

HARBOR INTERNATIONAL SMALL CAP FUND

Cedar Street Asset Management LLC

Subadvisor Since 05/23/2019

Total Net Assets - All Classes	\$254,996,135
Equity Assets:	97.56%
Cash & Other Assets Less Liabilities:	2.44%
Benchmark Name:	MSCI EAFE Small Cap (ND) Index

Portfolio Managers



Jonathan Brodsky



Waldemar Mozes

Investment Philosophy

The Fund invests primarily in equity securities, principally common and preferred stocks and convertible securities, of foreign companies. Under normal market conditions, the Fund invests at least 80% of its net assets, plus borrowings for investment purposes, in the securities of small cap companies. The Subadvisor's investment process utilizes a range of screening and idea sourcing methodologies to shrink the universe of securities to a manageable level. The Subadvisor primarily utilizes bottom-up research to identify companies with attractive valuations, as determined by the Subadvisor, while taking into account macroeconomic considerations.

CHARACTERISTICS & ALLOCATION

As of 09/30/2024

Portfolio Characteristics		
	Portfolio	Benchmark
Number of Holdings	66	2,104
Wtd Avg Market Cap (\$Mil)	2,476.10	3,265.30
Median Market Cap (\$Mil)	1,920.00	1,380.00
Price/Book Ratio	1.43	1.62
Adjusted Trailing P/E Ratio	14.40	17.50
% EPS Growth - Past 3 Yr	15.70	22.20
Est 3-5 Yr EPS Growth Rate (%)	9.20	12.40
Return on Equity (%)	9.49	9.80
Beta vs. Fund Benchmark	0.86	
Forecasted P/E Ratio	12.40	15.90

Top 10 Holdings		
	Portfolio %	Benchmark %
Coats Group plc	2.04	0.07
TP ICAP Group plc	2.00	0.08
Nakanishi Inc.	1.98	0.04
Landis+Gyr Group AG	1.96	0.08
Ansell Limited	1.87	0.11
ESR Group Limited	1.85	0.08
Construcciones y Auxili	1.83	0.02
Fujitsu General Limited	1.81	0.03
BOC Aviation Limited	1.80	0.00
Serco Group plc	1.80	0.09
Total	18.94	0.60

Top 10 Industries		
	Portfolio %	Benchmark %
Electronic Equipment	8.92	2.89
Machinery	8.56	7.01
Containers & Packaging	6.06	1.02
Health Care Equip	5.57	1.47
Commercial Serv & Suppl	5.11	1.96
Insurance	4.60	2.05
Chemicals	4.28	4.07
Air Freight & Logistics	4.12	0.75
Distributors	3.32	0.28
Health Care Providers	3.20	1.18
Total	53.74	22.68

Economic Sectors		
	Portfolio %	Benchmark %
Industrials	28.11	23.69
Information Technology	14.63	9.22
Materials	11.92	9.52
Consumer Discretionary	11.54	12.85
Financials	9.50	12.22
Health Care	8.77	5.74
Consumer Staples	7.40	6.53
Communication Services	2.47	3.69
Real Estate	1.85	11.24
Utilities	1.37	2.56
Energy	0.00	2.83

Top 10 Countries		
	Portfolio %	Benchmark %
Japan	26.68	35.78
United Kingdom	17.04	15.40
France	7.89	3.29
Switzerland	6.26	4.39
Sweden	4.76	5.43
Belgium	4.73	1.35
Singapore	3.42	2.44
Australia	3.36	9.61
Canada	3.24	0.00
Finland	3.15	1.27
Total	80.53	78.96
Emerging Markets	1.80	0.10

Market Capitalization		
		Portfolio %
Large	Above 25.0B	0.00
	10.0B - 25.0B	1.77
Mid	5.0B - 10.0B	8.06
	1.0B - 5.0B	65.82
Small	0.0 - 1.0B	21.83

Harbor International Small Cap Fund



PERFORMANCE

As of 09/30/2024

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	HAISX	411512569	8.37%	8.15%	19.57%	2.76%	9.25%	N/A	8.09%	02/01/16	0.90	1.07
Investor	HIISX	411512544	8.27%	7.82%	19.15%	2.39%	8.85%	N/A	7.70%	02/01/16	1.26	1.43
Retirement	HNISX	411512536	8.37%	8.15%	19.67%	2.83%	9.34%	N/A	8.17%	02/01/16	0.82	0.99
MSCI EAFE Small Cap (ND) Index			10.54%	11.11%	23.48%	-0.36%	6.40%	N/A	7.19%	02/01/16		

MANAGER COMMENTARY

As of 09/30/2024

"In our view, it is rare to have macroeconomics, fundamentals, and valuation all simultaneously favoring the non-U.S., developed markets, small-cap asset class but that appears to be the current environment as we enter the final quarter of 2024."

