Harbor SMID Cap Value ETF

Quarterly Commentary & Attribution

Subadvisor (since 05/01/2025):

EARNEST Partners LLC

Portfolio Manager(s):

Paul E. Viera

Benchmark 1 Name: Russell 2500® Value Index

Investment Philosophy:

The Harbor SMID Cap Value ETF offers investors a fundamental approach to SMID-cap value investing, grounded in deep research and delivered through a flexible, actively managed ETF structure. With a focus on identifying companies believed to exhibit strong financial and market characteristics, the Fund seeks to capture the long-term growth potential of small- and medium-sized stocks with a value focus.

Harbor

Harbor SMID Cap Value ETF

PERFORMANCE

As of 06/30/2026

Average Annual Returns

	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Gross Expense Ratio %
Harbor SMID Cap Value ETF (NAV)	EPSV	41151J646	22.76%	31.49%	46.65%	N/A	N/A	N/A	52.10%	05/01/2025	0.88
Harbor SMID Cap Value ETF (Market)	EPSV	41151J646	22.86%	31.44%	46.65%	N/A	N/A	N/A	52.11%	05/01/2025	0.88
Russell 2500® Value Index			18.50%	24.16%	38.54%	N/A	N/A	N/A	43.66%	05/01/2025	

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

“Broad-based strength across the portfolio more than offset headwinds from positioning and stock selection within Financials.”
Earnest Partners LLC

Market in Review

The U.S. small- and mid-cap equity market, as represented by the Russell 2500® Value Index (“Index”), returned 18.5% during the second quarter, reflecting broad-based strength across most sectors. Information Technology was the best-performing sector, returning 82.9% and accounting for more than half of the Index's total return. The sector benefited from continued investment in Artificial Intelligence (‘AI’) infrastructure, semiconductor technologies, and enterprise software, as companies positioned to benefit from growing AI spending delivered exceptional results.

Health Care and Industrials also posted strong gains, returning 19.4% and 15.6%, respectively. Health Care was supported by strength in biotechnology and medical technology companies, aided by positive clinical trial results, product innovation, and continued acquisition activity. Industrials benefited from healthy demand across aerospace and defense, electrical equipment, automation, and infrastructure-related businesses, as strong customer demand and solid order activity supported growth.

At the opposite end of the performance spectrum, Energy was the only sector to post a negative return, declining 10.8% as lower oil prices and weaker commodity demand expectations weighed on many exploration and production companies, despite strength in some energy services businesses. Utilities and Materials also lagged the broader market. Utilities generated modest positive returns, while Materials were pressured as lower commodity prices weighed on the sector.

Shares are bought and sold at market price not net asset value (NAV). A fund’s NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. Market price returns are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times.

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. 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.

Harbor SMID Cap Value ETF

MANAGER COMMENTARY

As of 06/30/2026

Portfolio Performance

In In the second quarter of 2026, the Harbor SMID Cap Value ETF ("ETF") (NAV) returned 22.76%, outperforming its benchmark, the Russell 2500® Value Index, which returned 18.50%.

During the quarter, broad-based strength across the portfolio more than offset headwinds from positioning and stock selection within Financials. Relative performance was driven by both favorable stock selection and sector allocation, with nine of the 11 Global Industry Classification Standard (GICS) sectors contributing positively. Industrials was the largest contributor despite a modest allocation headwind, as stock selection benefited from exposure to companies supporting power infrastructure, electrification, industrial automation, and building efficiency — areas that continued to benefit from investment in AI infrastructure, grid modernization, and domestic capital spending. Information Technology also contributed meaningfully through an overweight allocation, while favorable stock selection in Materials, Real Estate, and Health Care further enhanced results. Financials was the primary relative detractor despite generating a nearly 10% absolute return, as positioning across several segments of the sector lagged the broader Index.

Contributors and Detractors

Contributing to performance was Albany International Corp., a manufacturer of specialized engineered materials serving the paper production and aerospace industries. Shares gained 43% during the quarter following better-than-expected operating results and continued strength in its aerospace and defense businesses. Revenue increased 10% year over year, significantly exceeding expectations, while adjusted earnings per share and EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) both surpassed consensus estimates. Growth was driven by the Engineered Composites segment, where revenue increased 45% year over year, supported by robust demand across the LEAP aircraft engine program, the F-35, and several missile platforms. Segment profitability also improved meaningfully, with gross margin expanding 840 basis points, reflecting favorable operating leverage and a richer mix of higher-value aerospace programs. Albany remains well positioned due to its proprietary expertise in 3D weaving technology, which provides a significant competitive advantage in advanced composite applications. We believe the company should continue to benefit from increasing commercial aircraft production, growing defense spending, and the expanding use of lightweight carbon fiber components across aerospace platforms. Combined with resilient demand in its Machine Clothing business and a long runway for growth in aerospace and defense, these advantages support sustained revenue, margin, and earnings growth potential over the long term.

