

# Harbor International Growth Fund

Baillie Gifford Overseas Limited

Subadviser Since 05/21/2013

<b>Total Net Assets - All Classes</b>	\$868,827,995
<b>Equity Assets:</b>	99.30%
<b>Cash &amp; Other Assets Less Liabilities:</b>	0.70%
<b>Benchmark Name:</b>	MSCI All Country World Ex. US (ND) Index

## Portfolio Managers



Gerard Callahan



Iain Campbell



Joe Faraday, CFA



Moritz Sitte, CFA



Sophie Earnshaw, CFA

## Investment Philosophy

The Fund invests at least 65% of assets in equity securities, including common and preferred stocks, of foreign companies that the Fund's Subadviser believes will experience growth and benefit from sustainable competitive advantages in their markets. The Fund may invest in companies of any size located in, or economically tied to, any country or region outside the U.S., including developed and emerging market countries. Under normal market conditions, the Fund will invest in companies located in at least three countries outside the U.S.

## CHARACTERISTICS & ALLOCATION

As of 06/30/2021

Portfolio Characteristics		
	Portfolio	Benchmark
Number of Holdings	88	2,348
Wtd Avg Market Cap (\$Mil)	93,696.90	105,567.30
Med Cap - # Stocks (\$Mil)	29,360.00	10,217.00
Price/Book Ratio	8.41	2.90
Adjusted Trailing P/E Ratio	47.80	25.00
% EPS Growth - Past 3 Yr	7.50	4.90
Return on Equity (%)	12.63	10.87
Beta vs. Fund Benchmark	0.99	
Forecasted P/E Ratio	33.80	19.40
Proj. Earnings Growth Rate (%)	16.70	16.70

Top 10 Holdings		
	Portfolio %	Benchmark %
Taiwan Semiconductor Ma	3.61	0.00
ASML Holding NV	2.99	1.05
Zalando SE	2.87	0.07
Shopify, Inc. Class A	2.43	0.00
Li Ning Company Limited	2.10	0.10
Alibaba Group Holding L	2.08	0.00
Sartorius AG Pref	2.04	0.05
NIBE Industrier AB Clas	1.96	0.05
Mettler-Toledo Internat	1.94	0.00
Asian Paints Ltd.	1.92	0.06
<b>Total</b>	<b>23.94</b>	<b>1.38</b>

Top 10 Industries		
	Portfolio %	Benchmark %
Internet & Direct Market	12.12	3.65
Machinery	8.62	2.14
Textiles Apparel & Lux	8.11	2.54
Interactive Media	6.98	2.48
Health Care Equip	6.90	1.48
Semiconductors	6.60	4.64
It Services	4.05	2.51
Beverages	3.74	1.76
Insurance	3.28	4.27
Food & Staples Retail	2.77	1.43
<b>Total</b>	<b>63.17</b>	<b>26.90</b>

Economic Sectors		
	Portfolio %	Benchmark %
Consumer Discretionary	26.82	13.74
Industrials	16.67	11.73
Information Technology	15.18	12.83
Health Care	10.18	9.17
Communication Services	10.03	6.70
Consumer Staples	9.30	8.48
Financials	8.18	18.53
Materials	2.72	8.29
Energy	0.22	4.50
Utilities	0.00	2.94
Real Estate	0.00	2.56

Top 10 Countries		
	Portfolio %	Benchmark %
Japan	17.15	14.33
United Kingdom	10.46	8.89
China	10.35	11.12
Germany	9.92	5.84
United States	8.15	0.00
Sweden	6.03	2.33
Hong Kong	5.20	2.02
Netherlands	4.69	2.68
France	4.54	7.11
India	4.22	3.12
<b>Total</b>	<b>80.71</b>	<b>57.44</b>
<b>Emerging Markets</b>	<b>24.27</b>	<b>29.78</b>

Market Capitalization		
		Portfolio %
Large	Above 25.0B	62.57
	10.0B - 25.0B	19.03
Mid	5.0B - 10.0B	14.75
	1.0B - 5.0B	3.65
Small	0.0 - 1.0B	0.00



