

HARBOR INTERNATIONAL CORE FUND

Acadian Asset Management LLC

Subadvisor Since 03/01/2019

Total Net Assets - All Classes	\$250,242,253
Equity Assets:	99.83%
Cash & Other Assets Less Liabilities:	1.17%
Benchmark Name:	MSCI EAFE (ND) Index

Portfolio Managers



Brendan O. Bradley



Fanesca Young

Investment Philosophy

The Fund invests at least 80% of its assets in a diversified portfolio of non-U S equity securities. It invests primarily in the stocks of foreign companies located in developed markets, but it may also invest up to 15% of its assets in the securities of companies located in emerging markets. The Fund invests in stocks across the market capitalization spectrum. The Subadvisor manages the fund using an active, quantitative investment strategy. In selecting investments for the Fund, the Subadvisor forecasts expected returns for individual securities relative to global equity markets using a range of quantitative factors, including: valuation, earnings, quality, price patterns, economic data, and risk. The Subadvisor emphasizes those factors that it believes will prove most effective in predicting returns.

CHARACTERISTICS & ALLOCATION

As of 12/31/2024

Portfolio Characteristics		
	Portfolio	Benchmark
Number of Holdings	503	722
Wtd Avg Market Cap (\$Mil)	49,424.60	85,966.10
Median Market Cap (\$Mil)	1,378.00	14,285.00
Price/Book Ratio	3.05	2.50
Adjusted Trailing P/E Ratio	19.30	20.00
% EPS Growth - Past 3 Yr	23.90	21.60
Est 3-5 Yr EPS Growth Rate (%)	10.90	9.50
Return on Equity (%)	14.36	13.95
Beta vs. Fund Benchmark	0.98	
Forecasted P/E Ratio	17.60	16.20

Top 10 Holdings		
	Portfolio %	Benchmark %
Roche Holding Ltd.	3.50	1.23
ABB Ltd.	2.23	0.53
Recruit Holdings Co. Ltd.	1.85	0.62
BNP Paribas S.A. Class A	1.82	0.39
Barclays PLC Sponsored ADR	1.73	0.00
Wolters Kluwer N.V.	1.72	0.25
Aristocrat Leisure Ltd.	1.61	0.15
Experian PLC	1.56	0.25
adidas AG	1.52	0.25
Telefonaktiebolaget LM	1.52	0.00
Total	19.06	3.67

Top 10 Industries		
	Portfolio %	Benchmark %
Banks	13.56	11.77
Pharmaceuticals	6.92	8.60
Professional Services	5.95	2.02
Software	5.23	2.43
Capital Markets	5.23	3.27
It Services	4.37	0.85
Entertainment	3.97	1.41
Semiconductors	3.83	3.45
Machinery	3.16	3.02
Insurance	3.11	5.70
Total	55.33	42.52

Economic Sectors		
	Portfolio %	Benchmark %
Financials	22.85	21.86
Industrials	21.07	17.78
Information Technology	17.85	8.75
Consumer Discretionary	10.53	11.28
Health Care	9.21	12.42
Communication Services	8.09	4.81
Materials	3.66	6.04
Energy	2.37	3.49
Consumer Staples	1.51	8.36
Utilities	1.38	3.22
Real Estate	1.33	2.00

Top 10 Countries		
	Portfolio %	Benchmark %
Japan	19.16	23.23
Switzerland	10.51	9.54
United Kingdom	9.65	14.90
Germany	8.22	9.26
France	7.11	11.11
Australia	7.09	7.28
Sweden	5.22	3.53
Netherlands	4.23	4.62
Israel	3.21	0.94
Denmark	3.19	2.90
Total	77.59	87.31
Emerging Markets	10.18	0.00

Market Capitalization		
		Portfolio %
Large	Above 25.0B	49.45
	10.0B - 25.0B	26.49
Mid	5.0B - 10.0B	13.02
	1.0B - 5.0B	6.92
Small	0.0 - 1.0B	3.89

Harbor International Core Fund



PERFORMANCE

As of 12/31/2024

Average Annual Returns

Share Class	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Net Expense Ratio %	Gross Expense Ratio %
Institutional	HAOSX	411512163	-4.31%	11.42%	11.42%	2.42%	7.73%	N/A	8.23%	03/01/19	0.85	1.07
Investor	HAONX	411512130	-4.40%	10.99%	10.99%	2.03%	7.33%	N/A	7.82%	03/01/19	1.21	1.43
Retirement	HAORX	411512155	-4.31%	11.49%	11.49%	2.49%	7.80%	N/A	8.30%	03/01/19	0.77	0.99
MSCI EAFE (ND) Index			-8.11%	3.82%	3.82%	1.65%	4.73%	N/A	5.97%	03/01/19		

MANAGER COMMENTARY

As of 12/31/2024

“Developed markets outperformed emerging markets, as U.S. equities strengthened amid prospects of deregulation in the country following the elections.”

