

# Harbor International Growth Fund

Baillie Gifford Overseas Limited

Subadvisor Since 05/21/2013

**Total Net Assets - All Classes** \$380,676,186  
**Equity Assets:** 99.26%  
**Cash & Other Assets Less Liabilities:** 0.74%  
**Benchmark Name:** MSCI All Country World Ex. US (ND) Index

## Portfolio Managers



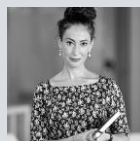
Iain Campbell



Sophie Earnshaw, CFA



Joe Faraday, CFA



Milena Mileva



Stephen Paice

## 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 Subadvisor 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 03/31/2023

### Portfolio Characteristics

	Portfolio	Benchmark
Number of Holdings	90	2,262
Wtd Avg Market Cap (\$Mil)	75,497.00	88,463.20
Median Market Cap (\$Mil)	24,217.00	8,663.00
Price/Book Ratio	4.93	2.29
Adjusted Trailing P/E Ratio	27.50	16.80
% EPS Growth - Past 3 Yr	18.00	21.40
Est 3-5 Yr EPS Growth Rate (%)	19.10	10.40
Return on Equity (%)	15.01	13.94
Beta vs. Fund Benchmark	1.25	
Forecasted P/E Ratio	23.90	16.10

### Economic Sectors

	Portfolio %	Benchmark %
Consumer Discretionary	24.41	11.76
Industrials	16.45	12.69
Financials	14.04	20.11
Information Technology	13.93	11.22
Consumer Staples	12.23	8.88
Health Care	10.65	9.52
Communication Services	6.45	6.05
Energy	0.73	5.55
Materials	0.37	8.17
Utilities	0.00	3.24
Real Estate	0.00	2.12

### Top 10 Holdings

	Portfolio %	Benchmark %
Taiwan Semiconductor Ma	3.69	0.00
Compagnie Financiere Ri	2.77	0.35
ASML Holding NV	2.56	1.16
United Overseas Bank Lt	2.49	0.11
Prosus N.V. Class N	2.48	0.26
Housing Development Fin	2.35	0.23
Mettler-Toledo Internat	2.33	0.00
Shiseido Company Limited	2.20	0.08
Atlas Copco AB Class A	2.16	0.14
Sartorius AG Pref	2.11	0.04
<b>Total</b>	<b>25.14</b>	<b>2.37</b>

### Top 10 Countries

	Portfolio %	Benchmark %
Japan	18.03	13.95
United Kingdom	11.46	9.55
Netherlands	9.04	2.98
China	8.20	8.27
United States	6.13	0.00
Sweden	5.72	2.15
Germany	5.57	5.61
France	5.06	8.14
India	4.90	3.61
Hong Kong	3.97	1.77
<b>Total</b>	<b>78.08</b>	<b>56.03</b>
<b>Emerging Markets</b>	<b>18.79</b>	<b>27.55</b>

### Top 10 Industries

	Portfolio %	Benchmark %
Textiles Apparel & Lux	8.73	2.60
Machinery	7.86	2.10
Financial Services	7.37	1.23
Semiconductors	7.13	4.75
Broadline Retail	6.68	1.89
Life Sciences Tools	5.47	0.56
Interactive Media	4.86	1.86
Health Care Equip	4.48	1.37
Beverages	3.99	1.90
Consumer Staples	3.87	1.54
Distribution & Retail		
<b>Total</b>	<b>60.44</b>	<b>19.80</b>

### Market Capitalization

		Portfolio %
Large	Above 25.0B	58.58
	10.0B - 25.0B	22.43
Mid	5.0B - 10.0B	14.08
	1.0B - 5.0B	4.91
Small	0.0 - 1.0B	0.00



### Average Annual Returns

Share Class	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Net Expense Ratio %	Gross Expense Ratio %
Institutional	HAIGX	411511801	10.36%	10.36%	-6.74%	8.55%	2.41%	4.57%	3.75%	11/01/93	0.85	0.91
Investor	HIIGX	411511629	10.30%	10.30%	-7.02%	8.15%	2.03%	4.18%	5.55%	11/01/02	1.21	1.27
Retirement	HNGFX	411512429	10.41%	10.41%	-6.62%	8.66%	2.49%	4.63%	3.77%	03/01/16	0.77	0.83
MSCI All Country World Ex. US (ND) Index			6.87%	6.87%	-5.07%	11.80%	2.47%	4.17%	N/A	11/01/93		

