Harbor International Compounders ETF (OSEA)

STANDARD RFI

All responses are as of 03/01/2026.

Harbor Capital Advisors, Inc. (Advisor)
111 South Wacker Drive, 34th Floor
Chicago, IL 60606

Foreside Fund Services, LLC (Distributor)
3 Canal Plaza, Suite 100
Portland, ME 04101

C WorldWide Asset Management (Subadvisor)
Dampfaergevej 26
DK-2100 Copenhagen, Denmark

harborcapital.com

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.

For over 35 years, Harbor has served as a gateway for clients to access talented asset managers through active, cost-aware investments. We aim to identify specialists in each asset class to manage portfolios and apply a comprehensive oversight program to monitor their performance in an effort to ensure their decisions are in the best interest of our clients. Harbor offers the benefit of an experienced portfolio manager, in addition to a professional adviser to maintain manager accountability.

Because Harbor partners with asset class experts for targeted strategies, we are not constrained by a single, overarching investment style. This flexibility allows us to examine any investment approach and enter any asset class, without bias, and has led to a diverse array of investment solutions to help meet investor needs.

SUBADVISOR STRUCTURE & INVESTMENT TEAM

SUBAVISOR STRUCTURE

The subadvisor for the Harbor International Compounders ETF is C WorldWide Asset Management (“C WorldWide” or “CWW”).

C WorldWide Asset Management is a focused and independent asset manager that has been investing in global equity markets since 1986. Their objective is to deliver consistent, long term asset growth for clients through active investments in listed equities on global stock exchanges. They refer to their investment approach as trend-based stock picking. It is a trend/theme influenced top-down framework combined with a bottom-up stock picking approach. The approach drives the stock selection process by focusing on and identifying specific companies that align with and thus benefit from exposure to selected global themes within the portfolio.

Sustainability and specifically environmental, social, and governance (ESG) factors are an integral part of the C WorldWide investment process and are implemented in the ongoing research of the companies they invest in. This process does not begin or end with the investment but is an ongoing engagement process that is supported by dialogue and monitoring of the company in question.

HISTORY

C WorldWide was founded in 1986 in Copenhagen, Denmark to manage high conviction equity portfolios for institutional investors, an objective that remains true to this day. Their international equity strategy was founded in 1986, closely followed by their Global equity strategy in 1990.

The firm was originally founded as Carnegie Asset Management under the Carnegie Group, which listed on the Stockholm Stock Exchange in 2001. In February 2009, the Carnegie Group was fully acquired by Altor (www.altor.com), a Swedish private equity firm, which later that year spun out the asset management arm. In order to increase the firm's alignment, management team and employees purchased a 20% stake in the business in 2010. The remainder of the shares continue to be owned by Altor.

In March 2017, C WorldWide changed their name to C WorldWide Asset Management ("CWW AM") to affirm their identity and Global perspective. The company is headquartered in Copenhagen, Denmark where most of their employees are based.

PORTFOLIO MANAGERS

The Fund's portfolio managers are jointly and primarily responsible for the day-to-day investment decision making for the Fund.

Bo Almar Knudsen
CEO and Portfolio Manager
Mr. Knudsen serves as CEO of the Subadviser and as Portfolio Manager for the Fund. He has worked with global equities portfolio management since 1989, including five years at Danske Bank. Mr. Knudsen was a member of AIMR (CFA)'s global IPC committee from 1998-2002 and served as the chair of the Danish Society of Financial Analysts and CFA Denmark from 2002-2008. He holds an MSc (Econ) in Finance from Aarhus School of Business supplemented with MBA courses from San Francisco State University. He has been employed by the Subadviser since 1994 with the exception of a period between 1998-2001 where he worked as Head of Equities at Nordea Investment Management.