Acadian Asset Management LLC

Market in Review

During the fourth quarter of 2024, global markets added to their 2024 positive performance, rising 1.9%. Gains were supported by falling inflation and the ensuing rate cuts by major central banks. Both the U.S. Federal Reserve (“Fed”) and the European Central Bank (“ECB”) reduced rates twice during the quarter. However, uncertainties around the incoming Trump administration’s trade policies weighed on markets, paring back some of those gains. Developed markets outperformed emerging markets, as U.S. equities strengthened amid prospects of deregulation in the country following the elections. At the same time, emerging markets suffered due to anticipation of more protectionist policies in the U.S., with China and India leading these losses. Japanese stocks were a standout, outperforming all the major economies in the period. The Bank of Japan, however, decided to tread cautiously on rate hikes amid uncertainty around Trump’s future economic policies.

Portfolio Performance

During the fourth quarter, the Harbor International Core Fund (Institutional Class, “Fund”) returned -4.31%, outperforming its benchmark, the MSCI EAFE (ND) Index, which returned -8.11%.

Stock selection within countries contributed to return, while country allocations also contributed positively. Key sources of positive active return included stock selection in Sweden, a combination of stock selection and an overweight position in Italy, and stock selection in the United Kingdom. Detractors from return included opportunistic exposures to South Korea and Brazil, and a combination of stock selection and an underweight position in Singapore.

From a sector perspective, key sources of positive active returns included a combination of stock selection and an overweight position in Information Technology, a combination of stock selection and an overweight position in Industrials, and a combination of stock selection and an underweight position in Health Care.

Expense ratio information is as of the Fund’s current prospectus, as supplemented. Gross expenses are the Fund’s total annual operating expenses. The net expense ratios for this fund are subject to a contractual management fee waiver and/or expense limitation agreement, excluding interest expense and acquired fund fees and expenses (if any), through 02/28/2025.

Performance data shown represents past performance and is no guarantee of future results. Past performance is net of management fees and expenses and reflects reinvested dividends and distributions. Past performance reflects the beneficial effect of any expense waivers or reimbursements, without which returns would have been lower. Investment returns and principal value will fluctuate and when redeemed may be worth more or less than their original cost. Returns for periods less than one year are not annualized. Current performance may be higher or lower and is available through the most recent month end at harborcapital.com or by calling 800-422-1050.

Harbor International Core Fund



MANAGER COMMENTARY

As of 12/31/2024

Contributors and Detractors

During the quarter, Spotify Technology and Wix.com contributed to returns. Our proprietary forecast for Spotify showed attractiveness across all characteristics within our bottom-up stock selection model, aside from value, which was marginally negative. Furthermore, our top-down and peer models contributed to alpha. Our overweight position to this stock was beneficial, as it was up 21.40% during the quarter.

During the quarter, our underweight position in Mitsubishi UFJ Financial Group detracted from returns, as did Experian.

Buys and Sells

During the quarter, we purchased Naver, a South Korean internet conglomerate. At the time of purchase, within our bottom-up stock selection model – in order of magnitude – the technical, growth, quality, and value signals were attractive. Meanwhile, the peer model contributed to alpha scores. Within our top-down model, the industry outlook added to the stock's forecast.

Purchase decisions are made in conjunction with sell decisions; the process is completely objective, automated, and driven by changes in expected returns. After computing the forecast returns, the investment process ranks all securities in Acadian's universe, determining the most attractive securities to buy for the Fund based on investment guidelines, as well as transactional and trading liquidity considerations. For a stock to be purchased, it must have a more attractive alpha forecast or diversification properties (including a hurdle for estimated transaction costs) than an existing holding and other potential holdings. Essentially, if a stock is more attractive than an existing holding, allowing for the transaction costs of both the sell and the buy, it will be bought.