## MANAGER COMMENTARY

As of 03/31/2023

**“Looking at the Fund in broad terms, the main themes that emerge include the online revolution, the rise of affluence, the use of technology in industry, and shifts in the world’s demographics.”**

Baillie Gifford Overseas Limited

### Market in Review

The U.S. Federal Reserve, the Bank of England, and the European Central Bank all continued to raise interest rates during the first quarter of 2023. This reflected concerns about the persistence of inflation. Weakness in some parts of the banking sector became evident, both in the U.S. and in Europe, necessitating the intervention of government or commercial banks. The simultaneous but conflicting concerns about price increases—and the potential implications of further interest rate increases for banks—meant that expectations about the future path of interest rates in the U.S. moved around much more than usual.

The U.K. narrowly avoided a technical recession, reporting flat growth for the fourth quarter of 2022. By contrast, sentiment was bright in China, reflected in the February Purchasing Managers’ Index (“PMI”), following the country’s lifting of pandemic-related restrictions at the end of 2022. Japan also reported positive sentiment, driven partly by expectations for tourism from China.

After many years of dormancy, inflation in Japan reached an annual rate of 4.2% in January. The Governor of the Bank of Japan, Mr. Kuroda, retired in March, and it will be for his successor to decide whether to continue with the country’s long-standing policy of ultra-low interest rates.

Retirement Class shares commenced operations on March 1, 2016. The performance attributed to the Retirement Class shares prior to that date is that of the Institutional Class shares. Performance prior to March 1, 2016 has not been adjusted to reflect the lower expenses of Retirement Class shares. During this period, Retirement Class shares would have had returns similar to, but somewhat higher than, Institutional Class shares due to the fact that Retirement Class shares represent interests in the same portfolio as Institutional Class shares but are subject to lower expenses.

Expense ratio information is as of the Fund’s current prospectus, as supplemented. Gross expenses are the Fund’s total annual operating expenses. The net expense ratios for this fund are subject to a contractual management fee waiver and/or expense limitation agreement, excluding interest expense and acquired fund fees and expenses (if any), through 02/29/2024.

**Performance data shown represents past performance and is no guarantee of future results. Past performance is net of management fees and expenses and reflects reinvested dividends and distributions. Past performance reflects the beneficial effect of any expense waivers or reimbursements, without which returns would have been lower. Investment returns and principal value will fluctuate and when redeemed may be worth more or less than their original cost. Returns for periods less than one year are not annualized. Current performance may be higher or lower and is available through the most recent month end at harborcapital.com or by calling 800-422-1050.**



The regulatory environment surrounding internet-platform businesses has been a consideration for investors during the last few years. Toward the end of the quarter, Alibaba announced that it would break into six, separate businesses. It remains to be seen whether this development heralds an improvement to the background for investors in Chinese companies.

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

### Portfolio Performance

During the quarter, the Harbor International Growth Fund (Institutional Class, "Fund") returned 10.36%, outperforming its benchmark, the MSCI All Country World Ex. US (ND) Index, which returned 6.87%. As usual, we would emphasize our view that performance over such a short period is not meaningful. Our investment time horizon is five years and beyond, and we would suggest that our performance should be assessed over such longer periods.

Europe ex-U.K., Emerging Markets, North America, and the U.K. contributed to relative performance, while Developed Asia detracted modestly.

From the point of view of sectors, contributors included Consumer Discretionary, Information Technology, and Communication Services. The sectors that detracted from performance included Consumer Staples and Industrials.

Growth businesses (as defined by the style versions of the MSCI ACWI ex-US index) outperformed their value counterparts during the quarter, although they lagged over the past twelve months.

### Contributors & Detractors

The largest individual contributors to relative performance included MercadoLibre and Richemont.

MercadoLibre is Latin America's leading e-commerce platform. The company has a proven, long track record of navigating through various economic backdrops, and its operational performance has continued to be strong. One of MercadoLibre's main competitors recently filed for bankruptcy—a development that may be helpful in further strengthening its ability to take significant market share. The company's progress in expanding its offering in financial services and becoming more vertically integrated has been encouraging. We would also note that market sentiment toward rapid growth businesses has been more positive during the early part of this year than was the case during 2022.

