

Harbor Capital Appreciation Fund

Jennison Associates LLC

Subadvisor Since 05/01/1990

Total Net Assets - All Classes \$19,947,718,224
Equity Assets: 99.51%
Cash & Other Assets Less Liabilities: 0.49%
Benchmark Name: Russell 1000® Growth Index

Portfolio Managers



Spiros "Sig" Segalas



Kathleen A.
McCarragher



Blair A. Boyer



Natasha Kuhlkin, CFA

Investment Philosophy

The Fund invests primarily in equity securities, specifically U.S. companies with market capitalizations of at least \$1 billion at the time of purchase. Through rigorous research, visits, and meetings with top management, the portfolio manager knows these businesses intimately, and only invests in those that the portfolio manager believes have: strong balance sheets and earnings performance, sales momentum and growth outlook, high profitability history or potential, unique market position and a capable and committed management team. The Fund stays fully invested in stocks and does not try to time the market, but instead works toward steady investment growth.

CHARACTERISTICS & ALLOCATION

As of 12/31/2022

Portfolio Characteristics			Economic Sectors		
	Portfolio	Benchmark		Portfolio %	Benchmark %
Number of Holdings	56	512	Information Technology	35.71	43.23
Wtd Avg Market Cap (\$Mil)	519,953.90	627,379.40	Consumer Discretionary	24.42	14.17
Med Cap - # Stocks (\$Mil)	112,782.00	13,958.00	Health Care	15.36	13.47
Price/Book Ratio	10.30	10.30	Communication Services	10.42	6.74
Adjusted Trailing P/E Ratio	30.30	25.80	Consumer Staples	3.86	6.11
% EPS Growth - Past 3 Yr	24.40	22.60	Financials	3.53	3.26
Return on Equity (%)	32.07	32.97	Industrials	2.39	8.12
Beta vs. Fund Benchmark	1.11		Energy	2.14	1.68
Forecasted P/E Ratio	25.30	24.10	Real Estate	1.68	1.63
			Utilities	0.00	0.05
			Materials	0.00	1.45

Top 10 Holdings			Top 10 Industries		
	Portfolio %	Benchmark %		Portfolio %	Benchmark %
Microsoft Corporation	6.57	10.48	Software	11.14	16.29
Apple Inc.	6.49	11.41	It Services	9.77	7.27
Amazon.com Inc.	5.13	4.36	Semiconductors	8.31	7.25
NVIDIA Corporation	4.43	2.06	Internet & Direct Marketing	6.68	4.54
Eli Lilly and Company	4.11	1.47	Interactive Media	6.50	5.58
Visa Inc. Class A	3.99	2.00	Tech Hardware Storage	6.49	11.61
Mastercard Incorporated	3.26	1.73	Pharmaceuticals	6.03	2.57
LVMH Moet Hennessy Louis Vuitton	3.09	0.00	Textiles Apparel & Luxury Goods	5.84	1.11
Tesla Inc	3.04	1.86	Specialty Retail	5.32	3.31
Alphabet Inc. Class A	2.87	2.70	Automobiles	3.73	1.88
Total	42.98	38.07	Total	69.81	61.41

Market Capitalization		
		Portfolio %
Large	Above 25.0B	97.28
	10.0B - 25.0B	2.72
Mid	5.0B - 10.0B	0.00
	1.0B - 5.0B	0.00
Small	0.0 - 1.0B	0.00

Spiros "Sig" Segalas, a founder of Jennison Associates LLC and a Portfolio Manager of the Fund, passed away on 01/02/2023. We thank Sig for his 32 years of service to the Fund and its shareholders. As of 01/03/2023, the remaining portfolio managers will manage the Fund.





