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Harbor Large Cap Value Strategy

STANDARD RFI QUESTIONNAIRE

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HARBOR CAPITAL ADVISORS, INC.

BACKGROUND INFORMATION

Harbor Capital Advisors, Inc. ("Harbor Capital") was founded in 1983 to manage the pension and retirement plan assets of our former parent company, Owens-Illinois. In 1986, we introduced Harbor Funds, a family of no-load mutual funds featuring our manager-of-managers business model. In June of 2001, Harbor Capital was acquired by Robeco Groep N.V. ("Robeco"), a financial holding company located in the Netherlands, a wholly-owned subsidiary of Rabobank Nederland ("Rabobank"). On July 1, 2013, ORIX Corporation acquired 90% plus one share of the outstanding shares of Robeco from Rabobank. On October 21, 2016, ORIX Corporation acquired the remaining interest that Rabobank held in Harbor Capital's parent company, Robeco (10% less one share). As a result, Robeco is wholly-owned by ORIX Corporation. Effective January 2018, Robeco's name changed to ORIX Corporation Europe N.V. ("ORIX Europe"). Harbor Capital remains an indirect, wholly-owned subsidiary of ORIX Corporation.

Harbor Funds is a family of subadvised mutual funds that offers access to a lineup of respected institutional investment firms sourced worldwide. Recognizing that no single firm can excel in managing all types of asset classes, Harbor utilizes a "manager-of-managers" approach where we seek to identify experienced portfolio managers with proven track records, who specialize in a particular asset class. These managers are responsible for making the day-to-day investment decisions and effecting the purchase and sale of the securities held by the individual mutual fund portfolios.

Our arrangements with subadvisers, combined with our internal philosophy of closely managing costs, allow us to offer a family of funds that we believe delivers long-term value to our shareholders.

SUBADVISER & INVESTMENT TEAM

SUBADVISER STRUCTURE

The subadviser for the Harbor Large Cap Value Fund is Aristotle Capital Management, LLC ("Aristotle Capital"). Aristotle Capital is independent/employee owned. Personnel across all departments of the business hold ownership in the firm, including the majority of investment professionals.

HISTORY

Aristotle Capital was rolled out in October 2010, but its history goes back to 1997 when Gary Lisenbee, Howard Gleicher and Steve Borowski co-founded Metropolitan West Capital Management, LLC (MetWest Capital) together with Richard Hollander and Richard Schweitzer. The investment process they designed at the time is one Aristotle Capital continues to employ nearly two decades later. In 2006, MetWest Capital was acquired by Evergreen Investments (Wachovia), which became part of Wells Fargo at the end of 2008. Messrs. Borowski, Gleicher, Hollander, Lisenbee and Schweitzer currently make up Aristotle Capital's Board of Managers.

In January 2012, Aristotle Capital merged with Los Angeles-based Reed Conner & Birdwell, LLC (RCB), an investment adviser with a business history dating back to 1959. Today, Aristotle Capital continues to implement a disciplined, bottom-up, fundamental investment approach in the management of U.S., international and global equity portfolios.

TEAM BIOGRAPHIES

Howard Gleicher, CFA

CEO, Chief Investment Officer, Portfolio Manager, Senior Global Research Analyst

Howard Gleicher is CEO and Chief Investment Officer of Aristotle Capital. Having begun in the investment industry in 1985, Mr. Gleicher heads the firm and leads the investment efforts. Prior to founding Aristotle Capital, he was co-founder, CEO and Chief Investment Officer at Metropolitan West Capital Management, LLC. Mr. Gleicher's prior investment-related experience includes serving as Principal, Portfolio Manager, and Investment Policy Committee member at Palley-Needelman Asset Management, Inc., and Equity Portfolio Manager at Pacific Investment Management Company ("PIMCO").

Mr. Gleicher earned his Bachelor of Science and Master of Science degrees in Electrical Engineering from Stanford University and his MBA from Harvard Business School. He is a CFA® charterholder.