Richemont is the world's second-largest luxury goods conglomerate. Its brand portfolio includes Cartier, Van Cleef & Arpels, and Montblanc. Growth has been solid, and margins have been increasing across brands and geography.

The main detractors from relative performance included Shiseido and Meituan.

Shiseido of Japan is a globally recognized, luxury cosmetics manufacturer. The company's recent profits have been disappointing, and its forecasts have been subdued. Thus, Shiseido's market in China has remained soft. Its skincare brands have also struggled in Japan and China. There has been more of a focus on cost management and, despite the reopening of China following the pandemic, inbound tourism has yet to rebound strongly.

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Meituan's operations span food-delivery and travel-agency internet businesses. It can be considered one of China's 'super apps.' Although the company's results have been reasonable, there are concerns around competition, and questions have remained about the regulatory environment against which Chinese tech-platform businesses are operating.

### **Buys & Sells**

The Fund established a new holding during the quarter in Topicus. This software company is listed in Canada but is European-focused. It serves various end industries from golf clubs to hairdressers. It offers industry-focused software solutions and benefits from a sticky customer base. It also has a strong track record in relation to its acquisitions and has a long-standing, driven management team.

During the quarter, we sold the Fund's holding in Naver, South Korea's dominant search engine. Its business lines include search, e-commerce, payments, fintech, and gaming. Although it has performed well operationally, the company has not taken full advantage of its strong position as we had hoped it would. Competition has also intensified in many of its businesses.

### **Country Allocation**

The Fund's country allocations relative to the benchmark changed only modestly during the quarter.

At the end of December 2022, the most overweight country positions were the Netherlands, Japan, and Sweden. At the end of March 2023, the most overweight country positions were the Netherlands, Sweden, and the U.S. (where we classify Mettler Toledo and MercadoLibre). During the quarter, we sold the holding in SoftBank (Japan).

At the end of December 2022, the main underweight country positions were Canada, Australia, and Switzerland. At the end of March 2023, the main underweight country positions were Canada, Australia, and France.

The Fund's exposure to developing markets changed only modestly during the quarter. At the end of December 2022, 23.3% of the Fund was invested in developing markets (5.0% underweight). At the end of March 2023, 22.2% of the Fund was invested in developing markets (5.4% underweight).

### **Outlook**

The investment team takes a long-term view when selecting stocks for the Fund. The market and economic conditions seen during the past quarter have not changed this.

We continue to construct the Fund on a stock-by-stock basis and have been able to identify a steady stream of attractive growth businesses for possible inclusion in the Fund. These companies have come from an eclectic mix of geographies and sectors, as shown by the new Fund purchases during the fourth quarter, and we expect this to continue. Looking at the Fund in broad terms, the main themes that emerge 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, these areas are indicative of the drivers of future growth of the Fund's holdings.



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

## QUARTERLY ATTRIBUTION

As of 03/31/2023

### Best & Worst Performers

Best Performers	Average Weight %	Return %
Spotify Technology SA	0.78	69.25
MercadoLibre Inc.	1.82	55.76
Shopify Inc. Class A	1.31	38.12
Nemetschek SE	0.66	35.08
Baidu Inc. Class A	0.83	32.36

Worst Performers	Average Weight %	Return %
Meituan Class B	1.19	-18.33
AUTO1 Group SE	0.41	-14.97
United Spirits Limited	0.70	-13.24
Recruit Holdings Co. Ltd.	0.82	-13.15
ICICI Lombard General Insurance Co. Ltd.	0.44	-12.95

### Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
Taiwan Semiconductor Manufacturing Co. L	25.37	0.82
MercadoLibre Inc.	55.76	0.79
ASML Holding NV	26.57	0.59
Compagnie Financiere Richemont SA	23.24	0.56
LVMH Moet Hennessy Louis Vuitton SE	26.43	0.44
<b>Total</b>		<b>3.20</b>

Greatest Detractors	Return %	Contribution to Return %
Meituan Class B	-18.33	-0.23
Shiseido Company Limited	-5.30	-0.12
Recruit Holdings Co. Ltd.	-13.15	-0.11
United Spirits Limited	-13.24	-0.10
Li Ning Company Limited	-9.16	-0.10
<b>Total</b>		<b>-0.66</b>

