

Harbor Diversified International All Cap Fund

Marathon Asset Management Limited

Subadvisor Since 11/02/2015

Total Net Assets - All Classes	\$942,630,675
Equity Assets:	98.78%
Cash & Other Assets Less Liabilities:	1.22%
Benchmark Name:	MSCI All Country World Ex. US (ND) Index

Portfolio Managers

Justin Hill	Alex Duffy	Neil M. Ostrer	Charles Carter
Nick Longhurst	William J. Arah	Simon Somerville	Toma Kobayashi
Robert Anstey, CFA			

Investment Philosophy

The Fund invests primarily in common and preferred stocks of foreign companies, including those in emerging market countries. The portfolio manager focuses on identifying long-term investment opportunities that can arise as a result of certain capital cycle, or supply-side, conditions. Capital cycle investing is based on the concept that the prospect of high returns will attract excessive capital and competition, and vice versa. The portfolio manager uses fundamental, bottom-up qualitative analysis. Research meetings with company management represent the majority of analytical effort conducted. The Fund typically invests in between 450 to 550 companies across Europe, Japan, the Pacific Basin and emerging markets, and North America. While inherently diversified, a bias towards smaller and mid cap businesses in niche industries, coupled with a particularly long holding period, result in a portfolio that is significantly differentiated from the Fund's benchmark index.

CHARACTERISTICS & ALLOCATION

As of 09/30/2023

Portfolio Characteristics		
	Portfolio	Benchmark
Number of Holdings	339	2,320
Wtd Avg Market Cap (\$Mil)	53,991.80	84,434.40
Median Market Cap (\$Mil)	9,905.00	8,134.00
Price/Book Ratio	2.24	2.17
Adjusted Trailing P/E Ratio	17.00	16.20
% EPS Growth - Past 3 Yr	18.96	22.90
Est 3-5 Yr EPS Growth Rate (%)	9.90	10.50
Return on Equity (%)	16.18	13.94
Beta vs. Fund Benchmark	1.06	
Forecasted P/E Ratio	15.40	15.80

Top 10 Holdings		
	Portfolio %	Benchmark %
Novo Nordisk A/S Class	1.98	1.30
BP p.l.c.	1.67	0.49
AIA Group Limited	1.61	0.41
Taiwan Semiconductor Ma	1.42	1.73
PT Bank Central Asia Tb	1.37	0.14
HDFC Bank Limited Spons	1.35	0.00
Fairfax Financial Holdi	1.25	0.08
ASML Holding NV	1.11	1.04
Roche Holding Ltd Divid	1.10	0.83
Samsung Electronics Co.	1.05	1.05
Total	13.91	7.07

Top 10 Industries		
	Portfolio %	Benchmark %
Banks	12.56	12.87
Insurance	5.74	4.74
Metals & Mining	5.55	3.79
Machinery	4.69	2.10
Oil Gas & Consumables	4.51	5.92
Beverages	3.40	1.69
Semiconductors	3.27	4.57
Pharmaceuticals	3.21	6.51
Capital Markets	3.13	2.31
Hotels Rest & Leisure	3.05	1.92
Total	49.11	46.42

Economic Sectors		
	Portfolio %	Benchmark %
Financials	22.66	21.13
Industrials	21.61	12.98
Consumer Discretionary	11.27	11.84
Information Technology	9.99	11.18
Consumer Staples	8.44	8.34
Materials	8.32	7.76
Health Care	7.02	9.59
Energy	4.70	5.97
Communication Services	4.22	5.48
Real Estate	0.63	2.03
Utilities	0.11	3.10

Top 10 Countries		
	Portfolio %	Benchmark %
United Kingdom	16.37	9.83
Japan	16.06	14.68
Canada	9.16	7.52
France	4.51	7.74
China	4.48	8.21
India	4.04	4.46
Denmark	3.87	2.09
Australia	3.65	4.67
Taiwan	3.65	4.18
Hong Kong	3.54	1.47
Total	69.33	64.90
Emerging Markets	22.46	28.04

