

Harbor High-Yield Bond Fund

Shenkman Capital Management, Inc.

Subadvisor Since 12/01/2002

Total Net Assets – All Classes \$263,980,715
Fixed Income Assets: 97.38%
Cash & Other Assets Less Liabilities: 2.62%
Benchmark Name: ICE BofA US Non-Distressed High Yield Index

Portfolio Managers



Mark R. Shenkman



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Investment Philosophy

The Fund invests primarily in below investment-grade bonds of U.S. corporate issuers. The portfolio manager selects securities issued by companies that generally exhibit or are believed to have the potential for positive credit momentum and credit rating upgrade. Seeking to maximize return and minimize risk, the manager practices: bottom-up fundamental analysis, broad diversification, direct communication with management, monitoring of high-yield issuers on a systematic basis and comprehensive reporting and risk control systems. The portfolio manager reviews the securities at least four times a year and actively seeks to avoid holding any deemed to have a high risk of default. The Fund generally invests at least 80% of its assets in high-yield bonds, and may invest up to 20% in bank loans and 10% in equity securities, including common stock.

CHARACTERISTICS & ALLOCATION

As of 09/30/2022

Portfolio Characteristics

	Portfolio	Benchmark
Number of Bonds	533	1,776
Avg. Market Coupon (%)	5.69	5.51
Wtd. Avg. Maturity (yrs)	5.15	5.80
Duration to Worst (yrs)	3.79	4.49
Beta vs. Fund Benchmark	0.90	
Current 30-Day Yield %	7.07	
Current 30-Day Un-Sub Yield %	6.97	

Economic Sectors

	Portfolio %
Consumer Discretionary	19.40
Communication Services	16.24
Health Care	12.83
Energy	11.36
Industrials	11.23
Information Technology	8.53
Materials	5.79
Financials	5.07
Real Estate	4.18
Utilities	2.43
Consumer Staples	2.00

Top 10 Issues

	Portfolio %
Altice France SA	1.42
Verscend Escrow Corp.	1.42
Change Healthcare Holdi	1.02
Colt Merger Sub Inc.	0.95
SURGERY CENTER HOLDINGS	0.87
Mauser Packaging Soluti	0.85
TransDigm Inc.	0.83
Tenet Healthcare Corp.	0.75
Regionalcare Hospital P	0.70
Sprint Capital Corp.	0.70
Total	9.49

Credit Quality

	Portfolio %
US Govt/Agency	0.00
AAA	0.00
AA	0.00
A	0.00
BBB	4.75
BB	40.00
B	36.55
CCC	11.80
CC	0.00
C	0.00
Below C	0.00
Non-Rated	5.75

Maturity

	Portfolio %
0-1 yr	1.09
1-3 yr	22.09
3-5 yr	35.89
5-7 yr	18.65
7-10 yr	17.74
10-20 yr	2.65
20-30 yr	0.95
Over 30 yr	0.00

Duration

	Portfolio %
0-1 yr	8.13
1-3 yr	25.90
3-5 yr	39.48
5-7 yr	19.01
7-10 yr	5.31
10-20 yr	1.24
20-30 yr	0.00
Over 30 yr	0.00



Trusted Partnerships > Trusted Solutions



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	HYFAX	411511553	-0.05%	-12.17%	-11.78%	-0.39%	1.49%	3.16%	5.70%	12/01/02	0.65	0.74
Administrative	HYFRX	411511546	-0.12%	-12.38%	-11.96%	-0.64%	1.22%	2.90%	5.45%	12/01/02	0.90	0.99
Investor	HYFIX	411511538	-0.14%	-12.46%	-12.15%	-0.76%	1.11%	2.77%	5.30%	12/01/02	1.01	1.10
Retirement	HNHYX	411512379	-0.03%	-12.12%	-11.71%	-0.31%	1.55%	3.22%	5.73%	03/01/16	0.57	0.66
ICE BofA US Non-Distressed High Yield Index			-0.56%	-14.29%	-13.65%	-0.83%	1.56%	3.96%	6.24%	12/01/02		
ICE BofA US High Yield Index (H0A0)			-0.68%	-14.62%	-14.06%	-0.67%	1.41%	3.87%	7.05%	12/01/02		

MANAGER COMMENTARY

As of 09/30/2022

“Given the level of economic and geopolitical unknowns, we expect volatility to persist in equity and fixed income markets and potentially intensify during third-quarter earnings season.”

