

Harbor Disciplined Bond ETF

Quarterly Commentary & Attribution

Subadvisor (since 05/01/2024):

Income Research + Management

Portfolio Manager(s):

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Benchmark 1 Name: Bloomberg US Aggregate Bond Index

Investment Philosophy:

The Harbor Disciplined Bond ETF invests primarily in U.S. investment-grade fixed income securities. It employs a structured investment process grounded in detailed bottom-up research and emphasizes careful security selection through rigorous fundamental credit analysis of the issuer, a detailed review of the structural features of the security, and relative-value comparisons to other opportunities.

Harbor Disciplined Bond ETF

PERFORMANCE

As of 09/30/2026



Average Annual Returns

	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Current 30-Day Yield %	Current 30-Day Un-Sub Yield %	Since Inception	Inception Date	Gross Expense Ratio %
Harbor Disciplined Bond ETF (NAV)	AGGS	41151J794	-3.54%	-2.63%	-1.62%	N/A	N/A	N/A	5.56%	5.56%	3.74%	05/01/2024	0.35
Harbor Disciplined Bond ETF (Market)	AGGS	41151J794	-3.53%	-2.62%	-1.51%	N/A	N/A	N/A	5.56%	5.56%	3.83%	05/01/2024	0.35
Bloomberg US Aggregate Bond Index			-3.51%	-2.91%	-1.84%	N/A	N/A	N/A			3.49%	05/01/2024	

MANAGER COMMENTARY

As of 09/30/2026

“Looking ahead, economic strength may face a more demanding test from higher-for-longer rates, persistent inflation, and an increasingly complex geopolitical backdrop.”

Income Research + Management

Market in Review

In the third quarter of 2026, the economy continued to showcase its resilience with unemployment just over 4%, continued AI-driven capital expenditures, and solid consumer spending. However, inflation and geopolitical risks increasingly tested that strength. As the U.S.-Iran conflict entered its seventh month, disruptions to global oil supplies broadened and diesel prices reached \$6.39 per gallon. Higher commodity prices contributed to inflation that remained well above the U.S. Federal Reserve’s (“Fed”) 2% target; the Consumer Price Index grew 3.4% year over year; and the Personal Consumption Expenditures Index increased by 3.0% year over year. Against this backdrop, the Fed increased the federal funds target range by 0.25% to 3.75%-4.00%, marking the first policy action since cutting rates in December 2025. Although Fed Chair Warsh has downplayed forward guidance, the Committee’s September Economic Projection suggested one additional 0.25% hike by year-end and no change in 2027. Investors, however, anticipate between three and four increases next year. The market’s reassessment reinforced growing expectations that rates could remain elevated for longer and intensified concerns about federal financing needs, as higher borrowing costs added pressure to the growing deficit and national debt supply. Treasury yields increased across the curve, with the 30-year Treasury rate surpassing 5.60% for the first time since 2002.

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.

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.

Harbor Disciplined Bond ETF

MANAGER COMMENTARY

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Portfolio Performance

During the third quarter, the Harbor Disciplined Bond ETF ("ETF") returned -3.54% (NAV), in line with its benchmark, the Bloomberg US Aggregate Bond Index ("Index"), which returned -3.51%.

The ETF's performance relative to the Index was driven primarily by security selection within Financials and an overweight to securitized sectors.

The investment-grade ("IG") and high-yield ("HY") corporate markets remained stable for much of the quarter as solid corporate fundamentals, persistent fund inflows, and robust demand helped investors absorb heavy issuance. IG borrowers issued more than \$509 billion and set monthly issuance records in July, August, and September, while HY issuance was comparatively subdued at roughly \$69 billion. The market tone weakened late in September as investors reassessed the implications of elevated rates. Lower-quality issuers, particularly CCC-rated companies, proved more sensitive to softer market sentiment and rising market volatility. IG and HY corporate spreads ended at their widest levels of the quarter, widening from 0.74% to 0.80% and from 2.70% to 3.11%, respectively.

Performance varied across the securitized market. Asset-backed securities ("ABS") outperformed as their shorter-duration profile mitigated interest rate sensitivity while credit concerns were limited. Although higher long-term rates were a headwind for non-agency commercial mortgage-backed securities ("CMBS"), attractive carry and stable fundamentals across most collateral types supported the sector. Agency mortgage-backed securities ("MBS") underperformed Treasuries as rising rates, greater volatility, and the prospect of additional duration extension weighed on relative performance.

Contributors and Detractors

Top contributors included the following:

FANNIE MAE INTEREST-ONLY FNR 2021-67 AI. This variable-rate collateralized mortgage obligation ("CMO") income-only ("IO") bond outperformed during the quarter.

