

Harbor High-Yield Bond Fund

Shenkman Capital Management, Inc.

Subadvisor Since 12/01/2002

Total Net Assets – All Classes	\$278,541,778
Fixed Income Assets:	97.39%
Cash & Other Assets Less Liabilities:	2.61%
Benchmark Name:	ICE BofA US Non-Distressed High Yield Index

Portfolio Managers



Mark R. Shenkman



Justin W. Slatky



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Neil Wechsler, CFA



Jordan N. Barrow, CFA

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 06/30/2022

Portfolio Characteristics

	Portfolio	Benchmark
Number of Bonds	523	1,787
Avg. Market Coupon (%)	5.60	5.46
Wtd. Avg. Maturity (yrs)	5.43	6.04
Duration to Worst (yrs)	4.01	4.67
Beta vs. Fund Benchmark	0.90	
Current 30-Day Yield %	6.69	
Current 30-Day Un-Sub Yield %	6.59	

Economic Sectors

	Portfolio %
Consumer Discretionary	17.14
Communication Services	16.46
Health Care	13.85
Energy	12.07
Industrials	11.51
Information Technology	8.98
Materials	5.75
Financials	4.47
Real Estate	4.21
Utilities	2.48
Consumer Staples	2.09

Top 10 Issues

	Portfolio %
Verscend Escrow Corp.	1.44
Altice France SA	1.39
Colt Merger Sub Inc.	1.10
Change Healthcare Holdi	0.91
Regionalcare Hospital P	0.90
TransDigm Inc.	0.84
SURGERY CENTER HOLDINGS	0.82
Tenet Healthcare Corp.	0.71
Mauser Packaging Soluti	0.64
Sprint Capital Corp.	0.63
Total	9.35

Credit Quality

	Portfolio %
US Govt/Agency	0.00
AAA	0.00
AA	0.00
A	0.00
BBB	4.48
BB	40.01
B	36.74
CCC	12.11
CC	0.00
C	0.00
Below C	0.00
Non-Rated	5.67

Maturity

	Portfolio %
0-1 yr	1.42
1-3 yr	15.43
3-5 yr	37.03
5-7 yr	21.54
7-10 yr	19.34
10-20 yr	3.37
20-30 yr	0.88
Over 30 yr	0.00

Duration

	Portfolio %
0-1 yr	6.35
1-3 yr	23.79
3-5 yr	39.32
5-7 yr	21.35
7-10 yr	6.99
10-20 yr	1.21
20-30 yr	0.00
Over 30 yr	0.00



Trusted Partnerships > Trusted Solutions



Performance

Share Class	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Net Expense Ratio %	Gross Expense Ratio %
Institutional	HYFAX	411511553	-8.74%	-12.12%	-11.15%	0.22%	1.86%	3.51%	5.78%	12/01/02	0.65	0.74
Administrative	HYFRX	411511546	-8.77%	-12.28%	-11.33%	-0.03%	1.61%	3.25%	5.52%	12/01/02	0.90	0.99
Investor	HYFIX	411511538	-8.89%	-12.33%	-11.44%	-0.19%	1.47%	3.12%	5.38%	12/01/02	1.01	1.10
Retirement	HNHYX	411512379	-8.72%	-12.09%	-11.08%	0.30%	1.92%	3.56%	5.80%	03/01/16	0.57	0.66
ICE BofA US Non-Distressed High Yield Index			-9.76%	-13.81%	-12.38%	0.00%	2.08%	4.45%	6.36%	12/01/02		
ICE BofA US High Yield Index (H0A0)			-9.97%	-14.04%	-12.66%	-0.04%	1.95%	4.41%	7.18%	12/01/02		

MANAGER COMMENTARY

As of 06/30/2022

“Given the dramatic repricing in the high-yield bond market in the past quarter, we believe investors may increasingly search for entry points into the asset class.”

Shenkman Capital Management, Inc.

Market in Review

At the end of the second quarter, the most significant macro development was the increased probability that markets are preparing for a recession. This was triggered by the surprise negative GDP release on April 28, disappointing consumer-confidence surveys, and the inversion of the yield curve, which in part led to a substantive widening in spreads in the high-yield bond market, most notably, in the CCC sector.

Portfolio Performance

During the second quarter of 2022, the Harbor High-Yield Bond Fund (Institutional Class, “Fund”) returned -8.74%, outperforming its benchmarks, the ICE BofA US Non-Distressed High Yield Index, which returned -9.76%, and the ICE BofA US High Yield Index (H0A0), which returned -9.97%.

Credit selection in single-Bs and CCCs, as well as our overall quality bias led the Fund to outperform in this environment, particularly our selections in CCC issues. While we were already biased toward higher credit quality and shorter duration bonds, during the quarter we increased our BB weighting and decreased our CCC weighting as we became more sensitive to potential negative credit surprises.

