

# Harbor International Growth Fund

Baillie Gifford Overseas Limited

Subadviser Since 05/21/2013

<b>Total Net Assets - All Classes</b>	\$428,516,202
<b>Equity Assets:</b>	98.54%
<b>Cash &amp; Other Assets Less Liabilities:</b>	1.46%
<b>Benchmark Name:</b>	MSCI All Country World Ex. US (ND) Index

## Portfolio Managers



Gerard Callahan



Iain Campbell



Joe Faraday, CFA



Moritz Sitte, CFA



Sophie Earnshaw, CFA

## 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 Subadviser 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 06/30/2022

### Portfolio Characteristics

	Portfolio	Benchmark
Number of Holdings	93	2,269
Wtd Avg Market Cap (\$Mil)	64,119.90	81,190.90
Med Cap - # Stocks (\$Mil)	19,929.00	8,593.00
Price/Book Ratio	5.11	2.12
Adjusted Trailing P/E Ratio	26.40	15.90
% EPS Growth - Past 3 Yr	19.20	13.10
Return on Equity (%)	17.01	13.87
Beta vs. Fund Benchmark	1.02	
Forecasted P/E Ratio	23.90	15.00
Proj. Earnings Growth Rate (%)	13.80	10.40

### Top 10 Holdings

	Portfolio %	Benchmark %
Taiwan Semiconductor Ma	3.65	0.00
Mettler-Toledo Internat	2.48	0.00
Prosus N.V. Class N	2.48	0.25
United Overseas Bank Lt	2.36	0.10
Housing Development Fin	2.27	0.22
Olympus Corp.	2.20	0.11
ASML Holding NV	2.18	0.88
Compagnie Financiere Ri	2.13	0.25
AIA Group Limited	2.04	0.60
Sartorius AG Pref	2.03	0.04
<b>Total</b>	<b>23.82</b>	<b>2.45</b>

### Top 10 Industries

	Portfolio %	Benchmark %
Internet & Direct Market	9.17	2.47
Machinery	7.66	1.86
Textiles Apparel & Lux	7.63	2.24
Semiconductors	7.51	4.21
Health Care Equip	7.37	1.27
Interactive Media	6.11	1.97
It Services	4.06	1.84
Insurance	3.95	4.61
Food & Staples Retail	3.84	1.57
Life Sciences Tools	3.54	0.63
<b>Total</b>	<b>60.84</b>	<b>22.67</b>

### Economic Sectors

	Portfolio %	Benchmark %
Consumer Discretionary	22.99	11.68
Industrials	16.37	11.73
Information Technology	16.15	10.84
Health Care	11.52	9.75
Consumer Staples	10.83	8.86
Financials	10.76	20.18
Communication Services	8.30	6.58
Materials	1.62	7.94
Energy	0.00	6.02
Utilities	0.00	3.41
Real Estate	0.00	2.42

### Top 10 Countries

	Portfolio %	Benchmark %
Japan	19.20	13.71
United Kingdom	10.04	9.92
China	8.62	9.88
Germany	7.60	4.84
Netherlands	7.05	2.56
Hong Kong	6.70	2.07
Sweden	5.67	2.08
India	5.66	3.79
United States	5.26	0.00
France	4.95	6.98
<b>Total</b>	<b>80.75</b>	<b>55.83</b>
<b>Emerging Markets</b>	<b>20.60</b>	<b>29.74</b>

### Market Capitalization

		Portfolio %
Large	Above 25.0B	54.90
	10.0B - 25.0B	20.30
Mid	5.0B - 10.0B	18.86
	1.0B - 5.0B	5.95
Small	0.0 - 1.0B	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	HAIGX	411511801	-17.80%	-33.90%	-36.09%	-0.15%	1.62%	4.96%	3.39%	11/01/93	0.85	0.89
Administrative	HRIGX	411511637	-17.86%	-34.01%	-36.25%	-0.42%	1.37%	4.69%	5.23%	11/01/02	1.10	1.14
Investor	HIIGX	411511629	-17.84%	-34.03%	-36.33%	-0.52%	1.24%	4.57%	5.10%	11/01/02	1.21	1.25
Retirement	HNGFX	411512429	-17.79%	-33.92%	-36.05%	-0.08%	1.70%	5.01%	3.41%	03/01/16	0.77	0.81
MSCI All Country World Ex. US (ND) Index			-13.73%	-18.42%	-19.42%	1.35%	2.50%	4.83%	N/A	11/01/93		

## MANAGER COMMENTARY

As of 06/30/2022

**“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 attention of commentators has continued to be dominated by concerns about inflation and, increasingly, by the possibility of recession. Broadly speaking, these worries have displaced those about the effects of the pandemic.

