

# Harbor Capital Appreciation Fund

## Quarterly Commentary & Attribution

### **Subadvisor (since 05/01/1990):**

Jennison Associates LLC

### **Portfolio Manager(s):**

Owuraka Koney

Blair A. Boyer

Natasha Kuhlkin

**Benchmark 1 Name:** Russell 1000® Growth Index

**Benchmark 2 Name:** S&P 500 Index

### **Investment Philosophy:**

The Harbor Capital Appreciation Fund invests primarily in equity securities, specifically U.S. companies with market capitalizations of at least \$1 billion at the time of purchase. Through rigorous research, visits, and meetings with top management, the portfolio manager knows these businesses intimately, and only invests in those that the portfolio manager believes have: strong balance sheets and earnings performance, sales momentum and growth outlook, high profitability history or potential, unique market position and a capable and committed management team. The Fund stays fully invested in stocks and does not try to time the market, but instead works toward steady investment growth.

# Harbor Capital Appreciation Fund



## PERFORMANCE

As of 09/30/2026

### 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 % |
|----------------------------|--------|-----------|----------|--------|--------|--------|--------|--------|-----------------|----------------|---------------------|-----------------------|
| <b>Institutional</b>       | HACAX  | 411511504 | 5.01%    | 10.03% | 10.92% | 23.90% | 10.46% | 17.32% | 12.73%          | 12/29/87       | 0.67                | 0.72                  |
| <b>Investor</b>            | HCAIX  | 411511819 | 4.91%    | 9.74%  | 10.53% | 23.46% | 10.07% | 16.90% | 12.28%          | 11/01/02       | 1.01                | 1.06                  |
| <b>Retirement</b>          | HNACX  | 411512528 | 5.03%    | 10.09% | 11.01% | 24.00% | 10.55% | 17.41% | 12.75%          | 03/01/16       | 0.59                | 0.64                  |
| Russell 1000® Growth Index |        |           | 0.92%    | 6.30%  | 7.50%  | 24.26% | 13.66% | 18.16% | 11.94%          | 12/29/87       |                     |                       |
| S&P 500 Index              |        |           | 2.30%    | 12.75% | 15.74% | 22.89% | 13.79% | 15.33% | 11.56%          | 12/29/87       |                     |                       |

The Fund's returns achieved during certain periods shown were unusual and an investor should not expect such performance to be sustained.

## MANAGER COMMENTARY

As of 09/30/2026

**"The companies in the Fund are selected for their ability to capitalize on multiyear opportunities founded on unique products and innovation, supported by durable competitive moats and positions of market leadership."**

Jennison Associates, LLC

### Market in Review

U.S. equity markets advanced modestly during the third quarter of 2026, supported by resilient economic growth and strong corporate earnings despite persistent inflation, rising long-term interest rates, and geopolitical uncertainty. Profit growth remained well above historical averages, with particular strength in the Information Technology sector, as continued investment in artificial intelligence (AI) and related infrastructure supported both business investment and corporate results.

Market leadership remained highly concentrated in Information Technology and AI-related companies, while Energy also performed strongly as geopolitical tensions drove oil prices higher. Beneath the surface, however, much of the market lagged, resulting in significant dispersion across sectors and individual companies. Higher long-term interest rates also created a more challenging backdrop for growth equities and weighed on consumer-oriented companies.

### Portfolio Performance

During the third quarter, the Harbor Capital Appreciation Fund (Institutional Class, "Fund") returned 5.01%, outperforming its benchmark, the Russell 1000® Growth Index, which returned 0.92%, and the S&P 500 Index, which returned 2.30%.

The Fund's outperformance versus the Russell 1000® Growth Index was driven primarily by strong stock selection in Information Technology and Consumer Discretionary. Holdings within Communication Services also contributed positively to relative performance. Security selection in Health Care modestly weighed on results. While sector exposures are a byproduct of our bottom-up investment approach, allocation effects detracted from relative returns, most notably due to an overweight position in Consumer Discretionary and an underweight position in Information Technology.

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 through 02/28/2027.

**Performance data shown represents past performance and is no guarantee of future results. Fund 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.**

# Harbor Capital Appreciation Fund

## MANAGER COMMENTARY

As of 09/30/2026



### Contributors & Detractors

CrowdStrike contributed to the Fund's performance, as growing confidence in the company's AI security opportunity and continued platform adoption reinforced expectations for future growth.