Trusted Partnerships > Trusted Solutions



### Performance & Fund Facts

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	HAIGX	411511801	6.36%	6.51%	39.84%	15.97%	15.13%	8.47%	5.20%	11/01/93	0.85	0.91
Administrative	HRIGX	411511637	6.24%	6.38%	39.40%	15.66%	14.83%	8.19%	8.09%	11/01/02	1.10	1.16
Investor	HIIGX	411511629	6.27%	6.31%	39.26%	15.54%	14.71%	8.06%	7.96%	11/01/02	1.21	1.27
Retirement	HNGFX	411512429	6.36%	6.55%	39.86%	16.05%	15.22%	8.51%	5.22%	03/01/16	0.77	0.83
MSCI All Country World Ex. US (ND) Index			5.48%	9.16%	35.72%	9.38%	11.08%	5.45%	N/A	11/01/93		

## MANAGER COMMENTARY

As of 06/30/2021

**“Although restrictions on movement and disruptions to some sectors due to public health measures have lingered, vaccination programs have helped businesses to function more normally.”**

Baillie Gifford Overseas Limited

### Market in Review

The thoughts of global policy makers and market participants have turned to the speed of economic recovery following the COVID-19 pandemic. Although restrictions on movement and disruptions to some sectors due to public health measures have lingered, vaccination programs have helped businesses to function more normally.

The possible resurgence of inflation as economies regain strength has been a frequent topic of discussion among market commentators. Reasons include a return to near-normal levels of activity following a period of subdued demand and the stimulus support many economies have received during the pandemic. Whether any rise in inflation is temporary or more long lasting is an area of hot debate. The likely response of central banks has also been an area of focus; so far, indications signal that monetary policy will remain accommodative. Interest rates have remained at historic lows in the U.K. and in the U.S. Meanwhile, the European Central Bank has continued its program of asset purchases.

Strong Purchasing Managers’ Index readings – which indicate the direction of economic trends – in the U.K. and the Eurozone have suggested that economic growth is rebounding strongly, while the picture in Japan has remained weaker.

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.

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 harborfunds.com or by calling 800-422-1050.



Global supply chains have been disrupted by rising global demand, the remaining effects of pandemic restrictions, and consequences of the Suez Canal blockage earlier in 2021. The supply of semiconductors has been especially affected. The U.S. and Japan have been working together on a potential partnership to reduce their dependence on China and Taiwan in this area.

The trade consequences of Brexit for the U.K. have yet to become fully clear. Frictions remain around the passage of goods into Northern Ireland.

These macro-level events have not changed our outlook, which is on individual businesses rather than top-down considerations.

### Portfolio Performance

In the second quarter of 2021, the Harbor International Growth Fund (Institutional Class, "Fund") returned 6.36%, outperforming its benchmark, the MSCI All Country World Ex. US (ND) Index, which returned 5.48%.

We should emphasize that in our view, performance over such a short timeframe is not meaningful. Our investment time horizon is five years and beyond, so we suggest that our performance be assessed over longer periods.

Looking at the regional exposure of the Fund, Europe, Emerging Markets, and Canada contributed positively to relative performance, while the U.K. and Developed Asia were detractors.

Sector wise, Consumer Discretionary, Information Technology, and Industrials made positive contributions to relative performance. Energy, Health Care, and Consumer Staples were detractors.

### Contributors & Detractors

The largest individual contributors to relative performance were Li-Ning and NIBE.

Li-Ning is a rising Chinese sports brand. We believe it is well-placed to benefit from the rising middle class in China and young consumers' increasing desire for domestic brands. The company is undergoing a transformation under a new co-CEO, but its operational performance has been sound.

NIBE is a Swedish heating technology company whose products include geothermal heat pumps. We hold its management and its culture in high regard. Recently, the business has performed well; in the first quarter of the year, sales rose by 8%, and profits increased by 45%. The company's management believes the business has benefited from rising spending on home renovation following the pandemic.

