

Harbor Convertible Securities Fund

Shenkman Capital Management, Inc.

Subadviser Since 05/01/2011

Total Net Assets – All Classes	\$169,345,518
Fixed Income Assets:	96.98%
Cash & Other Assets Less Liabilities:	3.02%
Benchmark Name:	ICE BofA US Convertible Ex Mandatory Index

Portfolio Managers



Mark R. Shenkman



Justin W. Slatky



Jordan N. Barrow, CFA



Thomas Whitley, CFA

Investment Philosophy

The Fund invests primarily in convertible securities of U.S. and non-U.S. corporate issuers. Convertible securities are "hybrid" securities that possess both fixed income and equity characteristics, and include corporate bonds, preferred stocks and other types of securities that are convertible into common stock or its equivalent value. While the Fund has broad discretion to invest in all types of convertible securities, the Fund focuses primarily on investments in convertible bonds. The Fund also focuses primarily on convertible securities of corporate issuers with debt rated below investment grade, commonly referred to as "high yield" or "junk bonds." The Fund invests primarily in U.S. dollar denominated securities; however the Fund may invest in securities denominated in other currencies.

CHARACTERISTICS & ALLOCATION

As of 06/30/2022

Portfolio Characteristics

	Portfolio	Benchmark
Number of Bonds	151	489
Wtd. Avg. Maturity (yrs)	3.47	13.22
Convertible Avg. Price (\$)	94.50	95.31
Avg. Issue Size (MM)	737.67	866.31
Beta vs. Fund Benchmark	0.74	
Current 30-Day Yield %	2.39	
Current 30-Day Un-Sub Yield %	2.34	

Economic Sectors

	Portfolio %
Information Technology	42.40
Health Care	16.82
Consumer Discretionary	16.11
Communication Services	9.62
Industrials	6.76
Financials	2.35
Energy	1.09
Real Estate	0.97
Utilities	0.75
Consumer Staples	0.48
Materials	0.00

Top 10 Issues

	Portfolio %
BioMarin Pharmaceutical	1.62
Jazz Investments I Ltd.	1.58
CYBERARK SOFTWARE LTD 1	1.42
OKTA INC 06/26 0.375	1.37
Pure Storage Inc.	1.32
IMAX CORP 04/26 0.5	1.27
NUVASIVE INC SR UNSECUR	1.23
ENVESTNET INC 08/25 0.7	1.23
Dish Network Corp.	1.23
Q2 Holdings Inc.	1.18
Total	13.45

Credit Quality

	Portfolio %
US Govt/Agency	0.00
AAA	0.00
AA	0.00
A	1.76
BBB	3.93
BB	0.89
B	0.78
CCC	1.25
CC	0.00
C	0.00
Below C	0.00
Non-Rated	88.75

Maturity

	Portfolio %
0-1 yr	5.07
1-3 yr	27.32
3-5 yr	54.92
5-7 yr	9.80
7-10 yr	0.24
10-20 yr	0.00
20-30 yr	0.00
Over 30 yr	0.00

Duration

	Portfolio %
0-1 yr	12.57
1-3 yr	64.57
3-5 yr	20.20
5-7 yr	0.00
7-10 yr	0.00
10-20 yr	0.00
20-30 yr	0.00
Over 30 yr	0.00



Trusted Partnerships > Trusted Solutions



Performance

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	HAC SX	411512734	-13.14%	-16.39%	-17.59%	5.77%	6.47%	6.27%	5.56%	05/01/11	0.76	0.81
Administrative Investor	HRCSX	411512726	-13.14%	-16.42%	-17.67%	5.54%	6.16%	5.98%	5.28%	05/01/11	1.01	1.06
Investor	HICSX	411512718	-13.24%	-16.52%	-17.88%	5.39%	6.07%	5.88%	5.17%	05/01/11	1.12	1.17
Retirement	HNCVX	411512387	-13.11%	-16.34%	-17.44%	5.92%	6.57%	6.33%	5.62%	03/01/16	0.68	0.73
ICE BofA US Convertible Ex Mandatory Index			-16.24%	-20.80%	-22.73%	10.44%	10.53%	11.04%	9.45%	05/01/11		

MANAGER COMMENTARY

As of 06/30/2022

“With much of the market trading below par, the importance of credit underwriting in this environment remains even more important.”

