

Harbor Diversified International All Cap Fund

Marathon Asset Management Limited

Subadvisor Since 11/02/2015

Total Net Assets - All Classes	\$982,977,204
Equity Assets:	97.84%
Cash & Other Assets Less Liabilities:	2.16%
Benchmark Name:	MSCI All Country World Ex. US (ND) Index

Portfolio Managers

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

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 03/31/2023

Portfolio Characteristics		
	Portfolio	Benchmark
Number of Holdings	377	2,262
Wtd Avg Market Cap (\$Mil)	53,673.60	88,392.10
Median Market Cap (\$Mil)	10,317.00	8,648.00
Price/Book Ratio	2.44	2.29
Adjusted Trailing P/E Ratio	17.60	16.80
% EPS Growth - Past 3 Yr	15.60	21.50
Est 3-5 Yr EPS Growth Rate (%)	11.90	10.40
Return on Equity (%)	15.78	13.94
Beta vs. Fund Benchmark	1.06	
Forecasted P/E Ratio	16.70	16.10

Top 10 Holdings		
	Portfolio %	Benchmark %
AIA Group Limited	1.89	0.53
Novo Nordisk A/S Class	1.75	1.11
BP p.l.c.	1.64	0.48
Taiwan Semiconductor Ma	1.36	1.82
HDFC Bank Limited Spons	1.29	0.00
Fairfax Financial Holdi	1.19	0.06
PT Bank Central Asia Tb	1.09	0.14
Naspers Limited Class N	1.01	0.17
Southern Copper Corpora	0.97	0.03
ASML Holding NV	0.92	1.16
Total	13.11	5.50

Top 10 Industries		
	Portfolio %	Benchmark %
Banks	11.20	11.92
Insurance	6.18	4.56
Metals & Mining	5.96	4.10
Oil Gas & Consumables	4.24	5.50
Machinery	4.00	2.10
Consumer Staples	3.33	1.54
Distribution & Retail	3.33	1.54
Semiconductors	3.05	4.75
Capital Markets	3.04	2.24
Beverages	3.01	1.90
Hotels Rest & Leisure	2.85	1.99
Total	46.86	40.60

Economic Sectors		
	Portfolio %	Benchmark %
Financials	22.04	20.11
Industrials	20.46	12.69
Consumer Discretionary	11.48	11.76
Consumer Staples	9.47	8.88
Information Technology	9.12	11.22
Materials	8.60	8.17
Health Care	6.64	9.52
Communication Services	4.88	6.05
Energy	4.38	5.55
Real Estate	0.56	2.12
Utilities	0.21	3.24

Top 10 Countries		
	Portfolio %	Benchmark %
United Kingdom	15.99	9.55
Japan	14.52	13.95
Canada	10.12	7.54
France	5.48	8.14
China	4.25	8.27
Hong Kong	4.15	1.77
Denmark	3.99	1.97
India	3.93	3.61
Australia	3.87	4.81
Taiwan	3.54	4.21
Total	69.84	63.82
Emerging Markets	21.88	27.55

Market Capitalization		
		Portfolio %
Large	Above 25.0B	48.72
	10.0B - 25.0B	25.51
Mid	5.0B - 10.0B	11.16
	1.0B - 5.0B	13.62
Small	0.0 - 1.0B	0.82



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	6.69%	6.69%	-2.77%	14.51%	3.12%	N/A	4.80%	11/02/15	0.80	0.92
Investor	HIIDX	411512577	6.64%	6.64%	-3.07%	14.13%	2.75%	N/A	4.42%	11/02/15	1.16	1.28
Retirement	HNIDX	411512437	6.69%	6.69%	-2.69%	14.61%	3.20%	N/A	4.86%	03/01/16	0.72	0.84
MSCI All Country World Ex. US (ND) Index			6.87%	6.87%	-5.07%	11.80%	2.47%	N/A	4.91%	11/02/15		

MANAGER COMMENTARY

As of 03/31/2023

“Across markets there was a similar pattern of returns: an optimistic January being derailed by higher-than-expected inflation in February, which led the market to discount for a longer and/or steeper period of monetary tightening.”

