

Harbor Emerging Markets Equity Fund

Marathon Asset Management LLP

Subadviser Since 09/23/2020

Total Net Assets - All Classes	\$48,545,106
Equity Assets:	97.66%
Cash & Other Assets Less Liabilities:	2.34%
Benchmark Name:	MSCI Emerging Markets (ND) Index

Portfolio Managers

Alex Duffy

Investment Philosophy

The Fund invests at least 80% of its net assets, plus borrowings for investment purposes, in equity securities, including common and preferred stocks, of emerging market companies. Emerging market companies are considered to be those that are located in, or economically tied to, emerging market countries or that maintain securities that principally trade on exchanges located 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. 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 06/30/2021

Portfolio Characteristics		
	Portfolio	Benchmark
Number of Holdings	123	1,412
Wtd Avg Market Cap (\$Mil)	82,091.40	165,746.20
Med Cap - # Stocks (\$Mil)	4,632.00	7,807.00
Price/Book Ratio	2.06	3.78
Adjusted Trailing P/E Ratio	19.10	25.00
% EPS Growth - Past 3 Yr	2.60	10.00
Return on Equity (%)	9.99	13.15
Beta vs. Fund Benchmark	1.17	
Forecasted P/E Ratio	16.30	20.70
Proj. Earnings Growth Rate (%)	17.60	19.10

Top 10 Holdings		
	Portfolio %	Benchmark %
Taiwan Semiconductor Ma	7.05	6.12
Samsung Electronics Co.	5.63	3.98
Eurobank Ergasias Servi	3.29	0.03
Baidu Inc Sponsored ADR	2.96	0.64
Porto Seguro S.A.	2.82	0.00
Grupo Financiero Inburs	2.40	0.03
Tiger Brands Limited	2.19	0.03
Giant Manufacturing Co.	2.17	0.04
Fomento Economico Mexic	2.16	0.00
Axis Bank Limited	2.09	0.27
Total	32.76	11.14

Top 10 Industries		
	Portfolio %	Benchmark %
Banks	11.82	12.21
Food Products	9.11	1.73
Semiconductors	8.41	8.97
Tech Hardware Storage	6.61	5.93
Beverages	5.01	1.40
Industrial Conglomerates	4.59	0.85
Insurance	4.37	2.57
Leisure Products	3.74	0.07
Metals & Mining	3.37	4.35
Interactive Media	2.96	7.30
Total	59.99	45.38

Economic Sectors		
	Portfolio %	Benchmark %
Financials	22.72	17.69
Consumer Staples	18.77	5.57
Information Technology	18.74	20.34
Consumer Discretionary	12.79	17.52
Industrials	9.68	4.77
Communication Services	8.70	11.24
Materials	3.37	8.33
Health Care	1.61	4.96
Energy	0.71	5.00
Real Estate	0.57	2.00
Utilities	0.00	1.92

Top 10 Countries		
	Portfolio %	Benchmark %
Taiwan	16.69	13.93
South Korea	13.17	13.18
Mexico	12.47	1.74
China	8.89	36.99
Brazil	8.58	5.19
South Africa	8.16	3.48
India	7.60	9.88
Greece	5.28	0.13
Chile	2.72	0.44
United States	2.64	0.00
Total	86.20	84.96
Emerging Markets	90.66	94.99

Market Capitalization		
		Portfolio %
Large	Above 25.0B	32.19
	10.0B - 25.0B	11.63
Mid	5.0B - 10.0B	13.90
	1.0B - 5.0B	35.03
Small	0.0 - 1.0B	7.25



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	HAEMX	411512692	6.61%	12.96%	53.73%	16.49%	16.42%	N/A	6.95%	11/01/13	0.96	1.92
Administrative	HREMX	411512684	6.60%	12.87%	53.43%	16.71%	16.42%	N/A	6.88%	11/01/13	1.21	2.17
Investor	HIEEX	411512676	6.55%	12.82%	53.17%	16.07%	15.98%	N/A	6.57%	11/01/13	1.32	2.28
Retirement	HNEMX	411512395	6.62%	12.99%	53.91%	16.60%	16.51%	N/A	7.01%	03/01/16	0.88	1.84
MSCI Emerging Markets (ND) Index			5.05%	7.45%	40.90%	11.27%	13.03%	N/A	6.21%	11/01/13		

MANAGER COMMENTARY

As of 06/30/2021

“While the U.S. stimulus package has buoyed demand for commodities – and consequently prices – concerns over shaky finances in some Chinese market segments and increased credit scrutiny have dampened China’s economy.”