Shenkman Capital Management, Inc.

Market in Review

The second quarter of 2022 brought weakness in both the fixed income and equity markets. Inflation woes continued from the first quarter, as oil reached historically high prices on the back of the war in Ukraine and the Consumer Price Index (CPI) continued to track well above target rates. As the quarter progressed, elevated costs, reduced sentiment, and hawkish Federal Reserve (Fed) commentary contributed to increased expectations of recession. Companies started to announce hiring freezes and layoffs with attention pivoting toward costs as opposed to growth.

For the second quarter in a row, higher-growth companies and smaller-cap companies underperformed, which maintained a headwind for the convertible market. The second quarter saw both meaningful spread widening and increased Treasury rates, with the U.S. 10-year rising from 2.3% to 3.0%. Although convertible bonds typically have shorter duration and shorter maturities than other fixed-income markets, this interest-rate volatility was another detractor from convertible performance.

Portfolio Performance

During the second quarter of 2022, the Harbor Convertible Securities Fund (Institutional Class, “Fund”) returned -13.14%, outperforming its benchmark, the ICE BofA US Convertible Ex Mandatory Index, which returned -16.24%.

As in the first quarter, the Fund continues to benefit from our focus on balanced convertible bonds and high-quality credit profiles. We continue to expect dispersion to remain elevated around earnings and will remain diligent in our Fund management.

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



Portfolio Positioning

As a matter of style, we do not position the Fund relative to the unconstrained benchmark.

Strong performance in the Information Technology, Consumer Discretionary, and Communication Services sectors drove most of the Fund's outperformance during the quarter, while positioning in Financials was one of the main detractors.

Lower bond prices, a greater range of prices available in the secondary market, and heightened volatility have allowed us to remain active in managing the Fund despite a continued slowdown in new issuance. The U.S. market saw only \$3.7 billion of incremental paper in the second quarter, down from the \$6 billion in the first quarter and \$18 billion one year ago.

Contributors & Detractors

The two largest contributors to performance during the quarter were EQT and FTI Consulting. EQT, an integrated energy company with an emphasis on Appalachian-area natural gas, benefited from elevated natural gas prices. FTI Consulting, a corporate finance and restructuring consulting firm, benefited from increased demand expectations for their services as recession risks increased.

The two largest detractors to performance in the quarter were the DISH Network and Splunk. DISH Network, a direct satellite subscription television provider, saw weakness related to potential uncertainty on their wireless network buildout and the associated financing sources. Splunk, an enterprise software company, was hurt by an overall shift in market valuations for higher-growth businesses despite having better-than-expected earnings results for the third quarter in a row.

Buys & Sells

During the second quarter, we were able to reestablish a position in Varonis Systems, a name we exited in 2021 at a much higher price. Varonis was hurt by a market re-rating that disproportionately hurt high-growth companies, despite what we considered solid fundamentals and an improved credit profile. We believe our entry point was accretive to our overall goal of maintaining a balanced and high-credit quality portfolio. Varonis provides enterprise cybersecurity software, an end market that we believe will be defensive even in a recession.

During this period, we exited our position in Wix, a global provider of website-building software for small businesses. Although we continue to believe Wix has a strong credit profile, due to its exposure to small businesses and more macro risk than typical software companies, we believed we were able to find better balanced risk-reward opportunities elsewhere in the Fund.

Outlook

We believe that increased costs in the form of funding, labor, commodities, and logistics will continue to cause dispersion in fundamental results for the rest of this year. With much of the market trading below par, the importance of credit underwriting in this environment remains even more important. Increased uncertainty in the market has likely become a headwind to the M&A-deal formation from the start of the year, but we continue to expect a healthy M&A environment for the remainder of the year, as the pullback in valuations has likely increased strategic and private-equity deal pipelines. We continue to strive to invest in balanced convertible securities with high-quality credit profiles that we believe can help us achieve favorable risk-adjusted returns.