The main detractors from relative performance were Trainline and Naspers.



Trainline is the leading online train ticketing business in the U.K. After a difficult period during the pandemic, recent results have been more encouraging. A move towards the use of electronic tickets is also noteworthy. Overshadowing these positive developments is the Williams Rail Review of the U.K. rail industry, which has initiated a proposal for a national ticketing office called Great British Railways (“GBR”). Although this could lead to negative news for Trainline, GBR is likely to take a long time to set up, so Trainline may be a well-placed provider.

Naspers is a global consumer internet company with a strong record as a global, long-term technology investor. During the quarter, Prosus, another global technology investor, announced a proposal to increase its stake in Naspers through a tender offer. Although the market has not responded well to the move, it was intended to reduce the discount of Naspers’ share price to its underlying assets, which we continue to regard as attractive.

### Buys & Sells

During the quarter, we added two new positions to the Fund: Yatsen, a Chinese cosmetics business, and IMCD, a specialty chemicals business based in the Netherlands. Neither of these new holdings has yet had a meaningful impact on the Fund. Again, we should emphasize that contributions to performance are more accurately assessed over longer term horizons.

Yatsen, founded in 2019, is a holding company and an innovator in the Chinese beauty market. The company is exposed to an exciting growth opportunity driven by Generation Z, a cohort of over 250 million consumers with growing disposable income. We believe that these consumers are much more likely than their millennial peers to pick domestic brands over Western ones. By the end of 2019, for instance, its cosmetics brands had begun to compete directly with multi-national companies such as Maybelline and L’Oréal. It differs from many cosmetics peers in that two of its largest cost centers are IT and data analytics. In our view, the company’s competitive advantage is in its ability to analyze data and its expertise in online marketing. This should enable Yatsen to identify and respond to changes in taste much more rapidly than its multi-national competitors.

The position in Jardine Strategic Holdings and Jardine Matheson was sold during the quarter. This Hong Kong based group has exposure to a diverse range of quality assets in the region, but the discount between the share price and the underlying assets has narrowed. We also feel that the long-term growth prospects of the business are no longer attractive relative to other opportunities.

### Country Allocation

The Fund’s country allocations relative to the benchmark did not change materially during the quarter.

At the end of March 2021, the Fund was most overweight in Sweden, Germany, and the United States (where we classify two international businesses—Mercado Libre and Mettler Toledo). This remained the case at the end of June 2021.

At the end of March 2021, the Fund was most underweight in Switzerland, South Korea, and Canada; at the end of June 2021, the main underweight country positions were Switzerland, Canada, and France. The change was due to the size of the holding in Shopify, which had grown relatively large following strong performance.

The Fund’s exposure to developing markets increased modestly during the quarter, from 25.3% to 27.0%. The purchase of Yatsen, a Chinese cosmetics business, during the quarter motivated the reallocation.

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### Outlook

The investment team takes a long-term view when selecting stocks for the Fund. The market and economic conditions seen during the quarter have not changed this. We believe that some of the exciting long-term trends we have identified are likely to be accelerated by the recent pandemic – perhaps impacting consumption of online services most of all.

We continue to construct the Fund on a stock-by-stock basis. We have identified a steady stream of attractive growth businesses for possible inclusion in the Fund. These have come from an eclectic mix of geographies and sectors, and we expect this to continue. Looking at the Fund broadly, the main emerging themes include the online revolution, the rise of affluence, the use of technology in industry, and shifts in the world's demographics. While we do not take a thematic approach in constructing the Fund's portfolio, we believe these themes could potentially drive the future growth of the Fund's holdings.

We believe we have assembled a portfolio of high quality, sensibly managed businesses that are well-placed to weather a challenging business environment, but which are agile and ambitious enough to seize long-term growth opportunities.

