world over are notably higher than they were four years ago.

While these variables suggest little lasting structural damage from the pandemic, the world has changed in meaningful ways. Geopolitical dynamics are very different today from four years ago. Additionally, governments are trying to manage the impact of new technologies, such as AI, which will have broad implications for international relations as well as businesses and their supply chains.

On the geopolitical front, the world seems to have become too small to accommodate the competing strategic appetites of China, Iran, North Korea, Russia, and the US, among others. To be sure, Russia's designs on Ukraine and China's desire to establish its socioeconomic model as the preferred global alternative to the US predate the pandemic. But it was the pandemic that exposed the fragility of extended global supply chains controlled by geopolitical adversaries.

It is fascinating to witness what has evolved since. On the one hand, the consumer economy remains highly globalized. Producers of goods still operate on an international scale, and consumers can instantaneously price shop from domestic and foreign retail sites—witness the meteoric rise of Chinese e-commerce platforms Shein and Temu among younger consumers in the US in 2023. On the other hand, the industrial and manufacturing sectors must navigate the increasing balkanization of supply chains amid new state industrial policies that prioritize national security considerations, particularly as they relate to technological leadership. While the US is the most notable recent case, it is to some degree echoing China's long-standing industrial policies that favor localization of supply chains. For example, the US has imposed export restrictions on semiconductors, the underlying hardware for AI. It also has established government-authorized supply chains where other prized technology is involved, such as the production of electric vehicles.

It can be argued that technological innovation is at the core of global instability today. China and the US are locked in a full-scale competition for control over AI infrastructure and applications. Advances in AI can be expected to exacerbate the digital disinformation wars by enabling even more convincing counterfeit images and videos. And AI isn't the only source of tension: the same social media technology that allows Shein to reach American teenagers on Snapchat is also being used to inflame the Israeli-Palestinian conflict.



Technology drove global share-price gains these past four years, with the tech sector returning 20% per year, nearly 2.5 times the 8.5% return of the MSCI ACWI Index. But, like fire, technology gives and it takes. What it has given in superior equity-market performance it can undoubtedly take away, as its adverse uses foster uncertainty, volatility, and subsequent investor risk aversion. Therefore, it is puzzling to see that the VIX—the index that measures expected volatility in the S&P 500 Index as implied by option prices—is low. Sustained low volatility of global share prices would be increasingly at odds with the risks we see.

In this geopolitical environment, where months of apparent market calm can be suddenly shattered by a risk event of whatever origin, a portfolio of companies with superior quality and growth characteristics trading at reasonable valuations should prove especially resilient. Our companies are characterized by strong balance sheets and internally funded growth, so that in the event of sudden interruption to capital markets they will have the wherewithal to continue to grow and invest in their businesses. Valuations across the portfolio are more attractive on a relative basis today than at any time in the past 10 years, while the forecast volatility of the portfolio also has been significantly reduced since the beginning of 2022. These characteristics are partly the result of transactions in which we sold expensive and more volatile-looking securities amid a rebound in US growth stocks and increased our exposure to more attractively valued, lower-volatility stocks in Europe.

While we are confident in the earning power of our companies, we are not confident in our ability to anticipate when the next negative market catalyst will emerge to upend the consensus expectations underpinning share prices. Therefore, we do not hold positions larger than 5% in individual securities, nor do we congregate capital into relatively few sectors or geographies. We remain well diversified, consistently holding more than 50 companies across a minimum of seven industrial sectors and 15 markets.

Even as the underlying conditions of global instability persist, we anticipate meaningful growth opportunities for the portfolio as AI evolves. The AI infrastructure boom of 2023, in our view, will serve as the foundation of long-term improvements in productivity and profitability across global enterprises. Companies of all sizes will inevitably connect their data sets to language models assisted by AI agents or “co-pilots” to automate tasks, serve customers, and potentially sell new and perhaps more valuable insights and solutions. The universal pursuit of lower costs and higher productivity offers growth potential for software providers able to deploy AI to automate or expedite many costly, labor-intensive processes for their customers. All of our holdings competing in the enterprise-software arena—**Adobe**, Amazon.com, Microsoft, **Salesforce**, **SAP**, **ServiceNow**, and **Synopsis**—have the ability to overlay new AI features onto their existing software offerings and have pointed to rising customer demand for such capabilities.

First-mover advantages in adopting language models are likely to dissipate as open-source or low-cost third-party language models

## Ten Largest Holdings by Weight at 31 December 2023

Company	Sector	Market	%
Schneider Electric	Industrials	France	4.3
Vertex Pharmaceuticals	Health Care	United States	4.1
Alphabet	Comm Services	United States	3.9
Meta Platforms	Comm Services	United States	3.6
Amazon.com	Cons Discretionary	United States	3.5
Microsoft	Info Technology	United States	2.8
Thermo Fisher Scientific	Health Care	United States	2.7
John Deere	Industrials	United States	2.6
Ametek	Industrials	United States	2.5
Sony	Cons Discretionary	Japan	2.1

proliferate. Instead, access to valuable proprietary data sets will be the likely source of lasting AI competitive advantage. Right now, much digital information is siloed within organizations, making it difficult to interrogate and draw useful insights. As generative AI helps to integrate these data sets, it is likely to reveal an important distinction between businesses that possess valuable data and those that don't. For this reason, we'd expect the list of AI winners to greatly expand over time and to include a company such as **Intuitive Surgical**.

As the dominant provider of robot-assisted surgery, Intuitive Surgical has amassed vast data on individual surgical procedures around the world—information that can be used to establish best practices to which individual hospitals and surgeons can be benchmarked. Increasingly, Intuitive Surgical is offering real-time surgical advice through an AI computational observer inside operating rooms. It is also training robots to automate aspects of surgery, such as stapling, gradually expanding the company's addressable market. Like most businesses today, it has yet to develop a monetization strategy for AI; however, we believe one is likely to come in the form of personalized AI co-pilots available to surgeons for a subscription fee.

Longtime holding Amazon.com is another company we view as a long-term AI winner. Amazon holds a trove of customer shopping data that it monetizes through advertising, a high-margin, fast-growing US\$50 billion business, which is increasingly supported by AI. The company is also well positioned to offer its many thousands of web-services customers the AI tools needed to structure their own data, attach it to language models, and develop agents to write code. A key feature of Amazon's strategy is to custom fit a language model to each client's business, providing security that the model is trained using only that client's data.

Innovation remains the lifeblood of growth companies. While unpredictable geopolitical risks are on the rise, we remain confident in our ability to identify quality-growth businesses such as Intuitive Surgical and Amazon that contribute to, and benefit from, ongoing innovation across industries globally, and therefore generate superior long-term earnings growth and shareholder returns.

## Performance (% Total Return)

as of 31 December 2023

Class I	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>US Dollar</b>						<b>18 July 2011</b>
Global Equity Fund USD I	6.67	22.38	-0.47	10.54	8.36	8.78
MSCI All Country World Index	7.25	22.20	5.75	11.72	7.93	8.54
<b>Euro</b>						<b>21 June 2007</b>
Global Equity Fund EUR I	5.39	18.63	2.94	11.36	10.79	8.22
MSCI All Country World Index	5.93	18.06	9.41	12.49	10.34	6.97
<b>GBP Sterling</b>						<b>5 March 2008</b>
Global Equity Fund GBP I	6.26	16.04	1.88	10.51	11.21	10.57
MSCI All Country World Index	6.97	15.31	8.24	11.70	10.79	9.57
Class R	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>US Dollar</b>						<b>5 June 2018</b>
Global Equity Fund USD R	6.54	22.05	-0.74	10.24	–	6.01
MSCI All Country World Index	7.25	22.20	5.75	11.72	–	8.22
Class N	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>US Dollar</b>						<b>4 January 2018</b>
Global Equity Fund USD N	6.19	21.35	-1.27	9.65	–	5.49
MSCI All Country World Index	7.25	22.20	5.75	11.72	–	7.54
Class X	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>Canadian Dollar</b>						<b>23 August 2019</b>
Global Equity Fund CAD X	7.03	20.59	1.57	–	–	9.82
MSCI All Country World Index	6.88	18.92	6.97	–	–	10.56
Class X2	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>US Dollar</b>						<b>06 October 2023</b>
Global Equity Fund USD X2	–	–	–	–	–	11.74
MSCI All Country World Index	–	–	–	–	–	11.48

Fund performance is shown net of fees. Benchmark performance is shown net of withholding taxes. Returns are annualized for periods greater than one year. Please read the separate disclosures page for important information.

## Portfolio Management Team



**Peter Baughan, CFA**  
*Global Equity Co-Lead Portfolio Manager*



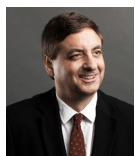
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**Christopher Mack, CFA**  
*Portfolio Manager*



**Richard Schmidt, CFA**  
*Portfolio Manager*



**Moon Surana, CFA**  
*Portfolio Manager*

## Performance Summary

The Global Paris-Aligned Equity Fund USD Class X1 shares gained 6.58% (at dealing prices, net of fees, in US dollar terms) for the six months ended 31 December 2023, while the MSCI All Country World Index rose 7.25%.

## Market Review

After rising in July, global markets declined from August through October amid signs from central banks that interest rates might stay high for longer than anticipated to bring inflation back to target. In late July, the US Federal Reserve raised short-term rates to 5.5%, the Bank of England hiked rates in August, and Sweden's Riksbank hiked in September. The European Central Bank followed in mid-September with its own rate hike to 4%, the highest level in its 25-year history, despite lowering its growth forecast for the eurozone. Meanwhile the US yield curve flattened, indicating the economy was more resistant to the tightening medicine than assumed, postponing, perhaps, the start of any imminent recession but not, by any means, sending an all-clear signal.

However, by November, markets staged a sharp turnaround, erasing the earlier losses and concluding the six-month period with a solid positive return. The rally reflected an abrupt reversal in investors' outlook for interest rates. Underwhelming US economic data including a deceleration in job creation and lower inflation in the US and the eurozone—a large contrast from the double-digit

inflation in 2022—supported the view that central banks' intensive efforts to combat inflation might be drawing to a close. The US Federal Reserve opted to keep the federal funds rate unchanged at 5.25% to 5.5% in its three final meetings of 2023 while hinting at possible rate cuts in 2024. The European Central Bank followed suit, keeping its policy rate unchanged, indicating a shift in the balance of risks between inflation and growth. The Bank of Japan maintained its negative interest rate policy despite rising inflation, citing subdued wage growth, lackluster housing investment, and flat government spending. The People's Bank of China continued to loosen policy, albeit only modestly, amid ongoing struggles to stimulate economic growth.

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The US was the best-performing large market in the trailing six-months, with help from most of the select group of mega-cap US stocks dubbed the "Magnificent Seven," including **Alphabet**, **Amazon.com**, Meta Platforms, **Microsoft**, and **NVIDIA**. However, two members of this group declined—**Apple** and Tesla. News of China's ban on Apple devices for state employees hurt that company's shares. Meanwhile shares of some non-tech companies, such as warehouse wholesale chain **Costco**, were also strong. Emerging Markets lagged the broad market, despite strong returns in India, due to China's market woes.

By style, the shares of the fastest-growing companies significantly outperformed those of slow-growing companies, a phenomenon that was particularly pronounced in the US. The lowest-quality quintile of stocks also outpaced the highest-quality quintile, perhaps reflecting declining concern about the prospects for a recession.

## Performance Attribution

The Fund lagged the MSCI ACWI Index during the six-month period primarily due to poor stocks in Financials and Industrials. Strong stocks in Communications Services and Consumer Staples were helpful.

In Financials, Dutch payment processing service provider **Adyen** reported strong year-on-year sales in the first half of 2023, but shares fell sharply through August and September due to signs of pricing pressure from competitors, particularly in the US market.

This decline was exacerbated by an already lofty valuation that anticipated faster growth. By the end of 2023, Adyen's stock had recovered about half of the summer's decline as management outlined a three-year plan to deliver greater than 20% annualized revenue growth while improving margins. In Industrials, US-based industrial automation solutions company **Rockwell Automation** reported lower-than-expected revenue and margin and also lowered its outlook for year-end orders. We think the company continues to enjoy favorable long-term growth prospects given its strong position in the increasingly prominent industrial automation industry.

US social media company **Pinterest** was a key contributor in Communications Services. The company reported growth in total subscribers, diminishing concerns over its ability to retain users who flocked to its platform during the pandemic lockdowns. In Consumer Staples, Costco reported strong sales and profit growth supported by better-than-expected "Black Friday" sales, international growth, and growth in its higher-tier executive memberships, among other positives. The company also announced a special dividend to be paid in January 2024.

#### Portfolio Positioning (% Weight) at 31 December 2023

Sector	Fund	Benchmark
Comm Services	11.5	7.4
Cons Discretionary	7.9	11.1
Cons Staples	4.5	6.8
Energy	0.0	4.5
Financials	8.1	15.9
Health Care	21.0	11.2
Industrials	19.3	10.7
Info Technology	21.8	22.9
Materials	1.1	4.5
Real Estate	1.6	2.4
Utilities	0.0	2.6
Cash	3.2	–
Geography	Fund	Benchmark
Canada	0.0	2.9
Emerging Markets	5.4	10.5
Europe EMU	13.6	8.1
Europe ex EMU	9.5	7.7
Frontier Markets	0.0	–
Japan	5.4	5.4
Middle East	0.0	0.2
Pacific ex Japan	0.9	2.7
United States	62.0	62.5
Cash	3.2	–

"Benchmark": MSCI All Country World Index. "Frontier Markets": Includes countries with less-developed markets outside the index.

By geography, strong performance in the US boosted relative returns. Poor stocks in Europe and Emerging Markets hurt. In the former, key detractors included Adyen in the Netherlands and Sweden-based Hexagon AB, an industrial technology company that has been expanding its growth prospects by augmenting its traditional hardware offerings with software. Shares fell, however, due to concerns over a decline in profit margins and several unsettling developments, such as executive reshuffling, the departure of three independent board members, and a damaging report from a short seller. We decided to sell the holding.

## Perspective and Outlook

As we approach the four-year anniversary of the COVID-19 pandemic, it might appear that the virus has had little lasting impact on the global macroeconomy. Inflation is abating, and unemployment levels in the US and Europe are rapidly falling to pre-COVID levels. US and global GDP growth, as well as the US national deficit, also have reverted to pre-pandemic trends. The exception to this backdrop is interest rates, which the world over are notably higher than they were four years ago.

While these variables suggest little lasting structural damage from the pandemic, the world has changed in meaningful ways. Geopolitical dynamics are very different today from four years ago. Additionally, governments are trying to manage the impact of new technologies, such as AI, which will have broad implications for international relations as well as businesses and their supply chains.

On the geopolitical front, the world seems to have become too small to accommodate the competing strategic appetites of China, Iran, North Korea, Russia, and the US, among others. To be sure, Russia's designs on Ukraine and China's desire to establish its socioeconomic model as the preferred global alternative to the US predate the pandemic. But it was the pandemic that exposed the fragility of extended global supply chains controlled by geopolitical adversaries.

It is fascinating to witness what has evolved since. On the one hand, the consumer economy remains highly globalized. Producers of goods still operate on an international scale, and consumers can instantaneously price shop from domestic and foreign retail sites—witness the meteoric rise of Chinese e-commerce platforms Shein and Temu among younger consumers in the US in 2023. On the other hand, the industrial and manufacturing sectors must navigate the increasing balkanization of supply chains amid new state industrial policies that prioritize national security considerations, particularly as they relate to technological leadership. While the US is the most notable recent case, it is to some degree echoing China's long-standing industrial policies that favor localization of supply chains. For example, the US has imposed export restrictions on semiconductors, the underlying hardware for AI. It also has established government-authorized supply chains where other prized technology is involved, such as the production of electric vehicles.



It can be argued that technological innovation is at the core of global instability today. China and the US are locked in a full-scale competition for control over AI infrastructure and applications. Advances in AI can be expected to exacerbate the digital disinformation wars by enabling even more convincing counterfeit images and videos. And AI isn't the only source of tension: the same social media technology that allows Shein to reach American teenagers on Snapchat is also being used to inflame the Israeli-Palestinian conflict.

Technology drove global share-price gains these past four years, with the tech sector returning 20% per year, nearly 2.5 times the 8.5% return of the MSCI ACWI Index. But, like fire, technology gives and it takes. What it has given in superior equity-market performance it can undoubtedly take away, as its adverse uses foster uncertainty, volatility, and subsequent investor risk aversion. Therefore, it is puzzling to see that the VIX—the index that measures expected volatility in the S&P 500 Index as implied by option prices—is low. Sustained low volatility of global share prices would be increasingly at odds with the risks we see.

In this geopolitical environment, where months of apparent market calm can be suddenly shattered by a risk event of whatever origin, a portfolio of companies with superior quality and growth characteristics trading at reasonable valuations should prove especially resilient. Our companies are characterized by strong balance sheets and internally funded growth, so that in the event of sudden interruption to capital markets they will have the wherewithal to continue to grow and invest in their businesses. Valuations across the portfolio are more attractive on a relative basis today than at any time in the past 10 years, while the forecast volatility of the portfolio also has been significantly reduced since the beginning of 2022. These characteristics are partly the result of transactions in which we sold expensive and more volatile-looking securities amid a rebound in US growth stocks and increased our exposure to more attractively valued, lower-volatility stocks in Europe.

While we are confident in the earning power of our companies, we are not confident in our ability to anticipate when the next negative market catalyst will emerge to upend the consensus expectations underpinning share prices. Therefore, we do not hold positions larger than 5% in individual securities, nor do we congregate capital into relatively few sectors or geographies. We remain well diversified, consistently holding more than 50 companies across a minimum of seven industrial sectors and 15 markets.

Even as the underlying conditions of global instability persist, we anticipate meaningful growth opportunities for the portfolio as AI evolves. The AI infrastructure boom of 2023, in our view, will serve as the foundation of long-term improvements in productivity and profitability across global enterprises. Companies of all sizes will inevitably connect their data sets to language models assisted by AI agents or “co-pilots” to automate tasks, serve customers, and potentially sell new and perhaps more valuable insights and solutions. The universal pursuit of lower costs and higher productivity offers growth potential for software providers able

## Ten Largest Holdings by Weight at 31 December 2023

Company	Sector	Market	%
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Alphabet	Comm Services	United States	4.3
Vertex Pharmaceuticals	Health Care	United States	4.2
John Deere	Industrials	United States	3.6
Amazon.com	Cons Discretionary	United States	3.4
Pinterest	Comm Services	United States	3.1
Ametek	Industrials	United States	2.8
Microsoft	Info Technology	United States	2.8
Thermo Fisher Scientific	Health Care	United States	2.7
Sony	Cons Discretionary	Japan	2.5

to deploy AI to automate or expedite many costly, labor-intensive processes for their customers. All of our holdings competing in the enterprise-software arena—**Adobe**, Amazon.com, Microsoft, **Salesforce**, **SAP**, **ServiceNow**, and **Synopsys**—have the ability to overlay new AI features onto their existing software offerings and have pointed to rising customer demand for such capabilities.

First-mover advantages in adopting language models are likely to dissipate as open-source or low-cost third-party language models proliferate. Instead, access to valuable proprietary data sets will be the likely source of lasting AI competitive advantage. Right now, much digital information is siloed within organizations, making it difficult to interrogate and draw useful insights. As generative AI helps to integrate these data sets, it is likely to reveal an important distinction between businesses that possess valuable data and those that don't. For this reason, we'd expect the list of AI winners to greatly expand over time and to include a company such as **Intuitive Surgical**.

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custom fit a language model to each client's business, providing security that the model is trained using only that client's data.

Innovation remains the lifeblood of growth companies. While unpredictable geopolitical risks are on the rise, we remain confident in our ability to identify quality-growth businesses such as Intuitive Surgical and Amazon that contribute to, and benefit from, ongoing innovation across industries globally, and therefore generate superior long-term earnings growth and shareholder returns.

Performance (% Total Return)

as of 31 December 2023

Class X1	6 Months	1 Year	Since Inception
US Dollar			17 June 2022
Global Paris-Aligned Equity Fund USD X1	6.58	20.90	15.67
MSCI All Country World Index	7.25	22.20	17.21

Fund performance is shown net of fees. Benchmark performance is shown net of withholding taxes. Returns are annualized for periods greater than one year. Please read the separate disclosures page for important information.

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*Portfolio Manager*

## Performance Summary

The Global Small Companies Equity Fund USD Class I shares rose 6.77% (at dealing prices, net of fees, in US dollar terms) for the six months ended 31 December 2023, underperforming its benchmark, the MSCI All Country World Small Cap Index, which rose 8.16%.

## Market Review

Global small cap stocks rose during the first half of the fiscal year, helped by strong returns in Emerging Markets.

Lower interest rates, slowing inflation, and signs of an economic “soft landing” boosted markets. Artificial intelligence (AI) captivated investors, given the technology’s potential to drive long-term productivity gains and growth. Concerns persisted throughout the period, however, over the potential economic fallout of worsening geopolitical strain.

After the 25-basis point increase in July, the US Federal Reserve maintained the federal funds rate at a steady 5.25% to 5.5%, with hints of three rate reductions in 2024. The European Central Bank raised rates almost monthly leading up to October but has since left rates unchanged, reflecting a newly cautious approach to monetary policy. In Asia, where high inflation is less of a concern, monetary policies remained more accommodative. China’s central bank continued its supportive stance, while news reports suggested the country may pursue additional measures to stimulate its slowing economy. The Bank of Japan maintained negative policy rates, citing subdued wage growth, lackluster housing investment, and steady government spending.

By sector, Financials outperformed, nearly doubling the index return; banks share rebounded as earlier worries over the health of the banking system (stemming from the failure of three US regional banks) faded from memory. Energy, Real Estate, and Information Technology (IT) also outperformed the broader index. IT’s strong performance was largely propelled by investor enthusiasm over the potential commercial applications of AI technologies, as well as strong earnings growth. The worst-performing sector was Utilities.

By region, Emerging Markets (EMs) posted the best performance in the first half of the fiscal year, with Egypt, India, Mexico, and Taiwan each returning more than 15%. India, among the largest EMs, did particularly well amid an improving growth outlook for small companies and as China’s economic slowdown shifted some investor appetite to India’s market. The European Monetary Union (EMU) also outperformed the broader index. Canada was the worst-performing region, dragged down by declining energy prices. Stocks in the Middle East region, which includes only shares of Israeli companies, were hurt by the Israeli-Palestinian conflict and fears that it may spread.

## Performance Attribution

Weak stocks in Industrials and Consumer Staples were the primary source of underperformance in the six-month period. Poor returns in Consumer Discretionary and Financials and the Fund’s underweight to the latter also hurt. Strong stock performance in Health Care and IT contributed.

In Industrials, shares of **TOMRA** suffered after the world’s leading manufacturer of recycling and sorting equipment fell victim to a cyberattack. Despite disruptions and manual workarounds, the company’s sales, service, and production were not significantly impacted. Investors were further disappointed that a large Scottish collection program was delayed until 2025. **MISUMI Group**, a Japanese wholesaler of factory components, reported disappointing results amid weak demand from customers in China, its second-largest market.

In Consumer Staples, US-based **MGP Ingredients**, a spirits distiller and supplier of food ingredients, was a large detractor. Even as MGP posted strong earnings, investors shifted their preferences to companies with greater exposure to discretionary consumer spending in anticipation of potential interest rate cuts. Meanwhile, in Consumer Discretionary, our US holdings failed to keep pace with the robust quarterly gains of index peers. Automotive-components supplier **BorgWarner** reduced its full-year forecast due to weakening demand, particularly from its electric-vehicle customers.

Good stocks in Health Care contributed. Investors were optimistic about **Neurocrine Biosciences'** pipeline of drug candidates, including a treatment for adult and pediatric congenital adrenal hyperplasia, a disorder of the adrenal glands, which completed phase 3 studies. Shares of Neurocrine, which also has psychiatric drugs in development, were further boosted after two of its neuroscience-focused peers received takeover offers from large pharmaceutical companies.

By region, weak stocks in Japan and Emerging Markets offset good stock selection in Europe and Middle East. **Milbon**, a Japanese provider of professional hair-care products, reported weak demand from domestic customers, resulting in excess inventory. **UT Group**, a staffing and outsourced manufacturing service company, experienced weaker demand from industrials and electronic devices customers. The underperformance in Emerging Markets was largely due to the fund's underweight in India, a country that outperformed the benchmark threefold. Weak performance from Philippines foods and consumer products retailer, **Robinsons Retail** was also a large detractor. Higher inflation in the Philippines and weak consumer spending hurt revenue and profit growth.

#### Portfolio Positioning (% Weight) at 31 December 2023

Sector	Fund	Benchmark
Comm Services	9.5	3.0
Cons Discretionary	9.5	13.2
Cons Staples	8.9	4.9
Energy	1.8	4.4
Financials	10.8	14.3
Health Care	14.9	9.9
Industrials	22.8	19.4
Info Technology	15.9	12.1
Materials	2.1	8.1
Real Estate	0.0	8.1
Utilities	1.0	2.6
Cash	2.8	–
Geography	Fund	Benchmark
Canada	0.4	3.1
Emerging Markets	8.7	13.7
Europe EMU	12.0	6.1
Europe ex EMU	24.2	9.4
Frontier Markets	2.1	–
Japan	11.5	10.3
Middle East	2.4	0.9
Pacific ex Japan	0.0	4.2
United States	35.9	52.3
Cash	2.8	–

"Benchmark": MSCI All Country World Small Cap Index. "Frontier Markets": Includes countries with less-developed markets outside the index.