Top & Bottom Industry Returns

Top Industries	Return %
Oil, Gas & Consumable Fuels	8.62
Professional Services	1.87
Aerospace & Defense	-0.31

Bottom Industries	Return %
Food Products	-35.29
Consumer Finance	-25.67
Leisure Products	-23.62

Contributors & Detractors

Greatest Contributors	Return (bps)
Eqt Corporation	10
FTI Consulting	9
Pioneer Natural Resources Company	4

Greatest Detractors	Return (bps)
DISH Network	-37
Rapid7 Inc.	-33
Splunk Inc.	-33



Quarterly Attribution: Harbor Convertible Securities Fund vs. ICE BofA US Convertible Excluding Mandatory Index

03/31/2022-06/30/2022

Sector	HARBOR CONVERTIBLE SECURITIES FUND				ICE BofA US Convertible Excluding Mandatory Index				Attribution		
	Average Weight	Port. Ending Weight	Port. Total Return	Contr. To Return	Bench. Average Weight	Bench. Ending Weight	Bench. Total Return	Contr. To Return	Allocation Effect	Selection + Interaction	Total Effect
Communication Services	11.17	9.62	-13.34	-1.59	11.70	10.94	-17.69	-2.09	0.02	0.51	0.54
Consumer Discretionary	16.74	16.11	-16.17	-2.82	13.80	12.89	-22.15	-3.22	-0.17	1.06	0.89
Consumer Staples	0.53	0.48	-27.15	-0.17	0.92	0.95	-13.41	-0.13	-0.01	-0.08	-0.09
Energy	1.38	1.09	8.62	0.14	3.91	3.52	-6.99	-0.31	-0.14	0.11	-0.03
Financials	1.94	2.35	-19.17	-0.41	8.04	8.35	-9.53	-0.72	-0.39	-0.20	-0.60
Health Care	15.47	16.82	-12.62	-1.92	15.80	16.10	-12.20	-1.85	0.03	-0.09	-0.06
Industrials	6.46	6.76	-8.65	-0.53	7.20	7.30	-14.41	-1.04	-0.01	0.36	0.36
Information Technology	41.47	42.40	-13.26	-5.39	33.62	33.45	-17.78	-5.95	-0.09	1.85	1.76
Materials	--	--	--	--	1.52	1.35	-29.91	-0.50	0.23	--	0.23
Real Estate	1.06	0.97	-22.39	-0.26	2.01	1.94	-18.92	-0.40	0.03	-0.04	-0.01
Utilities	0.69	0.75	-8.66	-0.05	1.00	1.08	-6.32	-0.06	-0.03	-0.01	-0.04
[Cash]	3.10	2.65	0.15	0.00	0.47	2.14	--	--	0.29	-0.00	0.29