During the quarter, we sold MS&AD Insurance Group Holdings. At the time of sale, within our bottom-up stock selection model – in order of magnitude – growth and technical signals were unattractive. Meanwhile, the peer model contributed to alpha scores. Within our top-down model, the industry outlook added to the stock's forecast.

We will automatically sell a stock if its expected return deteriorates to the point where it can be replaced by a more attractive stock that plays an equally useful or more attractive role in the Fund. Importantly, since markets are not frictionless, the expected excess return of any stock added to the Fund must more than cover the expected transaction costs of selling the original position and buying the new stock.

Sector Underweights and Overweights

Entering the fourth quarter, the Fund continued to be overweight in the Information Technology and Industrials sectors. The Information Technology overweight was mainly concentrated in Japan and Israel. The Industrials overweight was a combination of positioning in Switzerland and Italy. The top two sector underweights were Consumer Staples and Consumer Discretionary. The underweight in Consumer Staples was concentrated mainly in the United Kingdom and Switzerland, whereas the underweight in Consumer Discretionary was driven by positioning in Japan and France.

There were no material changes to sector or industry allocations during the quarter. Marginal positive shifts across sectors included Information Technology, Communication Services, and Industrials, whereas the largest negative shift was out of Health Care. Given Acadian's quantitative investment process and the bottom-up nature of our Fund construction methods, the Fund changes gradually based on the attractiveness or unattractiveness of individual holdings. We do not make changes based on a view of the overall investment environment. Acadian seeks the best stock selection opportunities for the Fund, subject to country, sector, and risk limits intended to maximize active returns from selection rather than any one specific factor.

Harbor International Core Fund



MANAGER COMMENTARY

As of 12/31/2024

As of quarter-end, the Fund continues to be overweight in Information Technology and Industrials. The Information Technology overweight is mainly concentrated in Japan and Israel. The Industrials overweight is a combination of positioning in Switzerland and Netherlands. The top two sector underweights were Consumer Staples and Health Care. The underweight in Consumer Staples is concentrated mainly in the United Kingdom and Switzerland, whereas the underweight in Health Care is driven by positioning in France and United Kingdom.

Country Allocation

Country and sector weights for the Fund are a product of the bottom-up stock selection process, combined with the risk controls in the optimization process.

Bottom-up stock selection continued to drive the Fund.

During the quarter, relative to the benchmark, the Fund saw proportionally more assets flow into Germany and Australia. Opportunistic exposure increased in South Korea. Negative asset flow was seen in Italy, Denmark, and Spain.

As of quarter-end, in terms of country positioning, the largest overweight positions were in Israel and Switzerland. The Fund had notable opportunistic exposure to China and Taiwan. The biggest underweight positions were in the United Kingdom, Japan, and France.

In terms of sector positioning, the focus was on Information Technology, Communication Services, and Industrials. The biggest underweight positions were in Consumer Staples, Health Care, and Materials.

The Fund's exposure to developing markets did not materially change during the quarter.

Outlook

The Organization for Economic Co-operation and Development ("OECD") believes the global economy will remain resilient in the face of macroeconomic challenges in 2025. Economic growth is likely to stabilize. Concerns over interest rates decreased with central banks cutting rates amid falling inflation, which is now back to central bank targets in most major economies. Labor markets have also eased, although unemployment rates remain near historical lows. The OECD raised its growth outlook for the global economy recently, estimating growth of 3.2% in 2024 and expecting the global economy to grow 3.3% year over year, both in 2025 and 2026.

Meanwhile, inflation in the OECD economies is expected to ease further to 3.8% in 2025 and 3.0% in 2026 – from 5.4% in 2024 – as monetary policies remain restrictive in most economies. Headline inflation is likely to continue falling, led by significant declines in food, energy, and goods price inflation.

The U.S. Energy Information Administration ("EIA") expects global oil production to increase by 1.6 million barrels per day in 2025, close to 90% of which is expected to be from non-OPEC+ countries. This is due to the continued production restraint announced by OPEC+. At its December 5 meeting, the body announced it would delay production increases until April 2025. The EIA expects the Brent crude oil spot price to average \$74/b in 2025, as oil markets are anticipated to remain balanced. However, persistent geopolitical tensions, particularly in the Middle East, remain a potential risk.