Marathon Asset Management Limited (Marathon-London)

Market in Review

The first quarter of 2023 supported the recovery in stock prices seen in the final quarter of 2022. However, gains were weaker, and more markets bucked the rising trend. Twenty of the 23 developed markets (defined here as those that form part of the MSCI World Index) recorded positive performance, but the momentum in Emerging Markets was more mixed, with half of the 24 markets covered by the index reporting a rise and half a fall, though generating a positive return overall.

Across markets, there was a similar pattern of returns: an optimistic January derailed by higher-than-expected inflation in February, which led the market to discount for a longer and/or steeper period of monetary tightening. The banking crisis in March triggered a rapid decline until robust regulatory action convinced markets that the Great Financial Crisis was not about to repeat, and that the scope of further rate increases was limited by bank fragility, leading to an equally rapid bounce back.

Large-cap stocks outperformed their small- and mid-cap peers, and growth outperformed value. Although Marathon is not a style-focused manager, and we take positions based on our perception of the likelihood for a stock to outperform its peers, our positions in most markets are more value-oriented, and we have a long-term bias toward mid-cap stocks. Both of these trends were impediments to outperformance in most markets this quarter.

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

During the quarter, the Harbor Diversified International All Cap Fund (Institutional Class, "Fund") returned 6.69%, slightly underperforming its benchmark, the MSCI All Country World Ex. US (ND) Index, which returned 6.87%.

Regionally, stock selection in Emerging Markets and Canada was strong, but this was neutralized by weak performance in Japan, Pacific ex-Japan, and Europe.

By sector, stock selection was broadly neutral, with a stronger showing in Health Care but notably negative contributions from Consumer Discretionary, Information Technology, and Industrials. Overall, stock selection weighed on relative returns. This was counteracted by allocation effects, which were positive, particularly an overweight to Industrials.

Contributors & Detractors

Southern Copper and Flutter were large contributors to positive performance. Southern Copper is a copper miner and producer with assets in South and Central America. The stock performed well, rising around 25% in the first two weeks of the quarter as the price of copper rose, and then trading in this range for the rest of the period.

Flutter is a U.K.-listed, Irish-domiciled sports betting and gaming company. The share price rose gradually throughout the quarter on positive new flows, particularly in relation to the expansion of U.S. operations. The company has also floated the idea of an additional listing in the U.S. — an idea that has been well received, as U.K.-listed companies have traded at a substantial discount to their U.S. peers for years.

Equinor and AIA Group were large detractors. Equinor is a Norwegian oil and gas producer. The stock fell following a moderation in oil prices and a decline in gas prices since the start of the year.

Hong Kong-listed AIA Group suffered alongside its regional peers as geopolitical tensions between the U.S. and China escalated, causing capital flight from Hong Kong's market. AIA also reported substantially lower earnings and profits for 2022 than for the previous year, though this was largely anticipated by the market, so the share price impact was relatively muted.

Buys & Sells

We purchased Komatsu and Arca Continental. Komatsu is a multinational manufacturer of construction, mining, forestry, and military equipment. The supply side of the mining industry is concentrated among big global players, and Komatsu will benefit from a strong replacement cycle as new mines are needed to meet increasing electric vehicle ("EV") demand.

Arca Continental is a Coca-Cola bottler in Mexico. The firm enjoys a regional monopoly and is prompting industry consolidation by buying up other bottlers in the region. Further, Arca recently acquired a Coca-Cola bottler in the U.S., offering even wider opportunities for consolidation. A recent change in Arca's agreement with Coke allows the company to use Coca-Cola delivery trucks to deliver other products, and the firm has signed a distribution deal with Diageo to make use of this. None of these opportunities have been priced into the current valuation of the stock.

We sold Toyota Motor and SK Hynix. The sea change occurring in the automotive industry in the wake of the energy transition makes it almost impossible to determine winners, but clearly, legacy strengths in combustion engine technology will be of little use going forward. Toyota's record-high R&D of over \$9 billion is therefore no indicator of success, yet the multiples placed on these expenditures have relentlessly risen. It now trades on more than twenty times its R&D spending—a huge leap of faith versus its smaller, less profitable peers—many of whom now seem to be ahead in the EV evolution.