**Quarterly Attribution:
Industry Attribution**
03/31/2022-06/30/2022

Industry	HARBOR CONVERTIBLE SECURITIES FUND				ICE BofA US Convertible Excluding Mandatory Index				Attribution		
	Average Weight	Port. Ending Weight	Port. Total Return	Contr. To Return	Bench. Average Weight	Bench. Ending Weight	Bench. Total Return	Contr. To Return	Allocation Effect	Selection + Interaction	Total Effect
Aerospace & Defense	0.84	0.92	-0.31	-0.01	0.48	0.50	-12.00	-0.06	0.02	0.09	0.11
Air Freight & Logistics	--	--	--	--	0.30	0.28	-16.19	-0.05	0.00	--	0.00
Airlines	2.23	2.45	-12.44	-0.27	1.99	1.89	-15.16	-0.32	0.01	0.06	0.07
Auto Components	0.84	0.87	-5.69	-0.05	0.61	0.52	-19.10	-0.12	-0.01	0.11	0.09
Automobiles	1.64	1.71	-15.00	-0.26	2.21	2.04	-25.02	-0.59	0.06	0.18	0.23
Banks	0.39	0.39	-7.15	-0.03	3.67	3.93	-6.30	-0.19	-0.32	-0.00	-0.32
Beverages	--	--	--	--	0.10	0.11	5.90	0.00	-0.02	--	-0.02
Biotechnology	3.68	3.76	-11.10	-0.40	5.44	5.60	-6.94	-0.35	-0.15	-0.15	-0.29
Capital Markets	--	--	--	--	1.42	1.33	-19.30	-0.28	0.04	--	0.04
Chemicals	--	--	--	--	0.55	0.51	-22.09	-0.13	0.03	--	0.03
Commercial Services & Supplies	--	--	--	--	0.16	0.17	-3.69	-0.01	-0.02	--	-0.02
Communications Equipment	1.18	1.15	-12.03	-0.14	1.67	1.72	-13.27	-0.21	-0.01	0.01	0.00
Construction & Engineering	--	--	--	--	0.44	0.43	-14.49	-0.07	-0.01	--	-0.01
Consumer Finance	1.11	0.94	-25.67	-0.35	1.11	1.11	-16.33	-0.19	-0.01	-0.13	-0.13
Diversified Consumer Services	2.33	1.80	-7.52	-0.17	0.87	0.94	-7.91	-0.06	0.11	0.01	0.12
Diversified Telecommunication Services	0.19	0.19	-3.96	-0.01	0.29	0.31	-5.05	-0.01	-0.01	0.00	-0.01
Electrical Equipment	--	--	--	--	1.01	1.03	-24.35	-0.25	0.09	--	0.09
Electronic Equipment, Instruments & Components	1.58	1.56	-13.29	-0.22	1.00	1.02	-12.19	-0.12	0.02	-0.02	-0.00
Energy Equipment & Services	--	--	--	--	0.51	0.50	-11.17	-0.06	-0.02	--	-0.02
Entertainment	4.87	4.14	-8.75	-0.44	3.17	2.55	-14.42	-0.43	0.03	0.29	0.32
Equity Real Estate Investment Trusts (REITs)	--	--	--	--	1.20	1.16	-16.73	-0.21	0.01	--	0.01
Food & Staples Retailing	--	--	--	--	0.07	0.08	5.39	0.00	-0.02	--	-0.02
Food Products	0.37	0.31	-35.29	-0.16	0.22	0.20	-35.29	-0.10	-0.04	-0.00	-0.04
Health Care Equipment & Supplies	5.61	6.90	-15.98	-0.88	4.58	4.44	-20.17	-0.95	0.04	0.19	0.24
Health Care Providers & Services	0.94	0.89	-12.77	-0.13	1.32	1.33	-12.79	-0.17	-0.01	0.00	-0.01
Health Care Technology	1.62	1.62	-20.98	-0.34	1.30	1.37	-13.29	-0.16	0.01	-0.13	-0.12
Hotels, Restaurants & Leisure	8.69	8.58	-18.15	-1.66	5.44	5.14	-22.40	-1.29	-0.20	0.39	0.20
Household Durables	--	--	--	--	0.06	0.06	-21.98	-0.02	0.00	--	0.00
Independent Power and Renewable Electricity Producers	0.69	0.75	-8.66	-0.05	0.72	0.78	-5.43	-0.03	-0.01	-0.02	-0.02
Insurance	--	--	--	--	0.06	0.11	-0.10	0.00	-0.01	--	-0.01
Interactive Media & Services	3.58	3.40	-18.88	-0.71	4.26	4.15	-21.77	-0.97	0.05	0.11	0.15
Internet & Direct Marketing Retail	2.20	2.30	-19.34	-0.45	2.50	2.44	-24.35	-0.64	0.03	0.12	0.15
IT Services	7.27	7.71	-13.81	-1.02	6.85	6.80	-20.17	-1.39	-0.03	0.48	0.45
Leisure Products	0.60	0.53	-23.62	-0.16	0.46	0.44	-19.45	-0.10	-0.00	-0.02	-0.03
Life Sciences Tools & Services	0.90	0.89	-12.59	-0.11	0.81	0.84	-14.60	-0.11	0.00	0.02	0.02
Machinery	1.49	1.45	-14.19	-0.22	1.36	1.47	-8.48	-0.11	0.01	-0.08	-0.07
Marine	--	--	--	--	0.06	0.05	-16.53	-0.01	0.00	--	0.00
Media	2.53	1.88	-15.51	-0.42	3.94	3.93	-16.69	-0.67	0.04	0.04	0.08
Metals & Mining	--	--	--	--	0.97	0.83	-33.90	-0.37	0.19	--	0.19
Mortgage Real Estate Investment Trusts (REITs)	0.43	1.03	-5.99	-0.04	1.55	1.63	-3.87	-0.06	-0.14	-0.02	-0.15
Multi-Utilities	--	--	--	--	0.28	0.30	-8.53	-0.02	-0.02	--	-0.02
Oil, Gas & Consumable Fuels	1.38	1.09	8.62	0.14	3.40	3.02	-6.42	-0.25	-0.10	0.09	-0.00
Personal Products	0.17	0.17	-4.67	-0.01	0.46	0.50	-8.32	-0.03	-0.02	0.01	-0.02
Pharmaceuticals	2.72	2.76	-2.15	-0.06	2.35	2.52	-5.22	-0.11	0.04	0.07	0.12
Professional Services	1.21	1.27	1.87	0.03	0.69	0.76	-2.57	-0.01	0.07	0.05	0.11
Real Estate Management & Development	1.06	0.97	-22.39	-0.26	0.81	0.78	-21.96	-0.19	-0.01	-0.01	-0.02
Road & Rail	0.69	0.67	-10.81	-0.07	0.71	0.70	-20.44	-0.15	0.00	0.07	0.07
Semiconductors & Semiconductor Equipment	4.92	4.97	-10.65	-0.50	3.26	3.25	-18.02	-0.58	-0.02	0.35	0.33
Software	24.17	24.42	-13.61	-3.21	19.79	19.51	-17.85	-3.53	-0.03	0.99	0.96
Specialty Retail	0.44	0.32	-18.30	-0.07	1.60	1.27	-23.30	-0.39	0.09	0.02	0.11
Technology Hardware, Storage & Peripherals	2.35	2.59	-13.45	-0.30	1.05	1.15	-11.02	-0.11	0.07	-0.05	0.02
Textiles, Apparel & luxury goods	--	--	--	--	0.04	0.04	-37.55	-0.02	0.01	--	0.01
Thriffs & Mortgage Finance	--	--	--	--	0.24	0.23	-4.10	-0.01	-0.03	--	-0.03
Tobacco	--	--	--	--	0.07	0.07	-7.06	-0.00	-0.01	--	-0.01
Wireless Telecommunication Services	--	--	--	--	0.04	--	-3.15	-0.00	-0.00	--	-0.00
[Cash]	3.10	2.65	0.15	0.00	0.47	2.14	--	--	0.29	-0.00	0.29
Total	100.00	100.00	-13.01	-13.01	100.00	100.00	-16.24	-16.24	0.29	2.94	3.24



