



Harbor Funds®

Annual Report
October 31, 2018

Target Retirement Funds

	Institutional Class
Harbor Target Retirement Income Fund	HARAX
Harbor Target Retirement 2015 Fund	HARGX
Harbor Target Retirement 2020 Fund	HARJX
Harbor Target Retirement 2025 Fund	HARMX
Harbor Target Retirement 2030 Fund	HARPX
Harbor Target Retirement 2035 Fund	HARUX
Harbor Target Retirement 2040 Fund	HARYX
Harbor Target Retirement 2045 Fund	HACCX
Harbor Target Retirement 2050 Fund	HAFFX
Harbor Target Retirement 2055 Fund	HATRX

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Funds' annual and semi-annual shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Funds' website (harborfunds.com), and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from a Fund electronically anytime by contacting your financial intermediary (such as a broker-dealer or bank) or, if you invest directly with Harbor Funds, by calling 800-422-1050.

You may elect to receive all future reports in paper free of charge. If you invest through a financial intermediary (such as a broker-dealer or bank), you can contact your financial intermediary to request that you continue to receive paper copies of the Funds' shareholder reports. If you invest directly, you can call 800-422-1050 to request that you continue to receive paper copies of the Funds' shareholder reports. Your election to receive reports in paper will apply to all Harbor Funds held in your account.

Table of Contents

Letter from the Chairman	1	Report of Independent Registered Public Accounting Firm	50
Managers' Commentary	2	Fees and Expenses Example	51
Asset Allocation Framework	5	Additional Information	
Target Retirement Funds		ADDITIONAL TAX INFORMATION	53
HARBOR TARGET RETIREMENT INCOME FUND		PROXY VOTING	53
Fund Summary	6	HOUSEHOLDING	53
Portfolio of Investments	7	QUARTERLY PORTFOLIO DISCLOSURES.....	53
HARBOR TARGET RETIREMENT 2015 FUND		TRUSTEES AND OFFICERS	54
Fund Summary	8	Harbor's Privacy Statement	57
Portfolio of Investments	9	Benchmark Descriptions	59
HARBOR TARGET RETIREMENT 2020 FUND			
Fund Summary	10		
Portfolio of Investments	11		
HARBOR TARGET RETIREMENT 2025 FUND			
Fund Summary	12		
Portfolio of Investments	13		
HARBOR TARGET RETIREMENT 2030 FUND			
Fund Summary	14		
Portfolio of Investments	15		
HARBOR TARGET RETIREMENT 2035 FUND			
Fund Summary	16		
Portfolio of Investments	17		
HARBOR TARGET RETIREMENT 2040 FUND			
Fund Summary	18		
Portfolio of Investments	19		
HARBOR TARGET RETIREMENT 2045 FUND			
Fund Summary	20		
Portfolio of Investments	21		
HARBOR TARGET RETIREMENT 2050 FUND			
Fund Summary	22		
Portfolio of Investments	23		
HARBOR TARGET RETIREMENT 2055 FUND			
Fund Summary	24		
Portfolio of Investments	25		
Financial Statements			
STATEMENTS OF ASSETS AND LIABILITIES....	27		
STATEMENTS OF OPERATIONS	28		
STATEMENTS OF CHANGES IN NET ASSETS ...	29		
FINANCIAL HIGHLIGHTS.....	35		
Notes to Financial Statements	40		

Letter from the Chairman



Charles F. McCain
Chairman

Dear Fellow Shareholder:

The Harbor Target Retirement Funds invest in a diversified portfolio of Harbor equity and fixed income funds. In the fiscal year ended October 31, 2018, most equity funds posted positive returns while most fixed income funds had negative returns.

Although an escalation in global trade tensions unsettled U.S. equity markets early in the fiscal year, the positive momentum set by corporate earnings and encouraging economic data proved strong enough to offset such concerns. In the third calendar quarter of 2018, U.S. companies reported the eighth consecutive quarter of earnings growth across all S&P 500 sectors, propelling broad U.S. equity indexes to multiple all-time highs. In October, the U.S. stock market experienced a pullback amid increased volatility, offsetting some of the fiscal year's gains. The Russell 3000[®] Index, a measure of the broad U.S. stock market, had a return of 6.60% for the fiscal year ended October 31, 2018.

International stock markets rose early in the fiscal year, supported by strong global economic data, before falling quite sharply in response to fears of higher interest rates, rising inflation, and a significant drop in price of stocks in the Information Technology sector. As the fiscal year progressed, the U.S. Dollar strengthened against other currencies, including the Euro, the Japanese Yen and the British Pound, which pressured international equity market performance. The MSCI All Country World Ex. U.S. (ND) Index, a measure of the equity markets outside the U.S., had a return of -8.24%.

Fixed income markets in the aggregate posted modest declines for the fiscal year, in an environment of rising interest rates and increased volatility in financial markets generally. The Bloomberg Barclays U.S. Aggregate Bond Index, a diversified benchmark of U.S. investment grade bonds, returned -2.05% for the fiscal year, whereas the ICE BofAML U.S. Non-Distressed High Yield Index had a return of 0.76%.

Comments by the portfolio managers of the Harbor Target Retirement Funds can be found in the Managers' Commentary section of this report. As always, we recommend that shareholders maintain a long-term perspective in evaluating all of their investments, including those in Harbor Funds.

RETURNS FOR PERIODS ENDED OCTOBER 31, 2018

	Annualized			
	1 Year	5 Years	10 Years	30 Years
Domestic Equities				
Russell 3000 [®] (entire U.S. stock market)	6.60%	10.81%	13.35%	10.28%
S&P 500 (large cap stocks)	7.35	11.34	13.24	10.25
Russell Midcap [®] (mid cap stocks)	2.79	8.97	14.20	11.44
Russell 2000 [®] (small cap stocks)	1.85	8.01	12.44	9.64
Russell 3000 [®] Growth (growth stocks)	10.20	13.06	15.34	10.13
Russell 3000 [®] Value (value stocks)	2.78	8.50	11.28	10.05
International & Global				
MSCI EAFE (ND) (foreign stocks)	-6.85%	2.02%	6.89%	4.59%
MSCI EAFE Small Cap (ND) (foreign small cap stocks)	-7.81	5.16	11.56	N/A
MSCI World (ND) (global stocks)	1.16	6.81	10.02	6.83
MSCI All Country World Ex. U.S. (ND) (foreign stocks)	-8.24	1.63	6.92	N/A
MSCI Emerging Markets (ND) (emerging market stocks)	-12.52	0.78	7.84	N/A
Fixed Income				
ICE BofAML U.S. Non-Distressed High Yield (domestic high-yield bonds)	0.76%	4.79%	9.32%	N/A
Bloomberg Barclays U.S. Aggregate Bond (domestic bonds)	-2.05	1.83	3.94	5.97%
Bloomberg Barclays U.S. TIPS (domestic inflation-linked bonds)	-1.24	0.97	4.11	N/A
ICE BofAML U.S. 3-Month Treasury Bill (proxy for money market returns)	1.68	0.55	0.35	3.18

ASSESSING YOUR LONG-TERM INVESTMENT PLAN

As the end of the calendar year approaches, it may be a good time to evaluate your financial goals and your investments. We always encourage shareholders to take a long-term perspective with all of their investments. While past performance is never a guarantee of future results, over the long term, the returns of equities and debt securities have historically helped many investors achieve their financial objectives. We encourage all investors to maintain a diversified portfolio of equities, debt and cash in an allocation consistent with their long-term financial goals and comfort with risk.

Harbor Funds offers a variety of equity and fixed income funds to help you achieve your financial goals.

Thank you for investing with Harbor Funds.

December 19, 2018

Charles F. McCain
Chairman

Harbor Target Retirement Funds

MANAGERS' COMMENTARY (Unaudited)

ADVISER

**Harbor Capital
Advisors, Inc.**

111 South Wacker Dr.
34th Floor
Chicago, IL 60606

PORTFOLIO MANAGERS

Brian L. Collins, CFA
Since Inception

**Paul C. Herbert, CFA,
CAIA**
Since Inception

Linda M. Molenda
Since Inception

Harbor Capital has
managed the Funds
since inception.

MARKET REVIEW

Fiscal year 2018 featured challenging market conditions. U.S. equity markets finished the 12-month period ended October 31, 2018 comfortably higher, but not without bouts of heightened volatility and pronounced drawdowns during the year. Non-U.S. equity markets continued to lag their U.S. counterparts, declining for the year. Fixed-income market segments delivered small absolute returns or losses.

As mentioned, stocks of U.S. companies were bright spots during the fiscal period. The Russell 3000[®] Index, measuring U.S. equity performance, gained 6.60%. Within the S&P 500 Index, a broad gauge of U.S. large-cap equity performance, nine of 11 economic sectors delivered positive returns over the 12-month period. Information Technology and Consumer Discretionary stocks registered the highest returns (16.77% and 15.69%, respectively). The Materials sector was the worst performer, declining by 9.35%. Communication Services, a new sector as of September 2018, made up of former Consumer Discretionary, Information Technology, and Telecommunications Services names, gained 6.20%. More broadly within U.S. markets, large-cap stocks led small-cap stocks and growth stocks continued to outperform value stocks.

The picture was less rosy outside of U.S. equities. The MSCI EAFE (ND) Index, a benchmark of large- and mid-cap stocks from across 21 developed markets, declined by 6.85% for the fiscal year ended October 31, 2018. Within the MSCI EAFE (ND) Index, nine economic sectors declined during the period. Financials (-12.17%) and Communications Services (-10.02%) lost the most, while Energy (10.67%) was a standout in the positive direction. Four of the five largest countries in the MSCI EAFE (ND) Index—Japan, the United Kingdom, France, and Germany—also ended the period in the red. Emerging markets stocks performed more poorly, with the MSCI Emerging Markets (ND) Index dropping in value by 12.52%.

Bonds also slumped during the fiscal year. The Bloomberg Barclays U.S. Aggregate Bond Index, an index of investment grade bonds, fell by 2.05%. Each of the Bloomberg Barclays U.S. Aggregate Bond Index's broad sectors—Government, Credit, and Securitized—declined in value during the 12-month period. The ICE BofAML U.S. High Yield Index (H0A0), an index of below-investment-grade bonds, finished the year with a relatively better showing of 0.86%.

Short-term investments posted small absolute gains. The ICE BofAML U.S. 3-Month Treasury Bill Index gained 1.68%.

PERFORMANCE

The Harbor Target Retirement Funds, which provide exposure to equity, fixed income, and short-term investments markets, delivered small losses for the 12-month period ended October 31, 2018. On an absolute basis, the Funds with larger weightings in fixed-income and short-term investments, such as Harbor Target Retirement Income Fund, Harbor Target Retirement 2015 Fund, and Harbor Target Retirement 2020 Fund, had narrower declines, while the Funds with heavier equity weightings dropped by greater amounts. The Funds' returns for the 12-month period appear in an accompanying table.

The Funds' performance is also compared to their respective Composite Indices. Though the nearer dated Funds have outperformed their respective Composite Indices since inception, each of the 10 Funds underperformed its respective Composite Index during the fiscal year. The returns for these Composite Indices also appear in a separate table, while details on the drivers of the Funds' results relative to the Composite Indices are addressed below.

During the 12 months ended October 31, 2018, performance for the Harbor Target Retirement Funds intended for investors with more time to retirement was pressured due to exposure to weak-performing non-U.S. equity Funds. For example, Harbor International Fund lost 11.31%, trailing its benchmark, the MSCI EAFE (ND) Index, by 448 basis points. (All returns in this section are for the respective underlying Funds' Institutional share classes.) Harbor International Fund's results for the period were hurt by stock selection decisions, such as negative stock picking in the Consumer Staples sector. Marathon Asset Management LLP ("Marathon-London") was appointed subadviser to Harbor International Fund as of August 22, 2018, replacing the previous subadviser. Harbor International Fund's performance results for the period November 1, 2018 to August 21, 2018 reflect the results of the investment

Harbor Target Retirement Funds

MANAGERS' COMMENTARY—Continued

decisions of the former subadviser and for the period from August 22, 2018 to October 31, 2018, the results of Marathon-London. Harbor International Growth Fund declined by 11.75%, lagging the MSCI All Country World Ex. U.S. (ND) Index by 351 basis points. On the positive side, Harbor Global Leaders Fund gained 9.90% for the period, outperforming the MSCI All Country World (ND) Index by 10.42 percentage points.

The fortunes of the nearer-dated Funds were more tied to the results of the underlying Funds focused on fixed-income and short-term investments markets. For instance, Harbor Bond Fund, which has the largest absolute weight in these funds, declined in value by 1.63%. Harbor Bond Fund's performance was hampered by rising interest rates during the period. However, Harbor Bond Fund outperformed its index, the Bloomberg Barclays U.S. Aggregate Bond Index, by 42 basis points due to its interest-rate positioning as well as its allocations to select emerging-markets, non-agency mortgage backed, and high-yield corporate bonds. Harbor High-Yield Bond Fund, which focuses on below-investment-grade corporate bonds, gained 0.45% during the fiscal year, but did not keep up with its benchmark, the ICE BofAML U.S. Non-Distressed High Yield Index, which rose by 0.76%. Harbor High-Yield Bond Fund trailed the index due to negative issue selection among oil and gas and automotive bonds as well as among bonds rated CCC.

HARBOR TARGET RETIREMENT FUNDS

	Total Return Year Ended October 31, 2018
Harbor Target Retirement Income Fund	-1.14%
Harbor Target Retirement 2015 Fund	-1.10
Harbor Target Retirement 2020 Fund	-1.29
Harbor Target Retirement 2025 Fund	-1.63
Harbor Target Retirement 2030 Fund	-1.57
Harbor Target Retirement 2035 Fund	-1.79
Harbor Target Retirement 2040 Fund	-1.84
Harbor Target Retirement 2045 Fund	-1.83
Harbor Target Retirement 2050 Fund	-2.06
Harbor Target Retirement 2055 Fund	-2.31

COMMONLY USED MARKET INDICES

	Total Return Year Ended October 31, 2018
Bloomberg Barclays U.S. Aggregate Bond (domestic bonds)	-2.05%
MSCI EAFE (ND) (foreign stocks)	-6.85
Russell 3000 [®] (entire U.S. stock market)	6.60

HARBOR TARGET RETIREMENT FUND COMPOSITE INDICES

	Total Return Year Ended October 31, 2018
Composite Index Income	-0.75%
Composite Index 2015	-0.56
Composite Index 2020	-0.56
Composite Index 2025	-0.74
Composite Index 2030	-0.60
Composite Index 2035	-0.56
Composite Index 2040	-0.55
Composite Index 2045	-0.32
Composite Index 2050	-0.32
Composite Index 2055	-0.46

Harbor Target Retirement Funds

MANAGERS' COMMENTARY—Continued

UNDERLYING HARBOR FUNDS PERFORMANCE (INSTITUTIONAL CLASS SHARES)

EQUITY	Total Return for the Year Ended October 31, 2018				Current 7-Day SEC Yield		Inception Date	Expense Ratios [*]	
	One Year	Five Years ^a	Ten Years ^a	Since Inception ^a	Subsidized ^b	Unsubsidized ^c		Net	Gross
Harbor Capital Appreciation Fund	9.44%	13.45%	15.41%	11.66%	N/A	N/A	12/29/1987	0.66% ^d	0.71%
Harbor Strategic Growth Fund	6.26	11.21	N/A	13.64	N/A	N/A	11/01/2011 ^e	0.70 ^f	0.89
Harbor Mid Cap Growth Fund	7.94	10.31	13.28	4.79	N/A	N/A	11/01/2000	0.89	0.89
Harbor Small Cap Growth Fund	4.97	8.98	13.99	8.49	N/A	N/A	11/01/2000	0.87	0.87
Harbor Large Cap Value Fund	0.11	10.60	11.57	9.87	N/A	N/A	12/29/1987	0.68 ^f	0.72
Harbor Mid Cap Value Fund	-4.85	6.75	13.56	7.50	N/A	N/A	03/01/2002	0.84 ^d	0.87
Harbor Small Cap Value Fund	-5.28	8.64	12.64	10.07	N/A	N/A	12/14/2001	0.88	0.88
Harbor International Fund	-11.31	-0.45	6.38	9.98	N/A	N/A	12/29/1987	0.72 ^{d,f}	0.81
Harbor Diversified International All Cap Fund	-8.62	N/A	N/A	2.99	N/A	N/A	11/02/2015	0.80 ^h	0.93
Harbor International Growth Fund	-11.75	2.35	7.00	3.34	N/A	N/A	11/01/1993	0.85 ^f	0.92
Harbor Global Leaders Fund	9.90	8.35	N/A	16.60	N/A	N/A	03/01/2009	0.90 ^f	1.21
FIXED INCOME									
Harbor High-Yield Bond Fund	0.45%	3.62%	8.11%	6.71%	N/A	N/A	12/01/2002	0.63% ^g	0.72%
Harbor High-Yield Opportunities Fund	-0.59	N/A	N/A	-0.59	N/A	N/A	11/01/2017	0.73 ^h	1.08
Harbor Bond Fund	-1.63	2.10	4.89	6.79	N/A	N/A	12/29/1987	0.51 ^{g,h}	0.63
Harbor Real Return Fund	-1.57	0.68	4.26	3.44	N/A	N/A	12/01/2005	0.52 ^h	1.03
SHORT-TERM									
Harbor Money Market Fund	1.44%	0.52%	0.34%	3.15%	1.90%	1.71%	12/29/1987	0.28% ^{g,h}	0.35%

OUTLOOK

The period's somewhat weaker results, particularly for certain segments of global markets, and higher volatility have provided a good reminder of the risks involved with investing in the market. We firmly believe it is prudent in the face of difficult markets to remain committed to a long-term investing plan involving diversification across multiple areas, as doing so is in our view a sound policy for reducing exposure to specific risks and benefitting from the markets' long-term ability to generate attractive returns.

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, but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. 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 Funds invest in a variety of underlying Harbor funds that are subject to risks associated with their particular investment strategies. By investing in several underlying funds, the Funds have partial exposure to the risks of many different areas of the market. Investments in the Funds are not guaranteed. An investor may experience losses. There is no guarantee that the Funds will provide adequate income through retirement. For information on the different share classes and the risks associated with an investment in the Funds, please refer to the current prospectus.

This report contains the current opinions of Harbor Capital Advisors, Inc. as of the date of this report and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Such opinions are subject to change without notice and securities described herein may no longer be included in, or may at any time be removed from, the Fund's portfolio. This report is distributed for informational purposes only. Information contained herein has been obtained from sources believed reliable, but not guaranteed.