## QUARTERLY ATTRIBUTION

As of 06/30/2021

### Best & Worst Performers

Best Performers	Average Weight %	Return %
Li Ning Company Limited	1.59	88.55
Contemporary Amperex Technology Co., Ltd. Class A	0.73	68.58
NIBE Industrier AB Class B	1.87	35.97
Shopify, Inc. Class A	2.60	32.04
Kering SA	1.13	27.10

Worst Performers	Average Weight %	Return %
Trainline Plc	0.80	-37.87
Pigeon Corporation	0.51	-25.07
AUTO1 Group SE	0.53	-22.68
HomeServe plc	0.60	-20.34
John Wood Group PLC	0.26	-18.71

### Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
Li Ning Company Limited	88.55	1.06
Shopify, Inc. Class A	32.04	0.65
Zalando SE	22.99	0.57
NIBE Industrier AB Class B	35.97	0.56
Contemporary Amperex Technology Co., Ltd	68.58	0.42
<b>Total</b>		<b>3.26</b>

Greatest Detractors	Return %	Contribution to Return %
Trainline Plc	-37.87	-0.39
Naspers Limited Class N	-12.21	-0.22
SoftBank Group Corp.	-17.03	-0.21
HomeServe plc	-20.34	-0.15
Pigeon Corporation	-25.07	-0.15
<b>Total</b>		<b>-1.12</b>

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### Quarterly Attribution:

#### Harbor International Growth Fund vs. MSCI All Country World Ex. US (ND) Index

03/31/2021 - 06/30/2021

#### Performance

	Portfolio	Benchmark	Active
Return ex Currency	6.45	4.75	1.71
Currency Contribution	0.41	0.73	-0.32
<b>Total Return</b>	<b>6.86</b>	<b>5.48</b>	<b>1.38</b>

#### 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	25.00	13.57	11.43	8.76	4.76	4.01	2.20	0.65	-0.01	0.99	0.98
Information Technology	15.85	12.62	3.23	8.87	6.98	1.89	1.38	0.86	0.02	0.28	0.31
Utilities	0.00	3.13	-3.13	0.00	-0.37	0.37	0.00	0.00	0.18	0.00	0.18
Communication Services	10.01	6.91	3.11	4.52	1.46	3.06	0.44	0.11	-0.11	0.29	0.18
Industrials	16.65	11.84	4.81	5.75	4.53	1.22	0.99	0.54	-0.05	0.22	0.17
Materials	2.70	8.47	-5.77	12.25	6.39	5.85	0.34	0.55	-0.06	0.18	0.12
Real Estate	0.00	2.59	-2.59	0.00	2.51	-2.51	0.00	0.07	0.08	0.00	0.08
Financials	8.71	18.91	-10.20	1.88	4.31	-2.43	0.19	0.84	0.12	-0.22	-0.10
Consumer Staples	9.23	8.49	0.74	6.21	7.66	-1.45	0.57	0.64	0.02	-0.13	-0.11
Health Care	10.04	9.00	1.04	8.24	9.85	-1.61	0.81	0.85	0.05	-0.16	-0.12
Energy	0.26	4.47	-4.21	-18.71	8.43	-27.14	-0.06	0.36	-0.12	-0.08	-0.20
[Cash]	1.55	0.00	1.55	-0.05	0.00	-0.05	0.00	0.00	-0.11	0.00	-0.11
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>6.86</b>	<b>5.48</b>	<b>1.38</b>	<b>6.86</b>	<b>5.48</b>	<b>0.01</b>	<b>1.37</b>	<b>1.38</b>