Shenkman Capital Management, Inc.

Market in Review

The high-yield bond market was down for the third quarter, with the ICE BofA US High Yield Index (H0A0) posting a return of -0.68%. The movement in rates was a factor in the sell-off later in the quarter, resulting in increases of 0.82% in the 10-year Treasury yield and 1.05% in the 5-year Treasury yield, while the H0A0 spread tightened modestly by 0.44%. However, after the tightening in early August, the Index spread widened 0.53% and was 5.43% by quarter-end, with a yield to worst of 9.58%.

This yield to worst is higher than the March 2020 month-end level, when global COVID-19-related lockdowns came into place and is the highest month-end level since late 2009. We believe this is likely in part due to the higher level of BB-rated credits and lower-than-average default rates.

Portfolio Performance

During the third quarter of 2022, the Harbor High-Yield Bond Fund (Institutional Class, “Fund”) returned -0.05%, outperforming its benchmarks the ICE BofA US Non-Distressed High Yield Index (“H0ND” or the “Index”), which returned -0.56%, and the ICE BofA US High Yield Index (“H0A0”), which returned -0.68%.

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 02/28/2023.

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.



While the Fund was certainly not immune to the market shifts described above, an overweight in short-duration, high-yield bonds and exposure to out-of-index bank loans and convertible bonds contributed to relative performance versus the Index.

By duration tier, the Fund's overweight to and, to a greater extent, selection in shorter duration — 2- to 4-year option-adjusted duration (OAD) — added to relative performance in the quarter, while selection in longer duration, >8-year OAD, detracted. Medium duration credits, 4- to 6-year OAD, contributed the most to relative performance, though selection in slightly longer duration credits, 6- to 8-year OAD, detracted.

By rating tier, the Fund's selection and underweighting in BB-rated credits contributed to relative performance, while its allocation to BBB- and higher-rated credits detracted. We believe that some of the benefit in BB-credit performance was tilt away from the longer duration BB-rated debt.

Health Care was the biggest sector contributor during the quarter and was selected in large part to avoid more volatile choices or to stay shorter duration in volatile issuers. The largest detractor from relative performance was cable and satellite, mainly from selection in satellite holdings that came under pressure during the quarter.

Other than the BBB-rated exposure mentioned above, out-of-index exposure to bank loans and convertible bonds accounted for 11.8% of the Fund and contributed to relative performance versus the H0ND.

Portfolio Positioning

In terms of positioning, the Fund's duration is shorter and steeper than the benchmark given the current bias toward lower volatility and rate exposure. From a sector/industry perspective, the Fund is overweight in areas we believe offer predictable cash flow streams, such as the Health Care sector, and underweight in those we deem more volatile, such as consumer-related segments of the market. The Fund has an underweight in BB-rated credits and a modest overweight in single-B credits. Out-of-index positions grew in the third quarter and include bank loans, convertible bonds, and a small position in BBB-rated credits. We believe bank loans are positioned to help in a rising rate environment, while convertible bonds are more idiosyncratic opportunities. Our investments are 100% U.S.-dollar denominated, we remain invested primarily in North American domiciled credits, and have sought opportunities to reduce holdings in companies with exposure to China and Europe.

Contributors & Detractors

The Fund's overweight and selection in Royal Caribbean contributed to relative performance. The positive contribution was driven by performance of the firm's operations, its more senior positioning in the capital structure, and a continued focus on its balance sheet.

Positioning and selection in Telesat detracted from relative performance, driven by continued concerns about the company's traditional satellite business while it continues to invest in its LEO constellations.

Buys and Sells

The Fund added to its position in Acrisure during the quarter. We believe this specialized consumer insurance company offers attractive relative value with a recurring revenue stream.

The Fund reduced exposure to Bausch during the quarter, as the company continues to plan a spin-off of assets and faces the challenge of a lawsuit over patents.