* All mutual funds have expense ratios which represent what shareholders pay for operating expenses and management fees. Expense ratios are expressed as an annualized percentage of a fund's average net assets paid out in expenses. Net expense ratios reflect adjustments due to voluntary or contractual fee waivers or expense reimbursements. Expense ratio information is as of the fund's current prospectus, as revised and supplemented to date.

a Annualized

b Reflects reimbursements or waivers in effect during the period

c Does not reflect reimbursements or waivers currently in effect

d Reflects a contractual management fee waiver effective through February 28, 2019

e For the period November 1, 2011 (inception of the Predecessor Fund) to January 20, 2015, Mar Vista Investment Partners, LLC served as the Predecessor Fund's subadviser and for the period January 20, 2015 to March 6, 2017, Mar Vista Investment Partners, LLC served as investment adviser to the Predecessor Fund.

f Reflects an expense limitation agreement (excluding interest expense, if any) effective through February 28, 2019

g Reflects a contractual management fee waiver effective through February 29, 2020

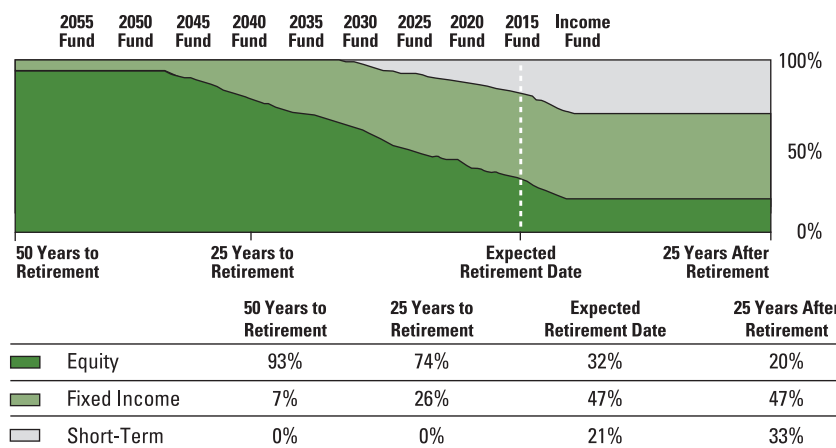
h Reflects an expense limitation agreement (excluding interest expense, if any) effective through February 29, 2020

Harbor Target Retirement Funds

ASSET ALLOCATION FRAMEWORK (Unaudited)

TARGET ASSET ALLOCATION (GLIDE PATH)

Harbor Target Retirement Funds - Target Asset Allocation



Over time, the allocation to asset classes and underlying Harbor funds will change in a predetermined manner as shown in the glide path above. The glide path shows the shifting of the asset allocations over time and illustrates how each Target Retirement Fund's (except Harbor Target Retirement Income Fund) asset mix becomes more conservative as time elapses.

The principal value of the Funds is not guaranteed at any time, including the target retirement date.

INVESTMENT STYLES

The Harbor Target Retirement Funds are constructed based on Harbor Capital Advisors' investment experience that, over the long term, stocks generally provide greater growth opportunities and greater risk than bonds, and bonds generally provide more income and lower volatility than stocks. The year in the Fund name refers to the approximate year (the target date) when an investor in the Fund would leave the work force and enter retirement and likely stop making new investments in the Fund. The Harbor Target Retirement Income Fund is designed for investors currently in retirement. The year-specific Target Retirement Funds strive to produce more income and lower volatility as the target year approaches.

Harbor Capital Advisors allocates each Fund's assets among the underlying Harbor funds based on the Fund's investment objectives and policies. The asset allocation for each Fund (other than the Harbor Target Retirement Income Fund) will change over time as the target date indicated in the Fund's name draws closer.

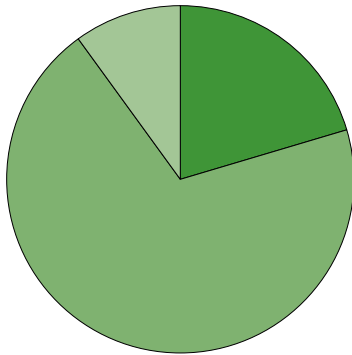
HARBOR TARGET RETIREMENT FUNDS - ACTUAL ALLOCATION AS OF OCTOBER 31, 2018

	2055 Fund	2050 Fund	2045 Fund	2040 Fund	2035 Fund	2030 Fund	2025 Fund	2020 Fund	2015 Fund	Income Fund
EQUITY										
Harbor Capital Appreciation Fund	8%	7%	6%	6%	5%	4%	3%	2%	2%	1%
Harbor Strategic Growth Fund	4	4	3	3	2	2	3	2	1	1
Harbor Mid Cap Growth Fund	6	6	5	5	4	3	3	2	2	1
Harbor Small Cap Growth Fund	5	5	4	4	4	3	3	2	1	1
Harbor Large Cap Value Fund	14	13	11	10	9	7	6	5	3	3
Harbor Mid Cap Value Fund	9	8	7	7	6	5	4	4	2	2
Harbor Small Cap Value Fund	7	6	6	5	4	4	3	3	2	1
Harbor International Fund	12	11	10	9	7	6	5	4	3	3
Harbor Diversified International All Cap Fund	11	11	10	9	8	6	5	4	3	3
Harbor International Growth Fund	12	11	10	9	8	6	5	4	3	3
Harbor Global Leaders Fund	5	4	4	3	3	3	2	2	1	1
Total Equity	93	86	76	70	60	49	42	34	23	20
FIXED INCOME										
Harbor High-Yield Bond Fund	0%	0%	6%	7%	9%	11%	12%	9%	8%	8%
Harbor High-Yield Opportunities Fund	3	6	4	5	6	8	8	6	5	5
Harbor Bond Fund	4	8	14	18	21	25	29	33	38	39
Harbor Real Return Fund	0	0	0	0	4	7	9	12	17	18
Total Fixed Income	7	14	24	30	40	51	58	60	68	70
SHORT-TERM										
Harbor Money Market Fund	0%	0%	0%	0%	0%	0%	0%	6%	9%	10%
Total Short-Term	0	0	0	0	0	0	0	6	9	10
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Harbor Target Retirement Income Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



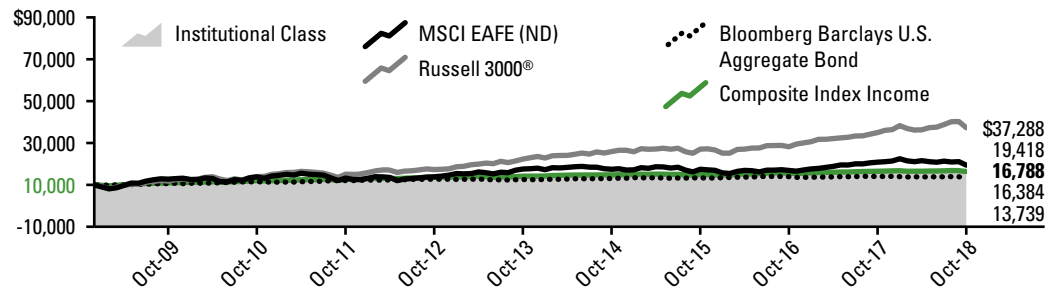
Equity Funds	20.4%	Fixed Income Funds	69.6%
Harbor Large Cap Value Fund	3.1%	Harbor Bond Fund	39.1%
Harbor International Growth Fund	2.6%	Harbor Real Return Fund	17.5%
Harbor Diversified International All Cap Fund	2.5%	Harbor High-Yield Bond Fund	7.8%
Harbor International Fund	2.5%	Harbor High-Yield Opportunities Fund	5.2%
Harbor Mid Cap Value Fund	2.0%	Short-Term Investments	10.0%
Harbor Small Cap Value Fund	1.5%	Harbor Money Market Fund	10.0%
Harbor Capital Appreciation Fund	1.3%		
Harbor Mid Cap Growth Fund	1.3%		
Harbor Strategic Growth Fund	1.3%		
Harbor Small Cap Growth Fund	1.2%		
Harbor Global Leaders Fund	1.1%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement Income Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.14%	2.90%	5.41%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index Income	-0.75	2.97	5.15	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.64%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement Income Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—20.4%

Shares		Value
2,209	Harbor Capital Appreciation Fund	\$ 164
8,252	Harbor Strategic Growth Fund	162
15,531	Harbor Mid Cap Growth Fund	169
10,330	Harbor Small Cap Growth Fund	148
26,811	Harbor Large Cap Value Fund	385
11,732	Harbor Mid Cap Value Fund	251
5,461	Harbor Small Cap Value Fund	183
5,475	Harbor International Fund	319
30,659	Harbor Diversified International All Cap Fund	319
23,552	Harbor International Growth Fund	323
5,385	Harbor Global Leaders Fund	137
TOTAL EQUITY FUNDS		
	(Cost \$2,421)	<u>2,560</u>

FIXED INCOME FUNDS—69.6%

Shares		Value
101,537	Harbor High-Yield Bond Fund	\$ 983
68,689	Harbor High-Yield Opportunities Fund	655
442,601	Harbor Bond Fund	4,913
247,141	Harbor Real Return Fund	2,194
TOTAL FIXED INCOME FUNDS		
	(Cost \$9,260)	<u>8,745</u>

SHORT-TERM INVESTMENTS—10.0%

	(Cost \$1,256)	
1,255,593	Harbor Money Market Fund	<u>1,256</u>

TOTAL INVESTMENTS—100.0%		
	(Cost \$12,937)	<u>12,561</u>
CASH AND OTHER ASSETS, LESS LIABILITIES—0.0%		<u>—^a</u>
TOTAL NET ASSETS—100.0%		<u>\$12,561</u>

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement Income Fund is investing in Institutional Class shares of Harbor funds.

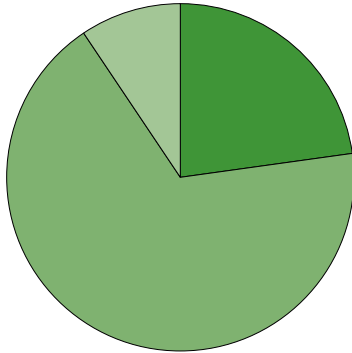
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2015 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



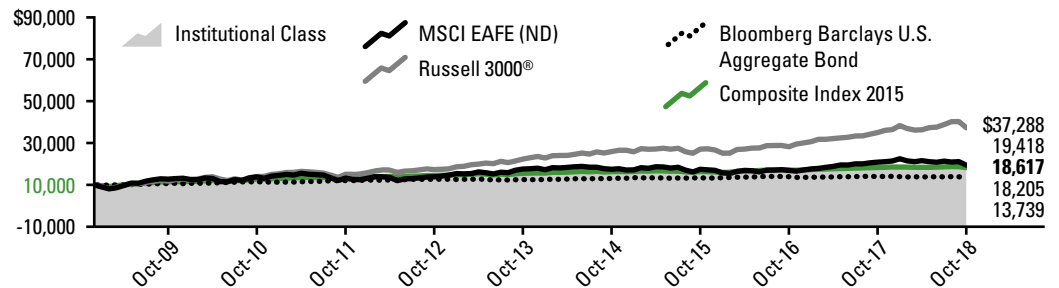
Equity Funds	22.8%	Fixed Income	67.8%
Harbor Large Cap Value Fund	3.4%	Harbor Bond Fund	38.0%
Harbor International Growth Fund	2.9%	Harbor Real Return Fund	16.5%
Harbor Diversified International All Cap Fund	2.8%	Harbor High-Yield Bond Fund	8.0%
Harbor International Fund	2.8%	Harbor High-Yield Opportunities Fund	5.3%
Harbor Mid Cap Value Fund	2.2%	Short-Term Investments	9.4%
Harbor Small Cap Value Fund	1.7%	Harbor Money Market Fund	9.4%
Harbor Capital Appreciation Fund	1.5%		
Harbor Mid Cap Growth Fund	1.5%		
Harbor Strategic Growth Fund	1.5%		
Harbor Small Cap Growth Fund	1.3%		
Harbor Global Leaders Fund	1.2%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2015 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.10%	3.10%	6.53%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2015	-0.56	3.20	6.28	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.64%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2015 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—22.8%

Shares		Value
943	Harbor Capital Appreciation Fund	\$ 70
3,499	Harbor Strategic Growth Fund	69
6,640	Harbor Mid Cap Growth Fund	72
4,471	Harbor Small Cap Growth Fund	64
11,429	Harbor Large Cap Value Fund	164
4,989	Harbor Mid Cap Value Fund	107
2,360	Harbor Small Cap Value Fund	79
2,334	Harbor International Fund	136
13,068	Harbor Diversified International All Cap Fund	136
10,066	Harbor International Growth Fund	138
2,256	Harbor Global Leaders Fund	57
TOTAL EQUITY FUNDS		
(Cost \$1,053)		<u>1,092</u>

FIXED INCOME FUNDS—67.8%

Shares		Value
39,704	Harbor High-Yield Bond Fund	\$ 384
26,878	Harbor High-Yield Opportunities Fund	257
164,081	Harbor Bond Fund	1,821
88,782	Harbor Real Return Fund	789

TOTAL FIXED INCOME FUNDS
(Cost \$3,397) 3,251

SHORT-TERM INVESTMENTS—9.4%

(Cost \$449)		
449,371	Harbor Money Market Fund	<u>449</u>

TOTAL INVESTMENTS—100.0%
(Cost \$4,899) 4,792

CASH AND OTHER ASSETS, LESS LIABILITIES—0.0% ^a

TOTAL NET ASSETS—100.0% \$4,792

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2015 Fund is investing in Institutional Class shares of Harbor funds.

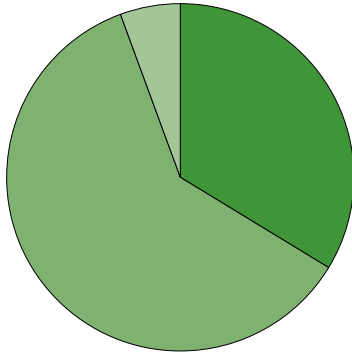
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2020 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



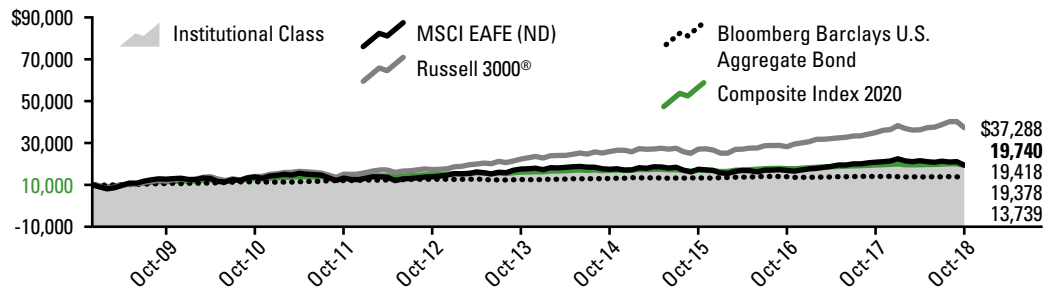
Equity Funds	33.7%	Fixed Income	60.7%
Harbor Large Cap Value Fund	5.0%	Harbor Bond Fund	33.0%
Harbor International Growth Fund	4.3%	Harbor Real Return Fund	11.9%
Harbor Diversified International All Cap Fund	4.2%	Harbor High-Yield Bond Fund	9.5%
Harbor International Fund	4.2%	Harbor High-Yield Opportunities Fund	6.3%
Harbor Mid Cap Value Fund	3.3%	Short-Term Investments	5.6%
Harbor Small Cap Value Fund	2.5%	Harbor Money Market Fund	5.6%
Harbor Mid Cap Growth Fund	2.3%		
Harbor Capital Appreciation Fund	2.1%		
Harbor Strategic Growth Fund	2.1%		
Harbor Small Cap Growth Fund	2.0%		
Harbor Global Leaders Fund	1.7%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2020 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.29%	3.60%	7.16%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2020	-0.56	3.75	6.96	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.67%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2020 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—33.7%

Shares		Value
7,345	Harbor Capital Appreciation Fund	\$ 543
27,357	Harbor Strategic Growth Fund	537
53,794	Harbor Mid Cap Growth Fund	584
36,416	Harbor Small Cap Growth Fund	523
88,661	Harbor Large Cap Value Fund	1,274
39,450	Harbor Mid Cap Value Fund	843
18,995	Harbor Small Cap Value Fund	638
18,514	Harbor International Fund	1,079
103,668	Harbor Diversified International All Cap Fund	1,079
79,676	Harbor International Growth Fund	1,091
16,889	Harbor Global Leaders Fund	431
TOTAL EQUITY FUNDS		
(Cost \$8,198)		<u>8,622</u>

FIXED INCOME FUNDS—60.7%

Shares		Value
249,722	Harbor High-Yield Bond Fund	\$ 2,417
168,841	Harbor High-Yield Opportunities Fund	1,611
759,042	Harbor Bond Fund	8,426
343,673	Harbor Real Return Fund	3,052

TOTAL FIXED INCOME FUNDS		
(Cost \$16,214)		<u>15,506</u>

SHORT-TERM INVESTMENTS—5.6%

(Cost \$1,426)		
1,426,315	Harbor Money Market Fund	<u>1,426</u>

TOTAL INVESTMENTS—100.0%		
(Cost \$25,838)		<u>25,554</u>

CASH AND OTHER ASSETS, LESS LIABILITIES—0.0%^a

TOTAL NET ASSETS—100.0%\$25,554

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2020 Fund is investing in Institutional Class shares of Harbor funds.

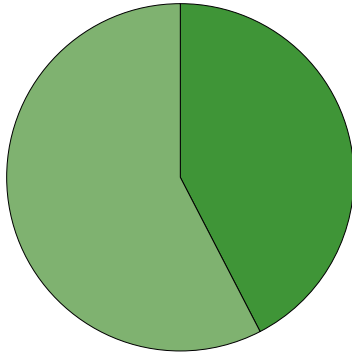
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2025 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



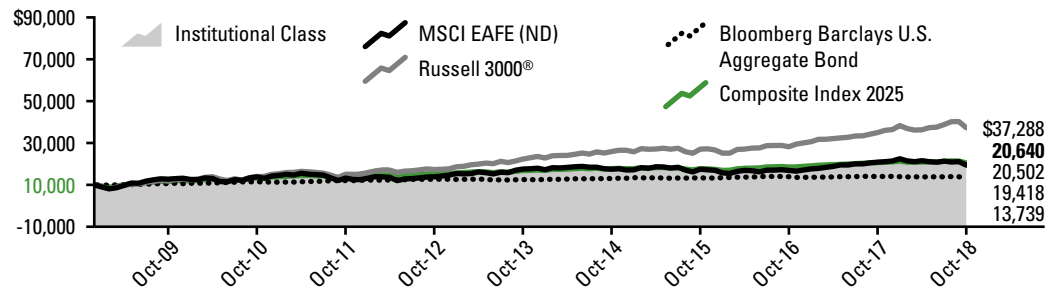
Equity Funds	42.4%	Fixed Income Funds	57.6%
Harbor Large Cap Value Fund	6.2%	Harbor Bond Fund	28.8%
Harbor International Growth Fund	5.4%	Harbor High-Yield Bond Fund	11.6%
Harbor Diversified International All Cap Fund	5.3%	Harbor Real Return Fund	9.5%
Harbor International Fund	5.3%	Harbor High-Yield Opportunities Fund	7.7%
Harbor Mid Cap Value Fund	4.1%		
Harbor Small Cap Value Fund	3.2%		
Harbor Mid Cap Growth Fund	2.9%		
Harbor Capital Appreciation Fund	2.7%		
Harbor Small Cap Growth Fund	2.6%		
Harbor Strategic Growth Fund	2.6%		
Harbor Global Leaders Fund	2.1%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2025 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.63%	3.81%	7.65%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2025	-0.74	4.03	7.57	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.70%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2025 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—42.4%

Shares		Value
6,367	Harbor Capital Appreciation Fund	\$ 471
23,633	Harbor Strategic Growth Fund	464
47,017	Harbor Mid Cap Growth Fund	511
31,943	Harbor Small Cap Growth Fund	458
76,582	Harbor Large Cap Value Fund	1,100
34,219	Harbor Mid Cap Value Fund	732
16,556	Harbor Small Cap Value Fund	556
16,041	Harbor International Fund	935
89,818	Harbor Diversified International All Cap Fund	935
69,176	Harbor International Growth Fund	947
14,400	Harbor Global Leaders Fund	367
TOTAL EQUITY FUNDS		
(Cost \$7,372)		<u>7,476</u>

FIXED INCOME FUNDS—57.6%

Shares		Value
210,707	Harbor High-Yield Bond Fund	\$ 2,040
142,452	Harbor High-Yield Opportunities Fund	1,359
458,567	Harbor Bond Fund	5,090
189,896	Harbor Real Return Fund	1,686
TOTAL FIXED INCOME FUNDS		
(Cost \$10,604)		<u>10,175</u>
TOTAL INVESTMENTS—100.0%		
(Cost \$17,976)		<u>17,651</u>
CASH AND OTHER ASSETS, LESS LIABILITIES—0.0%		<u>—^a</u>
TOTAL NET ASSETS—100.0%		<u>\$17,651</u>

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2025 Fund is investing in Institutional Class shares of Harbor funds.