Harbor International Core Fund



QUARTERLY ATTRIBUTION

As of 12/31/2024

Best & Worst Performers

Best Performers	Average Weight %	Return %
WIX.COM LTD	1.09	28.34
PRO MEDICUS LTD	0.75	25.23
SPOTIFY TECHNOLOGY SA	1.27	21.40
LEONARDO SPA	1.28	20.17
SOMPO HOLDINGS INC	0.51	17.12

Worst Performers	Average Weight %	Return %
BILIBILI INC-CLASS Z	0.24	-26.73
NOVO NORDISK A/S-B	1.62	-26.42
BLUESCOPE STEEL LTD	0.76	-24.86
JAMES HARDIE INDUSTRIES-CDI	0.58	-22.19
WARTSILA OYJ ABP	0.45	-21.02

Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
WIX.COM LTD	28.34	0.29
RECRUIT HOLDINGS CO LTD	16.53	0.27
SPOTIFY TECHNOLOGY SA	21.40	0.25
LEONARDO SPA	20.17	0.25
PRO MEDICUS LTD	25.23	0.17
Total		1.22

Greatest Detractors	Return %	Contribution to Return %
ROCHE HOLDING AG-GENUSSCHEIN	-12.11	-0.42
NOVO NORDISK A/S-B	-26.42	-0.35
EXPERIAN PLC	-18.18	-0.32
GIVAUDAN-REG	-20.44	-0.29
BLUESCOPE STEEL LTD	-24.86	-0.20
Total		-1.57

Harbor International Core Fund



ATTRIBUTION

As of 12/31/2024

Quarterly Attribution: Harbor International Core Fund vs MSCI EAFE (ND) Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	2.88	-0.62	3.50
Currency Contribution	-6.76	-7.49	0.73
Total Return	-3.88	-8.11	4.24

Sector Attribution	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
	Information Technology	15.99	8.63	7.36	-0.60	-7.18	6.58	-0.06	-0.62	0.11	1.00
Industrials	20.92	17.66	3.26	-2.58	-6.38	3.80	-0.55	-1.12	0.06	0.78	0.83
Health Care	10.70	13.02	-2.31	-10.89	-14.14	3.26	-1.27	-1.94	0.21	0.37	0.57
Consumer Staples	1.93	8.48	-6.56	-10.17	-12.61	2.44	-0.21	-1.10	0.30	0.06	0.36
Utilities	1.87	3.30	-1.44	0.45	-12.84	13.29	-0.01	-0.43	0.06	0.24	0.30
Financials	23.48	21.38	2.11	-1.61	-2.28	0.67	-0.35	-0.46	0.14	0.15	0.30
Materials	4.77	6.41	-1.64	-16.89	-17.81	0.93	-0.83	-1.22	0.18	0.08	0.27
Communication Services	5.89	4.58	1.31	-1.44	-4.72	3.28	-0.12	-0.21	0.02	0.17	0.19
Consumer Discretionary	9.85	10.84	-0.98	-2.17	-4.32	2.15	-0.13	-0.44	0.01	0.17	0.18
Real Estate	1.42	2.10	-0.68	-11.97	-13.43	1.46	-0.17	-0.29	0.04	0.02	0.06
Energy	2.43	3.62	-1.19	-8.30	-8.27	-0.02	-0.20	-0.30	0.04	-0.03	0.02
Total	100.00	100.00	0.00	-3.88	-8.11	4.24	-3.88	-8.11	1.23	3.01	4.24

Performance data shown represents past performance and is no guarantee of future results.