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	HACAX	411511504	-1.49%	-37.72%	-37.72%	3.61%	7.97%	12.78%	11.21%	12/29/87	0.65	0.71
Administrative Investor	HRCAX	411511827	-1.54%	-37.87%	-37.87%	3.36%	7.70%	12.50%	9.82%	11/01/02	0.90	0.96
Investor	HCAIX	411511819	-1.58%	-37.94%	-37.94%	3.23%	7.57%	12.37%	9.66%	11/01/02	1.01	1.07
Retirement	HNACX	411512528	-1.46%	-37.67%	-37.67%	3.69%	8.05%	12.84%	11.23%	03/01/16	0.57	0.63
Russell 1000® Growth Index			2.20%	-29.14%	-29.14%	7.79%	10.96%	14.10%	10.51%	12/29/87		
S&P 500 Index			7.56%	-18.11%	-18.11%	7.66%	9.42%	12.56%	10.51%	12/29/87		

MANAGER COMMENTARY

As of 12/31/2022

“We expect greater clarity around the path of inflation, growth, and interest rates to emerge in the first half of 2023, accompanied by a bottoming in earnings expectations and sentiment.”

Jennison Associates, LLC

Market in Review

Equity markets finished out a challenging year, with major indices closing at or near their lows for the year. An evolving economic slowdown—around the world and across industries—saw a broad swath of companies that had benefited most from the pandemic begin to reduce headcounts and take operational steps to mitigate expected weakness. Commodity prices continued their retreat, despite the lingering impact of the Ukrainian war. China took steps to ease its stifling zero-COVID-19 policy, resulting in a wave of infections, hospitalizations, and further economic dislocation as the year ended.

Economic data intra-quarter continued to reflect the mix of contrasting trends, with strength in employment, wages, and savings largely offsetting the effects of consumer price inflation, falling home prices, and waning spending by lower-income households. The persistence of labor market tightness kept the Federal Reserve (“Fed”) on a tightening path, with the federal funds rate closing the year in the range of 4.25%–4.50%—levels last seen in 2007. Inflation has been a global phenomenon, and central banks in many countries have followed a path similar to that of the Fed, leading to a partial retracement of the U.S. dollar’s significant rise since the end of 2021.

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 02/28/2023.

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.



Growth equities have gone through a grinding period of adjustment over the past 15 months. The starting point for the correction also coincided with high levels of absolute and relative valuations for growth stocks, resulting in significant underperformance. Over the course of the past year, we made changes to the Harbor Capital Appreciation Fund (Institutional Class, “Fund”) that reflect the evolving investment climate and our outlook for earnings growth. We reduced exposure to smaller, less profitable companies in favor of businesses with experience navigating rapidly changing economic environments, as well as select health care opportunities, which do not correlate with the economic cycle to a large degree.

Portfolio Performance

During the fourth quarter of 2022, the Harbor Capital Appreciation Fund (Institutional Class) returned -1.49%, underperforming its benchmarks, the Russell 1000® Growth Index, which returned 2.20%, and the S&P 500 Index, which returned 7.56%.

Among the benchmark’s largest sectors, Health Care and Information Technology outperformed the broad index, while Communication Services and Consumer Discretionary underperformed.

The Fund underperformed the benchmark during the period. An overweight allocation to Consumer Discretionary and an underweight allocation to Industrials, along with stock selection within the Industrials and Consumer Staples sectors, detracted the most from the Fund’s relative performance. Stock selection within the Energy and Information Technology sectors benefited relative results.

Contributors & Detractors

Schlumberger contributed to Fund returns, surging in the quarter on strong fundamentals and results ahead of expectations.

LVMH also contributed, posting impressive growth and profitability—on the back of its less economically sensitive customer base—and pricing power reflective of the company’s strong brand positioning.

Tesla detracted from Fund returns, with the share price under pressure, as Elon Musk’s acquisition of Twitter and the subsequent controversy around his day-to-day involvement as CEO of that company weighed on Tesla’s valuation.

Atlassian also detracted from Fund performance, as its latest quarterly earnings report was disappointing concerning revenues and margins and weighed on its stock price.

