

HARBOR SCIENTIFIC ALPHA INCOME ETF

BlueCove Limited

Subadvisor Since 09/14/2021

Ticker: SIFI
CUSIP: 41151J208
Net Expense Ratio: 0.50%
Gross Expense Ratio: 0.50%
Total Net Assets: \$34,122,415
Benchmark Name: Bloomberg US Aggregate Bond Index

Portfolio Managers



Benjamin Brodsky



Michael Harper



Garth Flannery



Benoy Thomas

CHARACTERISTICS & ALLOCATION

As of 06/30/2025

Portfolio Characteristics		Portfolio	Top 10 Issues	Portfolio %
Number of Issues	183			
Number of Issuers	155		ROBLOX CORP	1.11
Number of Industries	56		ICAHN ENTERPRISES/FIN	1.10
Wtd. Avg. Maturity (yrs)	3.85		HOME DEPOT INC	1.09
Duration	4.20		DEUTSCHE TELEKOM INT FI	1.04
Derivatives % of Portfolio	81.36		GEO GROUP INC/THE	0.96
Beta vs. Fund Benchmark	0.64		RAIN CARBON INC	0.94
			OPEN TEXT CORP	0.91
			AMERIGAS PART/FIN CORP	0.91
			JAPAN TOBACCO INC	0.91
			CALIFORNIA RESOURCES CR	0.90
			Total	9.86

Top 10 Sectors		Portfolio %
Technology & Electronics	13.40	
Energy	11.59	
Services	8.52	
Capital Goods	8.20	
Retail	6.30	
Basic Industry	6.14	
Consumer Goods	6.00	
Healthcare	5.26	
Financial Services	5.00	
Media	4.74	
Total	75.14	

Bond Market Exposures		Portfolio %
High-Yield Corporate	47.69	
Investment Grade Corporate	47.37	
Cash	4.94	
Emerging Markets	0.00	

Investment Philosophy

The Harbor Scientific Alpha Income ETF is an actively managed multi-sector fixed income strategy that seeks income and total return through employing a structured investment process that utilizes a proprietary model-based framework in the asset allocation and security selection of both investment-grade and below investment-grade (high yield) bonds. The Fund seeks to achieve its objective by investing in liquid fixed income securities including corporate bonds, emerging market sovereign bonds, and fixed income derivative instruments.



Harbor Scientific Alpha Income ETF



ALLOCATION & PERFORMANCE

As of 06/30/2025

Maturity	Portfolio %	Duration		Portfolio %
		0-1 yr	1-3 yr	
0-1 yr	2.95	0-1 yr	8.20	
1-3 yr	17.85	1-3 yr	33.51	
3-5 yr	53.11	3-5 yr	43.71	
5-7 yr	20.57	5-7 yr	9.07	
7-10 yr	0.39	7-10 yr	0.39	
10-20 yr	0.00	10-20 yr	0.18	
20-30 yr	0.18	20-30 yr	0.00	
Over 30 yr	0.00	Over 30 yr	0.00	

Average Annual Returns

	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
Harbor Scientific Alpha Income ETF (NAV)	2.89%	4.69%	8.29%	6.88%	N/A	N/A	5.48%	5.48%	1.53%	09/14/2021
Harbor Scientific Alpha Income ETF (Market)	2.88%	4.82%	8.50%	6.91%	N/A	N/A	5.48%	5.48%	1.59%	09/14/2021
Bloomberg US Aggregate Bond Index	1.21%	4.02%	6.08%	2.55%	N/A	N/A			-1.20%	09/14/2021

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 Scientific Alpha Income ETF



MANAGER COMMENTARY

As of 06/30/2025

"The most recent consumer sentiment soft data presents a picture of fragile confidence, while the labor market presents mixed signs of weakening and potential consolidation."

BlueCove Limited

Market in Review

The current quarter was marked by a strong risk rally, with S&P 500 Index gaining nearly 11%. However, these headline figures obscured the significant intramonth volatility experienced in April with the introduction of punitive trade tariffs in the U.S., as equities dropped more than 12% before rebounding to end the month flat. U.S. high-yield and U.S. investment-grade also posted gains, as spreads tightened.

Portfolio Performance

During the second quarter, the Harbor Scientific Alpha Income ETF ("ETF") returned 2.89% (NAV), outperforming its benchmark, the Bloomberg US Aggregate Bond Index, which returned 1.21%. The ETF's performance was largely driven by carry and the move lower in credit spreads.

Contributors and Detractors

The ETF is not managed versus a benchmark. The ETF's interest rate duration position averaged about 4.8 years during the quarter. The interest rate position added 1.66% to the ETF's total return, while the credit allocation added 1.34%, driven by the move lower in spreads.

Outlook

We believe the headiness of risky asset performance belies growth fundamentals that have deteriorated. The most recent consumer sentiment soft data presents a picture of fragile confidence, while the labor market presents mixed signs of weakening and potential consolidation. At present, our proprietary U.S. economic regime indicator is flagging a risk that the U.S. economy is vulnerable to stalling. The ongoing military conflict in Ukraine and the aftermath of U.S. and Israeli strikes on Iran show little sign of disrupting global trade. However, we believe that market complacency may yet be shaken with ongoing U.S. trade tariff negotiations. Turning to credit fundamentals, we see default incidence remaining above median, trending sideways. We believe this calls for some cautious to moderate risk taking, despite the momentum of recent risky asset performance.

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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.

All investments involve risk including the possible loss of principal. Fixed income securities fluctuate in price in response to various factors, including changes in interest rates, changes in market conditions and issuer-specific events, and the value of your investment in the Fund may go down. There is a greater risk that the Fund will lose money because they invest in below- investment grade fixed income securities and unrated securities of similar credit quality (commonly referred to as "high-yield securities" or "junk bonds"). These securities are considered speculative because they have a higher risk of issuer default, are subject to greater price volatility and may be illiquid. Because the Fund may invest in securities of foreign issuers, an investment in the Fund is subject to special risks in addition to those of U.S. securities. These risks include heightened political and economic risks, greater volatility, currency fluctuations, higher transaction costs, delayed settlement, possible foreign controls on investment, possible sanctions by government bodies of other countries and less stringent investor protection and disclosure standards of foreign markets.

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.

The S&P 500 Index is an unmanaged index generally representative of the U.S. market for large capitalization equities. 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.

A basis point is one hundredth of 1 percentage point.

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.

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.

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, total net asset levels, expenses and other statistics may change at any time and may differ from those shown.

The total amount shown for Maturity, Sector, and Duration tables exclude derivatives and cash positions. Bond Market Exposures exclude derivatives only. Positions may not total 100% due to rounding.

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.

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.

Beta is a rolling three year, unless the Fund has a track record of less than three years, in which case it is a rolling one year.

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