Market Capitalization		
		Portfolio %
Large	Above 25.0B	46.21
	10.0B - 25.0B	26.93
Mid	5.0B - 10.0B	11.34
	1.0B - 5.0B	13.78
Small	0.0 - 1.0B	0.50



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	HAIDX	411512593	-4.82%	4.55%	22.45%	5.75%	3.13%	N/A	4.22%	11/02/15	0.80	0.92
Investor	HIIDX	411512577	-4.94%	4.30%	21.96%	5.39%	2.75%	N/A	3.84%	11/02/15	1.16	1.28
Retirement	HNIDX	411512437	-4.82%	4.65%	22.55%	5.84%	3.22%	N/A	4.29%	03/01/16	0.72	0.84
MSCI All Country World Ex. US (ND) Index			-3.77%	5.34%	20.39%	3.74%	2.58%	N/A	4.40%	11/02/15		

MANAGER COMMENTARY

As of 09/30/2023

"Overall soft performance across global equity markets can be attributed to various factors, most of which have been a concern for some time."

Marathon Asset Management LLP (Marathon-London)

Market in Review

The third quarter of 2023 was generally weak for equities globally, with the MSCI ACWI Index returning -3.40%. Only a handful of smaller country indexes in both developed and emerging markets bucked the trend and achieved a positive return over the period. Stylistically, value outperformed growth in all index regions, and the style performed particularly well in Europe and Japan. Performance of value in emerging markets was also relatively strong, but quality stocks performed even better. In North America, the difference was more muted; quality outperformed the other styles by between 1.0% and 2.0%. By capitalization, North America was the only region where large-cap stocks outperformed. Mid-cap stocks outperformed in Japan and, marginally, in Europe, but small-cap stocks outperformed in emerging markets.

Overall soft performance across global equity markets can be attributed to various factors, most of which have been a concern for some time. One key factor appears to be that investors are gradually coming to terms with the idea that interest rates may remain higher for longer. Part of the reason for the gradual change in perspective is that inflation in many markets remains high and is responding to monetary action more slowly than the average investor had anticipated, despite some of the most rapid interest rate rises in history. Central banks had been sending the higher-for-longer message for some time — but given their track record in predicting the future course of inflation/interest rates, the market had been betting they would be proven wrong.

Marathon does not make macroeconomic predictions, and we wait to see how things actually unfold with interest. In the meantime, we will continue to seek out and invest in companies that we believe are more able than their peers to adapt and outperform in whatever macroeconomic conditions they may face.

Retirement Class shares commenced operations on March 1, 2016. The performance attributed to the Retirement Class shares prior to that date is that of the Institutional Class shares. Performance prior to March 1, 2016 has not been adjusted to reflect the lower expenses of Retirement Class shares. During this period, Retirement Class shares would have had returns similar to, but somewhat higher than, Institutional Class shares due to the fact that Retirement Class shares represent interests in the same portfolio as Institutional Class shares but are subject to lower expenses.

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 02/29/2024.

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.



Portfolio Performance

The Harbor Diversified International All-Cap Fund (Institutional Class, "Fund") underperformed its benchmark, the MSCI All Country World Ex. US (ND) Index during the third quarter of 2023. At the sector level, stock selection in Consumer Discretionary and Financials were the largest drags on performance. Information Technology, Communication Services, and Consumer Staples somewhat offset this, aided by the Fund's underweight allocation to Information Technology as the wider sector underperformed. At the regional level, stock selection in emerging markets weighed on performance, while stock selection in Japan and North America was positive.

Contributors & Detractors

Hong Kong-listed AIA group suffered alongside its regional peers, as flagging demand and slowing growth in China spread worry to neighboring regions. However, AIA did report a return to strong and sustainable growth over the first half of 2023, following substantially lower earnings and profits for 2022. HDFC Bank is India's largest private-sector bank. The share price declined in September following the Bank's disclosure that its recent merger with mortgage lender HDFC Ltd could have an adverse effect on earnings in the near term.