Buys & Sells

We initiated a position in Thermo Fisher Scientific, a company that has become a leading supplier to a number of the most promising growth areas in research, diagnostics, and drug development.

We exited the position in Target after concluding that the inventory issues that arose in 2022, along with increasing pressure on demand, particularly among lower-income consumers, will weigh on the company’s results for the foreseeable future.

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.



Outlook

Investors are grappling with the likelihood of recession in the United States and around the world. The ongoing war in Ukraine and frequently changing pandemic policies in China remain unquantifiable risks. Persistent high inflation, resulting from the accommodative policies of the pandemic, has brought about a sharp reversal in monetary policy globally and an unusually abrupt tightening of financial conditions.

Over the course of the past year, we made changes to the Fund that reflect the evolving investment climate and our outlook for earnings growth. We reduced exposure to smaller, less profitable companies in favor of businesses with experience navigating rapidly changing economic environments, as well as select health care opportunities, which do not correlate with the economic cycle to a large degree. This is similar to our positioning during the 2008–2009 recession. That said, there are significant differences between the two periods, and while the current environment is uncertain, we do not anticipate the systemic risks that defined the global financial crisis.

It has been more than a year since the Fed announced its policy-tightening plans, and the market has adjusted to the new reality through sharply higher interest rates, lower growth expectations, and significantly lower stock prices and valuations. We expect greater clarity around the path of inflation, growth, and interest rates to emerge in the first half of 2023, accompanied by a bottoming in earnings expectations and sentiment. Our positive, multiyear view on our holdings incorporates the challenges that may continue to pressure the market in the short term.

QUARTERLY ATTRIBUTION

As of 12/31/2022

Best & Worst Performers

Best Performers	Average Weight %	Return %
Schlumberger NV	1.89	49.43
Intuitive Surgical Inc.	0.81	41.57
NIKE Inc. Class B	0.95	41.20
DexCom Inc.	0.75	40.60
Novo Nordisk A/S Sponsored ADR Class B	1.48	35.84

Worst Performers	Average Weight %	Return %
Tesla Inc	6.57	-53.56
Atlassian Corp Class A	0.98	-38.90
CrowdStrike Holdings Inc. Class A	1.12	-36.11
ZoomInfo Technologies Inc	0.42	-27.72
Amazon.com Inc.	5.89	-25.66

Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
Schlumberger NV	49.43	0.61
Mastercard Incorporated Class A	22.49	0.53
LVMH Moet Hennessy Louis Vuitton SE	22.19	0.51
Visa Inc. Class A	17.22	0.51
Broadcom Inc.	26.98	0.47
Total		2.63

Greatest Detractors	Return %	Contribution to Return %
Tesla Inc	-53.56	-4.65
Amazon.com Inc.	-25.66	-1.55
Atlassian Corp Class A	-38.90	-0.51
CrowdStrike Holdings Inc. Class A	-36.11	-0.47
Apple Inc.	-5.83	-0.35
Total		-7.53

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.

Quarterly Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	-1.84	2.20	-4.04
Currency Contribution	0.41	0.00	0.41
Total Return	-1.43	2.20	-3.63

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
Energy	1.89	1.73	0.16	49.43	12.83	36.60	0.61	0.20	-0.05	0.49	0.44
Financials	3.41	3.16	0.25	13.45	9.48	3.97	0.40	0.28	0.01	0.11	0.12
Information Technology	34.79	43.23	-8.44	3.75	3.30	0.45	1.15	1.32	-0.10	0.15	0.05
Health Care	13.46	12.80	0.66	12.62	13.07	-0.45	1.48	1.52	0.07	-0.04	0.03
Utilities	0.00	0.05	-0.05	0.00	16.56	-16.56	0.00	0.01	-0.01	0.00	-0.01
Real Estate	1.43	1.56	-0.13	0.16	3.55	-3.39	0.00	0.05	0.01	-0.04	-0.04
Materials	0.00	1.43	-1.43	0.00	8.93	-8.93	0.00	0.12	-0.09	0.00	-0.09
Communication Services	9.75	7.11	2.64	-8.32	-6.39	-1.93	-0.80	-0.41	-0.21	-0.19	-0.39
Consumer Staples	3.81	5.84	-2.03	2.41	10.01	-7.60	0.09	0.55	-0.15	-0.29	-0.43
Industrials	2.46	7.74	-5.28	-0.32	15.41	-15.73	-0.03	1.07	-0.63	-0.37	-1.01
Consumer Discretionary	27.77	15.34	12.43	-15.63	-15.65	0.02	-4.35	-2.52	-2.44	0.04	-2.39
Total	100.00	100.00	0.00	-1.43	2.20	-3.63	-1.43	2.20	-3.49	-0.13	-3.62