Cedar Street Asset Management

Market in Review

During the third quarter of 2024, most developed economies were effectively given an "all clear" signal on inflation as most central banks in North America, Europe, and Asia either reduced benchmark rates or signaled an intent to do so. The yield on the 10-year U.S. Treasury (widely considered the global benchmark) declined by more than 0.80% at one point during the quarter, as markets priced in a "jumbo" 0.50% Federal Reserve ("Fed") rate cut that was broadly cheered by global equity investors.

Although rate cuts by the Fed and other major central banks may help with near-term risk sentiment, we believe investors may want to consider some of the unintended consequences that such a cut implies. Jumbo rate cuts typically occur during times of severe stress, which begs the question: Is the Fed more concerned about the economic conditions than it is letting on?

The Fed rate cut also seemed to increase volatility in currency markets, as the Japanese yen appreciated more than 10% versus the U.S. dollar at one point during the third quarter. Consequently, a large portion of the yen carry trade unwound in dramatic fashion in early August, sparking a brief global equity market panic. In our view, a broader unwinding of trades based on the strong U.S. dollar is likely in the months ahead.

Perhaps most important, in our view, is the yield curve steepening that has occurred with the Fed's rate cut. A steepening U.S. yield curve reflects a more "normal" capital market environment that reasserts rational capital allocation decisions.

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 Small Cap Fund



MANAGER COMMENTARY

As of 09/30/2024

Performance

The Harbor International Small Cap Fund (Institutional Class, "Fund") returned 8.37% during the quarter, underperforming its primary benchmark, the MSCI EAFE Small Cap (ND) Index, which returned 10.54%.

As has been the case for most of 2024, markets continued to favor low volatility and large-cap quantitative factors at the expense of value and liquidity (small-cap) factors. In our view, these are likely derivative bets on an interest rate policy pivot from the Fed and other developed market central banks. Given the Fund's predominant exposure to smaller capitalization companies with valuation sensitivity, the Fund lagged its key benchmarks on a relative basis during the quarter. Style dynamics (i.e., growth vs. value) did not play much of a role in non-U.S. equities despite the more pronounced deviation between the two styles in U.S. large-cap and small-cap stocks.

From a sector perspective, stock selection in Industrials and Information Technology and allocation effects in Real Estate were the biggest detractors from performance. Stock selection in Consumer Discretionary and Health Care and allocation effects in Energy were the biggest contributors to performance during the quarter.

From a geographic perspective, stock selection effects in Japan, Italy, and Sweden were the biggest detractors from performance and outweighed positive factors in terms of relative performance. Stock selection in Hong Kong and France were the biggest contributors to performance during the quarter.

Contributors and Detractors

One of the Fund's largest detractors during the quarter was Tinexta, an Italian business-to-business digital services provider. Tinexta reported weaker-than-expected sales due to some contracts not closing in time for the quarter. Unfortunately, the earnings report occurred on Aug. 2, 2024, the worst single day for equity markets this year, and negative momentum likely drove the price lower than the fundamentals would typically suggest. We believe Tinexta will eventually win these contracts in upcoming quarters.

Husqvarna Group, a Swedish gardening equipment manufacturer, was another detractor during the quarter. The company reported disappointing sales due to rainy weather conditions in Europe and weaker consumer sentiment at U.S. do-it-yourself retailers (e.g., Lowe's, Home Depot). As the company shifts from gas to electric power, pricing on older inventory also impacted margins. Despite these near-term headwinds, we continue to believe the company is well positioned for the future with leading products in robotic mowers and automated watering equipment.