Multinational oil and gas company BP performed well as it rebounded from weakness in the previous quarter. The U.K.-based company benefited from sterling weakness against a strong dollar and a sharp recovery in crude oil. Although earnings results released in August missed analyst forecasts, the firm was still able to boost its dividend by 10%, which was received positively by the market. Fairfax Financial is a Canadian financial holding company that is primarily engaged in property and casualty insurance and reinsurance. The company is one of Canada's most prominent value-focused investment houses, and the share price reflects increasing investor confidence that the company's portfolio will continue to outperform in the current climate. The company itself is confident enough to have instituted a major share buyback program, as it believes that it remains undervalued when compared to future prospects.

Buys & Sells

During the quarter, the position in China Mengniu Dairy was sold as Marathon reassessed the original investment thesis around the firm, particularly concerning the price points of milk and the implications for affordability for the end consumer. Furthermore, the business is becoming increasingly capital-intensive, which has had a dampening effect on the return on invested capital of the business.

Japanese electric equipment manufacturer Omron was sold, as the pace of change at the firm has disappointed. Proceeds from the sale were put toward the existing position in Mitsubishi Electric, which presents a more interesting opportunity.

Overweights and Underweights

The Fund's sector weightings are a byproduct of our bottom-up stock selection process and thus do not tend to change materially over the course of a quarter.

The largest sector overweight allocations entering the third quarter included Industrials and Financials. These persisted throughout the quarter, with Industrials remaining the largest overweight allocation followed by Financials. The largest underweights entering the third quarter included Utilities and Health Care. These also persisted throughout 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.



Country Allocation

The Fund's regional and country weightings are a byproduct of our bottom-up stock selection process and thus do not tend to change materially over the course of a quarter.

Entering the third quarter, the largest overweight allocations were to the U.K. and Canada. These moved slightly during the quarter; the U.K., Hong Kong, and Canada were the largest overweight allocations at the end of the quarter.

The largest underweight allocations entering the quarter were to China and France. These persisted throughout the quarter.

Outlook

Diverging expectations around inflation means that those investors who invest over a shorter horizon behave differently across different markets. From Marathon's perspective, such circumstances can be a source of risk and opportunity.

In Europe, inflation has fallen rapidly this quarter, largely due to some one-off changes in 2022 falling out of the one-year figure. Having said that, most of the regional central banks paused their long rate-hiking cycle during the quarter, as many macroeconomic forward indicators are now indicating that actions already taken may be beginning to have an effect in cooling inflation. Announcements from the banks remain hawkish, indicating that they stand ready to continue raising rates should data indicate it is necessary.

On the other hand, the Bank of Japan ("BOJ") has not begun to raise rates in its jurisdiction despite increasing inflation in the economy. Interest rate differentials have caused the yen to weaken considerably against most currencies, which is a double-edged sword for Japan. The country is a major exporter of manufactured goods, but an importer of both materials and energy, so whether it proves a benefit or hindrance to the balance of trade is open to question. However, it is likely to lead to even higher inflation for the Japanese consumer. Recent announcements indicate that the BOJ may tolerate higher Japanese government bond yields in the future and may be close to moving away from the yield curve control mechanism for monetary management, returning to more orthodox monetary approaches.



Best & Worst Performers

Best Performers	Average Weight %	Return %
ROLLS-ROYCE HOLDINGS PLC	0.29	40.40
INPEX CORP	0.29	37.03
SNC-LAVALIN GROUP INC	0.49	27.66
MITSUBISHI HEAVY INDUSTRIES	0.48	21.42
RESONA HOLDINGS INC	0.62	17.50

Worst Performers	Average Weight %	Return %
ENTAIN PLC	0.44	-29.06
CIE FINANCIERE RICHEMO-A REG	0.67	-26.35
ZHONGSHENG GROUP HOLDINGS	0.50	-26.33
AIR CANADA	0.26	-24.10
PRUDENTIAL PLC	0.27	-22.60

Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
NOVO NORDISK A/S-B	13.90	0.21
BP PLC	12.60	0.18
CANADIAN NATURAL RESOURCES	16.32	0.13
FAIRFAX FINANCIAL HLDGS LTD	9.36	0.11
SNC-LAVALIN GROUP INC	27.66	0.11
Total		0.74

Greatest Detractors	Return %	Contribution to Return %
AIA GROUP LTD	-18.72	-0.34
ASML HOLDING NV	-18.01	-0.22
HDFC BANK LTD-ADR	-14.58	-0.21
CIE FINANCIERE RICHEMO-A REG	-26.35	-0.19
FLUTTER ENTERTAINMENT PLC-DI	-18.42	-0.17
Total		-1.13

Harbor Diversified International All Cap Fund

ATTRIBUTION

As of 09/30/2023



Quarterly Attribution:
Harbor Diversified International All Cap Fund vs MSCI All Country World Ex. US (ND) Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	-1.54	-1.37	-0.17
Currency Contribution	-2.44	-2.41	-0.04
Total Return	-3.98	-3.77	-0.20

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	9.75	11.58	-1.83	-5.99	-8.71	2.71	-0.58	-1.00	0.09	0.28
Consumer Staples	8.37	8.53	-0.16	-4.66	-6.38	1.72	-0.39	-0.54	0.00	0.15	0.15
Communication Services	4.26	5.50	-1.24	-2.55	-4.92	2.37	-0.11	-0.27	0.02	0.10	0.11
Materials	8.42	7.86	0.55	-2.47	-3.43	0.96	-0.21	-0.27	0.00	0.08	0.08
Industrials	21.54	13.19	8.35	-4.61	-5.71	1.10	-0.99	-0.75	-0.16	0.24	0.08
Utilities	0.15	3.17	-3.02	-42.13	-7.89	-34.24	-0.07	-0.25	0.13	-0.06	0.06
Energy	4.49	5.66	-1.18	13.48	8.93	4.55	0.55	0.47	-0.14	0.17	0.04
Real Estate	0.62	2.03	-1.41	3.63	-1.12	4.75	0.02	-0.03	-0.04	0.03	-0.01
Health Care	6.99	9.58	-2.58	-3.33	-2.82	-0.52	-0.25	-0.29	-0.03	-0.04	-0.07
Financials	22.44	20.79	1.65	-2.00	-0.72	-1.28	-0.46	-0.17	0.05	-0.28	-0.23
Consumer Discretionary	11.70	12.11	-0.41	-12.50	-5.56	-6.94	-1.49	-0.68	0.01	-0.86	-0.85
Total	100.00	100.00	0.00	-3.98	-3.77	-0.20	-3.98	-3.77	-0.01	-0.19	-0.20

Past performance is not a guarantee of future results.