### Quarterly Attribution:

#### Harbor International Growth Fund vs. MSCI All Country World Ex. US (ND) Index

03/31/2021 - 06/30/2021

#### 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
China	9.46	10.79	-1.33	18.45	1.37	17.08	1.74	0.16	0.15	1.61	1.75
United States	8.00	0.00	8.00	14.44	0.00	14.44	1.07	0.00	0.61	0.00	0.61
Germany	9.88	5.92	3.96	10.50	4.70	5.80	1.01	0.29	-0.02	0.53	0.50
Sweden	6.13	2.31	3.82	12.09	5.47	6.62	0.73	0.13	0.00	0.39	0.39
Australia	4.14	4.47	-0.34	13.07	6.87	6.20	0.49	0.30	0.00	0.22	0.22
India	4.18	2.97	1.21	8.95	6.91	2.04	0.39	0.20	0.02	0.09	0.12
South Korea	1.01	4.09	-3.09	11.29	4.83	6.46	0.11	0.19	0.03	0.06	0.09
France	4.62	7.13	-2.51	12.90	9.07	3.82	0.57	0.64	-0.09	0.16	0.07
Thailand	0.00	0.54	-0.54	0.00	-4.87	4.87	0.00	-0.03	0.06	0.00	0.06
Portugal	0.90	0.11	0.80	9.69	-0.87	10.57	0.09	0.00	-0.04	0.09	0.05
Netherlands	4.33	2.71	1.62	7.05	7.30	-0.25	0.33	0.20	0.03	0.02	0.05
Indonesia	0.00	0.36	-0.36	0.00	-5.14	5.14	0.00	-0.02	0.04	0.00	0.04
Spain	1.39	1.56	-0.17	7.70	5.31	2.39	0.12	0.09	0.00	0.04	0.04
Chile	0.00	0.15	-0.15	0.00	-14.19	14.19	0.00	-0.02	0.03	0.00	0.03
Malaysia	0.00	0.41	-0.41	0.00	-2.46	2.46	0.00	-0.01	0.03	0.00	0.03
Italy	0.00	1.55	-1.55	0.00	3.64	-3.64	0.00	0.06	0.03	0.00	0.03
New Zealand	0.00	0.15	-0.15	0.00	-5.12	5.12	0.00	-0.01	0.02	0.00	0.02
Ireland	0.00	0.44	-0.44	0.00	2.41	-2.41	0.00	0.01	0.01	0.00	0.01
Peru	0.00	0.06	-0.06	0.00	-8.78	8.78	0.00	-0.01	0.01	0.00	0.01
Qatar	0.00	0.20	-0.20	0.00	2.21	-2.21	0.00	0.00	0.01	0.00	0.01
Turkey	0.00	0.08	-0.08	0.00	-0.48	0.48	0.00	0.00	0.01	0.00	0.01
Colombia	0.00	0.05	-0.05	0.00	-2.90	2.90	0.00	0.00	0.00	0.00	0.00
Egypt	0.00	0.02	-0.02	0.00	-9.23	9.23	0.00	0.00	0.00	0.00	0.00
Norway	0.00	0.39	-0.39	0.00	4.87	-4.87	0.00	0.02	0.00	0.00	0.00
Israel	0.00	0.37	-0.37	0.00	5.09	-5.09	0.00	0.02	0.00	0.00	0.00
Pakistan	0.00	0.01	-0.01	0.00	-6.65	6.65	0.00	0.00	0.00	0.00	0.00
Argentina	0.00	0.04	-0.04	0.00	5.79	-5.79	0.00	0.00	0.00	0.00	0.00
Greece	0.00	0.04	-0.04	0.00	8.18	-8.18	0.00	0.00	0.00	0.00	0.00
Czech Republic	0.00	0.03	-0.03	0.00	14.56	-14.56	0.00	0.00	0.00	0.00	0.00
Philippines	0.00	0.19	-0.19	0.00	7.55	-7.55	0.00	0.01	0.00	0.00	0.00
Kuwait	0.00	0.16	-0.16	0.00	9.52	-9.52	0.00	0.01	-0.01	0.00	-0.01
Hungary	0.00	0.07	-0.07	0.00	14.81	-14.81	0.00	0.01	-0.01	0.00	-0.01
Austria	0.00	0.12	-0.12	0.00	11.50	-11.50	0.00	0.01	-0.01	0.00	-0.01
United Arab Emirates	0.00	0.19	-0.19	0.00	11.18	-11.18	0.00	0.02	-0.01	0.00	-0.01
Belgium	0.00	0.60	-0.60	0.00	9.23	-9.23	0.00	0.05	-0.02	0.00	-0.02
Poland	0.00	0.21	-0.21	0.00	18.67	-18.67	0.00	0.04	-0.03	0.00	-0.03
Mexico	0.44	0.55	-0.10	3.72	9.14	-5.42	0.02	0.05	0.00	-0.02	-0.03
Saudi Arabia	0.00	0.86	-0.86	0.00	10.04	-10.04	0.00	0.08	-0.04	0.00	-0.04
Singapore	1.50	0.67	0.83	-0.76	0.47	-1.23	-0.01	0.00	-0.04	-0.02	-0.06
Switzerland	1.53	5.88	-4.35	25.62	11.53	14.08	0.36	0.65	-0.25	0.19	-0.06
Russia	0.00	0.98	-0.98	0.00	14.03	-14.03	0.00	0.13	-0.08	0.00	-0.08
Finland	1.20	0.65	0.55	-0.34	10.83	-11.17	0.00	0.07	0.03	-0.13	-0.10
Denmark	0.00	1.54	-1.54	0.00	13.06	-13.06	0.00	0.19	-0.11	0.00	-0.11
Brazil	1.00	1.50	-0.50	11.00	22.91	-11.91	0.10	0.31	-0.08	-0.11	-0.18
Taiwan	3.66	4.27	-0.61	1.89	7.09	-5.20	0.07	0.29	0.00	-0.20	-0.19
Hong Kong	4.31	2.70	1.61	1.89	7.11	-5.22	0.10	0.17	0.01	-0.21	-0.20
South Africa	1.66	1.16	0.50	-12.21	-1.45	-10.75	-0.22	-0.01	-0.03	-0.21	-0.24
Japan	17.76	14.78	2.98	-0.78	-0.28	-0.50	-0.17	-0.05	-0.18	-0.10	-0.28
Canada	0.59	6.92	-6.32	0.58	10.04	-9.46	0.01	0.68	-0.28	-0.05	-0.33
United Kingdom	10.76	9.04	1.72	-0.03	5.97	-6.00	-0.04	0.55	0.01	-0.68	-0.67
[Cash]	1.55	0.00	1.55	-0.05	0.00	-0.05	0.00	0.00	-0.11	0.00	-0.11
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>6.86</b>	<b>5.48</b>	<b>1.38</b>	<b>6.86</b>	<b>5.48</b>	<b>-0.26</b>	<b>1.64</b>	<b>1.38</b>