Trailing 1 Year Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	-37.22	-29.14	-8.08
Currency Contribution	-0.14	0.00	-0.14
Total Return	-37.36	-29.14	-8.22

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
Health Care	10.43	10.67	-0.24	-6.58	-12.00	5.42	0.60	-0.35	-0.02	0.46	0.45
Utilities	0.00	0.04	-0.04	0.00	2.87	-2.87	0.00	0.00	-0.01	0.00	-0.01
Energy	1.20	1.05	0.15	27.12	54.03	-26.91	0.28	0.28	-0.15	0.14	-0.02
Materials	0.00	1.21	-1.21	0.00	-27.22	27.22	0.00	-0.28	-0.04	0.00	-0.04
Real Estate	1.00	1.71	-0.71	-9.62	-26.03	16.41	-0.20	-0.45	-0.06	0.02	-0.04
Financials	3.17	2.78	0.39	-23.46	-16.88	-6.58	-0.49	-0.34	0.01	-0.15	-0.14
Consumer Staples	3.80	5.13	-1.33	-29.09	-4.30	-24.79	-0.97	-0.13	-0.24	-0.75	-0.99
Consumer Discretionary	29.43	16.97	12.46	-40.46	-41.84	1.38	-13.28	-8.40	-1.60	0.54	-1.06
Industrials	1.73	6.83	-5.10	-36.67	-9.56	-27.11	-0.67	-0.38	-0.79	-0.48	-1.27
Communication Services	10.99	9.03	1.96	-54.23	-48.83	-5.40	-7.83	-5.42	-0.52	-1.08	-1.60
Information Technology	36.93	44.59	-7.66	-39.70	-30.24	-9.46	-14.83	-13.67	0.07	-3.88	-3.80
Total	100.00	100.00	0.00	-37.36	-29.14	-8.22	-37.36	-29.14	-3.03	-5.19	-8.22

Past performance is not a guarantee of future results.



Trailing 3 Year Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	13.89	25.23	-11.34
Currency Contribution	-0.36	0.00	-0.36
Total Return	13.53	25.23	-11.70

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	26.67	16.60	10.07	41.97	11.98	29.99	4.68	2.58	-2.48	7.86	5.38
Health Care	7.89	11.95	-4.06	27.21	29.66	-2.45	2.29	4.36	0.94	0.24	1.18
Real Estate	0.52	1.85	-1.33	-6.18	3.30	-9.48	-0.15	-0.06	0.26	0.02	0.29
Materials	0.00	1.05	-1.05	0.00	5.02	-5.02	0.00	-0.09	0.22	0.00	0.22
Energy	0.40	0.46	-0.06	27.12	93.98	-66.86	0.28	0.22	-0.14	0.25	0.11
Utilities	0.00	0.02	-0.02	0.00	41.35	-41.35	0.00	0.01	-0.01	0.00	-0.01
Consumer Staples	3.45	4.61	-1.16	29.93	30.13	-0.20	0.15	0.83	-0.05	-0.17	-0.22
Financials	2.22	2.47	-0.25	1.20	18.59	-17.39	-0.19	0.18	0.01	-0.39	-0.39
Industrials	2.69	6.16	-3.47	-45.94	13.56	-59.50	-2.93	-0.73	0.23	-3.31	-3.08
Communication Services	14.58	10.95	3.63	-21.54	-6.94	-14.60	0.30	1.51	-0.65	-3.83	-4.48
Information Technology	40.83	43.87	-3.04	14.94	42.05	-27.11	9.06	16.41	0.13	-11.20	-11.06
Total	100.00	100.00	0.00	13.53	25.23	-11.70	13.53	25.23	-1.17	-10.53	-11.69