Quarterly Attribution:
Harbor Diversified International All Cap Fund vs MSCI All Country World Ex. US (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	15.49	14.63	0.86	1.83	-1.59	3.41	0.26	-0.25	0.02	0.52	0.54
Canada	10.25	7.53	2.72	-0.03	-4.04	4.01	0.04	-0.31	0.02	0.40	0.42
France	4.52	7.88	-3.36	-6.44	-6.98	0.54	-0.28	-0.54	0.11	0.02	0.13
Germany	3.49	5.47	-1.98	-7.08	-7.72	0.64	-0.25	-0.42	0.08	0.03	0.10
South Korea	1.54	3.48	-1.95	-3.64	-6.62	2.98	-0.06	-0.24	0.05	0.05	0.10
Norway	0.98	0.43	0.55	13.62	11.59	2.03	0.12	0.05	0.08	0.02	0.10
Peru	0.92	0.08	0.85	6.20	-3.97	10.17	0.04	0.00	-0.01	0.09	0.08
Russia	0.17	0.00	0.17	32.28	0.00	32.28	0.04	0.00	0.05	0.00	0.05
Netherlands	3.03	2.89	0.14	-11.91	-13.58	1.67	-0.36	-0.40	-0.01	0.05	0.04
Singapore	0.67	0.92	-0.25	5.83	-0.16	5.99	0.03	0.00	-0.01	0.04	0.03
Sweden	1.27	2.02	-0.75	-5.06	-5.60	0.54	-0.06	-0.11	0.02	0.01	0.02
Poland	0.00	0.23	-0.23	0.00	-12.66	12.66	0.00	-0.03	0.02	0.00	0.02
Finland	0.54	0.56	-0.01	-2.26	-5.63	3.36	-0.01	-0.03	0.00	0.02	0.02
Spain	1.23	1.67	-0.45	-2.28	-3.85	1.57	-0.03	-0.06	0.00	0.02	0.02
Australia	3.74	4.66	-0.92	-2.77	-3.37	0.60	-0.11	-0.16	0.00	0.02	0.02
Mexico	1.94	0.76	1.18	-3.91	-6.49	2.57	-0.08	-0.05	-0.03	0.05	0.02
Chile	0.00	0.15	-0.15	0.00	-9.76	9.76	0.00	-0.01	0.01	0.00	0.01
Saudi Arabia	0.00	1.17	-1.17	0.00	-4.41	4.41	0.00	-0.05	0.01	0.00	0.01
Portugal	0.00	0.14	-0.14	0.00	-8.57	8.57	0.00	-0.01	0.01	0.00	0.01
Greece	0.00	0.13	-0.13	0.00	-7.82	7.82	0.00	-0.01	0.01	0.00	0.01
Thailand	0.00	0.55	-0.55	0.00	-4.50	4.50	0.00	-0.03	0.00	0.00	0.00
South Africa	2.43	0.90	1.53	-3.97	-4.64	0.67	-0.10	-0.04	-0.01	0.02	0.00
Philippines	0.00	0.18	-0.18	0.00	-3.84	3.84	0.00	-0.01	0.00	0.00	0.00
Russian Federation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
United States	0.00	0.02	-0.02	0.00	-2.70	2.70	0.00	0.00	0.00	0.00	0.00
Colombia	0.00	0.03	-0.03	0.00	0.14	-0.14	0.00	0.00	0.00	0.00	0.00
New Zealand	0.10	0.13	-0.03	-11.90	-8.87	-3.04	-0.01	-0.01	0.00	0.00	0.00
Czech Republic	0.00	0.04	-0.04	0.00	0.97	-0.97	0.00	0.00	0.00	0.00	0.00
Kuwait	0.00	0.23	-0.23	0.00	-2.74	2.74	0.00	-0.01	0.00	0.00	0.00
Hungary	0.00	0.07	-0.07	0.00	0.51	-0.51	0.00	0.00	0.00	0.00	0.00
Egypt	0.00	0.02	-0.02	0.00	15.32	-15.32	0.00	0.00	0.00	0.00	0.00
Qatar	0.00	0.26	-0.26	0.00	0.06	-0.06	0.00	0.00	-0.01	0.00	-0.01
Belgium	0.00	0.62	-0.62	0.00	-0.18	0.18	0.00	0.00	-0.02	0.00	-0.02
Malaysia	0.00	0.39	-0.39	0.00	4.49	-4.49	0.00	0.01	-0.03	0.00	-0.03
Israel	0.00	0.42	-0.42	0.00	4.97	-4.97	0.00	0.02	-0.04	0.00	-0.04
United Arab Emirates	0.00	0.37	-0.37	0.00	6.11	-6.11	0.00	0.02	-0.04	0.00	-0.04
Indonesia	1.30	0.56	0.74	-6.44	-3.37	-3.07	-0.09	-0.02	0.00	-0.04	-0.04
Taiwan	3.58	4.23	-0.65	-9.37	-7.38	-2.00	-0.34	-0.31	0.02	-0.07	-0.05
Turkey	0.00	0.19	-0.19	0.00	32.71	-32.71	0.00	0.05	-0.06	0.00	-0.06
Austria	0.55	0.12	0.43	-12.90	-0.08	-12.82	-0.07	0.00	0.02	-0.07	-0.06
United Kingdom	16.15	9.66	6.49	-2.88	-1.59	-1.29	-0.46	-0.16	0.14	-0.21	-0.06
Italy	2.02	1.66	0.36	-6.83	-1.99	-4.83	-0.14	-0.03	0.01	-0.10	-0.09
Panama	0.62	0.00	0.62	-18.73	0.00	-18.73	-0.12	0.00	-0.10	0.00	-0.10
Hong Kong	3.49	1.54	1.95	-11.05	-11.08	0.03	-0.40	-0.18	-0.15	0.00	-0.14
Denmark	3.87	2.05	1.82	-4.59	2.35	-6.94	-0.18	0.04	0.11	-0.27	-0.15