One of the Fund's largest contributors during the quarter was Coats Group, a U.K. manufacturer of high-end synthetic threads used in athletic shoes, apparel, and industrial applications. Coats reported better-than-expected earnings results, as destocking trends for key customers appear to be over. The company also provided an encouraging outlook about future prospects, suggesting a re-rating of valuation multiples is likely.

Another top contributor, ResortTrust, benefited from strong travel demand in Japan. The company's membership-driven model has resonated with Japanese locals who are finding it increasingly difficult to book hotels due to the large influx of foreign tourists spurred on by the cheap yen. The company continues to build inventory of new properties as demand continues to remain strong.

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 Small Cap Fund



MANAGER COMMENTARY

As of 09/30/2024

Buys and Sells

During the quarter, we initiated a position in Aperam, a Dutch specialty steel manufacturer. Aperam is more than a commodity manufacturer, as demonstrated by its win to produce the stainless steel body of the Tesla's Cybertruck. Despite this and other headline wins, the industry is in a cyclical downturn causing Aperam's share price to weaken to pandemic lows. Given the specialty nature of Aperam's product and significant cost advantages, we believe Aperam is well positioned for any cyclical recovery and likely to benefit from longer-term structural growth. At roughly 50% of book value, the share price in the third quarter did not appear to reflect any positives of the dynamics that we believe could occur during an upcycle.

We also initiated a position in Sonic Healthcare, an Australian medical diagnostics service provider. During the quarter, the share price reached multiyear lows, and its price-to-book value, at approximately 1.5x, was lower than its pandemic lows. Markets have reacted to testing volumes that have continued to decline since peak levels reached during the heights of the pandemic. However, we believe Sonic will benefit from the normalization of demand because of its significant scale and scope advantages. In addition, the company's growth from continued market consolidation and the digitalization of its business, including artificial intelligence ("AI") workflows, have yet to be recognized by the market.

During the quarter, we exited our position in Mapfre, a Spanish insurer. The share price reached new post-pandemic highs during the quarter on solid gross premium growth, leading to almost 50% earnings-per-share (the portion of a company's profit allocated to each outstanding share) growth. However, the recent pricing actions are not likely to reoccur, and the company struggles to reduce its combined ratio to below 100% in auto. With a price/book ratio (which evaluates a firm's market value relative to its book value) of almost 1.0x and 10% return on equity (a measure of financial performance calculated by dividing net income by shareholders' equity), we believe most of the good news is likely reflected in the share price.

Domestic and International Funds

Entering the year, the most significant sector overweight allocations were Information Technology and Industrials, and the most significant underweights were Real Estate and Energy. As always, the Fund's sector allocations are a product of bottom-up stock selection consistent with our value-oriented philosophy and reflect broad opportunities available to us rather than any active sector allocation bet. There were no material changes during the quarter.

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 Small Cap Fund



MANAGER COMMENTARY

As of 09/30/2024

Outlook

As we begin the final quarter of 2024, the current macroeconomic backdrop for equity investors seems broadly supportive. Despite some pockets of weakness, such as German industrial production, overall gross domestic product (“GDP”) growth continues to be positive in most developed economies. Encouragingly, most developed economies have managed to rein in inflation without inducing recessions. As a result, central bankers feel more confident about pivoting from battling inflation to spurring economic growth. The broad fiscal and monetary support announced during the final days of September by the world’s second-largest economy, China, can also be viewed as incrementally supportive for global growth, in our view.

Given the backdrop of continued GDP growth, more coordinated central bank interest rate cuts, and potential new stimulus in China, we believe smaller-cap companies will likely benefit more than larger-cap companies because of their relatively elevated exposure to local economic conditions. From a style/factor perspective, we would also expect value-oriented equities to outperform, again due to the economic cyclicalities associated with sectors that typically have low-priced stocks.

In our view, it is rare to have macroeconomics, fundamentals, and valuation all simultaneously favoring the non-U.S., developed markets, small-cap asset class but that appears to be the current environment as we enter the final quarter of 2024.