Marathon Asset Management LLP (Marathon-London)

Market in Review

Despite commodity prices continuing to rise, emerging market stocks (historically linked to the trajectory of commodity prices) have flatlined. This is because the MSCI Emerging Markets (ND) Index (“Index”) is no longer dominated by commodity producers, for example, from Latin America. Companies in China, Taiwan, South Korea, and India now comprise most of the Index.

While the U.S. stimulus package has buoyed demand for commodities – and consequently prices – concerns over shaky finances in some Chinese market segments and increased credit scrutiny have dampened China’s economy (a slowdown usually reflected by softer commodity prices). This explains why China, the largest emerging market country (which alone makes up approximately 40% of the Index) is faltering.

In general, a global economic recovery should be good for emerging market exporters. The threat of inflation and rising interest rates, however, has undermined this prospect.

On top of this, COVID-19 pandemic case numbers are still high in parts of South America. The possibility of new variants poses a continuing danger for emerging market countries until their vaccine rollout matches that of more affluent Western countries.

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.



Marathon has long advocated taking a bottom-up stock selection approach, focusing on the fundamentals and economics of the businesses in which we invest. As a result, despite macroeconomic turbulence in certain emerging markets (particularly in Asia), we have selected investments that have been performing well, particularly in South America. Relative performance was also improved by not owning underperforming Chinese stocks, such as Tencent and Alibaba, which collectively make up 10% of the Index.

Portfolio Performance

In the second quarter of 2021, the Harbor Emerging Markets Equity Fund (Institutional Class, "Fund") returned 6.61%, outperforming its benchmark, the MSCI Emerging Markets (ND) Index, which returned 5.05%.

Stock selections in Emerging Markets, from Mexico and South American countries (Brazil and Chile), contributed to relative performance. Additionally, the overweight allocation to Brazil and Mexico, which outperformed the broader Index by a significant margin, also contributed to relative returns.

Within the Asian Emerging Markets, an underweight allocation to China contributed to relative performance while stock selection in India and Taiwan detracted from relative performance.

Contributors and Detractors

Sud Americana de Vapores, a Chilean maritime cargo company, contributed to the Fund's performance. The company had a strong end to the quarter as shipping rates surged upward from late April. Populations that emerged from lockdowns and similar measures imposed worldwide also strengthened relative performance.

The Brazil-listed insurer, Porto Seguro, also contributed to relative performance as it had a particularly good quarter after publishing surprisingly strong financial results over the past year. The market responded well to news of a new acquisition. The company also handed over its pet insurance business to its main (specialist) competitor in exchange for a substantial stake in the combined business; this news was also well received.

Thailand-listed Kasikornbank underperformed substantially during the quarter, following disappointing results, which detracted from relative performance. Despite having a much stronger first quarter in 2021 than in 2020, returns slumped compared to the final quarter of 2020, so the company failed to meet market expectations. We believe the company's acquisition rumors later in the quarter may have helped halt the price slide but did not lead to an improvement in it.

The Fund's position in Baidu, the Chinese internet company, underperformed this quarter, along with its well-known peers, which also detracted from the Fund's relative performance. We believe ongoing uncertainty about the regulatory environment may have muted potential gains. Although Baidu has so far avoided direct antitrust investigation, it appears that Chinese authorities are tightening rules around how their internet giants behave, which is likely to at least slow, if not restrict, growth in the future.



Buys and Sells

The changes resulting from Alex Duffy's appointment will be implemented gradually in the current quarter, so we will report on trades at the end of next quarter. The resultant portfolio will be more concentrated, with a higher average market cap. The weight to Emerging Markets in Asia will rise, especially to China. At the sector level, the most pronounced changes have been an increase in Materials and a reduction in Consumer Staples. Prior to the portfolio manager changes, a position was sold in GS Home Shopping, Korea's first TV home shopping company. The other position sold was in Nematik, a global automotive parts manufacturer headquartered in Mexico.

Country Allocation

There were no material country allocation changes, and the exposure to developing markets did not change either during the quarter. As detailed above, considering that recent portfolio manager changes did not begin until July 2021, any changes to the country and developing market allocations will be reflected in the third quarter of 2021 reporting.