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

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



The Fund exited Kraft Heinz during the quarter. The company was upgraded to investment grade and removed from the Index. We felt that the credit had tightened in spread enough to reflect this positive news, which was a major part of our original investment thesis. Therefore, based on relative value and higher-than-average duration of several bonds, we determined that the Fund should exit the position.

The Fund eliminated Roblox due to its ongoing erosion of monthly user-engagement metrics, including daily active users (DAUs) and hours engaged, both of which declined for four consecutive months. We anticipate the company will report another quarter of booking declines in its upcoming second quarter results. Our concern is that a potential recession would create additional headwinds on discretionary spending, which could directly impact Roblox's core revenue stream.

Portfolio Positioning

In terms of positioning, the Fund's duration remains shorter than the index average and it is overweight in the portion of the market with a duration of less than four years. From a sector/industry perspective, notable overweights include Health Care and automotive. Underweights include Financials and Consumer Staples (discretionary). The Fund is overweight CCCs, however the duration-times-spread (DTS) for the Fund's CCCs are materially below the DTS of the CCCs in the Index. Out-of-index positions in BBB-rated credits, bank loans, and convertible bonds represent 12.1% of the Fund. Our investments are 100% U.S.-dollar denominated, and we remain invested primarily in North American domiciled credits that are in line with the Index.

Contributors & Detractors

TransDigm, a supplier of proprietary, high-margin aerospace products, was one of the larger contributors to performance. During the quarter, TransDigm continued to experience tailwinds from the recovery of travel for both new and aftermarket aerospace products. While it continues to report excellent numbers, the primary driver of the positive contribution is the Fund's overweight position, especially in secured paper, which outperformed the Index.

HCA, one of the largest health care facility operators, has held a large position in the Fund for some time. Part of the thesis for the investment has been that HCA's entire capital structure would be upgraded to investment grade; the senior most part of the structure has already been completed. In May, S&P upgraded the remainder of the capital structure, which helped performance.

Oregon Tool was a key detractor. While top line and operating-segment revenues grew in two consecutive quarters following a leveraged buyout (LBO) by Platinum Equity, margins and EBITDA (earnings before interest, taxes, depreciation, and amortization) were below expectations, primarily due to higher steel and freight costs as well as other inflationary pressures. As a result, Moody's downgraded the unsecured notes, which then underperformed. Despite this, we believe Oregon Tool's recent pricing initiatives and strong demand will restore margins in the coming quarters.

T-Mobile is a leading wireless company in the U.S. and has continued to be a crossover name with high credit ratings. The Fund's position has a longer duration than the overall market on average, and we believe this was the major reason T-Mobile detracted from performance.

Buys and Sells

The Fund added Entegris, a semiconductor company, through a new issue. It is a strong Ba2-/BB-rated issuer, and we are quite favorable on the credit.

The Fund added Univision on a new issue as well. Univision, the largest Spanish language broadcaster in the country, is a solid B1/B+ credit that we believe is well-positioned with an attractive asset.



One of the largest factors that led to relative outperformance was the Fund's selection in single-B-rated credits. Additionally, the Fund's overweight and credit selection in the shortest duration tiers of the market, most notably securities with an option-adjusted duration (OAD) of four years or less, contributed.

Selection in the Health Care sector also added value as did avoiding exposure to Endo Pharmaceuticals, which defaulted during the quarter.

The Fund's underweight in BBs had a negative impact on relative performance as did credit selection and weighting in Consumer Staples (nondiscretionary), selection in Materials, and underweight in the oil & gas industry.

Outlook

As the first half of the year ended, financial markets began to reflect the increased probability of a recession in the next 12 to 18 months. This, coupled with a murky path in monetary policy and significant increases in volatility, has caused uncertainty to swell. Despite these factors, default rates remain low and the two-year maturity wall in leveraged-debt markets remains below historical averages.

Given the dramatic repricing in the high-yield bond market in the past quarter, we believe investors may increasingly search for entry points into the asset class. In our view, it is prudent to remember that, especially in uncertain times, there are multiple ways of investing in high yield, and one can choose to build a portfolio with higher-quality biases versus a portfolio that mimics the market.

Since the beginning of the year, we have been less concerned about rising interest rates as we believe much of the increase has already been priced into the market. Additionally, we believe the probability for a recession has grown and the timing will be sooner than we had thought at the beginning of the year.