In May, consumer prices in the U.S. rose by 8.6% year on year, the highest rate in 40 years. This increase appears to have been driven particularly by energy and food, as well as by the price of used cars, which continued to rise strongly—by 16.1%, year on year, in May.

Reflecting worries about inflation, central banks in some major economies raised rates—the U.S. Federal Reserve (Fed), which has ceased asset purchases, raised rates by 0.50% in May and 0.75% in June, and the Bank of England by 0.25% in May and a further 0.25% in June. The European Central Bank has announced that it will raise rates at its July meeting.

China and Japan have continued to tread a different path. China has begun to emerge from its long-lasting pandemic restrictions but has not needed to tighten monetary policy. It has also seen a weakening of demand for exports from the U.S.—spot rates for shipping containers from China to the West Coast have been weaker for some months. Output in Japan has been rising, but inflation is low, and monetary policy remains easy.

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.**



Europe continues to face the challenge of sharp energy-price increases, following Russia's decision to cut supplies, and has rejected Russia's demands to pay for gas in rubles. In the face of these challenges, European countries are seeking ways to become more efficient energy consumers and to diversify their energy sources. They may need to become more dependent on seaborne liquified natural gas, at least for a time.

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 second quarter of 2022, the Harbor International Growth Fund (Institutional Class, "Fund") returned -17.80%, underperforming its benchmark, the MSCI All Country World Ex. US (ND) Index, which returned -13.73%. As usual, we would emphasize our view that performance during such a short time period is not meaningful. Our investment time horizon is five years and beyond, and we believe that our performance should be assessed over such longer periods.

All regions detracted from performance, led by Europe (ex-U.K.) and Developed Asia.

From a sector point of view, most sectors detracted from relative performance during the quarter, led by Industrials and Information Technology. The Materials sector, where the Fund has an underweight position, contributed to relative performance.

Growth businesses continued to be out of favor with the market during the quarter, and increasing concerns about the impact of inflation may have affected performance—despite our confidence in the quality of the businesses in which the Fund is invested.

### Contributors & Detractors

The largest individual contributors to relative performance were Prosus and LONGi.

Prosus is a global internet company with a great set of underlying investments. Performance has largely followed that of Tencent, in which Prosus has a stake of almost 30%, but the discount to the value of the underlying investments has also expanded recently. The company has announced its intention to be far more active with buybacks and to reduce the Tencent stake.

LONGi is the world's largest producer of wafer and modules for the solar photovoltaic (PV) industry. The business was the pioneer in the development of the wafers that make up 100% of demand today. Management has an impressive track record of execution with impressive decision-making, and the business is winning substantial market share and generating worthwhile returns. Operational progress continues to be encouraging, and we are comfortable there is a huge growth opportunity in China alone, even if geopolitics provides a headwind to growth further afield. The business is increasingly focused on top-line growth and is investing heavily in expansion.

The main detractors from relative performance included Mercado Libre and Zalando.



Mercado Libre is the leading Latin American e-commerce platform. Although gross merchandise value has grown 40% year on year, and the fintech business has doubled, a normalization of growth rates toward pre-pandemic levels appears to be coming. We remain upbeat, although the market appears to be worried about the quality of the financial business, despite management having reiterated their expectations of high levels of profitability and coverage.

Zalando, an e-commerce company specializing in fashion retail, is the European leader in this space. There has been a slowdown in its end market, and more competition has developed. Management has revised downward their estimates for growth in gross margins and expects revenue growth to be roughly flat.

### **Buys & Sells**

During the quarter, we established a new position in Lonza, a Swiss contract-development manufacturing organization (CDMO). The company plays a key role in helping biotech and pharma companies to outsource the manufacture and development of drugs for trial and (after approval) for sale. We believe there is a favorable industry tailwind here, with more outsourcing driven by manufacturing complexity, cost savings, and new pharma entrants. In addition, drug development is growing through ongoing health care needs, an increasing patient population, and improved drug discovery and development technology. Lonza is investing heavily for the future, and we believe it will be an industry leader.

During the quarter, we sold the Fund's holding in ASOS, the U.K.-listed online retailer of apparel. In our view, the company faces an environment of increasing competitiveness, and we have concerns about the strength of management at ASOS.