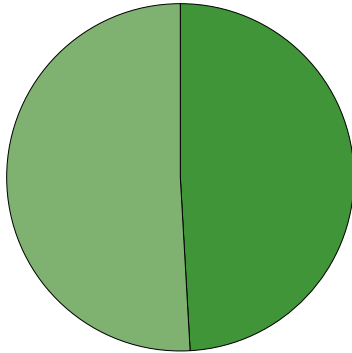
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2030 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



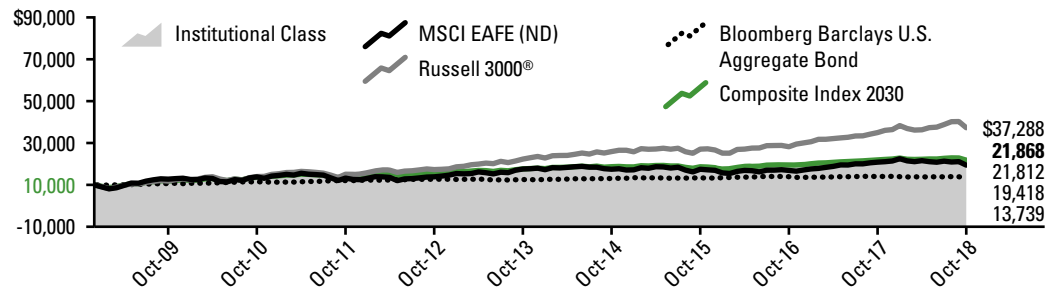
Equity Funds	49.1%	Fixed Income Funds	50.9%
Harbor Large Cap Value Fund	7.2%	Harbor Bond Fund	25.3%
Harbor Diversified International All Cap Fund	6.2%	Harbor High-Yield Bond Fund	11.2%
Harbor International Fund	6.2%	Harbor High-Yield Opportunities Fund	7.4%
Harbor International Growth Fund	6.2%	Harbor Real Return Fund	7.0%
Harbor Mid Cap Value Fund	4.8%		
Harbor Capital Appreciation Fund	4.1%		
Harbor Small Cap Value Fund	3.6%		
Harbor Mid Cap Growth Fund	3.4%		
Harbor Small Cap Growth Fund	3.0%		
Harbor Global Leaders Fund	2.4%		
Harbor Strategic Growth Fund	2.0%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2030 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.57%	4.15%	8.29%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2030	-0.60	4.33	8.25	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.71%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2030 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—49.1%

Shares		Value
15,546	Harbor Capital Appreciation Fund	\$ 1,150
28,928	Harbor Strategic Growth Fund	568
86,777	Harbor Mid Cap Growth Fund	942
58,986	Harbor Small Cap Growth Fund	847
139,744	Harbor Large Cap Value Fund	2,008
62,763	Harbor Mid Cap Value Fund	1,342
30,419	Harbor Small Cap Value Fund	1,021
29,602	Harbor International Fund	1,726
165,730	Harbor Diversified International All Cap Fund	1,725
127,472	Harbor International Growth Fund	1,745
26,256	Harbor Global Leaders Fund	669
TOTAL EQUITY FUNDS		
(Cost \$13,051)		13,743

FIXED INCOME FUNDS—50.9%

Shares		Value
321,929	Harbor High-Yield Bond Fund	\$ 3,116
217,656	Harbor High-Yield Opportunities Fund	2,076
637,877	Harbor Bond Fund	7,081
220,376	Harbor Real Return Fund	1,957
TOTAL FIXED INCOME FUNDS		
(Cost \$14,858)		14,230
TOTAL INVESTMENTS—100.0%		
(Cost \$27,909)		27,973
CASH AND OTHER ASSETS, LESS LIABILITIES—0.0%		— ^a
TOTAL NET ASSETS—100.0%		<u>\$27,973</u>

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2030 Fund is investing in Institutional Class shares of Harbor funds.

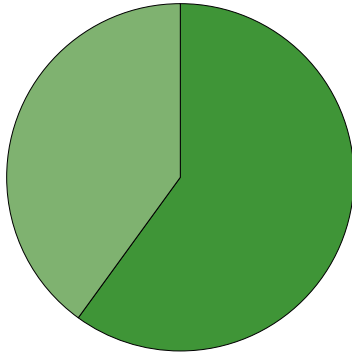
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2035 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



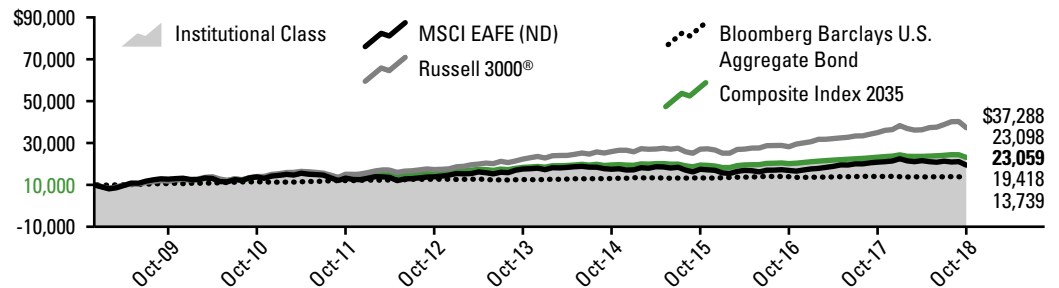
Equity Funds	60.0%	Fixed Income Funds	40.0%
Harbor Large Cap Value Fund	8.8%	Harbor Bond Fund	20.6%
Harbor International Growth Fund	7.6%	Harbor High-Yield Bond Fund	9.2%
Harbor Diversified International All Cap Fund	7.5%	Harbor High-Yield Opportunities Fund	6.2%
Harbor International Fund	7.5%	Harbor Real Return Fund	4.0%
Harbor Mid Cap Value Fund	5.9%		
Harbor Capital Appreciation Fund	5.0%		
Harbor Small Cap Value Fund	4.4%		
Harbor Mid Cap Growth Fund	4.2%		
Harbor Small Cap Growth Fund	3.7%		
Harbor Global Leaders Fund	2.9%		
Harbor Strategic Growth Fund	2.5%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2035 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.79%	4.56%	8.87%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2035	-0.56	4.69	8.89	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.72%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2035 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—60.0%

Shares		Value
10,254	Harbor Capital Appreciation Fund	\$ 758
19,141	Harbor Strategic Growth Fund	376
57,627	Harbor Mid Cap Growth Fund	626
38,561	Harbor Small Cap Growth Fund	553
92,295	Harbor Large Cap Value Fund	1,326
41,578	Harbor Mid Cap Value Fund	889
19,900	Harbor Small Cap Value Fund	668
19,540	Harbor International Fund	1,139
109,461	Harbor Diversified International All Cap Fund	1,140
83,970	Harbor International Growth Fund	1,150
17,430	Harbor Global Leaders Fund	444
TOTAL EQUITY FUNDS		
	(Cost \$8,665)	9,069

FIXED INCOME FUNDS—40.0%

Shares		Value
144,951	Harbor High-Yield Bond Fund	\$ 1,403
98,052	Harbor High-Yield Opportunities Fund	936
280,430	Harbor Bond Fund	3,113
67,928	Harbor Real Return Fund	603
TOTAL FIXED INCOME FUNDS		
	(Cost \$6,304)	6,055
TOTAL INVESTMENTS—100.0%		
	(Cost \$14,969)	15,124
CASH AND OTHER ASSETS, LESS LIABILITIES—0.0%		
		<u>—^a</u>
TOTAL NET ASSETS—100.0%		<u>\$15,124</u>

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2035 Fund is investing in Institutional Class shares of Harbor funds.

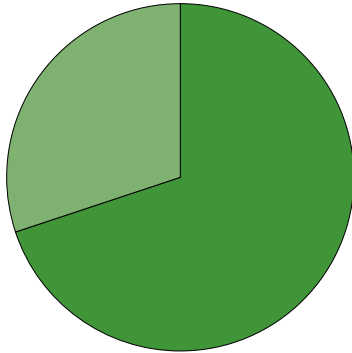
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2040 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



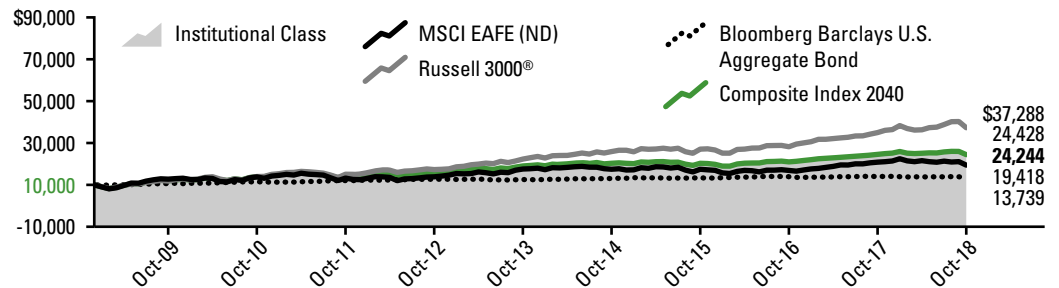
Equity Funds	69.9%	Fixed Income Funds	30.1%
Harbor Large Cap Value Fund	10.2%	Harbor Bond Fund	17.7%
Harbor International Growth Fund	8.9%	Harbor High-Yield Bond Fund	7.5%
Harbor Diversified International All Cap Fund	8.8%	Harbor High-Yield Opportunities Fund	4.9%
Harbor International Fund	8.7%		
Harbor Mid Cap Value Fund	6.8%		
Harbor Capital Appreciation Fund	5.9%		
Harbor Small Cap Value Fund	5.1%		
Harbor Mid Cap Growth Fund	4.8%		
Harbor Small Cap Growth Fund	4.3%		
Harbor Global Leaders Fund	3.5%		
Harbor Strategic Growth Fund	2.9%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2040 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.84%	5.07%	9.43%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2040	-0.55	5.12	9.51	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.73%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2040 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—69.9%

Shares		Value
19,229	Harbor Capital Appreciation Fund	\$ 1,422
35,628	Harbor Strategic Growth Fund	699
106,728	Harbor Mid Cap Growth Fund	1,159
71,798	Harbor Small Cap Growth Fund	1,030
171,125	Harbor Large Cap Value Fund	2,459
76,395	Harbor Mid Cap Value Fund	1,633
36,742	Harbor Small Cap Value Fund	1,234
35,979	Harbor International Fund	2,098
201,733	Harbor Diversified International All Cap Fund	2,100
155,855	Harbor International Growth Fund	2,134
33,030	Harbor Global Leaders Fund	842

TOTAL EQUITY FUNDS

(Cost \$15,693) 16,810

FIXED INCOME FUNDS—30.1%

Shares		Value
185,887	Harbor High-Yield Bond Fund	\$ 1,799
124,807	Harbor High-Yield Opportunities Fund	1,191
382,899	Harbor Bond Fund	4,250

TOTAL FIXED INCOME FUNDS

(Cost \$7,508) 7,240

TOTAL INVESTMENTS—100.0%

(Cost \$23,201) 24,050

CASH AND OTHER ASSETS, LESS LIABILITIES—0.0% —^a

TOTAL NET ASSETS—100.0% **\$24,050**

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2040 Fund is investing in Institutional Class shares of Harbor funds.

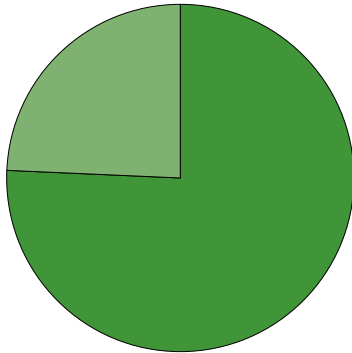
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2045 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



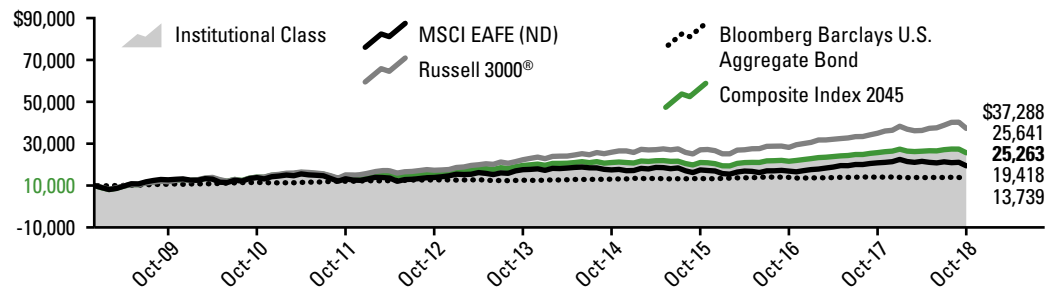
Equity Funds	75.7%	Fixed Income Funds	24.3%
Harbor Large Cap Value Fund	11.2%	Harbor Bond Fund	14.2%
Harbor Diversified International All Cap Fund	9.5%	Harbor High-Yield Bond Fund	6.1%
Harbor International Fund	9.5%	Harbor High-Yield Opportunities Fund	4.0%
Harbor International Growth Fund	9.5%		
Harbor Mid Cap Value Fund	7.4%		
Harbor Capital Appreciation Fund	6.4%		
Harbor Small Cap Value Fund	5.5%		
Harbor Mid Cap Growth Fund	5.1%		
Harbor Small Cap Growth Fund	4.5%		
Harbor Global Leaders Fund	3.9%		
Harbor Strategic Growth Fund	3.2%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2045 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-1.83%	5.49%	9.89%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2045	-0.32	5.52	10.05	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.75%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2045 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—75.7%

Shares		Value
10,720	Harbor Capital Appreciation Fund	\$ 793
20,057	Harbor Strategic Growth Fund	394
58,138	Harbor Mid Cap Growth Fund	631
38,756	Harbor Small Cap Growth Fund	556
96,900	Harbor Large Cap Value Fund	1,392
42,919	Harbor Mid Cap Value Fund	918
20,299	Harbor Small Cap Value Fund	681
20,202	Harbor International Fund	1,178
113,527	Harbor Diversified International All Cap Fund	1,182
86,794	Harbor International Growth Fund	1,188
18,910	Harbor Global Leaders Fund	482

TOTAL EQUITY FUNDS

(Cost \$9,189) 9,395

FIXED INCOME FUNDS—24.3%

Shares		Value
78,015	Harbor High-Yield Bond Fund	\$ 755
52,331	Harbor High-Yield Opportunities Fund	499
158,590	Harbor Bond Fund	1,761

TOTAL FIXED INCOME FUNDS

(Cost \$3,126) 3,015

TOTAL INVESTMENTS—100.0%

(Cost \$12,315) 12,410

CASH AND OTHER ASSETS, LESS LIABILITIES—0.0% ^a

TOTAL NET ASSETS—100.0% **\$12,410**

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2045 Fund is investing in Institutional Class shares of Harbor funds.

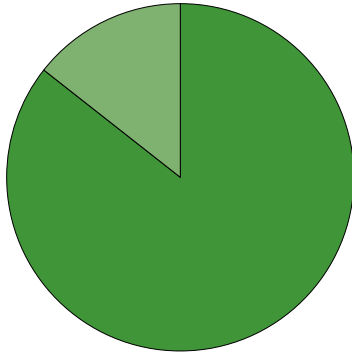
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2050 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



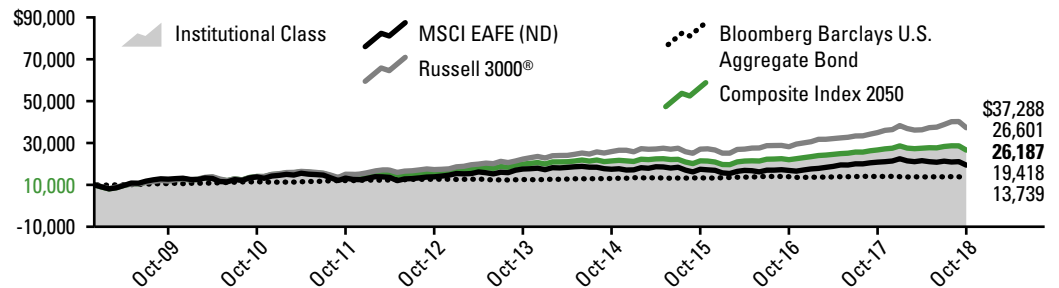
Equity Funds	85.6%	Fixed Income Funds	14.4%
Harbor Large Cap Value Fund	12.7%	Harbor Bond Fund	7.9%
Harbor Diversified International All Cap Fund	10.8%	Harbor High-Yield Opportunities Fund	6.5%
Harbor International Growth Fund	10.8%		
Harbor International Fund	10.7%		
Harbor Mid Cap Value Fund	8.3%		
Harbor Capital Appreciation Fund	7.3%		
Harbor Small Cap Value Fund	6.2%		
Harbor Mid Cap Growth Fund	5.7%		
Harbor Small Cap Growth Fund	5.0%		
Harbor Global Leaders Fund	4.5%		
Harbor Strategic Growth Fund	3.6%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 01/02/2009 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2050 Fund

	1 Year	Annualized 5 Years	Life of Fund	Inception Date
Institutional Class	-2.06%	5.93%	10.29%	01/02/2009
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	1.83%	3.28%	—
MSCI EAFE (ND)	-6.85	2.02	6.98	—
Russell 3000®	6.60	10.81	14.33	—
Composite Index 2050	-0.32	5.93	10.46	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.77%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2050 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—85.6%

Shares		Value
23,022	Harbor Capital Appreciation Fund	\$ 1,703
43,071	Harbor Strategic Growth Fund	845
123,496	Harbor Mid Cap Growth Fund	1,341
81,711	Harbor Small Cap Growth Fund	1,173
206,916	Harbor Large Cap Value Fund	2,973
90,942	Harbor Mid Cap Value Fund	1,944
42,747	Harbor Small Cap Value Fund	1,435
43,040	Harbor International Fund	2,509
242,435	Harbor Diversified International All Cap Fund	2,524
184,705	Harbor International Growth Fund	2,529
40,939	Harbor Global Leaders Fund	1,044

TOTAL EQUITY FUNDS

(Cost \$18,683) 20,020

FIXED INCOME FUNDS—14.4%

Shares		Value
158,384	Harbor High-Yield Opportunities Fund	\$ 1,511
167,607	Harbor Bond Fund	1,860

TOTAL FIXED INCOME FUNDS

(Cost \$3,493) 3,371

TOTAL INVESTMENTS—100.0%

(Cost \$22,176) 23,391

CASH AND OTHER ASSETS, LESS LIABILITIES—0.0% ^a

TOTAL NET ASSETS—100.0% \$23,391

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2050 Fund is investing in Institutional Class shares of Harbor funds.