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Outlook

Concerns about recession and inflation have heightened since the beginning of the year. We believe much of this concern has been priced into the markets since then, but investor sensitivity to both good and bad news has been heightened. Given the level of economic and geopolitical unknowns, we expect volatility to persist in equity and fixed income markets and potentially intensify during third-quarter earnings season. We also believe that low default rates, modest maturity walls, and attractive pricing should continue to drive interest in the high-yield market.

QUARTERLY ATTRIBUTION

As of 09/30/2022

Top & Bottom Industry Returns

Top Industries	Return %
Industrial Machinery	5.26
Media: Diversified	4.47
Food & Beverage	4.29

Bottom Industries	Return %
Paper & Forest Products	-15.87
Healthcare: REITs	-8.25
Healthcare: Pharma & Biotech	-7.82

Contributors & Detractors

Greatest Contributors	Return (bps)
Oil & Gas: E&P	11
Midstream: Storage & Transport	8
Media: Diversified	7

Greatest Detractors	Return (bps)
Media: Cable & Satellite	-11
Media: Broadcasting	-10
Healthcare: Pharma & Biotech	-8

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Quarterly Attribution: Harbor High-Yield Bond Fund vs. ICE BofA US Non-Distressed High Yield Index

06/30/2022 - 09/30/2022

Maturity	HARBOR HIGH YIELD BOND FUND				ICE BofA US High Yield Non-Distressed 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
Years to Maturity Bin 1: > 10.5	3.77	3.58	-1.77	-0.05	3.93	3.74	-1.86	-0.06	0.00	0.00	0.01
Years to Maturity Bin 2: 7.0 - 10.5	18.93	17.74	-1.06	-0.05	22.94	21.39	-1.78	-0.19	0.04	0.13	0.16
Years to Maturity Bin 3: 5.0 - 7.0	20.49	18.65	-0.79	0.02	32.83	32.41	-0.88	-0.27	0.07	0.02	0.08
Years to Maturity Bin 4: 3.0 - 5.0	35.71	36.03	0.38	0.06	26.18	27.26	0.02	-0.10	0.04	0.12	0.16
Years to Maturity Bin 5: 0 - 3.0	19.63	23.05	1.52	0.19	14.11	15.19	1.13	0.12	0.16	0.06	0.22
OAD	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
OAD Bin 1: > 8	2.39	2.02	-1.83	-0.03	3.07	2.67	-1.79	-0.04	0.01	-0.00	0.01
OAD Bin 2: 6 - 8	11.69	11.11	-2.29	-0.16	12.05	11.40	-2.28	-0.13	-0.01	-0.01	-0.02
OAD Bin 3: 4 - 6	25.66	24.58	-0.15	0.30	39.76	40.99	-0.74	-0.13	0.07	0.14	0.21
OAD Bin 4: 3 - 4	16.80	19.99	0.29	-0.07	18.92	19.10	-0.71	-0.19	-0.01	0.12	0.10
OAD Bin 5: 2 - 3	23.74	25.13	0.84	0.19	17.18	16.92	0.55	0.03	0.03	0.06	0.09
OAD Bin 6: 1 - 2	11.26	8.32	0.19	-0.09	7.95	7.29	0.00	-0.04	0.10	0.01	0.11
OAD Bin 7: 0 - 1	7.00	7.93	0.80	0.01	1.07	1.64	-0.29	-0.01	0.07	0.06	0.12
Rating	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
BBB & ABOVE	2.52	2.68	-0.66	-0.02	0.01	--	-0.45	-0.00	-0.01	0.01	0.00
BB	39.10	38.61	-0.25	0.01	56.40	55.55	-0.85	-0.31	0.05	0.24	0.29
B	39.45	40.73	0.50	0.15	35.94	36.54	-0.11	-0.13	0.01	0.25	0.26
CCC & BELOW	12.75	12.41	0.51	0.05	7.64	7.91	0.08	-0.07	0.01	0.05	0.06
NR	4.73	4.64	-0.46	-0.02	--	--	--	--	0.02	--	0.02
Price	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
Price Bin 1: > 110	1.82	1.40	-0.95	-0.03	1.09	0.67	-0.88	-0.02	-0.00	-0.01	-0.01
Price Bin 2: 105 - 110	2.32	0.20	-1.18	0.02	1.60	0.48	-1.58	-0.01	-0.01	0.02	0.01
Price Bin 3: 100 - 105	12.66	6.58	-1.16	-0.31	7.97	4.14	-1.70	-0.18	0.03	0.07	0.11
Price Bin 4: 90 - 100	44.48	40.84	1.46	0.61	45.80	31.78	-0.30	-0.15	0.06	0.75	0.81
Price Bin 5: 80 - 90	25.86	27.85	-0.91	0.08	34.80	39.26	-0.06	0.07	0.02	-0.25	-0.23
Price Bin 6: < 80	11.41	22.18	0.05	-0.20	8.74	23.67	1.28	-0.21	0.11	-0.19	-0.08



