

Investment Overview

The Fund invests primarily in equity securities, principally common and preferred stocks, of small cap foreign companies.

Portfolio Management

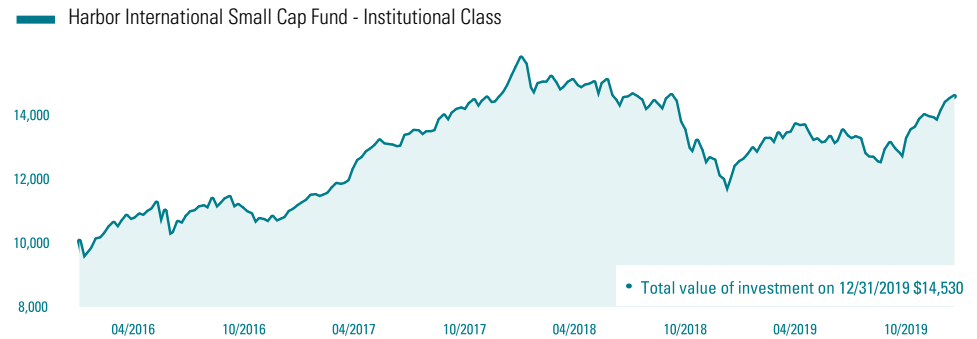
Subadviser:

Cedar Street Asset Management LLC
Since 05/23/2019

Portfolio Managers:

Jonathan Brodsky
Waldemar Mozes

Growth of a Hypothetical \$10,000 investment



Performance

	Three Months	Year to Date	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
Institutional Class	13.44%	22.13%	22.13%	10.67%	N/A	N/A	9.58%
Retirement Class	13.50%	22.20%	22.20%	10.77%	N/A	N/A	9.64%
Administrative Class	13.37%	21.74%	21.74%	10.38%	N/A	N/A	9.29%
Investor Class	13.32%	21.59%	21.59%	10.26%	N/A	N/A	9.16%
MSCI EAFE Small Cap (ND) Index	11.52%	24.96%	24.96%	10.92%	N/A	N/A	11.17%

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 harborfunds.com or by calling 800-422-1050.

The MSCI EAFE Small Cap (ND) Index is an equity index which captures small cap representation across developed markets countries around the world, excluding the U.S. and Canada. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Investment 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. Stocks of small cap companies pose special risks, including possible illiquidity and greater price volatility than stocks of larger, more established companies.

Fund Facts	Institutional Class	Retirement Class	Administrative Class	Investor Class
Ticker	HAISX	HNISX	HRISX	HIISX
Fund Number	2039	2539	2239	2439
CUSIP	411512569	411512536	411512551	411512544
Inception Date	02/01/2016	02/01/2016	02/01/2016	02/01/2016
12b-1 Fee	None	None	0.25%	0.25%
Total Net Assets (\$MM)	27.330	16.372	0.382	0.465
Redemption Fee	None	None	None	None
Net Expense Ratio	0.96	0.88	1.21	1.33
Gross Expense Ratio	1.16	1.08	1.41	1.53

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 an expense limitation agreement, excluding interest expense, if any, through 02/29/2020.

Top Industries



Machinery	6.73%
Food Products	5.83%
Professional Services	4.75%
Semiconductors & Semiconduct...	4.72%
Health Care Providers & Serv...	3.93%
Banks	3.84%
Construction & Engineering	3.74%
Internet & Direct Marketing ...	3.58%
Air Freight & Logistics	3.46%
Insurance	3.44%
Total	44.02%

Top Holdings

	Portfolio %
1. Jafco Co. Ltd.	2.36%
2. Clarkson PLC	2.34%
3. Ontex Group NV	2.29%
4. Northgate plc	2.24%
5. Kronos AG	2.18%
6. Arcadis NV	2.13%
7. Japfa Ltd.	2.11%
8. Ebro Foods SA	2.06%
9. Dksh Holding AG	2.05%
10. Tarkett SA	2.04%
Total	21.80%

Top Countries

Japan	25.98%
United Kingdom	12.57%
Germany	8.81%
France	5.64%
Australia	5.08%
Netherlands	4.59%
Hong Kong	3.78%
Switzerland	3.76%
Spain	3.69%
Sweden	3.56%
Total	77.46%

Sector Allocation vs. Benchmark

Sector	Portfolio	MSCI EAFE Small Cap (ND) Index	Portfolio vs. Benchmark Underweight/Overweight
Industrials	33.34%	21.71%	11.64
Financials	11.49%	10.79%	0.70
Consumer Discretionary	10.77%	12.61%	-1.85
Information Technology	9.67%	10.33%	-0.67
Materials	8.26%	7.99%	0.27
Consumer Staples	8.12%	6.12%	2.00
Health Care	7.28%	7.25%	0.02
Energy	3.14%	2.51%	0.64
Communication Services	1.77%	4.65%	-2.89
Utilities	0.00%	2.38%	-2.38
Real Estate	0.00%	13.67%	-13.67

Portfolio Statistics

Number of Securities	55
Adjusted Price to Earnings Ratio	13.89
Annualized Turnover - as of 10/31/2019	178%
Weighted Avg Market Cap (\$MM)	1,870.62
Beta	1.06

Risk Statistics

	The Fund	MSCI EAFE Small Cap (ND) Index
Alpha	-0.70%	0.00%
R-Squared	95.39%	100.00%
Standard Deviation	13.13%	12.06%
Sharpe Ratio	0.71%	0.78%

Definitions:

Adjusted Price to Earnings (P/E) Ratio – the closing share price divided by the last 12 months of actual earnings per share. Only P/E's of 2.0 or greater are included. The higher the P/E ratio, the greater expectation there is for growth.

Alpha – a fund's risk-adjusted excess return relative to the benchmark.

Beta – measures fund volatility relative to the overall market. With a beta for every index at 1.0, a beta under 1.0 means the fund is less volatile and more than 1.0 means the fund is more volatile than the index.

Duration – an estimated measure of the price sensitivity of the aggregate market value of a portfolio of debt securities to changes in interest rates.

R-Squared – a measure of a fund's returns that are explained by movements in an index. A number lower than 70% suggests fund performance acts less like the index with performance more reflective of the active management of the fund.

Sharpe Ratio – measures return vs. risk; a higher number suggests less risk to achieve fund performance.

Standard Deviation – a statistical measure of historic volatility of a fund's returns; a higher number suggests greater volatility.

Beta is rolling three year, unless the Fund has a track record of less than three years, in which case it is since inception. All Risk Statistics are Rolling three year. If the Fund does not have a three year track record, the statistics will be listed as N/A.

Certain portfolio and risk statistics are provided by FactSet and Morningstar Direct.

The holdings, sectors or countries shown 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.

Investors should carefully consider the investment objectives, risks, charges and expenses of a Harbor fund before investing. A summary prospectus or prospectus for this and other information is available at harborfunds.com or by calling 800-422-1050. Read it carefully before investing.

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