Gregory D. Padilla, CFA

Principal, Portfolio Manager, Senior Global Research Analyst

Gregory Padilla is a member of the Aristotle Capital research team and a veteran of the investment industry. Prior to joining Aristotle Capital, Mr. Padilla was Equity Analyst and Portfolio Manager at Vinik Asset Management; and Managing Director at Tradewinds Global Investor, LLC.

Mr. Padilla earned his Bachelor of Science degree in Finance from Arizona State University and MBA with honors and concentration in investments and financial markets from the USC Marshall School of Business. He is a CFA® charterholder.

DECISION MAKING AUTHORITY

Investment decisions reflect the input and assessment of Aristotle Capital's entire investment team and are based on the team's considerable collective experience and their in-depth fundamental research. Most members of the team are responsible for doing fundamental research on one or two global sectors. In addition to their role as analysts, Mr. Gleicher and Mr. Padilla are also the portfolio managers for the Value Equity strategy. They have ultimate responsibility for security selection, portfolio construction and investment decision-making for the strategy.

COMPENSATION & RETENTION OF INVESTMENT PROFESSIONALS

Aristotle Capital seeks to attract and retain talented individuals by creating a collegial and entrepreneurial environment where overall success is rewarded through cash compensation and, where appropriate, equity ownership. At all times, they are committed to creating a culture of honesty, hard work and integrity and fostering a setting that spurs intellectual growth.

Aristotle Capital's investment professionals are compensated with salaries, benefits and an annual discretionary bonus that reflects their individual contributions to the firm's goals. Bonus rewards are largely based on both objective and subjective criteria, such as teamwork and individual contributions to the team's and the firm's goals. The bonus allocation set aside by management annually is determined by firm profitability.

In addition, firm equity ownership may be granted to investment professionals who the Board of Managers believes can contribute significant value to the firm over the long run.

SUCCESSION PLANNING

Succession planning is important at Aristotle Capital. Aristotle has structured their firm with broad ownership across departments, which they believe aligns interest with those of their clients. Over the years, they have added talent across the organization, creating robust teams that are regularly crossed-trained. Employees represent diverse personal and professional backgrounds and age groups.

Aristotle Capital has significant depth within senior management and investment teams. Having a dual/(three-member) portfolio management structure in all strategies ensures that if something were to happen to one of the portfolio managers, the other portfolio managers would provide continuity. They have intentionally built an investment team with people of different personal and professional backgrounds including ages; the team has individuals in theirs 20s, 30s, 40s, 50s, and 60s. Given the low turnover of their team, they believe they have amassed a vast knowledge base on existing holdings and the investable universe of what they consider to be high-quality businesses around the world.

If one of their Value Equity strategy portfolio managers were to depart, the Board of Managers and other senior members of the Executive Team, would work with the investment team to determine the optimal portfolio management structure going forward.

HARBOR LARGE CAP VALUE STRATEGY

INVESTMENT PHILOSOPHY

Aristotle Capital's investment philosophy consists of four tenets:

- Identify what they believe to be high-quality businesses
- Analyze businesses from a global perspective
- Invest with a long-term view
- Construct focused portfolios

The focus on quality is designed to provide downside protection. Employing a global perspective deepens the investment team's knowledge of companies within the context of their global competitors, suppliers and customers. Investing with a long-term focus allows Aristotle Capital to take advantage of pricing inefficiencies that may occur as a result of businesses undergoing short-term issues or due to other non-fundamental factors. Finally, they build a concentrated yet diversified portfolio, which facilitates a deep understanding of each investment and reflects high conviction in every company in which they invest.

INVESTMENT UNIVERSE

Aristotle Capital's investable universe is composed of companies in excess of $2 billion market capitalization with more than five years of continuous operating history and those that meet the team's high-quality criteria. Such criteria include sustainable competitive advantages, strong market position, experienced management teams, strong financials and attractive business fundamentals. This results in an investable universe of about 300 to 400 companies around the world. Focusing on quality first, rather than valuation, limits the size of the investment universe and also makes it more static (as quality does not change as often as stock prices).