Outlook

Forward-looking expectations can behave erratically in a pandemic, which is why Marathon does not engage in economic forecasting. Instead, we comment on the market environment across the Fund.

The Index held strong, returning 5.1% during the period. Performance was highly differentiated, however, with a 37% spread separating the top and bottom performing markets.

In terms of region, the standout performer was the Americas, returning 15%; however, the region contained both the best performing (Brazil returning 22.9%) and worst performing (Chile with -14.2%) countries. A COVID-19 variant, "Gamma," drove a regional crash during the first quarter. Although Brazil is still racked by the virus, hospitalization rates have slid, while Chile's pandemic trends have fared worse.

Emerging Europe, Middle East, and Africa ("EMEA") had a strong 7.4% return. The European and Gulf markets generally performed well, but the African markets (Egypt and South Africa) and Turkey lagged. Each of these countries has its own idiosyncratic problems. South Africa has suffered from rolling power outages and a new wave of COVID-19 infections, while Turkey has imposed its first full lockdown in April following a sudden, country-wide surge in COVID-19 cases. Meanwhile, only four stocks have represented Egypt in the Index, meaning stock-specific issues take precedence over broader issues.

Asian Emerging Markets, the Index's largest segment, were sluggish during the quarter, returning 3.8% on average. Though not the worst performing market, returns were mostly impacted by China, which returned 2.27%. Headwinds came from some of the country's major internet giants, such as Tencent and Alibaba. Smaller players, such as Pinduoduo and JD.com, slumped during the period because of increased regulatory scrutiny and investigations into business practices. The other sizable markets in the region – Korea, Taiwan, and India – all outperformed China, but the remaining smaller markets – Malaysia, Philippines, and Indonesia – all generated negative returns.



Best & Worst Performers

Best Performers	Average Weight %	Return %
Compania Sud Americana de Vapores S.A.	1.17	66.36
Grupo Televisa, S.A.B. Sponsored ADR	0.74	62.12
Embraer S.A.	0.48	51.47
Alfa, S.A.B. de C.V. Class A	0.89	34.79
Porto Seguro S.A.	2.41	32.69

Worst Performers	Average Weight %	Return %
Anglo American Platinum Limited	1.00	-20.74
Kasikornbank Public Co. Ltd.(Alien Mkt)	1.22	-19.59
AngloGold Ashanti Limited	0.49	-14.69
Trip.com Group Ltd. Sponsored ADR	0.35	-10.52
Bancolombia S.A. Sponsored ADR Pfd	0.64	-9.57

Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
Porto Seguro S.A.	32.69	0.66
Compania Sud Americana de Vapores S.A.	66.36	0.64
Eurobank Ergasias Services & Holdings SA	18.30	0.53
Natura & Co Holding SA	32.55	0.45
Grupo Televisa, S.A.B. Sponsored ADR	62.12	0.34
Total		2.62

Greatest Detractors	Return %	Contribution to Return %
Kasikornbank Public Co. Ltd.(Alien Mkt)	-19.59	-0.28
Anglo American Platinum Limited	-20.74	-0.23
Baidu Inc Sponsored ADR Class A	-6.27	-0.21
Merida Industry Co., Ltd.	-8.16	-0.14
Shriram Transport Finance Co. Ltd.	-6.57	-0.13
Total		-0.99

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Quarterly Attribution:

Harbor Emerging Markets Equity Fund vs. MSCI Emerging Markets (ND) Index

03/31/2021 - 06/30/2021

Performance

	Portfolio	Benchmark	Active
Return ex Currency	5.15	3.83	1.32
Currency Contribution	1.84	1.22	0.62
Total Return	6.99	5.05	1.94