Past performance is not a guarantee of future results.



Quarterly Attribution:
Harbor Diversified International All Cap Fund vs MSCI All Country World Ex. US (ND) Index

Country Attribution

Ireland	1.62	0.61	1.01	-9.97	6.51	-16.48	-0.16	0.03	0.11	-0.27	-0.16
Switzerland	3.52	6.48	-2.96	-11.60	-5.36	-6.24	-0.42	-0.35	0.05	-0.23	-0.18
Brazil	1.59	1.53	0.07	-17.46	-3.63	-13.83	-0.29	-0.05	0.00	-0.24	-0.24
India	3.77	4.19	-0.43	-3.01	2.72	-5.73	-0.13	0.11	-0.03	-0.22	-0.25
China	4.35	8.17	-3.82	-8.40	-2.76	-5.64	-0.37	-0.25	-0.02	-0.26	-0.29
Cash	1.27	0.00	1.27	-3.04	0.00	-3.04	0.01	0.00	0.06	0.00	0.06
Total	100.00	100.00	0.00	-3.98	-3.77	-0.20	-3.98	-3.77	-0.07	-0.14	-0.20

Harbor Diversified International All Cap Fund

ATTRIBUTION

As of 09/30/2023



Trailing 1 Year Attribution:

Harbor Diversified International All Cap Fund vs MSCI All Country World Ex. US (ND) Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	19.58	16.71	2.87
Currency Contribution	3.95	3.68	0.27
Total Return	23.52	20.39	3.14

Sector Attribution

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
Financials	22.53	20.85	1.68	26.89	22.09	4.80	5.99	4.54	0.03	1.07	1.09
Health Care	6.67	9.66	-3.00	23.68	17.13	6.55	1.46	1.72	0.11	0.43	0.54
Materials	8.50	8.09	0.41	22.02	16.08	5.94	2.04	1.46	-0.02	0.52	0.50
Real Estate	0.59	2.15	-1.56	27.51	4.61	22.90	0.14	0.12	0.28	0.14	0.43
Communication Services	4.62	5.75	-1.13	19.53	12.98	6.54	1.00	0.78	0.11	0.30	0.42
Industrials	20.76	12.84	7.91	26.84	27.93	-1.10	5.30	3.40	0.58	-0.20	0.38
Energy	4.55	5.80	-1.25	34.46	27.17	7.29	1.53	1.58	-0.08	0.32	0.24
Utilities	0.20	3.23	-3.03	-30.57	11.45	-42.01	-0.03	0.44	0.29	-0.09	0.20
Consumer Staples	8.98	8.79	0.19	11.09	9.02	2.07	1.15	0.93	-0.02	0.20	0.18
Information Technology	9.36	11.10	-1.74	30.01	29.45	0.55	2.54	2.94	-0.13	0.07	-0.06
Consumer Discretionary	11.67	11.73	-0.06	18.93	22.76	-3.83	2.33	2.48	0.04	-0.51	-0.47
Total	100.00	100.00	0.00	23.52	20.39	3.14	23.52	20.39	0.89	2.24	3.14

Past performance is not a guarantee of future results.