The strategy may invest in securities not included in the benchmark and may invest up to 20% in non-U.S. holdings in the form of American Depository Receipts (ADRs). There are no benchmark areas that the strategy normally excludes.

INVESTMENT PROCESS

In order to be included in the portfolio, a company must meet the following three equally important criteria:

High Quality	Attractive Valuation	Compelling Catalysts
• Attractive business fundamentals • Sustainable competitive advantages • Experienced management team • Pricing power • Improving profitability metrics	*Use of normalized figures, including:* • Cash Flow Return on Enterprise Value • Price-to-Earnings Ratio • Price-to-Sales Ratio • Price-to-Free Cash Flow Ratio • Enterprise Value-to-EBITDA Ratio	• Productive use of strong free cash flow • Restructuring and/or productivity gains • Change in management or control • Accretive acquisitions or divestitures • Resolution of ancillary problems

High Quality

The investment process begins by identifying what Aristotle Capital believes to be high-quality companies in great and/or improving lines of business. To assess quality, they consider and evaluate a variety of factors such as market position, management team, financial strength, business fundamentals and operating history. The goal is to identify companies with sustainable competitive advantages that are able to consistently generate returns on invested capital in excess of their cost of capital, as this is the foundation for building shareholder value over time. Focusing on quality first, rather than valuation, limits the size of their universe and also makes that universe more static (as quality does not change as often as stock prices do).

Attractive Valuation

Aristotle Capital approaches the valuation of a business from the standpoint of owners who will be invested in the company over a long period of time that will span various industry and economic cycles. The investment team starts by analyzing financial statements, normalizing them for cyclicality, seasonality, special charges, goodwill treatment, off-balance sheet assets, lease/buy decisions and capital allocation strategies. This enables them to assess the core earnings and cash flow of the company based on its current capital base. With this established, they may determine if the cash flow generated relative to the company's total invested capital is attractive. Aristotle Capital develops their own financial models using their estimates of normalized revenues, margins and cash flows. In addition, they use multiple metrics to approach a company's valuation from different perspectives, applying various scenarios to determine a conservative intrinsic value.

Compelling Catalysts

In the context of Aristotle Capital's investment process, catalysts are actions or events currently underway that they believe will propel a company to meet its full potential within the next three to five years. They seek to identify catalysts that fall outside the short-term focus of the market but can lead to material shareholder value creation over the long run. Such catalysts may include changes in leadership, increasing market share, margin improvements, accretive acquisitions, value-enhancing changes in output volumes, industry consolidation and/or divestitures of underperforming businesses. An attractive valuation is not a catalyst in and of itself. Events they "hope" for, or factors not yet realized, are not catalysts, either. Catalysts must be company specific and within management's control rather than macro-driven events.

The identification of catalysts is incorporated throughout Aristotle Capital's fundamental analysis and valuation of a company. The investment team continually tracks the evolution of the catalysts in order to monitor their impact on the company's value. They believe that within their investment horizon, catalysts will be realized, closing the gap between their purchase price and their determination of the company's intrinsic value. Aristotle Capital believe catalysts are essential to avoid the "value traps" and to unlock a company's hidden value.

SELL DISCIPLINE

Aristotle Capital employs a rigorous sell discipline that consists of both "sale reviews" and "sale execution," as described below:

A "sale review" occurs when:

- Share price approaches the estimate of fair value;
- Security experiences a material price decline on an absolute basis;
- Security underperforms by 15% relative to its industry.

A "sale execution" occurs when:

- Catalysts are realized;
- Warning signs emerge of the beginning of fundamental deterioration;
- They believe opportunity is no longer compelling relative to alternatives.

A critical element of the sell discipline is the reassignment of a company sale review to an analyst other than the one who initially researched the investment. This process is in place to eliminate potential biases and is facilitated by the periodic rotation of sector coverage responsibilities among the analysts. The newly assigned analyst takes a fresh look at the company to determine if the portfolio should continue to hold it. If the investment team decides not to make a new investment in the company at that time, they will sell the entire position.

BENCHMARK

The benchmark for the Harbor Large Cap Value Fund is the Russell 1000® Value Index.