Europe ex EMU and Middle East were the best performing regions. UK-based **YouGov**, a market research and data analytics provider, was a top contributor. The company reported a 17% year-over-year increase in revenue and a 200-bp improvement in operating margins, allaying earlier concerns about its growth. Israel-based software developer **Cyberark** reported a 25% jump in revenue as the company sold additional security solutions to existing customers.

## Perspective and Outlook

Japan is the second-largest country weight in the global small cap benchmark, behind only the US. It is also where our portfolio of quality growth stocks struggled most this period.

One reason for the poor performance is that style headwinds have been especially pronounced in Japan for the past several years. In fact, from 2021 through 2023, Japan was one of only two regions where shares of high-quality small companies underperformed those of low-quality (by 718 bps). Likewise, fast-growing small caps underperformed slow growers in Japan to a greater degree (nearly 1,500 bps) than in any other region. Valuation has been the worst style headwind, with the cheapest stocks greatly outperforming the most expensive (by 2,400 bps). Japanese stocks in our portfolio declined 18.8% during those three years, while the broader index gained 3.9%.

High valuations of quality growth companies have been a facet of the Japanese market for much of the past five years. The price-to-earnings ratio of Japanese stocks in the top two quintiles of quality and growth also has climbed for six straight quarters. The relative richness of higher-quality, growing Japanese stocks is one reason our portfolio weight in Japan, at 11%, is down from a high of about 19% several years ago and is now only modestly above the country's benchmark weight of 10.3%.

Overall economic growth in Japan also has been slow amid factors such as an aging population, tight labor conditions, chronic deflation, and, lately, a depreciating currency. However, as investors, we seek growth even in places where it isn't readily apparent. Our research process is geared to uncover companies that operate in industries with long-term demand growth, and which exhibit strong competitive advantages, managerial excellence, and sustained high profitability.

Because of the challenging environment in Japan, many companies there turn to overseas markets for growth. Such companies navigate increasingly strict cross-border trade policies in a deglobalizing world, as well as the financial effects of a volatile yen. While we have found plenty of Japanese exporters that offer long-term profitable growth, solid domestic growers without exposure to deglobalization and currency risks also can be attractive.

One such company is **SMS**, a business that benefits from Japan's otherwise unfavorable demographics. As a leading recruitment agency for nurses and elderly-care providers in a country that

desperately needs them, the company is seeing higher demand for its services. SMS also has added recruitment services in adjacent areas such as childcare (in a shrinking population, workers of all types get harder to find). Furthermore, the company has introduced other services for its customers, such as a software tool that helps elderly-care facilities navigate the insurance landscape. SMS is targeting 20% annual revenue growth over the next few years.

Meanwhile, what began as a push by former Prime Minister Shinzo Abe to improve corporate governance in Japan has gained more momentum in recent years. This has led to a recent flurry of government reforms as well as new mandates from the Tokyo Stock Exchange (TSE), which is working in tandem with regulators. The potential impact on companies in our portfolio and portfolio returns is complex.

The TSE, for example, will begin requiring all listed companies to develop plans to improve returns on capital. While this is welcome news, the announcement has primarily benefited shares of lower-quality companies that had been trading below book value, where there is presumably more room for improvement than for high-quality firms. Beginning in January 2024, the exchange will start publishing a monthly list of companies that aren't cooperating with its mandate, a move that some investors are calling "TSE shaming."

This pressure to improve corporate governance and increase shareholder returns would seem to be a break from the business culture that formed in the wake of the country's economic turmoil in the late 1990s. Since then, during an era known as Japan's "lost decades," businesses (and households) have tended to hoard cash rather than reinvest for future growth. Even activist hedge funds, which haven't been shy about agitating for significant changes to ignite growth at companies in the US and Europe, were less active in Japan for many years, given that businesses were often perceived as too resistant to change. The TSE's plan to end this perception includes compiling feedback from investors, and corporate responses thereto, making this information public every six months. The TSE's efforts are a step in the right direction but will likely take time to render fundamental improvements in companies.

Other changes concern taxes. To stoke dealmaking, small and medium enterprises (SMEs) can now write off up to 100% of their

#### Ten Largest Holdings by Weight at 31 December 2023

Company	Sector	Market	%
YouGov	Comm Services	United Kingdom	3.1
EnerSys	Industrials	United States	3.0
Neurocrine Biosciences	Health Care	United States	2.7
Cyberark	Info Technology	Israel	2.4
MGP Ingredients	Cons Staples	United States	2.0
Senior	Industrials	United Kingdom	2.0
Atkore	Industrials	United States	2.0
Tecan Group	Health Care	Switzerland	2.0
RGA	Financials	United States	2.0
Diploma	Industrials	United Kingdom	1.8

acquisition costs as losses for tax purposes if they acquire another SME, which may mean more mergers and acquisitions of small caps. Tax incentives also have been created to encourage individual investors to buy riskier assets. In addition, a new preferential tax rate will be available to firms that give their employees a pay raise above a minimum threshold, so we'll be monitoring whether any of our companies plan to take advantage of that.

**JCU**, the world's top supplier of plating chemicals used in printed circuit boards and chips, may benefit from other upcoming tax changes. The company is positioned to take advantage of a new tax break to boost domestic production in certain sectors considered to be essential for Japan, such as semiconductor devices. The incentive will last for 10 years from the time of approval and is based on the level of production of qualifying products.

Over the long term, the changes in Japanese business policy and mindset should be positive developments. As management teams digest the recent revisions, we'll learn more of the specifics of how they see the reforms potentially impacting their businesses. In the short run, some of the changes will mainly benefit lower-quality, slower-growing companies, an expectation that has clearly exacerbated, and could prolong, the style headwinds our investments in Japan have faced. Over time, though, as more businesses raise their standards, the number of high-quality companies in Japan is likely to increase.



Performance (% Total Return)  
as of 31 December 2023

Class I	6 Months	1 Year	3 Years	5 Years	Since Inception
US Dollar					13 December 2018
Global Small Companies Equity Fund USD I	6.77	14.53	-0.17	10.36	9.19
MSCI All Country World Small Cap Index USD	8.16	16.84	3.33	9.85	8.83

Fund performance is shown net of fees. Benchmark performance is shown net of withholding taxes. 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*



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*Co-Lead Portfolio Manager*



**Uday Cheruvu, CFA**  
*Portfolio Manager*



**Patrick Todd, CFA**  
*Portfolio Manager*

## Performance Summary

The International Equity Fund USD Class I shares gained 3.81% (at dealing prices, net of fees, in US dollar terms) for the six months ended 31 December 2023, underperforming the MSCI All Country World ex US Index, which rose 5.61%. Please refer to the table immediately following this commentary for returns related to the Fund's other share classes.

## Market Review

After rising in July, international markets declined from August through October amid signs from central banks that interest rates might stay high for longer than anticipated to bring inflation back to target. In late July, the US Federal Reserve raised rates to 5.5%, with additional hikes from the Bank of England in August and Sweden's Riksbank in September. The European Central Bank (ECB) followed in mid-September with its own rate hike to 4%, the highest level in its 25-year history, despite lowering its growth forecast for the eurozone. Meanwhile the US yield curve flattened, indicating the economy was more resistant to the tightening medicine than assumed, postponing, perhaps, the start of any imminent recession but not, by any means, sending an all-clear signal.

However, by November, underwhelming US economic data, including a deceleration in job creation and lower inflation in the US and the eurozone—a large contrast from the double-digit inflation in 2022—supported the view that central banks' intensive efforts to combat inflation might be drawing to a close. The US Federal

Reserve opted to keep the federal funds rate unchanged at 5.25% to 5.5% in its three final meetings of 2023, while hinting at possible rate cuts in 2024. The European Central Bank followed suit, keeping its policy rate unchanged, indicating a shift in the balance of risks between inflation and growth. The Bank of Japan maintained its negative interest rate policy despite rising inflation, citing subdued wage growth, lackluster housing investment, and flat government spending. The People's Bank of China continued to loosen policy, albeit only modestly, amid ongoing struggles to stimulate economic growth. This abrupt reversal in the outlook for interest rates led to a rally in international markets in November and December, erasing the earlier losses and concluding the six-month period with a solid positive return.

By sector, Energy performed the strongest, with oil prices reaching as much as \$95 a barrel in September before sharply declining in the fourth quarter as reduced demand and skepticism over the impact of supply cuts made by OPEC weighed on prices. Information Technology (IT) and Real Estate also performed strongly, the former buoyed by expectations for lower interest rates while the latter reflected the rebound in bond markets. Consumer Staples was the weakest sector, alongside Communication Services and Consumer Discretionary, which also declined.

Regionally, Canada, Europe outside the eurozone, Japan, and Pacific ex Japan all outperformed. Emerging Markets performed the worst, dragged down by China, which continued to face economic malaise and dampened sentiment. Stocks in the eurozone, particularly French and German equities, also underperformed.

By style, the fastest growing stocks faced a severe headwind, and, in general, expensive stocks did too. There was no clear effect by quality with both the highest and lowest quality stocks outperforming.

## Performance Attribution

The Fund underperformed during the period, dragged down by weak stock selection across regions and sectors.

By sector, stocks in IT, Utilities, and Health Care detracted the most from relative performance. In the former, Chinese solar equipment manufacturer **LONGi** reported declining revenues and profits as ongoing oversupply weighed on prices for photovoltaic products. In Utilities, Chinese gas utility company **ENN Energy** warned that declining gas volumes for industrial customers would lead to lower earnings for 2023. In Health Care, Swiss biotechnology company Lonza faced rising competition from Chinese, South Korean, and American firms at the same time as a funding crisis for biotech startups, leading to underutilized expanded capacity and

lower-than-expected demand weighing on margins. Shares were also negatively impacted by news that the board had fired the CEO. Strong stocks in Consumer Staples and Materials were helpful. In the former, Mexican bottler and convenience store operator **FEMSA**'s profits and sales growth were bolstered by the strong results of its OXXO convenience stores and Coke FEMSA segments. In Materials, shares of mining giants **BHP** and **Rio Tinto** were buoyed by rising iron ore prices.

Regionally, weak stock in Emerging Markets, particularly China, were responsible for the majority of underperformance. In addition to LONGi and ENN Energy, **Ping An Insurance** detracted, with its third-quarter profits diminished by China's weak asset markets. Stocks in Japan and Europe outside the eurozone (Lonza) also detracted. Japanese cosmetics company **Shiseido** struggling with falling Chinese demand amid a resurgence of anti-Japanese consumer sentiment following the release of treated radioactive wastewater from the Fukushima Daiichi nuclear power plant. Strong stocks in Canada were helpful, particularly insurance company **Manulife**, which reported faster profit growth for the third quarter, powered by increased activity from its Asian customers.

#### Portfolio Positioning (% Weight) at 31 December 2023

Sector	Fund	Benchmark
Comm Services	2.3	5.2
Cons Discretionary	4.6	11.5
Cons Staples	13.4	8.0
Energy	2.1	5.6
Financials	21.3	21.2
Health Care	12.7	9.3
Industrials	13.9	13.5
Info Technology	15.8	12.4
Materials	9.0	8.0
Real Estate	0.0	2.1
Utilities	0.7	3.2
Cash	4.2	–
Geography	Fund	Benchmark
Canada	5.5	7.7
Emerging Markets	23.1	28.1
Europe EMU	21.5	21.7
Europe ex EMU	23.3	20.3
Frontier Markets	0.0	–
Japan	14.3	14.4
Middle East	0.0	0.5
Pacific ex Japan	6.6	7.3
Other	1.5	–
Cash	4.2	–

"Benchmark": MSCI All Country World ex US Index. "Frontier Markets": Includes countries with less-developed markets outside the index. "Other": Includes companies classified in countries outside the index.

## Perspective and Outlook

The recent passing of Robert Solow, the Nobel Prize-winning economist, offers a timely reminder of the pivotal role of technology in fostering economic growth, eclipsing by far population growth or the application of capital. Innovation drives productivity, which is, in the words of *The Economist*, the magic elixir of economic growth. Nevertheless, the obituaries for Solow brought a raft of quotations of Solow's 1987 lament that "You can see the computer age everywhere these days except in the productivity statistics," a remark that, rather ironically, heralded the onset of a decade-long surge in productivity. This year has been marked by the eruption of a new technology into the public consciousness: AI, thanks to the accessibility of large language and generative AI models to anyone with a web browser. Among AI applications, Open AI's ChatGPT and DALL-E image generator stood out, sparking not only a surge in the share prices of companies acknowledged as key players and providers of artificial intelligence services, but also a rise in the value of many firms that simply claim an association or indirect benefit from AI.

"Amara's Law," the observation by Stanford Research Institute computer scientist Roy Amara that we overestimate the impact of technology in the short term but underestimate it in the long term, appears to apply to the current obsession with AI in spades. The real-world effects seen to date may simply be an echo of Solow's soon-to-be-obsolete 1987 quip. We now carry powerful computers in our pockets and seemingly can't do anything without them. Likewise, we may be on the cusp, not yet visible in economic statistics, of AI enabling software coders, medical professionals, and even investment analysts to produce more and better output with less drudgery (and time spent).

The lag between when innovations arrive with great fanfare and the tangible impact they have on people's lives and corporate earnings is known as the "productivity J-curve." This concept highlights the discernible dip between initial excitement and actual, productive results. This phenomenon is widely recognized to feature prominently in technology-focused research (dubbed by Gartner as the "hype cycle"). Existing applications of machine learning may well have become mainstream and already be contributing to productivity, but the broader hopes for so-called "artificial general intelligence," glimpsed through the lens of interactions with ChatGPT, may already have entered the realm of inflated expectations, and potentially be headed for the trough of disillusionment.

The behavioral underpinnings of the hype cycle, though, have broad implications for our investment approach, because they provide one of the more persuasive explanations for the enduring quality return premium, the documented tendency for higher-quality companies to generate higher-than-average risk-adjusted returns. We humans are hard-wired to seek novelty and excitement. Exploring new environments and trying different resources (like food or habitats) remains crucial for our survival and adaptation. When it comes to investing, few things offer more excitement than groundbreaking innovations by companies in which one owns or

could own shares. But the problem with companies that proffer thrilling advancements is that their shares invariably embed expectations of high future growth with the attendant nosebleed valuations. This anticipated growth typically comes with a high degree of uncertainty and thus a wider range of actual possible outcomes. Indeed, that very uncertainty may well fuel the thrill a shareholder experiences, in the conviction of being right in the face of skeptics and volatile, shifting expectations.

Investing in shares of high-quality companies can often seem uneventful in contrast, and it's in this lack of excitement that an opportunity lies. If a stock isn't particularly thrilling, often due to the more predictable nature of its future profitability and earnings growth, it may not capture the average investor's imagination in quite the same way. As a result, the shares might not command as high a valuation premium as their potential merits, leading to the quality return premium. Over the years, our focus has been on identifying and investing in such high-quality companies, aiming to augment our portfolio with many of them. The embrace of the mundane, sometimes required to pursue this style of investing, presents its own psychological challenge, even as we try to uncover and communicate those companies' more intriguing aspects in updates like this one.

In the past three years, amid a robust global economic recovery that has boosted corporate profits, but also triggered higher inflation and the swingeing monetary policy responses of central banks, our collection of low-excitement businesses has proved a bulwark. They've provided stability against the turbulence that has buffeted the highly priced stocks of the most-exciting growth companies. These investments weren't new additions made in anticipation of the resurgence of value investing; they were long-standing holdings, often in industries (or countries) not typically favored by investors seeking either rapid growth or high quality.

Take, for instance, our two industrial gas holdings, **Air Liquide** and **Linde**, situated in the rarely thrilling Materials sector. Their straightforward business of separating air or natural gas into pure gases—such as oxygen for steel furnaces, nitrogen for semiconductor clean rooms and food processing, or hydrogen for desulfurizing petroleum products—is hardly glamorous. Neither is ever cheap enough to be considered a value stock and yet both have outperformed the broad MSCI ACWI ex US Index and far outpaced the more exciting IT sector index over the three years since the first COVID vaccine in November 2020, a period of dramatic outperformance for value-style investors.

Similarly, our investments in convenience store operators such as Mexico's **FEMSA**, which runs the OXXO chain, and Canada's **Couche-Tard**, which operates the Circle K chain of gas station/convenience stores, reflect this approach. Again, their prosaic operations have yielded attractive, consistent, growing profits without much fanfare. Crucially, their businesses grew as economies reopened, and their share prices weren't so inflated as to suffer significant devaluation with rising interest rates.

## Ten Largest Holdings by Weight at 31 December 2023

Company	Sector	Market	%
Samsung Electronics	Info Technology	South Korea	3.8
Chugai Pharmaceutical	Health Care	Japan	3.5
TSMC	Info Technology	Taiwan	3.5
Infineon Technologies	Info Technology	Germany	3.3
DBS Group	Financials	Singapore	2.8
Allianz	Financials	Germany	2.7
FEMSA	Cons Staples	Mexico	2.7
SE Banken	Financials	Sweden	2.7
L'Oréal	Cons Staples	France	2.7
Manulife	Financials	Canada	2.6

Our banking investments, such as Singapore's **DBS Group**, Spain's **BBVA**, and, more recently, Peru's **Credicorp**, also inhabit this “unexciting” category. While residing in the more affordable half of the market, these banks are better managed and financially stronger than most and have benefited from higher central bank policy rates and strong economic growth, by lending more of their ample deposits at increasing spreads.

Quality is a vital element of our investment philosophy, but it's not the only one. We understand that there must be consistent and predictable profit growth to yield attractive returns, so we seek quality combined with high growth from the companies in which we invest. Growth, however, is often less enduring than high quality and fearsomely resistant to attempts at accurate forecasting. This year, we've encountered our fair share of wrestling with growth disappointments and gyrating share prices caused by recalibrated growth prospects, such as at **Adyen** and **LONGi**.

One area where we tend to find innovation-led growth is among Health Care companies, but this year we've experienced some setbacks. **Sysmex**, a company in the seemingly prosaic and stable field of hematology testing, has seen its performance suffer over the past two years due to distributor difficulties and competition in China, including the emergence of unauthorized copies of its products. The embedded high expectations for, and subsequent deflation of, its Chinese operations have undermined its share price. Swiss pharmaceutical giant **Roche**, usually massively steady, struggled to get new drugs approved despite prodigious R&D spending, resulting in a stagnant share price. Lastly, Lonza misjudged the competitive landscape in biologic drug manufacturing. It faced rising competition from Chinese, South Korean, and American firms at the same time as a funding crisis for biotech startups, leading to underutilized expanded capacity and lower-than-expected demand weighing on margins. All three have been poor performers, both this year and last. All of which is to say that owning boring companies doesn't absolve one from the need to constantly probe for emerging threats (or opportunities) that may alter that prized stability.

## Performance (% Total Return)

as of 31 December 2023

Class I	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
						<b>2 December 2013</b>
<b>US Dollar</b>						
International Equity Fund USD I	3.81	14.97	-0.27	8.35	5.49	5.67
MSCI All Country World ex US Index	5.61	15.62	1.55	7.08	3.83	3.95
						<b>7 June 2013</b>
<b>GBP Sterling</b>						
International Equity Fund GBP I	3.48	9.10	2.10	8.36	8.30	8.18
MSCI All Country World ex US Index	5.33	9.09	3.94	7.06	6.58	6.71
Class R	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
						<b>27 September 2013</b>
<b>US Dollar</b>						
International Equity Fund USD R	3.72	14.72	-0.50	8.08	5.24	5.43
MSCI All Country World ex US Index	5.61	15.62	1.55	7.08	3.83	4.10
Class X	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
						<b>26 October 2018</b>
<b>US Dollar</b>						
International Equity Fund USD X	4.26	15.93	0.52	9.20	–	8.16
MSCI All Country World ex US Index	5.61	15.62	1.55	7.08	–	6.46

Fund performance is shown net of fees. Benchmark performance is shown net of withholding taxes. Returns are annualized for periods greater than one year. Please read the separate disclosures page for important information.



## Portfolio Management Team



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**Scott Crawshaw**  
*Co-Lead Portfolio Manager*



**Lee Gao**  
*Portfolio Manager*



**Babatunde Ojo, CFA**  
*Portfolio Manager*

## Performance Summary

The Emerging Markets Equity Fund USD Class I shares rose 1.37% (at dealing prices, net of fees, in US dollar terms) for the six months ended 31 December 2023, underperforming the 4.71% rise of its benchmark, the MSCI Emerging Markets Index. Please refer to the chart immediately following this commentary for returns related to the Fund's other share classes.

## Market Review

After a brief initial surge at the start of the fiscal year, Emerging markets (EMs) fell from August through October as global economic growth expectations slowed and signs that US interest rates would stay high for longer persisted. Inflation trends in EM countries themselves were mixed. Starting in November, however, EMs made a turnaround and ended up posting a solid return for the six-month period. Underwhelming US economic data and lower inflation in the US and the eurozone—a large contrast from the double-digit inflation in 2022—supported the view that central banks' intensive efforts to combat inflation might be drawing to a close. Central banks in developing countries, which had led the US in hiking rates, began to lead it in cutting, boosting sentiment toward EMs.

Most EMs outside of China rose, as countries from Peru to Poland benefited from their central banks cutting rates. India was one of the strongest markets; the country's economic growth has been steady through the first half of the fiscal year, and the World Bank maintained its expectations of 6.3% growth for the twelve months ending March 2024. India is also increasingly perceived as a beneficiary of realigning global supply chains—the government has been actively implementing regulatory policies, such as its

production-linked incentives program announced in 2020, to attract new investments to the manufacturing sector.

China was the worst-performing market for the period, falling 6% as consumer confidence and retail sales remained weak and private investment spending fell. Real estate development companies continued to struggle; one of China's largest, Country Garden Holdings, defaulted on a US dollar bond in October, and fellow real estate developer Evergrande filed for bankruptcy during the period. Geopolitical tensions with the US also continued to cast a long shadow over the Chinese market, although relations seemed to thaw partially as Presidents Joe Biden and Xi Jinping finally met in person in November at the APEC Summit in San Francisco, agreeing to restore direct lines of communication between their defense departments, which the Chinese side had cut to protest then-US House Speaker Nancy Pelosi's 2022 visit to Taiwan. There was also some positive economic news out of China during the period. The country saw rising share in high-value exports such as cars as well as signs of more expansionary fiscal policy during the final months of the year.

Energy was the strongest sector for the first half of the fiscal year, rising on the back of cuts in Saudi Arabian and Russian oil production and record high demand for oil, boosted by strong summer air travel. Shares of oil and gas exploration and production companies across Brazil, Saudi Arabia, and China rallied. Information Technology (IT) companies also rose over excitement about the potential for artificial intelligence (AI); Taiwanese and South Korean chip companies benefited as resilient economic growth in the US (home to their largest buyers outside of China) led to hopes of increased demand. Communication Services and Real Estate were the sole sectors in the red, reflecting the challenges that faced Chinese companies, which form major parts of these two sectors; Communication Services was impacted by the Chinese government's new draft regulations to curb online game addiction.

## Performance Attribution

Weak stocks in Consumer Discretionary and Industrials were the largest detractors from the Fund's relative performance, with weak IT and Utilities stocks also hurting. A key detractor in Consumer Discretionary was **Li-Ning**, one of China's leading sportswear brands. The company recognized it would fail to meet its annual revenue target and revised guidance downward as it managed inventory back to healthier levels. In Industrials, shares of Chinese battery maker **CATL** were hurt by concerns that the rate of capacity expansion by smaller peers could pressure industry margins. Meanwhile, Latin America's largest rental-car company, **Localiza**, reported a decline in net income due to higher depreciation costs associated with replenishing its rental fleet.

Strong stocks in Communication Services, as well as the Fund's underweight to the sector, were helpful. South Korean internet search and e-commerce company **Naver** posted strong operating profits in its third quarter 2023 earnings.

By geography, a large portion of the Fund's underperformance came from Chinese stocks. **Ping An Insurance** fell even as it continued to demonstrate material improvements in the productivity of its agents. The market was spooked by rumors—quickly dispelled by management—that policymakers had invited Ping An to help restructure Country Garden Holdings, the distressed property developer. Stock selection in India and Brazil also hurt. In India, **HDFC Bank** reported weaker-than-expected operating profits due to a contraction in net interest margins and higher costs from its branch network expansion, while Brazilian retailers **Magazine Luiza** and **Lojas Renner** fell as local consumers remained burdened by high interest rates.

#### Portfolio Positioning (% Weight) at 31 December 2023

Sector	Fund	Benchmark
Comm Services	6.3	8.8
Cons Discretionary	14.4	12.8
Cons Staples	6.1	6.0
Energy	2.0	5.1
Financials	24.7	22.3
Health Care	2.9	3.8
Industrials	12.9	6.9
Info Technology	24.5	22.1
Materials	0.9	7.8
Real Estate	1.1	1.7
Utilities	0.6	2.7
Cash	3.6	–
Geography	Fund	Benchmark
China + Hong Kong	27.4	26.5
India	13.7	16.7
South Korea	8.2	13.0
Taiwan	13.6	16.0
Rest of Asia	3.7	5.6
Africa	2.3	3.2
Europe	1.8	2.5
Latin America	14.2	9.5
Middle East	2.2	7.0
Frontier Markets	2.5	–
Developed Market Listed	6.8	–
Cash	3.6	–

"Benchmark": MSCI Emerging Markets Index. "China + Hong Kong": The Harding Loevner Emerging Markets Fund's end weight in China is 23.8% and 3.7%. The benchmark does not include Hong Kong. "Developed Market Listed": Emerging markets or frontier markets companies listed in developed markets, excluding Hong Kong. "Frontier Markets": Includes countries with less-developed markets outside the index.