Top & Bottom Industry Returns

Top Industries	Return %
Healthcare: Equipment & Supplies	-1.20
Aerospace & Defense	-4.64
Retail: Food & Drug	-5.81

Bottom Industries	Return %
Real Estate: Management	-16.32
Paper & Forest Products	-15.73
Healthcare: Pharma & Biotech	-15.59

Contributors & Detractors

Greatest Contributors	Return (bps)
Entegris, Inc.	1
Maxar Technologies, Inc.	1
Crimson Bermuda Co.	0

Greatest Detractors	Return (bps)
Bausch Health Companies Inc.	-31
Ford Motor Company	-20
SFR Group / Altice	-18

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.



Quarterly Attribution:
Harbor High-Yield Bond Fund Fund vs. ICE BofA US Non-Distressed High Yield Index
03/31/2022 - 06/30/2022

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
Bank Loans	4.85	4.85	-4.22	-0.20	--	--	--	--	0.26	--	0.26
Convertibles	5.69	5.15	-12.57	-0.75	--	--	--	--	-0.19	--	-0.19
High Yield Bonds	87.92	89.01	-8.82	-7.72	100.00	100.00	-9.76	-9.76	--	0.83	0.83
Years to Maturity Bin 1: > 10.5	3.62	3.67	-13.89	-0.51	3.90	3.78	-15.52	-0.62	0.02	0.06	0.08
Years to Maturity Bin 2: 7.0 - 10.5	20.11	19.61	-11.73	-2.34	25.38	23.60	-11.80	-3.04	0.14	0.01	0.15
Years to Maturity Bin 3: 5.0 - 7.0	20.81	19.60	-10.15	-2.14	31.79	32.79	-10.52	-3.40	0.09	0.08	0.16
Years to Maturity Bin 4: 3.0 - 5.0	32.54	31.70	-7.23	-2.33	27.23	26.27	-8.22	-2.21	0.09	0.32	0.41
Years to Maturity Bin 5: 0.0 - 3.0	10.84	14.41	-3.56	-0.39	11.70	13.55	-4.24	-0.49	-0.05	0.07	0.02
[Cash]	1.53	0.99	0.15	0.00	--	--	--	--	0.19	--	0.19
Total	100.00	100.00	-8.67	-8.67	100.00	100.00	-9.76	-9.76	0.26	0.83	1.09

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
Bank Loans	4.85	4.85	-4.22	-0.20	--	--	--	--	0.26	--	0.26
High Yield Bonds	87.92	89.01	-8.82	-7.72	100.00	100.00	-9.76	-9.76	--	0.83	0.83
OAD Bin 1: > 10	1.43	1.16	-13.70	-0.20	1.81	1.67	-16.19	-0.30	0.02	0.04	0.06
OAD Bin 2: 8 - 10	1.54	1.02	-12.90	-0.23	1.42	1.19	-15.19	-0.23	-0.01	0.03	0.02
OAD Bin 3: 6 - 8	10.86	12.03	-11.84	-1.23	12.83	13.16	-11.66	-1.43	0.04	-0.02	0.01
OAD Bin 4: 4 - 6	26.20	26.95	-11.42	-2.98	39.58	42.20	-11.52	-4.59	0.24	0.02	0.26
OAD Bin 5: 2 - 4	36.24	42.59	-7.19	-2.63	35.23	35.21	-8.15	-2.88	-0.06	0.34	0.28
OAD Bin 6: < 2	11.63	5.24	-3.78	-0.45	9.12	6.58	-3.66	-0.33	0.22	-0.02	0.20
[Cash]	1.53	0.99	0.15	0.00	--	--	--	--	0.19	--	0.19
Total	100.00	100.00	-8.67	-8.67	100.00	100.00	-9.76	-9.76	0.26	0.83	1.09

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
Bank Loans	4.85	4.85	-4.22	-0.20	--	--	--	--	0.26	--	0.26
High Yield Bonds	87.92	89.01	-8.82	-7.72	100.00	100.00	-9.76	-9.76	--	0.83	0.83
BBB & ABOVE	1.21	2.12	-7.86	-0.08	0.01	--	-0.16	-0.00	0.06	-0.00	0.06
BB	37.51	38.80	-8.60	-3.13	53.56	54.66	-8.62	-4.58	-0.18	0.01	-0.16
B	35.95	35.63	-9.26	-3.34	36.84	36.02	-10.64	-3.95	0.00	0.50	0.50
CCC & BELOW	13.23	12.44	-8.78	-1.17	9.58	9.31	-12.61	-1.23	-0.10	0.52	0.42
NR	0.02	0.02	-15.11	-0.00	--	--	--	--	0.01	--	0.01
[Cash]	1.53	0.99	0.15	0.00	--	--	--	--	0.19	--	0.19
Total	100.00	100.00	-8.67	-8.67	100.00	100.00	-9.76	-9.76	0.26	0.83	1.09