INVESTMENT GUIDELINES

The Fund invests primarily in equity securities, principally common and preferred stocks, of companies with market capitalizations that fall within the range of the Russell 1000® Value Index.

Investment Guidelines	
# of Holdings	Fund will generally hold between 35-45 securities.
Minimum Market Cap	$2 billion at purchase.
Security Allocation	Maximum position size 6% at market and typically trimmed when exceed 5%.
Sector Allocations	Maintain weights of major sectors within 50% to 200% of their weights in the S&P 500 Index.
Foreign Securities	Maximum 20% in companies headquartered outside of the United States, including emerging markets (in the form of ADRs).
Maximum Cash Allocation	The Fund seeks to remain fully invested at all times, usually maintaining less than 5% cash in the portfolio.

RISK MANAGEMENT

Mitigating the risk of permanent loss of capital is an important consideration during the research and portfolio construction processes. The investment team manages non-systematic portfolio risk through efforts to:

- Focus on what they believe to be high-quality businesses;
- Fully understand the businesses in which the team invests;
- Invest in companies trading at meaningful discounts to their estimation of fair value;
- Diversify the portfolio; and
- Rigorously apply the sell discipline

All members of the investment team are responsible for the risk assessment of the investments they cover. The team meets regularly to conduct a detailed review of portfolio holdings, in which team members discuss existing holdings as well as the overall opportunity set. The analysts also conduct due diligence review meetings with company management teams through on-site company visits, management meetings at the firm's offices and/or at conferences.

Additionally, Aristotle Capital's Executive Committee formed the Investment Risk Committee to discuss, review and monitor key risks and exposures that could materially impact client investment portfolios. Aristotle Capital's Investment Risk Committee adds a layer of risk monitoring, ensuring strategy guidelines are met, understanding the portfolio risk exposures and overseeing that unintended risks are not being taken. The Committee meets quarterly and then communicates with the portfolio managers to go over such risk aspects. The Committee also reports any key findings to the Executive Committee.

CAPACITY

When Aristotle Capital has not established a predetermined asset-capacity for the strategy, there are several variables the portfolio managers and Investment Risk Committee consider and continuously monitor with regard to capacity, including but not limited to:

(a) The size, evolution and liquidity of the relevant investment universe,
(b) The evolution of the strategy's market cap composition in absolute terms and relative to the benchmarks,

(c) The ability of the trading team to execute buy, sells and strategy flows in an appropriate time frame, and
(d) Stress test analysis at various redemption levels.

ENVIRONMENTS OF OUT/UNDER-PERFORMANCE

Aristotle Capital's process, driven by security selection, seeks to generate attractive performance for clients on a risk-adjusted basis over complete market cycles. Performance in the short run can be influenced by numerous factors, which may impact individual holdings and the Fund as a whole in various ways. The team's bottom-up focus may result in meaningful differences in sector weights compared to the benchmark. The differences can have an impact on performance, particularly in the short term. Over full market cycles, however, security selection has been the primary source of outperformance.

The investment team believes the strategy performs best in environments where individual businesses are valued on business fundamentals (security-selection-driven performance). These periods tend to have lower correlation among sectors, industries and market returns. In addition, due to Aristotle Capital's focus on what they believe to be high-quality companies, the investment team expects the strategy to perform better than the benchmark during periods of declining stock prices.

The investment team believes the strategy is most susceptible to underperformance when individual stock performance diverges from company fundamentals, when capital markets are driven by rampant speculation or during short-term extremes. These periods tend to exhibit higher correlation among sectors, industries and market returns.

TRADING PROCESS

Trading process:
The portfolio manager initiates the trade order execution process and places the order with the trading team. Compliance is copied on trade order emails. Aristotle Capital's traders executes the written trading instructions of the portfolio manager. The traders use Charles River Investment Management Solution (CRIMS) for order management and pre- and post-trade compliance. CRIMS is used for execution management and also provide post-trade analysis for trades executed through the system.