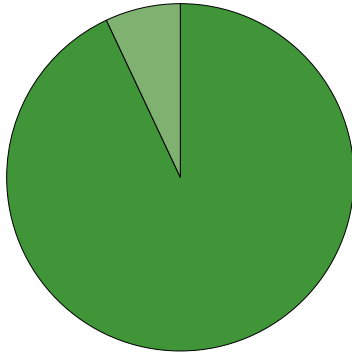
^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2055 Fund

FUND SUMMARY —October 31, 2018 (Unaudited)

ASSET ALLOCATION (% of investments)



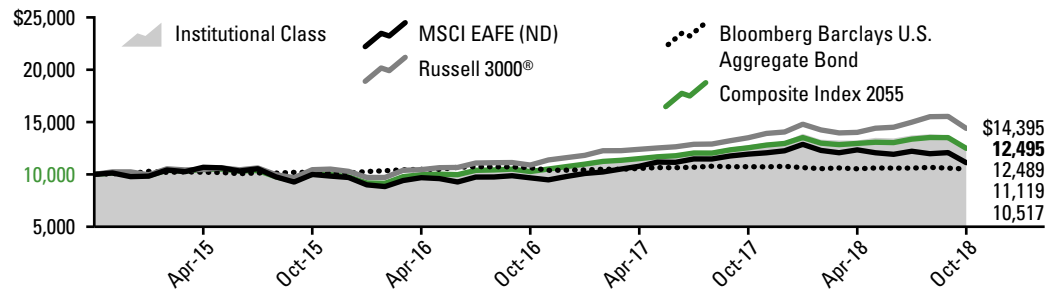
Equity Funds	93.0%	Fixed Income Funds	7.0%
Harbor Large Cap Value Fund	13.8%	Harbor Bond Fund	3.9%
Harbor International Growth Fund	11.8%	Harbor High-Yield Opportunities Fund	3.1%
Harbor International Fund	11.7%		
Harbor Diversified International All Cap Fund	11.6%		
Harbor Mid Cap Value Fund	9.0%		
Harbor Capital Appreciation Fund	7.9%		
Harbor Small Cap Value Fund	6.7%		
Harbor Mid Cap Growth Fund	6.2%		
Harbor Small Cap Growth Fund	5.6%		
Harbor Global Leaders Fund	4.8%		
Harbor Strategic Growth Fund	3.9%		

FUND PERFORMANCE

CHANGE IN A \$10,000 INVESTMENT

For the period 11/01/2014 through 10/31/2018

The graph compares a \$10,000 investment in the Institutional Class shares of the Fund with the performance of the broad based market indices. The Fund's performance assumes the reinvestment of all dividend and capital gain distributions.



TOTAL RETURNS

For the periods ended 10/31/2018

Harbor Target Retirement 2055 Fund

	1 Year	5 Years	Annualized Life of Fund	Inception Date
Institutional Class	-2.31%	N/A	5.73%	11/01/2014
Comparative Indices				
Bloomberg Barclays U.S. Aggregate Bond	-2.05%	N/A	1.27%	—
MSCI EAFE (ND)	-6.85	N/A	2.69	—
Russell 3000	6.60	N/A	9.54	—
Composite Index 2055	-0.46	N/A	5.71	—

As stated in the Fund's prospectus dated March 1, 2018, the expense ratio was 0.78%. The Adviser has contractually agreed to limit the Fund's operating expenses to: (i) the amount of the acquired funds' fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items. The expense ratio in the prospectus may differ from the actual expense ratio for the period disclosed within this report. The expense ratio shown in the prospectus is based on the prior fiscal year, adjusted to reflect changes, if any, in contractual arrangements that occurred prior to the date of the prospectus (or supplement thereto, if applicable).

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 but does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon the redemption of Fund shares. 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 so that Fund shares, 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. See the Benchmark Descriptions at the end of this report for a description of the Composite Index.

Harbor Target Retirement 2055 Fund[†]

PORTFOLIO OF INVESTMENTS—October 31, 2018

Value and Cost in Thousands

EQUITY FUNDS—93.0%

Shares		Value
4,006	Harbor Capital Appreciation Fund	\$ 296
7,464	Harbor Strategic Growth Fund	147
21,411	Harbor Mid Cap Growth Fund	233
14,568	Harbor Small Cap Growth Fund	209
36,032	Harbor Large Cap Value Fund	518
15,797	Harbor Mid Cap Value Fund	338
7,517	Harbor Small Cap Value Fund	252
7,529	Harbor International Fund	439
42,111	Harbor Diversified International All Cap Fund	438
32,275	Harbor International Growth Fund	442
7,146	Harbor Global Leaders Fund	182

TOTAL EQUITY FUNDS

(Cost \$3,596) 3,494

FIXED INCOME FUNDS—7.0%

Shares		Value
12,304	Harbor High-Yield Opportunities Fund	\$ 117
13,021	Harbor Bond Fund	145

TOTAL FIXED INCOME FUNDS

(Cost \$270) 262

TOTAL INVESTMENTS—100.0%

(Cost \$3,866) 3,756

CASH AND OTHER ASSETS, LESS LIABILITIES—0.0% —^a

TOTAL NET ASSETS—100.0% **\$3,756**

FAIR VALUE MEASUREMENTS

All investments at October 31, 2018 (as disclosed in the preceding Portfolio of Investments) were classified as Level 1. There were no Level 3 investments at October 31, 2018 or 2017.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to Fair Value Measurements and Disclosures in Note 2 of the accompanying Notes to Financial Statements.

[†] The Harbor Target Retirement 2055 Fund is investing in Institutional Class shares of Harbor funds.

^a Rounds to less than \$1,000

The accompanying notes are an integral part of the Financial Statements.



Harbor Target Retirement Funds

STATEMENTS OF ASSETS AND LIABILITIES—October 31, 2018

(All amounts in thousands, except per share amounts)

	Harbor Target Retirement Income Fund	Harbor Target Retirement 2015 Fund	Harbor Target Retirement 2020 Fund	Harbor Target Retirement 2025 Fund	Harbor Target Retirement 2030 Fund	Harbor Target Retirement 2035 Fund	Harbor Target Retirement 2040 Fund	Harbor Target Retirement 2045 Fund	Harbor Target Retirement 2050 Fund	Harbor Target Retirement 2055 Fund
ASSETS										
Investments, at identified cost. . . .	\$12,937	\$4,899	\$25,838	\$17,976	\$27,909	\$14,969	\$23,201	\$12,315	\$22,176	\$3,866
Investments in affiliated funds, at value	\$12,561	\$4,792	\$25,554	\$17,651	\$27,973	\$15,124	\$24,050	\$12,410	\$23,391	\$3,756
Receivables for:										
Investments in affiliated funds sold	—	—	13	—	—	15	—	—	1	7
Capital shares sold.	—	—	—	—	—	—	5	—	—	—
Distributions from affiliated funds.	2	1	2	—	—	—	—	—	—	—
Total Assets.	12,563	4,793	25,569	17,651	27,973	15,139	24,055	12,410	23,392	3,763
LIABILITIES										
Payables for:										
Investments in affiliated funds purchased	2	1	2	—	—	—	5	—	—	—
Capital shares reacquired	—	—	13	—	—	15	—	—	1	7
Total Liabilities.	2	1	15	—	—	15	5	—	1	7
NET ASSETS	\$12,561	\$4,792	\$25,554	\$17,651	\$27,973	\$15,124	\$24,050	\$12,410	\$23,391	\$3,756
Net Assets Consist of:										
Paid-in capital.	\$13,246	\$5,051	\$25,700	\$17,219	\$26,874	\$14,480	\$21,698	\$11,679	\$20,626	\$3,621
Total distributable earnings/(loss)	(685)	(259)	(146)	432	1,099	644	2,352	731	2,765	135
	\$12,561	\$4,792	\$25,554	\$17,651	\$27,973	\$15,124	\$24,050	\$12,410	\$23,391	\$3,756
NET ASSET VALUE PER SHARE BY CLASS										
Institutional Class										
Net assets	\$12,561	\$4,792	\$25,554	\$17,651	\$27,973	\$15,124	\$24,050	\$12,410	\$23,391	\$3,756
Shares of beneficial interest ¹	1,427	453	2,689	1,446	3,166	1,091	2,717	845	2,385	330
Net asset value per share ²	\$ 8.80	\$10.58	\$ 9.50	\$ 12.21	\$ 8.84	\$ 13.86	\$ 8.85	\$ 14.69	\$ 9.81	\$11.39

1 Par value \$0.01 (unlimited authorizations).

2 Per share amounts can be recalculated to the amounts disclosed herein when total net assets and shares of beneficial interest are not rounded to thousands.

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement Funds

STATEMENTS OF OPERATIONS—Year Ended October 31, 2018

(All amounts in thousands)

	Harbor Target Retirement Income Fund	Harbor Target Retirement 2015 Fund	Harbor Target Retirement 2020 Fund	Harbor Target Retirement 2025 Fund	Harbor Target Retirement 2030 Fund	Harbor Target Retirement 2035 Fund	Harbor Target Retirement 2040 Fund	Harbor Target Retirement 2045 Fund	Harbor Target Retirement 2050 Fund	Harbor Target Retirement 2055 Fund
Investment Income										
Dividends from affiliated funds	\$ 417	\$ 167	\$ 780	\$ 588	\$ 770	\$ 356	\$ 494	\$ 181	\$ 294	\$ 31
Total Investment Income	417	167	780	588	770	356	494	181	294	31
Net Investment Income/(Loss) .	417	167	780	588	770	356	494	181	294	31
Realized and Change in Net Unrealized Gain/(Loss) on Investment Transactions										
Net realized gain/(loss) on:										
Sale of affiliated funds	17	124	327	472	525	276	779	313	752	161
Distributions received from affiliated funds	127	70	444	402	647	418	803	368	946	124
Change in net unrealized appreciation/(depreciation) on:										
Affiliated funds.	(687)	(398)	(1,869)	(1,699)	(2,378)	(1,357)	(2,502)	(1,180)	(2,530)	(459)
Net gain/(loss) on investment transactions. . .	(543)	(204)	(1,098)	(825)	(1,206)	(663)	(920)	(499)	(832)	(174)
Net Increase/(Decrease) in Net Assets Resulting from Operations	\$(126)	\$ (37)	\$ (318)	\$ (237)	\$ (436)	\$ (307)	\$ (426)	\$ (318)	\$ (538)	\$(143)

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement Funds

STATEMENTS OF CHANGES IN NET ASSETS

(All amounts in thousands)

	Harbor Target Retirement Income Fund		Harbor Target Retirement 2015 Fund		Harbor Target Retirement 2020 Fund		Harbor Target Retirement 2025 Fund	
	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017
INCREASE/(DECREASE) IN NET ASSETS								
Operations:								
Net investment income/(loss)	\$ 417	\$ 337	\$ 167	\$ 155	\$ 780	\$ 646	\$ 588	\$ 427
Net realized gain/(loss) on sale of affiliated funds	17	(91)	124	(22)	327	(64)	472	(18)
Realized gain distributions received from affiliated funds	127	115	70	59	444	235	402	131
Change in net unrealized appreciation/(depreciation) on affiliated funds	(687)	583	(398)	325	(1,869)	1,887	(1,699)	1,534
Net increase/(decrease) in assets resulting from operations	(126)	944	(37)	517	(318)	2,704	(237)	2,074
Distributions to Shareholders^a								
Institutional Class	(512)	—	(178)	—	(775)	—	(585)	—
Net investment income:								
Institutional Class	N/A	(410)	N/A	(179)	N/A	(682)	N/A	(349)
Administrative Class	N/A	—	N/A	—	N/A	—	N/A	(1)
Investor Class	N/A	—	N/A	—	N/A	—	N/A	(1)
Net realized gain on investments:								
Institutional Class	N/A	(51)	N/A	—	N/A	(304)	N/A	(180)
Administrative Class	N/A	—	N/A	—	N/A	—	N/A	—
Investor Class	N/A	—	N/A	—	N/A	—	N/A	—
Total distributions to shareholders	(512)	(461)	(178)	(179)	(775)	(986)	(585)	(531)
Net Increase/(Decrease) Derived from Capital Share Transactions								
Net increase/(decrease) in net assets	(1,185)	(91)	(1,496)	(321)	(2,188)	2,287	(3,567)	6,887
Net Assets								
Beginning of period	13,746	13,837	6,288	6,609	27,742	25,455	21,218	14,331
End of period*	\$12,561	\$13,746	\$ 4,792	\$6,288	\$25,554	\$27,742	\$17,651	\$21,218
^a Includes accumulated undistributed net investment income/(loss) of:	N/A	\$ 20	N/A	\$ 94	N/A	\$ 384	N/A	\$ 279

a The presentation of Distributions to Shareholders and accumulated undistributed net investment income/(loss) have been updated to reflect the changes prescribed in amendments to Regulation S-X as disclosed in New Accounting Pronouncements in Note 2 to the Financial Statements. There is no impact to October 31, 2017 presentation.

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2030 Fund		Harbor Target Retirement 2035 Fund		Harbor Target Retirement 2040 Fund		Harbor Target Retirement 2045 Fund		Harbor Target Retirement 2050 Fund		Harbor Target Retirement 2055 Fund	
November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017
\$ 770	\$ 631	\$ 356	\$ 271	\$ 494	\$ 396	\$ 181	\$ 133	\$ 294	\$ 264	\$ 31	\$ 19
525	233	276	(83)	779	301	313	104	752	555	161	19
647	242	418	128	803	228	368	93	946	244	124	18
(2,378)	2,527	(1,357)	1,668	(2,502)	2,796	(1,180)	1,292	(2,530)	3,142	(459)	356
(436)	3,633	(307)	1,984	(426)	3,721	(318)	1,622	(538)	4,205	(143)	412
(844)	—	(350)	—	(780)	—	(311)	—	(913)	—	(76)	—
N/A	(590)	N/A	(255)	N/A	(386)	N/A	(121)	N/A	(260)	N/A	(18)
N/A	(1)	N/A	(1)	N/A	(1)	N/A	—	N/A	—	N/A	—
N/A	—	N/A	(1)	N/A	(1)	N/A	—	N/A	—	N/A	—
N/A	(855)	N/A	(224)	N/A	(930)	N/A	(272)	N/A	(1,219)	N/A	(28)
N/A	(1)	N/A	—	N/A	(1)	N/A	(1)	N/A	(2)	N/A	—
N/A	(1)	N/A	—	N/A	(1)	N/A	(1)	N/A	(1)	N/A	—
(844)	(1,448)	(350)	(481)	(780)	(1,320)	(311)	(395)	(913)	(1,482)	(76)	(46)
635	1,760	776	1,966	316	3,049	3,176	1,383	2,021	1,326	1,247	1,102
(645)	3,945	119	3,469	(890)	5,450	2,547	2,610	570	4,049	1,028	1,468
28,618	24,673	15,005	11,536	24,940	19,490	9,863	7,253	22,821	18,772	2,728	1,260
\$27,973	\$28,618	\$15,124	\$15,005	\$24,050	\$24,940	\$12,410	\$9,863	\$23,391	\$22,821	\$3,756	\$2,728
N/A	\$ 379	N/A	\$ 150	N/A	\$ 198	N/A	\$ 57	N/A	\$ 88	N/A	\$ 5

Harbor Target Retirement Funds

STATEMENTS OF CHANGES IN NET ASSETS—CAPITAL STOCK ACTIVITY

(All amounts in thousands)

	Harbor Target Retirement Income Fund		Harbor Target Retirement 2015 Fund		Harbor Target Retirement 2020 Fund		Harbor Target Retirement 2025 Fund	
	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017
AMOUNT (\$)								
Institutional Class								
Net proceeds from sale of shares	\$ 1,484	\$ 1,411	\$ 512	\$ 1,101	\$ 3,554	\$ 5,095	\$ 3,363	\$ 7,504
Reinvested distributions	512	460	178	178	775	985	585	529
Cost of shares reacquired	(2,543)	(2,413)	(1,971)	(1,902)	(5,424)	(5,473)	(6,693)	(2,649)
Net increase/(decrease) in net assets	\$ (547)	\$ (542)	\$(1,281)	\$ (623)	\$(1,095)	\$ 607	\$(2,745)	\$ 5,384
Administrative Class								
Net proceeds from sale of shares	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Reinvested distributions	—	—	—	—	—	—	—	1
Cost of shares reacquired	—	(16)	—	(18)	—	(19)	—	(21)
Net increase/(decrease) in net assets	\$ —	\$ (16)	\$ —	\$ (18)	\$ —	\$ (19)	\$ —	\$ (20)
Investor Class								
Net proceeds from sale of shares	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Reinvested distributions	—	—	—	—	—	—	—	1
Cost of shares reacquired	—	(16)	—	(18)	—	(19)	—	(21)
Net increase/(decrease) in net assets	\$ —	\$ (16)	\$ —	\$ (18)	\$ —	\$ (19)	\$ —	\$ (20)

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2030 Fund		Harbor Target Retirement 2035 Fund		Harbor Target Retirement 2040 Fund		Harbor Target Retirement 2045 Fund		Harbor Target Retirement 2050 Fund		Harbor Target Retirement 2055 Fund	
November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017
\$ 4,732	\$ 6,126	\$ 3,194	\$ 3,780	\$ 4,380	\$ 4,661	\$ 4,685	\$ 3,106	\$ 4,395	\$ 4,814	\$2,096	\$1,585
844	1,445	350	479	780	1,316	311	393	913	1,479	75	45
(4,941)	(5,769)	(2,768)	(2,249)	(4,844)	(2,882)	(1,820)	(2,068)	(3,287)	(4,917)	(924)	(504)
\$ 635	\$ 1,802	\$ 776	\$ 2,010	\$ 316	\$ 3,095	\$ 3,176	\$ 1,431	\$ 2,021	\$ 1,376	\$1,247	\$1,126
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	1	—	1	—	1	—	1	—	2	—	—
—	(22)	—	(23)	—	(24)	—	(25)	—	(27)	—	(12)
\$ —	\$ (21)	\$ —	\$ (22)	\$ —	\$ (23)	\$ —	\$ (24)	\$ —	\$ (25)	\$ —	\$ (12)
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	1	—	1	—	1	—	1	—	1	—	—
—	(22)	—	(23)	—	(24)	—	(25)	—	(26)	—	(12)
\$ —	\$ (21)	\$ —	\$ (22)	\$ —	\$ (23)	\$ —	\$ (24)	\$ —	\$ (25)	\$ —	\$ (12)