Snowflake shares rose, as growing adoption of its AI offerings accelerated product revenue growth and platform consumption.

Lam Research shares rose, as demand for equipment supporting AI chip production reinforced confidence in continued semiconductor capital spending.

Amazon shares advanced as accelerating Amazon Web Services growth, strength in advertising, and ongoing operating efficiencies reinforced the strength of its business model.

Cloudflare's share price increased, as accelerating AI-related demand strengthened confidence in the company's position as a provider of security, networking, and AI infrastructure services.

NVIDIA advanced, as strong AI infrastructure demand and an expanding product roadmap supported expectations for continued growth. However, given our underweight allocation to NVIDIA, the stock detracted from the Fund's relative results.

Taiwan Semiconductor shares declined, as increased investment in AI-related capacity and the rising cost of global semiconductor fabrication facility expansion raised concerns about future gross margin pressure.

Boeing shares declined on higher oil prices and 737 MAX production delays.

Cadence Design Systems declined, as investors weighed AI's implications for electronic design automation software, while China-related risks remained an overhang.

GE Aerospace shares lost value, as concerns surrounding the impact of higher jet fuel prices outweighed continued strength in commercial aerospace demand.

### Buys & Sells

We initiated a position in Keysight Technologies, a provider of electronic design and test solutions. We believe the company is well positioned to benefit from increasing investment across communications, semiconductor, and industrial end markets, supported by its strong competitive position and favorable capital spending trends.

We initiated a position in Vertiv Holdings, a leading provider of critical infrastructure for data centers. Growing AI-driven infrastructure complexity favors Vertiv's scaled, integrated thermal solutions, supporting sustained order growth, revenue acceleration, and margin expansion.

We initiated a position in Lam Research, a leading supplier of semiconductor manufacturing equipment. We believe the company is well positioned to benefit from continued investment in AI infrastructure and advanced semiconductor production, along with a recovery in memory spending.

We sold the position in AppLovin, as the investment thesis evolved, and prospective returns became less attractive relative to other opportunities in the Fund.

We sold the position in Oracle, as significant capital requirements and ongoing financing needs associated with its AI infrastructure build-out reduced the attractiveness of the forward opportunity.

We trimmed the position in Broadcom as a source of funds.

# Harbor Capital Appreciation Fund



## MANAGER COMMENTARY

As of 09/30/2026

### Overweights & Underweights

Sector allocations are a result of our fundamental, bottom-up stock selection process. Entering the third quarter, the Fund's largest sector exposures were in Information Technology, Communication Services, and Consumer Discretionary. Relative to the Russell 1000® Growth Index, the Fund was overweight in Consumer Discretionary, Health Care, and Consumer Staples. Conversely, it was underweight Information Technology, Industrials, and Communication Services.

During the quarter, trading activity was modest, and changes in sector weights primarily reflected underlying stock price movements.

Importantly, these adjustments do not reflect a top-down view on sector prospects. Instead, they underscore our fundamentally driven, bottom-up investment philosophy, where sector exposures are a byproduct of our stock selection process and the dynamic nature of market opportunities.

### Outlook

On the broader macro front, we expect many of the factors that have influenced market performance, year to date, will contribute to continued volatility. These include persistent inflation, elevated interest rates, geopolitical uncertainty, and the approaching midterm elections. Consumer activity and broader economic growth have remained generally resilient, although we continue to monitor the impact of higher oil prices and broader inflationary pressures on consumer spending. Nevertheless, the outlook for corporate profit growth remains generally constructive, while the scale and scope of AI-driven investment continue to play an important role in market and sector performance.

We continue to view AI as a transformational, multiyear computing investment cycle, with opportunities extending beyond traditional Information Technology companies and increasingly across a wide range of industries. At the same time, the quarter highlighted the potential for significant volatility, as investors rapidly reassessed the pace of AI investment, the sustainability of returns, and the companies that will ultimately emerge as the primary beneficiaries. We closely monitor these developments and believe disciplined fundamental analysis will be increasingly important as the market differentiates among companies across the AI ecosystem.