Upon completion of an order, allocations are sent electronically from CRIMS to Omgeo OASYS where the brokers will retrieve them. Trade confirms are generated and sent to both the Custodian and to Aristotle Capital via Omgeo TradeSuite and DTCC. After Aristotle Capital's operation team reviews and approves the trade confirms, the trades are good for settlement.

Broker selection process:
Aristotle Capital has established procedures for adding and evaluating counterparties used for trading in client accounts. Included are procedures for:

- Gathering specific due diligence documentation to support the selection;
- Documentation of the review in the form of a checklist and approval sign off that covers the following selection criteria:
    - General execution capabilities
    - Research/Access to senior management of existing or potential Aristotle Capital investments
    - Access to Broker-Dealer's trading algorithms (Electronic Trading Access)
    - Unique trading expertise or specialty (country, sector and/or security)
    - Lowest cost provider

    - Access to underwriting offerings
    - Client-directed broker/Commission recapture
- Mandating certain capital requirements or additional due diligence if capital requirements are not able to be met;
- Determining specific status levels for the counterparty or assigning restrictions as necessary;
- Identifying any potential conflicts of interest;
- Internal controls to ensure that only approved counterparties are used and that any restrictions on those counterparties are entered into Aristotle Capital's systems (or otherwise monitored);
- Ongoing review as part of its Trade Practices Committee meetings; and
- Restrictions and trade limitations.

In selecting broker-dealers, Aristotle Capital may place limitations on broker-dealers to be added to Aristotle Capital's Approved Broker List. A broker-dealer will either be approved with no specific limitations or with specific limitations as noted on the initial broker-dealer review checklist. Broker-dealers in this category are usually restricted due to the broker-dealer's regulatory reported net capital relative to Aristotle Capital's minimum but can also be in the restricted category based on a specific specialty such as a particular sector or market expertise. An example of a broker-dealer in the restricted category is limited to $5 million of notional pending trades at any one time. This limit will be reviewed and updated as necessary.

COMPETITVE ADVANTAGES

Aristotle Capital believes the following attributes differentiate the firm from other managers:

- **Independent/employee owned**
  The firm fosters an entrepreneurial culture, and the compensation structure seeks to align its interests with those of its clients.

- **Bottom-up process—rather than screens—reveals hidden value**
  Concentrating on a universe of what they believe to be high-quality companies they would want to own long term uncovers investment opportunities that others may overlook by simply running screens.

- **Thinking like an owner**
  Similar to private equity investors, Aristotle Capital takes a long-term view, valuing the entire business and focusing on operating fundamentals rather than on macroeconomic factors beyond management's control.

- **Building focused portfolios**
  Having a concentrated (yet diversified) portfolio demonstrates Aristotle Capital's high conviction in each investment and results in high active share. It has also resulted in security selection being the primary source of alpha relative to the benchmark over longer periods of time.

SHARE CLASS INFORMATION

Share Class	Ticker
Retirement	HNLVX
Institutional	HAVLX
Administrative	HRLVX
Investor	HILVX

For complete details on fees and expenses, please refer to the Fund's Prospectus.

The Harbor Large Cap Value Fund is a no-load mutual fund; other fees and expenses apply to a continued investment in the Fund and are described in the current prospectus.

Responses regarding the Harbor organization have been provided by Harbor Funds Distributors, Inc. Responses relating to the investment team of the Harbor Large Cap Value Fund, including the process for making portfolio decisions and effecting the purchase and sale of securities held by the Fund, or any specific operational aspects of the subadviser are provided by the subadviser to the Fund and, to the best of our knowledge, are accurate.

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

There is no guarantee that the investment objective of the Fund will be achieved. Stock markets are volatile and equity value can decline significantly in response to adverse issuer, political, regulatory, market and economic conditions.

Aristotle Capital Management, LLC is an independent subadviser to the Harbor Large Cap Value Fund.

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.

Since the Fund typically invests in a limited number of companies, an adverse event affecting a particular company may hurt the Fund's performance more than if it had invested in a larger number of companies. Since the Fund may hold foreign securities, it may be subject to greater risks than funds invested only in the U.S. These risks are more severe for securities of issuers in emerging market regions.

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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