Quarterly Attribution:
Industry Attribution
06/30/2022 - 09/30/2022

Industry	HARBOR HIGH YIELD BOND FUND				ICE BofA US High Yield Non-Distressed 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	2.53	2.70	2.54	0.06	2.53	2.62	3.39	0.08	0.00	-0.02	-0.02
Auto Retail	1.25	1.22	-2.06	-0.02	0.75	0.74	-0.58	-0.00	0.00	-0.02	-0.02
Automotive	6.02	6.04	-0.52	-0.03	4.93	5.01	-0.96	-0.05	-0.00	0.03	0.02
Building Products	0.74	0.73	-0.18	-0.00	2.76	2.83	-0.13	-0.01	-0.00	-0.00	-0.01
Chemicals	3.12	2.90	-2.25	-0.08	2.20	2.21	-0.87	-0.02	-0.00	-0.04	-0.04
Commercial Services	2.91	2.76	-0.91	-0.00	2.49	2.43	-1.96	-0.05	-0.00	0.03	0.02
Construction & Engineering	0.76	0.72	1.32	0.01	0.58	0.57	1.06	0.00	0.00	0.00	0.00
Consumer Discretionary	0.48	0.34	3.32	0.02	2.32	2.33	-0.88	-0.02	0.01	0.02	0.03
Consumer Non-Discretionary	--	--	--	--	0.99	1.00	-0.83	-0.01	0.00	--	0.00
Environmental Services	1.08	1.14	2.90	0.03	0.65	0.63	0.27	0.00	0.01	0.03	0.03
Financials: Banks	--	--	--	--	0.98	1.00	-3.57	-0.04	0.03	--	0.03
Financials: Consumer Finance	1.64	1.65	2.63	0.04	1.58	1.58	0.84	0.01	0.00	0.03	0.03
Financials: Diversified	0.69	0.79	2.44	-0.00	2.73	2.75	-0.75	-0.02	0.01	0.02	0.03
Financials: Insurance	1.89	2.35	0.15	-0.02	1.54	1.53	0.05	0.00	0.00	0.00	0.00
Financials: Thrifts & Mortgages	0.30	0.22	0.35	0.02	0.88	0.86	-0.25	0.00	0.00	0.01	0.01
Food & Beverage	0.55	0.55	4.29	0.02	1.55	1.53	-0.48	-0.00	-0.00	0.03	0.03
Healthcare: Equipment & Supplies	1.79	2.05	2.35	0.04	1.42	1.38	-3.22	-0.04	-0.01	0.11	0.10
Healthcare: Facilities	5.75	5.83	-0.03	0.00	3.41	3.42	-0.66	-0.02	0.00	0.02	0.02
Healthcare: Life Sciences	0.83	0.88	-3.20	-0.03	0.68	0.67	-2.26	-0.01	-0.00	-0.01	-0.01
Healthcare: Managed Health Care	3.04	2.95	-0.28	0.01	1.49	1.47	-1.91	-0.02	-0.02	0.05	0.02
Healthcare: Pharma & Biotech	1.50	1.28	-7.82	-0.08	1.28	1.04	-5.34	-0.05	-0.01	-0.04	-0.04
Healthcare: REITs	0.78	0.81	-8.25	-0.06	0.47	0.46	-5.29	-0.02	-0.01	-0.02	-0.04
Industrial Machinery	0.79	0.88	5.26	0.04	1.49	1.46	-1.06	-0.02	0.01	0.05	0.05
Leisure: Casinos & Gaming	4.55	5.35	1.72	0.05	3.23	3.29	0.91	0.03	0.03	0.04	0.07