Our attention remains on maintaining a disciplined, long-term investment approach that can navigate a range of outcomes, focusing on high-quality growth companies with enduring competitive advantages. We continually monitor the evolving environment for new opportunities, while maintaining an emphasis on long-term growth and risk management. The companies in the Fund are selected for their ability to capitalize on multiyear opportunities founded on unique products and innovation, supported by durable competitive moats and positions of market leadership.

# Harbor Capital Appreciation Fund

## TOP 10 HOLDINGS

As of 09/30/2026



| Top 10 Holdings            |              |               |
|----------------------------|--------------|---------------|
|                            | Portfolio %  | Benchmark 1 % |
| NVIDIA Corporation         | 10.79        | 15.67         |
| Apple Inc.                 | 7.34         | 7.67          |
| Microsoft Corporation      | 5.98         | 5.60          |
| Amazon.com Inc.            | 5.26         | 0.59          |
| Broadcom Inc.              | 5.05         | 4.81          |
| Eli Lilly and Company      | 4.51         | 2.72          |
| Advanced Micro Devices     | 4.26         | 2.93          |
| Alphabet Inc. Class C      | 4.13         | 4.77          |
| Alphabet Inc. Class A      | 3.94         | 5.90          |
| Meta Platforms Inc Class A | 3.74         | 3.84          |
| <b>Total</b>               | <b>55.00</b> | <b>54.49</b>  |

## QUARTERLY ATTRIBUTION

As of 09/30/2026

### Best & Worst Performers

| Best Performers              | Average Weight % | Gross Return % |
|------------------------------|------------------|----------------|
| PALANTIR TECHNOLOGIES INC-A  | 1.15             | 60.32          |
| CLOUDFLARE INC - CLASS A     | 0.96             | 41.59          |
| CROWDSTRIKE HOLDINGS INC - A | 2.11             | 38.77          |
| MICROSOFT CORP               | 5.63             | 37.76          |
| SNOWFLAKE INC                | 2.02             | 33.42          |

| Worst Performers     | Average Weight % | Gross Return % |
|----------------------|------------------|----------------|
| KLA CORP             | 0.38             | -35.32         |
| SANDISK CORP         | 1.07             | -23.48         |
| VERTIV HOLDINGS CO-A | 0.45             | -16.64         |
| GENERAL ELECTRIC     | 2.06             | -16.34         |
| TESLA INC            | 2.35             | -15.64         |

### Contributors & Detractors

| Greatest Contributors        | Gross Return % | Contribution to Return % |
|------------------------------|----------------|--------------------------|
| MICROSOFT CORP               | 37.76          | 1.86                     |
| NVIDIA CORP                  | 14.27          | 1.36                     |
| APPLE INC                    | 15.19          | 1.06                     |
| META PLATFORMS INC-CLASS A   | 28.83          | 0.85                     |
| CROWDSTRIKE HOLDINGS INC - A | 38.77          | 0.73                     |
| <b>Total</b>                 |                | <b>5.85</b>              |

| Greatest Detractors         | Gross Return % | Contribution to Return % |
|-----------------------------|----------------|--------------------------|
| TESLA INC                   | -15.64         | -0.52                    |
| BROADCOM INC                | -6.86          | -0.40                    |
| GENERAL ELECTRIC            | -16.34         | -0.36                    |
| TAIWAN SEMICONDUCTOR-SP ADR | -4.28          | -0.26                    |
| CADENCE DESIGN SYS INC      | -12.03         | -0.23                    |
| <b>Total</b>                |                | <b>-1.77</b>             |

Holdings are subject to change. Current holdings can be found at [harborcapital.com](https://harborcapital.com).  
Performance data shown represents past performance and is no guarantee of future results.