### **Country Allocation**

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

At the end of March 2022, the most overweight country positions were Sweden, Japan, and the United States (where we classify the holdings in Mettler Toledo and Mercado Libre). At the end of June 2022, the most overweight country positions were Japan, The Netherlands, and Sweden. In Japan, the holding in Kakaku (an online restaurant-bookings business) was sold, and a new position was initiated in Unicharm (a manufacturer of personal care products). In The Netherlands, we bought a new holding in Adyen (a mobile payments business).

At the end of March 2022, the main underweight country positions were Canada, Switzerland, and Australia. At the end of June 2022, the main underweight country positions remained Canada, Switzerland, and Australia.

The Fund's exposure to developing markets declined slightly during the quarter from 26.4% to 25.7%. No new holdings were established in the developing markets, while three sales were made: Yatsen, Burning Rock, and Naspers.

### **Outlook**

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



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 have come from an eclectic mix of geographies and sectors, as evidenced by the new purchases for the Fund this 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 the future growth of the companies currently held in the Fund.

We are confident we have assembled a Fund of high-quality, sensibly managed businesses that are well placed to weather a challenging business environment, as well as demonstrate agility and ambition to seize opportunities for growth over the long term.

## QUARTERLY ATTRIBUTION

As of 06/30/2022

### Best & Worst Performers

Best Performers	Average Weight %	Return %
HomeServe plc	0.75	28.24
Meituan Class B	1.39	24.56
LONGi Green Energy Technology Co Ltd Class A	1.32	22.69
Prosus N.V. Class N	0.78	20.86
Baidu Inc Sponsored ADR Class A	0.37	12.42

Worst Performers	Average Weight %	Return %
Shopify Inc. Class A	1.07	-53.78
Farfetch Ltd. Class A	0.41	-52.65
Zalando SE	1.32	-49.02
MercadoLibre Inc.	1.48	-46.46
Wise PLC Class A	0.35	-44.58

### Contributors & Detractors

Greatest Contributors	Return %	Contribution to Return %
Prosus N.V. Class N	20.86	0.58
LONGi Green Energy Technology Co Ltd Cla	22.69	0.35
Meituan Class B	24.56	0.28
Alibaba Group Holding Ltd. Sponsored ADR	4.49	0.17
HomeServe plc	28.24	0.17
<b>Total</b>		<b>1.55</b>

Greatest Detractors	Return %	Contribution to Return %
ASML Holding NV	-29.38	-0.94
NIBE Industrier AB Class B	-33.24	-0.92
MercadoLibre Inc.	-46.46	-0.85
Taiwan Semiconductor Manufacturing Co. L	-21.25	-0.84
Zalando SE	-49.02	-0.78
<b>Total</b>		<b>-4.33</b>

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](http://harborcapital.com) or by calling 800-422-1050.



### Quarterly Attribution:

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

03/31/2022 - 06/30/2022

#### Performance

	Portfolio	Benchmark	Active
Return ex Currency	-13.91	-8.33	-5.59
Currency Contribution	-5.03	-5.40	0.37
<b>Total Return</b>	<b>-18.94</b>	<b>-13.73</b>	<b>-5.22</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
Materials	2.35	8.74	-6.39	-15.67	-21.38	5.72	-0.40	-1.98	0.48	0.09	0.57
Financials	10.80	20.45	-9.65	-13.17	-14.29	1.12	-1.38	-2.92	0.06	0.09	0.15
Real Estate	0.00	2.48	-2.48	0.00	-13.51	13.51	0.00	-0.33	-0.01	0.00	-0.01
Utilities	0.00	3.39	-3.39	0.00	-9.44	9.44	0.00	-0.32	-0.14	0.00	-0.14
Energy	0.00	5.89	-5.89	0.00	-4.71	4.71	0.00	-0.35	-0.47	0.00	-0.47
Health Care	11.16	9.52	1.64	-15.95	-9.59	-6.36	-1.76	-0.86	0.08	-0.69	-0.61
Consumer Discretionary	22.22	11.00	11.23	-14.30	-8.41	-5.88	-2.91	-0.85	0.50	-1.17	-0.67
Consumer Staples	9.97	8.67	1.30	-16.77	-7.63	-9.14	-1.59	-0.61	0.09	-0.83	-0.74
Communication Services	8.58	6.33	2.25	-21.42	-10.70	-10.73	-1.92	-0.67	0.06	-0.92	-0.86
Information Technology	16.52	11.57	4.95	-25.66	-22.62	-3.04	-4.41	-2.76	-0.43	-0.59	-1.02
Industrials	18.27	11.97	6.30	-23.71	-17.09	-6.61	-4.56	-2.09	-0.21	-1.26	-1.47
[Cash]	0.13	0.00	0.13	102.70	0.00	102.70	-0.01	0.00	0.06	0.00	0.06
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>-18.94</b>	<b>-13.73</b>	<b>-5.22</b>	<b>-18.94</b>	<b>-13.73</b>	<b>0.05</b>	<b>-5.27</b>	<b>-5.22</b>