Portfolio returns benefited from the outright sale of two of our Russian holdings, energy company Novatek and internet-services business Yandex, the value of which we had written down to effectively zero in early 2022. We negotiated off-exchange sales of these two securities that added to portfolio returns during the year.

## Investment Perspectives

China's wholesale removal of COVID-19-related restrictions in late 2022 combined with expected policy stimulus was supposed to lead to a resurgence in economic growth and better earnings prospects, boosting stock returns. Or so investors thought. As is often the case, these broad divinations were off the mark; China posted the worst EM country return during the period.

Worse still, the loss from our portfolio's China holdings, including in Hong Kong, was greater than that of the China index—6 percentage points more. From a style perspective, the first half of the fiscal year was a bad environment for quality-growth stocks in China. Diminished growth expectations raised equity risk premia and battered stock prices—and those with longer-duration growth prospects were pummeled the most. Meanwhile, lower-quality companies—including many state-owned enterprises (SOEs) in the energy, infrastructure-related, and financial industries—proved more defensive, perhaps because little prospective growth had been priced into these shares. Policymakers have admittedly focused once more on improving the governance standards and returns on capital of SOEs, but from chronically low levels that exclude them as investment candidates for our portfolio.

That's not to say there weren't specific issues surrounding some of our poorest performers. Most were related to either weaker demand stemming from depressed consumer sentiment and changing consumer habits, which affected Li-Ning and CTGDF, for example, or to concerns regarding over-supply following a heavy cycle of investment in high-growth industries such as the solar and EV-battery industries, which affected **LONGi** and CATL.

Despite underperforming other markets in recent times, China continues to present opportunities to invest in companies with strong growth prospects. We believe these opportunities are too big to ignore.

China's economy and its structural drivers define the over-arching environment, but stock returns are ultimately determined by the individual performances of the underlying companies. Our investment approach is to identify businesses that can grow profits and cash flows regardless of the broader economic environment. In particular, we seek companies that compete in growing industries that offer expanding addressable markets, possess enduring competitive advantages that allow them to increase market share in their core businesses, and also selectively invest in new business segments that can augment their long-term growth.

From our bottom-up perspective, we see a number of companies in China that are comparable with other global leaders in innovation

and commercial execution and have several advantages that support long-term growth and profitability. Most obviously, they have direct access to the second-largest market on the planet, which provides an organic source of economic scale. Moreover, these companies can continue to tap into China's greatest competitive advantage in the global marketplace: its manufacturing base. The government is resolute in directing investment to further the country's advanced manufacturing sector and thwart Washington's attempts to snuff out the advantages of its scaled manufacturing, technological know-how, and vast skilled workforce.

One of the key takeaways from our research team's recent trips to China was that these advantages have only increased over the past five years. Manufacturing efficiencies through automation and innovation, and leveraging a world-beating educated labor force, are highly evident and bode well for the future. We have identified opportunities for high and durable growth across many industries in China, from branded consumer goods to medical equipment, from EV batteries to industrial-automation equipment.

We recognize that such opportunities also entice rival firms to compete for the long-term economic spoils. Leading Chinese companies with dominant positions in their industries have long battled with global multinationals but are increasingly having to also fend off local competition. China's strengths benefit not only incumbent industry leaders but also a growing legion of emerging competitors that can leverage accessible infrastructure and supportive government policies to forge a competitive challenge. However, the Portfolio has several holdings that we believe can effectively defend their market shares and profit margins.

CATL is a microcosm of the risks and opportunities that define the investment landscape in China. As the global leader in EV batteries, it operates in a high-growth industry that has attracted significant capital investment in a bid to capture burgeoning global demand. In addition, the dominance of Chinese companies across the supply chain, and the perceived strategic importance of the EV sector, has led to targeted industrial policy, primarily by the US, aimed at reducing this dominance. In our view, however, tilting the market map slightly away from CATL's favor is not enough to displace its competitive leadership in the industry or the durability of its growth prospects.

Our recent visit to CATL's headquarters and manufacturing plant in Ningde, Fujian province, together with management discussions have served to reinforce to us the magnitude of its competitive advantages. Its technology leadership is evident from the high-end (semi-solid-state, nickel-based batteries) through mid-range (fast-charging versions of lithium-iron-phosphate) to low-end (sodium) batteries. Meanwhile, CATL can control variable costs better than any rival. It has a significant in-house supply of materials and can leverage non-fossil-fuel sources with stable pricing for 60% of the energy used in its production. Its leadership in both cost and technology has enabled its unit profit margins to remain stable in 2023 despite intensifying competition. Strong cash-flow generation has continued to support its R&D budget—

## Ten Largest Holdings by Weight at 31 December 2023

Company	Sector	Market	%
Samsung Electronics	Info Technology	South Korea	5.8
TSMC	Info Technology	Taiwan	5.5
HDFC Bank	Financials	India	4.9
Tata Consultancy Services	Info Technology	India	3.4
Tencent	Comm Services	China	3.4
FEMSA	Cons Staples	Mexico	2.4
Maruti Suzuki	Cons Discretionary	India	2.4
GF Banorte	Financials	Mexico	2.3
Eclat Textile	Cons Discretionary	Taiwan	2.0
Tenaris	Energy	Italy	2.0

the highest in the industry by far—which has in turn sustained its development of better products that produce higher profits and more cash to spend to improve both.

The greatest risk we perceive to our long-term growth forecasts for CATL comes from the rampant success of another Chinese company. BYD is the leading Chinese EV maker and one of the largest consumers—but also producers—of EV batteries. BYD has secured its own cost advantage by making as many key components as possible in-house, including its own batteries. If BYD were to acquire a significantly greater share of the China and global EV markets, it could materially reduce CATL's addressable market. We suspect BYD's market share may be diluted over time as other EV brands produce more-competitive models, but we remain aware of the risk.

**Sanhua Intelligent Controls** is another holding that has benefited from the rapid growth in EVs, having a 50% global share in key EV thermal-management components. Its industry-leading profit margins and robust growth profile can turn customers into competitors, though. **Midea Group**, China's leading appliances manufacturer, is looking to add in-house production to reduce its dependency on Sanhua's components across its core products. And Tesla has tolerated a sole dependency on Sanhua's components within its thermal-management systems, but this is set to change as it looks to diversify supplier risk.

Sanhua has made significant investments to diversify its geographic manufacturing footprint, with key plants already operating in Mexico, Poland, and Vietnam. Such investments offer opportunities for growth but are partly undertaken at the behest of its largest customers that are looking to de-risk supply chains through diversification and proximity. These initiatives could pressure profit margins if customers are not willing to stomach price increases to offset higher costs, particularly as these businesses grow to scale. Sanhua has also been investing to develop its capability in electromechanical actuators (motors that convert electrical energy into mechanical motion) with plans to supply robot makers, specifically Tesla, as it looks to launch

its Optimus humanoid robot. The company has just confirmed its intention to invest more than US\$500 million to build an R&D and production facility to develop this specific product line.

Although Sanhua is not immune to the threats discussed above, we are confident it has the competitive advantage to defend its industry position and the ability to develop new competitive products in adjacent business lines.

We believe the current stock-market environment has ultimately served to enhance the investment opportunity for those willing to stomach near-term stock-price volatility and understand that broad economic growth is not the primary driver of stock-market returns. Last year's brimming optimism about China may have turned into stark pessimism, but that's also created more modest valuations. We're willing to wait for this cycle's inevitable exhaustion phase, looking forward to the long-term gains we expect will eventually manifest.

## Performance (% Total Return)

as of 31 December 2023

Class I	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>US Dollar</b>						<b>25 September 2012</b>
Emerging Markets Equity Fund USD I	1.37	7.08	-9.02	1.32	1.33	2.04
MSCI Emerging Markets Index	4.71	9.83	-5.08	3.68	2.66	2.62
Class R	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>US Dollar</b>						<b>25 October 2013</b>
Emerging Markets Equity Fund USD R	1.19	6.93	-9.34	1.00	1.02	0.89
MSCI Emerging Markets Index	4.71	9.83	-5.08	3.68	2.66	2.39
Class X	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>Canadian Dollar</b>						<b>7 October 2020</b>
Emerging Markets Equity Fund CAD X	1.82	5.76	-6.93	—	—	-2.27
MSCI Emerging Markets Index	4.34	6.88	-3.98	—	—	-0.25
Class M	6 Months	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>US Dollar</b>						<b>15 September 2021</b>
Emerging Markets Equity Fund USD M	1.31	7.03	—	—	—	-12.33
MSCI Emerging Markets Index	4.71	9.83	—	—	—	-7.14

Fund performance is shown net of fees. Benchmark performance is shown net of withholding taxes. Returns are annualized for periods greater than one year. Please read the separate disclosures page for important information.

## Disclosures

Companies held in the Funds at the end of 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 positioning should not be considered recommendations to buy or sell any security. Current and future Fund holdings are subject to risk.

Sector and geographical weights and ten largest 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.

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## Sources

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

Global Paris-Aligned Equity Fund: FactSet; Harding Loevner Funds plc Global Paris-Aligned 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.

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.

## 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 47 developed and emerging market countries.

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 46 developed and emerging market countries.

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 24 emerging market countries.

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 47 developed and emerging market countries, and is comprised of companies that fall within a market capitalization range of USD 74-27,477 million (as of December 31 2023).

You cannot invest directly in these indexes.





**HARDING  
LOEVNER**

Fundamental. Thinking. Worldwide.

# Unaudited Interim Financial Statements

Global Equity Fund

Global Paris-Aligned Equity Fund

Global Small Companies Equity Fund

International Equity Fund

Emerging Markets Equity Fund

31 December 2023

+ 353 1 434 5085  
[www.hardingloevnerfundsplc.com](http://www.hardingloevnerfundsplc.com)

# Harding Loevner Funds plc

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# Harding Loevner Funds plc

## Directors and Other Information

For the Financial Period Ended 31 December 2023

<b>DIRECTORS</b>	David Loevner Mike Kirby Jim Cleary Ryan Bowles Lisa Price	(US resident) (Non-executive) (Irish resident) (Non-executive) (Irish resident) (Independent, Non-executive) (US resident) (Non-executive) (US resident) (Non-executive)
<b>REGISTERED OFFICE</b>	2nd Floor 5 Earlsfort Terrace Dublin 2, D02 CK83 Ireland Registered Number: 437095	
<b>INVESTMENT MANAGER</b>	Harding Loevner LP 400 Crossing Boulevard 4th Floor Bridgewater New Jersey 08807 USA	
<b>MANAGEMENT COMPANY</b>	Waystone Management Company (IE) Limited* 35 Shelbourne Road Ballsbridge, Dublin D04 A4E0 Ireland	
<b>DEPOSITARY</b>	Northern Trust Fiduciary Services (Ireland) Limited George's Court 54-62 Townsend Street Dublin 2, D02 R156 Ireland	
<b>ADMINISTRATOR</b>	Northern Trust International Fund Administration Services (Ireland) Limited George's Court 54-62 Townsend Street Dublin 2, D02 R156 Ireland	
<b>COMPANY SECRETARY</b>	Dechert Secretarial Limited 2nd Floor 5 Earlsfort Terrace Dublin 2, D02 CK83 Ireland	
<b>INDEPENDENT AUDITORS</b>	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House 29 Earlsfort Terrace Dublin 2, D02 AY28 Ireland	
<b>IRISH LEGAL ADVISERS</b>	Dechert 2nd Floor 5 Earlsfort Terrace Dublin 2, D02 CK83 Ireland	

\*On 29 September 2023, KBA Consulting Management Limited, the Manager of the Company, completed its merger with Waystone Management Company (IE) Limited ("WMC"). WMC is the surviving entity post-merger and as such, the Company's Manager is WMC from this date.

# Harding Loevner Funds plc

## Background to the Company

### For the Financial Period Ended 31 December 2023

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 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 will be invested in accordance with the investment objective and policies applicable to such sub-fund.

Listed below are the six sub-funds (the “sub-funds”) of the Company currently in existence, of which six sub-funds are active with the exception of The Harding Loevner Frontier Emerging Markets Equity Fund which is currently dormant.

#### 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 2023, 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 I Class R Class N Class X Class X2	Class I Class X	Class I Class R Class X	Class I	Class I Class X
Swiss Franc	Canadian Dollar			
Class I	Class I Class X			

As at 31 December 2023, the following share classes were in issue in the Global Equity Fund:

US Dollar	Euro	Sterling	Canadian Dollar
Class I Class N Class R Class X2**	Class I	Class I	Class X

The following class of shares were discontinued: Australian Dollar Class F, Australian Dollar Class M, Euro Class D, Singapore Dollar Class D, Sterling Class D, Singapore Dollar Class M, Sterling Class D, Sterling Class M, Swiss Franc Class D, US Dollar Class M and US Dollar Class S1.

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

\*\*On 6 October 2023, Harding Loevner Global Equity Fund launched Class X2 following an in-specie transfer from US Dollar Class I.

#### 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 (Continued)

#### For the Financial Period Ended 31 December 2023

##### The Harding Loevner International Equity Fund\* (Continued)

As at 31 December 2023, the following classes of shares were authorised to be issued in the International Equity Fund:

US Dollar	Euro	Sterling
Class A Class I Class N Class R Class X	Class I Class X	Class I Class X

As at 31 December 2023, the following share classes were in issue in the International Equity Fund:

US Dollar	Sterling
Class I Class R Class X	Class I

The following class of shares was discontinued: Class M.

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### 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 2023, 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 I Class M Class N Class R Class X	Class I Class R Class X	Class I Class R Class X	Class I Class R	Class I Class R Class X

As at 31 December 2023, the following share classes were in issue in the Emerging Markets Equity Fund:

US Dollar	Canadian Dollar
Class I Class M Class R	Class X

The following class of shares were discontinued: Australian Dollar Class I, Australian Dollar Class F, Canadian Dollar Class I, Canadian Dollar Class M, Euro Class I, Euro Class M, Sterling Class I, Sterling Class M and US Dollar Class I.

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### 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.

## Harding Loevner Funds plc

### Background to the Company (Continued)

#### For the Financial Period Ended 31 December 2023

##### The Harding Loevner Frontier Emerging Markets Equity Fund\* (Continued)

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 2023, the following classes of shares were authorised to be issued in the Frontier Emerging Markets Equity Fund:

US Dollar	Euro	Sterling	Australian Dollar
Class I	Class I	Class I	Class I

As at 31 December 2023, there were no share classes in issue in the Frontier Emerging Markets Equity Fund.

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### 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.

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 2023, the following class of shares were authorised to be issued in the Global Small Companies Equity Fund:

Euro	Sterling	US Dollar
Class I	Class I	Class A Class I Class N Class R Class X

As at 31 December 2023, only the US Dollar Class I shares were in issue in the Global Small Companies Equity Fund.

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### The Harding Loevner Global Paris-Aligned Equity Fund\*

As a result of a transfer from Global Equity Fund, the Company created The Harding Loevner Global Paris-Aligned Equity Fund ("Global Paris-Aligned Equity Fund") on 31 May 2022 and commenced its operations on 17 June 2022.

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

As at 31 December 2023, the following class of shares were authorised to be issued in the Global Paris-Aligned Equity Fund:

Euro	Sterling	US Dollar
Class I	Class I	Class I Class X Class X1

As at 31 December 2023, only the US Dollar Class X1 share were in issue in the Global Paris-Aligned Equity Fund.

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### Transactions with 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.

## **Harding Loevner Funds plc**

### **Background to the Company (Continued)**

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#### **For the Financial Period Ended 31 December 2023**

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##### **Transactions with Connected Persons (Continued)**

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**

The Board continues to monitor the developments in Ukraine closely and to take all the necessary actions.

The Global Equity Fund distributed net income of 0.0053712711 per share on the Sterling Class I shares, with a total value of GBP 33,143, and distributed net income of 0.001968559 per share on the Sterling Class R shares, with a total value of GBP 195. These distributions were declared on 18 July 2023 with a record date of 17 July 2023, an ex-date of 18 July 2023 and a pay date of 21 July 2023.

The International Equity Fund distributed net income of 0.022302316 per share on the Sterling Class I shares, with a total value of GBP 11,158. This distribution was declared on 18 July 2023 with a record date of 17 July 2023, an ex-date of 18 July 2023 and a pay date of 21 July 2023.

On 29 September 2023, KBA Consulting Management Limited, the Manager of the Company, completed its merger with Waystone Management Company (IE) Limited ("WMC"). WMC is the surviving entity post-merger and as such, the Company's Manager is WMC from this date.

On 6 October 2023, Harding Loevner Global Equity Fund launched Class X2 following an in-specie transfer from US Dollar Class I.

On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

On 15 December 2023, the Harding Loevner Emerging Markets ex China Equity Fund has been approved by the Central Bank of Ireland ("the Central Bank") as a sub-fund of Harding Loevner Funds plc.

There have been no other significant events to report during the financial period ended 31 December 2023.

##### **Significant Events After the Reporting Date**

The International Equity Fund distributed net income of 0.078939561061 per share on the Sterling Class I shares, with a total value of GBP 3,994. This distribution was declared on 17 January 2024 with a record date of 16 January 2024, an ex-date of 17 January 2024 and a pay date of 22 January 2024.

On 5 January 2024, Sterling Class I of the Global Paris-Aligned Equity Fund launched.

There have been no other material events to report subsequent to the financial period ended 31 December 2023.

# Harding Loevner Funds plc

## Global Equity Fund Unaudited Schedule of Investments 31 December 2023

Transferable Securities		Market Value	% Net	Transferable Securities		Market Value	% Net	
Security Description - Equities	Shares	USD	Assets	Security Description - Equities (Cont'd)	Shares	USD	Assets	
Brazil: 1.01% (30 June 2023: 1.08%)				United Kingdom: 2.85% (30 June 2023: 3.46%)				
B3 (Financials)	1,022,700	3,063,300	1.01%	Diploma (Industrials)	74,128	3,384,534	1.12%	
China: 1.53% (30 June 2023: 1.94%)				Haleon (Consumer Staples)	641,994	2,632,119	0.87%	
Tencent Holdings (Communication Services)	61,400	2,308,643	0.76%	Spirax-Sarco Engineering (Industrials)	19,490	2,609,750	0.86%	
WuXi AppTec (Health Care)	228,129	2,329,425	0.77%	UNITED KINGDOM TOTAL		8,626,403	2.85%	
CHINA TOTAL		4,638,068	1.53%	United States: 63.04% (30 June 2023: 58.09%)				
Denmark: 1.12% (30 June 2023: 1.38%)				AbbVie (Health Care)	21,397	3,315,893	1.10%	
Genmab (Health Care)	10,576	3,375,136	1.12%	Accenture (Information Technology)	18,290	6,418,144	2.12%	
France: 7.39% (30 June 2023: 7.32%)				Adobe Systems (Information Technology)	8,549	5,100,333	1.69%	
Kering (Consumer Discretionary)	8,149	3,589,439	1.19%	Alphabet (Communication Services)	84,647	11,824,339	3.91%	
L'Oreal (Consumer Staples)	11,505	5,723,681	1.89%	Amazon.com (Consumer Discretionary)	68,944	10,475,352	3.46%	
Schneider Electric SE (Industrials)	65,052	13,054,378	4.31%	AMETEK (Industrials)	45,792	7,550,643	2.49%	
FRANCE TOTAL		22,367,498	7.39%	Apple Inc (Information Technology)	26,314	5,066,235	1.67%	
Germany: 3.67% (30 June 2023: 2.91%)				Applied Materials (Information Technology)	21,540	3,490,988	1.15%	
SAP ADR (Information Technology)	29,692	4,590,086	1.52%	Broadcom (Information Technology)	5,049	5,635,946	1.86%	
Scout24 (Communication Services)	42,912	3,039,433	1.00%	CME Group (Financials)	28,412	5,983,567	1.98%	
Symrise (Materials)	31,493	3,464,154	1.15%	CoStar Group (Industrials)	39,491	3,451,119	1.14%	
GERMANY TOTAL		11,093,673	3.67%	Costco (Consumer Staples)	6,432	4,245,635	1.40%	
Hong Kong: 0.89% (30 June 2023: 1.08%)				Danaher (Health Care)	26,882	6,218,882	2.06%	
AIA Group (Financials)	310,600	2,706,836	0.89%	Deere (Industrials)	19,964	7,983,005	2.64%	
India: 0.96% (30 June 2023: 1.99%)				Edwards Lifesciences (Health Care)	35,069	2,674,011	0.88%	
HDFC Bank ADR (Financials)	43,153	2,895,998	0.96%	Honeywell International Inc (Industrials)	15,217	3,191,157	1.05%	
Indonesia: 0.92% (30 June 2023: 2.70%)				Intuitive Surgical Inc (Health Care)	11,014	3,715,683	1.23%	
Bank Central Asia (Financials)	4,543,480	2,773,833	0.92%	Meta Platforms (Communication Services)	30,462	10,782,330	3.56%	
Japan: 5.09% (30 June 2023: 3.71%)				Microsoft (Information Technology)	22,255	8,368,770	2.77%	
Chugai Pharmaceutical (Health Care)	129,900	4,921,459	1.63%	Netflix (Communication Services)	11,907	5,797,280	1.92%	
Keyence (Information Technology)	6,400	2,819,631	0.93%	Nike (Consumer Discretionary)	23,804	2,584,400	0.85%	
Misumi Group (Industrials)	69,600	1,179,498	0.39%	NVIDIA (Information Technology)	8,908	4,411,420	1.46%	
Sony Group Corp (Consumer Discretionary)	68,100	6,476,745	2.14%	Pinterest (Communication Services)	157,829	5,845,986	1.93%	
JAPAN TOTAL		15,397,333	5.09%	Repligen (Health Care)	16,677	2,998,524	0.99%	
Netherlands: 2.53% (30 June 2023: 2.95%)				Rockwell Automation (Industrials)	18,963	5,887,632	1.95%	
Adyen NV (Information Technology)	2,123	2,734,144	0.90%	salesforce.com (Information Technology)	14,072	3,702,906	1.22%	
ASML ADR (Information Technology)	6,519	4,934,362	1.63%	Schlumberger (Energy)	85,512	4,450,044	1.47%	
NETHERLANDS TOTAL		7,668,506	2.53%	ServiceNow (Information Technology)	6,216	4,391,542	1.45%	
Sweden: 2.26% (30 June 2023: 4.07%)				Synopsys (Information Technology)	6,718	3,459,165	1.14%	
Atlas Copco AB (Industrials)	216,549	3,726,144	1.23%	Thermo Fisher Scientific (Health Care)	15,296	8,118,964	2.68%	
Epiroc (Industrials)	155,922	3,125,845	1.03%	Tradeweb Markets (Financials)	44,941	4,084,238	1.35%	
SWEDEN TOTAL		6,851,989	2.26%	UnitedHealth Group (Health Care)	11,921	6,276,049	2.07%	
Switzerland: 3.06% (30 June 2023: 3.37%)				Veralto (Industrials)	9,236	759,753	0.25%	
Alcon (Health Care)	48,748	3,808,194	1.26%	Vertex Pharmaceuticals (Health Care)	30,874	12,562,322	4.15%	
Roche Holding (Health Care)	9,149	2,659,688	0.88%	UNITED STATES TOTAL		190,822,257	63.04%	
SGS SA (Industrials)	32,330	2,788,441	0.92%	Total transferable securities (30 June 2023: 97.02%)			294,425,753	97.27%
SWITZERLAND TOTAL		9,256,323	3.06%	(Cost: USD 236,282,301) (30 June 2023: Cost: USD 372,142,014)				
Taiwan: 0.95% (30 June 2023: 0.97%)				Cash and cash equivalents (30 June 2023: 3.02%)			8,190,453	2.71%
Taiwan Semiconductor ADR (Information Technology)	27,775	2,888,600	0.95%	Other assets and liabilities (30 June 2023: (0.04%))			67,561	0.02%
				Net assets attributable to holders of redeemable participating shares			302,683,767	100.00%
				Analysis of total gross assets			% of total gross assets	
				Transferable securities admitted to an official stock exchange listing			97.12%	
				Cash and cash equivalents			2.70%	
				Other assets			0.18%	
							100.00%	