QUARTERLY ATTRIBUTION

As of 09/30/2024

Best & Worst Performers

Best Performers	Average Weight %	Return %
RESORTTRUST INC	1.75	36.61
COATS GROUP PLC	2.10	34.52
LOOMIS AB	1.78	26.35
ANSELL LTD	1.78	25.81
TP ICAP GROUP PLC	2.02	25.60

Worst Performers	Average Weight %	Return %
DUSTIN GROUP AB	0.91	-25.99
TINEXTA SPA	1.45	-23.42
JEOL LTD	1.38	-13.43
HUSQVARNA AB-B SHS	1.34	-12.67
X-FAB SILICON FOUNDRIES SE	1.13	-11.71

Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
COATS GROUP PLC	34.52	0.66
RESORTTRUST INC	36.61	0.58
TP ICAP GROUP PLC	25.60	0.49
LOOMIS AB	26.35	0.43
ANSELL LTD	25.81	0.43
Total		2.60

Greatest Detractors	Return %	Contribution to Return %
TINEXTA SPA	-23.42	-0.43
DUSTIN GROUP AB	-25.99	-0.27
JEOL LTD	-13.43	-0.20
HUSQVARNA AB-B SHS	-12.67	-0.18
VICTREX PLC	-10.00	-0.15
Total		-1.22

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

Harbor International Small Cap Fund



ATTRIBUTION

As of 09/30/2024

Quarterly Attribution:

Harbor International Small Cap Fund vs MSCI EAFE Small Cap (ND) Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	2.09	3.16	-1.07
Currency Contribution	6.48	7.39	-0.91
Total Return	8.57	10.54	-1.98

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
	Consumer Discretionary	11.80	12.59	-0.79	19.97	12.70	7.27	2.18	1.59	-0.02	0.80
Energy	0.00	3.10	-3.10	0.00	-3.40	3.40	0.00	-0.12	0.47	0.00	0.47
Health Care	7.72	5.94	1.78	15.48	11.37	4.12	1.18	0.68	-0.02	0.35	0.33
Financials	10.16	12.67	-2.51	10.57	8.71	1.86	1.13	1.11	0.07	0.18	0.25
Materials	10.30	9.23	1.07	9.25	9.55	-0.30	1.01	0.88	0.05	-0.01	0.04
Communication Services	2.79	3.75	-0.96	11.56	11.45	0.11	0.35	0.43	0.00	0.02	0.02
Utilities	1.57	2.60	-1.03	-2.77	9.74	-12.50	-0.03	0.26	0.02	-0.20	-0.18
Consumer Staples	7.44	6.44	1.00	11.52	15.70	-4.17	0.83	0.98	0.05	-0.31	-0.26
Real Estate	1.97	11.01	-9.04	21.48	16.14	5.34	0.40	1.73	-0.48	0.09	-0.39
Information Technology	15.49	9.44	6.05	-0.02	2.78	-2.80	0.01	0.28	-0.48	-0.47	-0.95
Industrials	28.88	23.23	5.65	5.24	11.83	-6.60	1.49	2.73	0.08	-1.93	-1.86
Total	100.00	100.00	0.00	8.57	10.54	-1.98	8.57	10.54	-0.50	-1.48	-1.98

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

Harbor International Small Cap Fund



ATTRIBUTION

As of 09/30/2024

Quarterly Attribution:

Harbor International Small Cap Fund vs MSCI EAFE Small Cap (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
Norway	0.00	2.39	-2.39	0.00	-1.80	1.80	0.00	-0.05	0.32	0.00	0.32
Denmark	1.68	2.28	-0.60	16.82	3.87	12.96	0.28	0.11	0.04	0.22	0.26
Canada	3.41	0.00	3.41	15.13	0.00	15.13	0.51	0.00	0.17	0.00	0.17
Hong Kong	3.12	1.45	1.66	14.10	6.81	7.30	0.42	0.09	-0.08	0.24	0.17
China	1.82	0.00	1.82	18.24	0.00	18.24	0.30	0.00	0.13	0.00	0.13
Switzerland	5.95	4.39	1.56	13.17	11.62	1.55	0.72	0.50	0.01	0.08	0.09
Australia	2.45	9.17	-6.73	20.15	13.05	7.10	0.51	1.18	-0.11	0.17	0.06
Austria	0.00	0.97	-0.97	0.00	5.75	-5.75	0.00	0.06	0.05	0.00	0.05
Israel	0.00	2.79	-2.79	0.00	9.39	-9.39	0.00	0.28	0.03	0.00	0.03
Germany	2.77	3.88	-1.11	0.86	3.11	-2.25	0.03	0.13	0.09	-0.06	0.03
Belgium	4.90	1.29	3.61	10.94	10.35	0.59	0.52	0.14	0.00	0.02	0.02
Ireland	0.00	0.29	-0.29	0.00	4.77	-4.77	0.00	0.01	0.02	0.00	0.02
Spain	2.49	1.76	0.74	9.09	7.66	1.43	0.23	0.14	-0.03	0.05	0.02
Luxembourg	0.00	0.18	-0.18	0.00	6.25	-6.25	0.00	0.01	0.01	0.00	0.01
Malta	0.00	0.10	-0.10	0.00	7.05	-7.05	0.00	0.01	0.00	0.00	0.00
Portugal	0.00	0.34	-0.34	0.00	12.03	-12.03	0.00	0.04	-0.01	0.00	-0.01
New Zealand	0.00	0.72	-0.72	0.00	11.38	-11.38	0.00	0.08	-0.01	0.00	-0.01
Singapore	3.26	2.38	0.88	10.57	17.37	-6.80	0.33	0.39	0.06	-0.21	-0.16
France	8.00	3.43	4.57	5.39	2.91	2.49	0.44	0.11	-0.38	0.20	-0.18
Netherlands	3.08	1.37	1.71	3.92	8.38	-4.46	0.14	0.12	-0.04	-0.14	-0.18
Finland	3.30	1.24	2.05	4.78	11.07	-6.29	0.18	0.14	0.00	-0.20	-0.20
United Kingdom	17.31	15.59	1.72	10.54	12.37	-1.84	1.81	1.92	0.04	-0.31	-0.27
Sweden	5.59	5.58	0.00	3.89	12.47	-8.58	0.21	0.70	0.01	-0.50	-0.49
Italy	2.77	3.30	-0.54	-12.33	7.07	-19.39	-0.39	0.24	0.03	-0.62	-0.59
Japan	26.25	35.11	-8.86	8.70	12.13	-3.43	2.33	4.19	-0.17	-0.85	-1.02
Cash	1.87	0.00	1.87	4.59	0.00	4.59	0.03	0.00	-0.23	0.00	-0.23
Total	100.00	100.00	0.00	8.57	10.54	-1.98	8.57	10.54	-0.27	-1.71	-1.98

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

Harbor International Small Cap Fund



ATTRIBUTION

As of 09/30/2024

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

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	13.82	16.55	-2.73
Currency Contribution	6.66	6.93	-0.26
Total Return	20.48	23.48	-3.00

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
	Materials	8.64	9.39	-0.75	33.21	18.68	14.53	2.79	1.78	0.08	1.20
Health Care	6.68	6.03	0.64	40.67	21.45	19.22	2.68	1.30	0.00	1.25	1.26
Energy	0.01	3.21	-3.20	-4.76	8.63	-13.39	-0.05	0.28	0.47	0.01	0.48
Financials	11.71	12.52	-0.80	36.25	33.62	2.63	4.27	4.15	0.02	0.30	0.32
Real Estate	1.20	10.39	-9.19	18.46	22.66	-4.20	0.42	2.44	0.01	0.27	0.28
Communication Services	3.09	3.99	-0.89	29.59	20.56	9.03	0.80	0.83	0.03	0.24	0.27
Utilities	1.71	2.49	-0.77	28.34	30.62	-2.27	0.62	0.74	-0.01	0.06	0.05
Consumer Staples	9.20	6.44	2.75	19.32	20.24	-0.93	2.08	1.33	-0.19	0.13	-0.06
Consumer Discretionary	11.88	12.79	-0.90	16.85	19.41	-2.56	1.80	2.47	0.03	-0.24	-0.22
Information Technology	15.32	9.74	5.57	2.85	19.04	-16.19	0.49	1.96	-0.31	-2.81	-3.12
Industrials	28.22	23.01	5.21	15.50	27.66	-12.17	4.44	6.20	0.24	-3.52	-3.28
Total	100.00	100.00	0.00	20.48	23.48	-3.00	20.48	23.48	0.11	-3.10	-3.00