# Harbor Capital Appreciation Fund



## ATTRIBUTION

As of 09/30/2026

### Quarterly Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth Index

#### Performance

|                       | Portfolio   | Benchmark   | Active      |
|-----------------------|-------------|-------------|-------------|
| Return Ex Currency    | 5.27        | 0.92        | 4.35        |
| Currency Contribution | 0.00        | 0.00        | 0.00        |
| <b>Total Return</b>   | <b>5.27</b> | <b>0.92</b> | <b>4.35</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 |
|                        |                 |                  |                        |                    |                     |                           |                              |                               |                      |                  |              |
| Information Technology | 49.88           | 54.43            | -4.55                  | 12.09              | 5.50                | 6.59                      | 5.87                         | 2.99                          | -0.18                | 2.97             | 2.79         |
| Industrials            | 4.46            | 8.11             | -3.65                  | -15.06             | -16.80              | 1.73                      | -0.70                        | -1.57                         | 0.74                 | 0.13             | 0.86         |
| Consumer Discretionary | 12.30           | 7.79             | 4.51                   | -2.79              | -11.15              | 8.36                      | -0.32                        | -0.96                         | -0.55                | 1.16             | 0.61         |
| Communication Services | 15.64           | 16.63            | -0.99                  | 2.72               | 1.09                | 1.63                      | 0.49                         | 0.27                          | 0.08                 | 0.23             | 0.31         |
| Utilities              | 0.68            | 0.27             | 0.41                   | 2.44               | -18.98              | 21.42                     | 0.00                         | -0.06                         | -0.10                | 0.16             | 0.06         |
| Real Estate            | 0.00            | 0.41             | -0.41                  | 0.00               | -5.22               | 5.22                      | 0.00                         | -0.02                         | 0.03                 | 0.00             | 0.03         |
| Materials              | 0.00            | 0.26             | -0.26                  | 0.00               | 0.55                | -0.55                     | 0.00                         | 0.00                          | 0.00                 | 0.00             | 0.00         |
| Financials             | 5.98            | 4.77             | 1.21                   | 2.59               | 3.75                | -1.15                     | 0.19                         | 0.19                          | 0.05                 | -0.08            | -0.02        |
| Energy                 | 0.00            | 0.51             | -0.51                  | 0.00               | 15.30               | -15.30                    | 0.00                         | 0.07                          | -0.07                | 0.00             | -0.07        |
| Consumer Staples       | 2.82            | 1.26             | 1.57                   | -5.54              | -5.19               | -0.36                     | -0.16                        | -0.07                         | -0.08                | -0.02            | -0.10        |
| Health Care            | 7.76            | 5.57             | 2.19                   | -0.56              | 1.78                | -2.34                     | -0.09                        | 0.08                          | 0.04                 | -0.20            | -0.15        |
| <b>Total</b>           | <b>100.00</b>   | <b>100.00</b>    | <b>0.00</b>            | <b>5.27</b>        | <b>0.92</b>         | <b>4.35</b>               | <b>5.27</b>                  | <b>0.92</b>                   | <b>0.00</b>          | <b>4.35</b>      | <b>4.35</b>  |

### Trailing 1 Year Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth Index

#### Performance

|                       | Portfolio    | Benchmark   | Active      |
|-----------------------|--------------|-------------|-------------|
| Return Ex Currency    | 11.48        | 7.50        | 3.99        |
| Currency Contribution | -0.02        | 0.00        | -0.02       |
| <b>Total Return</b>   | <b>11.47</b> | <b>7.50</b> | <b>3.97</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 |
|                        |                 |                  |                        |                    |                     |                           |                              |                               |                      |                  |              |
| Information Technology | 46.42           | 51.66            | -5.24                  | 24.24              | 12.92               | 11.32                     | 10.80                        | 6.57                          | -0.27                | 4.95             | 4.68         |
| Consumer Discretionary | 14.10           | 11.67            | 2.43                   | -1.63              | -11.75              | 10.12                     | 0.00                         | -1.22                         | -0.68                | 1.55             | 0.87         |
| Health Care            | 7.97            | 7.10             | 0.87                   | 30.10              | 20.07               | 10.03                     | 1.97                         | 1.25                          | -0.02                | 0.63             | 0.62         |
| Financials             | 5.51            | 5.58             | -0.07                  | 1.65               | -3.41               | 5.07                      | 0.13                         | -0.34                         | 0.15                 | 0.26             | 0.41         |
| Real Estate            | 0.00            | 0.43             | -0.43                  | 0.00               | -9.24               | 9.24                      | 0.00                         | -0.04                         | 0.08                 | 0.00             | 0.08         |
| Materials              | 0.00            | 0.30             | -0.30                  | 0.00               | 5.16                | -5.16                     | 0.00                         | 0.02                          | 0.00                 | 0.00             | 0.00         |
| Energy                 | 0.00            | 0.39             | -0.39                  | 0.00               | 60.06               | -60.06                    | 0.00                         | 0.20                          | -0.17                | 0.00             | -0.17        |
| Consumer Staples       | 3.27            | 2.26             | 1.01                   | -1.17              | 2.82                | -3.99                     | 0.05                         | 0.20                          | -0.17                | -0.17            | -0.34        |
| Industrials            | 4.70            | 6.76             | -2.07                  | -14.24             | 1.81                | -16.06                    | -0.78                        | -0.05                         | 0.51                 | -0.89            | -0.39        |
| Utilities              | 1.31            | 0.28             | 1.03                   | -22.37             | -32.01              | 9.64                      | -0.42                        | -0.11                         | -0.48                | 0.08             | -0.39        |
| Communication Services | 16.44           | 13.57            | 2.87                   | -2.91              | 3.77                | -6.68                     | -0.28                        | 1.01                          | -0.06                | -1.29            | -1.35        |
| <b>Total</b>           | <b>100.00</b>   | <b>100.00</b>    | <b>0.00</b>            | <b>11.47</b>       | <b>7.50</b>         | <b>3.97</b>               | <b>11.47</b>                 | <b>7.50</b>                   | <b>-1.16</b>         | <b>5.13</b>      | <b>3.97</b>  |