SK Hynix, a South Korean supplier of dynamic random-access memory (DRAM) chips and flash memory chips, was sold amid ongoing consolidation of the technology and semiconductor space. Shares have recovered from third quarter 2022 lows, presenting an opportunity to put capital to work in higher conviction companies that we already own, such as ASML.

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Outlook

Index performance reflects investor confidence that interest rate rises will slow from here, and we may be nearing the point at which central banks begin to cut. This possibility rests on the assumption that interest rate setters — despite having an official objective in relation to inflation — will not precipitate an economic crash while trying to meet it.

While Marathon does not attempt to position the Fund according to forecasts for the future, we do recognize and comment on the market environment across the various regions of the Fund.

Europe: European equities, as measured by the MSCI Europe Index, rose 10.6%. This number masks significant dispersion within the region, with best-performing Ireland returning 21.7% and worst-performing Norway returning -7.2%. Growth outperformed value, though only in the final few weeks of the quarter. Large-cap stocks outperformed small-cap stocks, while mid-cap stocks nearly kept pace.

In the Eurozone, inflation continued its downward trend with consumer price inflation coming in at 6.9% for March, down from 8.6% at the start of the year, providing a reason for optimism; however, the core inflation measure, which excludes volatile items such as food and energy, hit a record high of 5.7%, so that optimism should be tempered. The European Central Bank continued raising rates, with two 0.5% increases (to 3.5%) in mid-March.

In contrast with the Eurozone, the U.K. saw inflation unexpectedly jump in February (the latest available data), rising to 10.4% from 10.1% in January and against a consensus forecast of under 10%. Core inflation also rose. The Bank of England remains hawkish, adding another 0.25% increase in the base rate in March after a 0.5% hike in February, leaving rates at 4.25% at quarter end.

Japan: The Japanese market rose, with the MSCI Japan Index returning 6.2%. Growth significantly outperformed value, and from a size perspective, large-caps outperformed small- and mid-cap stocks.

Inflation in Japan has not been as extreme as elsewhere, but Japan has long been a low-inflation country. It has recorded inflation of above 1% in only four of the past 30 years. The January reading of 4.3% marks the highest inflation rate for the country since the early 1980s. Inflation dropped back to 3.3% in February (the latest data available), so it may not be entrenched.

The governor of the Bank of Japan (BoJ), Haruhiko Kuroda, retired on April 8 and is being replaced by economist Kazuo Ueda. Whether this will result in a change of course for monetary policy has been the subject of much speculation, but senior officials at the BoJ have remained tight-lipped to date.

Pacific ex-Japan: Returns in Pacific ex-Japan were positive during the first quarter, with the MSCI Pacific ex-Japan Index returning 2.2%. Good performance by New Zealand (returning 8%) and Singapore (returning 7.1%) was restrained by index-like performance by Australia (returning 2.8%) and a decline by Hong Kong (returning -2.4%). Hong Kong started the quarter well, but the market began to slide at the end of January and the downward trend continued. Geopolitical concerns—mainly the increase in tension between the U.S. and China—were key drivers of the decline. While outperforming the index (in which it represents almost two thirds of the market cap) Australia lagged global peers, largely due to the market's preponderance of value stocks, particularly banks, which struggled following the banking crisis in March.

Emerging Markets: As measured by the MSCI Emerging Markets Index, Emerging Markets rose 4% during the quarter. As is often the case among heterogeneous markets, this headline figure masks dispersion between the best- and worst-performing markets. Returns ranged from Colombia's -13.5% to the Czech Republic's 33%, though both markets are relative minnows at 0.16% and 0.10% of the index respectively.

By subregion, Emerging Asia was the best performer. The Taiwanese market did particularly well despite growing tensions with mainland China due to the market's bias toward growth stocks, especially semiconductors. The Indian market was a notable outlier, returning -6.4%. This largely followed allegations of share-price manipulation and fraud at Adani, a major conglomerate with several listed subsidiaries. China, the largest index constituent by some margin, outperformed the index slightly as global factors favoring some of its largest companies were moderated by geopolitical headwinds.