# Harding Loevner Funds plc

## International Equity Fund Unaudited Schedule of Investments 31 December 2023

Transferable Securities Security Description - Equities	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
<b>Australia: 2.18% (30 June 2023: 2.01%)</b>				<b>Japan (Continued)</b>			
BHP Group Limited ADR (Materials)	43,627	2,980,160	2.18%	Daifuku (Industrials)	62,500	1,264,406	0.93%
<b>Brazil: 2.01% (30 June 2023: 2.18%)</b>				Keyence (Information Technology)	3,700	1,630,099	1.19%
Ambev ADR (Consumer Staples)	516,019	1,444,853	1.06%	Komatsu (Industrials)	69,700	1,823,075	1.33%
XP (Financials)	50,067	1,305,247	0.95%	Nitori Holdings (Consumer Discretionary)	2,100	281,192	0.21%
<b>BRAZIL TOTAL</b>		<b>2,750,100</b>	<b>2.01%</b>	Shimano (Consumer Discretionary)	7,000	1,084,007	0.79%
<b>Canada: 5.55% (30 June 2023: 4.96%)</b>				Shionogi (Health Care)	33,400	1,610,306	1.17%
Alimentation Couche-Tard (Consumer Staples)	39,500	2,326,090	1.70%	Shiseido (Consumer Staples)	28,600	862,463	0.63%
Canadian National Railway (Industrials)	12,665	1,591,104	1.16%	Sony Group Corp (Consumer Discretionary)	37,200	3,537,957	2.58%
Manulife Financial (Financials)	166,500	3,679,197	2.69%	Sysmex (Health Care)	20,298	1,131,218	0.83%
<b>CANADA TOTAL</b>		<b>7,596,391</b>	<b>5.55%</b>	UNICHARM (Consumer Staples)	49,300	1,782,492	1.30%
<b>China: 6.11% (30 June 2023: 8.19%)</b>				<b>JAPAN TOTAL</b>		<b>19,909,731</b>	<b>14.54%</b>
ENN Energy (Utilities)	125,600	924,889	0.68%	<b>Mexico: 2.74% (30 June 2023: 2.41%)</b>			
Haier Smart Home (Consumer Discretionary)	510,700	1,505,084	1.10%	FEMSA ADR (Consumer Staples)	28,797	3,753,689	2.74%
LONGi Green Energy Technology (Information Technology)	392,900	1,262,679	0.92%	<b>Netherlands: 1.35% (30 June 2023: 1.85%)</b>			
Ping An Insurance (Financials)	175,000	792,246	0.58%	Adyen NV (Information Technology)	1,433	1,845,515	1.35%
Tencent Holdings (Communication Services)	39,600	1,488,962	1.09%	<b>Peru: 0.99% (30 June 2023: 1.03%)</b>			
Zhejiang Sanhua Intelligent Controls (Industrials)	578,000	2,384,793	1.74%	Credicorp (Financials)	9,080	1,361,364	0.99%
<b>CHINA TOTAL</b>		<b>8,358,653</b>	<b>6.11%</b>	<b>Republic of South Korea: 3.90% (30 June 2023: 3.68%)</b>			
<b>Denmark: 2.07% (30 June 2023: 2.25%)</b>				Samsung Electronics (Voting) GDR Reg S (Information Technology)	3,567	5,343,366	3.90%
Genmab (Health Care)	5,504	1,756,500	1.29%	<b>Russian Federation: 0.00% (30 June 2023: 0.00%)</b>			
Novozymes (Materials)	19,503	1,071,803	0.78%	Lukoil (Energy)*	40,047	—	0.00%
<b>DENMARK TOTAL</b>		<b>2,828,303</b>	<b>2.07%</b>	<b>Singapore: 2.83% (30 June 2023: 2.65%)</b>			
<b>France: 7.82% (30 June 2023: 9.38%)</b>				DBS Group (Financials)	152,994	3,873,104	2.83%
Air Liquide (Materials)	8,929	1,736,045	1.27%	<b>Spain: 2.22% (30 June 2023: 1.88%)</b>			
Dassault Systemes (Information Technology)	40,784	1,991,615	1.45%	BBVA (Financials)	335,068	3,042,784	2.22%
L'Oreal (Consumer Staples)	7,460	3,711,313	2.71%	<b>Sweden: 9.24% (30 June 2023: 9.11%)</b>			
Schneider Electric SE (Industrials)	16,301	3,271,220	2.39%	Alfa Laval (Industrials)	62,865	2,514,338	1.84%
<b>FRANCE TOTAL</b>		<b>10,710,193</b>	<b>7.82%</b>	Assa Abloy (Industrials)	58,598	1,686,587	1.23%
<b>Germany: 10.46% (30 June 2023: 8.60%)</b>				Atlas Copco AB (Industrials)	159,343	2,741,805	2.00%
Allianz (Financials)	14,066	3,757,038	2.75%	Epiroc (Industrials)	99,311	1,990,936	1.45%
BioNTech SE ADR (Health Care)	17,279	1,823,626	1.33%	Skandinaviska Enskilda Banken (Financials)	270,291	3,719,632	2.72%
Infineon Technologies (Information Technology)	110,208	4,598,904	3.36%	<b>SWEDEN TOTAL</b>		<b>12,653,298</b>	<b>9.24%</b>
SAP ADR (Information Technology)	15,325	2,369,092	1.73%	<b>Switzerland: 5.86% (30 June 2023: 7.96%)</b>			
Symrise (Materials)	16,044	1,764,801	1.29%	Alcon (Health Care)	29,099	2,273,214	1.66%
<b>GERMANY TOTAL</b>		<b>14,313,461</b>	<b>10.46%</b>	Nestle ADR (Consumer Staples)	14,221	1,644,374	1.20%
<b>Hong Kong: 1.70% (30 June 2023: 1.99%)</b>				Roche Holding (Health Care)	8,726	2,536,719	1.86%
AIA Group (Financials)	267,300	2,329,483	1.70%	Sonova Holding (Health Care)	4,788	1,562,127	1.14%
<b>India: 2.90% (30 June 2023: 2.53%)</b>				<b>SWITZERLAND TOTAL</b>		<b>8,016,434</b>	<b>5.86%</b>
HDFC Bank ADR (Financials)	35,183	2,361,131	1.72%	<b>Taiwan: 3.52% (30 June 2023: 2.49%)</b>			
ICICI Bank ADR (Financials)	67,492	1,609,009	1.18%	Taiwan Semiconductor ADR (Information Technology)	46,375	4,823,000	3.52%
<b>INDIA TOTAL</b>		<b>3,970,140</b>	<b>2.90%</b>	<b>United Kingdom: 6.50% (30 June 2023: 5.90%)</b>			
<b>Indonesia: 1.21% (30 June 2023: 1.30%)</b>				Haleon (Consumer Staples)	746,682	3,061,331	2.24%
Telkom Indonesia Persero ADR (Communication Services)	64,178	1,653,225	1.21%	Rio Tinto (Materials)	38,684	2,880,606	2.11%
<b>Japan: 14.54% (30 June 2023: 13.44%)</b>				Shell (Energy)	89,960	2,948,676	2.15%
Chugai Pharmaceutical (Health Care)	129,400	4,902,516	3.58%	<b>UNITED KINGDOM TOTAL</b>		<b>8,890,613</b>	<b>6.50%</b>

## Harding Loevner Funds plc

### International Equity Fund Unaudited Schedule of Investments (Continued) 31 December 2023

Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
<b>United States: 1.56% (30 June 2023: 1.50%)</b>			
Linde (Materials)	5,203	2,136,924	1.56%
<b>Total transferable securities (30 June 2023: 97.29%) (Cost: USD 116,161,400) (30 June 2023: Cost: USD 123,863,903)</b>			
<b>Cash and cash equivalents (30 June 2023: 2.48%)</b>		<b>5,033,029</b>	<b>3.68%</b>
<b>Other assets and liabilities (30 June 2023: 0.23%)</b>		<b>(1,278,807)</b>	<b>(0.94%)</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>136,894,153</b>	<b>100.00%</b>
<b>Analysis of total gross assets</b>		<b>% of total gross assets</b>	
Transferable securities admitted to an official stock exchange listing		95.66%	
Cash and cash equivalents		3.62%	
Other assets		0.72%	
		<u>100.00%</u>	

\*Investment categorised as level 3 security that is effectively valued at zero.



# Harding Loevner Funds plc

## Emerging Markets Equity Fund Unaudited Schedule of Investments 31 December 2023

Transferable Securities Security Description - Equities	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
<b>Brazil: 6.96% (30 June 2023: 7.90%)</b>				<b>India (Continued)</b>			
B3 (Financials)	259,200	776,384	0.77%	HDFC Bank (Financials)	238,965	4,908,455	4.90%
Itau Unibanco (Pref) ADR (Financials)	224,460	1,559,997	1.56%	HDFC Life Insurance Co Ltd (Financials)	119,804	931,063	0.93%
Localiza Rent a Car (Industrials)	125,709	1,645,893	1.64%	Kotak Mahindra Bank (Financials)	48,444	1,110,826	1.11%
Lojas Renner (Consumer Discretionary)	167,090	599,207	0.60%	Maruti Suzuki India (Consumer Discretionary)	19,697	2,438,604	2.44%
WEG (Industrials)	112,880	857,708	0.86%	Tata Consultancy Services (Information Technology)	74,251	3,384,822	3.38%
XP (Financials)	58,732	1,531,143	1.53%	<b>INDIA TOTAL</b>		<b>13,713,364</b>	<b>13.70%</b>
<b>BRAZIL TOTAL</b>		<b>6,970,332</b>	<b>6.96%</b>				
<b>China: 23.81% (30 June 2023: 28.49%)</b>				<b>Indonesia: 3.71% (30 June 2023: 4.50%)</b>			
Alibaba (Consumer Discretionary)	137,888	1,334,998	1.33%	Astra International (Consumer Discretionary)	3,203,600	1,175,576	1.18%
Alibaba Group Holding ADR (Consumer Discretionary)	3,331	258,186	0.26%	Bank Central Asia (Financials)	1,507,170	920,140	0.92%
Baidu (Communication Services)	28,010	416,464	0.42%	Bank Rakyat (Financials)	4,338,725	1,613,249	1.61%
Contemporary Amperex Technology (Industrials)	47,360	1,085,093	1.09%	<b>INDONESIA TOTAL</b>		<b>3,708,965</b>	<b>3.71%</b>
ENN Energy (Utilities)	81,465	599,889	0.60%	<b>Italy: 2.05% (30 June 2023: 1.78%)</b>			
Fuyao Glass Industry Group (Consumer Discretionary)	122,400	595,659	0.60%	Tenaris ADR (Energy)	59,093	2,054,073	2.05%
Hefei Meiya Optoelectronic Technology (Industrials)	226,239	623,569	0.62%	<b>Kazakhstan: 1.32% (30 June 2023: 1.16%)</b>			
JD.com (Consumer Discretionary)	73,772	1,062,861	1.06%	Kaspi.KZ GDR (Financials)	14,343	1,319,556	1.32%
Jiangsu Hengli Hydraulic (Industrials)	125,746	964,935	0.96%	<b>Kenya: 0.36% (30 June 2023: 0.50%)</b>			
Li Ning (Consumer Discretionary)	273,500	732,042	0.73%	Safaricom (Communication Services)	4,025,190	356,370	0.36%
LONGi Green Energy Technology (Information Technology)	283,880	912,317	0.91%	<b>Mexico: 6.77% (30 June 2023: 5.90%)</b>			
Midea Group (China A) (Consumer Discretionary)	95,487	732,067	0.73%	FEMSA ADR (Consumer Staples)	18,789	2,449,146	2.45%
Ping An Insurance (Financials)	292,500	1,324,182	1.32%	GF Banorte (Financials)	225,870	2,271,337	2.27%
Shenzhen Inovance Technology (China A) (Industrials)	77,400	685,837	0.69%	Wal-Mart de Mexico (Consumer Staples)	487,000	2,052,564	2.05%
Shenzhen Mindray Bio-Medical (Health Care)	24,600	1,003,243	1.00%	<b>MEXICO TOTAL</b>		<b>6,773,047</b>	<b>6.77%</b>
Shenzhou (Consumer Discretionary)	145,550	1,498,651	1.50%	<b>Panama: 0.79% (30 June 2023: 0.82%)</b>			
StarPower Semiconductor (Information Technology)	33,400	848,400	0.85%	Copa Holdings (Industrials)	7,465	793,604	0.79%
Tencent Holdings (Communication Services)	89,950	3,382,125	3.38%	<b>Poland: 1.35% (30 June 2023: 0.44%)</b>			
Trip.com (Consumer Discretionary)	44,150	1,569,577	1.57%	Allegro (Consumer Discretionary)	119,117	1,008,850	1.01%
WuXi AppTec (Health Care)	49,888	509,406	0.51%	CD Projekt (Communication Services)	11,713	342,333	0.34%
WuXi AppTec Class H (Health Care)	97,000	986,957	0.98%	<b>POLAND TOTAL</b>		<b>1,351,183</b>	<b>1.35%</b>
WuXi Biologics Cayman (Health Care)	113,000	428,354	0.43%	<b>Republic of South Korea: 8.19% (30 June 2023: 8.64%)</b>			
Zhejiang Sanhua Intelligent Controls (Industrials)	337,223	1,391,362	1.39%	Coway (Consumer Discretionary)	12,986	576,752	0.58%
ZTO Express Cayman ADR (Industrials)	41,368	880,311	0.88%	Naver (Communication Services)	7,296	1,268,968	1.27%
<b>CHINA TOTAL</b>		<b>23,826,485</b>	<b>23.81%</b>	NCSoft (Communication Services)	2,838	529,963	0.53%
<b>Colombia: 0.56% (30 June 2023: 0.49%)</b>				Samsung Electronics (Pref) GDR Reg S (Information Technology)	296	352,240	0.35%
Bancolombia (Pref) ADR (Financials)	18,229	560,906	0.56%	Samsung Electronics (Voting) GDR Reg S (Information Technology)	3,649	5,466,202	5.46%
<b>Czech Republic: 0.51% (30 June 2023: 0.45%)</b>				<b>REPUBLIC OF SOUTH KOREA TOTAL</b>		<b>8,194,125</b>	<b>8.19%</b>
Komerční Banka (Financials)	15,647	506,903	0.51%	<b>Russian Federation: 0.00% (30 June 2023: 0.00%)</b>			
<b>Egypt: 0.53% (30 June 2023: 0.47%)</b>				Lukoil (Financials)*	85,180	—	0.00%
Commercial International Bank GDR (Financials)	413,643	529,463	0.53%	Sberbank (Energy)*	1,947,120	—	0.00%
<b>Hong Kong: 3.68% (30 June 2023: 3.34%)</b>				<b>RUSSIAN FEDERATION TOTAL</b>		<b>—</b>	<b>0.00%</b>
AIA Group (Financials)	179,400	1,563,447	1.56%	<b>Saudi Arabia: 1.15% (30 June 2023: 0.99%)</b>			
ASM Pacific Technology (Information Technology)	55,829	532,658	0.53%	Al Rajhi Bank (Financials)	49,575	1,150,140	1.15%
Budweiser APAC (Consumer Staples)	302,000	565,440	0.57%	<b>South Africa: 1.83% (30 June 2023: 1.60%)</b>			
Techtronic (Industrials)	86,000	1,024,819	1.02%	Discovery Holdings (Financials)	72,798	571,798	0.57%
<b>HONG KONG TOTAL</b>		<b>3,686,364</b>	<b>3.68%</b>				
<b>India: 13.70% (30 June 2023: 12.43%)</b>							
Asian Paints (Materials)	22,980	939,594	0.94%				

## Harding Loevner Funds plc

### Emerging Markets Equity Fund Unaudited Schedule of Investments (Continued) 31 December 2023

Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
<b>South Africa (Continued)</b>			
Standard Bank (Financials)	110,699	1,259,339	1.26%
<b>SOUTH AFRICA TOTAL</b>		<b>1,831,137</b>	<b>1.83%</b>
<b>Taiwan: 13.62% (30 June 2023: 12.17%)</b>			
Airtac (Industrials)	54,235	1,784,831	1.78%
ASPEED Technology (Information Technology)	17,600	1,789,218	1.79%
Delta Electronics (Information Technology)	182,000	1,859,109	1.86%
Eclat (Consumer Discretionary)	112,273	2,055,927	2.06%
Hon Hai Precision (Information Technology)	193,568	659,092	0.66%
Taiwan Semiconductor (Information Technology)	283,465	5,477,094	5.47%
<b>TAIWAN TOTAL</b>		<b>13,625,271</b>	<b>13.62%</b>
<b>United Arab Emirates: 1.06% (30 June 2023: 2.62%)</b>			
Emaar (Real Estate)	491,915	1,060,777	1.06%
<b>United Kingdom: 1.44% (30 June 2023: 1.81%)</b>			
Bank of Georgia (Financials)	7,126	361,056	0.36%
Coca-Cola HBC (Consumer Staples)	36,819	1,081,767	1.08%
<b>UNITED KINGDOM TOTAL</b>		<b>1,442,823</b>	<b>1.44%</b>
<b>United States: 3.30% (30 June 2023: 2.55%)</b>			
EPAM Systems (Information Technology)	4,595	1,366,277	1.36%
Globant (Information Technology)	8,146	1,938,585	1.94%
<b>UNITED STATES TOTAL</b>		<b>3,304,862</b>	<b>3.30%</b>
Transferable Securities Security Description - Rights	Shares	Market Value USD	% Net Assets
<b>Brazil: 0.00% (30 June 2023: 0.00%)</b>			
Localiza Rent a Car SA Rights (Industrials)	451	1,857	0.00%
<b>Total transferable securities (30 June 2023: 99.05%)</b>		<b>96,761,607</b>	<b>96.69%</b>
<b>(Cost: USD 97,537,581) (30 June 2023: Cost: USD 128,922,829)</b>			
<b>Cash and cash equivalents (30 June 2023: 0.97%)</b>		<b>2,867,110</b>	<b>2.87%</b>
<b>Other assets and liabilities (30 June 2023: (0.02%))</b>		<b>441,302</b>	<b>0.44%</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>100,070,019</b>	<b>100.00%</b>
<b>Analysis of total gross assets</b>			
			<b>% of total gross assets</b>
Transferable securities admitted to an official stock exchange listing			96.30%
Cash and cash equivalents			2.85%
Other assets			0.85%
			<b>100.00%</b>

\*Investment categorised as level 3 security that is effectively valued at zero.

# Harding Loevner Funds plc

## Global Small Companies Equity Fund Unaudited Schedule of Investments 31 December 2023

Transferable Securities Security Description - Equities	Shares	Market Value USD	% Net Assets	Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
<b>Australia: 0.00% (30 June 2023: 0.81%)</b>				<b>Japan (Continued)</b>			
<b>Bangladesh: 0.50% (30 June 2023: 0.54%)</b>				Pigeon (Consumer Staples)	850	9,790	0.63%
Square Pharmaceuticals (Health Care)	4,087	7,831	0.50%	Rakus (Information Technology)	500	9,264	0.59%
<b>Canada: 0.36% (30 June 2023: 0.49%)</b>				Santen Pharmaceutical (Health Care)	2,300	22,919	1.47%
Kinaxis (Information Technology)	50	5,611	0.36%	SMS (Industrials)	320	6,580	0.42%
<b>China: 0.71% (30 June 2023: 0.72%)</b>				Stanley Electric (Consumer Discretionary)	600	11,289	0.72%
Haitian International (Industrials)	4,500	11,134	0.71%	UT Group (Industrials)	650	11,267	0.73%
<b>Denmark: 0.22% (30 June 2023: 0.25%)</b>				<b>JAPAN TOTAL</b>		<b>181,341</b>	<b>11.63%</b>
Ambu (Health Care)	226	3,521	0.22%	<b>Lithuania: 1.01% (30 June 2023: 0.96%)</b>			
<b>Finland: 0.78% (30 June 2023: 0.87%)</b>				Siaulių Bankas (Financials)	20,515	15,695	1.01%
Vaisala (Information Technology)	277	12,140	0.78%	<b>Malaysia: 1.49% (30 June 2023: 1.53%)</b>			
<b>France: 2.17% (30 June 2023: 2.37%)</b>				Dialog Group (Energy)	27,200	12,254	0.79%
Alten (Information Technology)	124	18,425	1.18%	TIME dotCom (Communication Services)	9,300	10,929	0.70%
Rubis (Utilities)	618	15,351	0.99%	<b>MALAYSIA TOTAL</b>		<b>23,183</b>	<b>1.49%</b>
<b>FRANCE TOTAL</b>		<b>33,776</b>	<b>2.17%</b>	<b>Mexico: 0.59% (30 June 2023: 0.65%)</b>			
<b>Germany: 6.76% (30 June 2023: 4.36%)</b>				Megacable Holdings (Communication Services)	4,100	9,156	0.59%
Bechtle (Information Technology)	451	22,599	1.45%	<b>Norway: 0.64% (30 June 2023: 0.90%)</b>			
Evotec (Health Care)	563	13,226	0.85%	Tomra Systems (Industrials)	816	9,915	0.64%
Fuchs Petrolub (Materials)	408	14,616	0.94%	<b>Philippines: 0.64% (30 June 2023: 0.95%)</b>			
Nemetschek (Information Technology)	261	22,612	1.45%	Robinsons Retail (Consumer Staples)	13,990	10,017	0.64%
Rational (Industrials)	18	13,900	0.89%	<b>Republic of South Korea: 0.62% (30 June 2023: 0.62%)</b>			
Scout24 (Communication Services)	261	18,487	1.18%	Cheil Worldwide (Communication Services)	654	9,663	0.62%
<b>GERMANY TOTAL</b>		<b>105,440</b>	<b>6.76%</b>	<b>South Africa: 0.71% (30 June 2023: 0.75%)</b>			
<b>India: 1.53% (30 June 2023: 1.41%)</b>				Discovery Holdings (Financials)	1,406	11,044	0.71%
Max Financial Services (Financials)	2,082	23,876	1.53%	<b>Spain: 0.48% (30 June 2023: 0.49%)</b>			
<b>Indonesia: 0.92% (30 June 2023: 1.15%)</b>				Linea Directa (Financials)	7,905	7,426	0.48%
Bank BTPN Syariah (Financials)	65,900	7,233	0.47%	<b>Sweden: 2.92% (30 June 2023: 2.19%)</b>			
Sarana Menara Nusantara (Communication Services)	109,900	7,067	0.45%	Alfa Laval (Industrials)	175	6,999	0.45%
<b>INDONESIA TOTAL</b>		<b>14,300</b>	<b>0.92%</b>	Cellavision (Health Care)	508	10,678	0.69%
<b>Israel: 2.39% (30 June 2023: 1.82%)</b>				Paradox Interactive (Communication Services)	315	7,040	0.45%
CyberArk (Information Technology)	170	37,238	2.39%	Thule Group AB (Consumer Discretionary)	762	20,738	1.33%
<b>Italy: 1.90% (30 June 2023: 1.92%)</b>				<b>SWEDEN TOTAL</b>		<b>45,455</b>	<b>2.92%</b>
DiaSorin (Health Care)	154	15,851	1.01%	<b>Switzerland: 5.42% (30 June 2023: 4.54%)</b>			
Reply (Information Technology)	105	13,852	0.89%	Bossard (Industrials)	48	12,613	0.81%
<b>ITALY TOTAL</b>		<b>29,703</b>	<b>1.90%</b>	Bueckhardt Compression (Industrials)	39	23,510	1.51%
<b>Japan: 11.63% (30 June 2023: 14.46%)</b>				LEM Holding (Information Technology)	7	17,270	1.11%
Ariake Japan (Consumer Staples)	600	19,766	1.27%	Tecan Group (Health Care)	76	31,031	1.99%
Bengo4.com (Communication Services)	70	2,162	0.14%	<b>SWITZERLAND TOTAL</b>		<b>84,424</b>	<b>5.42%</b>
BML (Health Care)	500	10,638	0.68%	<b>Taiwan: 1.43% (30 June 2023: 1.45%)</b>			
Daifuku (Industrials)	700	14,161	0.91%	Advantech (Information Technology)	1,208	14,642	0.94%
Infomart (Information Technology)	2,900	10,202	0.66%	Eclat (Consumer Discretionary)	415	7,600	0.49%
JCU (Materials)	300	8,468	0.54%	<b>TAIWAN TOTAL</b>		<b>22,242</b>	<b>1.43%</b>
Kakaku.com (Communication Services)	1,000	12,383	0.79%	<b>United Arab Emirates: 0.18% (30 June 2023: 0.20%)</b>			
Milbon (Consumer Staples)	500	13,099	0.84%	Agthia Group (Consumer Staples)	2,160	2,870	0.18%
Misumi Group (Industrials)	910	15,422	0.99%				
MonotaRO (Industrials)	360	3,931	0.25%				