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
Industrials	9.26	4.52	4.73	19.80	13.17	6.64	1.69	0.57	0.37	0.52	0.89
Financials	22.29	18.17	4.11	8.71	4.16	4.56	1.85	0.79	-0.08	0.96	0.89
Consumer Staples	18.45	5.66	12.79	10.13	4.50	5.63	1.76	0.26	-0.10	0.97	0.86
Real Estate	0.51	2.07	-1.56	25.71	-6.01	31.72	0.12	-0.13	0.18	0.16	0.34
Communication Services	8.63	11.55	-2.92	3.60	1.93	1.67	0.31	0.24	0.10	0.10	0.20
Utilities	0.00	1.99	-1.99	0.00	2.00	-2.00	0.00	0.04	0.07	0.00	0.07
Information Technology	19.10	20.68	-1.58	3.57	3.84	-0.27	0.71	0.77	0.04	-0.05	-0.02
Consumer Discretionary	13.36	17.18	-3.82	2.72	3.55	-0.84	0.41	0.60	0.11	-0.16	-0.05
Energy	0.71	4.89	-4.18	6.12	12.44	-6.32	0.04	0.58	-0.28	-0.04	-0.32
Materials	3.69	8.53	-4.84	0.41	8.19	-7.79	0.05	0.67	-0.13	-0.28	-0.40
Health Care	1.62	4.75	-3.12	2.56	14.10	-11.53	0.05	0.65	-0.25	-0.18	-0.43
[Cash]	2.37	0.00	2.37	1.24	0.00	1.24	0.01	0.00	-0.08	0.00	-0.08
Total	100.00	100.00	0.00	6.99	5.05	1.94	6.99	5.05	-0.04	1.98	1.94

Harbor Emerging Markets Equity Fund

ATTRIBUTION

As of 06/30/2021



Quarterly Attribution:

Harbor Emerging Markets Equity Fund vs. MSCI Emerging Markets (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
Mexico	12.19	1.78	10.41	15.36	9.14	6.22	1.78	0.16	0.40	0.69	1.09
China	8.65	35.25	-26.60	2.05	1.37	0.68	0.18	0.56	0.94	0.02	0.96
Chile	2.37	0.50	1.87	34.25	-14.19	48.43	0.73	-0.08	-0.37	1.09	0.72
Brazil	7.75	4.89	2.86	27.77	22.91	4.86	1.85	1.01	0.45	0.27	0.72
Greece	5.37	0.12	5.25	8.62	8.18	0.44	0.45	0.01	0.17	0.01	0.18
Switzerland	0.57	0.00	0.57	26.06	0.00	26.06	0.14	0.00	0.11	0.00	0.11
Malaysia	0.30	1.34	-1.04	-6.91	-2.46	-4.45	-0.02	-0.03	0.08	-0.01	0.06
Kenya	0.57	0.00	0.57	15.94	0.00	15.94	0.07	0.00	0.04	0.00	0.04
Philippines	0.78	0.63	0.16	12.07	7.55	4.53	0.09	0.05	0.00	0.03	0.04
Czech Republic	0.53	0.10	0.42	13.86	14.56	-0.70	0.07	0.01	0.03	0.00	0.03
Peru	0.00	0.21	-0.21	0.00	-8.78	8.78	0.00	-0.02	0.03	0.00	0.03
United Kingdom	0.14	0.00	0.14	24.73	0.00	24.73	0.03	0.00	0.03	0.00	0.03
United States	2.73	0.00	2.73	5.26	0.00	5.26	0.17	0.00	0.02	0.00	0.02
Qatar	0.00	0.66	-0.66	0.00	2.21	-2.21	0.00	0.01	0.02	0.00	0.02
Egypt	0.00	0.07	-0.07	0.00	-9.23	9.23	0.00	-0.01	0.01	0.00	0.01
Cyprus	0.26	0.00	0.26	8.55	0.00	8.55	0.02	0.00	0.01	0.00	0.01
Indonesia	1.29	1.18	0.11	-3.95	-5.14	1.20	-0.06	-0.06	-0.01	0.01	0.00
Pakistan	0.00	0.02	-0.02	0.00	-6.65	6.65	0.00	0.00	0.00	0.00	0.00
Argentina	0.00	0.12	-0.12	0.00	5.79	-5.79	0.00	0.01	0.00	0.00	0.00
Australia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Belgium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Japan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Netherlands	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
South Africa	8.36	3.79	4.57	2.47	-1.45	3.92	0.21	-0.04	-0.34	0.34	0.00
Turkey	0.29	0.27	0.01	-3.14	-0.48	-2.66	-0.01	0.00	0.00	-0.01	-0.01
Hungary	0.00	0.22	-0.22	0.00	14.81	-14.81	0.00	0.03	-0.02	0.00	-0.02
Kuwait	0.00	0.51	-0.51	0.00	9.52	-9.52	0.00	0.05	-0.02	0.00	-0.02
United Arab Emirates	0.00	0.63	-0.63	0.00	11.18	-11.18	0.00	0.07	-0.03	0.00	-0.03
Singapore	2.08	0.00	2.08	2.27	0.00	2.27	0.05	0.00	-0.05	0.00	-0.05
Russia	1.18	3.19	-2.01	24.52	14.03	10.50	0.26	0.43	-0.17	0.11	-0.06
Poland	0.00	0.70	-0.70	0.00	18.67	-18.67	0.00	0.12	-0.09	0.00	-0.09
South Korea	13.95	13.37	0.59	3.75	4.83	-1.08	0.57	0.63	0.00	-0.10	-0.10
Colombia	0.90	0.15	0.75	-8.51	-2.90	-5.61	-0.08	-0.01	-0.06	-0.05	-0.11
Saudi Arabia	0.00	2.81	-2.81	0.00	10.04	-10.04	0.00	0.27	-0.12	0.00	-0.12
Hong Kong	0.52	2.10	-1.58	26.52	17.02	9.50	0.13	0.36	-0.19	0.05	-0.15
Thailand	2.18	1.75	0.43	-9.58	-4.87	-4.71	-0.26	-0.09	-0.06	-0.13	-0.19
Taiwan	16.87	13.94	2.93	3.90	7.09	-3.19	0.67	0.94	0.12	-0.60	-0.48
India	7.80	9.70	-1.90	-0.82	6.91	-7.74	-0.06	0.66	-0.04	-0.58	-0.62
[Cash]	2.37	0.00	2.37	1.24	0.00	1.24	0.01	0.00	-0.08	0.00	-0.08
Total	100.00	100.00	0.00	6.99	5.05	1.94	6.99	5.05	0.82	1.13	1.94