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The Emerging Americas performed in line with the index average. Mexican performance was particularly strong as economic indicators improved, and every Mexican stock in the index rose. Colombia fell for idiosyncratic reasons: the index only includes two stocks, a bank and an electricity supplier, both of which struggled as old-world value stocks. Brazil, the largest market in the subregion, also struggled as economic data disappointed, and civil unrest in January followed the ouster of populist president Jair Bolsonaro, echoing the scenes at the U.S. Capitol two years earlier.

Performance within Emerging EMEA was less positive, with most markets falling. Turkey slumped following the devastating earthquake in the east of the country. South Africa fell slightly as rolling blackouts continued to constrain the economy, and an investigation by the Financial Action Task Force found deficiencies in the country's approach to money laundering and terrorist financing, moving it to its "grey list," which means cash flows into and out of the country will encounter greater scrutiny.

Canada: With a return of 4.3% as measured by the MSCI Canada Index, Canada was one of the weaker markets over the period, underperforming most developed market peers. Unlike its neighbor to the south, style factors were muted, with relatively little differentiation between growth and value stock performance. Canada, while still experiencing higher inflation than it has for decades, saw a peak in its inflation rates in June of 2022, much earlier than other markets. As the latest data continued to show a decline, the Bank of Canada raised rates by 0.25% in January and held at its March meeting, stating that it would hold rates at the current 4.5% for some time if economic conditions developed as they expect.

The market has a high proportion of banking and oil-focused stocks; the former struggled in the face of trouble in the U.S. and Swiss banking sectors; the latter retrenched as energy prices continued to fall. This was countered predominantly by good performance from precious-metals mining companies, the key value sector to perform well this quarter, and the country's small "tech" sector.

Best & Worst Performers

Best Performers	Average Weight %	Return %
Rolls-Royce Holdings plc	0.25	64.35
Renesas Electronics Corporation	0.25	60.29
SNC-Lavalin Group Inc.	0.37	39.46
Grupo Aeroportuario del Pacifico SAB de CV Class B	0.61	35.56
Flutter Entertainment Plc	0.70	33.54

Worst Performers	Average Weight %	Return %
African Rainbow Minerals Limited	0.47	-19.55
Equinor ASA	0.73	-18.43
B3 SA - Brasil Bolsa Balcao	0.65	-17.36
Dai-ichi Life HoldingsInc.	0.50	-16.93
Glencore plc	0.75	-13.55

Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
Novo Nordisk A/S Class B	18.30	0.28
Taiwan Semiconductor Manufacturing Co. L	20.48	0.24
Southern Copper Corporation	27.98	0.23
ASML Holding NV	26.57	0.21
Flutter Entertainment Plc	33.54	0.21
Total		1.17

Greatest Detractors	Return %	Contribution to Return %
Equinor ASA	-18.43	-0.17
B3 SA - Brasil Bolsa Balcao	-17.36	-0.12
AIA Group Limited	-5.33	-0.11
Glencore plc	-13.55	-0.11
Dai-ichi Life HoldingsInc.	-16.93	-0.09
Total		-0.60

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Harbor Diversified International All Cap Fund

ATTRIBUTION

As of 03/31/2023



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

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	6.12	6.18	-0.06
Currency Contribution	0.82	0.69	0.13
Total Return	6.94	6.87	0.07