## Harding Loevner Funds plc

### Global Small Companies Equity Fund

#### Unaudited Schedule of Investments (Continued)

31 December 2023

Transferable Securities Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets		% total gross assets
<b>United Kingdom: 15.32% (30 June 2023: 14.89%)</b>				<b>Analysis of total gross assets</b>	
Airtel Africa London (Communication Services)	5,770	9,576	0.61%	Transferable securities admitted to an official stock exchange listing	95.87%
Bank of Georgia (Financials)	409	20,723	1.33%	Cash and cash equivalents	2.67%
Clarkson (Industrials)	230	9,279	0.59%	Other assets	1.46%
Cranswick (Consumer Staples)	567	27,521	1.76%		<u>100.00%</u>
Diploma (Industrials)	624	28,491	1.83%		
Endava PLC ADR (Information Technology)	325	25,301	1.62%		
Keywords Studios (Information Technology)	607	12,859	0.83%		
Rathbone Bros (Financials)	351	7,794	0.50%		
Rightmove (Communication Services)	1,209	8,870	0.57%		
Senior (Industrials)	14,183	32,107	2.06%		
Spirax-Sarco Engineering (Industrials)	50	6,695	0.43%		
YouGov (Communication Services)	3,301	49,650	3.19%		
<b>UNITED KINGDOM TOTAL</b>		<b>238,866</b>	<b>15.32%</b>		
<b>United States: 36.36% (30 June 2023: 36.29%)</b>					
AAON (Industrials)	282	20,831	1.34%		
Allegion (Industrials)	151	19,130	1.23%		
Appfolio (Information Technology)	70	12,127	0.78%		
Atkore (Industrials)	198	31,680	2.03%		
BorgWarner (Consumer Discretionary)	694	24,880	1.60%		
Cable One (Communication Services)	10	5,566	0.36%		
Cognex (Information Technology)	219	9,141	0.59%		
Commerce Bancshares (Financials)	320	17,104	1.10%		
Elanco Animal Health (Health Care)	1,138	16,956	1.09%		
EnerSys (Industrials)	468	47,249	3.03%		
Exponent (Industrials)	284	25,004	1.60%		
Five Below Inc (Consumer Discretionary)	92	19,611	1.26%		
Guidewire Software (Information Technology)	156	17,010	1.09%		
Helmerich & Payne (Energy)	445	16,118	1.03%		
Lazard (Financials)	440	15,312	0.98%		
LeMaitre Vascular (Health Care)	192	10,898	0.70%		
Malibu Boats (Consumer Discretionary)	422	23,134	1.48%		
MarketAxess Holdings (Financials)	48	14,057	0.90%		
MGP Ingredients (Consumer Staples)	326	32,117	2.06%		
Neurocrine Biosciences (Health Care)	322	42,427	2.72%		
Ollie's Bargain Outlet Holding (Consumer Discretionary)	236	17,910	1.15%		
Reinsurance Group of America (Financials)	191	30,900	1.98%		
Repligen (Health Care)	74	13,305	0.85%		
Reynolds Consumer Products (Consumer Staples)	915	24,559	1.58%		
Shockwave Medical (Health Care)	102	19,437	1.25%		
Simulations Plus (Health Care)	353	15,797	1.01%		
XPEL Inc (Consumer Discretionary)	454	24,448	1.57%		
<b>UNITED STATES TOTAL</b>		<b>566,708</b>	<b>36.36%</b>		
<b>Vietnam: 0.64% (30 June 2023: 0.66%)</b>					
Hoa Phat Group (Materials)	8,704	10,027	0.64%		
<b>Total transferable securities (30 June 2023: 98.24%)</b>		<b>1,532,602</b>	<b>98.32%</b>		
<b>(Cost: USD 1,380,990) (30 June 2023: Cost: USD 1,366,169)</b>					
<b>Cash and cash equivalents (30 June 2023: 3.68%)</b>		<b>42,619</b>	<b>2.73%</b>		
<b>Other assets and liabilities (30 June 2023: (1.92%))</b>		<b>(16,460)</b>	<b>(1.05%)</b>		
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>1,558,761</b>	<b>100.00%</b>		

# Harding Loevner Funds plc

## Global Paris-Aligned Equity Fund Unaudited Schedule of Investments 31 December 2023

Transferable Securities				Transferable Securities			
Security Description - Equities	Shares	Market Value USD	% Net Assets	Security Description - Equities (Cont'd)	Shares	Market Value USD	% Net Assets
Brazil: 1.01% (30 June 2023: 1.10%)				United Kingdom: 3.09% (30 June 2023: 3.51%)			
B3 (Financials)	436,300	1,306,852	1.01%	Diploma (Support Services)	32,143	1,467,584	1.14%
				Haleon (Consumer Staples)	270,970	1,110,953	0.86%
China: 1.53% (30 June 2023: 1.98%)				Spirax-Sarco Engineering (Industrials)	10,495	1,405,302	1.09%
Tencent Holdings (Communications)	26,200	985,121	0.76%	UNITED KINGDOM TOTAL			
WuXi AppTec (Health Care)	97,300	993,530	0.77%			3,983,839	3.09%
CHINA TOTAL				United States: 62.06% (30 June 2023: 57.46%)			
		1,978,651	1.53%	AbbVie (Health Care)	9,279	1,437,967	1.11%
Denmark: 1.09% (30 June 2023: 1.38%)				Accenture (Information Technology)	7,844	2,752,538	2.13%
Genmab (Health Care)	4,415	1,408,966	1.09%	Adobe Systems (Information Technology)	3,769	2,248,585	1.74%
France: 7.47% (30 June 2023: 7.36%)				Alphabet (Communication Services)	39,794	5,558,824	4.31%
Kering (Consumer Discretionary)	3,513	1,547,392	1.20%	Amazon.com (Consumer Discretionary)	29,240	4,442,726	3.44%
L'Oreal (Consumer Staples)	4,999	2,486,978	1.93%	AMETEK (Industrials)	22,100	3,644,069	2.82%
Schneider Electric SE (Industrials)	27,950	5,608,895	4.34%	Apple Inc (Information Technology)	11,306	2,176,744	1.69%
FRANCE TOTAL				Applied Materials (Information Technology)	8,890	1,440,802	1.12%
		9,643,265	7.47%	Broadcom (Information Technology)	2,217	2,474,726	1.92%
Germany: 3.61% (30 June 2023: 2.89%)				CME Group (Financials)	12,299	2,590,169	2.01%
SAP ADR (Information Technology)	13,058	2,018,636	1.56%	CoStar Group (Industrials)	22,965	2,006,911	1.55%
Scout24 (Communications)	17,757	1,257,718	0.98%	Costco (Consumer Staples)	3,456	2,281,237	1.77%
Symrise (Materials)	12,560	1,381,570	1.07%	Danaher (Health Care)	11,580	2,678,917	2.08%
GERMANY TOTAL				Deere (Industrials)	11,702	4,679,279	3.63%
		4,657,924	3.61%	Edwards Lifesciences (Health Care)	14,960	1,140,700	0.88%
Hong Kong: 0.90% (30 June 2023: 1.10%)				Intuitive Surgical Inc (Health Care)	4,877	1,645,305	1.27%
AIA Group (Financials)	132,400	1,153,848	0.90%	Microsoft (Information Technology)	9,549	3,590,806	2.78%
India: 0.93% (30 June 2023: 2.03%)				Netflix (Communication Services)	6,357	3,095,096	2.40%
HDFC Bank ADR (Financials)	17,903	1,201,470	0.93%	Nike (Consumer Discretionary)	9,904	1,075,277	0.83%
Indonesia: 0.93% (30 June 2023: 2.70%)				NVIDIA (Information Technology)	4,008	1,984,842	1.54%
Bank Central Asia (Financials)	1,973,800	1,205,022	0.93%	Pinterest (Communication Services)	107,857	3,995,023	3.09%
Japan: 5.42% (30 June 2023: 4.06%)				Repligen (Health Care)	6,955	1,250,509	0.97%
Chugai Pharmaceutical (Health Care)	56,000	2,121,646	1.65%	Rockwell Automation (Industrials)	10,089	3,132,433	2.43%
Keyence (Information Technology)	2,700	1,189,532	0.92%	salesforce.com (Information Technology)	5,835	1,535,422	1.19%
Misumi Group (Industrials)	29,700	503,320	0.39%	ServiceNow (Information Technology)	2,738	1,934,370	1.50%
Sony Group Corp (Consumer Discretionary)	33,400	3,176,553	2.46%	Synopsys (Information Technology)	2,794	1,438,659	1.11%
JAPAN TOTAL				Thermo Fisher Scientific (Health Care)	6,603	3,504,806	2.72%
		6,991,051	5.42%	Tradeweb Markets (Financials)	20,017	1,819,145	1.41%
Netherlands: 2.56% (30 June 2023: 2.97%)				UnitedHealth Group (Health Care)	5,217	2,746,594	2.13%
Adyen (Information Technology)	875	1,126,885	0.87%	Veralto (Industrials)	3,860	317,523	0.25%
ASML ADR (Information Technology)	2,874	2,175,388	1.69%	Vertex Pharmaceuticals (Health Care)	13,449	5,472,264	4.24%
NETHERLANDS TOTAL				UNITED STATES TOTAL			
		3,302,273	2.56%			80,092,268	62.06%
Sweden: 2.31% (30 June 2023: 4.15%)				Total transferable securities (30 June 2023: 97.03%)			
Atlas Copco AB (Industrials)	95,920	1,650,489	1.28%	(Cost: USD 95,723,383) (30 June 2023: Cost: USD 95,651,404)			
Epiroc (Industrials)	66,514	1,333,439	1.03%	Cash and cash equivalents (30 June 2023: 2.89%)			
SWEDEN TOTAL				4,059,654			
		2,983,928	2.31%	3.15%			
Switzerland: 3.05% (30 June 2023: 3.38%)				Other assets and liabilities (30 June 2023: 0.08%)			
Alcon (Health Care)	21,571	1,685,127	1.31%	(48,282) (0.04%)			
Roche Holding (Health Care)	3,826	1,112,249	0.86%	Net assets attributable to holders of redeemable participating shares			
SGS SA (Industrials)	13,212	1,139,526	0.88%	129,057,063			
SWITZERLAND TOTAL				100.00%			
		3,936,902	3.05%				
Taiwan: 0.93% (30 June 2023: 0.96%)				Analysis of total gross assets			
Taiwan Semiconductor Manufacturing ADR (Technology)	11,533	1,199,432	0.93%	Transferable securities admitted to an official stock exchange listing			
				96.63%			
				Cash and cash equivalents			
				3.14%			
				Other assets			
				0.23%			
				100.00%			

## Harding Loevner Funds plc

### Global Equity Fund Unaudited Significant Purchases & Sales 31 December 2023

Significant Purchases			Significant Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
Thermo Fisher Scientific	8,530	4,737,275	Bank Central Asia	16,011,600	9,482,537
Sony Group Corp	51,700	4,537,507	Schneider Electric SE	42,384	7,316,561
Honeywell International Inc	17,885	3,721,733	Vertex Pharmaceuticals	20,177	7,092,028
Diploma	90,565	3,625,491	Abcam	301,384	6,919,689
Scout24	47,289	3,154,008	Hexagon	719,990	6,832,680
Repligen	19,601	3,047,050	Alphabet	55,081	6,767,096
Accenture	6,093	1,888,916	Meta Platforms	19,735	6,013,500
Apple Inc	10,217	1,817,992	Amazon.com	44,361	5,825,251
Pinterest	57,926	1,537,684	HDFC Bank	87,846	5,653,656
Kering	2,590	1,448,384	Deere	12,992	5,210,507
Vertex Pharmaceuticals	2,909	1,010,951	AMETEK	33,008	5,108,188
AbbVie	7,039	1,008,156	Microsoft	14,576	4,916,842
Schneider Electric SE	5,761	997,237	Estee Lauder	24,450	4,708,450
Alphabet	7,380	964,012	salesforce.com	21,298	4,539,693
Amazon.com	6,100	842,023	Danaher	17,885	4,059,116
AMETEK	5,288	811,221	Rockwell Automation	12,616	3,956,614
Meta Platforms	2,556	785,117	UnitedHealth Group	7,707	3,763,568
Microsoft	2,128	691,451	CME Group	19,011	3,689,645
Deere	1,587	663,257	Synopsys	8,187	3,674,060
Danaher	2,444	622,361	Thermo Fisher Scientific	7,246	3,574,809
Bank Central Asia	1,032,200	621,089	Accenture	10,803	3,356,752
CME Group	2,676	549,665	L'Oreal	7,545	3,343,098
SGS SA	5,718	541,708	Netflix	7,668	3,325,689
Rockwell Automation	1,704	500,764	Schlumberger	54,026	3,027,537
			Adobe Systems	5,688	2,995,275
			Broadcom	3,330	2,972,710
			ASML	4,357	2,943,900
			Apple Inc	15,476	2,852,091
			Alcon	33,415	2,663,271
			SAP	18,906	2,602,551
			Pinterest	85,783	2,494,713
			Chugai Pharmaceutical	86,000	2,474,153
			Sony Group Corp	27,300	2,391,342
			NVIDIA	5,468	2,339,717
			Costco	4,271	2,330,058
			Tradeweb Markets	31,175	2,315,703
			ServiceNow	3,970	2,285,335
			Intuitive Surgical Inc	7,079	2,258,550
			Kering	4,464	2,214,464
			CoStar Group	25,653	2,176,033
			Genmab	6,161	2,172,499
			Atlas Copco AB	147,538	2,049,204

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 2023

Significant Purchases			Significant Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
Sony Group Corp	37,900	3,240,559	Atlas Copco AB	134,304	1,905,480
BioNTech SE	18,873	1,851,170	Lonza Group	4,714	1,872,744
Taiwan Semiconductor	15,940	1,600,298	Schneider Electric SE	8,654	1,541,201
HDFC Bank	11,276	651,840	Nitori Holdings	10,000	1,269,746
Assa Abloy	19,643	456,037	Kering	2,889	1,244,247
Chugai Pharmaceutical	12,000	356,319	CSPC Pharmaceutical Group	1,220,000	937,088
Haleon	80,694	330,583	Fanuc	30,600	773,296
Samsung Electronics (Voting)	159	213,661	Samsung Electronics (Voting)	318	432,578
DBS Group	8,400	204,152	Chugai Pharmaceutical	13,000	409,965
Infineon Technologies	5,105	203,176	Taiwan Semiconductor	4,132	404,995
Manulife Financial	9,700	195,071	FEMSA	3,210	392,096
FEMSA	1,542	188,781	DBS Group	14,800	362,060
L'Oreal	397	185,904	Infineon Technologies	9,610	347,594
Roche Holding	443	128,551	L'Oreal	752	344,707
Rio Tinto	1,800	122,788	Manulife Financial	16,300	316,604
Epiroc	6,340	122,165	BHP Group Limited	4,982	314,000
Alfa Laval	3,209	121,729	Yandex	24,421	294,437
BBVA	14,116	118,796	Kubota	18,800	270,734
Symrise	1,133	115,038	Alfa Laval	7,206	263,288
Haier Smart Home	35,400	109,963	Skandinaviska Enskilda Banken	22,149	258,158
			Allianz	1,003	242,276
			Roche Holding	855	240,739
			Rio Tinto	3,563	240,190
			Haleon	53,160	220,598
			ICICI Bank	9,252	216,040

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 2023

Significant Purchases			Significant Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
Shenzhen Mindray Bio-Medical	30,400	1,171,882	Emaar	1,391,292	2,610,879
HDFC Life Insurance Co Ltd	119,804	980,931	Taiwan Semiconductor	108,000	1,882,549
Allegro	119,117	869,847	Samsung Electronics (Voting)	1,147	1,483,480
Delta Electronics	83,000	794,914	HDFC Bank	66,878	1,241,025
XP	31,329	734,896	Magazine Luiza	2,850,200	1,130,124
Contemporary Amperex Technology	21,300	704,341	Yandex	90,632	1,092,721
Budweiser APAC	302,000	579,702	Tencent Holdings	24,400	968,141
Li Ning	79,500	476,487	LG Household & Health Care	3,524	942,548
ASPEED Technology	5,600	397,513	CSPC Pharmaceutical Group	1,183,760	908,493
Taiwan Semiconductor	11,000	188,884	Tata Consultancy Services	19,823	859,014
Samsung Electronics (Voting)	140	177,027	Midea Group (China A)	114,700	835,554
HDFC Bank	7,720	145,236	Bank Central Asia	1,379,000	819,176
Tata Consultancy Services	3,166	130,699	China Tourism Group Duty Free	63,153	803,891
Maruti Suzuki India	978	118,337	Zhejiang Sanhua Intelligent Controls	199,100	770,739
Tencent Holdings	2,800	112,275	Maruti Suzuki India	5,842	731,817
FEMSA	954	106,303	FEMSA	5,465	598,807
GF Banorte	12,000	101,339	Airtac	18,000	564,946
Zhejiang Sanhua Intelligent Controls	26,600	100,904	Country Garden Services	429,000	533,971
Ping An Insurance	18,000	99,933	Ping An Insurance	96,500	523,954
Emaar	40,660	77,453	Tenaris	15,807	519,751
			Coca-Cola HBC	18,318	513,771
			GF Banorte	59,800	512,382
			Globant	2,426	482,725
			XP	18,345	440,187
			AIA Group	49,600	435,643
			Alibaba	40,700	428,646
			Eclat	27,000	423,606
			Wal-Mart de Mexico	120,900	418,954
			Trip.com	11,950	405,493
			Bank of Georgia	8,392	362,565
			Bank Rakyat	1,072,500	358,168
			WuXi AppTec Class H	28,500	356,741
			Shenzhou	37,000	352,136
			Itau Unibanco (Pref)	63,433	349,132
			Contemporary Amperex Technology	13,000	346,445

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 2023

All Purchases			All Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
XPEL Inc	454	20,564	Abcam	1,184	27,814
Shockwave Medical	102	17,046	Cosmos Pharmaceutical	150	15,027
Scout24	261	16,233	Ollie's Bargain Outlet Holding	192	14,774
Burckhardt Compression	24	14,121	Appfolio	68	13,500
YouGov	1,414	12,426	Domain Holdings	4,689	9,983
Evotec	563	10,409	Reinsurance Group of America	50	8,130
Thule Group AB	458	10,244	Planet Fitness	119	7,571
Lazard	229	6,516	Rinnai Corp	240	4,660
EnerSys	33	3,111	Phinia Inc	139	3,889
			Nihon M&A Center Inc	380	2,115

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 Paris-Aligned Equity Fund Unaudited Significant Purchases & Sales 31 December 2023

All Purchases			All Sales		
Security Description	Nominal	Base Cost USD	Security Description	Nominal	Base Proceeds USD
Thermo Fisher Scientific	2,689	1,502,796	Bank Central Asia	3,379,100	2,009,652
Sony Group Corp	17,000	1,491,895	Abcam	83,627	1,904,462
Diploma	32,143	1,284,495	Hexagon	193,871	1,711,323
Scout24	17,757	1,172,839	Estee Lauder	6,550	1,260,619
Repligen	6,955	1,075,173	HDFC Bank	17,297	1,099,464
Rockwell Automation	1,916	603,994	salesforce.com	3,440	710,828
Apple Inc	3,119	554,499	Synopsys	1,155	506,325
Pinterest	18,195	480,984	HelloFresh	16,117	442,169
Kering	786	438,854	Country Garden Services	354,000	430,771
Accenture	1,421	438,162	Alphabet	1,625	227,165
Spirax-Sarco Engineering	2,181	308,961			
Deere	722	282,711			
AbbVie	1,986	282,467			
SGS SA	1,090	102,719			

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 2023

		Global Equity Fund As at 31 December 2023 USD	International Equity Fund As at 31 December 2023 USD	Emerging Markets Equity Fund As at 31 December 2023 USD	Global Small Companies Equity Fund As at 31 December 2023 USD	Global Paris-Aligned Equity Fund As at 31 December 2023 USD	Total As at 31 December 2023 USD
	Notes						
<b>Current assets</b>							
Financial assets at fair value through profit or loss	4,13	294,425,753	133,139,931	96,761,607	1,532,602	125,045,691	650,905,584
Cash and cash equivalents	5	8,190,453	5,033,029	2,867,110	42,619	4,059,654	20,192,865
Receivables	6	528,943	1,000,458	848,208	23,345	302,452	2,703,406
<b>Total current assets</b>		<b>303,145,149</b>	<b>139,173,418</b>	<b>100,476,925</b>	<b>1,598,566</b>	<b>129,407,797</b>	<b>673,801,855</b>
<b>Financial liabilities not at fair value through profit or loss</b>							
Creditors (amounts falling due within one year)	3,8	461,382	2,279,265	406,906	39,805	350,734	3,538,092
<b>Total liabilities excluding net assets attributable to holders of redeemable participating shares</b>		<b>461,382</b>	<b>2,279,265</b>	<b>406,906</b>	<b>39,805</b>	<b>350,734</b>	<b>3,538,092</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>302,683,767</b>	<b>136,894,153</b>	<b>100,070,019</b>	<b>1,558,761</b>	<b>129,057,063</b>	<b>670,263,763</b>

The notes on pages 30 to 51 are an integral part of these financial statements.

## Harding Loevner Funds plc

### Unaudited Statement of Financial Position (Continued)

As at 31 December 2023

		Global Equity Fund As at 31 December 2023 USD	International Equity Fund As at 31 December 2023 USD	Emerging Markets Equity Fund As at 31 December 2023 USD	Global Small Companies Equity Fund As at 31 December 2023 USD	Global Paris-Aligned Equity Fund As at 31 December 2023 USD
<b>Redeemable participating shares in issue at financial period end</b>	<b>Notes*</b>					
Euro Class I	10	874,155.448	—	—	—	—
Sterling Class I	10	613,620.039	50,596.051	—	—	—
US Dollar Class I	10	2,305,198.430	3,760,783.049	467,815.703	100,000.000	—
US Dollar Class M	10	—	—	5,836,671.912	—	—
US Dollar Class N	10	2,062.460	—	—	—	—
US Dollar Class R	10	7,061.260	522,289.489	344,582.838	—	—
Canadian Dollar Class X	10	8,719,059.140	—	6,743,276.676	—	—
US Dollar Class X	10	—	4,065,527.775	—	—	—
US Dollar Class X1	10	—	—	—	—	10,315,186.905
US Dollar Class X2	10	7,994,991.565	—	—	—	—
<b>Net Asset Value per redeemable participating share*</b>						
Euro Class I	14	EUR 27.296	—	—	—	—
Euro Class I USD equivalent	14	USD 30.134	—	—	—	—
Sterling Class I	14	GBP 23.511	GBP 20.525	—	—	—
Sterling Class I USD equivalent	14	USD 29.969	USD 26.162	—	—	—
US Dollar Class I	14	USD 30.166	USD 17.430	USD 12.560	USD 15.588	—
US Dollar Class M	14	—	—	USD 7.396	—	—
US Dollar Class N	14	USD 13.773	—	—	—	—
US Dollar Class R	14	USD 13.840	USD 17.197	USD 10.939	—	—
Canadian Dollar Class X	14	CAD 15.038	—	CAD 9.286	—	—
Canadian Dollar Class X USD equivalent	14	USD 11.349	—	USD 7.008	—	—
US Dollar Class X	14	—	USD 15.013	—	—	—
US Dollar Class X1	14	—	—	—	—	USD 12.511
US Dollar Class X2	14	USD 11.174	—	—	—	—

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

The notes on pages 30 to 51 are an integral part of these financial statements.



# Harding Loevner Funds plc

## Statement of Financial Position

As at 30 June 2023

		Global Equity Fund As at 30 June 2023 USD	International Equity Fund As at 30 June 2023 USD	Emerging Markets Equity Fund As at 30 June 2023 USD	Global Small Companies Equity Fund As at 30 June 2023 USD	Global Paris-Aligned Equity Fund As at 30 June 2023 USD	Total As at 30 June 2023 USD
	Notes						
<b>Current assets</b>							
Financial assets at fair value through profit or loss	4,13	428,977,281	136,405,955	121,716,992	1,432,039	117,492,633	806,024,900
Cash and cash equivalents	5	13,344,268	3,481,331	1,190,885	53,701	3,502,794	21,572,979
Receivables	6	1,107,212	748,377	616,728	22,502	354,764	2,849,583
<b>Total current assets</b>		<b>443,428,761</b>	<b>140,635,663</b>	<b>123,524,605</b>	<b>1,508,242</b>	<b>121,350,191</b>	<b>830,447,462</b>
<b>Financial liabilities not at fair value through profit or loss</b>							
Creditors (amounts falling due within one year)	3,8	1,265,223	434,614	634,650	50,547	257,223	2,642,257
<b>Total liabilities excluding net assets attributable to holders of redeemable participating shares</b>		<b>1,265,223</b>	<b>434,614</b>	<b>634,650</b>	<b>50,547</b>	<b>257,223</b>	<b>2,642,257</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>442,163,538</b>	<b>140,201,049</b>	<b>122,889,955</b>	<b>1,457,695</b>	<b>121,092,968</b>	<b>827,805,205</b>

The notes on pages 30 to 51 are an integral part of these financial statements.

# Harding Loevner Funds plc

## Statement of Financial Position (Continued)

As at 30 June 2023

		Global Equity Fund As at 30 June 2023 USD	International Equity Fund As at 30 June 2023 USD	Emerging Markets Equity Fund As at 30 June 2023 USD	Global Small Companies Equity Fund As at 30 June 2023 USD	Global Paris-Aligned Equity Fund As at 30 June 2023 USD
<b>Redeemable participating shares in issue at financial year end</b>	<b>Notes</b>					
US Dollar Class A	10	–	20,000.000	–	–	–
Euro Class I	10	27,206,670.802	–	–	–	–
Singapore Dollar Class I	10	136,445,518.580	–	–	–	–
Sterling Class I	10	6,170,416.728	500,316.495	–	–	–
US Dollar Class I	10	46,995,373.402	42,720,078.678	5,199,267.421	1,000,000.000	–
US Dollar Class M	10	–	–	58,366,719.120	–	–
US Dollar Class N	10	20,624.601	–	–	–	–
Sterling Class R	10	99,000.000	–	–	–	–
US Dollar Class R	10	132,462.292	5,470,332.742	1,694,194.719	–	–
Canadian Dollar Class X	10	92,330,092.106	–	104,571,779.731	–	–
US Dollar Class X	10	–	40,350,995.158	–	–	–
US Dollar Class X1	10	–	–	–	–	103,151,869.052
<b>Net Asset Value per redeemable participating share</b>						
US Dollar Class A	14	–	USD 1.024	–	–	–
Euro Class I	14	EUR 2.590	–	–	–	–
Euro Class I USD equivalent	14	USD 2.826	–	–	–	–
Singapore Dollar Class I	14	SGD 1.157	–	–	–	–
Singapore Dollar Class I USD equivalent	14	USD 0.855	–	–	–	–
Sterling Class I	14	GBP 2.218	GBP 2.006	–	–	–
Sterling Class I USD equivalent	14	USD 2.817	USD 2.548	–	–	–
US Dollar Class I	14	USD 2.828	USD 1.679	USD 1.239	USD 1.458	–
US Dollar Class M	14	–	–	USD 0.730	–	–
US Dollar Class N	14	USD 1.297	–	–	–	–
Sterling Class R	14	GBP 1.335	–	–	–	–
Sterling Class R USD equivalent	14	USD 1.696	–	–	–	–
US Dollar Class R	14	USD 1.299	USD 1.658	USD 1.081	–	–
Canadian Dollar Class X	14	CAD 1.405	–	CAD 0.912	–	–
Canadian Dollar Class X USD equivalent	14	USD 1.061	–	USD 0.688	–	–

The notes on pages 30 to 51 are an integral part of these financial statements.