GINNIE MAE POOL G2 MA7589. While agency mortgage-backed securities ("MBS") broadly underperformed, this issue outperformed other agency residential mortgage-backed securities ("RMBS") pools due to its stable duration profile.

SEMT 2026-4 A5. The spread on this non-agency CMO tightened by 0.36% during the quarter.

BROOKFIELD FINANCE INC BNCN 6.3 55. After spreads widened in the first quarter due to concerns over exposure to private credit, this bond's spread continued to rebound, tightening by 0.10% during the quarter. This issuer was a top contributor in the second quarter as well.

AMERICAN EXPRESS AXP 6.45 PERP. This perpetual bond was issued in August 2026. Its spread tightened by 0.43% through the end of the quarter. American Express's strong credit-card fund performance and credit-card ABS issuance have supported the bond's performance.

Top detractors included the following:

BEIGNET INVESTOR LLC RPLDCI 6.581 49. There were no project-specific headwinds; however, broader headwinds affected AI and hyperscaler issuers. This bond's spread widened by 0.33% during the quarter.

CROSS 2026-NQM9 A1. The spread widened by 0.48% for this non-agency CMO.

ORACLE ORCL 3.6 40. The spread on this bond widened by 0.37% as broader headwinds affected AI and hyperscaler issuers such as Oracle.

NRG ENERGY INC NRG 6 36. This HY bond's spread was pressured during the quarter as the issuer brought new HY and IG debt to the market. The bond's spread widened by 0.35%.

GNR 2019-35 SE. The spread on this variable-rate CMO IO bond widened by 1.70% during the quarter.

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Harbor Disciplined Bond ETF

MANAGER COMMENTARY

As of 09/30/2026



Positioning

We strive to remain duration neutral and curve neutral to the benchmark.

Positive contributors to relative performance included an overall overweight in securitized, particularly within the RMBS, CMBS, and ABS sectors. Security selection within the RMBS and Financials sectors was also particularly additive. Detractors from relative performance included an underweight in Treasuries and an overweight in agency RMBS, as well as security selection within Industrials.

The ETF's security selection within the AAA and BAA credit buckets, as well as overweights in the AAA and BAA credit buckets, contributed to relative performance. On the other hand, security selection within the AA credit bucket was the main detractor from relative performance.

The ETF's out-of-benchmark allocations to RMBS were additive to relative performance. The allocation to Small Business Administration loans was net neutral.

We invest exclusively in U.S. dollar-denominated, fixed-income securities.

Buys and Sells

During the quarter, we purchased FR SL6044 in the secondary market at a spread of 0.40% versus the Treasury curve. The purchase screened attractive relative to peers.

We purchased FN FA3610 in the secondary market at a spread of 0.34% versus the Treasury curve. The purchase screened attractive relative to peers.

We also purchased CROSS 2026-NQM9 A1 in the primary market at a spread of 1.30% versus the Treasury curve. The purchase screened attractive relative to peers.

We sold FN FA1943 as an opportunistic sale due to relative value.

We sold INTNED 6.114 34 as an opportunistic sale due to relative value.

We sold LLOYDS 6.068 36 as an opportunistic sale due to relative value.

Sector Overweights and Underweights

Entering the third quarter of 2026, the largest overweight within the ETF was in the securitized sector, while the largest underweight was in Treasuries, reflecting our view on the relative attractiveness of spread product, specifically within securitized sectors. During the quarter, we deepened our underweight in Treasuries by 2.20%, increasing the underweight to 30.79%. The ETF increased its securitized overweight to 26.82%, an increase of 0.61%. The increase of the securitized overweight was driven by increasing our overweight in non-agency CMOs by 0.99%, as well as increasing our overweight in agency fixed-rate CMOs by 0.34%. The additions within securitized were partially offset by a decreased allocation to CMOs and cell tower ABS. We increased our credit overweight to 3.40%, an increase of 1.83%. This increased allocation was driven by additions within Industrials, specifically the consumer cyclical subsector, as well as additions within Financials, primarily within the brokerage and banking subsectors.

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MANAGER COMMENTARY

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Country Allocation

The ETF's country allocation relative to the benchmark did not change during the quarter. IR+M invests exclusively in U.S. dollar-denominated, fixed-income securities. With that said, consistent with our bottom-up approach, we will opportunistically purchase Yankee issues when we believe they are attractive on a relative value basis.

Over the quarter, the ETF's absolute weight of Yankees decreased to 9.37%.