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	6.35	9.46	-3.11	8.41	4.16	4.25	0.54	0.43	0.10	0.27
Energy	4.48	5.75	-1.27	1.02	-0.30	1.31	0.02	-0.03	0.09	0.06	0.15
Real Estate	0.57	2.23	-1.66	-1.76	-1.70	-0.06	-0.01	-0.03	0.15	0.00	0.15
Utilities	0.22	3.19	-2.97	-4.55	3.32	-7.86	-0.01	0.12	0.11	-0.02	0.09
Industrials	20.25	12.48	7.77	9.08	9.90	-0.82	1.79	1.19	0.24	-0.18	0.07
Materials	8.56	8.37	0.19	6.57	5.94	0.62	0.62	0.52	0.01	0.05	0.06
Consumer Staples	9.09	8.73	0.36	6.82	6.35	0.46	0.65	0.58	0.01	0.04	0.05
Communication Services	4.87	6.00	-1.13	11.94	11.24	0.71	0.57	0.67	-0.04	0.03	-0.02
Financials	22.65	21.07	1.58	1.56	1.55	0.01	0.35	0.33	-0.10	-0.01	-0.11
Consumer Discretionary	11.91	11.80	0.11	9.72	11.60	-1.88	1.19	1.34	0.01	-0.21	-0.21
Information Technology	9.23	10.92	-1.69	13.92	17.44	-3.51	1.21	1.75	-0.16	-0.30	-0.46
Total	100.00	100.00	0.00	6.94	6.87	0.07	6.94	6.87	0.34	-0.26	0.07

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
Canada	9.88	7.64	2.24	8.15	4.31	3.84	0.84	0.34	-0.05	0.38	0.33
United Kingdom	16.42	9.69	6.73	8.18	6.11	2.07	1.34	0.60	-0.04	0.34	0.30
India	4.12	3.73	0.39	-0.85	-6.35	5.50	-0.04	-0.25	-0.06	0.25	0.20
Peru	0.94	0.08	0.87	27.98	8.26	19.72	0.23	0.01	0.01	0.17	0.17
Ireland	1.58	0.71	0.87	19.42	13.35	6.06	0.28	0.09	0.05	0.09	0.14
Mexico	1.34	0.71	0.63	24.88	20.34	4.55	0.30	0.13	0.08	0.05	0.13
Switzerland	3.48	6.40	-2.92	10.17	6.72	3.45	0.35	0.44	0.01	0.12	0.12
Denmark	3.76	1.87	1.89	11.82	12.38	-0.56	0.45	0.23	0.10	-0.02	0.09
Saudi Arabia	0.00	1.09	-1.09	0.00	0.08	-0.08	0.00	0.00	0.08	0.00	0.08
United Arab Emirates	0.00	0.36	-0.36	0.00	-7.54	7.54	0.00	-0.03	0.06	0.00	0.06
Austria	0.41	0.12	0.29	19.99	2.57	17.42	0.07	0.00	-0.01	0.07	0.06
Thailand	0.00	0.60	-0.60	0.00	-1.71	1.71	0.00	-0.01	0.05	0.00	0.05
Malaysia	0.00	0.42	-0.42	0.00	-3.60	3.60	0.00	-0.02	0.05	0.00	0.05
Australia	3.96	4.99	-1.03	2.77	2.67	0.09	0.11	0.13	0.04	0.00	0.05
Russia	0.14	0.00	0.14	46.67	0.00	46.67	0.05	0.00	0.04	0.00	0.04
Turkey	0.00	0.18	-0.18	0.00	-9.42	9.42	0.00	-0.02	0.03	0.00	0.03