## Harding Loevner Funds plc

### Statement of Financial Position (Continued)

As at 30 June 2023

		Global Equity Fund As at 30 June 2023 USD	International Equity Fund As at 30 June 2023 USD	Emerging Markets Equity Fund As at 30 June 2023 USD	Global Small Companies Equity Fund As at 30 June 2023 USD	Global Paris-Aligned Equity Fund As at 30 June 2023 USD
	<b>Notes</b>					
<b>Net Asset Value per redeemable participating share</b>						
US Dollar Class X	14	–	USD 1.440	–	–	–
US Dollar Class X1	14	–	–	–	–	USD 1.174

The notes on pages 30 to 51 are an integral part of these financial statements.

# Harding Loevner Funds plc

## Unaudited Statement of Comprehensive Income

For the Financial Period Ended 31 December 2023

		Global Equity Fund Financial period ended 31 December 2023 USD	International Equity Fund Financial period ended 31 December 2023 USD	Emerging Markets Equity Fund Financial period ended 31 December 2023 USD	Global Small Companies Equity Fund Financial period ended 31 December 2023 USD	Global Paris-Aligned Equity Fund Financial period ended 31 December 2023 USD	Total Financial period ended 31 December 2023 USD
	Notes						
<b>Income</b>							
Dividend income		1,226,346	1,120,273	998,978	9,408	473,863	3,828,868
Interest income		303,992	123,337	67,365	1,395	112,889	608,978
Other income		643	257	222	3	231	1,356
Operating expense reimbursements	3	147,387	74,468	145,840	60,268	183,411	611,374
Net realised gain/(loss) on financial assets at fair value through profit or loss		14,439,743	(104,412)	(6,813,569)	11,737	354,236	7,887,735
Net realised gain/(loss) on foreign currency		5,021	(7,204)	(28,780)	(13)	(4,781)	(35,757)
Net movement in unrealised gain on financial assets at fair value through profit or loss		1,308,183	4,436,480	6,429,863	85,743	7,481,079	19,741,348
Net movement in unrealised (loss)/gain on foreign currency		(524)	(1)	(547)	4	(133)	(1,201)
<b>Total investment gain</b>		17,430,791	5,643,198	799,372	168,545	8,600,795	32,642,701
<b>Expenses</b>							
Operating expenses	3	(966,350)	(459,240)	(238,425)	(65,980)	(521,680)	(2,251,675)
<b>Total investment gain before finance costs</b>		16,464,441	5,183,958	560,947	102,565	8,079,115	30,391,026
<b>Finance costs</b>							
Distributions paid during the financial period	9	(42,384)	(14,186)	–	–	–	(56,570)
Bank interest expense		(42,329)	(58)	(93)	–	(26)	(42,506)
Withholding tax		(283,860)	(103,506)	(108,841)	(1,499)	(114,994)	(612,700)
<b>Increase in net assets attributable to holders of redeemable participating shares from operations</b>		<b>16,095,868</b>	<b>5,066,208</b>	<b>452,013</b>	<b>101,066</b>	<b>7,964,095</b>	<b>29,679,250</b>

The notes on pages 30 to 51 are an integral part of these financial statements.

# Harding Loevner Funds plc

## Unaudited Statement of Comprehensive Income

For the Financial Period Ended 31 December 2022

		Global Equity Fund Financial period ended 31 December 2022 USD	International Equity Fund Financial period ended 31 December 2022 USD	Emerging Markets Equity Fund Financial period ended 31 December 2022 USD	Global Small Companies Equity Fund Financial period ended 31 December 2022 USD	Global Paris-Aligned Equity Fund Financial period ended 31 December 2022 USD	Total Financial period ended 31 December 2022 USD
	Notes						
<b>Income</b>							
Dividend income		1,693,046	1,294,616	2,365,075	8,431	353,592	5,714,760
Interest income		405,130	62,955	77,060	699	22,608	568,452
Other income		482	124	186	1	12,272	13,065
Operating expense reimbursements	3	138,618	47,870	164,702	56,981	83,076	491,247
Net realised (loss)/gain on financial assets at fair value through profit or loss		(15,530,797)	1,325,918	481,203	33,056	(540,428)	(14,231,048)
Net realised (loss)/gain on foreign currency		(67,742)	21,924	(45,158)	(17)	(5,969)	(96,962)
Net movement in unrealised gain/(loss) on financial assets at fair value through profit or loss		24,344,176	4,605,860	(3,067,103)	49,032	1,312,868	27,244,833
Net movement in unrealised gain on foreign currency		2,034	3,287	141	5	477	5,944
<b>Total investment gain/(loss)</b>		10,984,947	7,362,554	(23,894)	148,188	1,238,496	19,710,291
<b>Expenses</b>							
Operating expenses	3	(1,515,693)	(424,763)	(868,973)	(60,589)	(477,668)	(3,347,686)
<b>Total investment gain/(loss) before finance costs</b>		9,469,254	6,937,791	(892,867)	87,599	760,828	16,362,605
<b>Finance costs</b>							
Distributions paid during the financial period	9	(723,510)	(27,861)	–	–	–	(751,371)
Bank interest expense		(13,454)	–	–	–	–	(13,454)
Withholding tax		(364,556)	(89,198)	(313,546)	(1,544)	(80,573)	(849,417)
<b>Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations</b>		<b>8,367,734</b>	<b>6,820,732</b>	<b>(1,206,413)</b>	<b>86,055</b>	<b>680,255</b>	<b>14,748,363</b>

The notes on pages 30 to 51 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 2023

		Global Equity Fund Financial period ended 31 December 2023 USD	International Equity Fund Financial period ended 31 December 2023 USD	Emerging Markets Equity Fund Financial period ended 31 December 2023 USD	Global Small Companies Equity Fund Financial period ended 31 December 2023 USD	Global Paris-Aligned Equity Fund Financial period ended 31 December 2023 USD	Total Financial period ended 31 December 2023 USD
Notes							
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial period</b>		442,163,538	140,201,049	122,889,955	1,457,695	121,092,968	827,805,205
Increase in net assets attributable to holders of redeemable participating shares from operations		16,095,868	5,066,208	452,013	101,066	7,964,095	29,679,250
Issue of redeemable participating shares during the financial period		25,124,220	7,182,856	2,036,479	–	–	34,343,555
Payments for shares redeemed during the financial period		(180,699,859)	(15,555,960)	(25,343,572)	–	–	(221,599,391)
Anti-dilution levy		–	–	35,144	–	–	35,144
Net decrease from redeemable participating shares issued/redeemed during the financial period		(155,575,639)	(8,373,104)	(23,271,949)	–	–	(187,220,692)
<b>Net assets attributable to holders of redeemable participating shares at the end of the financial period</b>		<b>302,683,767</b>	<b>136,894,153</b>	<b>100,070,019</b>	<b>1,558,761</b>	<b>129,057,063</b>	<b>670,263,763</b>

Subscriptions and Redemptions between share classes on the same Fund are not included in the Statement of Changes in Net Assets.

The subscriptions and redemptions includes share class switches.

The notes on pages 30 to 51 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 2022

		Global Equity Fund Financial period ended 31 December 2022 USD	International Equity Fund Financial period ended 31 December 2022 USD	Emerging Markets Equity Fund Financial period ended 31 December 2022 USD	Global Small Companies Equity Fund Financial period ended 31 December 2022 USD	Global Paris-Aligned Equity Fund Financial period ended 31 December 2022 USD	Total Financial period ended 31 December 2022 USD
Notes							
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial period</b>		625,262,143	170,019,088	240,374,069	1,270,643	131,087,327	1,168,013,270
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations		8,367,734	6,820,732	(1,206,413)	86,055	680,255	14,748,363
Issue of redeemable participating shares during the financial period		11,839,570	3,676,315	75,404	–	–	15,591,289
Payments for shares redeemed during the financial period		(74,419,977)	(59,505,856)	(3,244,040)	–	(25,000,000)	(162,169,873)
Net decrease from redeemable participating shares issued/redeemed during the financial period		(62,580,407)	(55,829,541)	(3,168,636)	–	(25,000,000)	(146,578,584)
<b>Net assets attributable to holders of redeemable participating shares at the end of the financial period</b>		<b>571,049,470</b>	<b>121,010,279</b>	<b>235,999,020</b>	<b>1,356,698</b>	<b>106,767,582</b>	<b>1,036,183,049</b>

Subscriptions and Redemptions between share classes on the same Fund are not included in the Statement of Changes in Net Assets.  
The subscriptions and redemptions includes share class switches.

The notes on pages 30 to 51 are an integral part of these financial statements.

# Harding Loevner Funds plc

## Unaudited Statement of Cash Flows

For the Financial Period Ended 31 December 2023

	Global Equity Fund Financial period ended 31 December 2023 USD	International Equity Fund Financial period ended 31 December 2023 USD	Emerging Markets Equity Fund Financial period ended 31 December 2023 USD	Global Small Companies Equity Fund Financial period ended 31 December 2023 USD	Global Paris-Aligned Equity Fund Financial period ended 31 December 2023 USD	Total Financial period ended 31 December 2023 USD
<b>Cash flows from operating activities</b>						
Increase in net assets attributable to holders of redeemable participating shares from operations	16,095,868	5,066,208	452,013	101,066	7,964,095	29,679,250
Adjustment for:						
Net realised (gain)/loss on financial assets at fair value through profit or loss	(14,439,743)	104,412	6,813,569	(11,737)	(354,236)	(7,887,735)
Net movement in unrealised gain on financial assets at fair value through profit or loss	(1,308,183)	(4,436,480)	(6,429,863)	(85,743)	(7,481,079)	(19,741,348)
Purchase of financial assets	(49,670,562)	(13,671,799)	(12,624,452)	(110,667)	(10,020,549)	(86,098,029)
Sale of financial assets	199,970,016	21,269,891	37,196,131	107,584	10,302,806	268,846,428
Dividends paid	42,384	14,186	–	–	–	56,570
Decrease/(increase) in receivables and other assets	578,269	(306,999)	(231,480)	(843)	52,312	91,259
(Decrease)/increase in creditors	(213,841)	(252,861)	(227,744)	(10,742)	93,511	(611,677)
<b>Net cash flows provided by/(used in) operating activities</b>	<b>151,054,208</b>	<b>7,786,558</b>	<b>24,948,174</b>	<b>(11,082)</b>	<b>556,860</b>	<b>184,334,718</b>
<b>Cash flows from financing activities</b>						
Proceeds from redeemable participating shares issued during the financial period	25,124,220	7,237,774	2,036,479	–	–	34,398,473
Payments for redeemable participating shares redeemed during the financial period	(181,289,859)	(13,458,448)	(25,308,428)	–	–	(220,056,735)
Dividends paid	(42,384)	(14,186)	–	–	–	(56,570)
<b>Net cash flows used in financing activities</b>	<b>(156,208,023)</b>	<b>(6,234,860)</b>	<b>(23,271,949)</b>	<b>–</b>	<b>–</b>	<b>(185,714,832)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,153,815)</b>	<b>1,551,698</b>	<b>1,676,225</b>	<b>(11,082)</b>	<b>556,860</b>	<b>(1,380,114)</b>
<b>Reconciliation of cash movement during the financial period</b>						
Net cash and cash equivalents at the beginning of the financial period	13,344,268	3,481,331	1,190,885	53,701	3,502,794	21,572,979
Net cash and cash equivalents at the end of the financial period	<b>8,190,453</b>	<b>5,033,029</b>	<b>2,867,110</b>	<b>42,619</b>	<b>4,059,654</b>	<b>20,192,865</b>
<b>Supplementary information</b>						
Dividends received	1,138,328	1,190,390	1,376,528	9,496	381,076	4,095,818
Interest received	325,031	119,243	62,572	1,456	111,041	619,343
Interest paid	(42,329)	(61)	(108)	–	(26)	(42,524)

Subscriptions and Redemptions between shareclasses on the same Fund are not included in the Cashflow Statement.

The notes on pages 30 to 51 are an integral part of these financial statements.

# Harding Loevner Funds plc

## Unaudited Statement of Cash Flows

### For the Financial Period Ended 31 December 2022

	Global Equity Fund Financial period ended 31 December 2022 USD	International Equity Fund Financial period ended 31 December 2022 USD	Emerging Markets Equity Fund Financial period ended 31 December 2022 USD	Global Small Companies Equity Fund Financial period ended 31 December 2022 USD	Global Paris-Aligned Equity Fund Financial period ended 31 December 2022 USD	Total Financial period ended 31 December 2022 USD
<b>Cash flows from operating activities</b>						
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	8,367,734	6,820,732	(1,206,413)	86,055	680,255	14,748,363
Adjustment for:						
Net realised loss/(gain) on financial assets at fair value through profit or loss	15,530,797	(1,325,918)	(481,203)	(33,056)	540,428	14,231,048
Net movement in unrealised (gain)/loss on financial assets at fair value through profit or loss	(24,344,176)	(4,605,860)	3,067,103	(49,032)	(1,312,868)	(27,244,833)
Purchase of financial assets	(33,331,060)	(20,244,583)	(84,491,637)	(73,459)	(6,580,803)	(144,721,542)
Sale of financial assets	98,560,692	72,042,128	77,414,500	104,531	30,973,206	279,095,057
Dividends paid	723,510	27,861	–	–	–	751,371
Decrease/(increase) in receivables and other assets	426,750	232,753	1,444,660	(2,227)	52,862	2,154,798
Decrease in creditors	(1,263,565)	(3,582,120)	(1,031,360)	(17,191)	(172,789)	(6,067,025)
<b>Net cash flows provided by/(used in) operating activities</b>	<b>64,670,682</b>	<b>49,364,993</b>	<b>(5,284,350)</b>	<b>15,621</b>	<b>24,180,291</b>	<b>132,947,237</b>
<b>Cash flows from financing activities</b>						
Proceeds from redeemable participating shares issued during the financial period	11,949,716	8,676,315	75,404	–	–	20,701,435
Payments for redeemable participating shares redeemed during the financial period	(71,363,836)	(59,514,287)	(3,244,609)	–	(25,000,000)	(159,122,732)
Dividends paid	(723,509)	(27,861)	–	–	–	(751,371)
<b>Net cash flows used in financing activities</b>	<b>(60,137,630)</b>	<b>(50,865,833)</b>	<b>(3,169,205)</b>	<b>–</b>	<b>(25,000,000)</b>	<b>(139,172,668)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>4,533,052</b>	<b>(1,500,840)</b>	<b>(8,453,555)</b>	<b>15,621</b>	<b>(819,709)</b>	<b>(6,225,431)</b>
<b>Reconciliation of cash movement during the financial period</b>						
Net cash and cash equivalents at the beginning of the financial period	24,712,278	4,208,286	11,218,376	36,345	4,877,232	45,052,517
Net cash and cash equivalents at the end of the financial period	<b>29,245,330</b>	<b>2,707,446</b>	<b>2,764,821</b>	<b>51,966</b>	<b>4,057,523</b>	<b>38,827,086</b>
<b>Supplementary information</b>						
Dividends received	1,786,440	1,400,724	2,461,232	8,135	319,593	5,976,124
Interest received	341,559	56,584	76,567	568	16,410	491,688
Interest paid	(13,117)	(22)	–	–	–	(13,139)

Subscriptions and Redemptions between shareclasses on the same Fund are not included in the Cashflow Statement.  
The notes on pages 30 to 51 are an integral part of these financial statements.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements

### For the Financial Period Ended 31 December 2023

#### 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 (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.

The state of the origin of the Company is Ireland. In Switzerland, this document may only be provided to qualified investors within the meaning of art. 10 para. 3 and 3ter CISA. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17, Quai de l’Île, CH-1204 Geneva. The basic documents of the Company as well as the annual and, if applicable, semi-annual report may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

#### 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 UCITS Regulations and 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 2023 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 2023, 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 their judgement in the process of applying the Company’s accounting policies.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

##### Accounting standards in issue

###### *Accounting standards in issue and effective for the first time in these financial statements*

There were a number of standards and amendments which became effective during the financial year, however these did not have an impact on the sub-funds in the current year and are not expected to have an impact in future.

###### *Accounting standards in issue that are not yet effective and have not been early adopted*

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2023. None of these have a material effect on the financial statements of the Company.

##### 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 recognised in Statement of Comprehensive Income as a change in fair value of financial assets and at fair value through profit or loss.

For the financial period ended 31 December 2023 the Company incurred transaction costs totaling USD 244,334 (financial period ended 31 December 2022: USD 224,833). The transaction costs include USD 132,273 (financial period ended 31 December 2022: USD 119,438) of commissions and USD 112,061 (financial period ended 31 December 2022: USD 105,445) of brokerage charges.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 3. Operating Expenses

	Global Equity Fund 31 December 2023 USD	International Equity Fund 31 December 2023 USD	Emerging Markets Equity Fund 31 December 2023 USD
Administration fees	48,468	29,836	29,836
Directors' fees	16,076	5,416	5,836
Audit fees	6,119	6,119	6,119
Transfer agent fees	2,053	24,131	9,690
Sub-custodian fees	14,710	17,214	61,539
Depository fees	24,234	9,875	8,249
Investment Management fees	666,688	298,396	238,203
Management Company fees	28,428	11,643	9,681
Capital gains tax provision	—	—	(203,296)
Legal fees	86,430	30,240	32,175
Professional fees	27,045	10,160	7,410
Registration and filing fees	21,500	5,975	15,361
Other fees	24,599	10,235	17,622
<b>Total</b>	<b>966,350</b>	<b>459,240</b>	<b>238,425</b>

	Global Small Companies Equity Fund 31 December 2023 USD	Global Paris-Aligned Equity Fund 31 December 2023 USD	Total 31 December 2023 USD
Administration fees	29,836	29,836	167,812
Directors' fees	59	4,784	32,171
Audit fees	2,448	3,671	24,476
Transfer agent fees	7,052	6,675	49,601
Sub-custodian fees	252	9,242	102,957
Depository fees	4,475	8,893	55,726
Investment Management fees	6,041	341,381	1,550,709
Management Company fees	126	10,498	60,376
Capital gains tax provision	—	—	(203,296)
Legal fees	345	82,404	231,594
Professional fees	2,974	6,967	54,556
Registration and filing fees	9,459	6,535	58,830
Other fees	2,913	10,794	66,163
<b>Total</b>	<b>65,980</b>	<b>521,680</b>	<b>2,251,675</b>

	Global Equity Fund 31 December 2022 USD	International Equity Fund 31 December 2022 USD	Emerging Markets Equity Fund 31 December 2022 USD
Administration fees	86,945	30,082	34,915
Directors' fees	16,901	4,074	6,088
Audit fees	5,874	5,874	5,874
Transfer agent fees	9,223	18,915	10,066
Sub-custodian fees	28,518	21,184	89,586
Depository fees	44,124	10,492	17,458
Investment Management fees	1,173,734	295,939	229,384
Management Company fees	33,688	7,770	12,956
Capital gains tax provision	—	—	383,079
Legal fees	46,884	11,726	20,109
Professional fees	23,782	6,815	11,907
Registration and filing fees	24,132	2,722	8,211
Other fees	55,561	9,170	39,340
<b>Total</b>	<b>1,515,693</b>	<b>424,763</b>	<b>868,973</b>

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 3. Operating Expenses (Continued)

	Global Small Companies Equity Fund 31 December 2022 USD	Global Paris-Aligned Equity Fund 31 December 2022 USD	Total 31 December 2022 USD
Administration fees	30,082	30,082	212,106
Directors' fees	34	3,286	30,383
Audit fees	2,350	3,523	23,495
Transfer agent fees	7,410	9,546	55,160
Sub-custodian fees	215	7,944	147,447
Depository fees	4,512	9,070	85,656
Investment Management fees	5,857	347,297	2,052,211
Management Company fees	74	7,092	61,580
Capital gains tax provision	–	21,816	404,895
Legal fees	122	–	78,841
Professional fees	1,675	1,529	45,708
Registration and filing fees	6,778	265	42,108
Other fees	1,480	36,218	108,096
<b>Total</b>	<b>60,589</b>	<b>477,668</b>	<b>3,347,686</b>

#### 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 page 1 of the financial statements. Currently only Mike Kirby and Jim Cleary receive a Director's fee. David Loevner's, Ryan Bowles' and Lisa Price's fees have been waived. The fees for the financial period ended 31 December 2023 were USD 32,171 (financial period ended 31 December 2022: USD 30,383). The amount payable as at 31 December 2023 was USD 558 (30 June 2023: USD Nil).

#### 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 5,000 per sub-fund (up to 2 classes of shares).

The Administrator shall be entitled to receive administration fee out of the net assets of each sub-fund an annual fee, accrued and calculated at each Valuation Point and payable monthly in arrears at an annual rate which will not exceed 0.03% of USD0 to USD500,000,000, 0.0225% of USD500,000,000 to USD1,000,000,000, and 0.015% in excess of USD1,000,000,000 of the Net Asset Value of the sub-fund, plus value added tax, if any, subject to a monthly minimum fee per sub-fund of USD 5,000. For its Transfer Agency services, the Administrator shall be entitled to receive out of the net assets of each sub-fund an annual base fee of USD 15,000 per sub-fund, an Investor Transaction Fee of USD40 for manual trades and USD10 automated trades subject to a limit of 5 per registered investor per day, and an account maintenance / registration fee for each account of USD150 per annum. For the provision of services in respect of German tax, UK tax and Swiss tax filings, the Administrator shall be entitled to receive out of the net assets of each sub-fund requiring such services an annual fee of USD 15,000, USD 2,000 and USD 2,000, respectively. 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 2023 was USD 167,812 (financial period ended 31 December 2022: USD 212,106). The amount payable at 31 December 2023 was USD 52,733 (30 June 2023: USD 30,435).

#### 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.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 3. Operating Expenses (Continued)

##### Depository Fee (continued)

The Depository fee for the financial period ended 31 December 2023 was USD 55,726 (financial period ended 31 December 2022: USD 85,656). The amount payable at 31 December 2023 was USD 80,186 (30 June 2023: USD 44,467).

##### Investment Manager Fees and Expenses

The Investment Manager is entitled to receive out of the assets of the sub-funds an annual fee. This annual fee was amended for some of the classes as detailed below on 1 October 2022 to:

0.70% for the Global Equity Fund Class M shares, 0.70% (Prior to 1 October 2022: 0.75%) for the Class I shares, 0.90% (Prior to 1 October 2022: 1.00%) for the Class R shares, 1.50% for the Class N shares.

0.75% for the International Equity Fund Class I shares and 0.95% (Prior to 1 October 2022: 1.00%) for the Class R shares

0.85% (Prior to 1 October 2022: 0.90%) for the Emerging Markets Equity Fund Class I shares, 1.05% (Prior to 1 October 2022: 1.35%) for the Class R shares, and 0.95% for the Class M shares;

0.85% (Prior to 1 October 2022: 0.90%) for the Global Small Companies Equity Fund Class I shares; and

The following for the Global Paris-Aligned Equity Fund USD Class X1 Shares:

0.65% on the first USD 50 million of assets attributable to the US Dollar Class X1 shares; plus

0.55% on the next USD 50 million of assets attributable to the US Dollar Class X1 shares; plus

0.45% on the next USD 150 million of assets attributable to the US Dollar Class X1 shares; plus

0.40% on the next USD 250 million of assets attributable to the US Dollar Class X1 shares; plus

0.35% on the next USD 250 million of assets attributable to the US Dollar Class X1 shares; plus

0.30% on assets attributable to the US Dollar Class X1 shares in excess of 750 million.

The Investment Manager shall not receive a fee for the Class X or Class X2 shares of the Global Equity Fund, Emerging Market 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.

The Investment Manager may, at its absolute discretion, waive any portion of the investment management fee or pay any portion of the investment management fee to any third party in any manner whatsoever, whether by rebate or otherwise. Operating expense reimbursements amounted to USD 611,374 (31 December 2022: USD 491,247) during the financial period ended 31 December 2023.

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 Management fees for the financial period ended 31 December 2023 for the Company was USD 1,550,709 (financial period ended 31 December 2022: USD 2,052,211). The amount payable as at 31 December 2023 was USD 554,060 (30 June 2023: USD 353,913).