Outlook

Looking ahead, economic strength may face a more demanding test from higher-for-longer rates, persistent inflation, and an increasingly complex geopolitical backdrop. Growth has become more dependent on a narrow set of supports, particularly higher-income consumers and the AI investment cycle, which have helped offset weaknesses elsewhere. Whether these forces can continue to absorb elevated borrowing costs, higher energy prices, and growing infrastructure demands may be a defining question in the quarters ahead. These uncertainties can take on added importance with credit valuations near historically tight levels, leaving less room for error even as attractive yields and strong demand remain supportive. In this environment, we believe disciplined security selection, ample liquidity, and avoiding uncompensated risks may prove more valuable than attempting to predict the next market-moving event.

TOP 10 HOLDINGS

As of 09/30/2026

Top 10 Holdings	
	Portfolio %
US TREASURY N/B	7.09
US TREASURY N/B	5.32
US TREASURY N/B	1.60
G2 MA7589	0.97
US TREASURY N/B	0.95
FR SD7565	0.89
FR SD7543	0.77
FR SD7563	0.76
FR SD7548	0.70
FR SD7544	0.68
Total	19.74

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



Harbor Disciplined Bond ETF

ATTRIBUTION

As of 09/30/2026

Harbor Disciplined Bond ETF - Quarterly Attribution

	Portfolio Return (Gross of Fee)	Bloomberg Aggregate Index Return	Return Difference
3Q 2026	-3.47%	-3.51%	0.04%

Market Term Structure		Asset Allocation		Security Selection		Price and Intraday		Total
0.03%		-0.02%		0.04%		-0.01%		0.04%
Duration	0.03%	Finance	0.01%	Finance	0.04%	Pricing	0.00%	
Shape	0.01%	Industrial	0.00%	Industrial	-0.03%	Intraday	-0.01%	
Other	-0.02%	Utility	0.00%	Utility	0.00%			
		ABS	0.04%	ABS	-0.02%			
		CMBS	0.03%	CMBS	0.00%			
		MBS	-0.01%	MBS	0.04%			
		Agency	0.00%	Agency	0.00%			
		Municipal	0.00%	Municipal	0.00%			
		Non-corporate	0.00%	Non-corporate	0.00%			
		Treasury	-0.09%	Treasury	0.00%			
		Other	0.00%	Other	0.00%			

WHAT WORKED

- The Harbor Disciplined Bond ETF outperformed the Bloomberg Aggregate Index in the 3rd quarter.
- A broad overweight to Securitized products, particularly within CMBS and ABS sectors.
- Security selection within Financials, also meaningfully aided relative returns, particularly within the Brokerage sub-sector.
- Out of index allocations to Small Business Administration loans and RMBS securities.
- Top performers to Security Selection: an Agency Variable Rate CMO, an Agency Fixed Rate Pass Through, and Non Agency CMO

WHAT DIDN'T WORK

- Security selection within Industrials, particularly within the Communications, Consumer Cyclical, Technology, and Healthcare sub-sector, was a drag on relative outperformance.
- The portfolio's overweight to Agency RMBS also detracted from returns.
- Bottom performers to Security Selection: Oracle Corp, Beignet Investors LLC, a Non Agency CMO

Source: Income Research + Management

Due to rounding totals may not sum to 100.

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



Harbor Disciplined Bond ETF

ATTRIBUTION

As of 09/30/2026

Harbor Disciplined Bond ETF – One Year Attribution

	Portfolio Return (Gross of Fee)	Bloomberg Aggregate Index Return	Return Difference
1 Year	-1.31%	-1.84%	0.53%

Market Term Structure		Asset Allocation		Security Selection		Price and Intraday		Total
0.09%		0.15%		0.33%		-0.03%		0.53%
Duration	0.04%	Finance	0.02%	Finance	0.09%	Pricing	0.02%	
Shape	0.08%	Industrial	0.00%	Industrial	0.09%	Intraday	-0.05%	
Other	-0.03%	Utility	0.00%	Utility	0.03%			
		ABS	0.05%	ABS	0.01%			
		CMBS	0.08%	CMBS	0.00%			
		MBS	-0.04%	MBS	0.09%			
		Agency	0.00%	Agency	0.02%			
		Municipal	-0.01%	Municipal	0.00%			
		Non-corporate	-0.01%	Non-corporate	0.00%			
		Treasury	0.04%	Treasury	0.00%			
		Other	0.00%	Other	0.00%			