Bengt Seger
Portfolio Manager
Mr. Seger serves as Portfolio Manager for the Fund. Mr. Seger has previously worked as an Analyst and Portfolio Manager at Sparbanken Skåne, and as a Senior Analyst in international equites at Carnegie Investment Bank. He holds a Master's in Law and has studied Business Administration and Economics at the University of Lund. He has been employed by the Subadviser since 1988.

Peter O' Reilly
Portfolio Manager
Mr. O'Reilly serves as Portfolio Manager for the Fund. He has previously worked as Head of Global Equities at Investors Group where he was responsible for managing the firm's global equity portfolios. He has also held investment roles at Royal and Sun Alliance Asset London, Global Asset Management and AIB Investment Managers. He holds a BA and MA in Economics from University College Dublin and is a member of the UK Society of Investment Professionals (CFA). He has been employed by the Subadviser since 2018.

Mattias Kolm
Portfolio Manager
Mr. Kolm serves as Portfolio Manager for the Fund. He has previously worked in Svedala Industri's finance department where he primarily dealt with cash flow hedging, and at Skandinaviska Enskilda Banken as a Portfolio Manager. He holds an MSc BA from the University of Lund and has supplemented his degree with studies in finance at Stockholm School of Economics. He has been employed by the Subadviser since 2003.

DECISION MAKING AUTHORITY

Four senior members of the investment team (Bo Knudsen, Bengt Seger, Peter O'Reilly, and Mattias Kolm) make up what C WorldWide refer to as the Decision Team, which has collective responsibility and accountability for all buy/sell decisions and security weighting decisions.

COMPENSATION & RETENTION OF INVESTMENT PROFESSIONALS

The compensation structure for Portfolio Managers and Analysts is determined within the framework of the overall compensation structure for CWW AM. This structure ensures that 50% of CWW's profit is allocated to a profit-sharing system. Once the money has been allocated to the profit-sharing system, bonuses are paid to the individual team members in a fully discretionary model which includes a shorter-term performance bonus together with a longer-term incentive bonus. The ultimate aim of the profit-sharing system is to foster a good working and social environment comprising happy and well-adjusted team members. More specifically, the success criteria are based on multi-year performance, effort and teamwork (rather than purely on annual performance/alpha). Management and key employees, including the investment team, own 20% of the shares in the firm. Equity ownership is broad across the entire team, with senior management and the investment team as majority owners. We assume that your question on compensation is primarily designed to gain a historic and projected perspective on the stability of our team. The bottom line seems to us to be the litmus test on how effective these two factors have been and will be - within the International Equity Investment Team, we have had only one senior departure in the past ten years and that was into retirement.

SUCESSION PLANNING

Over the past number of years, C WorldWide has invested significant resources in developing a growing pipeline of internal, world-class analytical and investment talent. This is because our long-term ambition is to address any eventual team succession transitions by sourcing the best and most skilled candidates internally. Importantly, our time frame when it comes to developing human capital, anchored in our culture and key beliefs, is in decades rather than years

This layered approach and commitment to ongoing planning provide strong assurance that our clients' investments are managed with continuity and expertise, no matter what changes occur within our team. We believe we have established a strong and well-balanced investment team of 26 investment professionals that allows us to go deep in our company research while maintaining a high level of quality and rigor in our investment process. While we do not have immediate hiring plans, we are always on the lookout for exceptional talent. When we come across individuals who are competitive team players and who are a strong cultural and professional fit, we are open to creating opportunities for them within the firm.

HARBOR INTERNATIONAL COMPOUNDERS ETF (OSEA)

OBJECTIVE

The **Harbor International Compounders ETF (OSEA)** seeks long-term growth of capital by investing in large capitalization companies, primarily outside the U.S., that C WorldWide Asset Management believes have compelling prospects for long-term growth.

OVERVIEW

The **Harbor International Compounders ETF (OSEA)** is an actively managed Fund that offers exposure to C WorldWide's International equity strategy. The Fund employs a bottom-up, research driven process to constructing a portfolio of foreign large capitalization companies.