Harbor International Core Fund



ATTRIBUTION

As of 12/31/2024

Quarterly Attribution:
Harbor International Core Fund vs MSCI EAFE (ND) Index

Country Attribution

	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
Sweden	4.80	3.38	1.42	1.87	-14.03	15.90	0.09	-0.48	-0.09	0.76	0.68
United Kingdom	9.76	14.86	-5.11	0.26	-6.82	7.08	0.03	-0.99	-0.07	0.67	0.59
Italy	4.03	2.78	1.25	4.67	-6.66	11.33	0.22	-0.19	0.02	0.49	0.52
Australia	6.89	7.59	-0.70	-4.34	-11.25	6.91	-0.24	-0.85	0.01	0.49	0.50
Denmark	3.73	3.30	0.43	-6.00	-21.52	15.52	-0.35	-0.77	0.00	0.49	0.49
Israel	3.26	0.86	2.40	7.94	14.14	-6.20	0.27	0.12	0.50	-0.16	0.34
France	6.46	11.12	-4.66	-8.08	-10.26	2.18	-0.55	-1.17	0.11	0.16	0.26
Germany	7.76	9.15	-1.39	-3.73	-5.71	1.97	-0.18	-0.52	-0.01	0.18	0.18
Taiwan	1.25	0.00	1.25	6.34	0.00	6.34	0.05	0.00	0.17	0.00	0.17
Netherlands	4.66	4.61	0.05	-9.95	-12.39	2.43	-0.48	-0.59	-0.02	0.15	0.13
China	1.98	0.00	1.98	-2.75	0.00	-2.75	-0.06	0.00	0.11	0.00	0.11
Switzerland	11.45	9.77	1.68	-10.11	-11.25	1.14	-1.22	-1.12	-0.06	0.14	0.08
United States	1.53	0.00	1.53	-4.28	0.00	-4.28	-0.06	0.00	0.07	0.00	0.07
Austria	0.47	0.19	0.28	9.52	1.07	8.44	0.05	0.00	0.03	0.04	0.07
Norway	0.63	0.59	0.04	7.16	-5.43	12.59	0.03	-0.03	0.00	0.07	0.07
Japan	19.06	22.67	-3.61	-2.38	-3.60	1.22	-0.43	-0.76	-0.18	0.24	0.06
United Arab Emirates	0.56	0.00	0.56	3.83	0.00	3.83	0.02	0.00	0.05	0.00	0.05
Canada	0.44	0.00	0.44	4.07	0.00	4.07	0.02	0.00	0.04	0.00	0.04
Hong Kong	0.83	2.01	-1.18	-7.05	-9.80	2.75	-0.05	-0.20	0.02	0.02	0.04
Belgium	0.66	1.01	-0.36	-2.03	-8.26	6.23	-0.02	-0.08	0.00	0.04	0.04
Portugal	0.00	0.18	-0.18	0.00	-22.71	22.71	0.00	-0.04	0.03	0.00	0.03
Czech Republic	0.23	0.00	0.23	-1.19	0.00	-1.19	0.00	0.00	0.02	0.00	0.02
India	0.62	0.00	0.62	-0.50	0.00	-0.50	-0.04	0.00	0.01	0.00	0.01
South Africa	0.09	0.00	0.09	12.49	0.00	12.49	0.01	0.00	0.01	0.00	0.01
Philippines	0.05	0.00	0.05	-0.27	0.00	-0.27	0.00	0.00	0.01	0.00	0.01
Egypt	0.02	0.00	0.02	8.30	0.00	8.30	0.00	0.00	0.00	0.00	0.00
Poland	0.47	0.00	0.47	-6.87	0.00	-6.87	-0.04	0.00	0.00	0.00	0.00
Greece	0.01	0.00	0.01	0.42	0.00	0.42	0.00	0.00	0.00	0.00	0.00
Malaysia	0.25	0.00	0.25	-9.82	0.00	-9.82	-0.02	0.00	0.00	0.00	0.00
New Zealand	0.03	0.19	-0.16	-3.88	-5.97	2.08	0.00	-0.01	0.00	0.00	0.00
Indonesia	0.15	0.00	0.15	-13.76	0.00	-13.76	-0.02	0.00	-0.01	0.00	-0.01
Hungary	0.10	0.00	0.10	-14.45	0.00	-14.45	-0.02	0.00	-0.01	0.00	-0.01
Thailand	0.38	0.00	0.38	-13.24	0.00	-13.24	-0.05	0.00	-0.02	0.00	-0.02
Finland	0.60	1.01	-0.40	-20.70	-13.11	-7.59	-0.13	-0.14	0.02	-0.05	-0.03
Spain	3.08	2.78	0.30	-10.15	-9.21	-0.94	-0.32	-0.26	0.00	-0.03	-0.03
Singapore	1.41	1.59	-0.18	3.59	3.17	0.42	0.04	0.05	-0.03	0.00	-0.03
Brazil	0.26	0.00	0.26	-21.59	0.00	-21.59	-0.07	0.00	-0.04	0.00	-0.04
Ireland	0.58	0.37	0.21	-22.19	-14.99	-7.20	-0.14	-0.06	-0.02	-0.05	-0.06
South Korea	0.74	0.00	0.74	-18.39	0.00	-18.39	-0.24	0.00	-0.18	0.00	-0.18
Cash	0.76	0.00	0.76	2.77	0.00	2.77	0.02	0.00	0.06	0.00	0.06
Total	100.00	100.00	0.00	-3.88	-8.11	4.24	-3.88	-8.11	0.22	4.02	4.24

Performance data shown represents past performance and is no guarantee of future results.