Harbor Target Retirement Funds

STATEMENTS OF CHANGES IN NET ASSETS—CAPITAL STOCK ACTIVITY—Continued

(All amounts in thousands)

	Harbor Target Retirement Income Fund		Harbor Target Retirement 2015 Fund		Harbor Target Retirement 2020 Fund		Harbor Target Retirement 2025 Fund	
	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017
SHARES								
Institutional Class								
Shares sold	164	156	47	103	361	537	265	623
Shares issued due to reinvestment of distributions	56	52	17	18	80	110	47	46
Shares reacquired	(279)	(268)	(182)	(179)	(554)	(581)	(529)	(220)
Net increase/(decrease) in shares outstanding ..	(59)	(60)	(118)	(58)	(113)	66	(217)	449
Beginning of period	1,486	1,546	571	629	2,802	2,736	1,663	1,214
End of period	1,427	1,486	453	571	2,689	2,802	1,446	1,663
Administrative Class								
Shares sold	—	—	—	—	—	—	—	—
Shares reacquired	—	(2)	—	(2)	—	(2)	—	(2)
Net increase/(decrease) in shares outstanding ..	—	(2)	—	(2)	—	(2)	—	(2)
Beginning of period	—	2	—	2	—	2	—	2
End of period	—	—	—	—	—	—	—	—
Investor Class								
Shares sold	—	—	—	—	—	—	—	—
Shares reacquired	—	(2)	—	(2)	—	(2)	—	(2)
Net increase/(decrease) in shares outstanding ..	—	(2)	—	(2)	—	(2)	—	(2)
Beginning of period	—	2	—	2	—	2	—	2
End of period	—	—	—	—	—	—	—	—

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement 2030 Fund		Harbor Target Retirement 2035 Fund		Harbor Target Retirement 2040 Fund		Harbor Target Retirement 2045 Fund		Harbor Target Retirement 2050 Fund		Harbor Target Retirement 2055 Fund	
November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017	November 1, 2017 through October 31, 2018	November 1, 2016 through October 31, 2017
515	700	220	280	468	539	301	219	418	503	171	145
93	176	24	38	85	164	21	30	89	169	6	5
(535)	(647)	(192)	(168)	(517)	(332)	(116)	(143)	(313)	(511)	(75)	(46)
73	229	52	150	36	371	206	106	194	161	102	104
3,093	2,864	1,039	889	2,681	2,310	639	533	2,191	2,030	228	124
3,166	3,093	1,091	1,039	2,717	2,681	845	639	2,385	2,191	330	228
—	—	—	—	—	—	—	—	—	—	—	—
—	(2)	—	(2)	—	(2)	—	(2)	—	(2)	—	(1)
—	(2)	—	(2)	—	(2)	—	(2)	—	(2)	—	(1)
—	2	—	2	—	2	—	2	—	2	—	1
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
—	(2)	—	(2)	—	(2)	—	(2)	—	(2)	—	(1)
—	(2)	—	(2)	—	(2)	—	(2)	—	(2)	—	(1)
—	2	—	2	—	2	—	2	—	2	—	1
—	—	—	—	—	—	—	—	—	—	—	—

Harbor Target Retirement Funds Financial Highlights

SELECTED DATA FOR A SHARE OUTSTANDING FOR THE PERIODS PRESENTED

HARBOR TARGET RETIREMENT INCOME FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 9.25	\$ 8.93	\$ 9.19	\$ 9.75	\$ 9.83
Income from Investment Operations					
Net investment income/(loss)	0.28 ^a	0.22 ^a	0.25 ^a	0.34 ^a	0.22
Net realized and unrealized gains/(losses) on investments	(0.38)	0.40	0.08	(0.30)	0.19
Total from investment operations	(0.10)	0.62	0.33	0.04	0.41
Less Distributions					
Dividends from net investment income	(0.29)	(0.27)	(0.29)	(0.35)	(0.28)
Distributions from net realized capital gains	(0.06)	(0.03)	(0.30)	(0.25)	(0.21)
Total distributions	(0.35)	(0.30)	(0.59)	(0.60)	(0.49)
Net asset value end of period	8.80	9.25	8.93	9.19	9.75
Net assets end of period (000s)	\$12,561	\$13,746	\$13,805	\$15,124	\$17,410
Ratios and Supplemental Data (%)					
Total return	(1.14)%	7.17%	3.91%	0.46%	4.32%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	3.13	2.46	2.87	3.57	2.14
Portfolio turnover ^c	28	16	26	24	20

HARBOR TARGET RETIREMENT 2015 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$11.02	\$10.45	\$10.77	\$11.68	\$ 11.87
Income from Investment Operations					
Net investment income/(loss)	0.33 ^a	0.26 ^a	0.29 ^a	0.36 ^a	0.24
Net realized and unrealized gains/(losses) on investments	(0.45)	0.60	0.05	(0.35)	0.29
Total from investment operations	(0.12)	0.86	0.34	0.01	0.53
Less Distributions					
Dividends from net investment income	(0.32)	(0.29)	(0.36)	(0.39)	(0.31)
Distributions from net realized capital gains	—	—	(0.30)	(0.53)	(0.41)
Total distributions	(0.32)	(0.29)	(0.66)	(0.92)	(0.72)
Net asset value end of period	10.58	11.02	10.45	10.77	11.68
Net assets end of period (000s)	\$4,792	\$6,288	\$6,574	\$7,778	\$11,200
Ratios and Supplemental Data (%)					
Total return	(1.10)%	8.43%	3.59%	0.13%	4.73%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	3.07	2.43	2.82	3.26	2.08
Portfolio turnover ^c	29	22	32	26	38

See page 39 for notes to the Financial Highlights.

The accompanying notes are an integral part of the Financial Statements.

HARBOR TARGET RETIREMENT 2020 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 9.90	\$ 9.29	\$ 9.94	\$ 10.63	\$ 10.78
Income from Investment Operations					
Net investment income/(loss)	0.28 ^a	0.23 ^a	0.26 ^a	0.32 ^a	0.23
Net realized and unrealized gains/(losses) on investments	(0.40)	0.73	0.04	(0.30)	0.29
Total from investment operations	(0.12)	0.96	0.30	0.02	0.52
Less Distributions					
Dividends from net investment income	(0.28)	(0.24)	(0.32)	(0.34)	(0.30)
Distributions from net realized capital gains	—	(0.11)	(0.63)	(0.37)	(0.37)
Total distributions	(0.28)	(0.35)	(0.95)	(0.71)	(0.67)
Net asset value end of period	9.50	9.90	9.29	9.94	10.63
Net assets end of period (000s)	\$25,554	\$27,742	\$25,419	\$27,290	\$31,124
Ratios and Supplemental Data (%)					
Total return	(1.29)%	10.77%	3.56%	0.30%	5.06%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	2.89	2.44	2.83	3.19	2.18
Portfolio turnover ^c	31	29	33	28	19

HARBOR TARGET RETIREMENT 2025 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 12.76	\$ 11.78	\$ 12.32	\$ 13.48	\$ 13.44
Income from Investment Operations					
Net investment income/(loss)	0.37 ^a	0.29 ^a	0.31 ^a	0.37 ^a	0.29
Net realized and unrealized gains/(losses) on investments	(0.57)	1.12	0.05	(0.36)	0.40
Total from investment operations	(0.20)	1.41	0.36	0.01	0.69
Less Distributions					
Dividends from net investment income	(0.35)	(0.28)	(0.37)	(0.41)	(0.36)
Distributions from net realized capital gains	—	(0.15)	(0.53)	(0.76)	(0.29)
Total distributions	(0.35)	(0.43)	(0.90)	(1.17)	(0.65)
Net asset value end of period	12.21	12.76	11.78	12.32	13.48
Net assets end of period (000s)	\$17,651	\$21,218	\$14,293	\$11,487	\$10,612
Ratios and Supplemental Data (%)					
Total return	(1.63)%	12.38%	3.39%	0.11%	5.37%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	2.92	2.42	2.69	2.91	2.06
Portfolio turnover ^c	36	24	25	25	33

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement Funds Financial Highlights—Continued

SELECTED DATA FOR A SHARE OUTSTANDING FOR THE PERIODS PRESENTED

HARBOR TARGET RETIREMENT 2030 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 9.25	\$ 8.60	\$ 9.19	\$ 10.04	\$ 10.22
Income from Investment Operations					
Net investment income/(loss)	0.24 ^a	0.20 ^a	0.21 ^a	0.24 ^a	0.21
Net realized and unrealized gains/(losses) on investments	(0.38)	0.96	0.01	(0.23)	0.35
Total from investment operations	(0.14)	1.16	0.22	0.01	0.56
Less Distributions					
Dividends from net investment income	(0.25)	(0.21)	(0.26)	(0.28)	(0.27)
Distributions from net realized capital gains	(0.02)	(0.30)	(0.55)	(0.58)	(0.47)
Total distributions	(0.27)	(0.51)	(0.81)	(0.86)	(0.74)
Net asset value end of period	8.84	9.25	8.60	9.19	10.04
Net assets end of period (000s)	\$27,973	\$28,618	\$24,634	\$25,084	\$24,727
Ratios and Supplemental Data (%)					
Total return	(1.57)%	14.18%	2.96%	0.13%	5.79%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	2.62	2.30	2.54	2.55	1.99
Portfolio turnover ^c	31	29	31	24	22

HARBOR TARGET RETIREMENT 2035 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 14.44	\$ 12.93	\$ 13.56	\$ 14.92	\$ 14.52
Income from Investment Operations					
Net investment income/(loss)	0.33 ^a	0.28 ^a	0.27 ^a	0.30 ^a	0.29
Net realized and unrealized gains/(losses) on investments	(0.58)	1.75	0.04	(0.26)	0.58
Total from investment operations	(0.25)	2.03	0.31	0.04	0.87
Less Distributions					
Dividends from net investment income	(0.33)	(0.28)	(0.35)	(0.36)	(0.33)
Distributions from net realized capital gains	—	(0.24)	(0.59)	(1.04)	(0.14)
Total distributions	(0.33)	(0.52)	(0.94)	(1.40)	(0.47)
Net asset value end of period	13.86	14.44	12.93	13.56	14.92
Net assets end of period (000s)	\$15,124	\$15,005	\$11,496	\$9,007	\$7,708
Ratios and Supplemental Data (%)					
Total return	(1.79)%	16.31%	2.70%	0.34%	6.19%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	2.26	2.06	2.17	2.17	1.64
Portfolio turnover ^c	29	26	26	22	39

See page 39 for notes to the Financial Highlights.

The accompanying notes are an integral part of the Financial Statements.

HARBOR TARGET RETIREMENT 2040 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 9.30	\$ 8.42	\$ 9.05	\$ 9.84	\$ 10.01
Income from Investment Operations					
Net investment income/(loss)	0.18 ^a	0.15 ^a	0.17 ^a	0.18 ^a	0.17
Net realized and unrealized gains/(losses) on investments	(0.34)	1.30	(0.01)	(0.10)	0.46
Total from investment operations	(0.16)	1.45	0.16	0.08	0.63
Less Distributions					
Dividends from net investment income	(0.19)	(0.17)	(0.20)	(0.22)	(0.23)
Distributions from net realized capital gains	(0.10)	(0.40)	(0.59)	(0.65)	(0.57)
Total distributions	(0.29)	(0.57)	(0.79)	(0.87)	(0.80)
Net asset value end of period	8.85	9.30	8.42	9.05	9.84
Net assets end of period (000s)	\$24,050	\$24,940	\$19,448	\$19,805	\$18,933
Ratios and Supplemental Data (%)					
Total return	(1.84)%	18.26%	2.36%	0.94%	6.77%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	1.90	1.78	2.03	1.96	1.59
Portfolio turnover ^c	30	21	30	18	22

HARBOR TARGET RETIREMENT 2045 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 15.43	\$13.51	\$14.25	\$15.17	\$14.85
Income from Investment Operations					
Net investment income/(loss)	0.23 ^a	0.21 ^a	0.21 ^a	0.23 ^a	0.23
Net realized and unrealized gains/(losses) on investments	(0.49)	2.42	0.01	(0.06)	0.80
Total from investment operations	(0.26)	2.63	0.22	0.17	1.03
Less Distributions					
Dividends from net investment income	(0.28)	(0.22)	(0.27)	(0.29)	(0.31)
Distributions from net realized capital gains	(0.20)	(0.49)	(0.69)	(0.80)	(0.40)
Total distributions	(0.48)	(0.71)	(0.96)	(1.09)	(0.71)
Net asset value end of period	14.69	15.43	13.51	14.25	15.17
Net assets end of period (000s)	\$12,410	\$9,863	\$7,211	\$5,523	\$4,239
Ratios and Supplemental Data (%)					
Total return	(1.83)%	20.37%	1.91%	1.23%	7.17%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	1.49	1.50	1.58	1.56	1.37
Portfolio turnover ^c	22	32	24	15	21

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement Funds Financial Highlights—Continued

SELECTED DATA FOR A SHARE OUTSTANDING FOR THE PERIODS PRESENTED

HARBOR TARGET RETIREMENT 2050 FUND

Year Ended October 31,	Institutional Class				
	2018	2017	2016	2015	2014
Net asset value beginning of period	\$ 10.42	\$ 9.23	\$ 10.39	\$ 11.40	\$ 11.46
Income from Investment Operations					
Net investment income/(loss)	0.13 ^a	0.12 ^a	0.12 ^a	0.14 ^a	0.15
Net realized and unrealized gains/(losses) on investments	(0.33)	1.81	(0.03)	0.05	0.67
Total from investment operations	(0.20)	1.93	0.09	0.19	0.82
Less Distributions					
Dividends from net investment income	(0.16)	(0.13)	(0.17)	(0.19)	(0.23)
Distributions from net realized capital gains	(0.25)	(0.61)	(1.08)	(1.01)	(0.65)
Total distributions	(0.41)	(0.74)	(1.25)	(1.20)	(0.88)
Net asset value end of period	9.81	10.42	9.23	10.39	11.40
Net assets end of period (000s)	\$23,391	\$22,821	\$18,728	\$19,221	\$20,434
Ratios and Supplemental Data (%)					
Total return	(2.06)%	22.40%	1.51%	1.83%	7.61%
Ratio of total expenses to average net assets ^b	—	—	—	—	—
Ratio of net investment income to average net assets ^b	1.20	1.27	1.34	1.35	1.17
Portfolio turnover ^c	22	33	24	24	23

HARBOR TARGET RETIREMENT 2055 FUND

Year Ended October 31,	Institutional Class			
	2018	2017	2016	2015 ^d
Net asset value beginning of period	\$11.97	\$10.02	\$10.08	\$10.00
Income from Investment Operations				
Net investment income/(loss)	0.11 ^a	0.10 ^a	0.11 ^a	0.05 ^a
Net realized and unrealized gains/(losses) on investments	(0.37)	2.17	0.01	0.18
Total from investment operations	(0.26)	2.27	0.12	0.23
Less Distributions				
Dividends from net investment income	(0.16)	(0.12)	(0.14)	(0.15)
Distributions from net realized capital gains	(0.16)	(0.20)	(0.04)	—
Total distributions	(0.32)	(0.32)	(0.18)	(0.15)
Net asset value end of period	11.39	11.97	10.02	10.08
Net assets end of period (000s)	\$3,756	\$2,728	\$1,240	\$ 762
Ratios and Supplemental Data (%)				
Total return	(2.31)%	23.34%	1.38%	2.28%
Ratio of total expenses to average net assets ^b	—	—	—	—
Ratio of net investment income to average net assets ^b	0.91	0.95	1.13	0.52
Portfolio turnover ^c	29	32	33	15

a Amounts are based on average shares outstanding during the period.

b Ratios of income and expenses to average net assets represents the expenses paid by the Fund but does not include the acquired fund fees and expenses from underlying funds.

c Amounts do not include the activity of the underlying funds.

d Fund inception was November 1, 2014.

The accompanying notes are an integral part of the Financial Statements.

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—October 31, 2018

NOTE 1—ORGANIZATIONAL MATTERS

Harbor Funds (the “Trust”) is registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), as an open-end management investment company. As of October 31, 2018, the Trust consists of 32 separate portfolios. The portfolios covered by this report are: Harbor Target Retirement Income Fund, Harbor Target Retirement 2015 Fund, Harbor Target Retirement 2020 Fund, Harbor Target Retirement 2025 Fund, Harbor Target Retirement 2030 Fund, Harbor Target Retirement 2035 Fund, Harbor Target Retirement 2040 Fund, Harbor Target Retirement 2045 Fund, Harbor Target Retirement 2050 Fund and Harbor Target Retirement 2055 Fund (individually referred to as a “Fund” and collectively referred to as the “Funds” or “Target Retirement Funds”). The Funds invest in a combination of other Harbor funds of the Trust (the “Underlying Funds”). Harbor Capital Advisors, Inc. (the “Adviser” or “Harbor Capital”) is the investment adviser for the Funds and the Underlying Funds. The Underlying Funds are managed by subadvisers, none of which is affiliated with the Adviser.

The Funds currently offer one class of shares, designated as Institutional Class. The Funds previously offered two additional classes of shares, the Administrative Class and Investor Class, each class representing an interest in the same portfolio of investments of the respective Fund. As of October 31, 2017, all shares of the Administrative Class and Investor Class shares had been fully redeemed and therefore no shares of either of those classes remained outstanding. The Funds do not currently intend to continue to offer those classes of shares.

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by the Trust in the preparation of its financial statements. Each Fund follows the investment company reporting requirements under U.S. Generally Accepted Accounting Principles (“U.S. GAAP”), which includes the accounting and reporting guidelines under Accounting Standards Topic 946, *Financial Services-Investment Companies*. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results may differ from those estimates.

Security Valuation

The holdings of each Target Retirement Fund consist entirely of Institutional Class shares of the Underlying Funds, which are valued at their respective net asset values each business day and are categorized as Level 1 in the fair value hierarchy. For more information on the fair value hierarchy, please refer to the following Fair Value Measurements and Disclosures section.

Fair Value Measurements and Disclosures

Various inputs may be used to determine the value of each Fund’s investments, which are summarized in three broad categories defined as Level 1, Level 2, and Level 3. The inputs or methodologies used for valuing securities are not necessarily indicative of the risk associated with investing in those securities. The assignment of an investment to Levels 1, 2, or 3 is based on the lowest level of significant inputs used to determine its fair value.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs are used in situations where quoted prices or other observable inputs are not available or are deemed unreliable. Significant unobservable inputs may include each Fund’s own assumptions.