Leisure: Hotels	3.59	3.91	2.73	0.06	4.06	4.46	-0.00	-0.07	-0.01	0.10	0.10
Leisure: Restaurants	0.51	0.79	3.90	0.01	1.18	1.19	-0.74	-0.01	0.00	0.03	0.03
Media: Broadcasting	2.50	2.77	-3.57	-0.10	2.63	2.72	-0.48	-0.02	0.00	-0.07	-0.07
Media: Cable & Satellite	5.66	5.39	-2.25	-0.11	5.28	5.33	-1.55	-0.09	0.00	-0.04	-0.04
Media: Diversified	1.69	1.67	4.47	0.07	1.96	2.10	1.67	0.01	-0.01	0.05	0.04
Media: Entertainment	1.49	1.52	-0.15	-0.00	0.87	0.85	-0.95	-0.01	-0.00	0.01	0.01
Metals & Mining	0.91	0.92	-1.33	-0.01	2.15	2.07	-0.66	-0.00	0.01	-0.00	0.00
Midstream: Storage & Transport	4.68	4.54	1.56	0.08	5.22	5.10	1.27	0.07	-0.01	0.01	0.00
Oil & Gas: E&P	5.98	5.78	1.90	0.11	5.70	5.65	0.82	0.05	0.01	0.07	0.07
Oil & Gas: Equipment & Services	1.28	1.03	1.15	0.03	1.11	1.14	1.65	0.01	-0.00	-0.01	-0.01
Oil & Gas: Refining	--	--	--	--	0.80	0.80	2.90	0.02	-0.02	--	-0.02
Packaging	1.95	1.93	0.09	-0.00	2.49	2.56	-2.09	-0.06	0.01	0.04	0.05
Paper & Forest Products	0.04	0.04	-15.87	-0.01	0.23	0.21	-7.79	-0.02	0.01	-0.00	0.01
Real Estate: Homebuilding	0.49	0.48	0.40	0.00	1.03	1.04	0.78	0.01	-0.01	-0.00	-0.01
Real Estate: Management	0.17	0.21	-4.37	-0.01	0.70	0.72	-2.79	-0.02	0.01	0.01	0.02
REITs	0.53	0.49	-4.57	-0.02	0.56	0.57	0.37	0.00	-0.00	-0.02	-0.03
Retail: Food & Drug	1.50	1.45	2.06	0.04	1.18	1.18	-0.38	-0.00	-0.00	0.03	0.03
Retailing	2.54	2.43	-0.12	-0.00	1.96	1.95	-1.05	-0.02	-0.00	0.03	0.02
Technology Hardware	2.12	2.11	-1.82	-0.04	2.41	2.40	-1.53	-0.04	0.00	-0.01	-0.00
Technology: Software & Services	6.96	6.48	-0.73	-0.03	2.30	2.28	-2.50	-0.05	-0.10	0.13	0.03
Telecom Services: Diversified	4.82	4.84	0.40	0.03	5.14	5.00	-1.11	-0.06	0.01	0.07	0.08
Telecom Services: Wireless	1.31	1.41	-1.23	-0.02	2.14	1.81	-0.77	0.04	0.01	-0.01	0.00
Transportation	2.39	2.29	1.00	0.02	2.61	2.67	1.63	0.04	-0.01	-0.02	-0.02
Utilities: Power	1.81	1.79	0.48	0.02	2.81	2.79	0.10	0.01	-0.01	0.01	-0.00
Utilities: Propane	0.63	0.64	0.81	0.01	0.55	0.55	0.59	0.00	0.00	0.00	0.00
Total	100.00	100.00	0.17	0.17	100.00	100.00	-0.50	-0.50	-0.05	0.72	0.67



Trailing 1 Year Attribution: Harbor High-Yield Bond Fund vs. ICE BofA US Non-Distressed High Yield Index