### Trailing 1 Year Attribution:

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

06/30/2020 - 06/30/2021

#### Performance

	Portfolio	Benchmark	Active
Return ex Currency	37.39	29.99	7.40
Currency Contribution	5.05	5.73	-0.68
<b>Total Return</b>	<b>42.43</b>	<b>35.72</b>	<b>6.71</b>

#### 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	9.35	9.62	-0.27	46.05	15.19	30.86	4.28	1.54	0.26	2.72	2.98
Consumer Discretionary	22.83	13.65	9.18	53.28	44.60	8.68	11.33	6.03	0.69	1.56	2.25
Industrials	16.88	11.75	5.12	44.02	40.57	3.45	7.63	4.73	0.25	0.77	1.02
Information Technology	17.21	12.09	5.11	54.53	56.51	-1.98	9.15	6.12	1.10	-0.15	0.94
Utilities	0.00	3.29	-3.29	0.00	14.54	-14.54	0.00	0.61	0.61	0.00	0.61
Communication Services	10.57	7.27	3.30	31.86	24.91	6.95	3.39	1.94	-0.21	0.62	0.41
Real Estate	0.00	2.65	-2.65	0.00	22.26	-22.26	0.00	0.63	0.34	0.00	0.34
Energy	0.28	4.42	-4.14	26.71	34.76	-8.05	0.09	1.40	0.16	0.01	0.17
Materials	2.48	8.10	-5.62	77.48	49.36	28.11	1.65	3.72	-0.64	0.54	-0.10
Consumer Staples	10.03	9.00	1.04	17.14	19.13	-1.99	1.98	1.86	-0.16	-0.14	-0.29
Financials	8.76	18.16	-9.40	32.28	40.69	-8.41	2.92	7.14	-0.37	-0.58	-0.95
[Cash]	1.62	0.00	1.62	0.55	0.00	0.55	0.02	0.00	-0.67	0.00	-0.67
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>42.43</b>	<b>35.72</b>	<b>6.71</b>	<b>42.43</b>	<b>35.72</b>	<b>1.36</b>	<b>5.36</b>	<b>6.71</b>