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
Bank Loans	4.85	4.85	-4.22	-0.20	--	--	--	--	0.26	--	0.26
High Yield Bonds	87.92	89.01	-8.82	-7.72	100.00	100.00	-9.76	-9.76	--	0.83	0.83
Price Bin 1: > 110	1.90	1.25	-8.92	-0.20	1.66	0.73	-9.70	-0.17	-0.00	-0.01	-0.01
Price Bin 2: 105 - 110	3.79	2.44	-3.69	-0.14	2.78	1.19	-6.92	-0.20	0.03	0.11	0.14
Price Bin 3: 100 - 105	18.77	3.36	-6.41	-1.27	13.71	4.19	-6.38	-0.92	0.21	0.04	0.25
Price Bin 4: 90 - 100	37.03	41.13	-8.29	-3.05	47.85	37.42	-9.31	-4.56	-0.03	0.32	0.29
Price Bin 5: 80 - 90	19.72	28.47	-11.92	-2.21	28.04	41.95	-12.10	-3.15	0.14	-0.04	0.10
Price Bin 6: < 80	6.71	12.35	-13.72	-0.85	5.95	14.53	-17.63	-0.77	0.01	0.04	0.05
[Cash]	1.53	0.99	0.15	0.00	--	--	--	--	0.19	--	0.19
Total	100.00	100.00	-8.67	-8.67	100.00	100.00	-9.76	-9.76	0.26	0.83	1.09