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

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	9.37	6.18	3.19
Currency Contribution	0.81	0.69	0.12
<b>Total Return</b>	<b>10.18</b>	<b>6.87</b>	<b>3.32</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	24.32	11.80	12.52	15.05	11.60	3.44	3.64	1.34	0.59	0.80
Information Technology	12.98	10.92	2.06	24.42	17.44	6.98	2.86	1.75	0.23	0.77	1.00
Communication Services	6.65	6.00	0.65	19.44	11.24	8.20	1.20	0.67	0.03	0.51	0.54
Financials	14.46	21.07	-6.61	1.63	1.55	0.08	0.27	0.33	0.35	0.00	0.35
Energy	0.78	5.75	-4.97	-7.88	-0.30	-7.58	-0.07	-0.03	0.37	-0.07	0.30
Health Care	10.95	9.46	1.49	6.88	4.16	2.72	0.72	0.43	-0.01	0.28	0.26
Real Estate	0.00	2.23	-2.23	0.00	-1.70	1.70	0.00	-0.03	0.20	0.00	0.20
Utilities	0.00	3.19	-3.19	0.00	3.32	-3.32	0.00	0.12	0.12	0.00	0.12
Materials	0.38	8.37	-7.99	-9.97	5.94	-15.91	-0.04	0.52	0.08	-0.07	0.01
Industrials	16.52	12.48	4.04	7.13	9.90	-2.77	1.19	1.19	0.12	-0.45	-0.33
Consumer Staples	12.02	8.73	3.29	2.66	6.35	-3.69	0.40	0.58	-0.02	-0.47	-0.49
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>10.18</b>	<b>6.87</b>	<b>3.32</b>	<b>10.18</b>	<b>6.87</b>	<b>2.02</b>	<b>1.30</b>	<b>3.32</b>