Another contributor to performance was BorgWarner Inc., a global automotive supplier that develops propulsion technologies for internal combustion, hybrid, and electric vehicles. Shares gained 23% during the quarter following better-than-expected first quarter results and growing investor optimism around the company's long-term growth opportunities. Adjusted operating income and earnings per share both surpassed consensus estimates, while adjusted operating margin expanded 50 basis points to 10.5%, driven by improved cost control and a more profitable business mix. Although management maintained its full-year revenue and earnings guidance given macroeconomic uncertainty, investors responded positively to the company's improving profitability and emerging opportunities in power generation and energy storage. We believe BorgWarner remains well positioned to benefit from increasingly stringent fuel economy and emissions standards, regardless of how quickly the automotive industry transitions toward electrification. Its diversified portfolio of technologies for combustion, hybrid, and electric vehicles, combined with long-standing relationships with global automakers, positions the company to continue gaining content per vehicle across multiple powertrain platforms. These competitive advantages support sustainable revenue growth, margin expansion, and potential long-term value creation.

Entegris is a leading supplier of contamination control solutions and high-purity materials used to manufacture advanced semiconductor chips. Shares outperformed during the quarter as the company reported results ahead of expectations, with both revenue and earnings exceeding guidance. Earnings increased 28% year over year, supported by solid sales growth and expanding profit margins. Management also issued second quarter earnings guidance above consensus expectations, driven by growing demand for next-generation memory chips and advanced logic technologies, which require more Entegris content per wafer. We continue to own Entegris because it appears well positioned to benefit from the long-term trend toward increasingly advanced semiconductor manufacturing. We believe Entegris can continue to gain market share and grow faster than the broader semiconductor industry over time.

Moog designs and manufactures precision motion control and fluid management systems used in aerospace, defense, space, and industrial applications. Shares rose during the quarter following a stronger-than-expected earnings report. Revenue increased 13% year over year, while earnings grew 37%, driven by solid execution and improving profitability. We continue to own Moog because we believe the company remains well positioned to benefit from long-term demand across aerospace, defense, and industrial markets. Prior investments are translating into stronger earnings growth, while its leading engineering capabilities and deep customer relationships support durable competitive advantages. Despite recent gains, we believe the market does not fully recognize the company's earnings potential, expanding margins, and strong visibility into future growth.

Flex is a global manufacturing partner that helps companies design, build, and manage complex electronic products across industries including data centers, health care, industrial equipment, automotive, and communications. Shares outperformed during the quarter after the company reported earnings that grew by double digits year over year and exceeded expectations. Management also announced plans to spin off its fast-growing Power and Cloud business, which benefited from strong demand for power and cooling technologies used in AI data centers, with revenue in the segment increasing 31% year over year. We continue to own Flex because we believe the company is well positioned to benefit from long-term growth in outsourced electronics manufacturing and rising electronic content across industrial, automotive, and health care markets. Despite these favorable trends, we do not believe the current valuation fully reflects the company's long-term growth potential.

Detracting from performance was Reinsurance Group of America ("RGA"), one of the world's largest life reinsurers. Although shares gained 6.5% during the quarter, the stock lagged the broader benchmark, resulting in a modest drag on relative performance. Operational results remained strong, with adjusted earnings per share increasing 23% year over year and exceeding consensus by approximately 16%, while revenue modestly surpassed expectations. Profitability was driven by favorable claims experience across every region, supporting pre-tax margin expansion to 13.3% from 9.6% a year earlier. We believe RGA remains well positioned in the attractive life reinsurance market, where high barriers to entry — including specialized underwriting expertise, capital requirements, and long-duration liabilities — support durable competitive advantages. The company continues to differentiate by combining life and health risk expertise with asset management and capital solutions, allowing it to win complex global transactions and deploy capital at attractive returns. These strengths position RGA to deliver the potential for sustainable earnings growth and long-term shareholder value.

CONMED is a medical device manufacturer that develops surgical instruments and equipment used primarily in general and orthopedic procedures. Most of its revenue comes from disposable products that are used in every surgery, providing a recurring revenue stream that is less dependent on sales of large capital equipment. Its AirSeal system is a leading technology used during minimally invasive surgery to improve visibility and surgical precision. Shares declined during the quarter as investors remained concerned that surgical procedure volumes could weaken and that AirSeal may face increasing competition from technology integrated into newer robotic surgery systems. While these concerns continued to weigh on sentiment, they have not been reflected in the company's operating results. We believe CONMED remains well positioned as the market is overstating these risks. AirSeal remains differentiated through its superior pressure-control technology, making it difficult to replace in many procedures, while its disposable products generate recurring revenue regardless of capital equipment replacement cycles. We also expect the company's orthopedic business to benefit as more procedures shift to outpatient surgery centers. Given these favorable long-term trends, we believe the current valuation does not adequately reflect CONMED's durable earnings potential and competitive position.