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

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
High Yield Bonds	87.92	89.01	-8.82	-7.72	100.00	100.00	-9.76	-9.76	--	0.83	0.83
<i>Aerospace & Defense</i>	2.76	2.62	-4.64	-0.12	2.35	2.44	-8.99	-0.21	0.00	0.12	0.12
<i>Auto Retail</i>	1.20	1.33	-9.80	-0.11	0.89	1.00	-13.62	-0.13	-0.01	0.05	0.04
<i>Automotive</i>	5.69	5.73	-8.38	-0.45	4.56	4.65	-8.68	-0.39	0.02	0.02	0.04
<i>Building Products</i>	0.77	0.72	-10.39	-0.08	2.68	2.69	-11.44	-0.31	0.03	0.01	0.04
<i>Chemicals</i>	2.58	2.59	-13.20	-0.35	2.26	2.22	-10.37	-0.24	-0.00	-0.07	-0.08
<i>Commercial Services</i>	2.70	2.39	-9.13	-0.25	2.42	2.48	-9.24	-0.22	0.00	0.00	0.00
<i>Construction & Engineering</i>	0.68	0.75	-12.30	-0.09	0.64	0.58	-11.28	-0.07	-0.00	-0.01	-0.01
<i>Consumer Discretionary</i>	0.17	0.17	-8.61	-0.01	2.34	2.37	-9.08	-0.22	-0.01	0.00	-0.01
<i>Consumer Non-Discretionary</i>	-0.00	--	0.00	0.00	0.88	0.91	-7.28	-0.06	-0.02	0.00	-0.02
<i>Environmental Services</i>	0.94	1.12	-8.33	-0.08	0.60	0.63	-8.51	-0.05	0.00	0.00	0.01
<i>Financials: Banks</i>	--	--	--	--	0.96	0.99	-8.39	-0.08	-0.01	--	-0.01
<i>Financials: Consumer Finance</i>	1.27	1.60	-8.70	-0.12	1.58	1.57	-10.12	-0.16	0.00	0.02	0.02
<i>Financials: Diversified</i>	0.65	0.65	-9.36	-0.06	2.78	2.77	-9.57	-0.27	-0.00	0.00	-0.00
<i>Financials: Insurance</i>	1.55	1.60	-7.41	-0.11	1.39	1.44	-8.82	-0.13	0.00	0.02	0.02
<i>Financials: Thrifts & Mortgages</i>	0.42	0.42	-14.17	-0.06	1.08	1.06	-13.96	-0.15	0.03	-0.00	0.03
<i>Food & Beverage</i>	0.62	0.50	-13.72	-0.09	1.40	1.43	-6.90	-0.09	-0.02	-0.04	-0.07
<i>Healthcare: Equipment & Supplies</i>	1.03	1.10	-1.20	-0.01	1.24	1.30	-7.70	-0.09	-0.00	0.06	0.06
<i>Healthcare: Facilities</i>	5.87	6.60	-6.19	-0.37	4.02	3.35	-11.75	-0.44	-0.04	0.33	0.29
<i>Healthcare: Life Sciences</i>	0.81	0.83	-6.21	-0.05	0.62	0.66	-6.44	-0.04	0.01	0.00	0.01
<i>Healthcare: Managed Health Care</i>	2.79	2.93	-6.57	-0.17	1.45	1.53	-7.90	-0.11	0.03	0.03	0.06
<i>Healthcare: Pharma & Biotech</i>	2.27	1.85	-15.59	-0.38	1.87	1.26	-15.55	-0.30	-0.02	0.02	-0.00
<i>Healthcare: REITs</i>	0.65	0.92	-12.74	-0.08	0.49	0.50	-10.59	-0.05	-0.00	-0.01	-0.01
<i>Industrial Machinery</i>	1.03	0.76	-11.32	-0.11	1.50	1.55	-6.99	-0.11	-0.01	-0.04	-0.05
<i>Leisure: Casinos & Gaming</i>	3.83	4.17	-6.94	-0.24	3.11	2.85	-8.22	-0.25	0.02	0.06	0.07