Trailing 1 Year Attribution:
Harbor Diversified International All Cap Fund vs MSCI All Country World Ex. US (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
Canada	10.16	7.70	2.46	26.37	11.49	14.89	2.74	1.09	-0.16	1.56	1.40
China	4.65	8.32	-3.67	9.87	3.36	6.51	0.54	0.25	0.81	0.28	1.09
United Kingdom	16.40	9.82	6.59	27.25	25.41	1.84	4.57	2.49	0.36	0.30	0.66
Peru	0.89	0.08	0.81	76.01	29.89	46.13	0.52	0.02	0.05	0.34	0.39
Saudi Arabia	0.00	1.17	-1.17	0.00	-5.87	5.87	0.00	-0.07	0.38	0.00	0.38
Japan	14.96	14.19	0.77	27.78	25.92	1.86	3.71	3.35	0.03	0.31	0.34
Ireland	1.54	0.55	0.99	46.37	42.14	4.24	0.59	0.18	0.23	-0.01	0.22
Mexico	1.59	0.73	0.87	41.44	33.65	7.79	0.51	0.23	0.09	0.07	0.16
Qatar	0.00	0.27	-0.27	0.00	-17.84	17.84	0.00	-0.06	0.14	0.00	0.14
Thailand	0.00	0.58	-0.58	0.00	0.05	-0.05	0.00	0.02	0.13	0.00	0.13
Australia	3.88	4.86	-0.98	16.96	15.08	1.89	0.71	0.80	0.05	0.08	0.13
Denmark	3.81	1.92	1.89	40.42	53.87	-13.45	1.37	0.83	0.56	-0.43	0.13
Russia	0.14	0.00	0.14	131.65	0.00	131.65	0.10	0.00	0.11	0.00	0.11
Finland	0.60	0.61	-0.01	14.45	0.56	13.90	0.11	0.04	0.01	0.09	0.10
Israel	0.00	0.45	-0.45	0.00	2.05	-2.05	0.00	0.02	0.10	0.00	0.10
United Arab Emirates	0.00	0.37	-0.37	0.00	2.23	-2.23	0.00	0.01	0.08	0.00	0.08
Malaysia	0.00	0.41	-0.41	0.00	5.25	-5.25	0.00	0.03	0.07	0.00	0.07
Italy	1.75	1.59	0.17	58.90	53.67	5.23	0.76	0.72	0.03	0.04	0.07
Kuwait	0.00	0.25	-0.25	0.00	-1.90	1.90	0.00	0.00	0.07	0.00	0.07
Panama	0.52	0.00	0.52	36.17	0.00	36.17	0.15	0.00	0.06	0.00	0.06
Taiwan	3.41	4.13	-0.71	23.67	21.78	1.89	0.66	0.76	-0.01	0.06	0.05
Switzerland	3.55	6.51	-2.97	13.69	16.01	-2.32	0.55	1.10	0.13	-0.09	0.04
Singapore	0.72	0.95	-0.23	14.52	11.55	2.96	0.13	0.11	0.02	0.02	0.04
Chile	0.00	0.16	-0.16	0.00	3.26	-3.26	0.00	0.01	0.03	0.00	0.03
Belgium	0.13	0.63	-0.50	29.61	22.03	7.58	0.08	0.15	0.00	0.02	0.02
Portugal	0.00	0.14	-0.14	0.00	9.67	-9.67	0.00	0.02	0.02	0.00	0.02
Philippines	0.00	0.20	-0.20	0.00	17.74	-17.74	0.00	0.04	0.00	0.00	0.00
Colombia	0.00	0.03	-0.03	0.00	15.88	-15.88	0.00	0.01	0.00	0.00	0.00
Russian Federation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Zealand	0.10	0.13	-0.03	11.38	15.22	-3.84	0.01	0.02	0.01	-0.01	0.00
Egypt	0.00	0.02	-0.02	0.00	48.43	-48.43	0.00	0.01	-0.01	0.00	-0.01
Czech Republic	0.00	0.05	-0.05	0.00	35.72	-35.72	0.00	0.01	-0.01	0.00	-0.01
United States	0.00	0.01	-0.01	-43.76	64.63	-108.39	0.00	0.01	-0.01	0.00	-0.01
Cayman Islands	0.00	0.01	-0.01	0.00	42.12	-42.12	0.00	0.02	-0.01	0.00	-0.01
Hungary	0.00	0.06	-0.06	0.00	75.87	-75.87	0.00	0.03	-0.03	0.00	-0.03
Austria	0.46	0.12	0.34	25.08	40.17	-15.10	0.08	0.04	0.06	-0.09	-0.03
Greece	0.00	0.11	-0.11	0.00	70.64	-70.64	0.00	0.05	-0.04	0.00	-0.04
Netherlands	2.57	2.85	-0.29	28.05	27.03	1.02	0.56	0.76	-0.08	0.01	-0.06
Poland	0.00	0.21	-0.21	0.00	59.06	-59.06	0.00	0.09	-0.06	0.00	-0.06
Norway	1.01	0.45	0.56	14.83	19.90	-5.07	0.17	0.10	0.00	-0.07	-0.07
Turkey	0.00	0.17	-0.17	0.00	74.89	-74.89	0.00	0.09	-0.07	0.00	-0.07
South Korea	1.59	3.36	-1.77	27.42	26.22	1.21	0.45	0.84	-0.08	0.00	-0.08
Brazil	1.50	1.50	0.00	10.50	15.25	-4.75	0.20	0.23	-0.02	-0.06	-0.08
Indonesia	1.17	0.55	0.62	3.59	1.50	2.09	0.02	0.00	-0.13	0.03	-0.11
Sweden	1.44	2.13	-0.69	10.24	20.71	-10.47	0.26	0.51	0.01	-0.15	-0.14