Trailing 1 Year Attribution: Harbor Convertible Securities Fund vs. ICE BofA US Convertible Excluding Mandatory Index

06/30/2021 - 06/30/2022

Sector	HARBOR CONVERTIBLE SECURITIES FUND				ICE BofA US Convertible Excluding Mandatory Index				Attribution		
	Average Weight	Port. Ending Weight	Port. Total Return	Contr. To Return	Bench. Average Weight	Bench. Ending Weight	Bench. Total Return	Contr. To Return	Allocation Effect	Selection + Interaction	Total Effect
Communication Services	12.88	9.62	-17.20	-2.15	12.06	10.94	-31.16	-3.72	-0.03	1.85	1.83
Consumer Discretionary	17.52	16.11	-27.07	-4.96	15.02	12.89	-34.77	-5.49	-0.39	1.58	1.19
Consumer Staples	0.80	0.48	-54.01	-0.51	1.09	0.95	-26.10	-0.26	-0.02	-0.28	-0.30
Energy	2.04	1.09	37.06	0.65	2.90	3.52	25.72	0.39	-0.22	-0.03	-0.25
Financials	2.47	2.35	-18.01	-0.38	8.32	8.35	-14.59	-1.17	-0.48	-0.03	-0.51
Health Care	14.70	16.82	-16.78	-2.51	15.69	16.10	-21.36	-3.18	0.07	0.60	0.68
Industrials	6.52	6.76	-5.78	-0.38	6.91	7.30	-18.21	-1.30	-0.04	0.75	0.70
Information Technology	36.73	42.40	-15.92	-6.24	32.94	33.45	-20.89	-7.04	0.08	1.90	1.98
Materials	--	--	--	--	1.37	1.35	-14.06	-0.28	-0.10	--	-0.10
Real Estate	1.88	0.97	-35.71	-0.45	2.14	1.94	-26.53	-0.57	0.04	-0.11	-0.07
Utilities	0.65	0.75	-3.98	-0.02	0.95	1.08	-12.30	-0.10	-0.03	0.05	0.01
[Cash]	3.80	2.65	0.22	0.00	0.60	2.14	--	--	0.60	0.00	0.60