### Quarterly Attribution:

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

03/31/2022 - 06/30/2022

#### Country Attribution

	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
China	8.96	7.66	1.31	5.57	3.60	1.98	0.81	0.35	0.24	0.21	0.45
South Africa	0.83	1.08	-0.25	-4.96	-23.00	18.04	-0.03	-0.25	0.01	0.18	0.18
Netherlands	5.21	2.65	2.56	-16.56	-19.21	2.65	-0.67	-0.51	-0.12	0.21	0.09
Portugal	1.45	0.14	1.31	-7.52	-6.11	-1.41	-0.08	-0.01	0.09	-0.02	0.07
Italy	0.00	1.49	-1.49	0.00	-17.66	17.66	0.00	-0.26	0.06	0.00	0.06
South Korea	0.95	3.57	-2.62	-34.20	-20.90	-13.30	-0.37	-0.79	0.18	-0.15	0.03
Israel	0.00	0.46	-0.46	0.00	-20.01	20.01	0.00	-0.09	0.03	0.00	0.03
Poland	0.00	0.19	-0.19	0.00	-27.12	27.12	0.00	-0.05	0.03	0.00	0.03
Ireland	0.00	0.37	-0.37	0.00	-19.55	19.55	0.00	-0.07	0.02	0.00	0.02
United Arab Emirates	0.00	0.40	-0.40	0.00	-19.39	19.39	0.00	-0.09	0.02	0.00	0.02
France	4.93	7.09	-2.16	-14.83	-14.66	-0.16	-0.70	-1.01	0.02	0.00	0.02
Peru	0.00	0.07	-0.07	0.00	-30.23	30.23	0.00	-0.02	0.01	0.00	0.01
Philippines	0.00	0.22	-0.22	0.00	-19.49	19.49	0.00	-0.05	0.01	0.00	0.01
Colombia	0.00	0.06	-0.06	0.00	-28.01	28.01	0.00	-0.02	0.01	0.00	0.01
Hungary	0.00	0.05	-0.05	0.00	-26.26	26.26	0.00	-0.01	0.01	0.00	0.01
Brazil	1.16	1.57	-0.41	-27.02	-24.40	-2.61	-0.34	-0.40	0.03	-0.03	0.00
Chile	0.00	0.15	-0.15	0.00	-15.90	15.90	0.00	-0.03	0.00	0.00	0.00
Norway	0.00	0.49	-0.49	0.00	-14.77	14.77	0.00	-0.08	0.00	0.00	0.00
New Zealand	0.00	0.12	-0.12	0.00	-16.89	16.89	0.00	-0.02	0.00	0.00	0.00
Austria	0.00	0.12	-0.12	0.00	-17.22	17.22	0.00	-0.02	0.00	0.00	0.00
Greece	0.00	0.07	-0.07	0.00	-16.98	16.98	0.00	-0.01	0.00	0.00	0.00
Egypt	0.00	0.02	-0.02	0.00	-20.36	20.36	0.00	0.00	0.00	0.00	0.00
Argentina	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pakistan	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Russia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turkey	0.00	0.08	-0.08	0.00	-10.93	10.93	0.00	-0.01	0.00	0.00	0.00
Belgium	0.00	0.60	-0.60	0.00	-13.41	13.41	0.00	-0.08	0.00	0.00	0.00
Czech Republic	0.00	0.05	-0.05	0.00	-3.68	3.68	0.00	0.00	0.00	0.00	0.00
Malaysia	0.00	0.44	-0.44	0.00	-12.78	12.78	0.00	-0.06	0.00	0.00	0.00
Mexico	0.70	0.65	0.06	-16.35	-15.17	-1.18	-0.10	-0.09	0.00	-0.01	-0.01
Qatar	0.00	0.30	-0.30	0.00	-10.75	10.75	0.00	-0.04	-0.01	0.00	-0.01
Kuwait	0.00	0.23	-0.23	0.00	-7.74	7.74	0.00	-0.02	-0.01	0.00	-0.01
Thailand	0.00	0.55	-0.55	0.00	-10.60	10.60	0.00	-0.06	-0.02	0.00	-0.02
Finland	0.00	0.62	-0.62	0.00	-10.89	10.89	0.00	-0.07	-0.02	0.00	-0.02
Switzerland	2.58	6.49	-3.91	-17.83	-14.49	-3.34	-0.38	-0.92	0.03	-0.05	-0.02
Saudi Arabia	0.00	1.29	-1.29	0.00	-12.48	12.48	0.00	-0.19	-0.02	0.00	-0.02
Indonesia	0.00	0.54	-0.54	0.00	-9.01	9.01	0.00	-0.05	-0.02	0.00	-0.02
Taiwan	3.98	4.50	-0.52	-21.25	-19.81	-1.44	-0.84	-0.96	0.05	-0.07	-0.03
Denmark	0.00	1.69	-1.69	0.00	-11.96	11.96	0.00	-0.20	-0.03	0.00	-0.03
India	6.48	3.80	2.68	-14.21	-13.65	-0.56	-0.93	-0.54	-0.02	-0.03	-0.05
Spain	0.00	1.52	-1.52	0.00	-8.42	8.42	0.00	-0.12	-0.07	0.00	-0.07
Singapore	2.95	0.91	2.04	-17.65	-16.76	-0.89	-0.53	-0.15	-0.06	-0.02	-0.08
Australia	3.13	5.11	-1.98	-24.50	-18.11	-6.39	-0.86	-0.97	0.07	-0.21	-0.13
Canada	1.07	8.28	-7.21	-53.78	-15.75	-38.04	-0.74	-1.34	0.13	-0.55	-0.42
Hong Kong	4.13	3.25	0.88	-14.88	0.45	-15.33	-0.59	0.05	0.09	-0.55	-0.46
United Kingdom	10.94	9.90	1.03	-16.93	-10.48	-6.45	-1.82	-1.00	0.04	-0.69	-0.65
Japan	19.38	13.86	5.52	-19.25	-14.63	-4.62	-3.79	-2.02	-0.03	-0.91	-0.93
Sweden	6.95	2.21	4.74	-29.32	-21.38	-7.94	-2.25	-0.50	-0.34	-0.61	-0.95
United States	5.83	0.00	5.83	-32.11	0.00	-32.11	-2.05	0.00	-1.16	0.00	-1.16
Germany	8.25	5.09	3.16	-30.04	-18.13	-11.90	-2.67	-0.93	-0.14	-1.08	-1.22
[Cash]	0.13	0.00	0.13	102.70	0.00	102.70	-0.01	0.00	0.06	0.00	0.06
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>-18.94</b>	<b>-13.73</b>	<b>-5.22</b>	<b>-18.94</b>	<b>-13.73</b>	<b>-0.84</b>	<b>-4.38</b>	<b>-5.22</b>