Trailing 1 Year Attribution:

Harbor Emerging Markets Equity Fund vs. MSCI Emerging Markets (ND) Index

06/30/2020 - 06/30/2021

Performance

	Portfolio	Benchmark	Active
Return ex Currency	49.00	36.07	12.94
Currency Contribution	8.49	4.84	3.65
Total Return	57.49	40.90	16.59

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	20.55	17.88	2.66	69.86	33.01	36.85	13.01	6.06	-0.04	6.46	6.41
Communication Services	8.86	12.30	-3.43	59.61	23.02	36.60	5.42	3.02	1.02	3.03	4.05
Industrials	6.79	4.42	2.37	76.58	44.81	31.77	4.87	1.89	0.78	1.73	2.51
Energy	2.26	5.15	-2.88	36.47	32.25	4.22	1.09	1.56	0.15	0.96	1.11
Utilities	0.21	2.00	-1.79	10.35	20.29	-9.94	0.14	0.43	0.52	0.37	0.89
Real Estate	0.86	2.20	-1.34	19.06	6.57	12.49	0.11	0.23	0.64	0.23	0.86
Consumer Staples	14.74	5.86	8.89	32.64	23.67	8.97	5.81	1.56	-0.96	1.73	0.77
Information Technology	20.76	19.58	1.18	74.75	75.79	-1.03	15.56	12.51	0.99	-0.27	0.71
Materials	6.77	7.59	-0.82	100.17	71.06	29.11	5.22	4.56	-0.09	0.78	0.69
Consumer Discretionary	13.49	18.56	-5.07	45.36	36.93	8.43	6.58	7.63	-0.16	0.28	0.13
Health Care	3.22	4.47	-1.25	-4.45	32.37	-36.81	-0.55	1.47	-0.10	-1.24	-1.34
[Cash]	1.48	0.00	1.48	4.08	0.00	4.08	0.23	0.00	-0.21	0.00	-0.21
Total	100.00	100.00	0.00	57.49	40.90	16.59	57.49	40.90	2.53	14.05	16.59

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ATTRIBUTION

As of 06/30/2021



Trailing 1 Year Attribution:

Harbor Emerging Markets Equity Fund vs. MSCI Emerging Markets (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	14.50	39.24	-24.74	46.64	26.09	20.55	6.40	12.27	3.84	0.43	4.27
South Africa	6.64	3.63	3.01	67.25	39.89	27.37	4.46	1.44	0.29	1.69	1.98
India	8.14	8.90	-0.76	77.88	56.36	21.52	6.55	4.55	0.10	1.81	1.91
Chile	1.57	0.52	1.05	167.98	23.42	144.56	1.94	0.13	0.13	1.56	1.69
Mexico	8.68	1.70	6.99	65.61	55.86	9.76	5.16	0.91	1.88	-0.35	1.53
United States	3.48	0.00	3.48	80.50	0.00	80.50	3.34	0.00	1.51	0.00	1.51
Taiwan	15.81	13.16	2.65	76.41	70.46	5.95	11.34	7.87	0.70	0.62	1.33
Greece	3.63	0.12	3.51	34.83	31.97	2.87	2.58	0.04	0.00	1.27	1.28
Malaysia	0.26	1.52	-1.26	-3.27	3.76	-7.03	0.00	0.13	0.54	0.05	0.59
Philippines	0.66	0.71	-0.05	46.60	14.33	32.28	0.49	0.13	0.19	0.32	0.51
Thailand	2.31	1.84	0.47	27.78	7.01	20.76	0.54	0.11	-0.11	0.56	0.45
South Korea	14.15	12.72	1.43	66.13	66.20	-0.07	9.52	7.42	0.44	-0.05	0.38
Czech Republic	0.39	0.10	0.30	69.45	52.11	17.34	0.33	0.05	0.20	0.10	0.29
Qatar	0.00	0.72	-0.72	0.00	15.13	-15.13	0.00	0.13	0.28	0.00	0.28
Switzerland	0.45	0.00	0.45	75.17	0.00	75.17	0.39	0.00	0.26	0.00	0.26
Poland	0.00	0.67	-0.67	0.00	26.72	-26.72	0.00	0.21	0.18	0.00	0.18
Turkey	0.27	0.33	-0.06	-17.50	-13.01	-4.49	-0.06	-0.05	0.22	-0.04	0.17
Pakistan	0.02	0.02	0.00	21.64	13.15	8.48	0.04	0.00	0.08	0.08	0.17
United Kingdom	0.10	0.00	0.10	116.57	0.00	116.57	0.13	0.00	0.16	0.00	0.16
Egypt	0.00	0.09	-0.09	0.00	-13.41	13.41	0.00	-0.01	0.13	0.00	0.13
Japan	0.16	0.00	0.16	12.41	0.00	12.41	0.11	0.00	0.12	0.00	0.12
Singapore	1.28	0.00	1.28	21.79	0.00	21.79	0.45	0.00	0.11	0.00	0.11
Colombia	0.80	0.17	0.63	17.48	17.97	-0.48	0.34	0.04	0.03	0.08	0.11
Argentina	0.00	0.12	-0.12	0.00	28.56	-28.56	0.00	0.04	0.09	0.00	0.09
Kuwait	0.00	0.29	-0.29	0.00	19.01	-19.01	0.00	0.09	0.07	0.00	0.07
United Arab Emirates	0.00	0.56	-0.56	0.00	50.36	-50.36	0.00	0.25	0.06	0.00	0.06
Saudi Arabia	0.00	2.62	-2.62	0.00	49.26	-49.26	0.00	1.16	0.05	0.00	0.05
Peru	0.13	0.23	-0.09	-5.04	9.63	-14.67	-0.03	0.04	0.13	-0.09	0.04
Australia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Belgium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Netherlands	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cyprus	0.22	0.00	0.22	8.35	0.00	8.35	-0.02	0.00	-0.06	0.00	-0.06
Kenya	0.41	0.00	0.41	10.66	0.00	10.66	0.03	0.00	-0.07	0.00	-0.07
Hungary	0.22	0.21	0.01	-13.88	46.07	-59.95	-0.22	0.09	-0.19	0.01	-0.18
Indonesia	1.96	1.30	0.66	6.07	7.61	-1.54	0.23	0.17	-0.24	0.04	-0.20
Russia	2.30	3.03	-0.72	68.83	38.64	30.19	0.52	1.08	-0.55	0.34	-0.22
Brazil	7.03	4.85	2.18	34.07	46.55	-12.49	2.74	2.18	0.23	-0.78	-0.55
Hong Kong	2.95	0.65	2.30	19.07	75.82	-56.75	-0.03	0.44	-0.84	-0.70	-1.53
[Cash]	1.48	0.00	1.48	4.08	0.00	4.08	0.23	0.00	-0.32	0.00	-0.32
Total	100.00	100.00	0.00	57.49	40.90	16.59	57.49	40.90	9.64	6.95	16.59

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.

Disclosures

The MSCI Emerging Markets (ND) Index is a market capitalization weighted index of equity securities in more than 20 emerging market economies. 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 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.

Active Currency Contribution is the Currency Contribution of the portfolio minus the Currency Contribution 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.