For fair valuations using significant unobservable inputs, if any, a reconciliation of the beginning to ending balances for reported fair values is provided that presents changes attributable to realized and unrealized gains and losses and purchases, sales, and transfers in/out of the Level 3 category during the year. A table that includes a categorization of investments into Levels 1, 2, or 3, and a summary of significant unobservable inputs used for Level 3 investments, when applicable, can be found at the end of each Fund’s Portfolio of Investments schedule.

Each Fund used observable inputs in its valuation methodologies whenever they were available and deemed reliable.

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES—Continued

Description of the Underlying Funds

In pursuing its investment objectives and strategies, each of the Underlying Funds is permitted to engage in a wide range of investment practices. Further information about the Underlying Funds is contained in the Target Retirement Funds' prospectus and statement of additional information, as well as the prospectus of each of the Underlying Funds. The accounting policies of each of the Underlying Funds are disclosed in each Underlying Fund's respective shareholder report. Because each Fund invests in the Underlying Funds, shareholders of each Fund will be affected by the investment practices of the Underlying Funds in direct proportion to the amount of assets each Fund allocates to the Underlying Funds.

Investment Transactions and Income

Securities transactions are accounted for on the trade date (the date the order to buy or sell is executed). Income and capital gain distributions received from the Underlying Funds are recorded on the ex-dividend date. Gains and losses on securities sold are determined on the basis of identified cost.

Distribution to Shareholders

Distributions on Fund shares are recorded on the ex-dividend date.

Expenses

Expenses incurred by the Trust are charged directly to the Fund that incurred such expense whenever possible. With respect to expenses incurred by any two or more Harbor Funds where amounts cannot be identified on a fund by fund basis, such expenses are generally allocated in proportion to the average net assets or the number of shareholders of each Fund.

Taxes

Each Fund is treated as a separate entity for federal tax purposes. Each Fund's policy is to meet the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies and to distribute to its shareholders all of its taxable income within the prescribed time. It is also the intention of each Fund to distribute an amount sufficient to avoid imposition of any excise tax under Section 4982 of the Internal Revenue Code. Therefore, no provision has been made for federal taxes on income, capital gains or unrealized appreciation of securities held or excise taxes on income and capital gains.

Management has analyzed each Fund's tax positions for all open tax years (in particular, U.S. federal income tax returns for the tax years ended October 31, 2015–2017), including all positions expected to be taken upon filing the 2018 tax return, in all material jurisdictions where the Funds operate, and has concluded that no provision for income tax is required in any Fund's financial statements. The Funds will recognize interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statements of Operations.

Related Parties

The Funds do not invest in the Underlying Funds for the purpose of exercising management or control; however, investments by the Funds may represent a significant portion of an Underlying Fund's net assets. At October 31, 2018, the Funds individually and in aggregate held less than 25% of the outstanding shares of any Underlying Fund.

New Accounting Pronouncements

In August 2018, the Securities and Exchange Commission ("SEC") issued a final rule on *Disclosure Update and Simplification* (the "Rule"). The Rule contains amendments to certain financial statements presentation, particularly the presentation of components of net assets in the Statements of Assets and Liabilities and distributions on the Statements of Changes in Net Assets, and eliminates the requirement to disclose accumulated undistributed net investment income or loss on the Statements of Changes in Net Assets. These amendments are part of the SEC's overall project to improve disclosure effectiveness and are intended to simplify compliance without significantly altering the total mix of information provided to investors. The amended rules are effective for interim and annual reports filed with the SEC on or after November 5, 2018 (the Rule effective date). As of October 31, 2018, the Funds have adopted this Rule.

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES—Continued

In August 2018, the Financial Accounting Standards Board (“FASB”) issued an Accounting Standards Update 2018-13 (“ASU 2018-13”), *Fair Value Measurement: Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, which amends public and private company fair value disclosure requirements. The guidance is the result of the FASB’s test of the principles developed in its disclosure effectiveness project, which is designed to improve the effectiveness of disclosures in the notes to the financial statements. This ASU is effective for all entities for fiscal years and interim periods within those fiscal years beginning after December 15, 2019, however, an entity is permitted to early adopt any removed or modified disclosure and delay adoption of the additional disclosures until their effective date. As of October 31, 2018, the Funds have early adopted ASU 2018-13.

NOTE 3—FEES AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Adviser

Harbor Capital is a wholly-owned subsidiary of ORIX Corporation (“ORIX”). Harbor Capital is the Funds’ investment adviser and is also responsible for administrative and other services. The Funds do not pay any fees for the services of Harbor Capital.

Each Fund has a separate advisory agreement with Harbor Capital. Pursuant to this agreement, Harbor Capital pays all expenses of each Fund, excluding: (i) the amount of acquired funds’ fees and expenses; (ii) compensation of the Independent Trustees; and (iii) certain other expenses such as extraordinary items.

Distributor

Harbor Funds Distributors, Inc. (the “Distributor”), a wholly-owned subsidiary of Harbor Capital, is the distributor for Harbor Funds’ shares. The Funds do not pay any fees for the services of the Distributor.

Transfer Agent

Harbor Services Group, Inc. (“Harbor Services Group”), a wholly-owned subsidiary of Harbor Capital, is the transfer and shareholder servicing agent for the Funds. The Funds do not pay any fees for the services of Harbor Services Group.

Shareholders

On October 31, 2018, Harbor Capital, and its wholly owned subsidiaries, collectively held the following shares of beneficial interest in each of the following Funds:

	Number of Shares Owned by Harbor Capital and Subsidiaries	
	Institutional Class	Percentage of Outstanding Shares
Harbor Target Retirement 2025 Fund	17,692	1.2%
Harbor Target Retirement 2030 Fund	33,789	1.1
Harbor Target Retirement 2035 Fund	23,252	2.1
Harbor Target Retirement 2040 Fund	1,288	0.0
Harbor Target Retirement 2045 Fund	64,930	7.7
Harbor Target Retirement 2050 Fund	12,608	0.5
Harbor Target Retirement 2055 Fund	6,434	2.0

Independent Trustees

The Independent Trustees’ received no remuneration from the Target Retirement Funds for the year ended October 31, 2018.

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 3—FEES AND OTHER TRANSACTIONS WITH AFFILIATES—Continued

Indemnification

Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trust. In addition, in the normal course of business the Trust enters into contracts that provide general indemnities to other parties. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. The risk of material loss as a result of such indemnification claims is considered remote.

Investment Portfolio Transactions

Purchases and sales of investments, investment income, realized and unrealized gains or losses for each Fund for the year ended October 31, 2018 are as follows:

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT INCOME FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund.....	\$ 98	\$ 284	\$ 1	\$ (68)	\$ 36	\$ 61
Harbor Strategic Growth Fund.....	204	48	—	3	—	3
Harbor Mid Cap Growth Fund.....	74	85	—	(20)	19	18
Harbor Small Cap Growth Fund.....	57	66	—	(14)	15	11
Harbor Large Cap Value Fund.....	130	148	3	(43)	11	35
Harbor Mid Cap Value Fund.....	91	88	3	(32)	7	13
Harbor Small Cap Value Fund.....	67	69	1	(31)	4	20
Harbor International Fund.....	148	120	6	(74)	15	19
Harbor Diversified International Fund.....	118	107	3	(53)	8	15
Harbor International Growth Fund.....	132	118	4	(67)	—	27
Harbor Global Leaders Fund.....	50	64	—	(7)	12	10
Harbor High-Yield Bond Fund.....	224	968	71	(13)	—	(52)
Harbor High-Yield Opportunities Fund.....	784	104	24	(169)	—	(2)
Harbor Bond Fund.....	834	1,052	181	(23)	—	(101)
Harbor Real Return Fund.....	361	449	101	(76)	—	(60)
Harbor Money Market Fund.....	166	283	19	—	—	—
Total	\$3,538	\$4,053	\$417	\$(687)	\$127	\$ 17

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 3—FEES AND OTHER TRANSACTIONS WITH AFFILIATES—Continued

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2015 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 52	\$ 174	\$ —	\$ (43)	\$19	\$ 38
Harbor Strategic Growth Fund	97	31	—	1	—	1
Harbor Mid Cap Growth Fund	36	67	—	(20)	11	19
Harbor Small Cap Growth Fund	26	54	—	(16)	8	14
Harbor Large Cap Value Fund	56	120	2	(32)	6	29
Harbor Mid Cap Value Fund	38	76	2	(22)	4	14
Harbor Small Cap Value Fund	28	57	—	(23)	2	18
Harbor International Fund	62	98	3	(42)	8	17
Harbor Diversified International All Cap Fund	44	88	2	(29)	5	12
Harbor International Growth Fund	56	99	2	(43)	—	26
Harbor Global Leaders Fund	20	45	—	(7)	7	9
Harbor High-Yield Bond Fund	72	524	30	(20)	—	(8)
Harbor High-Yield Opportunities Fund	351	84	10	(9)	—	(1)
Harbor Bond Fund	324	726	71	(54)	—	(53)
Harbor Real Return Fund	174	311	38	(39)	—	(11)
Harbor Money Market Fund	79	183	7	—	—	—
Total	<u>\$1,515</u>	<u>\$2,737</u>	<u>\$167</u>	<u>\$(398)</u>	<u>\$70</u>	<u>\$124</u>

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2020 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 299	\$ 925	\$ 2	\$ (221)	\$124	\$ 187
Harbor Strategic Growth Fund	668	146	—	9	—	6
Harbor Mid Cap Growth Fund	234	288	—	(65)	69	52
Harbor Small Cap Growth Fund	178	223	—	(49)	55	28
Harbor Large Cap Value Fund	379	463	11	(141)	39	106
Harbor Mid Cap Value Fund	269	281	12	(120)	23	49
Harbor Small Cap Value Fund	218	240	1	(111)	13	69
Harbor International Fund	405	342	21	(239)	51	46
Harbor Diversified International All Cap Fund	295	292	12	(171)	29	38
Harbor International Growth Fund	364	341	14	(212)	—	71
Harbor Global Leaders Fund	118	172	—	(19)	41	25
Harbor High-Yield Bond Fund	452	2,563	180	(16)	—	(154)
Harbor High-Yield Opportunities Fund	1,968	295	60	(56)	—	(6)
Harbor Bond Fund	1,465	1,645	308	(327)	—	(132)
Harbor Real Return Fund	582	588	139	(131)	—	(58)
Harbor Money Market Fund	554	290	20	—	—	—
Total	<u>\$8,448</u>	<u>\$9,094</u>	<u>\$780</u>	<u>\$(1,869)</u>	<u>\$444</u>	<u>\$ 327</u>

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 3—FEES AND OTHER TRANSACTIONS WITH AFFILIATES—Continued

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2025 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 306	\$ 879	\$ 2	\$ (200)	\$113	\$ 168
Harbor Strategic Growth Fund	580	130	—	6	—	7
Harbor Mid Cap Growth Fund	234	300	—	(79)	63	66
Harbor Small Cap Growth Fund	181	239	—	(63)	50	46
Harbor Large Cap Value Fund	357	472	9	(139)	34	108
Harbor Mid Cap Value Fund	259	299	11	(111)	21	49
Harbor Small Cap Value Fund	205	246	1	(113)	12	76
Harbor International Fund	358	337	19	(218)	46	44
Harbor Diversified International All Cap Fund	267	298	11	(158)	27	38
Harbor International Growth Fund	324	337	12	(199)	—	74
Harbor Global Leaders Fund	110	170	—	(20)	36	25
Harbor High-Yield Bond Fund	532	2,630	168	(102)	—	(51)
Harbor High-Yield Opportunities Fund	1,852	439	57	(46)	—	(8)
Harbor Bond Fund	1,285	2,181	212	(166)	—	(146)
Harbor Real Return Fund	476	709	86	(91)	—	(24)
Total	\$7,326	\$9,666	\$588	\$(1,699)	\$402	\$ 472

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2030 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 513	\$1,052	\$ 2	\$ (258)	\$179	\$ 220
Harbor Strategic Growth Fund	652	98	—	9	—	5
Harbor Mid Cap Growth Fund	373	359	—	(70)	101	48
Harbor Small Cap Growth Fund	277	259	—	(59)	82	25
Harbor Large Cap Value Fund	519	465	16	(227)	56	167
Harbor Mid Cap Value Fund	400	298	18	(212)	34	100
Harbor Small Cap Value Fund	310	244	1	(147)	19	78
Harbor International Fund	611	332	31	(314)	75	7
Harbor Diversified International All Cap Fund	509	326	17	(254)	43	43
Harbor International Growth Fund	599	377	20	(314)	—	88
Harbor Global Leaders Fund	179	193	—	(20)	58	27
Harbor High-Yield Bond Fund	673	2,805	231	(73)	—	(137)
Harbor High-Yield Opportunities Fund	2,543	388	82	(72)	—	(7)
Harbor Bond Fund	1,484	1,389	263	(270)	—	(116)
Harbor Real Return Fund	530	379	89	(97)	—	(23)
Total	\$10,172	\$8,964	\$770	\$(2,378)	\$647	\$ 525

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 3—FEES AND OTHER TRANSACTIONS WITH AFFILIATES—Continued

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2035 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 316	\$ 656	\$ 2	\$ (157)	\$116	\$131
Harbor Strategic Growth Fund	422	55	—	6	—	2
Harbor Mid Cap Growth Fund	226	194	—	(46)	65	30
Harbor Small Cap Growth Fund	157	128	—	(37)	52	11
Harbor Large Cap Value Fund	306	217	10	(92)	36	46
Harbor Mid Cap Value Fund	247	137	11	(101)	22	22
Harbor Small Cap Value Fund	197	130	1	(89)	13	38
Harbor International Fund	390	162	20	(222)	49	14
Harbor Diversified International All Cap Fund	317	155	11	(163)	28	19
Harbor International Growth Fund	349	164	13	(194)	—	37
Harbor Global Leaders Fund	109	104	—	(10)	37	14
Harbor High-Yield Bond Fund	415	1,272	104	(80)	—	(14)
Harbor High-Yield Opportunities Fund	1,177	205	38	(32)	—	(4)
Harbor Bond Fund	860	773	118	(103)	—	(69)
Harbor Real Return Fund	213	149	28	(37)	—	(1)
Total	<u>\$5,701</u>	<u>\$4,501</u>	<u>\$356</u>	<u>\$(1,357)</u>	<u>\$418</u>	<u>\$276</u>

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2040 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 515	\$1,259	\$ 3	\$ (308)	\$224	\$ 298
Harbor Strategic Growth Fund	814	109	—	(9)	—	4
Harbor Mid Cap Growth Fund	440	431	—	(71)	125	54
Harbor Small Cap Growth Fund	305	288	—	(63)	100	26
Harbor Large Cap Value Fund	474	432	20	(300)	69	224
Harbor Mid Cap Value Fund	365	246	22	(273)	42	131
Harbor Small Cap Value Fund	298	231	1	(160)	24	74
Harbor International Fund	607	279	38	(397)	93	8
Harbor Diversified International All Cap Fund	447	243	22	(299)	53	30
Harbor International Growth Fund	541	286	25	(349)	—	63
Harbor Global Leaders Fund	176	205	—	(46)	73	59
Harbor High-Yield Bond Fund	465	1,529	137	(59)	—	(62)
Harbor High-Yield Opportunities Fund	1,581	339	51	(43)	—	(7)
Harbor Bond Fund	1,554	1,314	163	(121)	—	(113)
Harbor Real Return Fund	52	610	12	(4)	—	(10)
Total	<u>\$8,634</u>	<u>\$7,801</u>	<u>\$494</u>	<u>\$(2,502)</u>	<u>\$803</u>	<u>\$ 779</u>

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 3—FEES AND OTHER TRANSACTIONS WITH AFFILIATES—Continued

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2045 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 398	\$ 587	\$ 1	\$ (125)	\$103	\$126
Harbor Strategic Growth Fund	438	41	—	(5)	—	1
Harbor Mid Cap Growth Fund	298	179	—	(34)	57	28
Harbor Small Cap Growth Fund	225	115	—	(30)	45	10
Harbor Large Cap Value Fund	488	173	11	(91)	32	43
Harbor Mid Cap Value Fund	372	117	10	(102)	19	18
Harbor Small Cap Value Fund	284	109	—	(83)	11	32
Harbor International Fund	524	107	18	(226)	43	14
Harbor Diversified International All Cap Fund	449	91	10	(159)	24	12
Harbor International Growth Fund	517	135	11	(190)	—	26
Harbor Global Leaders Fund	154	72	—	(2)	34	11
Harbor High-Yield Bond Fund	383	445	46	(50)	—	8
Harbor High-Yield Opportunities Fund	583	65	18	(18)	—	(1)
Harbor Bond Fund	923	253	53	(64)	—	(12)
Harbor Real Return Fund	40	173	3	(1)	—	(3)
Total	<u>\$6,076</u>	<u>\$2,662</u>	<u>\$181</u>	<u>\$(1,180)</u>	<u>\$368</u>	<u>\$313</u>

	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
HARBOR TARGET RETIREMENT 2050 FUND						
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 491	\$1,324	\$ 4	\$ (312)	\$265	\$298
Harbor Strategic Growth Fund	924	71	—	(9)	—	2
Harbor Mid Cap Growth Fund	371	346	—	(56)	145	32
Harbor Small Cap Growth Fund	247	235	—	(61)	115	15
Harbor Large Cap Value Fund	442	309	25	(257)	82	159
Harbor Mid Cap Value Fund	391	207	26	(282)	49	105
Harbor Small Cap Value Fund	275	179	1	(163)	28	55
Harbor International Fund	671	210	45	(476)	110	3
Harbor Diversified International All Cap Fund	542	212	25	(351)	63	25
Harbor International Growth Fund	569	205	29	(398)	—	44
Harbor Global Leaders Fund	148	147	—	(13)	89	28
Harbor High-Yield Bond Fund	155	1,404	20	(30)	—	13
Harbor High-Yield Opportunities Fund	1,788	218	57	(55)	—	(4)
Harbor Bond Fund	721	320	62	(67)	—	(23)
Total	<u>\$7,735</u>	<u>\$5,387</u>	<u>\$294</u>	<u>\$(2,530)</u>	<u>\$946</u>	<u>\$752</u>

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 3—FEES AND OTHER TRANSACTIONS WITH AFFILIATES—Continued

HARBOR TARGET RETIREMENT 2055 FUND	Purchases of Affiliated Funds (000s)	Sales of Affiliated Funds (000s)	Investment Income from Affiliated Funds (000s)	Change in Net Unrealized Gain/(Loss) from Affiliated Funds (000s)	Net Realized Gain/(Loss)	
					Distributions Received from Affiliated Funds (000s)	Sale of Affiliated Funds (000s)
<i>Underlying Funds</i>						
Harbor Capital Appreciation Fund	\$ 188	\$209	\$ 1	\$ (49)	\$ 35	\$ 45
Harbor Strategic Growth Fund	166	18	—	(2)	—	—
Harbor Mid Cap Growth Fund	135	65	—	(24)	19	17
Harbor Small Cap Growth Fund	113	46	—	(21)	15	11
Harbor Large Cap Value Fund	254	89	4	(43)	11	22
Harbor Mid Cap Value Fund	179	55	3	(42)	6	10
Harbor Small Cap Value Fund	138	48	—	(35)	4	15
Harbor International Fund	269	74	6	(85)	14	8
Harbor Diversified International All Cap Fund	250	78	3	(63)	8	10
Harbor International Growth Fund	260	76	4	(80)	—	17
Harbor Global Leaders Fund	82	33	—	(5)	12	7
Harbor High-Yield Bond Fund	21	106	2	(2)	—	1
Harbor High-Yield Opportunities Fund	146	24	4	(4)	—	—
Harbor Bond Fund	89	43	4	(4)	—	(2)
Total	<u>\$2,290</u>	<u>\$964</u>	<u>\$31</u>	<u>\$(459)</u>	<u>\$124</u>	<u>\$161</u>

NOTE 4—TAX INFORMATION

The amount and character of income and net realized gains to be distributed are determined in accordance with income tax rules and regulations, which may differ from U.S. GAAP. Reclassifications, if any, are made to each Fund's capital account to reflect income and net realized gains available for distribution (or available capital loss carryovers) under income tax rules and regulations. There were no reclassification amounts on the Statements of Assets and Liabilities between total distributable earnings/(loss) and paid-in capital for the year ended October 31, 2018.