Italy	1.71	1.58	0.13	16.05	14.66	1.39	0.24	0.22	0.01	0.02	0.03
Israel	0.00	0.45	-0.45	0.00	0.83	-0.83	0.00	0.01	0.03	0.00	0.03
Kuwait	0.00	0.25	-0.25	0.00	-3.74	3.74	0.00	-0.01	0.03	0.00	0.03
Qatar	0.00	0.26	-0.26	0.00	-0.68	0.68	0.00	0.00	0.02	0.00	0.02
Panama	0.45	0.00	0.45	11.04	0.00	11.04	0.05	0.00	0.02	0.00	0.02
Poland	0.00	0.20	-0.20	0.00	-0.99	0.99	0.00	0.00	0.02	0.00	0.02
Indonesia	1.06	0.52	0.54	7.89	5.98	1.92	0.08	0.03	-0.01	0.02	0.01
Belgium	0.22	0.64	-0.43	10.95	6.27	4.69	0.03	0.04	0.00	0.01	0.01
Philippines	0.00	0.21	-0.21	0.00	2.44	-2.44	0.00	0.01	0.01	0.00	0.01
Colombia	0.00	0.03	-0.03	0.00	-13.48	13.48	0.00	0.00	0.01	0.00	0.01
Portugal	0.00	0.14	-0.14	0.00	3.42	-3.42	0.00	0.01	0.01	0.00	0.01
Chile	0.00	0.16	-0.16	0.00	5.24	-5.24	0.00	0.01	0.00	0.00	0.00
Egypt	0.00	0.02	-0.02	0.00	-3.62	3.62	0.00	0.00	0.00	0.00	0.00
Hungary	0.00	0.05	-0.05	0.00	2.87	-2.87	0.00	0.00	0.00	0.00	0.00
Sweden	1.52	2.18	-0.65	10.70	9.53	1.16	0.15	0.20	-0.02	0.02	0.00
United States	0.00	0.01	-0.01	64.99	-3.41	68.39	0.00	0.00	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
Greece	0.00	0.10	-0.10	0.00	15.75	-15.75	0.00	0.01	-0.01	0.00	-0.01
Czech Republic	0.00	0.05	-0.05	0.00	32.98	-32.98	0.00	0.01	-0.01	0.00	-0.01
China	5.23	9.05	-3.81	3.34	4.96	-1.62	0.23	0.53	0.08	-0.09	-0.01
Netherlands	2.28	2.89	-0.61	18.52	16.65	1.87	0.40	0.46	-0.05	0.04	-0.01
New Zealand	0.09	0.13	-0.04	-4.75	8.02	-12.77	0.00	0.01	0.00	-0.01	-0.01
Finland	0.61	0.63	-0.02	-6.33	-0.34	-5.99	-0.04	0.00	0.00	-0.04	-0.04
Brazil	1.28	1.41	-0.13	-7.45	-3.18	-4.27	-0.10	-0.05	0.01	-0.05	-0.04
South Korea	1.70	3.31	-1.61	8.86	9.58	-0.71	0.15	0.31	-0.04	-0.02	-0.05
Taiwan	3.41	4.12	-0.72	14.28	14.75	-0.47	0.45	0.56	-0.06	-0.01	-0.07
Singapore	0.71	0.96	-0.25	-2.38	6.99	-9.37	-0.02	0.07	0.00	-0.07	-0.07
Spain	1.16	1.63	-0.47	7.25	15.66	-8.42	0.08	0.24	-0.04	-0.09	-0.13
Germany	3.01	5.46	-2.45	15.83	14.69	1.14	0.45	0.76	-0.18	0.03	-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