Harbor International Core Fund



ATTRIBUTION

As of 12/31/2024

Trailing 1 Year Attribution:
Harbor International Core Fund vs MSCI EAFE (ND) Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	19.88	11.28	8.60
Currency Contribution	-7.44	-7.45	0.01
Total Return	12.43	3.82	8.61

Sector Attribution	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
	Industrials	20.90	17.10	3.80	18.85	9.60	9.25	3.75	1.52	0.15	1.93
Information Technology	15.45	8.99	6.45	15.83	3.75	12.08	2.54	0.45	0.21	1.79	2.00
Communication Services	3.63	4.22	-0.59	52.11	11.15	40.97	1.25	0.42	0.00	1.04	1.04
Consumer Staples	1.25	8.70	-7.45	-2.72	-7.88	5.16	-0.12	-0.72	0.93	0.08	1.01
Consumer Discretionary	11.64	11.48	0.16	11.83	1.35	10.47	1.32	0.25	0.09	0.88	0.97
Financials	20.42	20.07	0.35	23.86	20.91	2.94	4.16	3.63	0.16	0.30	0.47
Materials	6.82	6.83	-0.01	-7.91	-12.96	5.05	-0.47	-0.97	-0.01	0.45	0.44
Energy	4.52	3.97	0.55	-2.47	-10.55	8.08	0.07	-0.39	-0.19	0.47	0.28
Real Estate	0.56	2.18	-1.61	7.02	-3.91	10.92	-0.09	-0.10	0.12	0.04	0.16
Utilities	2.01	3.26	-1.25	1.80	-4.14	5.94	-0.06	-0.16	0.02	0.12	0.14
Health Care	12.18	13.19	-1.01	-0.31	-1.49	1.18	0.05	-0.12	-0.06	0.07	0.01
Total	100.00	100.00	0.00	12.43	3.82	8.61	12.43	3.82	1.44	7.17	8.61

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Harbor International Core Fund



ATTRIBUTION

As of 12/31/2024

Trailing 1 Year Attribution:
Harbor International Core Fund vs MSCI EAFE (ND) Index

