Embark Small Cap Equity Fund

Quarterly Commentary & Attribution

Subadvisor (since 01/30/2024):

Harbor Capital Advisors, Inc

Portfolio Manager(s):

Spenser Lerner, CFA
Justin Menne

Benchmark 1 Name: Russell 2000® Index

Investment Philosophy:

The Embark Small Cap Equity Fund seeks long-term growth of capital and is an actively managed fund that invests primarily in equity securities, principally common stocks of small-cap companies. Under normal circumstances, the Fund invests at least 80% of its net assets, plus borrowings for investment purposes, in securities of small-cap companies.

Harbor

Embark Small Cap Equity Fund

PERFORMANCE

As of 06/30/2026

Average Annual Returns

Share Class	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Net Expense Ratio %	Gross Expense Ratio %
Institutional	ESCWX	41152J405	22.49%	23.27%	32.14%	N/A	N/A	N/A	15.61%	01/30/24	0.69	0.74
Retirement	ESCQX	41152J306	22.60%	23.38%	32.33%	N/A	N/A	N/A	15.70%	01/30/24	0.61	0.66
Russell 2000® Index			21.49%	22.57%	40.78%	N/A	N/A	N/A	20.37%	01/30/24		

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

MANAGER COMMENTARY

As of 06/30/2026

“Looking ahead, the environment appears supportive for active small-cap investing.”
Harbor Capital Advisors, Inc.

Market in Review

U.S. small-cap equities delivered another strong quarter, with the Russell 2000® Index gaining 21.5%, significantly outperforming the S&P 500, as market leadership continued to broaden beyond mega-cap technology. Improving economic conditions, attractive relative valuations, and expanding participation in AI-related capital spending supported the asset class.

Performance within small caps remained dispersed. Companies tied to the AI ecosystem — including semiconductor suppliers, electronic components manufacturers, power infrastructure providers, engineering firms, construction companies, and industrial service providers — continued to benefit as capital spending on data centers and digital infrastructure accelerated. While much of the market's attention remained focused on mega-cap technology companies, many of the underlying suppliers supporting these investments reside within the small- and micro-cap universe, providing an important source of potential earnings growth and relative performance. Continued resilience in the U.S. economy, healthy corporate spending, and improving mergers-and-acquisitions (“M&A”) activity — particularly within biotechnology — provided additional support.

Ten of the 11 sectors generated positive returns. Information Technology led on continued AI-driven demand, while Industrials benefited from infrastructure-related capital spending. Health Care and Financials advanced on improving biotechnology sentiment, increased M&A activity, and stabilizing regional bank fundamentals. Energy was the only negative sector as weaker oil prices weighed on performance.

From a style and factor perspective, growth meaningfully outperformed value, reversing the leadership observed over much of the prior year. The Russell 2000® Growth Index advanced 25.7% compared with a 17.2% gain for the Russell 2000® Value Index. Beta and momentum remained significant tailwinds as investors rewarded companies exhibiting accelerating earnings revisions and AI-related revenue growth. Conversely, deeper value, lower-momentum, and more defensive quality-oriented companies generally lagged.

Portfolio Performance

During the second quarter of 2026, the Embark Small Cap Equity Fund (Institutional Class, the “Fund”) delivered a total return of 22.49% (net of fees), outperforming the benchmark, the Russell 2000® Index, which delivered 21.49%. The Fund's relative performance was driven by stock-specific effects; meanwhile risk factors were relatively muted.

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 expense limitation agreement, excluding interest expense (if any), through 02/28/2027.

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

Embark Small Cap Equity Fund

MANAGER COMMENTARY

As of 06/30/2026

Contributors and Detractors

Top contributors to relative performance included Silicon Motion, Digital Turbine, and Porch Group. Silicon Motion benefited from continued AI infrastructure investment and strong demand, while Digital Turbine and Porch Group outperformed on improving operating execution and earnings expectations.

Top detractors were the portfolio's lack of exposure to Credo Technology and Bloom Energy, as well as its position in Olin Corporation, which experienced share price weakness during the second quarter.

Buys and Sells

During the quarter, the Fund initiated new positions in The St. Joe Company, Alexander’s, and Agilysys, among others. Exposure to Sila Realty Trust, Sterling Infrastructure, and Axalta Coating Systems was eliminated.

Overweights and Underweights

As of June 30, 2026, the Fund’s largest relative overweights versus the Russell 2000® Index are found in Industrials, Information Technology, and Consumer Discretionary — unchanged quarter over quarter. The Fund has a relative underweight to Materials, Real Estate, and Health Care.

Outlook

Looking ahead, the environment appears supportive for active small-cap investing. Market leadership has broadened beyond a handful of mega-cap companies, valuation dispersion remains elevated, and earnings opportunities extend beyond the most widely followed stocks. In our opinion, volatility is likely to remain elevated given ongoing uncertainty surrounding monetary policy, economic growth, and geopolitical developments, the breadth of opportunities across the small-cap universe appears to favor disciplined active managers capable of identifying businesses with durable fundamentals, attractive valuations, and long-term earnings growth potential.