### Trailing 1 Year Attribution:

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

06/30/2021 - 06/30/2022

#### Performance

	Portfolio	Benchmark	Active
Return ex Currency	-28.81	-10.71	-18.09
Currency Contribution	-6.98	-8.70	1.73
<b>Total Return</b>	<b>-35.78</b>	<b>-19.42</b>	<b>-16.36</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
Real Estate	0.00	2.49	-2.49	0.00	-23.13	23.13	0.00	-0.59	0.10	0.00	0.10
Materials	2.62	8.40	-5.78	-25.38	-19.11	-6.27	-0.64	-1.77	-0.02	-0.23	-0.25
Utilities	0.00	3.17	-3.17	0.00	-7.31	7.31	0.00	-0.24	-0.32	0.00	-0.32
Consumer Staples	8.56	8.57	0.00	-27.00	-14.09	-12.91	-2.30	-1.14	0.07	-1.06	-0.99
Energy	0.05	5.12	-5.06	0.63	8.10	-7.48	0.00	0.13	-1.13	0.00	-1.13
Health Care	10.71	9.34	1.37	-31.72	-15.45	-16.27	-3.40	-1.31	0.04	-1.54	-1.50
Communication Services	8.67	6.30	2.37	-41.45	-26.67	-14.77	-3.77	-1.73	-0.18	-1.34	-1.52
Industrials	17.98	12.16	5.82	-31.58	-21.93	-9.65	-5.93	-2.66	-0.10	-1.55	-1.65
Information Technology	17.11	12.67	4.44	-37.51	-31.53	-5.97	-6.86	-4.09	-0.58	-1.25	-1.83
Financials	9.22	19.72	-10.50	-22.35	-10.37	-11.98	-2.16	-2.17	-0.91	-0.99	-1.90
Consumer Discretionary	24.15	12.07	12.08	-44.98	-31.28	-13.69	-10.69	-3.84	-1.70	-3.79	-5.49
[Cash]	0.93	0.00	0.93	101.70	0.00	101.70	-0.01	0.00	0.10	0.00	0.10
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>-35.78</b>	<b>-19.42</b>	<b>-16.36</b>	<b>-35.78</b>	<b>-19.42</b>	<b>-4.62</b>	<b>-11.75</b>	<b>-16.36</b>