Trailing 1 Year Attribution: Industry Attribution

06/30/2021 - 06/30/2022

Industry	HARBOR CONVERTIBLE SECURITIES FUND				ICE BofA US Convertible Excluding Mandatory Index				Attribution		
	Average Weight	Port. Ending Weight	Port. Total Return	Contr. To Return	Bench. Average Weight	Bench. Ending Weight	Bench. Total Return	Contr. To Return	Allocation Effect	Selection + Interaction	Total Effect
Aerospace & Defense	0.55	0.92	-0.43	0.00	0.37	0.50	-17.09	-0.06	0.02	0.10	0.12
Air Freight & Logistics	--	--	--	--	0.32	0.28	-3.69	-0.02	-0.05	--	-0.05
Airlines	2.00	2.45	-18.29	-0.38	1.97	1.89	-22.81	-0.46	0.02	0.09	0.11
Auto Components	0.62	0.87	-17.68	-0.11	0.52	0.52	-15.99	-0.13	0.02	0.01	0.03
Automobiles	1.58	1.71	-18.05	-0.35	2.23	2.04	-11.61	-0.45	-0.04	-0.07	-0.11
Banks	0.37	0.39	-4.16	-0.02	3.61	3.93	-13.70	-0.46	-0.29	0.03	-0.26
Beverages	--	--	--	--	0.05	0.11	11.15	0.01	-0.03	--	-0.03
Biotechnology	3.31	3.76	-17.28	-0.59	5.38	5.60	-20.87	-1.02	0.01	0.07	0.08
Capital Markets	0.45	--	31.17	0.19	1.84	1.33	-20.77	-0.31	-0.02	0.16	0.14
Chemicals	--	--	--	--	0.41	0.51	-7.01	-0.15	0.01	--	0.01
Commercial Services & Supplies	--	--	--	--	0.16	0.17	4.40	0.00	-0.04	--	-0.04
Communications Equipment	0.87	1.15	-6.75	-0.12	1.39	1.72	-12.06	-0.21	-0.06	0.03	-0.03
Construction & Engineering	0.26	--	-1.39	-0.01	0.37	0.43	2.82	-0.01	-0.07	-0.03	-0.10
Consumer Finance	1.04	0.94	-38.27	-0.52	1.05	1.11	-26.89	-0.35	0.00	-0.16	-0.15
Diversified Consumer Services	1.89	1.80	-18.31	-0.34	0.91	0.94	-35.30	-0.30	-0.05	0.31	0.26
Diversified Telecommunication Services	0.29	0.19	-13.65	-0.04	0.29	0.31	-44.78	-0.13	-0.03	0.12	0.09
Electrical Equipment	0.19	--	-11.05	-0.03	0.93	1.03	-38.50	-0.39	0.14	0.01	0.15
Electronic Equipment, Instruments & Components	1.71	1.56	-15.38	-0.26	0.94	1.02	-19.42	-0.18	0.01	0.07	0.08
Energy Equipment & Services	--	--	--	--	0.47	0.50	-10.37	-0.05	-0.06	--	-0.06
Entertainment	5.82	4.14	-2.68	-0.16	3.08	2.55	-8.67	-0.27	0.37	0.27	0.64
Equity Real Estate Investment Trusts (REITs)	0.27	--	8.67	0.05	1.29	1.16	-13.07	-0.16	-0.10	0.04	-0.06
Food & Staples Retailing	--	--	--	--	0.07	0.08	7.82	0.01	-0.02	--	-0.02
Food Products	0.63	0.31	-62.23	-0.49	0.51	0.20	-45.69	-0.17	-0.06	-0.20	-0.26
Health Care Equipment & Supplies	5.29	6.90	-17.57	-0.94	4.55	4.44	-22.99	-1.06	0.05	0.26	0.31
Health Care Providers & Services	0.99	0.89	-25.20	-0.26	1.29	1.33	-26.70	-0.35	0.01	0.02	0.03
Health Care Technology	1.57	1.62	-21.26	-0.33	1.40	1.37	-26.43	-0.35	0.00	0.11	0.11