WHAT WORKED

- The Harbor Disciplined Bond ETF outperformed the Bloomberg Aggregate Index during the last 1-year period.
- The portfolio's overweight to spread product, particularly within securitized, such as CMBS and ABS, contributed to returns versus the index.
- Security selection within credit also meaningfully aided relative returns, particularly within Financials and Industrials.
- Out of index allocations to Small Business Administration loans and RMBS securities.
- Top performers to Security Selection: an Agency Variable Rate CMO, an Agency Fixed Rate Pass Through, and Ford Motor Credit Co LLC

WHAT DIDN'T WORK

- The portfolio's underweight to non-corporates, particularly within sovereign bonds, detracted from relative returns.
- The portfolio's overweight to Agency RMBS was also a drag on relative returns.
- Bottom performers to Security Selection: Oracle Corp, Beignet Investors LLC, SBL Holdings

Source: Income Research + Management

Due to rounding totals may not sum to 100.

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Harbor Disciplined Bond 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.

There is no guarantee that the investment objective of the Fund will be achieved. Fixed income investments are affected by interest rate changes and the creditworthiness of the issues held by the Fund. As interest rates rise, the values of fixed income securities held by the Fund are likely to decrease and reduce the value of the Fund's portfolio. There may be a greater risk that the Fund could lose money due to prepayment and extension risks because the Fund invests, at times, in mortgage-related and/or asset backed securities. There can be no assurance that the Fund will grow to or maintain an economically viable size, in which case the Board of Trustees may determine to liquidate the Fund. High-yield investing poses additional credit risk related to lower-rated bonds.

Benchmarks

The Bloomberg US 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.

Disclosures

All data except for top holdings and performance is provided by the subadvisor.

Current 30-Day Yields represent the average annualized income dividend over the last 30 days excluding gains and losses as defined by the SEC. Current 30-Day Yield is the Current 30-Day Subsidized SEC Yield and reflects reimbursements or waivers of fees currently in effect. Current 30-Day Yield-Unsub is the Current 30-Day Unsubsidized SEC Yield and does not reflect reimbursements or waivers of fees currently in effect.

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 ICE BofA Fixed Income Index classifications.

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 Disciplined Bond ETF

IMPORTANT INFORMATION



Attribution Disclosures

All data for this attribution analysis is provided by Income Research + Management.

Market Term Structure Components (%)

Duration - the contribution to relative return due to the difference between the portfolio's and the index's overall duration, assuming a parallel change in interest rates. The basic formula is the (difference in duration between the portfolio and the index) multiplied by the total return of the reference Treasury.

Shape - the contribution to relative return due to the difference between the portfolio's and the index's duration profiles. The basic formula is the [(difference of each key rate duration between the portfolio and the index) multiplied by the total return of the respective key rate Treasury] minus the Duration and Other effects.

Other - the contribution to relative return due to the cumulative differences in carry, rolldown, and convexity.

Asset Allocation - the contribution to relative return due to portfolio's sector overweight or underweight compared to the index. The basic formula is the (difference between the portfolio and index sector weights) multiplied by the (difference between the index sector excess return and the index total excess return).

Security Selection - the contribution to relative return due to the portfolio's security selection compared to the index. The basic formula is (the difference in sector excess return between the portfolio and the index) multiplied by the portfolio sector weight.

Price & Intraday Components (%)

Pricing - the contribution to relative return due to changes in the relative prices for securities held in common with the index. IR+M uses ICE as a pricing source for the majority of its portfolios, while indices typically use their own internally calculated prices.

Intraday - the contribution to relative return due to the implementation impact from executing trades. It is generally the performance cost from the differences between execution price of traded positions and the end-of-day prices used for daily valuation.

Performance attribution returns are percentages (%). The IR+M attribution model is a proprietary model that uses data from multiple analytical sources to estimate portfolio attribution and does not claim that outputs are exact measurements. IR+M used the Brinson-Fachler methodology in their attribution calculations.

Definitions

Duration is a commonly used measure of the sensitivity of the price of a debt security, or aggregate market value of a portfolio of debt securities, to change in interest rates. Modified Duration measures the change in the value of a security in response to the change in interest rates. Securities with a longer duration are more sensitive to changes in interest rates and generally have more volatile prices than securities of comparable quality with a shorter duration.

Carry is currency trades in which money is borrowed in a currency with low interest rates and invested somewhere else that has higher rates of return.

Consumer Price Index (CPI) is an index measuring the change in the cost of typical wage-earner purchases of goods and services expressed as a percentage of the cost of these same goods and services in some base period.

Personal Consumption Expenditures (PCE) includes a measure of consumer spending on goods and services among households in the U.S. The PCE is used as a mechanism to gauge how much earned income of households is being spent on current consumption for various goods and services.