09/30/2021 - 09/30/2022

Maturity	HARBOR HIGH YIELD BOND FUND				ICE BofA US High Yield Non-Distressed 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
Years to Maturity Bin 1: > 10.5	4.47	3.58	-23.44	-1.03	4.81	3.74	-25.34	-1.18	0.03	0.08	0.11
Years to Maturity Bin 2: 7.0 - 10.5	22.40	17.74	-17.76	-3.76	27.15	21.39	-18.61	-4.85	0.27	0.20	0.47
Years to Maturity Bin 3: 5.0 - 7.0	23.81	18.65	-13.25	-2.99	30.31	32.41	-14.16	-4.47	0.11	0.21	0.32
Years to Maturity Bin 4: 3.0 - 5.0	36.08	36.03	-8.03	-3.10	26.69	27.26	-9.60	-2.67	0.41	0.57	0.98
Years to Maturity Bin 5: 0 - 3.0	11.46	23.05	-2.03	-0.30	11.05	15.19	-3.97	-0.42	0.14	0.17	0.31
OAD	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
OAD Bin 1: > 8	4.16	2.02	-22.96	-0.93	4.40	2.67	-25.69	-1.07	0.02	0.10	0.12
OAD Bin 2: 6 - 8	11.27	11.11	-19.61	-2.15	12.06	11.40	-19.33	-2.21	0.02	-0.05	-0.03
OAD Bin 3: 4 - 6	26.19	24.58	-15.99	-3.96	36.40	40.99	-16.50	-6.14	0.34	0.12	0.47
OAD Bin 4: 3 - 4	14.91	19.99	-11.03	-1.86	17.51	19.10	-12.48	-2.33	-0.09	0.22	0.13
OAD Bin 5: 2 - 3	17.24	25.13	-7.07	-1.41	15.64	16.92	-7.80	-1.28	0.09	0.13	0.22
OAD Bin 6: 1 - 2	11.39	8.32	-2.47	-0.40	9.36	7.29	-3.57	-0.31	0.34	0.11	0.45
OAD Bin 7: 0 - 1	13.09	7.93	-5.50	-0.51	4.63	1.64	-5.84	-0.26	0.55	0.24	0.78
Rating	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
BBB & ABOVE	1.15	2.68	-9.49	-0.14	0.02	--	-0.99	-0.01	0.05	0.01	0.06
BB	38.95	38.61	-13.00	-4.81	54.83	55.55	-13.62	-7.15	0.00	0.25	0.25
B	38.92	40.73	-9.92	-4.01	36.00	36.54	-13.13	-4.91	-0.00	1.25	1.25
CCC & BELOW	14.38	12.41	-9.33	-1.37	9.15	7.91	-15.03	-1.53	-0.08	0.82	0.74
NR	4.85	4.64	-15.90	-0.87	--	--	--	--	-0.13	--	-0.13
Price	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
Price Bin 1: > 110	4.75	1.40	-16.26	-0.68	5.21	0.67	-17.39	-0.66	0.01	-0.01	0.01
Price Bin 2: 105 - 110	11.13	0.20	-7.52	-0.63	8.47	0.48	-12.77	-0.77	0.01	0.41	0.42
Price Bin 3: 100 - 105	25.76	6.58	-9.35	-2.34	25.62	4.14	-10.89	-2.29	0.20	0.49	0.69
Price Bin 4: 90 - 100	36.90	40.84	-8.80	-3.44	38.87	31.78	-12.88	-5.72	0.06	1.46	1.51
Price Bin 5: 80 - 90	13.95	27.85	-19.56	-2.55	17.76	39.26	-16.98	-3.11	0.09	-0.31	-0.22
Price Bin 6: < 80	5.76	22.18	-29.40	-1.55	4.07	23.67	-22.18	-1.05	-0.04	-0.19	-0.23