The tax composition of each Fund's distributions is as follows:

	As of October 31, 2018			As of October 31, 2017		
	Ordinary Income (000s)	Long-Term Capital Gains (000s)	Total (000s)	Ordinary Income (000s)	Long-Term Capital Gains (000s)	Total (000s)
Harbor Target Retirement Income Fund	\$430	\$ 82	\$512	\$410	\$ 51	\$ 461
Harbor Target Retirement 2015 Fund	178	—	178	179	—	179
Harbor Target Retirement 2020 Fund	775	—	775	682	304	986
Harbor Target Retirement 2025 Fund	585	—	585	351	180	531
Harbor Target Retirement 2030 Fund	806	38	844	591	857	1,448
Harbor Target Retirement 2035 Fund	350	—	350	257	224	481
Harbor Target Retirement 2040 Fund	\$528	\$252	780	388	932	1,320
Harbor Target Retirement 2045 Fund	198	113	311	121	274	395
Harbor Target Retirement 2050 Fund	376	537	913	260	1,222	1,482
Harbor Target Retirement 2055 Fund	42	34	76	18	28	46

Harbor Target Retirement Funds

NOTES TO FINANCIAL STATEMENTS—Continued

NOTE 4—TAX INFORMATION—Continued

As of October 31, 2018, the components of each Fund's distributable earnings on a tax basis are as follows:

	Undistributed Ordinary Income (000s)	Undistributed Long-Term Capital Gains (000s)	Unrealized Appreciation/ (Depreciation) (000s)
Harbor Target Retirement Income Fund	\$ 33	\$ 224	\$ (940)
Harbor Target Retirement 2015 Fund	92	54	(405)
Harbor Target Retirement 2020 Fund	441	718	(1,303)
Harbor Target Retirement 2025 Fund	336	767	(670)
Harbor Target Retirement 2030 Fund	440	1,139	(481)
Harbor Target Retirement 2035 Fund	197	557	(108)
Harbor Target Retirement 2040 Fund	246	1,523	587
Harbor Target Retirement 2045 Fund	90	644	(1)
Harbor Target Retirement 2050 Fund	109	1,586	1,073
Harbor Target Retirement 2055 Fund	11	252	(128)

The identified cost for federal income tax purposes of investments owned by each Fund and its respective gross unrealized appreciation and depreciation at October 31, 2018 are as follows:

	Identified Cost (000s)	Gross Unrealized		Net Unrealized Appreciation/ (Depreciation) (000s)
		Appreciation (000s)	(Depreciation) (000s)	
Harbor Target Retirement Income Fund	\$13,501	\$ 158	\$(1,098)	\$ (940)
Harbor Target Retirement 2015 Fund	5,197	51	(456)	(405)
Harbor Target Retirement 2020 Fund	26,857	487	(1,790)	(1,303)
Harbor Target Retirement 2025 Fund	18,321	216	(886)	(670)
Harbor Target Retirement 2030 Fund	28,454	262	(743)	(481)
Harbor Target Retirement 2035 Fund	15,232	228	(336)	(108)
Harbor Target Retirement 2040 Fund	23,463	1,038	(451)	587
Harbor Target Retirement 2045 Fund	12,411	280	(281)	(1)
Harbor Target Retirement 2050 Fund	22,318	1,432	(359)	1,073
Harbor Target Retirement 2055 Fund	3,884	34	(162)	(128)

NOTE 5—SUBSEQUENT EVENTS

Through the date the financial statements were issued, there were no subsequent events or transactions that would have materially impacted the financial statements or related disclosures as presented herein.

Harbor Target Retirement Funds

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Trustees and Shareholders of
Harbor Funds

Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities of Harbor Target Retirement Income Fund, Harbor Target Retirement 2015 Fund, Harbor Target Retirement 2020 Fund, Harbor Target Retirement 2025 Fund, Harbor Target Retirement 2030 Fund, Harbor Target Retirement 2035 Fund, Harbor Target Retirement 2040 Fund, Harbor Target Retirement 2045 Fund, Harbor Target Retirement 2050 Fund and Harbor Target Retirement 2055 Fund (collectively referred to as the “Funds”), (ten of the funds constituting Harbor Funds (the “Trust”)), including the portfolios of investments, as of October 31, 2018, and the related statements of operations and changes in net assets, and the financial highlights for each of the periods indicated in the table below and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds (ten of the funds constituting Harbor Funds), at October 31, 2018, the results of their operations, changes in net assets and financial highlights for each of the periods indicated in the table below, in conformity with U.S. generally accepted accounting principles.

Individual fund constituting the Harbor Funds	Statement of operations	Statement of changes in net assets	Financial highlights
Harbor Target Retirement Income Fund Harbor Target Retirement 2015 Fund Harbor Target Retirement 2020 Fund Harbor Target Retirement 2025 Fund Harbor Target Retirement 2030 Fund Harbor Target Retirement 2035 Fund Harbor Target Retirement 2040 Fund Harbor Target Retirement 2045 Fund Harbor Target Retirement 2050 Fund	For the year ended October 31, 2018	For each of the two years in the period ended October 31, 2018	For each of the five years in the period ended October 31, 2018
Harbor Target Retirement 2055 Fund	For the year ended October 31, 2018	For each of the two years in the period ended October 31, 2018	For the three years in the period ended October 31, 2018 and the period from November 1, 2014 (inception) through October 31, 2015

Basis for Opinion

These financial statements are the responsibility of the Trust’s management. Our responsibility is to express an opinion on each of the Funds’ financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust’s internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of October 31, 2018, by correspondence with the custodian and the shareholder servicing agent. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more Harbor Funds investment companies since 2000.

Chicago, Illinois
December 19, 2018

Harbor Target Retirement Funds

FEES AND EXPENSES EXAMPLE (Unaudited)

Example

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including redemption fees (if any) and (2) ongoing costs, including management fees, distribution and service (12b-1) fees (if any), and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in a Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The expense ratios reflected below do not include the acquired fund fees and expenses from Underlying Funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period May 1, 2018 through October 31, 2018.

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses for each share class. You may use the information in the respective class line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line of the respective class under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table for each share class below provides information about hypothetical account values and hypothetical expenses based on the respective Fund/Class’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the respective Fund/Class’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in a Fund to other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as redemption fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Annualized Expense Ratios	Expenses Paid During Period*	Beginning Account Value May 1, 2018	Ending Account Value October 31, 2018
HARBOR TARGET RETIREMENT INCOME FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 987.90
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2015 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 986.94
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2020 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 980.39
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2025 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 975.24
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2030 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 971.43
Hypothetical (5% return)		0.00	1,000	1,025.21

Harbor Target Retirement Funds

FEES AND EXPENSES EXAMPLE—Continued

	Annualized Expense Ratios	Expenses Paid During Period*	Beginning Account Value May 1, 2018	Ending Account Value October 31, 2018
HARBOR TARGET RETIREMENT 2035 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 964.51
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2040 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 958.83
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2045 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 955.14
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2050 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 948.74
Hypothetical (5% return)		0.00	1,000	1,025.21
HARBOR TARGET RETIREMENT 2055 FUND				
Institutional Class	0.00%			
Actual		\$0.00	\$1,000	\$ 943.66
Hypothetical (5% return)		0.00	1,000	1,025.21

* Expenses are equal to the Fund's annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).

Harbor Target Retirement Funds

ADDITIONAL INFORMATION (Unaudited)

ADDITIONAL TAX INFORMATION

Pursuant to Section 852 of the Internal Revenue Code, the Funds designate the following capital gain dividends for the year ended October 31, 2018:

	Amount (000s)
Harbor Target Retirement Income Fund	\$ 81
Harbor Target Retirement 2030 Fund	38
Harbor Target Retirement 2040 Fund	252
Harbor Target Retirement 2045 Fund	113
Harbor Target Retirement 2050 Fund	537
Harbor Target Retirement 2055 Fund	33

PROXY VOTING

Harbor Funds has adopted Proxy Voting Policies and Procedures under which proxies relating to securities held by the Harbor funds are voted. In addition, Harbor Funds files Form N-PX, with its complete proxy voting record for the 12 months ended June 30th, no later than August 31st of each year. A description of Harbor Funds' Proxy Voting Policies and Procedures and the proxy voting records (Form N-PX) are available (i) without charge, upon request, by calling Harbor Funds toll-free at 800-422-1050; (ii) on Harbor Funds' website at *harborfunds.com*; and (iii) on the SEC's website at *sec.gov*.

HOUSEHOLDING

Harbor Funds has adopted a policy that allows it to send only one copy of a Fund's prospectus, proxy materials, annual report and semi-annual report to certain shareholders residing at the same household. This reduces Fund expenses, which benefits you and other shareholders. If you need additional copies or do not want your mailings to be "householded," please call the Shareholder Servicing Agent at 800-422-1050. Individual copies will be sent within thirty (30) days after the Shareholder Servicing Agent receives your instructions. Your consent to householding is considered valid until revoked.

QUARTERLY PORTFOLIO DISCLOSURES

Harbor Funds files a complete portfolio of investments with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds' Form N-Q is available (i) without charge, upon request, by calling Harbor Funds toll-free at 800-422-1050, (ii) on Harbor Funds' website at *harborfunds.com*, and (iii) on the SEC's website at *sec.gov*.

Harbor Target Retirement Funds

ADDITIONAL INFORMATION—Continued

TRUSTEES AND OFFICERS

AS OF DECEMBER 2018

The business and affairs of the Trust shall be managed by or under the direction of the Trustees, and they shall have all powers necessary or desirable to carry out that responsibility. The Trustees shall have full power and authority to take or refrain from taking any action and to execute any contracts and instruments that they may consider necessary or desirable in the management of the Trust. Any determination made by the Trustees in good faith as to what is in the interests of the Trust shall be conclusive. Information pertaining to the Trustees and Officers of Harbor Funds is set forth below. The address of each Trustee and Officer is: [Name of Trustee or Officer] c/o Harbor Funds, 111 South Wacker Drive, 34th Floor, Chicago, IL 60606-4302.

Harbor Funds' Statement of Additional Information includes additional information about the Trust's Trustees and is available without charge by calling 800-422-1050 or at the Trust's website at harborfunds.com.

Name (Age) Position(s) with Fund	Term of Office and Length of Time Served ¹	Principal Occupation(s) During Past Five Years	Number of Portfolios In Fund Complex Overseen By Trustee	Other Directorships Of Public Companies and Other Registered Investment Companies Held by Trustee During Past Five Years
INDEPENDENT TRUSTEES				
Scott M. Amero (55) Trustee	Since 2014	Chairman (2015-Present) and Trustee (2011-2015), Rare (conservation nonprofit); Trustee, Berkshire School (2014-Present); Vice Chairman and Global Chief Investment Officer, Fixed Income (2010), Vice Chairman and Global Chief Investment Officer, Fixed Income, and Co-Head, Fixed Income Portfolio Management (2007-2010), BlackRock, Inc., (publicly traded investment management firm).	32	None
Raymond J. Ball (74) Trustee	Since 2006	Sidney Davidson Distinguished Service Professor of Accounting, University of Chicago Booth School of Business (2000-Present); Academic Affiliate, Analysis Group (litigation consulting firm) (2000-Present); Financial Reporting Faculty Advisory Group of the Institute of Chartered Accountants in England and Wales (2008-Present); and Advisory Board of the Center for Accounting Research & Education at University of Notre Dame (2006-Present).	32	None
Donna J. Dean (67) Trustee	Since 2010	Chief Investment Officer of the Rockefeller Foundation (a private foundation) (1995-Present).	32	None
Joseph L. Dowling III (54) Trustee	Since 2017	Chief Investment Officer, Brown University (2013-Present); Advisory Board Member, Stage Point Capital (private mortgage specialist) (2016-2017); Advisory Board Member, Harbor Funds (2016-2017); and Founder and Managing Member, Narragansett Asset Management (private investment management firm) (1998-2013).	32	Director of Integrated Electrical Services (2011-Present).
Randall A. Hack (71) Trustee	Since 2010	Founder and Senior Managing Director of Capstone Capital LLC (private investment firm) (2003-Present); Director of Tower Development Corporation (cell tower developer) (2009-2016); Advisory Director of Berkshire Partners (private equity firm) (2002-2013); Founder and Senior Managing Director of Nassau Capital, LLC (private investment firm, investing solely on behalf of the Princeton Endowment) (1995-2001); and President of The Princeton University Investment Company (1990-1994).	32	None
Robert Kasdin (60) Trustee	Since 2014	Senior Vice President and Chief Operating Officer (2015-Present) and Chief Financial Officer (2018-Present), Johns Hopkins Medicine; Senior Executive Vice President, Columbia University (2002-2015); Trustee and Member of the Finance Committee, National September 11 Memorial & Museum at the World Trade Center (2005-Present); Director, Apollo Commercial Real Estate Finance, Inc. (2014-Present); Director and Executive Committee Member, The Y in Central Maryland (2018-Present); and Director, Noranda Aluminum Holdings Corp. (2007-2014).	32	Director of Noranda Aluminum Holdings Corporation (2007-2014); and Director of Apollo Commercial Real Estate Finance, Inc. (2014-Present).

Harbor Target Retirement Funds

ADDITIONAL INFORMATION—Continued

TRUSTEES AND OFFICERS—Continued

Name (Age) Position(s) with Fund	Term of Office and Length of Time Served ¹	Principal Occupation(s) During Past Five Years	Number of Portfolios In Fund Complex Overseen By Trustee	Other Directorships Of Public Companies and Other Registered Investment Companies Held by Trustee During Past Five Years
INDEPENDENT TRUSTEES—Continued				
Kathryn L. Quirk (66) Trustee	Since 2017	Retired; Vice President, Senior Compliance Officer and Head, U.S. Regulatory Compliance, Goldman Sachs Asset Management (2013-2017); Deputy Chief Legal Officer, Asset Management, and Vice President and Corporate Counsel, Prudential Insurance Company of America (2010-2012); Co-Chief Legal Officer, Prudential Investment Management, Inc., and Chief Legal Officer, Prudential Investments and Prudential Mutual Funds (2008-2012); Vice President and Corporate Counsel and Chief Legal Officer, Mutual Funds, Prudential Insurance Company of America, and Chief Legal Officer, Prudential Investments (2005-2008); Vice President and Corporate Counsel and Chief Legal Officer, Mutual Funds, Prudential Insurance Company of America (2004-2005); Member, Management Committee (2000-2002), General Counsel and Chief Compliance Officer, Zurich Scudder Investments, Inc. (1997-2002).	32	None
Ann M. Spruill (64) Trustee	Since 2014	Partner (1993-2008), member of Executive Committee (1996-2008), Member Board of Directors (2002-2008), Grantham, Mayo, Van Otterloo & Co, LLC (private investment management firm) (with the firm since 1990); Member Investment Committee and Chair of Global Equities, Museum of Fine Arts, Boston (2000-Present); and Trustee, Financial Accounting Foundation (2014-Present).	32	None
INTERESTED TRUSTEE				
Charles F. McCain (49)* Chairman, Trustee and President	Since 2017	Chief Executive Officer (2017-Present), Director (2007-Present), President and Chief Operating Officer (2017), Executive Vice President and General Counsel (2004-2017), and Chief Compliance Officer (2004-2014), Harbor Capital Advisors, Inc.; Director (2007-Present) and Chief Compliance Officer (2004-2017), Harbor Services Group, Inc.; and Chief Executive Officer (2017-Present), Director (2007-Present), Chief Compliance Officer and Executive Vice President (2007-2017), Harbor Funds Distributors, Inc.	32	None
FUND OFFICERS NOT LISTED ABOVE**				
Erik D. Ojala (43) Chief Compliance Officer	Since 2017	Executive Vice President and General Counsel (2017-Present) and Secretary (2010-Present); Senior Vice President and Associate General Counsel (2007-2017), Harbor Capital Advisors, Inc.; Director, Executive Vice President and Chief Compliance Officer (2017-Present), Harbor Funds Distributors, Inc.; and Director (2017-Present) and Assistant Secretary (2014-Present), Harbor Services Group, Inc.		
Anmarie S. Kolinski (47) Treasurer	Since 2007	Executive Vice President and Chief Financial Officer (2007-Present), Harbor Capital Advisors, Inc.; Chief Financial Officer (2007-Present), Harbor Services Group, Inc.; and Chief Financial Officer (2015-Present) and Treasurer (2012-Present), Harbor Funds Distributors, Inc.		
Brian L. Collins (50) Vice President	Since 2005	Executive Vice President and Chief Investment Officer (2004-Present), Harbor Capital Advisors, Inc.		
Charles P. Ragusa (59) Vice President	Since 2007	Executive Vice President (2007-Present), Harbor Capital Advisors, Inc.; President (2007-Present), Harbor Services Group, Inc.; and Executive Vice President and AML Compliance Officer (2007-Present) and OFAC Officer (2015-Present), Harbor Funds Distributors, Inc.		
Diana R. Podgorny (39) Secretary	Since 2018	Vice President and Assistant General Counsel, Harbor Capital Advisors, Inc. (2017-Present); Vice President and Counsel, AMG Funds LLC (2016-2017); and Vice President and Counsel, Aston Asset Management, LLC (2010-2016).		