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

Country Attribution

	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
United States	5.84	0.01	5.82	26.72	-3.41	30.12	1.40	0.00	-0.52	1.58	1.07
Netherlands	8.92	2.89	6.03	17.36	16.65	0.71	1.50	0.46	0.56	0.07	0.62
Switzerland	3.68	6.40	-2.72	22.99	6.72	16.27	0.75	0.44	0.01	0.54	0.56
Canada	2.39	7.64	-5.25	22.82	4.31	18.51	0.49	0.34	0.13	0.42	0.55
United Kingdom	11.41	9.69	1.72	10.82	6.11	4.71	1.22	0.60	-0.01	0.53	0.52
Australia	2.51	4.99	-2.48	19.35	2.67	16.68	0.45	0.13	0.10	0.42	0.52
Taiwan	3.63	4.12	-0.49	25.37	14.75	10.62	0.82	0.56	-0.02	0.30	0.28
Brazil	1.19	1.41	-0.22	7.34	-3.18	10.51	0.09	-0.05	0.03	0.13	0.16
South Africa	0.00	1.00	-1.00	0.00	-0.58	0.58	0.00	0.00	0.08	0.00	0.08
Saudi Arabia	0.00	1.09	-1.09	0.00	0.08	-0.08	0.00	0.00	0.08	0.00	0.08
Sweden	5.64	2.18	3.47	9.03	9.53	-0.51	0.54	0.20	0.09	-0.02	0.07
Norway	0.00	0.45	-0.45	0.00	-7.17	7.17	0.00	-0.04	0.07	0.00	0.07
United Arab Emirates	0.00	0.36	-0.36	0.00	-7.54	7.54	0.00	-0.03	0.06	0.00	0.06
Thailand	0.00	0.60	-0.60	0.00	-1.71	1.71	0.00	-0.01	0.06	0.00	0.06
Belgium	1.02	0.64	0.37	10.95	6.27	4.69	0.12	0.04	0.00	0.05	0.05
Finland	0.00	0.63	-0.63	0.00	-0.34	0.34	0.00	0.00	0.05	0.00	0.05
Malaysia	0.00	0.42	-0.42	0.00	-3.60	3.60	0.00	-0.02	0.05	0.00	0.05
Portugal	1.40	0.14	1.26	9.06	3.42	5.64	0.15	0.01	-0.04	0.08	0.04
Turkey	0.00	0.18	-0.18	0.00	-9.42	9.42	0.00	-0.02	0.03	0.00	0.03
Israel	0.00	0.45	-0.45	0.00	0.83	-0.83	0.00	0.01	0.03	0.00	0.03
Kuwait	0.00	0.25	-0.25	0.00	-3.74	3.74	0.00	-0.01	0.03	0.00	0.03
Qatar	0.00	0.26	-0.26	0.00	-0.68	0.68	0.00	0.00	0.02	0.00	0.02
Poland	0.00	0.20	-0.20	0.00	-0.99	0.99	0.00	0.00	0.02	0.00	0.02
Philippines	0.00	0.21	-0.21	0.00	2.44	-2.44	0.00	0.01	0.01	0.00	0.01
Germany	5.66	5.46	0.20	14.54	14.69	-0.14	0.78	0.76	0.01	0.00	0.01
Colombia	0.00	0.03	-0.03	0.00	-13.48	13.48	0.00	0.00	0.01	0.00	0.01
Austria	0.00	0.12	-0.12	0.00	2.57	-2.57	0.00	0.00	0.01	0.00	0.01
Chile	0.00	0.16	-0.16	0.00	5.24	-5.24	0.00	0.01	0.00	0.00	0.00
Indonesia	0.00	0.52	-0.52	0.00	5.98	-5.98	0.00	0.03	0.00	0.00	0.00
Egypt	0.00	0.02	-0.02	0.00	-3.62	3.62	0.00	0.00	0.00	0.00	0.00
Hungary	0.00	0.05	-0.05	0.00	2.87	-2.87	0.00	0.00	0.00	0.00	0.00
Peru	0.00	0.08	-0.08	0.00	8.26	-8.26	0.00	0.01	0.00	0.00	0.00
New Zealand	0.00	0.13	-0.13	0.00	8.02	-8.02	0.00	0.01	0.00	0.00	0.00
Greece	0.00	0.10	-0.10	0.00	15.75	-15.75	0.00	0.01	-0.01	0.00	-0.01
Czech Republic	0.00	0.05	-0.05	0.00	32.98	-32.98	0.00	0.01	-0.01	0.00	-0.01
Denmark	0.55	1.87	-1.32	23.41	12.38	11.03	0.11	0.23	-0.07	0.05	-0.02
Ireland	0.00	0.71	-0.71	0.00	13.35	-13.35	0.00	0.09	-0.04	0.00	-0.04
Mexico	0.71	0.71	0.01	13.34	20.34	-7.00	0.10	0.13	0.01	-0.05	-0.04
Japan	18.44	13.82	4.62	6.19	6.19	0.01	1.14	0.82	-0.05	0.00	-0.05
France	4.91	7.88	-2.98	17.89	14.62	3.27	0.85	1.09	-0.23	0.16	-0.07
South Korea	0.00	3.31	-3.31	2.25	9.58	-7.33	0.00	0.31	-0.09	0.00	-0.09
Italy	0.00	1.58	-1.58	0.00	14.66	-14.66	0.00	0.22	-0.12	0.00	-0.12
Spain	0.00	1.63	-1.63	0.00	15.66	-15.66	0.00	0.24	-0.14	0.00	-0.14
India	5.13	3.73	1.40	-5.93	-6.35	0.42	-0.32	-0.25	-0.20	0.02	-0.18
Hong Kong	4.24	1.84	2.40	-2.30	-2.39	0.09	-0.09	-0.04	-0.25	0.02	-0.23



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

Country Attribution

Singapore	3.00	0.96	2.03	-2.58	6.99	-9.57	-0.08	0.07	-0.01	-0.30	-0.31
China	8.80	9.05	-0.24	0.45	4.96	-4.51	0.18	0.53	0.01	-0.39	-0.38
Cash	0.95	0.00	0.95	0.85	0.00	0.85	0.01	0.00	-0.03	0.00	-0.03
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>10.18</b>	<b>6.87</b>	<b>3.32</b>	<b>10.18</b>	<b>6.87</b>	<b>-0.32</b>	<b>3.64</b>	<b>3.32</b>