Trailing 1 Year Attribution:
Industry Attribution
 09/30/2021 - 09/30/2022

Industry	HARBOR HIGH YIELD BOND FUND				ICE BofA US High Yield Non-Distressed 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	2.54	2.70	-2.00	-0.06	2.34	2.62	-8.58	-0.20	0.01	0.17	0.18
Auto Retail	1.07	1.22	-14.75	-0.16	0.80	0.74	-19.64	-0.18	-0.01	0.05	0.04
Automotive	5.25	6.04	-12.28	-0.64	4.67	5.01	-13.54	-0.61	0.00	0.07	0.07
Building Products	0.88	0.73	-13.70	-0.11	2.64	2.83	-15.33	-0.43	0.04	0.02	0.05
Chemicals	3.01	2.90	-20.18	-0.60	2.27	2.21	-14.91	-0.35	-0.01	-0.15	-0.16
Commercial Services	3.16	2.76	-10.91	-0.33	2.36	2.43	-13.53	-0.33	0.01	0.08	0.09
Construction & Engineering	0.58	0.72	-12.39	-0.08	0.65	0.57	-13.56	-0.09	0.00	0.00	0.00
Consumer Discretionary	0.66	0.34	-14.25	-0.09	2.33	2.33	-13.93	-0.33	0.01	-0.00	0.00
Consumer Non-Discretionary	0.00	--	2.11	0.00	0.90	1.00	-14.16	-0.13	0.00	0.00	0.01
Environmental Services	1.01	1.14	-9.29	-0.08	0.59	0.63	-11.49	-0.07	0.01	0.03	0.03
Financials: Banks	--	--	--	--	1.01	1.00	-18.37	-0.18	0.05	--	0.05
Financials: Consumer Finance	1.43	1.65	-11.38	-0.14	1.57	1.58	-13.29	-0.21	0.00	0.03	0.03
Financials: Diversified	0.39	0.79	-10.64	-0.06	2.63	2.75	-14.20	-0.38	0.01	0.02	0.04
Financials: Insurance	1.74	2.35	-8.04	-0.16	1.40	1.53	-11.49	-0.16	0.01	0.06	0.07
Financials: Thrifts & Mortgages	0.34	0.22	-18.82	-0.06	1.01	0.86	-17.97	-0.19	0.04	-0.00	0.03
Food & Beverage	0.91	0.55	-19.59	-0.17	2.18	1.53	-14.80	-0.30	0.04	-0.04	0.00
Healthcare: Equipment & Supplies	1.83	2.05	-0.11	0.00	1.19	1.38	-14.12	-0.17	-0.01	0.22	0.21
Healthcare: Facilities	5.56	5.83	-6.79	-0.40	4.00	3.42	-14.72	-0.57	-0.03	0.44	0.42
Healthcare: Life Sciences	0.91	0.88	-11.05	-0.10	0.63	0.67	-11.66	-0.07	0.01	0.01	0.01
Healthcare: Managed Health Care	2.85	2.95	-8.42	-0.22	1.36	1.47	-14.79	-0.19	-0.01	0.17	0.16
Healthcare: Pharma & Biotech	2.58	1.28	-23.00	-0.50	1.94	1.04	-24.13	-0.45	-0.04	0.10	0.05
Healthcare: REITs	0.81	0.81	-23.38	-0.18	0.47	0.46	-18.68	-0.09	-0.02	-0.04	-0.05
Industrial Machinery	0.79	0.88	-10.49	-0.10	1.43	1.46	-10.84	-0.16	-0.01	-0.00	-0.02
Leisure: Casinos & Gaming	3.82	5.35	-9.22	-0.34	3.25	3.29	-9.42	-0.29	0.04	0.04	0.08
Leisure: Hotels	3.23	3.91	-11.51	-0.37	4.11	4.46	-14.59	-0.72	0.01	0.11	0.13
Leisure: Restaurants	0.70	0.79	-2.86	-0.03	1.11	1.19	-11.99	-0.13	-0.01	0.06	0.05
Media: Broadcasting	2.48	2.77	-17.41	-0.46	2.51	2.72	-12.93	-0.34	0.00	-0.11	-0.10
Media: Cable & Satellite	6.63	5.39	-18.70	-1.30	5.13	5.33	-17.52	-0.93	-0.06	-0.08	-0.14
Media: Diversified	1.88	1.67	-6.76	-0.12	1.85	2.10	-11.38	-0.22	-0.01	0.10	0.09
Media: Entertainment	1.90	1.52	-9.68	-0.21	0.86	0.85	-13.78	-0.11	-0.01	0.08	0.07
Metals & Mining	1.27	0.92	-13.47	-0.14	2.28	2.07	-12.16	-0.26	-0.01	-0.01	-0.02
Midstream: Storage & Transport	5.01	4.54	-9.55	-0.47	5.06	5.10	-11.60	-0.57	-0.01	0.10	0.10
Oil & Gas: E&P	5.59	5.78	-6.37	-0.34	5.84	5.65	-7.53	-0.42	-0.00	0.07	0.06
Oil & Gas: Equipment & Services	1.14	1.03	-5.16	-0.07	1.15	1.14	-6.48	-0.10	-0.01	0.01	0.00
Oil & Gas: Refining	--	--	--	--	0.74	0.80	4.82	0.03	-0.13	--	-0.13