Harbor Target Retirement Funds

ADDITIONAL INFORMATION—Continued

TRUSTEES AND OFFICERS—Continued

Name (Age) Position(s) with Fund	Term of Office and Length of Time Served ¹	Principal Occupation(s) During Past Five Years
FUND OFFICERS NOT LISTED ABOVE^{**}—Continued		
Jodie L. Crotteau (46) Assistant Secretary	Since 2014	Senior Vice President and Chief Compliance Officer, Harbor Capital Advisors, Inc. (2014-Present); Chief Compliance Officer and Secretary (2017-present) and Assistant Secretary (2015-2016), Harbor Services Group, Inc.; Assistant Secretary (2016-present), Harbor Funds Distributors, Inc.; Vice President and Chief Compliance Officer, Grosvenor Registered Funds (2011-2014); and Vice President, Grosvenor Capital Management, L.P. (2010-2014).
Lana M. Lewandowski (39) AML Compliance Officer and Assistant Secretary	Since 2017	Legal & Compliance Manager (2016-Present) and Legal Specialist (2012-2015), Harbor Capital Advisors, Inc.
Lora A. Kmiecik (54) Assistant Treasurer	Since 2017	Senior Vice President – Fund Administration and Analysis (2017-Present) and Senior Vice President - Business Analysis (2015-2017), Harbor Capital Advisors, Inc.; and Assurance Executive Director (1999-2015), Ernst & Young LLP.
John M. Paral (50) Assistant Treasurer	Since 2013	Director of Fund Administration and Analysis (2017-Present), Vice President (2012-Present) and Financial Reporting Manager (2007-2017), Harbor Capital Advisors, Inc.

¹ Each Trustee serves for an indefinite term, until his successor is elected. Each Officer is elected annually.

* Mr. McCain is deemed an “Interested Trustee” due to his affiliation with the Adviser and Distributor of Harbor Funds.

** Officers of the Funds are “interested persons” as defined in the Investment Company Act.

Harbor's Privacy Statement

The following privacy statement ("Privacy Statement") is issued by Harbor Funds and each series of Harbor Funds and its affiliates, Harbor Capital Advisors, Inc., Harbor Services Group, Inc. and Harbor Funds Distributors, Inc. (collectively, "Harbor" "we" or "us"). The measures described in this Privacy Statement reflect the commitments we make to protect the privacy of your personal information. We appreciate the confidence you have shown by entrusting us with your assets.

Personal Information

In the course of providing products and services, we collect personal information about you from the following sources: applications, forms, our website (including any information captured through our use of "cookies"), through mobile applications, by telephone and in correspondence and transactions with us, our affiliates or other parties, including when you contact Shareholder Services or establish an account with us. This Privacy Statement applies to personal information we collect from those sources unless we inform you otherwise.

The personal information collected may include name, address, e-mail address, telephone/fax numbers, account number, social security or taxpayer identification number, investment activity, bank account information, location data (depending on your app settings and device permissions), and other information voluntarily provided by you.

We may also collect certain information automatically when you visit us through our website or a mobile application. For example, we may collect technical and navigational information, such as computer browser type, device type, device ID, Internet protocol address, pages visited average time spent on our website and searches performed on our website. We may use this information to alert you to software compatibility issues; to provide you with or improve or websites, applications, products or services; or to provide you with content that may be of interest to you. We use your IP address to help diagnose problems with our server and to administer our website. Your IP address is also used to gather broad demographic information. This information will be used for internal purposes only. We also collect information in the form of log files that record website and app activity and gather statistics about your browsing habits. These entries are generated automatically, and help us to troubleshoot errors, improve performance and maintain the security of our sites and apps. We use "cookies" and similar files that may be placed on your computer or device for security purposes, to facilitate site navigation and to personalize the appearance of our site. We provide more information regarding cookies and other tracking technologies below.

In addition, we may receive personal information about you that you authorize third parties to provide to us. We also may obtain personal information from third-party service providers to verify your identity, to prevent fraud, or to help us identify products and services that may be of interest to you.

The personal information we collect about you may be transferred to or stored by us or our service providers in the United States or elsewhere, as permitted by law.

If you do not wish to provide personal information to us, we may be unable to provide certain products or services to you.

Information Sharing

We disclose personal information with affiliated and non-affiliated parties: (1) as permitted or required by law or regulation; (2) if we believe that is necessary to: comply with applicable laws, regulations, or industry requirements; respond to requests from a legal, regulatory, or governmental authority; enforce legal terms; detect and resolve any fraud or security concerns, and protect the rights, property, and safety of us, our users, or others; (3) in the event of a merger, acquisition or sale of all or substantially all of our assets; or (4) as otherwise described in this Privacy Statement.

Personal information we collect may be shared with non-affiliated companies that perform support services on our behalf or to other firms that assist us in providing you with products and services (including, without limitation, completing transactions), such as custodians, transfer agents, broker-dealers and marketing service firms (to support our marketing to you), as well as with other financial institutions. We may also share information with affiliates that are engaged in a variety of financial services in order to better service your account(s).

When information is shared with third parties, they are not permitted to use the information for any purpose other than those purposes described in this Privacy Statement or as permitted by law.

If you close your account(s) or if we lose contact with you, we will continue to share information in accordance with our current privacy policy and practices.

If you close your account(s) or if we lose contact with you, we will continue to share information in accordance with our current privacy policy and practices.

Harbor's Privacy Statement—Continued

Security

We maintain physical, electronic and procedural safeguards designed to protect your personal information; however, please be aware that no data security measures can guarantee 100% security.

For shareholders accessing information through our website or a mobile application, various forms of Internet security, such as data encryption firewall barriers, user names and passwords, two-factor authentication, and other tools are used. For additional information regarding our security measures, visit the terms and conditions of use on our website at .

Linking to Third Parties

When you visit our website and leave to go to another linked site, we are not responsible for the content or availability of the linked site. Please be advised that if you enter into a transaction on the third-party site, we do not represent either the third party or you. Further, the privacy and security policies of the linked site may differ from those practiced by us.

Cookies and Other Technologies

A cookie is a small text file that is stored on your computer, tablet, or device when you visit a website or a mobile application. Cookies usually store small bits of information about you and what you do on that site or application, which are then used to improve your browsing experience. Some cookies are only used during a single visit, while others are saved on your device until your next visit. Harbor Funds and our third-party providers use both types of cookies to make your visits more productive.

If you are concerned about cookies, they can be blocked from your device, or you can set your browser to notify you when they are being used. Use the Help feature of your browser to learn how.

Our website, mobile application, and e-mails may use a web beacon. A web beacon helps to measure usage and activity and reports that activity back to the system providers. In some cases, a web beacon triggers the placement of a cookie on your device.

We and our service providers use web beacons and cookies to determine things like if and when you open our e-mails, what type of device, operating system, e-mail program, or web browser you are using, your IP address, and what links you click within our site or e-mail. These things enable us to gauge the effectiveness, relevance, and value of our content and communications.

We use Google Analytics (which uses a web beacon) to collect information about use of our website and mobile application. For more information on opting out of being tracked by Google Analytics, visit <https://tools.google.com/dlpage/gaoptout>. We also use Lucky Orange to collect information about how visitors interact with the content on our public website and mobile application pages. Lucky Orange does *not* track actions or behavior within the password-protected online account access systems. For more information about Lucky Orange, including how to opt out, please visit: <https://www.luckyorange.com/privacy.php>.

Do Not Track

Our third-party vendors may collect information about users across our website. We do not currently have the capability to respond to a web browser that does not track signals or other mechanisms that provide you with the ability to exercise choice regarding the collection of this information.

Changes to this Privacy Statement

We reserve the right to change or revise this Privacy Statement at any time to reflect changes in the law or our data collection and use practices. New updates to the Privacy Statement will be posted to our website and are include in Harbor Funds' annual reports to shareholders. Privacy Statement changes will apply to the information collected from the date we post our revised Privacy Statement, as well as to existing information we hold.

Contact Us

If you have any questions or concerns about how we maintain the privacy of your personal information or if you would like to update your personal information on file, please contact us at 800-422-1050 Monday through Friday, between the hours of 8:00 a.m. and 6:00 p.m. Eastern time. You may also write to us at the following postal address:

Harbor Funds
c/o Harbor Services Group, Inc.
PO Box 804660
Chicago, IL 60680-4108

We recommend that you read and retain this notice for your personal files.

Last Updated: December 2018

Benchmark Descriptions

Composite Index Income—The Composite Index Income is derived by applying the Harbor Target Retirement Fund’s (the “Income Fund”) target asset allocation to the results of the underlying funds’ benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund’s benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index, Bloomberg Barclays U.S. TIPS Index, ICE BofAML U.S. 3-Month Treasury Bill Index. The weights of the Composite Index Income match the Income Fund’s historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the Income Fund’s target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2015—The Composite Index 2015 is derived by applying the Harbor Target Retirement 2015 Fund’s (the “2015 Fund”) target asset allocation to the results of the underlying funds’ benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund’s benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index, Bloomberg Barclays U.S. TIPS Index, ICE BofAML U.S. 3-Month Treasury Bill Index. The weights of the Composite Index 2015 match the 2015 Fund’s historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2015 Fund’s target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2020—The Composite Index 2020 is derived by applying the Harbor Target Retirement 2020 Fund’s (the “2020 Fund”) target asset allocation to the results of the underlying funds’ benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund’s benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index, Bloomberg Barclays U.S. TIPS Index, ICE BofAML U.S. 3-Month Treasury Bill Index. The weights of the Composite Index 2020 match the 2020 Fund’s historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2020 Fund’s target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2025—The Composite Index 2025 is derived by applying the Harbor Target Retirement 2025 Fund’s (the “2025 Fund”) target asset allocation to the results of the underlying funds’ benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund’s benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index, Bloomberg Barclays U.S. TIPS Index. The weights of the Composite Index 2025 match the 2025 Fund’s historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2025 Fund’s target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2030—The Composite Index 2030 is derived by applying the Harbor Target Retirement 2030 Fund’s (the “2030 Fund”) target asset allocation to the results of the underlying funds’ benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund’s benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index, Bloomberg Barclays U.S. TIPS

Benchmark Descriptions—Continued

Index. The weights of the Composite Index 2030 match the 2030 Fund's historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2030 Fund's target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2035—The Composite Index 2035 is derived by applying the Harbor Target Retirement 2035 Fund's (the "2035 Fund") target asset allocation to the results of the underlying funds' benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund's benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index, Bloomberg Barclays U.S. TIPS Index. The weights of the Composite Index 2035 match the 2035 Fund's historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2035 Fund's target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2040—The Composite Index 2040 is derived by applying the Harbor Target Retirement 2040 Fund's (the "2040 Fund") target asset allocation to the results of the underlying funds' benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund's benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index. The weights of the Composite Index 2040 match the 2040 Fund's historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2040 Fund's target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2045—The Composite Index 2045 is derived by applying the Harbor Target Retirement 2045 Fund's (the "2045 Fund") target asset allocation to the results of the underlying funds' benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), ICE BofAML U.S. Non-Distressed High Yield Index (with respect to the Harbor High-Yield Bond Fund; prior to March 31, 2015, the ICE BofAML U.S. High Yield Index (H0A0) was this fund's benchmark and a component of the Composite Index), Bloomberg Barclays U.S. Aggregate Bond Index. The weights of the Composite Index 2045 match the 2045 Fund's historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2045 Fund's target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2050—The Composite Index 2050 is derived by applying the Harbor Target Retirement 2050 Fund's (the "2050 Fund") target asset allocation to the results of the underlying funds' benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), Bloomberg Barclays U.S. Aggregate Bond Index. The weights of the Composite Index 2050 match the 2050 Fund's historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2050 Fund's target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Composite Index 2055—The Composite Index 2055 is derived by applying the Harbor Target Retirement 2055 Fund's (the "2055 Fund") target asset allocation to the results of the underlying funds' benchmarks: Russell 1000[®] Growth Index, Russell Midcap[®] Growth Index, Russell 2000[®] Growth Index, Russell 1000[®] Value Index, Russell Midcap[®] Value Index, Russell 2000[®] Value Index, MSCI EAFE (ND) Index, MSCI All Country World Ex. U.S. (ND) Index (with respect to Harbor International Growth Fund weightings, prior to May 28, 2013, the MSCI EAFE Growth (ND) Index), MSCI All Country World (ND) Index, ICE BofAML U.S. High Yield Index (H0A0), Bloomberg Barclays U.S. Aggregate Bond Index. The weights of the Composite Index 2055 match the 2055 Fund's historical target asset allocation and are adjusted as changes are made to this asset allocation. Refer to the Target Retirement Funds Prospectus for the 2055 Fund's target asset allocation. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Benchmark Descriptions—Continued

Bloomberg Barclays U.S. Aggregate Bond Index—The Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged index of investment-grade fixed-rate debt issues with maturities of at least one year. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Bloomberg Barclays U.S. TIPS Index—The Bloomberg Barclays U.S. TIPS Index is an unmanaged market index comprised of all U.S. Treasury Inflation Protected Securities rated investment grade (Baa3 or better), have at least one year to final maturity, and at least \$250 million par amount outstanding. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

ICE BofAML U.S. Convertible Ex Mandatory Index—The ICE BofAML U.S. Convertible Ex Mandatory Index is broadly representative of the U.S. convertible securities market, consisting of publicly traded issues, denominated in U.S. dollars, of all credit qualities, and excluding mandatory (equity-linked) convertibles. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

ICE BofAML U.S. 3-Month Treasury Bill Index—The ICE BofAML U.S. 3-Month Treasury Bill Index is comprised of a single U.S. Treasury Bill issue purchased at the beginning of each month and held for a full month, at which time that issue is sold and rolled into a newly selected issue. The issue selected each month is that having a maturity date closest to, but not beyond 90 days from the rebalance date.

ICE BofAML U.S. High Yield Index (H0A0)—The ICE BofAML U.S. 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. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

ICE BofAML U.S. Non-Distressed High Yield Index—The ICE BofAML U.S. Non-Distressed High Yield Index is a subset of the ICE BofAML U.S. High Yield Index (H0A0) including all securities with an option-adjusted spread less than 1,000 basis points. The unmanaged index does not reflect fees and expenses and is not available for direct investment.

MSCI All Country World (ND) Index—The MSCI All Country World (ND) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of global developed and emerging markets. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

MSCI All Country World Ex. U.S. (ND) Index—The MSCI All Country World Ex. U.S. (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 United States. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

MSCI EAFE (ND) Index—The MSCI EAFE (ND) Index is an unmanaged index generally representative of major developed markets, excluding the U.S. and Canada. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

MSCI EAFE Small Cap (ND) Index—The MSCI EAFE Small Cap (ND) Index is an equity index which captures small cap representation across developed market 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.

MSCI Emerging Markets (ND) Index—The MSCI Emerging Markets (ND) Index is a market capitalization weighted index of equity securities in more than 20 emerging market economies. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

MSCI World (ND) Index—The MSCI World (ND) Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Russell 1000[®] Growth Index—The Russell 1000[®] Growth Index is an unmanaged index generally representative of the U.S. market for larger capitalization growth stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 1000[®] Growth Index and Russell[®] are trademarks of Frank Russell Company.

Russell 1000[®] Value Index—The Russell 1000[®] Value Index is an unmanaged index generally representative of the U.S. market for larger capitalization value stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 1000[®] Value Index and Russell[®] are trademarks of Frank Russell Company.

Russell 2000[®] Index—The Russell 2000[®] Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000[®] Index is a subset of the Russell 3000[®] Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current

Benchmark Descriptions—Continued

index membership. The Russell 2000[®] Index is constructed to provide a comprehensive and unbiased small-cap barometer and is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 3000[®] Index and Russell[®] are trademarks of Frank Russell Company.

Russell 2000[®] Growth Index—The Russell 2000[®] Growth Index is an unmanaged index representing the smallest 2,000 stocks with the highest price-to-book ratio and future earnings. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 2000[®] Growth Index and Russell[®] are trademarks of Frank Russell Company.

Russell 2000[®] Value Index—The Russell 2000[®] Value Index is an unmanaged index representing the smallest 2,000 stocks with the lowest price-to-book ratio and future earnings. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 2000[®] Value Index and Russell[®] are trademarks of Frank Russell Company.

Russell 3000[®] Index—The Russell 3000[®] Index measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000[®] Index is constructed to provide a comprehensive, unbiased and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are reflected. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 3000[®] Index and Russell[®] are trademarks of Frank Russell Company.

Russell 3000[®] Growth Index—The Russell 3000[®] Growth Index measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000[®] companies with higher price-to-book ratios and higher forecasted growth values. The Russell 3000[®] Growth Index is constructed to provide a comprehensive, unbiased, and stable barometer of the broad growth market. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 3000[®] Growth Index and Russell[®] are trademarks of Frank Russell Company.

Russell 3000[®] Value Index—The Russell 3000[®] Value Index measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 3000[®] companies with lower price-to-book ratios and lower forecasted growth values. The Russell 3000[®] Value Index is constructed to provide a comprehensive, unbiased, and stable barometer of the broad value market. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 3000[®] Value Index and Russell[®] are trademarks of Frank Russell Company.

Russell Midcap[®] Index—The Russell Midcap[®] Index is an unmanaged index generally representative of the U.S. market for medium capitalization stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell Midcap[®] Index and Russell[®] are trademarks of Frank Russell Company.

Russell Midcap[®] Growth Index—The Russell Midcap[®] Growth Index is an unmanaged index generally representative of the U.S. market for medium capitalization growth stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell Midcap[®] Growth Index and Russell[®] are trademarks of Frank Russell Company.

Russell Midcap[®] Value Index—The Russell Midcap[®] Value Index is an unmanaged index generally representative of the U.S. market for medium capitalization value stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell Midcap[®] Value Index and Russell[®] are trademarks of Frank Russell Company.

S&P 500 Index—The S&P 500 Index is an unmanaged index generally representative of the U.S. stock market. This unmanaged index does not reflect fees and expenses and is not available for direct investment.





Harbor Funds®

111 South Wacker Drive, 34th Floor | Chicago, IL 60606-4302 | 800-422-1050 | harborfunds.com

Trustees & Officers

Charles F. McCain
Chairman, President & Trustee

Scott M. Amero
Trustee

Raymond J. Ball
Trustee

Donna J. Dean
Trustee

Joseph L. Dowling, III
Trustee

Randall A. Hack
Trustee

Robert Kasdin
Trustee

Kathryn L. Quirk
Trustee

Ann M. Spruill
Trustee

Erik D. Ojala
Chief Compliance Officer

Anmarie S. Kolinski
Treasurer

Brian L. Collins
Vice President

Charles P. Ragusa
Vice President

Diana R. Podgorny
Secretary

Jodie L. Crotteau
Assistant Secretary

Lana M. Lewandowski
*AML Compliance Officer
& Assistant Secretary*

Lora A. Kmiecik
Assistant Treasurer

John M. Paral
Assistant Treasurer

Investment Adviser

Harbor Capital Advisors, Inc.
111 South Wacker Drive, 34th Floor
Chicago, IL 60606-4302
312-443-4400

Distributor

Harbor Funds Distributors, Inc.
111 South Wacker Drive, 34th Floor
Chicago, IL 60606-4302
312-443-4600

Shareholder Services

Harbor Services Group, Inc.
P.O. Box 804660
Chicago, IL 60680-4108
800-422-1050

Custodian

State Street Bank and Trust Company
State Street Financial Center
1 Lincoln Street
Boston, MA 02111-2900