**Trailing 1 Year Attribution:**  
Harbor International Growth Fund vs MSCI All Country World Ex. US (ND) Index

**Performance**

	Portfolio	Benchmark	Active
Return Ex Currency	-3.00	-0.14	-2.85
Currency Contribution	-4.35	-4.93	0.58
<b>Total Return</b>	<b>-7.35</b>	<b>-5.07</b>	<b>-2.27</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	23.07	11.39	11.68	3.74	1.67	2.07	1.43	0.21	0.69	0.60
Financials	13.05	20.86	-7.81	-3.22	-7.59	4.37	0.30	-1.57	0.15	0.52	0.66
Materials	1.30	8.33	-7.03	-16.87	-10.57	-6.31	-0.29	-0.98	0.35	0.18	0.53
Real Estate	0.00	2.35	-2.35	0.00	-19.74	19.74	0.00	-0.61	0.35	0.00	0.35
Health Care	11.51	9.68	1.83	-4.55	-4.35	-0.20	-0.19	-0.23	0.05	-0.02	0.03
Utilities	0.00	3.33	-3.33	0.00	-5.97	5.97	0.00	-0.25	0.03	0.00	0.03
Consumer Staples	11.25	8.90	2.35	-5.34	1.16	-6.50	-0.15	0.18	0.08	-0.54	-0.46
Energy	0.32	5.98	-5.67	-10.84	0.88	-11.72	-0.10	0.05	-0.45	-0.08	-0.53
Information Technology	14.11	10.82	3.29	-12.28	-9.52	-2.77	-3.04	-1.22	-0.33	-0.66	-0.98
Communication Services	7.76	6.07	1.69	-17.97	-7.23	-10.74	-2.33	-0.67	-0.05	-1.00	-1.05
Industrials	17.14	12.31	4.83	-14.52	-1.83	-12.70	-2.99	0.01	0.08	-2.23	-2.15
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>-7.35</b>	<b>-5.07</b>	<b>-2.27</b>	<b>-7.35</b>	<b>-5.07</b>	<b>0.94</b>	<b>-3.21</b>	<b>-2.27</b>