Packaging	2.19	1.93	-8.31	-0.17	2.36	2.56	-12.70	-0.31	-0.00	0.11	0.11
Paper & Forest Products	0.08	0.04	-38.24	-0.02	0.22	0.21	-18.84	-0.04	0.01	-0.01	0.00
Real Estate: Homebuilding	0.50	0.48	-20.08	-0.10	1.07	1.04	-15.92	-0.17	0.01	-0.02	-0.01
Real Estate: Management	0.12	0.21	-16.98	-0.01	0.76	0.72	-18.23	-0.15	0.03	0.01	0.04
REITs	0.55	0.49	-19.30	-0.11	0.51	0.57	-9.02	-0.05	0.00	-0.06	-0.05
Retail: Food & Drug	1.25	1.45	-6.40	-0.06	1.20	1.18	-10.72	-0.12	0.00	0.06	0.06
Retailing	2.70	2.43	-25.29	-0.73	2.12	1.95	-22.02	-0.49	-0.05	-0.10	-0.15
Technology Hardware	1.97	2.11	-10.56	-0.17	2.44	2.40	-15.43	-0.37	0.01	0.10	0.11
Technology: Software & Services	6.38	6.48	-11.01	-0.77	2.30	2.28	-14.87	-0.35	-0.07	0.26	0.19
Telecom Services: Diversified	4.93	4.84	-10.72	-0.50	4.75	5.00	-16.59	-0.81	0.00	0.29	0.30
Telecom Services: Wireless	1.10	1.41	-13.77	-0.14	2.36	1.81	-12.34	-0.24	-0.01	-0.01	-0.03
Transportation	2.14	2.29	-5.18	-0.10	2.38	2.67	-9.36	-0.22	-0.01	0.07	0.06
Utilities: Power	1.81	1.79	-9.94	-0.16	2.80	2.79	-11.75	-0.31	-0.02	0.03	0.01
Utilities: Propane	0.56	0.64	-9.42	-0.05	0.50	0.55	-12.07	-0.06	0.00	0.02	0.02
Total	100.00	100.00	-11.19	-11.19	100.00	100.00	-13.60	-13.60	0.06	2.35	2.41

Risks

There is no guarantee that the investment objective of the Fund will be achieved. Fixed income investments are affected by interest rate changes and the creditworthiness of the issues held by the Fund. As interest rates rise, the values of fixed income securities held by the Fund are likely to decrease and reduce the value of the Fund's portfolio. High-yield investing poses additional credit risk related to lower-rated bonds.

Benchmarks

The ICE BofA US Non-Distressed High Yield Index is a subset of the ICE BofA US High Yield Index (H0A0) including all securities with an option-adjusted spread less than 1,000 basis points. The ICE BofA US High Yield Index (H0A0) is an unmanaged index that tracks the performance of below investment grade U.S. Dollar-denominated corporate bonds publicly issued in the U.S. domestic market. All bonds are U.S. Dollar-denominated and rated Split BBB and below. These unmanaged indices do not reflect fees and expenses and are not available for direct investment.

Disclosures

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

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 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.

The views expressed herein may not be reflective of current opinions, are subject to change without prior notice, and should not be considered investment advice.

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

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

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

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

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

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Attribution Disclosures

All data for this attribution analysis is provided by Shenkman Capital Management, Inc.

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.