Performance data shown represents past performance and is no guarantee of future results. Portfolio returns and attribution are shown gross of fees.

# Harbor Capital Appreciation Fund



## ATTRIBUTION

As of 09/30/2026

Trailing 3 Year Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth Index

Performance

|                       | Portfolio    | Benchmark    | Active      |
|-----------------------|--------------|--------------|-------------|
| Return Ex Currency    | 93.51        | 91.88        | 1.64        |
| Currency Contribution | 0.33         | 0.00         | 0.33        |
| <b>Total Return</b>   | <b>93.85</b> | <b>91.88</b> | <b>1.97</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 |
|                        |                 |                  |                        |                    |                     |                           |                              |                               |                      |                  |              |
| Information Technology | 41.43           | 48.54            | -7.12                  | 161.64             | 128.49              | 33.16                     | 54.62                        | 54.57                         | -2.26                | 11.60            | 9.34         |
| Consumer Staples       | 3.32            | 3.16             | 0.16                   | 61.86              | 25.88               | 35.98                     | 2.55                         | 1.61                          | -0.35                | 1.59             | 1.24         |
| Industrials            | 4.38            | 5.70             | -1.33                  | 59.28              | 56.65               | 2.63                      | 2.67                         | 3.31                          | 1.59                 | -0.40            | 1.19         |
| Materials              | 0.00            | 0.50             | -0.50                  | 0.00               | 44.48               | -44.48                    | 0.00                         | 0.35                          | 0.27                 | 0.00             | 0.27         |
| Real Estate            | 0.18            | 0.57             | -0.39                  | 15.58              | 16.73               | -1.15                     | 0.19                         | 0.32                          | 0.29                 | -0.03            | 0.26         |
| Energy                 | 0.00            | 0.42             | -0.42                  | 0.00               | 95.67               | -95.67                    | 0.00                         | 0.30                          | 0.04                 | 0.00             | 0.04         |
| Financials             | 6.69            | 6.21             | 0.48                   | 47.18              | 49.25               | -2.06                     | 3.95                         | 3.84                          | 0.05                 | -0.36            | -0.31        |
| Utilities              | 0.70            | 0.21             | 0.49                   | -14.69             | 146.45              | -161.15                   | -0.12                        | 0.19                          | -0.88                | -0.10            | -0.99        |
| Health Care            | 9.42            | 8.04             | 1.38                   | 40.21              | 45.44               | -5.23                     | 4.82                         | 4.57                          | -1.55                | -0.12            | -1.67        |
| Communication Services | 15.96           | 12.97            | 2.99                   | 104.06             | 121.24              | -17.18                    | 15.02                        | 14.13                         | 1.11                 | -2.99            | -1.88        |
| Consumer Discretionary | 17.52           | 13.67            | 3.85                   | 40.12              | 42.71               | -2.58                     | 10.07                        | 8.70                          | -2.38                | -1.74            | -4.12        |
| <b>Total</b>           | <b>100.00</b>   | <b>100.00</b>    | <b>0.00</b>            | <b>93.85</b>       | <b>91.88</b>        | <b>1.97</b>               | <b>93.85</b>                 | <b>91.88</b>                  | <b>-5.46</b>         | <b>7.44</b>      | <b>1.97</b>  |