<i>Leisure: Hotels</i>	2.64	2.92	-10.73	-0.29	4.34	4.43	-12.04	-0.55	0.04	0.04	0.07
<i>Leisure: Restaurants</i>	0.52	0.39	-5.94	-0.03	1.13	1.12	-7.15	-0.08	-0.02	0.01	-0.01
<i>Media: Broadcasting</i>	2.44	2.31	-10.49	-0.26	2.61	2.60	-10.64	-0.28	0.00	0.00	0.01
<i>Media: Cable & Satellite</i>	6.32	5.54	-10.87	-0.68	5.22	5.34	-11.48	-0.61	-0.02	0.04	0.02
<i>Media: Diversified</i>	1.61	1.48	-7.67	-0.13	1.90	1.92	-9.89	-0.19	-0.00	0.03	0.03
<i>Media: Entertainment</i>	1.10	1.01	-10.43	-0.11	0.82	0.85	-9.82	-0.08	-0.00	-0.01	-0.01
<i>Metals & Mining</i>	0.94	0.94	-8.07	-0.08	2.16	2.27	-9.82	-0.22	0.00	0.02	0.02
<i>Midstream: Storage & Transport</i>	4.75	4.79	-9.36	-0.44	4.92	5.03	-9.64	-0.48	-0.00	0.01	0.01
<i>Oil & Gas: E&P</i>	5.46	5.88	-7.45	-0.41	5.60	5.67	-7.48	-0.41	-0.01	0.00	-0.00
<i>Oil & Gas: Equipment & Services</i>	1.35	1.40	-8.47	-0.12	1.31	1.26	-8.82	-0.12	-0.00	0.00	0.00
<i>Oil & Gas: Refining</i>	--	--	--	--	0.87	0.90	-2.05	-0.02	-0.06	--	-0.06
<i>Packaging</i>	1.46	1.37	-9.94	-0.15	2.42	2.54	-7.65	-0.19	-0.02	-0.03	-0.05
<i>Paper & Forest Products</i>	0.05	0.04	-15.73	-0.01	0.21	0.23	-7.35	-0.02	-0.00	-0.00	-0.01
<i>Real Estate: Homebuilding</i>	0.48	0.46	-12.81	-0.06	1.03	1.01	-11.84	-0.12	0.01	-0.00	0.01
<i>Real Estate: Management</i>	0.06	0.06	-16.32	-0.01	0.78	0.74	-13.75	-0.11	0.03	-0.00	0.03
<i>REITs</i>	0.56	0.56	-9.82	-0.06	0.52	0.55	-6.78	-0.04	0.00	-0.02	-0.02
<i>Retail: Food & Drug</i>	1.48	1.59	-5.81	-0.08	1.19	1.18	-7.24	-0.08	0.01	0.02	0.03
<i>Retailing</i>	1.90	1.70	-13.10	-0.25	2.08	1.85	-15.36	-0.33	0.01	0.05	0.06
<i>Technology Hardware</i>	1.61	2.10	-8.75	-0.13	2.31	2.33	-10.46	-0.24	0.01	0.03	0.04
<i>Technology: Software & Services</i>	3.04	2.96	-9.72	-0.30	2.46	2.51	-9.53	-0.23	0.00	-0.01	-0.01
<i>Telecom Services: Diversified</i>	4.86	4.87	-8.48	-0.39	4.87	5.07	-11.10	-0.56	0.01	0.13	0.13
<i>Telecom Services: Wireless</i>	1.12	1.21	-7.42	-0.08	2.51	2.63	-6.72	-0.16	-0.04	-0.01	-0.05
<i>Transportation</i>	1.39	1.66	-6.20	-0.09	2.37	2.44	-8.48	-0.20	-0.01	0.03	0.02
<i>Utilities: Power</i>	1.87	1.80	-6.90	-0.13	2.75	2.81	-8.07	-0.22	-0.02	0.02	0.01
<i>Utilities: Propane</i>	0.62	0.62	-6.05	-0.04	0.50	0.52	-7.88	-0.04	0.00	0.01	0.01
Total	100.00	100.00	-8.67	-8.67	100.00	100.00	-9.76	-9.76	0.26	0.83	1.09