In order to limit the sub-funds' total expenses, the Investment Manager voluntarily has agreed to reimburse the sub-funds for expenses in excess of the following (as a percentage relative to the classes' respective Net Asset Values):

0.75% for the Global Equity Fund Class M shares, 0.80% for the Class I shares, 1.00% (Prior to 1 October 2022: 1.10%) for the Class R shares, 1.60% for Class N shares and 0.10% for Class S shares;

0.90% for the International Equity Fund Class I shares, 1.10% (Prior to 1 October 2022: 1.15%) for the Class R shares and 0.10% for the Class X share;

1.05% for the Emerging Markets Equity Fund Class M shares, 0.95% (Prior to 1 October 2022: 1.00%) for the Class I shares, 1.15% (Prior to 1 October 2022: 1.50%) for the Class R shares, and 0.10% for the Class X shares;

1.00% (Prior to 1 October 2022: 1.05%) for the Global Small Companies Equity Fund Class I shares; and

0.80% for the Global Paris-Aligned Equity Fund Class I shares, 0.10% for the Class X shares, and all operating expenses for the Class X1 shares.

Refer to pages 3 to 5 for details of the renaming of certain share classes and launches of new share classes.



# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 3. Operating Expenses (Continued)

##### Management Company Fee

Waystone Management Company (IE) Limited serves as the Company's Management Company ("Management Company"). The Management Company shall be entitled to an annual management company fee of up to 0.0125% of the Net Asset Value (the "Management Company fee") of the Company. The Management Company fee is based on a sliding scale applied to the aggregate assets across all sub-funds, as follows:

Net Asset Value	Management fee as a % of Net Asset Value of the Company
€0 - €500 Million	0.0125%
€500 Million - €1 Billion	0.0100%
Above €1 Billion	0.0075%

The Management Company set out above is subject to an annual minimum fee of €50,000 based on a single sub-fund and an annual minimum fee of €15,000 for each additional sub-fund.

The Management Company shall be subject to the imposition of VAT, if required. The Management Company will be calculated and accrued daily and is payable monthly in arrears.

The Management Company shall be entitled to be reimbursed by the Company out of the assets of the Fund for reasonable out of pocket expenses properly incurred and any VAT on all fees and expenses payable to or by it.

The Management Company Fee for the financial period ended 31 December 2023 for the Company was USD 60,376 (31 December 2022: 61,580). The amount payable as at 31 December 2023 was USD 41,172 (30 June 2023: USD 20,286).

#### 4. Financial Assets at Fair Value Through Profit or Loss

	Global Equity Fund 31 December 2023 USD	International Equity Fund 31 December 2023 USD	Emerging Markets Equity Fund 31 December 2023 USD
<b>Equity and equity related instruments</b>			
At cost	236,282,301	116,161,400	97,537,581
Unrealised gain/(loss) on financial assets at fair value through profit or loss	58,143,452	16,978,531	(775,974)
	<u>294,425,753</u>	<u>133,139,931</u>	<u>96,761,607</u>

	Global Small Companies Equity Fund 31 December 2023 USD	Global Paris-Aligned Equity Fund 31 December 2023 USD	Total 31 December 2023 USD
<b>Equity and equity related instruments</b>			
At cost	1,380,990	95,723,383	547,085,655
Unrealised gain on financial assets at fair value through profit or loss	151,612	29,322,308	103,819,929
	<u>1,532,602</u>	<u>125,045,691</u>	<u>650,905,584</u>

	Global Equity Fund 30 June 2023 USD	International Equity Fund 30 June 2023 USD	Emerging Markets Equity Fund 30 June 2023 USD
<b>Equity and equity related instruments</b>			
At cost	372,142,014	123,863,903	128,922,829
Unrealised gain/(loss) on financial assets at fair value through profit or loss	56,835,267	12,542,052	(7,205,837)
	<u>428,977,281</u>	<u>136,405,955</u>	<u>121,716,992</u>

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 4. Financial Assets at Fair Value Through Profit or Loss (Continued)

	Global Small Companies Equity Fund 30 June 2023 USD	Global Paris-Aligned Equity Fund 30 June 2023 USD	Total 30 June 2023 USD
<b>Equity and equity related instruments</b>			
At cost	1,366,169	95,651,404	721,946,319
Unrealised gain on financial assets at fair value through profit or loss	65,870	21,841,229	84,078,581
	<u>1,432,039</u>	<u>117,492,633</u>	<u>806,024,900</u>

#### 5. Cash and Cash Equivalents

	Global Equity Fund 31 December 2023 USD	International Equity Fund 31 December 2023 USD	Emerging Markets Equity Fund 31 December 2023 USD
Cash held at custodian bank	8,190,453	5,033,029	2,867,110
	<u>8,190,453</u>	<u>5,033,029</u>	<u>2,867,110</u>

	Global Small Companies Equity Fund 31 December 2023 USD	Global Paris-Aligned Equity Fund 31 December 2023 USD	Total 31 December 2023 USD
Cash held at custodian bank	42,619	4,059,654	20,192,865
	<u>42,619</u>	<u>4,059,654</u>	<u>20,192,865</u>

	Global Equity Fund 30 June 2023 USD	International Equity Fund 30 June 2023 USD	Emerging Markets Equity Fund 30 June 2023 USD
Cash held at custodian bank	13,344,268	3,481,331	1,190,885
	<u>13,344,268</u>	<u>3,481,331</u>	<u>1,190,885</u>

	Global Small Companies Equity Fund 30 June 2023 USD	Global Paris-Aligned Equity Fund 30 June 2023 USD	Total 30 June 2023 USD
Cash held at custodian bank	53,701	3,502,794	21,572,979
	<u>53,701</u>	<u>3,502,794</u>	<u>21,572,979</u>

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

#### 6. Receivables

	Global Equity Fund 31 December 2023 USD	International Equity Fund 31 December 2023 USD	Emerging Markets Equity Fund 31 December 2023 USD
Dividends receivable	368,523	185,654	177,198
Interest receivable	44,226	21,094	13,002
Amounts receivable on securities sold	–	608,919	579,830
Amounts receivable on shares issued	–	129,958	–
Other assets	116,194	54,833	78,178
	<u>528,943</u>	<u>1,000,458</u>	<u>848,208</u>

## Harding Loevner Funds plc

### Unaudited Notes to Financial Statements (Continued)

#### For the Financial Period Ended 31 December 2023

##### 6. Receivables (Continued)

	Global Small Companies Equity Fund 31 December 2023 USD	Global Paris-Aligned Equity Fund 31 December 2023 USD	Total 31 December 2023 USD
Dividends receivable	1,660	164,121	897,156
Interest receivable	206	19,390	97,918
Amounts receivable on securities sold	—	—	1,188,749
Amounts receivable on shares issued	—	—	129,958
Other assets	21,479	118,941	389,625
	<u>23,345</u>	<u>302,452</u>	<u>2,703,406</u>

	Global Equity Fund 30 June 2023 USD	International Equity Fund 30 June 2023 USD	Emerging Markets Equity Fund 30 June 2023 USD
Dividends receivable	280,505	255,771	554,748
Interest receivable	65,265	17,000	8,209
Amounts receivable on securities sold	633,437	226,537	—
Amounts receivable on shares issued	—	184,876	—
Other assets	128,005	64,193	53,771
	<u>1,107,212</u>	<u>748,377</u>	<u>616,728</u>

	Global Small Companies Equity Fund 30 June 2023 USD	Global Paris-Aligned Equity Fund 30 June 2023 USD	Total 30 June 2023 USD
Dividends receivable	1,748	71,334	1,164,106
Interest receivable	267	17,542	108,283
Amounts receivable on securities sold	10,209	188,691	1,058,874
Amounts receivable on shares issued	—	—	184,876
Other assets	10,278	77,197	333,444
	<u>22,502</u>	<u>354,764</u>	<u>2,849,583</u>

##### 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 2023 and 30 June 2023, 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 (Continued)

### For the Financial Period Ended 31 December 2023

#### 8. Creditors (Amounts Falling Due Within One Year)

	Global Equity Fund 31 December 2023 USD	International Equity Fund 31 December 2023 USD	Emerging Markets Equity Fund 31 December 2023 USD
Amounts payable on capital shares redeemed	–	2,097,512	–
Investment manager fee payable	178,531	84,982	110,767
Administration fee payable	14,044	9,672	9,673
Management Company fee payable	20,337	7,308	6,290
Depository fee payable	17,807	9,344	46,115
Withholding tax payable	97,284	29,198	29,705
Audit fee payable	5,992	5,992	5,992
Capital gains tax provision	–	–	142,520
Other accrued expenses	127,387	35,257	55,844
	461,382	2,279,265	406,906

	Global Small Companies Equity Fund 31 December 2023 USD	Global Paris-Aligned Equity Fund 31 December 2023 USD	Total 31 December 2023 USD
Amounts payable on capital shares redeemed	–	–	2,097,512
Investment manager fee payable	2,927	176,853	554,060
Administration fee payable	9,672	9,672	52,733
Management Company fee payable	79	7,158	41,172
Depository fee payable	2,390	4,530	80,186
Withholding tax payable	283	46,357	202,827
Audit fee payable	2,396	3,595	23,967
Capital gains tax provision	–	–	142,520
Other accrued expenses	22,058	102,569	343,115
	39,805	350,734	3,538,092

	Global Equity Fund 30 June 2023 USD	International Equity Fund 30 June 2023 USD	Emerging Markets Equity Fund 30 June 2023 USD
Amounts payable on securities purchased	176,148	280,807	–
Amounts payable on capital shares redeemed	590,000	–	–
Investment manager fee payable	225,907	32,921	37,907
Administration fee payable	10,708	4,932	4,933
Management Company fee payable	11,683	2,713	2,972
Depository fee payable	21,591	5,750	12,918
Withholding tax payable	35,804	35,391	83,648
Audit fee payable	11,407	11,406	11,406
Capital gains tax provision	–	–	423,888
Other accrued expenses	181,975	60,694	56,978
	1,265,223	434,614	634,650

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 8. Creditors (Amounts Falling Due Within One Year) (Continued)

	Global Small Companies Equity Fund 30 June 2023 USD	Global Paris-Aligned Equity Fund 30 June 2023 USD	Total 30 June 2023 USD
Amounts payable on securities purchased	24,219	48,899	530,073
Amounts payable on capital shares redeemed	—	—	590,000
Investment manager fee payable	1,011	56,167	353,913
Administration fee payable	4,931	4,931	30,435
Management Company fee payable	29	2,889	20,286
Depository fee payable	2,141	2,067	44,467
Withholding tax payable	112	10,731	165,686
Audit fee payable	4,563	6,844	45,626
Capital gains tax provision	—	—	423,888
Other accrued expenses	13,541	124,695	437,883
	50,547	257,223	2,642,257

#### 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, Global Small Companies Equity Fund or the Global Paris-Aligned Equity Fund.

During the financial period ended 31 December 2023 the Directors declared dividends totaling USD 56,570 (financial period ended 31 December 2022: USD 751,371).

#### 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.

#### 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
Euro Class I	EUR 10	USD 1,000,000 or currency equivalent	EUR 100
Sterling Class I	GBP 10	USD 1,000,000 or currency equivalent	GBP 100
US Dollar Class I	USD 10	USD 1,000,000	USD 100
US Dollar Class N	USD 10	USD 100	USD 100
US Dollar Class R	USD 10	USD 100	USD 100
Canadian Dollar Class X	CAD 10	USD 20,000,000 or currency equivalent	CAD 100
US Dollar Class X2	USD 10	USD 100	USD 100

#### 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
Sterling Class I	GBP 10	USD 1,000,000 or currency equivalent	GBP 100
US Dollar Class I	USD 10	USD 1,000,000	USD 100
US Dollar Class R	USD 10	USD 100	USD 100
US Dollar Class X	USD 10	USD 30,000,000	USD 100

## Harding Loevner Funds plc

### Unaudited Notes to Financial Statements (Continued)

#### For the Financial Period Ended 31 December 2023

#### 10. Redeemable Participating Shares (Continued)

##### 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 I	USD 10	USD 100,000,000	USD 100
US Dollar Class M	USD 10	USD 50,000,000	USD 100
US Dollar Class R	USD 10	USD 100	USD 100
Canadian Dollar Class X	CAD 10	USD 25,000,000 or currency equivalent	CAD 100

##### 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 I	USD 10	USD 1,000,000	USD 100

##### Global Paris-Aligned Equity Fund

The Global Paris-Aligned 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 X1	USD 10	USD 20,000,000	USD 100

\*On 1 December 2023, the Company increased their initial launch NAV from currently USD 1.000 to now be USD 10.000.

As part of this increase, the Company performed a 1:10 reverse split across all share classes. Each NAV per share increased by a factor of 10, and the total shares outstanding are now 10% of the total before split. The increase in initial launch NAV resulted in the shareholder holding a smaller number of Shares, but the net monetary value of the holding remained unchanged. For example:

##### **Prior to increase in initial launch NAV:**

Investor holds 100 shares priced at USD 1.000 per share with a market value of USD 100.00

##### **Post increase in initial launch NAV:**

Investor holds 10 shares priced at USD 10.000 per share with a market value of USD 100.00

Shareholder rights attached to the shares remain unchanged.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 10. Redeemable Participating Shares (Continued)

The following table details the movement in the redeemable participating shares during the financial period ended 31 December 2023 and year ended 30 June 2023:

##### Global Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Adjustment during the financial period*	Closing shares
<b>31 December 2023</b>					
Euro Class I	27,206,671	—	(34,199,915)	7,867,399	874,155
Singapore Dollar Class I	136,445,519	—	(136,445,519)	—	—
Sterling Class I	6,170,417	—	(11,103,192)	5,546,395	613,620
US Dollar Class I	46,995,373	7,725,528	(75,494,256)	23,078,553	2,305,198
US Dollar Class N	20,625	—	(37,125)	18,562	2,062
Sterling Class R	99,000	—	(99,000)	—	—
US Dollar Class R	132,462	—	(188,952)	63,551	7,061
Canadian Dollar Class X	92,330,092	—	(162,082,565)	78,471,532	8,719,059
US Dollar Class X2	—	80,383,060	(144,342,991)	71,954,923	7,994,992
<b>30 June 2023**</b>					
Euro Class I	20,582,485	17,802,890	(11,178,704)	—	27,206,671
Singapore Dollar Class I	—	136,445,519	—	—	136,445,519
Sterling Class I	15,818,481	—	(9,648,064)	—	6,170,417
US Dollar Class I	45,823,407	4,910,827	(3,738,861)	—	46,995,373
Euro Class M	30,938,896	—	(30,938,896)	—	—
Singapore Dollar Class M	81,265,943	—	(81,265,943)	—	—
US Dollar Class N	194,824	—	(174,199)	—	20,625
Sterling Class R	99,000	—	—	—	99,000
US Dollar Class R	5,318,677	522,875	(5,709,090)	—	132,462
Canadian Dollar Class X	92,330,092	—	—	—	92,330,092
Euro Class X	12,842,779	—	(12,842,779)	—	—
Sterling Class X	106,598,283	671,490	(107,269,773)	—	—

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

\*\*On 30 December 2022, the following class of shares were renamed: Class A was renamed Class I, Class B was renamed Class R, Class D was renamed Class N, and Class S was renamed Class X.

##### International Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Adjustment during the financial period*	Closing shares
<b>31 December 2023</b>					
US Dollar Class A	20,000	—	(2,000)	(18,000)	—
Sterling Class I	500,316	5,644	—	(455,364)	50,596
US Dollar Class I	42,720,079	798,007	(4,104,852)	(35,652,451)	3,760,783
US Dollar Class R	5,470,333	937,374	(825,756)	(5,059,662)	522,289
US Dollar Class X	40,350,995	1,610,309	(2,524,462)	(35,371,314)	4,065,528
<b>30 June 2023**</b>					
US Dollar Class A	—	20,000	—	—	20,000
Sterling Class I	1,301,054	15,414	(816,152)	—	500,316
US Dollar Class I	62,962,774	9,772,819	(30,015,514)	—	42,720,079
US Dollar Class R	5,214,336	1,146,665	(890,668)	—	5,470,333
US Dollar Class X	56,413,495	—	(16,062,500)	—	40,350,995

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

\*\*On 30 December 2022, the following class of shares were renamed: Class A was renamed Class I, Class B was renamed Class R, and Class S was renamed Class X.



## Harding Loevner Funds plc

### Unaudited Notes to Financial Statements (Continued)

#### For the Financial Period Ended 31 December 2023

#### 10. Redeemable Participating Shares (Continued)

##### Emerging Markets Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Adjustment during the financial period*	Closing shares
<b>31 December 2023</b>					
US Dollar Class I	5,199,267	—	(445,632)	(4,285,819)	467,816
US Dollar Class M	58,366,719	—	—	(52,530,047)	5,836,672
US Dollar Class R	1,694,195	1,914,828	(124,730)	(3,139,710)	344,583
Canadian Dollar Class X	104,571,780	—	(37,139,013)	(60,689,490)	6,743,277
<b>30 June 2023**</b>					
US Dollar Class I	6,781,363	1,048,274	(2,630,370)	—	5,199,267
US Dollar Class M	58,366,719	—	—	—	58,366,719
Canadian Dollar Class R	500,000	—	(500,000)	—	—
US Dollar Class R	1,843,364	112,543	(261,712)	—	1,694,195
Canadian Dollar Class X	291,255,604	—	(186,683,824)	—	104,571,780

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

\*\*On 30 December 2022, the following class of shares were renamed: Class A was renamed Class I, Class B was renamed Class R, Class I was renamed Class N, and Class S was renamed Class X.

##### Global Small Companies Equity Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Adjustment during the financial period*	Closing shares
<b>31 December 2023</b>					
US Dollar Class I	1,000,000	—	—	(900,000)	100,000
<b>30 June 2023**</b>					
US Dollar Class I	1,000,000	—	—	—	1,000,000

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

\*\*On 30 December 2022, Class A was renamed Class I.

##### Global Paris-Aligned Fund

	Opening shares	Shares issued during the financial period	Shares redeemed during the financial period	Adjustment during the financial period*	Closing shares
<b>31 December 2023</b>					
US Dollar Class X1	103,151,869	—	—	(92,836,682)	10,315,187
<b>30 June 2023</b>					
US Dollar Class X1	127,928,876	—	(24,777,007)	—	103,151,869

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

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 of Ireland (“CBI”) 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 CBI’s guidelines. The Company did not use these techniques during the financial period.

**12. Related Party Transactions**

IAS 24 – Related Party Disclosures (“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.

Ryan Bowles and entities owned by David Loevner are limited partners and both, as well as Lisa Price, are employees of the manager of the Investment Manager. David Loevner’s, Ryan Bowles’ and Lisa Price’s Directors’ fees have been waived. David Loevner and Ryan Bowles each hold one Subscriber Share.

Waystone Management Company (IE) Limited acted as Manager for the Company. Mike Kirby is a Director of the Waystone Group of which Waystone Management Company (IE) Limited is a member firm. Fees of USD 60,376 (31 December 2022: USD 61,580) were paid to the Manager during the financial period and USD 41,172 (30 June 2023: USD 20,286) was payable at 31 December 2023. Clifton Fund Consulting Limited, which is part of the same economic group as the Manager, are payroll providers for the Directors, they also provide GDPR compliance support and are MLRO for the Company. Fees for these services amounted to USD 11,298 (31 December 2022: USD 19,752) during the financial period ended 31 December 2023.

The amounts earned by the Directors and the Investment Manager are disclosed in Note 3 on pages 31 to 34. The amount owing to the Directors and the investment manager are disclosed in Note 3 on pages 31 to 34.

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 “Depositary” and its “associated or group companies” to be related parties to the Company. As such, Northern Trust Fiduciary Services (Ireland) Limited, the Depositary, 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 Depositary were also selected by the Investment Manager on behalf of the Company to execute foreign currency spot transactions and to accept deposits. All of the above transactions were carried out as if negotiated at arms length.

The Investment Manager holds 100% (30 June 2023: 100%) of the shares in Global Small Companies Equity Fund US Dollar Class A as at 31 December 2023.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 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. 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.

The following table analyses within the fair value hierarchy each sub-fund's financial assets measured at fair value as at 31 December 2023 and 30 June 2023.

##### Global Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>31 December 2023</b>				
Equities	294,425,753	–	–	294,425,753
	294,425,753	–	–	294,425,753

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>30 June 2023</b>				
Equities	428,977,281	–	–	428,977,281
	428,977,281	–	–	428,977,281

##### International Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>31 December 2023</b>				
Equities	133,139,931	–	–	133,139,931
	133,139,931	–	–	133,139,931

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>30 June 2023</b>				
Equities	136,405,955	–	–	136,405,955
	136,405,955	–	–	136,405,955

## Harding Loevner Funds plc

### Unaudited Notes to Financial Statements (Continued)

#### For the Financial Period Ended 31 December 2023

#### 13. Financial Instruments and Associated Risks (Continued)

##### Valuation of Financial Instruments (continued)

##### Emerging Markets Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>31 December 2023</b>				
Equities	96,759,750	—	—	96,759,750
Rights	1,857	—	—	1,857
	96,761,607	—	—	96,761,607

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>30 June 2023</b>				
Equities	121,716,992	—	—	121,716,992
	121,716,992	—	—	121,716,992

##### Global Small Companies Equity Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>31 December 2023</b>				
Equities	1,532,602	—	—	1,532,602
	1,532,602	—	—	1,532,602

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>30 June 2023</b>				
Equities	1,432,039	—	—	1,432,039
	1,432,039	—	—	1,432,039

##### Global Paris-Aligned Fund

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>31 December 2023</b>				
Equities	125,045,691	—	—	125,045,691
	125,045,691	—	—	125,045,691

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>30 June 2023</b>				
Equities	117,492,633	—	—	117,492,633
	117,492,633	—	—	117,492,633

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 13. Financial Instruments and Associated Risks (Continued)

##### Valuation of Financial Instruments (continued)

As of 31 December 2023, there were Russian investments related to securities held within the Emerging Markets Equity and International Equity sub-funds which were effectively valued at zero due to the inability of the sub-funds to transact in these investments, the lack of visibility on when the sub-funds may do so, and the lack of readily available market prices for such investments. All of these factors are related to the Russian invasion of Ukraine and responses to that event. These securities are outlined in Emerging Markets Equity's and International Equity's respective schedule of investments. During the period, the International Equity and Emerging Markets Equity sub-funds sold all shares of Yandex which were previously effectively valued at zero due to these same factors.

	International Equity Fund 31 December 2023 Level 3 USD	Emerging Markets Equity Fund 31 December 2023 Level 3 USD
Opening Balance	—	—
Purchases	—	—
Sales	(294,437)	(1,092,721)
Realised loss	(627,941)	(2,482,781)
Unrealised gain	922,378	3,575,502
Closing Balance	—	—

	International Equity Fund 30 June 2023 Level 3 USD	Emerging Markets Equity Fund 30 June 2023 Level 3 USD
Opening Balance	—	—
Purchases	—	—
Sales	—	(1,579,201)
Realised gain	—	1,579,201
Unrealised loss	—	—
Closing Balance	—	—

There were no transfers between levels during the financial period ended 31 December 2023 and financial year ended 30 June 2023 with the exception of the above mentioned securities.