Past performance is not a guarantee of future results.



Trailing 1 Year Attribution:

Harbor Diversified International All Cap Fund vs MSCI All Country World Ex. US (ND) Index

Country Attribution

Spain	1.14	1.63	-0.48	34.65	44.29	-9.64	0.35	0.62	-0.09	-0.10	-0.19
Hong Kong	3.64	1.88	1.75	3.94	1.69	2.25	0.20	0.03	-0.34	0.08	-0.26
India	4.11	4.00	0.11	5.80	10.10	-4.31	0.32	0.41	-0.17	-0.14	-0.31
Germany	3.13	5.40	-2.27	36.61	35.52	1.09	0.95	1.77	-0.36	0.03	-0.33
South Africa	2.86	0.97	1.89	5.20	6.67	-1.47	0.36	0.12	-0.29	-0.04	-0.33
France	5.02	7.83	-2.81	33.61	34.48	-0.88	1.73	2.50	-0.27	-0.08	-0.36
Cash	1.58	0.00	1.58	0.82	0.00	0.82	0.08	0.00	-0.30	0.00	-0.30
Total	100.00	100.00	0.00	23.52	20.39	3.14	23.52	20.39	0.39	2.75	3.14

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 and mid cap companies pose special risks, including possible illiquidity and greater price volatility than stocks of larger, more established companies.

Marathon-London's assessment of the capital cycle for a particular industry or company may be incorrect. Investing in companies at inopportune phases of the capital cycle can result in the Fund purchasing company stock at pricing levels that are higher than the market dynamics would support and therefore subject the Fund to greater risk that the stock price would decline rather than increase over time.

Benchmarks

The MSCI All Country World Ex. US (ND) Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global developed and emerging markets, excluding the U.S. 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.

Marathon Asset Management Limited is an independent subadvisor to the Harbor Diversified International All Cap Fund.

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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.