### Trailing 1 Year Attribution:

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

06/30/2021 - 06/30/2022

#### 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
Russia	0.00	0.71	-0.71	0.00	-100.00	100.00	0.00	-0.97	0.70	0.00	0.70
South Korea	1.01	3.68	-2.66	-50.09	-38.49	-11.60	-0.54	-1.60	0.54	-0.13	0.41
Portugal	1.20	0.13	1.07	22.60	1.40	21.19	0.14	0.00	0.18	0.15	0.34
Netherlands	5.22	2.92	2.30	-21.18	-28.61	7.43	-0.87	-0.80	-0.18	0.47	0.29
Singapore	1.94	0.79	1.15	0.23	-20.97	21.21	-0.29	-0.18	-0.03	0.29	0.26
Hong Kong	4.07	3.20	0.87	-29.78	-31.62	1.84	-1.22	-1.01	-0.10	0.20	0.10
Ireland	0.00	0.42	-0.42	0.00	-35.36	35.36	0.00	-0.15	0.06	0.00	0.06
Brazil	0.98	1.42	-0.43	-24.84	-23.30	-1.54	-0.26	-0.36	0.04	0.00	0.05
Italy	0.00	1.54	-1.54	0.00	-22.66	22.66	0.00	-0.33	0.03	0.00	0.03
Poland	0.00	0.21	-0.21	0.00	-35.05	35.05	0.00	-0.07	0.03	0.00	0.03
Mexico	0.55	0.59	-0.04	7.22	-0.73	7.96	0.01	0.00	0.00	0.02	0.02
Hungary	0.00	0.07	-0.07	0.00	-42.17	42.17	0.00	-0.03	0.01	0.00	0.01
Belgium	0.00	0.58	-0.58	0.00	-20.98	20.98	0.00	-0.12	0.01	0.00	0.01
New Zealand	0.00	0.14	-0.14	0.00	-25.76	25.76	0.00	-0.03	0.01	0.00	0.01
Austria	0.00	0.13	-0.13	0.00	-23.07	23.07	0.00	-0.03	0.00	0.00	0.00
Pakistan	0.00	0.00	0.00	0.00	-15.70	15.70	0.00	0.00	0.00	0.00	0.00
Egypt	0.00	0.02	-0.02	0.00	-24.76	24.76	0.00	-0.01	0.00	0.00	0.00
Greece	0.00	0.06	-0.06	0.00	-17.46	17.46	0.00	-0.01	0.00	0.00	0.00
Philippines	0.00	0.21	-0.21	0.00	-17.76	17.76	0.00	-0.05	0.00	0.00	0.00
Israel	0.00	0.43	-0.43	0.00	-18.09	18.09	0.00	-0.09	0.00	0.00	0.00
Argentina	0.00	0.02	-0.02	0.00	12.97	-12.97	0.00	0.00	-0.01	0.00	-0.01
Turkey	0.00	0.08	-0.08	0.00	-9.03	9.03	0.00	-0.01	-0.01	0.00	-0.01
Peru	0.00	0.06	-0.06	0.00	-7.53	7.53	0.00	-0.01	-0.01	0.00	-0.01
Chile	0.00	0.13	-0.13	0.00	-10.13	10.13	0.00	-0.02	-0.01	0.00	-0.01
Colombia	0.00	0.05	-0.05	0.00	3.27	-3.27	0.00	0.00	-0.01	0.00	-0.01
Czech Republic	0.00	0.04	-0.04	0.00	27.36	-27.36	0.00	0.01	-0.01	0.00	-0.01
Malaysia	0.00	0.41	-0.41	0.00	-9.26	9.26	0.00	-0.04	-0.04	0.00	-0.04
Thailand	0.00	0.51	-0.51	0.00	-7.49	7.49	0.00	-0.05	-0.05	0.00	-0.05
Kuwait	0.00	0.19	-0.19	0.00	22.76	-22.76	0.00	0.03	-0.06	0.00	-0.06
Norway	0.00	0.44	-0.44	0.00	-1.56	1.56	0.00	-0.02	-0.07	0.00	-0.07
Qatar	0.00	0.25	-0.25	0.00	17.36	-17.36	0.00	0.02	-0.07	0.00	-0.07
United Arab Emirates	0.00	0.32	-0.32	0.00	14.65	-14.65	0.00	0.01	-0.08	0.00	-0.08
Indonesia	0.00	0.45	-0.45	0.00	16.08	-16.08	0.00	0.03	-0.12	0.00	-0.12
Denmark	0.00	1.68	-1.68	0.00	-10.52	10.52	0.00	-0.16	-0.12	0.00	-0.12