INVESTMENT PHILOSOPHY

CWW's investment philosophy centers on the belief that investing with high conviction in businesses with durable moats, strong governance, and a clear long-term strategy can sustain consistent growth levels well into the future. Rather than betting on changes in multiples or forecasting short-term earnings aberrations to trade around, they focus on identifying sustainable business models and let the companies do the work in generating returns, thus also benefiting from lower trading costs and higher long-term returns for their investment partners. Additionally, they operate with more of an absolute return mindset. While this does not mean they expect to generate positive returns in all market environments, it does mean that they count on corporate operating results to generate positive returns over time.

The investment philosophy embraces a set of shared beliefs about how markets work, their specific strengths and skill sets, effective methods of decision-making, and how to implement their insights. They:

- Embrace a very long-term time horizon, which allows them to prioritize lasting knowledge over market noise, and to take advantage of market volatility.
- Earnings growth drives share prices, and focus on identifying sustainable and durable businesses with the ability to compound earnings over the longer-term.
- Own only their highest conviction ideas - a maximum of 30 holdings, one in one out - which makes the portfolio construction process an active competition for capital.
- Dig deep in company research using qualitative and fundamental analysis. Deep enough to uncover the three to five variables that will "move the dial."
- Integrate the identification of long-term themes into their stock selection criteria.
- Invest independently-benchmark thinking pollutes.
- Believe that risk management should focus on qualitative factors - understanding what they own, and effective diversification.
- Embrace the notion that good governance correlates to favorable operating results.

The largest anomaly they aim to capitalize on is 'time arbitrage'. What they mean by that is that most market participants focus on short term earnings and give little attention to future earnings. CWW avoids competing with the market on short term results – they have no edge in forecasting short term earnings – and instead focus all their attention on the key components that will enable a dominant company to retain and grow its earning power well into the future, 5 to 7 years out, where they compete with few market participants.

INVESTMENT UNIVERSE

CWW's initial stock universe includes all publicly traded companies worldwide outside of the United States with a market capitalization above $5 billion, which translates into approximately 1500 stocks. However, because of the strict quality and sustainable growth criteria we use, many companies can be disregarded. Approximately 600 stocks qualify at any point in time as our relevant universe.

INVESTMENT PROCESS

The investment process is centered around a constant competition for capital in a fully invested portfolio of 30 high conviction companies. It is iterative in nature, meaning CWW engages in constant debate, iterating their ideas and theses on holdings and pipeline of investment opportunities. They have included an overview below to illustrate their investment process in motion and will go into further detail on specific components below.

Investment Process – Competition for Capital

**The core members of the Global Research Meeting are the four PMs in global decision team Bo Knudsen, Bengt Seger, Mattias Kolmand and Peter O'Reilly, supplemented with Global PMs Jakob Greisen and Leemon Wu, and Emerging Markets PM Aman Kalsi, Senior Advisor Lars Wincentsen. Director of Research, Senior Analyst David Rindegren, Senior Analyst Marcus Bellander, and Head of Sustainability Mette Bergenstoff Sletbjerg*

Idea Generation
They have a broad initial universe of approximately 1500 stocks, however, due to the strict quality and sustainable growth criteria they use, many companies can be disregarded. Approximately 600 stocks qualify at any point in time as their relevant universe. New ideas come from a wide variety of sources.

They subscribe to several leading providers of independent economic and market research and all investment team members are encouraged to independently source ideas. The investment team spends a significant amount of time, either face-to-face or virtually, with companies, service providers, peers and participates in and attends numerous industry conferences.

Building Conviction
Everyone on the investment team is involved in primary stock research/analysis and everyone provides input into idea generation for the pipeline and where applicable, analytical insights on the existing portfolio. The entire investment team has a collective responsibility not only to maintain but also continuously enhance the foundation of lasting knowledge.

This gives CWW a robust, long-term platform for implementing repeatable, value-added decisions. An iterative, long-term process, powered by constant knowledge sharing, is the backbone of their approach.