Country Attribution

	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
Japan	19.03	22.88	-3.85	17.09	8.31	8.78	3.18	1.89	-0.21	1.64	1.43
France	6.74	11.60	-4.85	4.62	-5.33	9.95	0.45	-0.53	0.50	0.75	1.25
Sweden	4.37	3.22	1.15	26.68	-3.71	30.39	1.04	-0.14	-0.14	1.39	1.25
Italy	4.73	2.74	1.99	30.34	11.25	19.09	1.21	0.29	0.14	0.64	0.78
Israel	2.85	0.77	2.08	37.99	38.25	-0.26	1.07	0.26	0.77	-0.01	0.77
Australia	5.99	7.36	-1.37	13.64	1.52	12.12	0.65	0.04	-0.07	0.81	0.74
Spain	4.20	2.70	1.50	22.26	9.80	12.46	1.20	0.23	0.16	0.57	0.72
Denmark	5.74	3.59	2.15	3.01	-12.94	15.95	0.51	-0.35	0.08	0.45	0.53
China	2.49	0.00	2.49	24.19	0.00	24.19	0.64	0.00	0.49	0.00	0.49
Germany	6.34	8.77	-2.43	17.03	10.22	6.81	1.09	0.81	-0.14	0.59	0.45
Switzerland	12.05	9.71	2.35	0.72	-2.00	2.72	0.16	-0.26	-0.02	0.40	0.38
Norway	0.54	0.60	-0.06	71.53	-4.26	75.79	0.30	-0.03	0.04	0.32	0.36
Finland	0.54	1.02	-0.48	22.05	-7.33	29.39	0.08	-0.08	0.05	0.13	0.19
Taiwan	1.00	0.00	1.00	16.58	0.00	16.58	0.14	0.00	0.12	0.00	0.12
Austria	0.52	0.19	0.34	28.22	18.33	9.89	0.12	0.03	0.02	0.07	0.09
Malaysia	0.26	0.00	0.26	26.22	0.00	26.22	0.09	0.00	0.09	0.00	0.09
United Arab Emirates	0.33	0.00	0.33	17.61	0.00	17.61	0.04	0.00	0.06	0.00	0.06
Canada	0.58	0.00	0.58	14.77	0.00	14.77	0.10	0.00	0.05	0.00	0.05
United Kingdom	9.06	14.87	-5.81	10.44	7.76	2.68	0.86	1.13	-0.32	0.35	0.03
United States	1.56	0.00	1.56	16.49	0.00	16.49	0.07	0.00	0.02	0.00	0.02
Portugal	0.14	0.19	-0.05	-13.35	-25.17	11.81	-0.03	-0.05	0.04	-0.02	0.02
Czech Republic	0.24	0.00	0.24	12.01	0.00	12.01	0.03	0.00	0.02	0.00	0.02
New Zealand	0.04	0.19	-0.15	9.52	-1.50	11.02	0.00	0.00	0.01	0.00	0.01
Philippines	0.04	0.00	0.04	23.00	0.00	23.00	0.01	0.00	0.01	0.00	0.01
Hungary	0.06	0.00	0.06	52.82	0.00	52.82	0.01	0.00	0.01	0.00	0.01
India	0.16	0.00	0.16	-2.34	0.00	-2.34	-0.04	0.00	0.01	0.00	0.01
Egypt	0.03	0.00	0.03	14.71	0.00	14.71	0.00	0.00	0.00	0.00	0.00
Qatar	0.00	0.00	0.00	-0.45	0.00	-0.45	0.00	0.00	0.00	0.00	0.00
Greece	0.06	0.00	0.06	16.50	0.00	16.50	0.01	0.00	0.00	0.00	0.00
Belgium	0.31	0.97	-0.66	16.77	8.53	8.24	0.03	0.07	-0.04	0.03	-0.01
South Africa	0.11	0.00	0.11	5.81	0.00	5.81	0.00	0.00	-0.01	0.00	-0.01
Indonesia	0.16	0.00	0.16	-3.39	0.00	-3.39	-0.01	0.00	-0.02	0.00	-0.02
Hong Kong	0.87	1.92	-1.04	-5.82	0.08	-5.90	-0.04	-0.05	0.02	-0.04	-0.02
Luxembourg	0.07	0.00	0.07	-10.74	0.00	-10.74	-0.04	0.00	-0.04	0.00	-0.04
Poland	0.62	0.00	0.62	-6.84	0.00	-6.84	0.01	0.00	-0.05	0.00	-0.05
Netherlands	4.02	4.93	-0.91	0.70	1.40	-0.69	-0.09	0.18	-0.34	0.26	-0.08
South Korea	0.39	0.00	0.39	-0.28	0.00	-0.28	-0.14	0.00	-0.15	0.00	-0.15
Singapore	1.03	1.42	-0.39	36.99	32.25	4.74	0.23	0.38	-0.15	-0.02	-0.16
Thailand	0.59	0.00	0.59	-21.83	0.00	-21.83	-0.16	0.00	-0.19	0.00	-0.19
Brazil	0.47	0.00	0.47	-32.75	0.00	-32.75	-0.16	0.00	-0.23	0.00	-0.23
Ireland	1.04	0.41	0.62	-21.32	1.08	-22.41	-0.24	0.01	0.03	-0.34	-0.31
Cash	0.62	0.00	0.62	18.43	0.00	18.43	0.05	0.00	0.01	0.00	0.01
Total	100.00	100.00	0.00	12.43	3.82	8.61	12.43	3.82	0.10	8.51	8.61

Performance data shown represents past performance and is no guarantee of future results.

Harbor International Core Fund



IMPORTANT INFORMATION

Risks

There is no guarantee that the investment objective of the Fund will be achieved. Stock markets are volatile and equity values can decline significantly in response to adverse issuer, political, regulatory, market and economic conditions. Investing in international and emerging markets poses special risks, including potentially greater price volatility due to social, political and economic factors, as well as currency exchange rate fluctuations. These risks are more severe for securities of issuers in emerging market regions.

The value of securities selected using quantitative analysis can react differently to issuer, political, market, and economic developments than the market as a whole or securities selected using only fundamental analysis. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, any model may contain flaws or the model may not perform as anticipated.

Benchmarks

The MSCI EAFE (ND) Index is an unmanaged index generally representative of major overseas stock markets. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Disclosures

All holdings-related data is provided by FactSet. Because FactSet relies on external sources for its data, that data may differ slightly from actual values maintained by Harbor Funds.

Due to the security valuation procedures of the Fund and intra-day trading activity not included in the FactSet calculations, the actual returns may vary. From time to time the cash return in the portfolio may appear distorted based on the way FactSet's attribution calculation methodology addresses delayed settlements.