Trailing 1 Year Attribution:
Harbor High-Yield Bond Fund Fund vs. ICE BofA US Non-Distressed High Yield Index
06/30/2021 - 06/30/2022

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
Bank Loans	4.98	4.85	-1.16	-0.05	--	--	--	--	0.52	--	0.52
Convertibles	5.57	5.15	-18.22	-1.08	--	--	--	--	-0.36	--	-0.36
High Yield Bonds	87.68	89.01	-10.74	-9.44	100.00	100.00	-12.38	-12.38	--	1.44	1.44
Years to Maturity Bin 1: > 10.5	5.01	3.67	-20.48	-0.82	5.35	3.78	-22.06	-0.96	0.04	0.06	0.09
Years to Maturity Bin 2: 7.0 - 10.5	23.61	19.61	-15.63	-3.32	28.74	23.60	-16.31	-4.44	0.25	0.18	0.43
Years to Maturity Bin 3: 5.0 - 7.0	22.14	19.60	-12.32	-2.61	28.74	32.79	-12.76	-4.06	0.05	0.09	0.14
Years to Maturity Bin 4: 3.0 - 5.0	30.34	31.70	-7.01	-2.32	27.15	26.27	-9.02	-2.42	0.20	0.62	0.82
Years to Maturity Bin 5: 0.0 - 3.0	6.56	14.41	-3.18	-0.37	10.01	13.55	-4.43	-0.50	-0.14	0.10	-0.04
[Cash]	1.76	0.99	0.39	0.00	--	--	--	--	0.21	--	0.21
Total	100.00	100.00	-10.57	-10.57	100.00	100.00	-12.38	-12.38	0.37	1.44	1.81
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
Bank Loans	4.98	4.85	-1.16	-0.05	--	--	--	--	0.52	--	0.52
High Yield Bonds	87.68	89.01	-10.74	-9.44	100.00	100.00	-12.38	-12.38	--	1.44	1.44
OAD Bin 1: > 10	2.46	1.16	-18.19	-0.32	3.37	1.67	-22.31	-0.49	0.03	0.08	0.12
OAD Bin 2: 8 - 10	2.66	1.02	-20.56	-0.41	1.86	1.19	-23.26	-0.41	-0.04	0.04	0.01
OAD Bin 3: 6 - 8	10.76	12.03	-16.14	-1.72	11.97	13.16	-16.18	-1.93	0.04	-0.00	0.04
OAD Bin 4: 4 - 6	25.46	26.95	-15.07	-3.91	33.28	42.20	-15.06	-5.81	0.31	0.00	0.31
OAD Bin 5: 2 - 4	22.64	42.59	-7.30	-2.56	31.03	35.21	-9.60	-3.31	-0.19	0.61	0.42
OAD Bin 6: < 2	23.68	5.24	-3.91	-0.53	18.49	6.58	-4.24	-0.43	0.45	0.10	0.55
[Cash]	1.76	0.99	0.39	0.00	--	--	--	--	0.21	--	0.21
Total	100.00	100.00	-10.57	-10.57	100.00	100.00	-12.38	-12.38	0.37	1.44	1.81
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
Bank Loans	4.98	4.85	-1.16	-0.05	--	--	--	--	0.52	--	0.52
High Yield Bonds	87.68	89.01	-10.74	-9.44	100.00	100.00	-12.38	-12.38	--	1.44	1.44
BBB & ABOVE	0.51	2.12	-11.43	-0.11	0.02	--	-1.00	-0.01	0.06	-0.00	0.05
BB	38.91	38.80	-11.88	-4.40	54.76	54.66	-11.95	-6.35	-0.06	0.02	-0.03
B	33.90	35.63	-10.23	-3.67	35.38	36.02	-12.36	-4.59	-0.02	0.76	0.74
CCC & BELOW	14.33	12.44	-9.24	-1.26	9.84	9.31	-14.62	-1.43	-0.07	0.75	0.68
NR	0.04	0.02	12.73	-0.00	--	--	--	--	0.01	--	0.01
[Cash]	1.76	0.99	0.39	0.00	--	--	--	--	0.21	--	0.21
Total	100.00	100.00	-10.57	-10.57	100.00	100.00	-12.38	-12.38	0.37	1.44	1.81
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
Bank Loans	4.98	4.85	-1.16	-0.05	--	--	--	--	0.52	--	0.52
High Yield Bonds	87.68	89.01	-10.74	-9.44	100.00	100.00	-12.38	-12.38	--	1.44	1.44
Price Bin 1: > 110	7.90	1.25	-14.85	-0.56	9.25	0.73	-15.85	-0.51	0.03	-0.04	-0.02
Price Bin 2: 105 - 110	17.42	2.44	-5.87	-0.53	15.02	1.19	-11.21	-0.75	0.02	0.45	0.47
Price Bin 3: 100 - 105	30.21	3.36	-7.42	-1.67	34.92	4.19	-8.46	-1.77	0.11	0.38	0.48
Price Bin 4: 90 - 100	24.09	41.13	-8.84	-3.54	30.28	37.42	-11.21	-5.48	-0.04	0.55	0.51
Price Bin 5: 80 - 90	6.08	28.47	-18.80	-2.15	8.76	41.95	-15.72	-3.10	0.14	-0.05	0.08
Price Bin 6: < 80	1.98	12.35	-43.79	-0.98	1.76	14.53	-22.09	-0.77	0.02	-0.10	-0.08
[Cash]	1.76	0.99	0.39	0.00	--	--	--	--	0.21	--	0.21
Total	100.00	100.00	-10.57	-10.57	100.00	100.00	-12.38	-12.38	0.37	1.44	1.81