Huntington Ingalls Industries is the largest military shipbuilder in the United States, designing and constructing aircraft carriers, submarines, and other naval vessels for the U.S. Navy. The company also provides maintenance, modernization, and technology services, giving it a long history of supporting critical national defense programs. Shares declined during the quarter as defense stocks weakened following easing geopolitical tensions in the Middle East. The share price pullback occurred despite continued improvement in the company's underlying fundamentals, as profitability within its record order backlog continued to recover. Newer contracts signed at more favorable pricing are replacing older contracts that were negotiated before the sharp rise in inflation, positioning the company for improving margins over time. We continue to own Huntington Ingalls because we believe the market is underestimating the earnings potential embedded in its record backlog. As lower-margin legacy shipbuilding contracts are completed over the next several quarters, newer, more profitable work should drive expanding margins and sustained earnings growth. Combined with its leading position in U.S. naval shipbuilding and strong visibility into future revenue, we believe the current valuation does not fully reflect the company's long-term value.

Harbor SMID Cap Value ETF

MANAGER COMMENTARY

As of 06/30/2026

Buys and Sells

During the quarter, we purchased:

Flowserve, which manufactures and services flow control products, including pumps, valves, and seals, for the oil and gas, chemical, power generation, and water management industries.

Jacobs Solutions, which provides end-to-end consulting, planning, design, program management, and lifecycle services across advanced manufacturing, cities and places, energy, environmental, life sciences, transportation, and water markets.

Labcorp Holdings, a leading global life sciences company providing clinical laboratory testing, diagnostics, and drug development services to physicians, hospitals, and pharmaceutical companies.

There were no sales in the portfolio during the quarter.

Sector Underweights and Overweights

During the quarter, the ETF's largest sector overweights were Information Technology and Industrials. The largest underweights were Health Care, Consumer Discretionary, and Communication Services.

Outlook

We do not manage to a forecast but rather seek to identify the best relative values. We believe that over meaningful periods of time stocks produce the best returns. By seeking to consistently own the attractive , we believe our clients can achieve superior long-term results. As such, we do not maintain a go-forward market outlook.

Harbor SMID Cap Value ETF

TOP 10 HOLDINGS

As of 06/30/2026

Top 10 Holdings	Portfolio %	Benchmark 1 %
Flex Ltd	4.96	0.00
Moog Inc. Class A	3.96	0.00
Sanmina Corporation	3.70	0.17
Advanced Energy Industries	3.04	0.01
Digi International Inc.	2.91	0.01
Nextpower Inc. Class A	2.52	0.35
Avnet Inc.	2.44	0.14
Popular Inc.	2.13	0.19
Performance Food Group	2.11	0.33
CBRE Group Inc. Class A	2.11	0.00
Total	**29.89**	**1.21**

QUARTERLY ATTRIBUTION

As of 06/30/2026

Best & Worst Performers

Best Performers	Average Weight %	Gross Return % (NAV)
FLEX LTD	4.92	147.59
SANMINA CORP	3.75	95.22
DIGI INTERNATIONAL INC	2.96	55.50
PEBBLEBROOK HOTEL TRUST	0.73	53.76
ENTEGRIS INC	1.80	53.52

Worst Performers	Average Weight %	Gross Return % (NAV)
HUNTINGTON INGALLS INDUSTRIE	1.59	-26.00
MURPHY OIL CORP	1.88	-20.38
DARLING INGREDIENTS INC	2.32	-11.69
EASTMAN CHEMICAL CO	1.07	-11.26
DIAMONDBACK ENERGY INC	1.69	-10.64

Contributors & Detractors

Greatest Contributors	Gross Return % (NAV)	Contribution to Return %
FLEX LTD	147.59	5.28
SANMINA CORP	95.22	2.72
DIGI INTERNATIONAL INC	55.50	1.52
MOOG INC-CLASS A	44.97	1.43
AVNET INC	44.68	0.96
Total		**11.91**

Greatest Detractors	Gross Return % (NAV)	Contribution to Return %
HUNTINGTON INGALLS INDUSTRIE	-26.00	-0.48
MURPHY OIL CORP	-20.38	-0.43
DARLING INGREDIENTS INC	-11.69	-0.22
DIAMONDBACK ENERGY INC	-10.64	-0.20
EASTMAN CHEMICAL CO	-11.26	-0.13
Total		**-1.46**

Holdings are subject to change. Go to harborcapital.com/etf/epsv for current holdings.