### Trailing 1 Year Attribution:

#### Harbor International Growth Fund vs. MSCI All Country World Ex. US (ND) Index

06/30/2020 - 06/30/2021

#### 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
China	7.99	11.97	-3.98	75.16	26.09	49.06	5.20	3.63	0.05	3.19	3.24
Taiwan	3.89	4.02	-0.13	114.53	70.46	44.08	3.68	2.38	0.11	1.17	1.28
Switzerland	1.32	6.14	-4.82	91.81	24.32	67.48	0.96	1.53	0.58	0.62	1.20
Sweden	5.68	2.16	3.52	67.70	53.85	13.85	3.39	1.08	0.54	0.55	1.10
Germany	9.89	5.92	3.97	39.81	31.79	8.02	4.09	1.91	-0.20	0.98	0.78
Hong Kong	4.09	2.30	1.79	56.95	35.27	21.68	2.14	0.75	-0.05	0.79	0.74
United States	9.08	0.00	9.08	44.56	0.00	44.56	3.91	0.00	0.57	0.00	0.57
Netherlands	3.56	2.68	0.88	64.30	49.62	14.68	1.93	1.25	0.11	0.34	0.45
Australia	4.29	4.39	-0.10	53.60	39.64	13.96	2.14	1.68	0.01	0.44	0.45
Thailand	0.00	0.56	-0.56	0.00	7.01	-7.01	0.00	0.04	0.17	0.00	0.17
Malaysia	0.00	0.46	-0.46	0.00	3.76	-3.76	0.00	0.04	0.14	0.00	0.14
India	4.09	2.72	1.37	51.61	56.36	-4.75	2.03	1.36	0.26	-0.14	0.12
Indonesia	0.00	0.40	-0.40	0.00	7.61	-7.61	0.00	0.05	0.10	0.00	0.10
New Zealand	0.00	0.18	-0.18	0.00	-5.02	5.02	0.00	0.00	0.07	0.00	0.07
Spain	1.33	1.52	-0.18	36.14	30.67	5.47	0.48	0.49	0.01	0.06	0.07
Turkey	0.00	0.10	-0.10	0.00	-13.01	13.01	0.00	-0.02	0.06	0.00	0.06
Israel	0.00	0.38	-0.38	0.00	22.46	-22.46	0.00	0.09	0.05	0.00	0.05
Philippines	0.00	0.22	-0.22	0.00	14.33	-14.33	0.00	0.04	0.05	0.00	0.05
Qatar	0.00	0.22	-0.22	0.00	15.13	-15.13	0.00	0.04	0.04	0.00	0.04
Belgium	0.00	0.61	-0.61	0.00	28.50	-28.50	0.00	0.18	0.04	0.00	0.04
Chile	0.00	0.16	-0.16	0.00	23.42	-23.42	0.00	0.04	0.02	0.00	0.02
Peru	0.00	0.07	-0.07	0.00	9.63	-9.63	0.00	0.01	0.02	0.00	0.02
Egypt	0.00	0.03	-0.03	0.00	-13.41	13.41	0.00	0.00	0.02	0.00	0.02
Poland	0.00	0.21	-0.21	0.00	26.72	-26.72	0.00	0.06	0.01	0.00	0.01
Colombia	0.00	0.05	-0.05	0.00	17.97	-17.97	0.00	0.01	0.01	0.00	0.01
Argentina	0.00	0.04	-0.04	0.00	28.56	-28.56	0.00	0.01	0.00	0.00	0.00
Greece	0.00	0.04	-0.04	0.00	31.97	-31.97	0.00	0.01	0.00	0.00	0.00
Pakistan	0.00	0.01	-0.01	0.00	13.15	-13.15	0.00	0.00	0.00	0.00	0.00
Czech Republic	0.00	0.03	-0.03	0.00	52.11	-52.11	0.00	0.01	0.00	0.00	0.00
Kuwait	0.00	0.09	-0.09	0.00	19.01	-19.01	0.00	0.03	0.00	0.00	0.00
Hungary	0.00	0.06	-0.06	0.00	46.07	-46.07	0.00	0.03	0.00	0.00	0.00
Russia	0.00	0.92	-0.92	0.00	38.64	-38.64	0.00	0.33	-0.01	0.00	-0.01