Selecting sustainable growth companies requires a particular discipline and skill set that they instill in all members of the investment team. It is about identifying the lasting source(s), that gives a business the right to win. CWW selects companies based on their understanding of their long-term strategy and culture, their competitive strengths, and thematic tailwinds. They only invest in companies that plan to maintain their relevance for decades. They emphasize business models that allow a company to be masters of their own destiny. Additionally, because companies do not exist in a vacuum, they place a major emphasis on understanding "the lay of the land" in terms of their competitors, supply chains and the general environment within the industry that a company is going to operate in over the coming years and decades.

There are three options the Decision Team can pursue in their conclusions on a new idea. If there is a unanimous consensus on the company, and the conviction level exceeds that of a current portfolio holding, the stock can be purchased. Most ideas are discarded. Stocks candidates that are generally favored but do not yet merit immediate purchase go into the pipeline pool which generally contains approximately 5-10 companies.

Portfolio Construction
CWW portfolios hold 25 to 30 stocks – 30 maximum. They maintain a fully invested status with cash generally 1% to 1.5%. Their position sizes generally range from 1.5% to 8% and will not exceed 10%, with the target of a minimum 3% holding. They often move into a new position gradually. Position sizing is a function of their conviction levels. Country and sector weights are unconstrained and are fully a residual of stock selection. However, as discussed, effective diversification is a major emphasis.

Though they invest with a very long-term time horizon, they do average 10% to 30% annual turnover because they actively add and trim positions, and their desire to emphasize investment conviction requires them to sell a position when an idea they consider to be superior is added. Generalized reasons for them to lose conviction in a stock include a loss of confidence in the durability/sustainability of the business model, changes within the relevant industry landscape, valuation, and a perceived degradation in management and governance.

RESEARCH PROCESS

C WorldWide's research process relies on both internal efforts and external inputs. All members of our investment team are expected to contribute and share insights and research, when applicable and relevant to the proposed product. An important aspect of ensuring adequate coverage and knowledge sharing, is that all company calls and meetings are open to all investment professionals – both Portfolio Managers and Analysts. Our main priority is for everyone to deeply understand the 30 names we have in the portfolio.

In practice, when an idea is deemed to be interesting it enters the Global Research Assignments list for deeper analysis. The Global Research assignment List (GRAL) is the more formal framework of responsibilities, where specific responsibilities are assigned. The Decision Team is ultimately responsible for the full content of the list, prioritization of assignments, and allocation of resources for specific assignments. This is to ensure alignment with key priorities for the strategy and to ensure we allocate our resources accordingly. The GRAL is the key investment process steering document.

Some assignments will move faster through the 'funnel' than others, those priorities are set by the Decision Team and communicated through the GRAL (with priorities: high, medium, low), with outstanding questions, and logged iterations relevant to the case at hand. The list gives one or several analysts the go-ahead to do a deep dive on the company in question. The analyst gets to know the company and the industry it operates in intimately, builds a financial model, and forms an opinion about the company. However, the analyst does not work in a vacuum. Their findings are continuously discussed with one or several portfolio managers.

Once the analysis is completed, their findings are presented to the Decision Team at our Global Research Meeting, which is a meeting that is held every four weeks. The PowerPoint presentation discussed in that meeting is typically complemented by a written investment thesis and our own assessment of the company's sustainability work.

COMPETITIVE ADVANTAGES

C WorldWide's investment philosophy centers on the belief that investing with high conviction in businesses with durable moats, strong governance, and a clear long-term strategy can sustain consistent growth levels well into the future. Rather than betting on changes in multiples or forecasting short-term earnings aberrations to trade around, we focus on identifying sustainable business models and aim to hold them over long periods, allowing the fundamentals of the businesses to drive the investment outcome while maintaining a disciplined, low-turnover approach. Additionally, we operate with more of an absolute return mindset. While this does not mean we expect to generate positive returns in all market environments, it does mean that our approach emphasizes long-term corporate operating fundamentals as the primary driver of potential investment outcomes over time.