Trailing 5 Year Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	52.49	68.21	-15.72
Currency Contribution	-0.75	0.00	-0.75
Total Return	51.74	68.21	-16.47

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	24.03	15.92	8.11	94.67	50.87	43.80	13.32	9.22	-3.28	11.06	7.77
Consumer Staples	3.81	5.03	-1.22	85.58	57.77	27.81	2.18	2.08	0.13	1.02	1.14
Real Estate	0.65	2.05	-1.40	23.21	37.15	-13.94	0.37	0.92	0.42	0.16	0.58
Materials	0.19	1.47	-1.28	-35.98	19.96	-55.94	-0.71	0.24	0.82	-0.66	0.16
Energy	0.50	0.55	-0.05	-9.70	47.61	-57.31	-0.31	-0.14	-0.19	0.23	0.04
Utilities	0.00	0.02	-0.02	0.00	54.29	-54.29	0.00	0.01	-0.02	0.00	-0.02
Health Care	9.16	12.51	-3.35	49.19	64.81	-15.62	3.88	9.01	0.84	-1.06	-0.23
Financials	2.70	3.11	-0.41	25.35	53.23	-27.88	0.01	1.63	-0.07	-1.37	-1.44
Industrials	4.25	8.25	-4.00	-39.99	29.25	-69.24	-2.19	1.30	1.32	-4.82	-3.50
Communication Services	15.24	11.55	3.69	-8.57	11.84	-20.41	3.68	5.09	-1.71	-5.83	-7.54
Information Technology	38.79	39.54	-0.75	84.88	125.11	-40.23	31.44	38.86	0.87	-14.45	-13.58
Total	100.00	100.00	0.00	51.74	68.21	-16.47	51.74	68.21	-0.74	-15.73	-16.47

Past performance is not a guarantee of future results.

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. At times, a growth investing style may be out of favor with investors which could cause growth securities to underperform value or other equity securities. Since the Fund may hold foreign securities, it may be subject to greater risks than funds invested only in the U.S. These risks are more severe for securities of issuers in emerging market regions.

Benchmarks

The Russell 1000[®] Growth Index is an unmanaged index generally representative of the U.S. market for larger capitalization growth stocks. The Standard & Poor's 500 Index is an unmanaged index generally representative of the U.S. market for large capitalization equities. These unmanaged indices do not reflect fees and expenses and are not available for direct investment. The Russell 1000[®] Growth Index and Russell[®] are trademarks of Frank Russell Company.

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.

Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share. EPS Growth Rate is calculated by subtracting the initial EPS from the final EPS and dividing the change in EPS by the initial EPS. The Adjusted Trailing P/E (Price/Earnings) Ratio is the closing stock price divided by the sum of the last 12 months actual EPS. The Forecast P/E Ratio is the closing stock price divided by the sum of the next 4 quarters estimated EPS. All P/E, ROE and P/B statistics are calculated as weighted medians.

Return on Equity (ROE) is the measure of a company's net income divided by its shareholders' equity.

Price-to-Book (P/B) Ratio compares a company's market value to its book value. The market value of a company is its share price multiplied by the number of outstanding shares. The book value is the net assets of a company.

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.

The views expressed herein may not be reflective of current opinions, 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.

Jennison Associates LLC is an independent subadvisor to the Harbor Capital Appreciation Fund and CIT.

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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.