**Trailing 1 Year Attribution:**  
Harbor International Growth Fund vs MSCI All Country World Ex. US (ND) Index

**Country Attribution**

	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
Switzerland	3.19	6.50	-3.32	15.11	-6.83	21.94	0.84	-0.35	0.07	0.73	0.80
Netherlands	7.32	2.72	4.60	1.21	2.12	-0.91	1.38	0.18	0.57	0.04	0.61
Canada	1.75	8.06	-6.31	-40.25	-13.09	-27.16	-0.19	-1.15	0.43	-0.12	0.31
South Africa	0.21	1.04	-0.83	-4.96	-20.56	15.60	-0.03	-0.22	0.07	0.20	0.26
Brazil	1.21	1.53	-0.33	-3.33	-18.68	15.35	-0.01	-0.31	0.00	0.21	0.21
Taiwan	3.64	4.20	-0.56	-9.23	-13.72	4.49	-0.59	-0.94	0.13	0.06	0.19
United States	5.96	0.01	5.95	-2.25	32.69	-34.94	0.08	0.00	2.23	-2.05	0.18
Saudi Arabia	0.00	1.25	-1.25	0.00	-19.02	19.02	0.00	-0.31	0.15	0.00	0.15
Belgium	0.41	0.62	-0.22	30.83	-2.18	33.00	0.29	0.01	0.01	0.08	0.09
United Arab Emirates	0.00	0.39	-0.39	0.00	-28.43	28.43	0.00	-0.14	0.09	0.00	0.09
India	5.85	3.98	1.86	-9.31	-12.17	2.86	-0.69	-0.52	-0.06	0.15	0.09
Norway	0.00	0.49	-0.49	0.00	-21.65	21.65	0.00	-0.13	0.08	0.00	0.08
Israel	0.00	0.48	-0.48	0.00	-20.60	20.60	0.00	-0.11	0.07	0.00	0.07
Singapore	2.97	0.95	2.02	-2.18	-3.09	0.92	0.00	-0.02	0.04	0.03	0.07
Portugal	1.48	0.14	1.34	0.19	1.28	-1.09	0.06	0.00	0.09	-0.02	0.06
Qatar	0.00	0.31	-0.31	0.00	-22.61	22.61	0.00	-0.09	0.05	0.00	0.05
Poland	0.00	0.18	-0.18	0.00	-20.14	20.14	0.00	-0.04	0.03	0.00	0.03
Malaysia	0.00	0.43	-0.43	0.00	-10.90	10.90	0.00	-0.06	0.02	0.00	0.02
Colombia	0.00	0.04	-0.04	0.00	-39.20	39.20	0.00	-0.03	0.02	0.00	0.02
Kuwait	0.00	0.25	-0.25	0.00	-11.27	11.27	0.00	-0.03	0.02	0.00	0.02
Philippines	0.00	0.21	-0.21	0.00	-13.71	13.71	0.00	-0.04	0.02	0.00	0.02
Peru	0.00	0.07	-0.07	0.00	-12.17	12.17	0.00	0.00	0.01	0.00	0.01
Hungary	0.00	0.05	-0.05	0.00	-12.06	12.06	0.00	-0.01	0.00	0.00	0.00
Austria	0.00	0.12	-0.12	0.00	-5.68	5.68	0.00	0.00	0.00	0.00	0.00
Egypt	0.00	0.02	-0.02	0.00	-2.64	2.64	0.00	0.00	0.00	0.00	0.00
Chile	0.00	0.16	-0.16	0.00	-3.03	3.03	0.00	0.00	0.00	0.00	0.00
Finland	0.00	0.63	-0.63	0.00	-4.17	4.17	0.00	-0.01	0.00	0.00	0.00
Czech Republic	0.00	0.04	-0.04	0.00	10.34	-10.34	0.00	0.00	-0.01	0.00	-0.01
New Zealand	0.00	0.12	-0.12	0.00	2.14	-2.14	0.00	0.00	-0.01	0.00	-0.01
United Kingdom	11.09	9.80	1.30	-0.68	-0.84	0.16	0.23	0.05	0.04	-0.05	-0.01
Greece	0.00	0.08	-0.08	0.00	14.80	-14.80	0.00	0.02	-0.02	0.00	-0.02
Thailand	0.00	0.58	-0.58	0.00	-0.94	0.94	0.00	0.00	-0.02	0.00	-0.02
Indonesia	0.00	0.55	-0.55	0.00	0.21	-0.21	0.00	-0.01	-0.03	0.00	-0.03
Cayman Islands	0.15	0.02	0.12	-5.71	1.60	-7.31	-0.09	0.01	-0.04	0.00	-0.04
Turkey	0.00	0.13	-0.13	0.00	52.82	-52.82	0.00	0.06	-0.04	0.00	-0.04
Mexico	0.72	0.66	0.06	-0.80	8.55	-9.35	0.04	0.10	0.02	-0.07	-0.05
Australia	2.83	5.01	-2.18	-12.32	-8.98	-3.34	-0.68	-0.51	0.07	-0.15	-0.08
South Korea	0.56	3.38	-2.81	-48.65	-14.41	-34.24	-0.66	-0.62	0.23	-0.34	-0.11
Ireland	0.00	0.59	-0.59	0.00	18.75	-18.75	0.00	0.13	-0.12	0.00	-0.12
Sweden	6.07	2.18	3.89	-5.91	-7.24	1.33	-0.44	-0.11	-0.16	0.02	-0.14
Hong Kong	4.56	1.96	2.60	-8.25	-4.26	-3.99	-0.18	-0.15	-0.05	-0.11	-0.16
Italy	0.00	1.48	-1.48	0.00	9.06	-9.06	0.00	0.21	-0.19	0.00	-0.19
Denmark	0.16	1.76	-1.60	26.01	14.24	11.77	0.12	0.32	-0.27	0.04	-0.22
Spain	0.00	1.54	-1.54	0.00	11.88	-11.88	0.00	0.21	-0.23	0.00	-0.23
China	8.53	8.81	-0.29	-12.76	-5.75	-7.01	-1.55	-0.97	0.04	-0.46	-0.42



**Trailing 1 Year Attribution:**  
Harbor International Growth Fund vs MSCI All Country World Ex. US (ND) Index

**Country Attribution**

France	4.90	7.38	-2.48	0.63	8.79	-8.16	0.08	1.00	-0.33	-0.32	-0.65
Japan	19.25	13.97	5.28	-12.89	-5.23	-7.67	-3.11	-0.84	0.00	-1.52	-1.52
Germany	6.70	5.10	1.61	-16.47	2.24	-18.71	-2.24	0.34	-0.20	-1.45	-1.65
Cash	0.50	0.00	0.50	107.56	0.00	107.56	0.01	0.00	0.01	0.00	0.01
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>-7.35</b>	<b>-5.07</b>	<b>-2.27</b>	<b>-7.35</b>	<b>-5.07</b>	<b>2.70</b>	<b>-4.97</b>	<b>-2.27</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.

### Benchmarks

The MSCI All Country World Ex. US (ND) Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global developed and emerging markets, excluding the U.S. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

### Disclosures

All holdings-related data is provided by FactSet. Because FactSet relies on external sources for its data, that data may differ slightly from actual values maintained by Harbor Funds.