Beta is a rolling three year, unless the Fund has a track record of less than three years, in which case it is a rolling one year.

Best and Worst Performers sections reflect stocks in the portfolio for the quarter with an average weight of 0.25% or greater.

Views expressed herein are drawn from commentary provided to Harbor by the subadvisor and may not be reflective of their current opinions or future actions, are subject to change without prior notice, and should not be considered investment advice.

This information should not be considered as a recommendation to purchase or sell a particular security. The weightings, holdings, industries, sectors, countries, and returns mentioned may change at any time and may not represent current or future investments.

As a result of changing market conditions, total net asset levels, expenses and other statistics may change at any time and may differ from those shown.

The total amount shown for sector, industries, or country holdings may be greater than 100% because of the inclusion of derivatives and the collateral securities supporting those instruments.

Sector allocations are determined using the Global Industry Classification Standard (GICS), which is a service of Morgan Stanley Capital International (MSCI) and Standard & Poor's (S&P).

Investors should carefully consider the investment objectives, risks, charges and expenses of a fund before investing. To obtain a summary prospectus or prospectus for this and other information, visit harborcapital.com or call 800-422-1050. Read it carefully before investing.

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Harbor International Core Fund



IMPORTANT INFORMATION

Attribution Disclosures

Linked Performance by Sectors data is produced from FactSet using data supplied by State Street Bank and Trust Company.

Active Currency Contribution is the Currency Contribution of the portfolio minus the Currency Contribution of the benchmark.

Allocation Effect is the portion of portfolio excess return that is attributable to taking different group bets from the benchmark. (If either the portfolio or the benchmark has no position in a given group, allocation effect is the lone effect.) A group's allocation effect equals the average percent capitalization of the portfolio's group minus the average percent cap of the benchmark's group times the total return of the benchmark group minus the total return of the benchmark.

Average Weight is the dollar value (price times the shares held) of the security or group, divided by the total dollar value of the entire portfolio displayed as a percentage. It is calculated as the simple arithmetic average of daily values.

Contribution to Return is the contribution of a security or group to the overall portfolio return. It is calculated as the security weight multiplied by the daily security return linked daily across the reporting period.

Currency Contribution is Total Return in USD subtracting out the Local Returns.

Local Returns are the Total Return of the portfolio or benchmark using the local currency.

Selection Effect is the portion of portfolio excess return attributable to choosing different securities within groups from the benchmark. A group's security selection effect equals the average weight of the benchmark's group times the total return of the portfolio's group minus the total return of the benchmark's group.

Total Effect is the sum of Allocation Effect and Selection Effect. The total effect represents the opportunity cost of what was done in a group relative to the overall portfolio. It is not just the difference between percent contribution in the portfolio and benchmark. At the overall portfolio level, the two numbers are equal. At the group level, they can be different.

Total Return is the price change of a security or group including dividends accrued over the report period (or the in-portfolio return) which includes only the time period that each security was in the portfolio.

Definitions

Alpha is a measure of risk (beta) adjusted return.

Beta is a measure of systematic risk, or the sensitivity of a fund to movements in the benchmark. A beta of 1 implies that the expected movement of a fund's return would match that of the benchmark used to measure beta.

Median Market Cap: The median size of the companies in a portfolio or index as measured by the market value of outstanding shares.

Weighted Average Market Capitalization: The average size of the companies in a portfolio or index as measured by the market value of outstanding shares.

Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share.

The Est 3-5 Yr EPS Growth (%) is the estimated growth of earnings per share over the next 3-5 years, using pre-calculated mean long-term EPS growth rate estimates, which are calculated using each individual broker's methodology, from FactSet, First Call, I/B/E/S Consensus, and Reuters. Forward looking estimates may not come to pass.

% EPS Growth - Past 3 Year: Earnings per share refers to the bottom-line measure of a company's profitability defined as net income divided by the number of outstanding shares.

The Adjusted Trailing P/E (price-to-earnings) Ratio is the closing stock price divided by the sum of the last 12 months actual EPS.

Forecasted P/E Ratio: a measure of the P/E (price-to-earnings) ratio using forecasted earnings for the P/E calculation.

Return on Equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity.

The Price/Book (price-to-book) Ratio evaluates a firm's market value relative to its book value.

All P/E, ROE and P/B statistics are calculated as weighted medians.