

Investment Overview

The Fund invests primarily (no less than 65% of its total assets) in common and preferred stocks of foreign companies, including those located in emerging market countries. Companies in the Fund's portfolio generally have market capitalizations in excess of \$1 billion at the time of purchase.

Portfolio Management

Subadviser:

Marathon Asset Management LLP
Since 08/22/2018

Portfolio Managers:

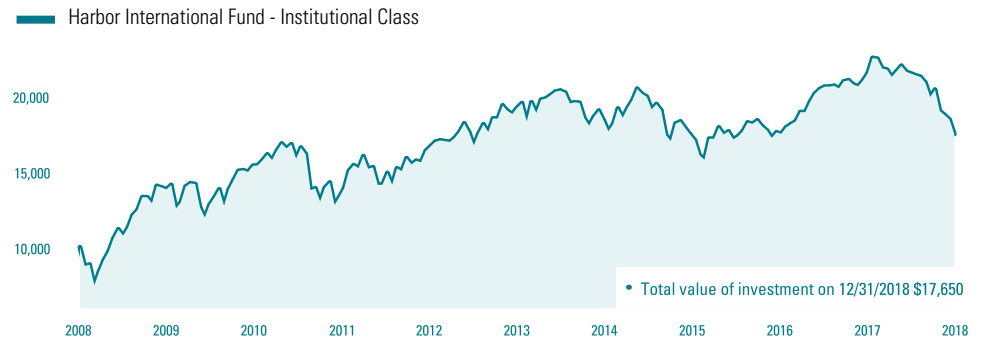
Neil M. Ostrer
Charles Carter
Nick Longhurst
William J. Arah
Simon Somerville
Simon Todd, CFA
Michael Nickson, CFA
Michael Godfrey, CFA
David Cull, CFA

Investment Risks

Investing in international and emerging markets poses special risks, including potentially greater price volatility due to social, political and economic factors, as well as currency exchange rate fluctuations. These risks are more severe for securities of issuers in emerging market regions.

Stock markets are volatile and equity values can decline significantly in response to adverse issuer, political, regulatory, market and economic conditions.

Growth of a Hypothetical \$10,000 investment



Performance

	Three Months	Year to Date	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
Institutional Class	-13.55%	-17.96%	-17.96%	0.36%	-1.96%	5.84%	9.74%
Retirement Class	-13.54%	-17.89%	-17.89%	0.42%	-1.92%	5.86%	9.75%
Administrative Class	-13.60%	-18.14%	-18.14%	0.11%	-2.20%	5.58%	7.63%
Investor Class	-13.63%	-18.25%	-18.25%	-0.01%	-2.32%	5.45%	7.48%
MSCI EAFE (ND) Index	-12.54%	-13.79%	-13.79%	2.87%	0.53%	6.32%	4.89%

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

The MSCI EAFE (ND) Index is an unmanaged index generally representative of major overseas stock markets. The MSCI All Country World Ex. US (ND) Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global developed and emerging markets, excluding the United States. These unmanaged indices do not reflect fees and expenses and are not available for direct investment. The MSCI EAFE (ND) Index since inception return uses 12/31/1987 as the period begin date.

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

Fund Facts	Institutional Class	Retirement Class	Administrative Class	Investor Class
Ticker	HAINX	HNINX	HRINX	HIINX
Fund Number	2011	2511	2211	2411
CUSIP	411511306	411512445	411511652	411511645
Inception Date	12/29/1987	03/01/2016	11/01/2002	11/01/2002
12b-1 Fee	None	None	0.25%	0.25%
Total Net Assets (\$MM)	4,932.702	2,153.482	85.154	675.119
Redemption Fee	None	None	None	None
Net Expense Ratio	0.72	0.64	0.97	1.09
Gross Expense Ratio	0.81	0.73	1.06	1.18

Expense ratio information is as of the Fund's current prospectus, as supplemented. Gross expenses are the Fund's total annual operating expenses. The net expense ratios for this fund are subject to a contractual management fee waiver and an expense limitation agreement, excluding interest expense, if any, through 02/28/2019.

Top Industries



Banks	7.24%
Insurance	4.81%
Professional Services	4.73%
Hotels, Restaurants & Leisure	4.41%
Health Care Equipment & Supp...	3.94%
Beverages	3.73%
Commercial Services & Suppli...	3.42%
Pharmaceuticals	3.14%
Media	3.05%
Machinery	2.69%
Total	41.16%

Top Holdings

	Portfolio %
1. Cementos Argos SA	1.98%
2. Intertek Group plc	1.30%
3. Roche Holding AG	1.17%
4. Coloplast AS	1.16%
5. Vestas Wind Systems AS	1.10%
6. Compass Group plc	1.09%
7. Assa Abloy AB Class B	1.04%
8. Sampo OYJ	1.02%
9. Toyota Motor Corp.	0.98%
10. Rightmove plc	0.98%
Total	11.82%

Top Countries

United Kingdom	25.26%
Japan	23.37%
France	5.91%
Germany	5.73%
Switzerland	5.04%
Denmark	4.92%
Netherlands	3.58%
Sweden	2.73%
Australia	2.62%
South Korea	2.13%
Total	81.29%

Sector Allocation vs. Benchmark

Sector	Portfolio	MSCI EAFE (ND) Index	Portfolio vs. Benchmark Underweight/Overweight
Industrials	23.37%	14.31%	9.06
Financials	15.02%	19.49%	-4.47
Consumer Discretionary	13.47%	11.23%	2.25
Consumer Staples	10.18%	11.57%	-1.40
Health Care	8.70%	11.18%	-2.47
Communication Services	7.75%	5.55%	2.19
Materials	7.27%	7.37%	-0.11
Information Technology	5.97%	5.96%	0.01
Energy	3.22%	5.86%	-2.64
Utilities	0.54%	3.76%	-3.22
Real Estate	0.50%	3.73%	-3.23

Portfolio Statistics

Number of Securities	371
Adjusted Price to Earnings Ratio	16.90
Annualized Turnover - as of 10/31/2017	13%
Weighted Avg Market Cap (\$MM)	32,903.80
Beta	0.97

Risk Statistics

	The Fund	MSCI EAFE (ND) Index
Alpha	-2.37%	0.00%
R-Squared	87.67%	100.00%
Standard Deviation	11.85%	11.40%
Sharpe Ratio	0.00%	0.21%

Definitions:

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

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

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

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

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

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

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

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

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

The holdings, sectors or countries shown may change at any time and may not represent current or future investments.

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

The total amount shown for sector, industries, or country holdings may be greater than 100% because of the inclusion of derivatives and the collateral securities supporting those instruments.

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

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