Due to the security valuation procedures of the Fund and intra-day trading activity not included in the FactSet calculations, the actual returns may vary. From time to time the cash return in the portfolio may appear distorted based on the way FactSet's attribution calculation methodology addresses delayed settlements.

Beta is a rolling three year, unless the Fund has a track record of less than three years, in which case it is a rolling one year.

Best and Worst Performers sections reflect stocks in the portfolio for the quarter with an average weight of 0.25% or greater.

Views expressed herein are drawn from commentary provided to Harbor by the subadvisor and may not be reflective of their current opinions or future actions, are subject to change without prior notice, and should not be considered investment advice.

This information should not be considered as a recommendation to purchase or sell a particular security. The weightings, holdings, industries, sectors, countries, and returns mentioned may change at any time and may not represent current or future investments.

As a result of changing market conditions, total net asset levels, expenses and other statistics may change at any time and may differ from those shown.

The total amount shown for sector, industries, or country holdings may be greater than 100% because of the inclusion of derivatives and the collateral securities supporting those instruments.

Sector allocations are determined using the Global Industry Classification Standard (GICS), which is a service of Morgan Stanley Capital International (MSCI) and Standard & Poor's (S&P).

**Investors should carefully consider the investment objectives, risks, charges and expenses of a fund before investing. To obtain a summary prospectus or prospectus for this and other information, visit [harborcapital.com](http://harborcapital.com) or call 800-422-1050. Read it carefully before investing.**

**Baillie Gifford Overseas Limited is an independent subadvisor to the Harbor International Growth Fund.**

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### Attribution Disclosures

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

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

Allocation Effect is the portion of portfolio excess return that is attributable to taking different group bets from the benchmark. (If either the portfolio or the benchmark has no position in a given group, allocation effect is the lone effect.) A group's allocation effect equals the average percent capitalization of the portfolio's group minus the average percent cap of the benchmark's group times the total return of the benchmark group minus the total return of the benchmark.

Average Weight is the dollar value (price times the shares held) of the security or group, divided by the total dollar value of the entire portfolio displayed as a percentage. It is calculated as the simple arithmetic average of daily values.

Contribution to Return is the contribution of a security or group to the overall portfolio return. It is calculated as the security weight multiplied by the daily security return linked daily across the reporting period.

Currency Contribution is Total Return in USD subtracting out the Local Returns.

Local Returns are the Total Return of the portfolio or benchmark using the local currency.

Selection Effect is the portion of portfolio excess return attributable to choosing different securities within groups from the benchmark. A group's security selection effect equals the average weight of the benchmark's group times the total return of the portfolio's group minus the total return of the benchmark's group.

Total Effect is the sum of Allocation Effect and Selection Effect. The total effect represents the opportunity cost of what was done in a group relative to the overall portfolio. It is not just the difference between percent contribution in the portfolio and benchmark. At the overall portfolio level, the two numbers are equal. At the group level, they can be different.

Total Return is the price change of a security or group including dividends accrued over the report period (or the in-portfolio return) which includes only the time period that each security was in the portfolio.

### Definitions

Beta is a measure of systematic risk, or the sensitivity of a fund to movements in the benchmark. A beta of 1 implies that the expected movement of a fund's return would match that of the benchmark used to measure beta.

Median Market Cap: The median size of the companies in a portfolio or index as measured by the market value of outstanding shares.

Weighted Average Market Capitalization: The average size of the companies in a portfolio or index as measured by the market value of outstanding shares.

Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share.

The Est 3-5 Yr EPS Growth (%) is the estimated growth of earnings per share over the next 3-5 years, using pre-calculated mean long-term EPS growth rate estimates, which are calculated using each individual broker's methodology, from FactSet, First Call, I/B/E/S Consensus, and Reuters. Forward looking estimates may not come to pass.

% EPS Growth - Past 3 Year: Earnings per share refers to the bottom-line measure of a company's profitability defined as net income divided by the number of outstanding shares.

The Adjusted Trailing P/E (price-to-earnings) Ratio is the closing stock price divided by the sum of the last 12 months actual EPS.

Forecasted P/E Ratio: a measure of the P/E (price-to-earnings) ratio using forecasted earnings for the P/E calculation.

Return on Equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity.

The Price/Book (price-to-book) Ratio evaluates a firm's market value relative to its book value.

All P/E, ROE and P/B statistics are calculated as weighted medians.