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

Harbor International Small Cap Fund



ATTRIBUTION

As of 09/30/2024

Trailing 1 Year Attribution:
Harbor International Small Cap Fund vs MSCI EAFE Small Cap (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
Belgium	4.14	1.35	2.80	39.93	19.80	20.14	1.59	0.29	-0.05	0.78	0.73
United Kingdom	17.00	15.02	1.97	34.24	31.22	3.02	5.74	4.63	0.24	0.47	0.71
Hong Kong	2.32	1.53	0.79	35.93	5.26	30.67	0.71	0.05	-0.03	0.59	0.57
Switzerland	5.24	4.45	0.79	32.92	24.06	8.86	1.72	1.06	0.03	0.43	0.46
Australia	4.00	9.42	-5.42	41.15	28.04	13.11	1.64	2.49	-0.20	0.53	0.34
Germany	2.89	4.48	-1.58	0.01	3.46	-3.45	0.01	0.28	0.31	-0.09	0.21
Israel	0.00	2.83	-2.83	0.00	16.83	-16.83	0.00	0.48	0.20	0.00	0.20
New Zealand	0.00	0.69	-0.69	0.00	4.78	-4.78	0.00	0.02	0.14	0.00	0.14
China	1.77	0.00	1.77	26.06	0.00	26.06	0.42	0.00	0.05	0.00	0.05
Ireland	0.63	0.30	0.33	17.04	22.88	-5.84	0.20	0.07	0.12	-0.08	0.03
Norway	0.00	2.39	-2.39	0.00	21.39	-21.39	0.00	0.52	0.03	0.00	0.03
Luxembourg	0.00	0.19	-0.19	0.00	25.07	-25.07	0.00	0.05	-0.01	0.00	-0.01
Spain	3.40	1.92	1.48	30.39	39.25	-8.86	1.06	0.76	0.31	-0.33	-0.01
Malta	0.00	0.09	-0.09	0.00	42.09	-42.09	0.00	0.04	-0.02	0.00	-0.02
Portugal	0.00	0.33	-0.33	0.00	32.38	-32.38	0.00	0.11	-0.03	0.00	-0.03
Canada	3.41	0.00	3.41	20.59	0.00	20.59	0.67	0.00	-0.07	0.00	-0.07
Denmark	1.76	2.17	-0.41	31.68	37.05	-5.37	0.60	0.79	-0.02	-0.10	-0.12
Austria	0.04	0.97	-0.92	-2.79	31.49	-34.29	-0.11	0.31	-0.07	-0.08	-0.15
France	7.85	3.74	4.11	9.98	0.75	9.23	0.82	0.07	-1.02	0.85	-0.17
Singapore	3.08	2.11	0.96	16.13	20.84	-4.71	0.48	0.44	-0.04	-0.18	-0.21
Netherlands	3.30	1.51	1.78	9.20	21.30	-12.10	0.44	0.36	0.03	-0.43	-0.41
Finland	3.45	1.24	2.21	9.48	36.40	-26.93	0.45	0.45	0.28	-0.90	-0.62
Japan	25.11	34.31	-9.20	14.55	19.23	-4.68	3.81	6.53	0.39	-1.18	-0.79
Italy	2.96	3.42	-0.45	-11.47	36.71	-48.18	-0.23	1.28	-0.05	-1.54	-1.59
Sweden	5.34	5.55	-0.22	8.48	45.92	-37.43	0.33	2.43	-0.03	-1.99	-2.03
Cash	2.34	0.00	2.34	9.88	0.00	9.88	0.15	0.00	-0.26	0.00	-0.26
Total	100.00	100.00	0.00	20.48	23.48	-3.00	20.48	23.48	0.45	-3.44	-3.00

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

Harbor International Small Cap 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. Stocks of small cap companies pose special risks, including possible illiquidity and greater price volatility than stocks of larger, more established companies.

Benchmarks

The MSCI EAFE Small Cap (ND) Index is an equity index which captures small cap representation across developed market countries around the world, excluding the U.S. and Canada. 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.

Cedar Street Asset Management, LLC is a third party subadvisor to the Harbor International Small Cap Fund.

Distributed by Harbor Funds Distributors, Inc.

Harbor International Small Cap 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

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.