Trailing 5 Year Attribution:

Harbor Capital Appreciation Fund vs Russell 1000® Growth Index

Performance

|                       | Portfolio    | Benchmark    | Active        |
|-----------------------|--------------|--------------|---------------|
| Return Ex Currency    | 70.23        | 89.71        | -19.47        |
| Currency Contribution | -0.20        | 0.00         | -0.20         |
| <b>Total Return</b>   | <b>70.04</b> | <b>89.71</b> | <b>-19.67</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  |
|                        |                 |                  |                        |                    |                     |                           |                              |                               |                      |                  |               |
| Health Care            | 9.91            | 9.14             | 0.77                   | 67.21              | 39.90               | 27.30                     | 10.35                        | 5.13                          | -1.60                | 3.68             | 2.09          |
| Consumer Staples       | 3.67            | 4.04             | -0.36                  | 54.94              | 29.62               | 25.32                     | 1.40                         | 1.80                          | 0.42                 | 0.27             | 0.69          |
| Materials              | 0.00            | 0.75             | -0.75                  | 0.00               | 31.60               | -31.60                    | 0.00                         | 0.13                          | 0.39                 | 0.00             | 0.39          |
| Industrials            | 3.38            | 6.41             | -3.03                  | 56.04              | 68.37               | -12.33                    | 3.02                         | 4.65                          | 0.71                 | -0.53            | 0.18          |
| Real Estate            | 0.48            | 0.98             | -0.50                  | -17.66             | -13.52              | -4.14                     | -0.79                        | -0.59                         | 0.18                 | -0.24            | -0.06         |
| Energy                 | 0.39            | 0.64             | -0.25                  | 18.80              | 236.88              | -218.07                   | 0.22                         | 0.78                          | -0.56                | 0.31             | -0.24         |
| Utilities              | 0.42            | 0.14             | 0.28                   | -14.69             | 121.92              | -136.62                   | -0.12                        | 0.18                          | -0.76                | -0.09            | -0.85         |
| Information Technology | 37.64           | 45.26            | -7.62                  | 156.50             | 161.64              | -5.14                     | 57.38                        | 66.13                         | -3.95                | 0.82             | -3.13         |
| Financials             | 8.10            | 6.46             | 1.64                   | 3.76               | 25.51               | -21.75                    | -0.57                        | 1.95                          | -0.94                | -3.17            | -4.11         |
| Consumer Discretionary | 21.27           | 14.66            | 6.61                   | 20.39              | 23.89               | -3.50                     | -4.28                        | 1.40                          | -5.06                | -1.83            | -6.90         |
| Communication Services | 14.15           | 11.52            | 2.63                   | 34.34              | 71.69               | -37.35                    | 3.25                         | 8.14                          | -0.58                | -6.67            | -7.26         |
| <b>Total</b>           | <b>100.00</b>   | <b>100.00</b>    | <b>0.00</b>            | <b>70.04</b>       | <b>89.71</b>        | <b>-19.67</b>             | <b>70.04</b>                 | <b>89.71</b>                  | <b>-12.22</b>        | <b>-7.45</b>     | <b>-19.67</b> |

Performance data shown represents past performance and is no guarantee of future results. Portfolio returns and attribution are shown gross of fees.

# Harbor Capital Appreciation Fund

## IMPORTANT INFORMATION



### Fund 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. At times, a growth investing style may be out of favor with investors which could cause growth securities to underperform value or other equity securities. Since the Fund may hold foreign securities, it may be subject to greater risks than funds invested only in the U.S. These risks are more severe for securities of issuers in emerging market regions.

### Benchmarks

The Russell 1000® Growth Index is an unmanaged index generally representative of the U.S. market for larger capitalization growth stocks. The Standard & Poor's 500 Index is an unmanaged index generally representative of the U.S. market for large capitalization equities. These unmanaged indices do not reflect fees and expenses and are not available for direct investment. The Russell 1000® Growth Index and Russell® are trademarks of Frank Russell Company.

### Disclosures

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

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

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

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

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

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

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.**

**Distributed by Harbor Funds Distributors, Inc.**

# Harbor Capital Appreciation Fund

## IMPORTANT INFORMATION



### 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.