United Arab Emirates	0.00	0.17	-0.17	0.00	50.36	-50.36	0.00	0.08	-0.02	0.00	-0.02
Italy	0.00	1.50	-1.50	0.00	36.64	-36.64	0.00	0.55	-0.02	0.00	-0.02
France	4.87	6.93	-2.06	37.40	40.79	-3.39	1.94	2.77	-0.18	0.15	-0.03
Austria	0.00	0.11	-0.11	0.00	70.89	-70.89	0.00	0.07	-0.03	0.00	-0.03
Norway	0.00	0.37	-0.37	0.00	49.64	-49.64	0.00	0.17	-0.04	0.00	-0.04
Singapore	1.48	0.67	0.81	29.31	28.68	0.63	0.42	0.19	-0.07	0.00	-0.07
Mexico	0.44	0.52	-0.08	40.27	55.86	-15.59	0.17	0.27	-0.01	-0.05	-0.07
Saudi Arabia	0.00	0.80	-0.80	0.00	49.26	-49.26	0.00	0.35	-0.07	0.00	-0.07
Finland	1.30	0.65	0.65	21.32	34.70	-13.37	0.38	0.22	0.02	-0.11	-0.09
Japan	18.32	15.68	2.64	24.87	24.84	0.03	5.05	4.22	-0.33	0.21	-0.12
Denmark	0.00	1.55	-1.55	0.00	44.17	-44.17	0.00	0.68	-0.12	0.00	-0.12
Brazil	1.04	1.48	-0.44	22.70	46.55	-23.85	0.27	0.64	-0.02	-0.21	-0.24
Ireland	1.01	0.44	0.58	7.59	39.58	-31.99	0.29	0.18	-0.01	-0.25	-0.27
Portugal	0.96	0.11	0.85	7.51	11.43	-3.92	0.05	0.01	-0.17	-0.11	-0.29
South Africa	1.69	1.11	0.58	15.51	39.89	-24.38	0.28	0.44	0.04	-0.42	-0.37
United Kingdom	10.58	8.81	1.78	25.72	31.29	-5.57	2.91	2.75	-0.17	-0.23	-0.40
Canada	0.52	6.57	-6.05	45.44	45.84	-0.40	0.21	2.82	-0.45	-0.03	-0.47
South Korea	0.96	3.89	-2.93	67.20	66.20	1.00	0.52	2.23	-0.68	-0.01	-0.69
[Cash]	1.62	0.00	1.62	0.55	0.00	0.55	0.02	0.00	-0.67	0.00	-0.67
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>42.43</b>	<b>35.72</b>	<b>6.71</b>	<b>42.43</b>	<b>35.72</b>	<b>-0.22</b>	<b>6.94</b>	<b>6.71</b>

### 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.

### Disclosures

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.

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 02/28/2022.

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.

The mean/median long term growth rate for Projected Earnings Growth Rate is the expected growth over the next 3-5 years calculated by FactSet from data provided by brokers. 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.

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 subadviser 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 Harbor fund before investing. To obtain a summary prospectus or prospectus for this and other information, visit [harborfunds.com](http://harborfunds.com) or call 800-422-1050. Read it carefully before investing.**

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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.