Finland	0.40	0.64	-0.24	-15.57	-21.70	6.13	-0.10	-0.12	0.00	-0.13	-0.13
Spain	0.77	1.48	-0.71	-15.10	-16.28	1.19	-0.16	-0.21	-0.04	-0.12	-0.16
Saudi Arabia	0.00	1.08	-1.08	0.00	10.33	-10.33	0.00	0.01	-0.25	0.00	-0.25
Switzerland	2.03	6.37	-4.34	-11.82	-12.68	0.86	-0.38	-0.76	-0.26	0.01	-0.25
India	5.75	3.59	2.16	-15.72	-4.80	-10.92	-1.10	-0.28	0.21	-0.50	-0.29
France	4.63	7.20	-2.57	-26.69	-18.19	-8.50	-1.22	-1.20	-0.05	-0.39	-0.43
Taiwan	3.82	4.50	-0.68	-30.97	-20.44	-10.53	-1.35	-1.07	0.00	-0.45	-0.45
Sweden	6.77	2.33	4.44	-31.92	-30.98	-0.94	-2.25	-0.71	-0.45	-0.03	-0.48
South Africa	1.12	1.02	0.10	-48.34	-13.16	-35.18	-0.57	-0.14	0.02	-0.51	-0.49
China	8.90	8.32	0.59	-36.11	-28.76	-7.35	-2.53	-2.46	0.07	-0.80	-0.73
Australia	3.09	4.64	-1.55	-38.65	-13.05	-25.60	-1.24	-0.67	-0.12	-0.76	-0.88
Canada	2.02	7.64	-5.62	-78.71	-7.95	-70.76	-1.72	-0.70	-0.56	-1.61	-2.18
United States	5.78	0.00	5.78	-53.48	0.00	-53.48	-3.62	0.00	-2.40	0.00	-2.40
Germany	9.67	5.53	4.14	-52.23	-31.16	-21.07	-5.23	-1.68	-0.41	-2.39	-2.80
Japan	18.74	14.38	4.36	-34.64	-19.93	-14.71	-7.30	-2.95	-0.11	-2.80	-2.91
United Kingdom	10.60	9.43	1.17	-38.05	-4.00	-34.05	-3.98	-0.43	0.16	-3.46	-3.30
[Cash]	0.93	0.00	0.93	101.70	0.00	101.70	-0.01	0.00	0.10	0.00	0.10
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>0.00</b>	<b>-35.78</b>	<b>-19.42</b>	<b>-16.36</b>	<b>-35.78</b>	<b>-19.42</b>	<b>-3.43</b>	<b>-12.93</b>	<b>-16.36</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.

### Disclosures

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.

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

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

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

The mean/median long term growth rate for Projected Earnings Growth Rate is the expected growth over the next 3-5 years calculated by FactSet from data provided by brokers. The Adjusted Trailing P/E (Price/Earnings) Ratio is the closing stock price divided by the sum of the last 12 months actual EPS. The Forecast P/E Ratio is the closing stock price divided by the sum of the next 4 quarters estimated EPS. All P/E, ROE and P/B statistics are calculated as weighted medians.

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

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

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](http://harborcapital.com) or call 800-422-1050. Read it carefully before investing.**

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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.