We believe our competitive advantage is our strong focus on the long-term investment horizon coupled with a maximum of 30 high-conviction position discipline. We believe that with an extended time horizon mindset, it fundamentally changes how one approaches decisions and actions. We make investment choices that compound over time, leading to greater potential for exponential growth. Most public market participants continue to operate with a surprisingly short time horizon. Thinking in years, and even decades, by integrating thematic consideration is a differentiating mindset which we have been nourishing and successfully cultivating for decades. Long-term thinking in a shorter-term world has been our investment mantra since the beginning and the possibility of identifying mis-priced opportunities has been a consistent focus of our approach over several decades.

Since inception, we have consistently cultivated a firm-wide mindset of patience, perseverance, and focus. It is the philosophical fabric that binds and unifies our organization. We trust our philosophy, process, and the long-term investment horizon, and a maximum of 30 stocks is deeply embedded across our investment organization. This philosophical cohesiveness is also the reason for our relatively high employee stability, ensuring continuity and repeatability of results.

BENCHMARK

The Harbor International Compounders ETF's performance is generally gauged against the MSCI All Country World Ex. US (ND) Index.

ENVIRONMENTS OF OUT/UNDER-PERFORMANCE

CWW tends to find that markets that reward higher quality, large caps, and strong free cash flow generation are most favorable. Over rolling five-year periods, we believe we have the ability to outperform the benchmark.

C WorldWide tends to find that the most difficult investment environments are when markets are driven sharply higher by lower quality, cyclicals and smaller caps stocks, and where higher quality companies underperform. Furthermore, as the portfolio has a clear bias towards high quality and growth, the strategy would typically underperform in a scenario where markets are driven by lower quality 'cheap' stocks. As we look for sustainability of growth in our portfolio companies rather than the magnitude, we would like to underperform our peers that typically focus on higher octane growth in periods when the market rewards hyper growth. While this approach rarely puts us in the top decile relative to peers over short-term periods, it helps mitigate uncomfortable results by reducing our vulnerability to style, factor, or economic headwinds.

FUND HIGHLIGHTS

Long-Term Growth Investing. Active manager with over three decades of experience seeking to identify companies with competitive advantages, strong governance and clear long-term strategies that it believes can sustain consistent growth levels well into the future. The team attempts to exploit market inefficiencies by investing in companies with underappreciated multi-year, structural growth opportunities.

Research-Centric Expertise. C WorldWide’s investment edge is driven by in-depth fundamental research conducted by a team with decades of experience. The team will select companies based on a complete understanding of their long-term strategy and culture, integrated with C WorldWide investment team's vision about how their competitive strengths and related market demand themes might evolve.

Global Thematic Overlay. Identifying themes and integrating them into the process is a meaningful part of the team’s selection criteria. Themes represent secular societal changes expected to occur that may impact the economics of industries and individual companies over a medium-term time horizon.

Focused Portfolio. Portfolio only contains the team’s highest conviction ideas with a maximum of 30 holdings, which makes the portfolio construction process an active competition for capital.

ETF STRUCTURE

- **Concentrated:** The ETF will hold a maximum of 30 equity securities. The process starts and ends with a portfolio of the investment team’s highest conviction ideas.
- **Liquid:** The ETF vehicle can be traded throughout the day, which provides intra-day liquidity for shareholders.
- **Tax-efficient:** Due to the in-kind exchange of shares, the ETF vehicle may allow for greater tax efficiency and reduced costs.
- **Transparent:** The availability of daily holdings may allow investors to make more informed investment decisions.

INVESTMENT GUIDELINES

The Fund invests primarily (no less than 65% of its total assets under normal circumstances) in common stock of non-U.S. companies, including those located in emerging market countries. The investment strategy focuses on identifying companies with market capitalizations of at least $5 billion at the time of acquisition the Subadvisor believes are “compounders.” Companies with market capitalizations of $5 billion or more include mid-and large-capitalization companies. A company is considered a “compounder” if, in CWW’s view, it is expected to experience sustainable growth and compound its earnings over the long-term investment horizon (generally defined as five years or more).