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

Harbor SMID Cap Value ETF

ATTRIBUTION

As of 06/30/2026

Quarterly Attribution:
Harbor SMID Cap Value ETF vs Russell 2500® Value Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	22.85	18.50	4.34
Currency Contribution	0.00	0.00	0.00
Total Return	**22.85**	**18.50**	**4.34**

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	20.93	16.54	4.38	66.40	78.06	-11.67	12.26	9.50	3.47	-1.74	1.73
Industrials	25.07	19.85	5.22	22.05	15.71	6.34	5.52	3.15	0.00	1.60	1.61
Materials	5.54	6.04	-0.50	10.81	0.62	10.19	0.67	0.08	0.08	0.75	0.84
Real Estate	7.73	7.67	0.07	18.99	14.09	4.89	1.51	1.08	0.05	0.41	0.46
Consumer Discretionary	4.31	9.32	-5.01	13.20	12.13	1.07	0.60	1.15	0.40	0.04	0.44
Health Care	1.67	7.69	-6.02	16.12	18.33	-2.21	0.51	1.38	0.09	0.20	0.29
Communication Services	0.00	2.61	-2.61	0.00	9.02	-9.02	0.00	0.27	0.26	0.00	0.26
Energy	5.17	5.63	-0.45	-11.26	-11.10	-0.15	-0.54	-0.64	0.14	0.04	0.18
Consumer Staples	4.25	3.08	1.17	7.43	2.83	4.60	0.34	0.10	-0.22	0.22	0.00
Utilities	3.45	3.88	-0.43	-1.51	1.71	-3.22	-0.01	0.09	0.08	-0.12	-0.05
Financials	19.02	17.69	1.33	8.99	12.84	-3.85	1.96	2.35	-0.11	-0.79	-0.90
Total	**100.00**	**100.00**	**0.00**	**22.85**	**18.50**	**4.34**	**22.85**	**18.50**	**3.73**	**0.61**	**4.34**

Trailing 1 Year Attribution:
Harbor SMID Cap Value ETF vs Russell 2500® Value Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	47.69	38.54	9.15
Currency Contribution	0.00	0.00	0.00
Total Return	**47.69**	**38.54**	**9.15**

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
Industrials	23.94	20.24	3.70	48.88	34.05	14.83	11.84	6.93	0.02	3.54	3.57
Information Technology	18.82	12.15	6.67	135.33	172.25	-36.92	20.35	15.01	7.01	-4.20	2.81
Consumer Discretionary	5.31	10.45	-5.14	20.70	13.84	6.85	1.46	1.72	1.61	0.43	2.04
Consumer Staples	4.25	3.37	0.88	44.90	2.84	42.06	2.00	0.03	-0.26	2.09	1.82
Financials	20.93	19.45	1.48	22.84	17.46	5.38	5.54	3.87	-0.42	1.35	0.93
Materials	5.11	6.18	-1.07	22.12	20.42	1.70	1.17	1.51	0.00	0.41	0.42
Communication Services	0.00	2.87	-2.87	0.00	25.94	-25.94	0.00	0.77	0.39	0.00	0.39
Utilities	3.23	4.15	-0.91	24.61	18.24	6.37	0.88	0.89	-0.02	0.34	0.32
Energy	5.11	5.06	0.05	43.75	42.15	1.59	2.68	2.21	0.13	0.14	0.27
Real Estate	8.99	8.27	0.72	10.33	16.47	-6.14	1.06	1.40	-0.11	-0.59	-0.70
Health Care	1.61	7.82	-6.21	8.37	56.83	-48.46	0.59	4.21	-0.89	-0.43	-1.33
Total	**100.00**	**100.00**	**0.00**	**47.69**	**38.54**	**9.15**	**47.69**	**38.54**	**6.08**	**3.07**	**9.15**

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

Harbor SMID Cap Value ETF

IMPORTANT INFORMATION

Risks

Investing involves risk, principal loss is possible. Unlike mutual funds, ETFs may trade at a premium or discount to their net asset value. Harbor ETFs are new and have limited operating history to judge.

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. Stocks of small and mid cap companies pose special risks, including possible illiquidity and greater price volatility than stocks of larger, more established companies. Undervalued securities may take long to appreciate or never reach full value, and value investing may underperform at times compared to other styles.

Benchmarks

The Russell 2500® Value Index is an unmanaged index that is constructed to provide a comprehensive and unbiased barometer of the small to mid-cap value market. This unmanaged index does not reflect fees and expenses and is not available for direct investment. Russell 2500®and Russell® are trademarks of Frank Russell Company.

Disclosures

Expense ratio information is as of the Fund's current prospectus, as supplemented. Gross expenses are the Fund's total annual operating expense.

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.

Foreside Fund Services, LLC is the Distributor of the Harbor ETFs.

Harbor SMID Cap Value ETF

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

A basis point is one hundredth of 1 percentage point.