Norway	0.97	0.45	0.52	-16.55	-7.17	-9.38	-0.20	-0.04	-0.09	-0.11	-0.20
South Africa	3.07	1.00	2.07	-2.48	-0.58	-1.90	-0.03	0.00	-0.16	-0.06	-0.22
Hong Kong	3.76	1.84	1.92	-3.16	-2.39	-0.77	-0.11	-0.04	-0.19	-0.03	-0.22
Japan	14.47	13.82	0.65	4.52	6.19	-1.66	0.61	0.82	-0.02	-0.24	-0.26
France	5.44	7.88	-2.44	10.02	14.62	-4.61	0.51	1.09	-0.18	-0.24	-0.42
Cash	1.82	0.00	1.82	1.47	0.00	1.47	0.02	0.00	-0.07	0.00	-0.07
Total	100.00	100.00	0.00	6.94	6.87	0.07	6.94	6.87	-0.41	0.49	0.07

Harbor Diversified International All Cap Fund

ATTRIBUTION

As of 03/31/2023



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	2.42	-0.14	2.56
Currency Contribution	-5.61	-4.93	-0.68
Total Return	-3.19	-5.07	1.88

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	22.41	20.86	1.55	0.98	-7.59	8.57	0.46	-1.57	-0.06	1.89
Real Estate	0.48	2.35	-1.87	4.05	-19.74	23.79	0.04	-0.61	0.28	0.12	0.40
Communication Services	4.99	6.07	-1.08	-5.20	-7.23	2.03	-0.36	-0.67	0.05	0.07	0.12
Consumer Staples	9.51	8.90	0.62	1.58	1.16	0.42	0.11	0.18	0.07	0.03	0.10
Information Technology	9.40	10.82	-1.42	-8.88	-9.52	0.64	-1.17	-1.22	0.02	0.07	0.10
Materials	8.52	8.33	0.20	-10.04	-10.57	0.53	-0.92	-0.98	-0.02	0.03	0.02
Industrials	20.04	12.31	7.73	-3.06	-1.83	-1.24	-0.43	0.01	0.28	-0.28	0.00
Energy	4.58	5.98	-1.41	2.77	0.88	1.89	0.12	0.05	-0.10	0.09	-0.01
Utilities	0.26	3.33	-3.07	-31.16	-5.97	-25.19	-0.11	-0.25	0.04	-0.08	-0.04
Consumer Discretionary	11.76	11.39	0.37	-1.77	1.67	-3.44	-0.36	0.21	0.08	-0.42	-0.35
Health Care	6.38	9.68	-3.30	-9.46	-4.35	-5.11	-0.60	-0.23	-0.02	-0.33	-0.35
Total	100.00	100.00	0.00	-3.19	-5.07	1.88	-3.19	-5.07	0.68	1.20	1.88