Though they invest with a very long-term time horizon, they do average 10% to 30% annual turnover because they actively add and trim positions, and their desire to emphasize investment conviction requires them to sell a position when an idea they consider to be superior is added. Generalized reasons for them to lose conviction in a stock include a loss of confidence in the durability/sustainability of the business model, changes within the relevant industry landscape, valuation, and a perceived degradation in management and governance.

Historical Investment Guidelines	
Sector Allocations	Sector weights are unconstrained and are fully a residual of stock selection. However, effective diversification is a major emphasis.
# of Holdings	CWW portfolios hold 25 to 30 stocks – 30 maximum.
Security Allocations	Position sizes generally range from 1.5% to 8% and will not exceed 10%, with the target of a minimum 3% holding. CWW often moves into a new position gradually. Position sizing is a function of their conviction levels.
% to Foreign Countries	Country weights are unconstrained and are fully a residual of stock selection. However, effective diversification is a major emphasis.
Market Capitalization	At least $5 billion at the time of acquisition. Companies with market capitalizations of $5 billion or more include mid-and large-capitalization companies.
Maximum Cash Allocation	They maintain a fully invested status with cash generally 1% to 1.5%.

VEHICLE INFORMATION

The Harbor International Compounders ETF incepted in September 2022 and is currently available as an active ETF (Ticker: OSEA).

Ticker Symbol	OSEA
Cusip	41151J885
Listed Exchange	NYSE Arca
Gross Expense Ratio	0.55 %
Lead Market Maker	Virtu
Inception Date	09/07/2022
Manager Name	C WorldWide Asset Management
Benchmark	MSCI All Country World Ex. US (ND) Index
Morningstar Category	Foreign Large Growth

For complete details on Harbor International Compounders ETF (OSEA), including fees and expenses, please contact your Harbor representative and/or refer to the Fund's prospectus available at harborcapital.com.

DISCLOSURES

Responses regarding the Harbor organization have been provided by Harbor Funds Distributors, Inc. Responses relating to the investment team of the Harbor International Compounders ETF, 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 subadvisor are provided by the subadvisor 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.

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. Stock markets are volatile and equity values can decline significantly in response to adverse issuer, political, regulatory, market and economic conditions. Investing in international and emerging markets poses special risks, including potentially greater price volatility due to social, political and economic factors, as well as currency exchange rate fluctuations. These risks are more severe for securities of issuers in emerging market regions. A non-diversified Fund may invest a greater percentage of its assets in securities of a single issuer, and/or invest in a relatively small number of issuers, it is more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio.

ETFs are subject to capital gains tax and taxation of dividend income. However, ETFs are structured in such a manner that taxes are generally minimized for the holder of the ETF. An ETF manager accommodates investment inflows and outflows by creating or redeeming “creation units,” which are baskets of assets. As a result, the investor usually is not exposed to capital gains on any individual security in the underlying portfolio. However, capital gains tax may be incurred by the investor after the ETF is sold. The views expressed herein may not be reflective of current opinions, are subject to change without prior notice, and should not be considered investment advice.

C WorldWide Asset Management is an independent subadvisor to the Harbor International Compounders ETF.

The MSCI All Country World Ex. US (ND) Index is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global developed and emerging markets, excluding the U.S. This unmanaged index does not reflect fees and expenses and is not available for direct investment. Benchmark returns are adjusted for withholding taxes.

Diversification does not assure a profit or protect against loss in a declining market.

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 harborcapital.com or by calling 800-422-1050. Read it carefully before investing.

For Institutional Use Only. Not for Distribution to the Public.

Distributed by Foreside Fund Services, LLC is the Distributor of the Harbor International Compounders ETF.

5307207-20260316