Embark Small Cap Equity Fund

TOP 10 HOLDINGS

As of 06/30/2026

Top 10 Holdings	Portfolio %	Benchmark 1 %
Silicon Motion Technolo	2.25	0.00
Modine Manufacturing Co	1.22	0.00
First Interstate BancSystem	1.20	0.11
StoneX Group Inc.	1.18	0.27
RadNet Inc.	1.13	0.14
Digital Turbine Inc.	1.01	0.05
Arcosa Inc.	0.99	0.22
indie Semiconductor Inc	0.95	0.03
U-Haul Holding Company	0.95	0.00
Porch Group Inc.	0.91	0.05
Total	**11.79**	**0.86**

QUARTERLY ATTRIBUTION

As of 06/30/2026

Best & Worst Performers

Best Performers	Average Weight %	Gross Return %
DIGITAL TURBINE INC	0.84	347.92
SILICON MOTION TECHNOL-ADR	1.96	197.46
TENABLE HOLDINGS INC	0.38	118.03
DAVE INC	0.57	114.02
PORCH GROUP INC	0.76	109.76

Worst Performers	Average Weight %	Gross Return %
VERRA MOBILITY CORP	0.39	-70.75
OLIN CORP	0.72	-32.85
BLACKLINE INC	0.26	-24.14
BLACKBAUD INC	0.27	-23.28
CALIFORNIA RESOURCES CORP	0.36	-23.10

Contributors & Detractors

Greatest Contributors	Gross Return %	Contribution to Return %
SILICON MOTION TECHNOL-ADR	197.46	2.44
DIGITAL TURBINE INC	347.92	1.61
STONEX GROUP INC	46.93	0.78
AXCELIS TECHNOLOGIES INC	103.54	0.69
PORCH GROUP INC	109.76	0.67
Total		**6.19**

Greatest Detractors	Gross Return %	Contribution to Return %
OLIN CORP	-32.85	-0.29
VERRA MOBILITY CORP	-70.75	-0.29
EVERFORTH INC	-53.84	-0.25
WORKIVA INC	-18.65	-0.15
MURPHY OIL CORP	-20.38	-0.13
Total		**-1.09**

Holdings are subject to change. Current holdings can be found at harborcapital.com.

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

Embark Small Cap Equity Fund

ATTRIBUTION

As of 06/30/2026

Quarterly Attribution:
Harbor Embark Small Cap Equity Fund vs Russell 2000® Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	22.86	21.51	1.35
Currency Contribution	-0.01	0.00	-0.01
Total Return	**22.86**	**21.51**	**1.35**

Sector Attribution	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
Information Technology	18.88	17.04	1.84	54.33	55.87	-1.54	9.12	7.74	1.15	-0.24	0.91
Communication Services	3.85	2.57	1.27	37.95	14.79	23.16	1.36	0.41	-0.11	0.88	0.77
Consumer Discretionary	10.90	7.94	2.96	21.78	16.46	5.32	2.41	1.32	-0.06	0.56	0.50
Utilities	0.93	2.82	-1.90	1.97	0.13	1.84	0.03	0.03	0.44	0.02	0.46
Financials	16.39	16.54	-0.16	19.09	16.75	2.34	3.24	2.86	0.05	0.41	0.46
Materials	2.79	4.67	-1.88	3.79	2.58	1.21	0.14	0.18	0.39	0.00	0.39
Energy	5.40	5.94	-0.54	-8.84	-10.06	1.22	-0.51	-0.61	0.19	0.09	0.28
Real Estate	2.17	5.21	-3.04	26.38	18.40	7.98	0.56	0.97	0.12	0.15	0.27
Consumer Staples	2.54	1.68	0.85	7.82	10.16	-2.34	0.23	0.18	-0.06	-0.05	-0.11
Health Care	10.92	16.72	-5.80	18.33	24.54	-6.22	2.11	3.99	-0.02	-0.72	-0.74
Industrials	24.15	18.87	5.28	16.65	24.13	-7.48	4.16	4.45	0.23	-1.86	-1.64
Total	**100.00**	**100.00**	**0.00**	**22.86**	**21.51**	**1.35**	**22.86**	**21.51**	**2.10**	**-0.75**	**1.35**

Trailing 1 Year Attribution:
Harbor Embark Small Cap Equity Fund vs Russell 2000® Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	33.49	40.81	-7.32
Currency Contribution	0.00	0.00	0.00
Total Return	**33.49**	**40.81**	**-7.32**