Hotels, Restaurants & Leisure	9.22	8.58	-25.14	-2.37	5.40	5.14	-30.07	-1.71	-0.20	0.44	0.24
Household Durables	--	--	--	--	0.10	0.06	-35.98	-0.03	0.01	--	0.01
Independent Power and Renewable Electricity Producers	0.65	0.75	-3.98	-0.02	0.66	0.78	-4.51	-0.03	-0.00	0.00	-0.00
Insurance	--	--	--	--	0.06	0.11	15.88	0.01	-0.02	--	-0.02
Interactive Media & Services	3.52	3.40	-32.35	-1.26	4.73	4.15	-47.17	-2.33	0.38	0.62	1.00
Internet & Direct Marketing Retail	2.26	2.30	-38.87	-1.02	3.08	2.44	-49.25	-1.66	0.20	0.33	0.53
IT Services	6.14	7.71	-26.44	-1.78	6.77	6.80	-31.59	-2.26	0.11	0.43	0.53
Leisure Products	0.63	0.53	-34.67	-0.24	0.46	0.44	-34.11	-0.17	-0.02	-0.00	-0.02
Life Sciences Tools & Services	0.97	0.89	-22.03	-0.20	0.87	0.84	-30.95	-0.26	-0.01	0.09	0.08
Machinery	1.82	1.45	-4.64	-0.09	1.43	1.47	-6.46	-0.11	0.01	0.09	0.10
Marine	--	--	--	--	0.06	0.05	21.19	0.01	-0.02	--	-0.02
Media	3.25	1.88	-23.28	-0.69	3.90	3.93	-25.61	-1.02	0.06	0.08	0.14
Metals & Mining	--	--	--	--	0.97	0.83	-9.24	-0.13	-0.12	--	-0.12
Mortgage Real Estate Investment Trusts (REITs)	0.61	1.03	-7.04	-0.03	1.48	1.63	-3.18	-0.05	-0.16	-0.01	-0.18
Multi-Utilities	--	--	--	--	0.30	0.30	-27.54	-0.08	0.01	--	0.01
Oil, Gas & Consumable Fuels	2.04	1.09	37.06	0.65	2.42	3.02	34.84	0.44	-0.02	-0.17	-0.19
Personal Products	0.17	0.17	-16.12	-0.03	0.39	0.50	-25.12	-0.10	-0.01	0.01	0.01
Pharmaceuticals	2.57	2.76	-8.26	-0.18	2.19	2.52	-8.12	-0.15	0.06	0.00	0.07
Professional Services	1.12	1.27	28.67	0.26	0.57	0.76	8.03	0.04	0.14	0.16	0.30
Real Estate Management & Development	1.61	0.97	-39.76	-0.50	0.85	0.78	-44.26	-0.41	-0.13	0.12	-0.01
Road & Rail	0.58	0.67	-21.10	-0.14	0.74	0.70	-35.98	-0.28	0.04	0.09	0.14
Semiconductors & Semiconductor Equipment	4.72	4.97	-5.00	-0.30	3.31	3.25	-11.05	-0.41	0.16	0.23	0.39
Software	21.09	24.42	-16.57	-3.66	19.63	19.51	-19.62	-3.87	0.08	0.67	0.75
Specialty Retail	1.33	0.32	-43.53	-0.52	2.24	1.27	-45.75	-1.01	0.28	-0.03	0.25
Technology Hardware, Storage & Peripherals	2.20	2.59	-4.00	-0.12	0.90	1.15	-9.74	-0.11	0.17	0.09	0.26
Textiles, Apparel & luxury goods	--	--	--	--	0.07	0.04	-46.92	-0.02	0.00	--	0.00
Thrifts & Mortgage Finance	--	--	--	--	0.27	0.23	-3.54	-0.01	-0.05	--	-0.05
Tobacco	--	--	--	--	0.06	0.07	-17.91	-0.01	-0.00	--	-0.00
Wireless Telecommunication Services	--	--	--	--	0.07	--	62.26	0.04	-0.05	--	-0.05
[Cash]	3.80	2.65	0.22	0.00	0.60	2.14	--	--	0.60	0.00	0.60
Total	100.00	100.00	-16.97	-16.97	100.00	100.00	-22.73	-22.73	0.60	5.16	5.77