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, IFRS 13 requires the Company to disclose the level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique. Assets and liabilities not carried at fair value are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 14. Net Asset Value per Redeemable Participating Share

##### Global Equity Fund\*

Net assets attributable to holders of redeemable participating shares	31 December 2023	30 June 2023	30 June 2022
Euro Class I	EUR 23,861,230	EUR 70,453,016	EUR 47,794,090
Euro Class I USD equivalent	USD 26,341,606	USD 76,878,338	USD 50,085,816
Singapore Dollar Class I	–	SGD 157,802,786	–
Singapore Dollar Class I USD equivalent	–	USD 116,683,515	–
Sterling Class I	GBP 14,427,044	GBP 13,687,432	GBP 31,532,073
Sterling Class I USD equivalent	USD 18,389,434	USD 17,383,040	USD 38,383,997
US Dollar Class I	USD 69,537,974	USD 132,925,437	USD 111,629,924
Euro Class M	–	–	EUR 41,237,179
Euro Class M USD equivalent	–	–	USD 43,214,502
Singapore Dollar Class M	–	–	SGD 139,600,124
Singapore Dollar Class M USD equivalent	–	–	USD 100,482,347
US Dollar Class N	USD 28,407	USD 26,746	USD 219,347
Sterling Class R	–	GBP 132,207	GBP 119,062
Sterling Class R USD equivalent	–	USD 167,902	USD 144,934
US Dollar Class R	USD 97,729	USD 172,129	USD 5,966,289
US Dollar Class S1	–	–	USD 45,707
Canadian Dollar Class X	CAD 131,112,953	CAD 129,728,038	CAD 107,805,938
Canadian Dollar Class X USD equivalent	USD 98,949,438	USD 97,926,430	USD 83,752,282
Euro Class X	–	–	EUR 16,830,330
Euro Class X USD equivalent	–	–	USD 17,637,344
Sterling Class X	–	–	GBP 142,692,545
Sterling Class X USD equivalent	–	–	USD 173,699,653
US Dollar Class X2	USD 89,339,178	–	–
<b>Net Asset Value per redeemable participating share</b>	<b>31 December 2023</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
Euro Class I	EUR 27.296	EUR 2.590	EUR 2.322
Euro Class I USD equivalent	USD 30.134	USD 2.826	USD 2.433
Singapore Dollar Class I	–	SGD 1.157	–
Singapore Dollar Class I USD equivalent	–	USD 0.855	–
Sterling Class I	GBP 23.511	GBP 2.218	GBP 1.993
Sterling Class I USD equivalent	USD 29.969	USD 2.817	USD 2.427
US Dollar Class I	USD 30.166	USD 2.828	USD 2.436
Euro Class M	–	–	EUR 1.333
Euro Class M USD equivalent	–	–	USD 1.397
Singapore Dollar Class M	–	–	SGD 1.718
Singapore Dollar Class M USD equivalent	–	–	USD 1.236
US Dollar Class N	USD 13.773	USD 1.297	USD 1.126
Sterling Class R	–	GBP 1.335	GBP 1.203
Sterling Class R USD equivalent	–	USD 1.696	USD 1.464
US Dollar Class R	USD 13.840	USD 1.299	USD 1.122
Canadian Dollar Class X	CAD 15.038	CAD 1.405	CAD 1.168
Canadian Dollar Class X USD equivalent	USD 11.349	USD 1.061	USD 0.907
Euro Class X	–	–	EUR 1.310
Euro Class X USD equivalent	–	–	USD 1.373

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

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

##### Global Equity Fund\* (Continued)

Net Asset Value per redeemable participating share	31 December 2023	30 June 2023	30 June 2022
Sterling Class X	–	–	GBP 1.339
Sterling Class X USD equivalent	–	–	USD 1.629
US Dollar Class X2	USD 11.174	–	–

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### International Equity Fund\*

Net assets attributable to holders of redeemable participating shares	31 December 2023	30 June 2023	30 June 2022
US Dollar Class A	–	USD 20,474	–
Sterling Class I	GBP 1,038,488	GBP 1,003,674	GBP 2,371,528
Sterling Class I USD equivalent	USD 1,323,708	USD 1,274,666	USD 2,886,861
US Dollar Class I	USD 65,551,782	USD 71,720,090	USD 90,606,825
US Dollar Class R	USD 8,981,645	USD 9,069,963	USD 7,426,839
US Dollar Class X	USD 61,037,017	USD 58,115,855	USD 69,098,563
Net Asset Value per redeemable participating share	31 December 2023	30 June 2023	30 June 2022
US Dollar Class A	–	USD 1.024	–
Sterling Class I	GBP 20.525	GBP 2.006	GBP 1.823
Sterling Class I USD equivalent	USD 26.162	USD 2.548	USD 2.219
US Dollar Class I	USD 17.430	USD 1.679	USD 1.439
US Dollar Class R	USD 17.197	USD 1.658	USD 1.424
US Dollar Class X	USD 15.013	USD 1.440	USD 1.225

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### Emerging Markets Equity Fund\*

Net assets attributable to holders of redeemable participating shares	31 December 2023	30 June 2023	30 June 2022
US Dollar Class I	USD 5,875,683	USD 6,444,295	USD 8,011,292
US Dollar Class M	USD 43,168,869	USD 42,620,865	USD 40,663,227
Canadian Dollar Class R	–	–	CAD 421,971
Canadian Dollar Class R USD equivalent	–	–	USD 327,821
US Dollar Class R	USD 3,769,236	USD 1,830,851	USD 1,904,144
Canadian Dollar Class X	CAD 62,616,870	CAD 95,373,978	CAD 243,882,676
Canadian Dollar Class X USD equivalent	USD 47,256,232	USD 71,993,944	USD 189,467,585
Net Asset Value per redeemable participating share	31 December 2023	30 June 2023	30 June 2022
US Dollar Class I	USD 12.560	USD 1.239	USD 1.181
US Dollar Class M	USD 7.396	USD 0.730	USD 0.697
Canadian Dollar Class R	–	–	CAD 0.844
Canadian Dollar Class R USD equivalent	–	–	USD 0.656
US Dollar Class R	USD 10.939	USD 1.081	USD 1.033
Canadian Dollar Class X	CAD 9.286	CAD 0.912	CAD 0.837
Canadian Dollar Class X USD equivalent	USD 7.008	USD 0.688	USD 0.651

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.



## Harding Loevner Funds plc

### Unaudited Notes to Financial Statements (Continued)

#### For the Financial Period Ended 31 December 2023

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

##### Global Small Companies Equity Fund\*

Net assets attributable to holders of redeemable participating shares	31 December 2023	30 June 2023	30 June 2022
US Dollar Class I	USD 1,558,761	USD 1,457,695	USD 1,270,643
<b>Net Asset Value per redeemable participating share</b>	<b>31 December 2023</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
US Dollar Class I	USD 15.588	USD 1.458	USD 1.271

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### Global Paris-Aligned Equity Fund\*

Net assets attributable to holders of redeemable participating shares	31 December 2023	30 June 2023	30 June 2022
US Dollar Class X1	USD 129,057,063	USD 121,092,968	USD 131,087,327
<b>Net Asset Value per redeemable participating share</b>	<b>31 December 2023</b>	<b>30 June 2023</b>	<b>30 June 2022</b>
US Dollar Class X1	USD 12.511	USD 1.174	USD 1.025

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

#### 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 and subscriptions and redemptions posted after year end. 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.

Adjustments were required as at 31 December 2023 and 30 June 2023, with respect to the Financial Statements of International Equity Fund, and as at 30 June 2022, with respect to the Financial Statements of Global Equity Fund, to reconcile to transfer agency records. There were no adjustments required for Emerging Markets Equity Fund, Global Small Companies Equity Fund and Global Paris Aligned Equity Fund. These adjustments were made for the purposes of the Financial Statements only.

##### The Global Equity Fund\*

	31 December 2023 USD	30 June 2023 USD
Net Asset Value attributable to redeemable participating shareholders per financial statements	302,683,767	442,163,538
Reconciling Net Subscriptions/Redemptions received on 31 December	—	590,000
Net Asset Value attributable to redeemable participating shareholders per offering memorandum	<u>302,683,767</u>	<u>442,753,538</u>
Net Asset Value per redeemable participating share at dealing prices		
Euro Class I	EUR 27.296	EUR 2.590
Singapore Dollar Class I	—	SGD 1.157
Sterling Class I	GBP 23.511	GBP 2.218
US Dollar Class I	USD 30.166	USD 2.828
US Dollar Class N	USD 13.773	USD 1.297
Sterling Class R	—	GBP 1.335
US Dollar Class R	USD 13.840	USD 1.299
Canadian Dollar Class X	CAD 15.038	CAD 1.405
US Dollar Class X2	USD 11.174	—

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 15. Reconciliation of Net Asset Value (Continued)

##### The International Equity Fund\*

	31 December 2023 USD	30 June 2023 USD
Net Asset Value attributable to redeemable participating shareholders per financial statements	136,894,153	140,201,049
Reconciling Net Subscriptions/Redemptions received on 31 December	<u>1,843,666</u>	<u>(10,076)</u>
Net Asset Value attributable to redeemable participating shareholders per offering memorandum	<u>138,737,819</u>	<u>140,190,973</u>
Net Asset Value per redeemable participating share at dealing prices		
US Dollar Class A	–	USD 1.024
Sterling Class I	GBP 20.525	GBP 2.006
US Dollar Class I	USD 17.430	USD 1.679
US Dollar Class R	USD 17.197	USD 1.658
US Dollar Class X	USD 15.013	USD 1.440

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

##### The Emerging Markets Equity Fund\*

	31 December 2023 USD	30 June 2023 USD
Net Asset Value attributable to redeemable participating shareholders per financial statements	100,070,019	122,889,955
Reconciling Net Subscriptions/Redemptions received on 31 December	<u>–</u>	<u>–</u>
Net Asset Value attributable to redeemable participating shareholders per offering memorandum	<u>100,070,019</u>	<u>122,889,955</u>
Net Asset Value per redeemable participating share at dealing prices		
US Dollar Class I	USD 12.560	USD 1.239
US Dollar Class M	USD 7.396	USD 0.730
US Dollar Class R	USD 10.939	USD 1.081
Canadian Dollar Class X	CAD 9.286	CAD 0.912

Adjustments were required as at 30 June 2023, with respect to the Financial Statements of Global Small Companies Equity Fund, and as at 31 December 2023, with respect to the Financial Statements of Global Paris-Aligned Equity Fund. The adjustments reflected the difference in accounting treatment of establishment expenses between the Prospectus and IFRS. The Prospectus requires establishment expenses to be amortised over the first 60 months or such other period as the Directors may determine. IFRS requires establishment costs to be expensed as incurred. This adjustment was made for the purposes of the Financial Statements only.

##### The Global Small Companies Equity Fund\*

	31 December 2023 USD	30 June 2023 USD
Net Asset Value attributable to redeemable participating shareholders per financial statements	1,558,761	1,457,695
Preliminary expenses	<u>–</u>	<u>2,146</u>
Net Asset Value attributable to redeemable participating shareholders per offering memorandum	<u>1,558,761</u>	<u>1,459,841</u>
Net Asset Value per redeemable participating share at dealing prices		
US Dollar Class I	USD 15.588	USD 1.458

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

# Harding Loevner Funds plc

## Unaudited Notes to Financial Statements (Continued)

### For the Financial Period Ended 31 December 2023

#### 15. Reconciliation of Net Asset Value (Continued)

##### The Global Paris-Aligned Equity Fund\*

	31 December 2023 USD	30 June 2023 USD
Net Asset Value attributable to redeemable participating shareholders per financial statements	129,057,063	121,092,968
Preliminary expenses	20,060	23,171
Net Asset Value attributable to redeemable participating shareholders per offering memorandum	<u>129,077,123</u>	<u>121,116,139</u>
Net Asset Value per redeemable participating share at dealing prices US Dollar Class X1	USD 12.511	USD 1.174

\*On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

#### 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 2023 and 30 June 2023:

		31 December 2023	30 June 2023
AED	UAE Dirham	3.6728	3.6731
AUD	Australian Dollar	1.4655	1.5023
BDT	Bangladesh Taka	109.7500	108.1800
BRL	Brazilian Real	4.8576	4.8240
CAD	Canadian Dollar	1.3186	1.3233
CHF	Swiss Franc	0.8417	0.8947
CLP	Chilean Peso	873.2850	802.1500
CNH	Chinese Renminbi	7.1206	7.2748
CNY	Chinese Yuan	7.0922	7.2641
COP	Colombian Peso	3874.0000	4175.7750
CZK	Czech Republic Koruna	22.3496	21.7769
DKK	Danish Krone	6.7484	6.8249
EEK	Estonian Kroon	14.1643	14.3415
EGP	Egyptian Pound	30.9250	30.9000
EUR	Euro	0.9053	0.9166
GBP	British Sterling Pound	0.7844	0.7866
GHS	Ghanian Cedi	11.9150	11.3750
HKD	Hong Kong Dollar	7.8086	7.8366
HRK	Croatian Kuna	6.8207	6.9061
HUF	Hungarian Forint	346.0056	341.8882
IDR	Indonesian Rupiah	15397.0000	14992.5000
INR	Indian Rupee	83.2138	82.0363
JOD	Jordanian Dinar	0.7101	0.7101
JPY	Japanese Yen	140.9800	144.5350
KES	Kenyan Shilling	157.0000	140.6000
KRW	South Korean won	1287.9000	1317.6500
KZT	Kazakhstan Tenge	455.8900	450.8550
LKR	Sri Lankan Rupee	323.7550	307.5000
MAD	Moroccan Dirham	9.8689	9.9048
MUR	Mauritian Rupee	44.0200	45.5300
MXN	Mexican Nuevo Peso	16.9345	17.1505
MYR	Malaysian Ringgit	4.5950	4.6675
NGN	Nigerian Naira	897.5000	765.5000
PEN	Peruvian Nuevo Sol	3.7026	3.6248
PHP	Philippine Peso	55.3750	55.1995
PKR	Pakistani Rupee	281.1250	286.5500
PLN	Polish Zloty	3.9323	4.0630
QAR	Qatari Rial	3.6410	3.6400
RON	Romanian Leu	4.5036	4.5456
RUB	Russian Rouble	89.4000	89.5000
SAR	Saudi Arabia Riyal	3.7500	3.7507
SEK	Swedish Krona	10.0779	10.8013

## Harding Loevner Funds plc

### Unaudited Notes to Financial Statements (Continued)

#### For the Financial Period Ended 31 December 2023

##### 16. Exchange Rates (Continued)

		31 December 2023	30 June 2023
SGD	Singapore Dollar	1.3191	1.3534
THB	Thai Baht	34.1325	35.4550
TRY	Turkish Lira	29.5340	26.0700
TTD	Trinidad & Tabago Dollar	6.7464	6.7662
TWD	Taiwan Dollar	30.6905	31.1445
TZS	Tanzanian Shilling	2508.8700	2415.0000
VND	Vietnamese Dong	24262.0000	23585.0000
XOF	West African CFA Franc	593.8144	601.2438
ZAR	South African Rand	18.2875	18.8913

##### 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.

##### 18. Contingent Liabilities

There were no contingent liabilities as at 31 December 2023 or 30 June 2023.

##### 19. Significant Events During the Financial Period

The Board continues to monitor the developments in Ukraine closely and to take all the necessary actions.

The Global Equity Fund distributed net income of 0.0053712711 per share on the Sterling Class I shares, with a total value of GBP 33,143, and distributed net income of 0.001968559 per share on the Sterling Class R shares, with a total value of GBP 195. These distributions were declared on 18 July 2023 with a record date of 17 July 2023, an ex-date of 18 July 2023 and a pay date of 21 July 2023.

The International Equity Fund distributed net income of 0.022302316 per share on the Sterling Class I shares, with a total value of GBP 11,158. This distribution was declared on 18 July 2023 with a record date of 17 July 2023, an ex-date of 18 July 2023 and a pay date of 21 July 2023.

On 29 September 2023, KBA Consulting Management Limited, the Manager of the Company, completed its merger with Waystone Management Company (IE) Limited ("WMC"). WMC is the surviving entity post-merger and as such, the Company's Manager is WMC from this date.

On 6 October 2023, Harding Loevner Global Equity Fund launched Class X2 following an in-specie transfer from US Dollar Class I.

On 1 December 2023, the Company increased the initial launch NAV from USD 1.000 to USD 10.000. Each NAV per share increased by a factor of 10, and the total shares outstanding are 10% of the total before split. Refer to Note 10 for more details.

On 15 December 2023, the Harding Loevner Emerging Markets ex China Equity Fund has been approved by the Central Bank of Ireland ("the Central Bank") as a sub-fund of Harding Loevner Funds plc.

There have been no other significant events to report during the financial period ended 31 December 2023.

##### 20. Significant Events After the Reporting Date

The International Equity Fund distributed net income of 0.078939561061 per share on the Sterling Class I shares, with a total value of GBP 3,994. This distribution was declared on 17 January 2024 with a record date of 16 January 2024, an ex-date of 17 January 2024 and a pay date of 22 January 2024.

On 5 January 2024, Sterling Class I of the Global Paris-Aligned Equity Fund launched.

There have been no other material events to report subsequent to the financial period ended 31 December 2023.

##### 21. Approval of the Financial Statements

The financial statements were approved and authorised for issue on 21 February 2024.

# Harding Loevner Funds plc

## Appendix 1 - Unaudited Financial Information

### For the Financial Period Ended 31 December 2023

#### Global Equity Fund

#### For the Financial Period Ended 31 December 2023

#### Total Expenses Ratio

	Euro Class I 31 December 2023 USD	Singapore Dollar Class I 31 December 2023 USD	Sterling Class I 31 December 2023 USD	US Dollar Class I 31 December 2023 USD	US Dollar Class N 31 December 2023 USD
Expenses	229,737	29,312	68,019	430,175	210
Average net assets	58,161,631	115,541,819	17,119,431	110,019,854	26,370
<b>Total Expense Ratio (*, **, ***)</b>	0.79%	0.84%	0.80%	0.78%	1.60%

	Sterling Class R 31 December 2023 USD	US Dollar Class R 31 December 2023 USD	Canadian Dollar Class X 31 December 2023 USD	US Dollar Class X2 31 December 2023 USD
Expenses	519	631	46,100	19,089
Average net assets	164,416	128,508	95,139,381	83,422,296
<b>Total Expense Ratio (*, **, ***)</b>	1.00%	0.98%	0.10%	0.10%

#### 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**  
249,640,578  
205,824,079  
479,723,706  
9%

\* The Total Expense Ratios for Global Equity Fund include operating expense reimbursements of USD 147,387 (31 December 2022: USD 138,618).

\*\* The Total Expense Ratio is annualised.

\*\*\* Management fee rebate had been renamed operating expense reimbursements.

\*\*\*\* 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

### Appendix 1 - Unaudited Financial Information (Continued)

#### For the Financial Period Ended 31 December 2023

#### Global Equity Fund (Continued)

#### For the Financial Period Ended 31 December 2022

#### Total Expenses Ratio

	Euro Class I	Sterling Class I	US Dollar Class I	Euro Class M	Singapore Dollar Class M	Sterling Class N
	31 December 2022	31 December 2022	31 December 2022	31 December 2022	31 December 2022	31 December 2022
	USD	USD	USD	USD	USD	USD
Expenses	136,940	103,82	465,048	137,227	36,846	21,925
Average net assets	34,943,315	26,424,743	117,587,575	44,171,878	85,867,160	101,910,689
<b>Total Expense Ratio (*, **, ***)</b>	0.78%	0.78%	0.79%	0.74%	0.09%	0.79%

	US Dollar Class N	US Dollar Class R	US Dollar Class S1	Canadian Dollar Class X	Euro Class X	Sterling Class X
	31 December 2022	31 December 2022	31 December 2022	31 December 2022	31 December 2022	31 December 2022
	USD	USD	USD	USD	USD	USD
Expenses	1,772	30,712	770	75,824	6,113	359,968
Average net assets	224,059	5,992,156	148,238	178,049,175	14,752,912	102,937,969
<b>Total Expense Ratio (*, **, ***)</b>	1.58%	1.02%	1.04%	0.08%	0.08%	0.73%

#### 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
131,891,752
86,259,547
712,764,258
6%

\* The Total Expense Ratios for Global Equity Fund include operating expense reimbursements of USD 138,618 (31 December 2021: USD 128,786).

\*\* The Total Expense Ratio is annualised.

\*\*\* Management fee rebate had been renamed operating expense reimbursements.

\*\*\*\* 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

### Appendix 1 - Unaudited Financial Information (Continued)

#### For the Financial Period Ended 31 December 2023

##### International Equity Fund

##### For the Financial Period Ended 31 December 2023

Total Expenses Ratio	US Dollar Class A 31 December 2023 USD	Sterling Class I 31 December 2023 USD	US Dollar Class I 31 December 2023 USD	US Dollar Class R 31 December 2023 USD	US Dollar Class X 31 December 2023 USD
Expenses	138	5,516	300,500	50,501	27,387
Average net assets	19,572	1,228,716	67,077,532	9,212,098	54,861,587
<b>Total Expense Ratio (*, **, ***)</b>	1.60%	0.90%	0.90%	1.10%	0.10%

##### Portfolio Turnover Ratio

Purchases and sales of securities (i)					<b>Total</b> 34,941,690
Subscription and redemption of shares (ii) ****					22,738,816
Monthly average of total assets (iii)					132,399,504
<b>Portfolio Turnover Ratio</b>					9%

#### For the Financial Period Ended 31 December 2022

Total Expenses Ratio	US Dollar Class I 31 December 2022 USD	US Dollar Class R 31 December 2022 USD	Sterling Class I 31 December 2022 USD	US Dollar Class X 31 December 2022 USD
Expenses	301,087	39,746	7,912	28,148
Average net assets	67,655,988	7,122,545	1,775,380	62,964,344
<b>Total Expense Ratio (*, **, ***)</b>	0.89%	1.11%	0.89%	0.09%

##### Portfolio Turnover Ratio

Purchases and sales of securities (i)				<b>Total</b> 92,286,711
Subscription and redemption of shares (ii) ****				63,182,171
Monthly average of total assets (iii)				139,518,257
<b>Portfolio Turnover Ratio</b>				21%

\* The Total Expense Ratios for International Equity Fund include operating expense reimbursements of USD 74,468 (31 December 2022: USD 47,870).

\*\* The Total Expense Ratio is annualised.

\*\*\* Management fee rebate had been renamed operating expense reimbursements.

\*\*\*\* 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

### Appendix 1 - Unaudited Financial Information (Continued)

#### For the Financial Period Ended 31 December 2023

#### Emerging Markets Equity Fund For the Financial Period Ended 31 December 2023

Total Expenses Ratio	US Dollar Class I	US Dollar Class M	US Dollar Class R	Canadian Dollar Class X
	31 December 2023	31 December 2023	31 December 2023	31 December 2023
	USD	USD	USD	USD
Expenses	29,013	218,111	17,506	30,491
Average net assets	6,119,533	41,578,792	3,046,172	59,851,022
<b>Total Expense Ratio (*, **, ***)</b>	0.95%	1.05%	1.15%	0.10%
<b>Portfolio Turnover Ratio</b>				<b>Total</b>
Purchases and sales of securities (i)				49,820,583
Subscription and redemption of shares (ii) ****				27,380,051
Monthly average of total assets (iii)				110,595,519
<b>Portfolio Turnover Ratio</b>				20%

\* The Total Expense Ratios for Emerging Markets Equity Fund include operating expense reimbursements of USD 145,850 (31 December 2022: USD 164,702).

\*\* The Total Expense Ratio is annualised.

\*\*\* Management fee rebate had been renamed operating expense reimbursements.

\*\*\*\* 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

### Appendix 1 - Unaudited Financial Information (Continued)

#### For the Financial Period Ended 31 December 2023

#### Emerging Markets Equity Fund (Continued)

#### For the Financial Period Ended 31 December 2022

#### Total Expenses Ratio

	US Dollar Class I	US Dollar Class M	Canadian Dollar Class R	US Dollar Class R	Canadian Dollar Class X
	31 December 2022	31 December 2022	31 December 2022	31 December 2022	31 December 2022
	USD	USD	USD	USD	USD
Expenses	31,361	203,623	1,691	11,973	72,544
Average net assets	6,566,500	39,447,881	304,277	1,824,729	184,054,946
<b>Total Expense Ratio (*, **, ***)</b>	0.95%	1.03%	1.36%	1.31%	0.08%

#### Portfolio Turnover Ratio

	Total
Purchases and sales of securities (i)	161,906,137
Subscription and redemption of shares (ii) ****	3,319,444
Monthly average of total assets (iii)	232,168,467
<b>Portfolio Turnover Ratio</b>	68%

\* The Total Expense Ratios for Emerging Markets Equity Fund include operating expense reimbursements of USD 164,702 (31 December 2021: USD 75,711).

\*\* The Total Expense Ratio is annualised.

\*\*\* Management fee rebate had been renamed operating expense reimbursements.

\*\*\*\* 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

### Appendix 1 - Unaudited Financial Information (Continued)

#### For the Financial Period Ended 31 December 2023

##### Global Small Companies Equity Fund

##### For the Financial Period Ended 31 December 2023

Total Expenses Ratio	US Dollar Class I 31 December 2023 USD
Expenses	7,127
Average net assets	1,429,233
<b>Total Expense Ratio (*, **, ***, ****)</b>	<b>1.00%</b>
<b>Portfolio Turnover Ratio</b>	<b>Total</b>
Purchases and sales of securities (i)	218,251.00
Subscription and redemption of shares (ii) *****	-
Monthly average of total assets (iii)	1,429,233
<b>Portfolio Turnover Ratio</b>	<b>15%</b>

#### For the Financial Period Ended 31 December 2022

Total Expenses Ratio	US Dollar Class I 31 December 2022 USD
Expenses	6,091
Average net assets	1,334,683
<b>Total Expense Ratio (*, **, ***, ****)</b>	<b>1.00%</b>
<b>Portfolio Turnover Ratio</b>	<b>Total</b>
Purchases and sales of securities (i)	177,990
Subscription and redemption of shares (ii) *****	-
Monthly average of total assets (iii)	1,334,683
<b>Portfolio Turnover Ratio</b>	<b>13%</b>

\* The Total Expense Ratios for Global Small Companies Equity Fund include operating expense reimbursements of USD 60,268 (31 December 2022: USD 56,981).

\*\* The Total Expense Ratios for Global Small Companies Equity Fund include preliminary expenses of USD Nil (31 December 2022: USD 2,652). 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.

\*\*\*\* Management fee rebate had been renamed operating expense reimbursements.

\*\*\*\*\* 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

### Appendix 1 - Unaudited Financial Information (Continued)

#### For the Financial Period Ended 31 December 2023

##### Global Paris-Aligned Equity Fund

##### For the Financial Period Ended 31 December 2023

Total Expenses Ratio		US Dollar Class X1 31 December 2023 USD
Expenses		341,381
Average net assets		119,225,223
<b>Total Expense Ratio (*, **, ***)</b>		0.57%
Portfolio Turnover Ratio		Total
Purchases and sales of securities (i)		20,323,355
Subscription and redemption of shares (ii) ****		-
Monthly average of total assets (iii)		119,225,223
<b>Portfolio Turnover Ratio</b>		17%
Total Expenses Ratio		US Dollar Class X1 31 December 2022 USD
Expenses		346,450
Average net assets		120,610,399
<b>Total Expense Ratio (*, **, ***)</b>		0.57%
Portfolio Turnover Ratio		Total
Purchases and sales of securities (i)		37,554,009
Subscription and redemption of shares (ii) ****		25,000,000
Monthly average of total assets (iii)		120,610,399
<b>Portfolio Turnover Ratio</b>		10%

\* The Total Expense Ratios for Global Paris-Aligned Equity Fund include operating expense reimbursements of USD 183,411 (31 December 2022: USD 83,076).

\*\* The establishment costs 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.

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