Sector Attribution	Average Weight			Total Return			Contribution to Return		Attribution Analysis		
	Port. Avg. Wgt.	Bench. Avg. Wgt.	Variation in Avg. Wgt.	Port. Total Return	Bench. Total Return	Variation in Total Return	Port. Contribution To Return	Bench. Contribution To Return	Allocation Effect	Selection Effect	Total Effect
Energy	5.10	5.32	-0.21	52.95	45.90	7.06	2.73	2.42	0.14	0.43	0.57
Utilities	0.86	3.10	-2.23	14.09	13.47	0.62	0.13	0.55	0.55	0.02	0.56
Real Estate	2.00	5.61	-3.60	29.97	28.66	1.32	0.63	1.64	0.50	0.03	0.53
Communication Services	3.82	2.64	1.18	47.89	38.95	8.94	1.68	1.03	-0.07	0.43	0.36
Consumer Discretionary	11.19	9.03	2.15	22.14	17.54	4.60	2.62	1.86	-0.42	0.54	0.12
Information Technology	17.60	15.52	2.08	58.12	64.16	-6.05	9.45	8.90	1.18	-1.18	0.00
Financials	16.39	17.53	-1.13	18.12	22.33	-4.22	3.67	4.26	0.60	-0.89	-0.30
Materials	3.53	4.40	-0.87	23.83	42.70	-18.87	1.06	1.93	0.49	-0.89	-0.41
Industrials	23.76	18.14	5.62	44.83	49.91	-5.08	10.10	8.61	0.61	-1.23	-0.62
Consumer Staples	3.12	1.93	1.19	-27.61	8.51	-36.12	-1.44	0.16	-0.44	-1.78	-2.22
Health Care	11.54	16.79	-5.26	20.30	60.87	-40.57	2.80	9.44	-0.52	-4.55	-5.07
Total	**100.00**	**100.00**	**0.00**	**33.49**	**40.81**	**-7.32**	**33.49**	**40.81**	**1.77**	**-9.08**	**-7.32**

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

Embark Small Cap Equity Fund

IMPORTANT INFORMATION

Fund Risks

There is no guarantee that the investment objective of the Fund will be achieved. Stock markets are volatile and equity values can decline significantly in response to adverse issuer, political, regulatory, market and economic conditions. The Fund's performance may be more volatile because it invests primarily in issuers that are smaller companies. The Fund may invest in foreign securities which may be more volatile and less liquid due to currency fluctuation, political instability, government sanctions, social and economic risks. Because the Fund is managed pursuant to model portfolios provided by non-discretionary Subadvisors, the Advisor may effect trades less frequently than if the Fund employed discretionary subadvisors that effected trades for the portfolio directly. As a result, a trade may be less advantageous for the Fund than it would have been if it were implemented at the time the Subadvisor included it in its model portfolio, and that could cause the Fund's return to be lower. The Subadvisors' investment styles and security recommendations may not always be complementary, which could affect performance.

Benchmarks

The Russell 2000® Index measures the performance of the small-cap segment of the US equity universe. It is a subset of the Russell 3000® and includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2000® Index and Russell® are trademarks of Frank Russell Company. Indices listed are unmanaged and do not reflect fees and expenses and are not available for direct investment.

Disclosures

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

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

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

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

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

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

Sector allocations are determined using the Global Industry Classification Standard (GICS), which is a service of Morgan Stanley Capital International (MSCI) and Standard & Poor's (S&P).

Investors should carefully consider the investment objectives, risks, charges and expenses of a fund before investing. To obtain a summary prospectus or prospectus for this and other information, visit harborcapital.com or call 800-422-1050. Read it carefully before investing.

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Embark Small Cap Equity Fund

IMPORTANT INFORMATION

Attribution Disclosures

Linked Performance by Sectors data is produced from FactSet using data supplied by State Street Bank and Trust Company.

Active Currency Contribution is the Currency Contribution of the portfolio minus the Currency Contribution of the benchmark.

Allocation Effect is the portion of portfolio excess return that is attributable to taking different group bets from the benchmark. (If either the portfolio or the benchmark has no position in a given group, allocation effect is the lone effect.) A group's allocation effect equals the average percent capitalization of the portfolio's group minus the average percent cap of the benchmark's group times the total return of the benchmark group minus the total return of the benchmark.

Average Weight is the dollar value (price times the shares held) of the security or group, divided by the total dollar value of the entire portfolio displayed as a percentage. It is calculated as the simple arithmetic average of daily values.

Contribution to Return is the contribution of a security or group to the overall portfolio return. It is calculated as the security weight multiplied by the daily security return linked daily across the reporting period.

Currency Contribution is Total Return in USD subtracting out the Local Returns.

Local Returns are the Total Return of the portfolio or benchmark using the local currency.

Selection Effect is the portion of portfolio excess return attributable to choosing different securities within groups from the benchmark. A group's security selection effect equals the average weight of the benchmark's group times the total return of the portfolio's group minus the total return of the benchmark's group.

Total Effect is the sum of Allocation Effect and Selection Effect. The total effect represents the opportunity cost of what was done in a group relative to the overall portfolio. It is not just the difference between percent contribution in the portfolio and benchmark. At the overall portfolio level, the two numbers are equal. At the group level, they can be different.

Total Return is the price change of a security or group including dividends accrued over the report period (or the in-portfolio return) which includes only the time period that each security was in the portfolio.

Definitions

Beta is a measure of systematic risk, or the sensitivity of a fund to movements in the benchmark. A beta of 1 implies that the expected movement of a fund's return would match that of the benchmark used to measure beta.

The Russell 2000® Growth Index is an unmanaged index representing the smallest 2000 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.

The Russell 2000® Value Index is an unmanaged index representing the smallest 2000 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.

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