Risks

There is no guarantee that the investment objective of the Fund will be achieved. Convertible securities generally tend to be of lower credit quality and the value of a convertible security generally increases and decreases with the value of the underlying common stock, but may also be sensitive to changes in interest rates. As interest rates rise, the values of convertible securities held by the Fund are likely to decrease and reduce the value of the Fund's portfolio. Credit risk is higher for the Fund because it invests primarily in convertible securities of companies with debt rated below investment grade. High yield investing poses additional credit risk related to lower-rated bonds.

Disclosures

The ICE BofA US Convertible Ex Mandatory Index is broadly representative of the U.S. convertible securities market, consisting of publicly traded issues, denominated in U.S. Dollars, of all credit qualities, and excluding mandatory (equity-linked) convertibles. 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 02/28/2023.

All data except for top holdings, performance, and yields is provided by the subadviser.

Current 30-Day Yields are for the Institutional Class and represent the average annualized income dividend over the last 30 days excluding gains and losses as defined by the SEC. Current 30-Day Yield is the Current 30-Day Subsidized SEC Yield and reflects reimbursements or waivers of fees currently in effect. Current 30-Day Yield-Unsub is the Current 30-Day Unsubsidized SEC Yield and does not reflect reimbursements or waivers of fees currently in effect.

Credit quality breakdown is based on ratings from Standard and Poor's. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). A bond rated AAA is the most creditworthy, while a bond rated BB or below is much riskier. Any security that has not been given a credit rating by Standard & Poor's is listed as "not rated". The credit quality of securities in the Fund's portfolio does not apply to the stability or safety of the Fund. The Fund itself has not been rated by an independent rating agency.

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.

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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.

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Linked Performance by Sectors data is produced from FactSet using data supplied by State Street Bank and Trust Company.

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.

Duration is a commonly used measure of the sensitivity of the price of a debt security, or the aggregate market value of a portfolio of debt securities, to change in interest rates. Securities with a longer duration are more sensitive to changes in interest rates and generally have more volatile prices than securities of comparable quality with a shorter duration.

Duration to Worst is the duration of a bond computed using the bond's nearest call date or maturity, whichever comes first. This measure ignores future cash flow fluctuations due to embedded optionality.

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.