Trailing 1 Year Attribution: Industry Attribution

06/30/2021 - 06/30/2022

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
High Yield Bonds	87.68	89.01	-10.74	-9.44	100.00	100.00	-12.38	-12.38	--	1.44	1.44
Aerospace & Defense	2.36	2.62	-3.57	-0.11	2.29	2.44	-10.53	-0.25	0.00	0.19	0.19
Auto Retail	0.90	1.33	-12.61	-0.14	0.76	1.00	-18.65	-0.17	-0.01	0.07	0.06
Automotive	4.84	5.73	-11.79	-0.61	4.70	4.65	-12.45	-0.55	0.01	0.04	0.05
Building Products	1.02	0.72	-12.62	-0.09	2.58	2.69	-14.46	-0.39	0.04	0.02	0.06
Chemicals	2.98	2.59	-17.52	-0.48	2.31	2.22	-13.45	-0.31	-0.01	-0.11	-0.12
Commercial Services	3.24	2.39	-10.69	-0.29	2.27	2.48	-11.22	-0.27	0.00	0.01	0.02
Construction & Engineering	0.51	0.75	-13.01	-0.09	0.65	0.58	-13.61	-0.09	-0.00	0.00	-0.00
Consumer Discretionary	0.43	0.17	-8.86	-0.02	2.32	2.37	-12.61	-0.30	0.00	0.01	0.01
Consumer Non-Discretionary	0.01	--	3.84	0.00	0.81	0.91	-12.61	-0.11	-0.00	0.00	0.00
Environmental Services	0.96	1.12	-10.50	-0.10	0.56	0.63	-11.14	-0.07	0.00	0.01	0.01
Financials: Banks	--	--	--	--	1.10	0.99	-14.27	-0.13	0.02	--	0.02
Financials: Consumer Finance	1.25	1.60	-12.84	-0.18	1.53	1.57	-13.32	-0.21	0.00	0.01	0.01
Financials: Diversified	0.36	0.65	-6.99	-0.06	2.58	2.77	-12.37	-0.35	0.00	0.01	0.02
Financials: Insurance	1.41	1.60	-7.12	-0.11	1.25	1.44	-10.22	-0.14	0.00	0.05	0.05
Financials: Thrifts & Mortgages	0.29	0.42	-16.93	-0.08	1.01	1.06	-17.09	-0.19	0.03	-0.01	0.03
Food & Beverage	1.11	0.50	-21.63	-0.17	2.58	1.43	-13.44	-0.26	0.04	-0.05	-0.01
Healthcare: Equipment & Supplies	1.20	1.10	-0.51	-0.00	0.88	1.30	-10.83	-0.13	-0.01	0.11	0.11
Healthcare: Facilities	4.91	6.60	-6.00	-0.37	4.18	3.35	-13.67	-0.53	-0.03	0.43	0.40
Healthcare: Life Sciences	0.86	0.83	-7.72	-0.06	0.59	0.66	-8.86	-0.05	0.01	0.01	0.02
Healthcare: Managed Health Care	2.64	2.93	-7.37	-0.20	1.38	1.53	-12.89	-0.18	0.00	0.14	0.14
Healthcare: Pharma & Biotech	2.77	1.85	-16.51	-0.41	2.16	1.26	-18.92	-0.38	-0.03	0.09	0.07
Healthcare: REITs	0.93	0.92	-15.27	-0.10	0.47	0.50	-12.97	-0.06	0.00	-0.01	-0.01
Industrial Machinery	0.70	0.76	-14.21	-0.13	1.40	1.55	-9.25	-0.14	-0.02	-0.04	-0.06
Leisure: Casinos & Gaming	3.13	4.17	-7.08	-0.25	3.26	2.85	-9.32	-0.28	0.01	0.08	0.09
Leisure: Hotels	2.82	2.92	-12.15	-0.33	4.12	4.43	-13.84	-0.62	0.02	0.05	0.07
Leisure: Restaurants	0.77	0.39	-4.95	-0.02	1.07	1.12	-9.93	-0.11	-0.01	0.03	0.02
Media: Broadcasting	2.15	2.31	-15.12	-0.36	2.43	2.60	-12.06	-0.31	0.00	-0.06	-0.05
Media: Cable & Satellite	6.31	5.54	-17.21	-1.12	5.02	5.34	-15.95	-0.83	-0.05	-0.08	-0.13
Media: Diversified	1.48	1.48	-9.01	-0.11	1.79	1.92	-11.64	-0.22	-0.00	0.05	0.05
Media: Entertainment	1.17	1.01	-12.90	-0.16	1.06	0.85	-13.79	-0.12	-0.00	0.01	0.01
Metals & Mining	1.42	0.94	-12.94	-0.13	2.45	2.27	-11.19	-0.25	-0.01	-0.02	-0.03
Midstream: Storage & Transport	5.08	4.79	-9.85	-0.48	4.92	5.03	-11.43	-0.58	0.01	0.09	0.09
Oil & Gas: E&P	5.64	5.88	-5.84	-0.32	5.93	5.67	-6.11	-0.34	-0.01	0.01	-0.00
Oil & Gas: Equipment & Services	0.99	1.40	-5.08	-0.09	1.11	1.26	-6.89	-0.10	-0.01	0.02	0.01
Oil & Gas: Refining	--	--	--	--	0.69	0.90	-0.09	-0.01	-0.09	--	-0.09
Packaging	1.79	1.37	-9.66	-0.15	2.36	2.54	-10.02	-0.24	-0.02	0.02	0.00
Paper & Forest Products	0.08	0.04	-27.74	-0.01	0.18	0.23	-11.64	-0.03	-0.00	-0.00	-0.01
Real Estate: Homebuilding	0.55	0.46	-19.57	-0.10	1.10	1.01	-15.65	-0.17	0.02	-0.02	-0.00
Real Estate: Management	0.19	0.06	-12.70	0.00	0.75	0.74	-15.29	-0.12	0.02	0.00	0.02
REITs	0.53	0.56	-14.44	-0.08	0.51	0.55	-8.25	-0.04	0.00	-0.03	-0.03
Retail: Food & Drug	1.09	1.59	-7.43	-0.10	1.20	1.18	-9.25	-0.11	0.00	0.03	0.03
Retailing	2.16	1.70	-20.74	-0.44	2.19	1.85	-20.67	-0.46	0.01	-0.01	0.00
Technology Hardware	2.02	2.10	-10.45	-0.14	2.61	2.33	-13.34	-0.32	0.01	0.05	0.06
Technology: Software & Services	2.67	2.96	-10.07	-0.33	2.25	2.51	-11.88	-0.29	0.00	0.04	0.05
Telecom Services: Diversified	4.93	4.87	-10.71	-0.52	4.57	5.07	-15.37	-0.75	-0.01	0.24	0.23
Telecom Services: Wireless	1.01	1.21	-12.36	-0.12	2.47	2.63	-10.72	-0.25	-0.02	-0.01	-0.04
Transportation	1.62	1.66	-5.24	-0.08	2.24	2.44	-10.05	-0.24	-0.02	0.06	0.04
Utilities: Power	1.83	1.80	-9.69	-0.17	2.85	2.81	-10.63	-0.28	-0.02	0.02	-0.00
Utilities: Propane	0.58	0.62	-9.25	-0.05	0.48	0.52	-11.06	-0.05	0.00	0.01	0.01
Total	100.00	100.00	-10.57	-10.57	100.00	100.00	-12.38	-12.38	0.37	1.44	1.81

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.

Disclosures

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.

Expense ratio information is as of the Fund's current prospectus, as supplemented. Gross expenses are the Fund's total annual operating expenses. The net expense ratios for this fund are subject to a contractual management fee waiver and/or expense limitation agreement, excluding interest expense and acquired fund fees and expenses (if any), through 02/28/2023.

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

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

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

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

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.

Shenkman Capital Management, Inc. is an independent subadviser to the Harbor High-Yield Bond Fund.

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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.