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
Japan	14.76	13.97	0.79	-1.48	-5.23	3.75	-0.43	-0.84	-0.01	0.55	0.54
Canada	10.31	8.06	2.25	-7.42	-13.09	5.67	-0.84	-1.15	-0.18	0.61	0.43
Ireland	1.33	0.59	0.74	42.74	18.75	23.99	0.61	0.13	0.18	0.24	0.42
Taiwan	3.52	4.20	-0.68	-7.89	-13.72	5.84	-0.61	-0.94	0.06	0.22	0.28
Mexico	1.14	0.66	0.48	22.78	8.55	14.23	0.41	0.10	0.09	0.12	0.22
India	4.56	3.98	0.58	-7.75	-12.17	4.42	-0.32	-0.52	0.01	0.19	0.20
Saudi Arabia	0.00	1.25	-1.25	0.00	-19.02	19.02	0.00	-0.31	0.18	0.00	0.18
Russia	0.08	0.00	0.08	1971.56	0.00	1971.56	0.17	0.00	0.14	0.00	0.14
China	4.94	8.81	-3.88	-5.01	-5.75	0.74	-0.43	-0.97	0.15	-0.04	0.11
Peru	0.80	0.07	0.73	6.78	-12.17	18.95	0.10	0.00	-0.08	0.19	0.11
United Arab Emirates	0.00	0.39	-0.39	0.00	-28.43	28.43	0.00	-0.14	0.10	0.00	0.10
Indonesia	1.10	0.55	0.55	7.05	0.21	6.85	0.07	-0.01	0.02	0.08	0.10
Israel	0.00	0.48	-0.48	0.00	-20.60	20.60	0.00	-0.11	0.08	0.00	0.08
Panama	0.26	0.00	0.26	45.85	0.00	45.85	0.14	0.00	0.07	0.00	0.07
South Korea	1.79	3.38	-1.59	-18.63	-14.41	-4.22	-0.44	-0.62	0.16	-0.10	0.07
Qatar	0.00	0.31	-0.31	0.00	-22.61	22.61	0.00	-0.09	0.06	0.00	0.06
Sweden	1.61	2.18	-0.57	-4.31	-7.24	2.93	-0.07	-0.11	0.02	0.04	0.06
Austria	0.38	0.12	0.26	9.20	-5.68	14.88	0.05	0.00	0.00	0.05	0.05
Switzerland	3.52	6.50	-2.98	-6.78	-6.83	0.05	-0.21	-0.35	0.05	0.00	0.05
Australia	3.98	5.01	-1.04	-8.88	-8.98	0.10	-0.45	-0.51	0.03	0.01	0.04
Finland	0.62	0.63	-0.02	2.18	-4.17	6.35	0.03	-0.01	0.00	0.04	0.04
Poland	0.00	0.18	-0.18	0.00	-20.14	20.14	0.00	-0.04	0.03	0.00	0.03
Malaysia	0.00	0.43	-0.43	0.00	-10.90	10.90	0.00	-0.06	0.03	0.00	0.03
South Africa	3.30	1.04	2.27	-10.34	-20.56	10.22	-0.29	-0.22	-0.40	0.42	0.02
Kuwait	0.00	0.25	-0.25	0.00	-11.27	11.27	0.00	-0.03	0.02	0.00	0.02
Philippines	0.00	0.21	-0.21	0.00	-13.71	13.71	0.00	-0.04	0.02	0.00	0.02
Colombia	0.00	0.04	-0.04	0.00	-39.20	39.20	0.00	-0.03	0.02	0.00	0.02
Belgium	0.21	0.62	-0.41	11.08	-2.18	13.26	0.03	0.01	-0.01	0.03	0.01
Italy	1.45	1.48	-0.03	9.27	9.06	0.21	0.23	0.21	0.00	0.01	0.01
Denmark	3.67	1.76	1.91	3.60	14.24	-10.64	0.19	0.32	0.33	-0.33	0.00
Hong Kong	3.67	1.96	1.71	-4.42	-4.26	-0.16	-0.26	-0.15	0.02	-0.01	0.00
Hungary	0.00	0.05	-0.05	0.00	-12.06	12.06	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
Egypt	0.00	0.02	-0.02	0.00	-2.64	2.64	0.00	0.00	0.00	0.00	0.00
United Kingdom	16.65	9.80	6.85	-2.81	-0.84	-1.97	-0.33	0.05	0.31	-0.31	0.00
Chile	0.00	0.16	-0.16	0.00	-3.03	3.03	0.00	0.00	0.00	0.00	0.00
Cayman Islands	0.00	0.02	-0.02	0.00	1.60	-1.60	0.00	0.01	-0.01	0.00	-0.01
Brazil	1.23	1.53	-0.30	-22.61	-18.68	-3.93	-0.19	-0.31	-0.01	0.00	-0.01
Czech Republic	0.00	0.04	-0.04	0.00	10.34	-10.34	0.00	0.00	-0.01	0.00	-0.01
Portugal	0.00	0.14	-0.14	0.00	1.28	-1.28	0.00	0.00	-0.01	0.00	-0.01
United States	0.00	0.01	-0.01	-90.63	32.69	-123.32	-0.01	0.00	0.00	-0.01	-0.01
Singapore	0.86	0.95	-0.09	-4.82	-3.09	-1.73	-0.06	-0.02	-0.01	0.00	-0.01
Greece	0.00	0.08	-0.08	0.00	14.80	-14.80	0.00	0.02	-0.02	0.00	-0.02
Thailand	0.00	0.58	-0.58	0.00	-0.94	0.94	0.00	0.00	-0.02	0.00	-0.02
Turkey	0.00	0.13	-0.13	0.00	52.82	-52.82	0.00	0.06	-0.04	0.00	-0.04

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

New Zealand	0.11	0.12	-0.01	-33.26	2.14	-35.40	-0.05	0.00	0.00	-0.04	-0.04
Netherlands	2.31	2.72	-0.41	1.61	2.12	-0.52	0.02	0.18	-0.04	-0.02	-0.06
Norway	1.14	0.49	0.65	-20.94	-21.65	0.70	-0.26	-0.13	-0.12	0.03	-0.09
Spain	1.06	1.54	-0.48	1.84	11.88	-10.04	0.04	0.21	-0.07	-0.10	-0.17
Germany	2.88	5.10	-2.22	-8.31	2.24	-10.55	-0.25	0.34	-0.19	-0.28	-0.48
France	5.09	7.38	-2.29	-0.30	8.79	-9.09	0.17	1.00	-0.31	-0.44	-0.74
Cash	1.68	0.00	1.68	6.55	0.00	6.55	0.04	0.00	0.06	0.00	0.06
Total	100.00	100.00	0.00	-3.19	-5.07	1.88	-3.19	-5.07	0.67	1.21	1.88

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.