

HARBOR HEALTH CARE ETF

Westfield Capital Management Company, L.P.

Subadvisor Since 11/16/2022

Ticker: MEDI
CUSIP: 41151J869
Net Expense Ratio: 0.80%
Gross Expense Ratio: 0.80%
Total Net Assets: \$15,833,451
Benchmark 1 Name: Russell 3000® Growth Health Care Index

Portfolio Managers



William A. Muggia



Matthew R. Renna

Investment Philosophy

The Harbor Health Care ETF (MEDI) is actively managed by Westfield Capital and primarily invests in the securities of companies principally engaged in the research, development, production or distribution of products and services related to the health care industry. MEDI is a concentrated portfolio (30 to 50 holdings) of companies Westfield believes are best positioned to benefit from the secular growth and innovation within the US health care system with long-term alpha potential. The portfolio is diversified across health care industry groups and market capitalizations.

Westfield employs a bottom-up process to identify quality health care opportunities with differentiated products, technologies, and services that meet their disciplined valuation criteria. In constructing the Fund's portfolio, Westfield seeks to identify companies that it believes possess the following characteristics:

- Compelling company management;
- Significant inside ownership;
- Unique market positions and broad market opportunities, and;
- Solid financial controls and accounting processes.

CHARACTERISTICS & ALLOCATION

As of 03/31/2025

Portfolio Characteristics		
	Portfolio	Benchmark
Number of Holdings	37	382
Wtd Avg Market Cap (\$Mil)	163,376.00	326,209.70
Median Market Cap (\$Mil)	6,231.00	744.00
Price/Book Ratio	7.93	15.69
Adjusted Trailing P/E Ratio	48.00	70.50
% EPS Growth - Past 3 Yr	30.60	8.50
Est 3-5 Yr EPS Growth Rate (%)	12.00	13.70
Return on Equity (%)	15.62	50.91
Beta vs. Fund Benchmark	0.94	
Forecasted P/E Ratio	33.80	31.70

Top 10 Holdings		
	Portfolio %	Benchmark %
Ascendis Pharma A/S	18.27	0.00
Eli Lilly and Company	12.98	29.59
UnitedHealth Group Inc.	9.10	1.47
Legend Biotech Corp.	6.66	0.00
DexCom Inc.	4.20	1.19
Intuitive Surgical Inc.	3.76	7.83
Lantheus Holdings Inc.	2.87	0.30
Masimo Corporation	2.85	0.17
Option Care Health Inc.	2.43	0.12
Glaukos Corp	2.41	0.21
Total	65.53	40.88

Top 5 Industries		
	Portfolio %	Benchmark %
Biotechnology	42.54	26.67
Health Care Equip	22.86	17.43
Health Care Providers	17.51	7.46
Pharmaceuticals	14.47	44.53
Life Sciences Tools	2.26	1.81
Total	99.64	97.90

Market Capitalization		
		Portfolio %
Large	Above 25.0B	38.14
	10.0B - 25.0B	7.23
Mid	5.0B - 10.0B	37.34
	1.0B - 5.0B	14.05
Small	0.0 - 1.0B	2.88

Harbor Health Care ETF



PERFORMANCE

As of 03/31/2025

Average Annual Returns

	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date
Harbor Health Care ETF (NAV)	2.18%	2.18%	-6.20%	N/A	N/A	N/A	11.94%	11/16/2022
Harbor Health Care ETF (Market)	2.26%	2.26%	-6.02%	N/A	N/A	N/A	12.32%	11/16/2022
Russell 3000® Growth Health Care Index	2.27%	2.27%	-2.40%	N/A	N/A	N/A	9.74%	11/16/2022

MANAGER COMMENTARY

As of 03/31/2025

“We remain constructive on the Health Care sector and see attractive risk/reward opportunities heading into the second quarter.”

Westfield Capital Management Company, L.P.

Market in Review

The Health Care sector rebounded in the first quarter of 2025, navigating a volatile but opportunistic landscape. While macroeconomic headwinds — such as elevated interest rates and tariff noise — continued to pressure long-duration assets like biotechnology, we observed early signs of investor re-engagement, especially as capital rotated from mega-cap technology into more reasonably valued growth sectors. Health Care modestly lagged broader growth indexes early in the quarter, only to close strongly on improving sentiment toward commercial-stage biopharma and select medical technology names.

Exchange-traded funds' outflows in Health Care moderated from 2024's extremes, and several key sub-industries showed resilience despite policy uncertainty in Washington. The Food and Drug Administration (“FDA”) and Centers for Medicare & Medicaid Services (“CMS”) remain in a transitional phase following high-profile leadership changes, but sentiment around regulatory disruption has started to stabilize. Sell-side commentary and bipartisan support for U.S. biotech investment further buoyed investor interest. Notably, the FDA’s approval cadence remained constructive, and a recently proposed \$15B federal biotech initiative reinforced the sector’s role in both innovation and national security.

While near-term catalysts remain sparse for early stage biotech, we believe commercial-stage platforms with differentiated technologies are increasingly attractive, especially given compelling valuations and rising merger and acquisition (“M&A”) optionality. As such, we continued to emphasize quality across the ETF while taking advantage of selective dislocations in small- and mid-cap growth.

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 Health Care ETF

MANAGER COMMENTARY

As of 03/31/2025



Portfolio Performance

During the first quarter, the Harbor Health Care ETF ("ETF") returned 2.18% (NAV), outperforming the Russell 3000® Growth Health Care Index, which returned 1.99%.

Relative performance was driven by our overweight in commercial-stage biotechnology, as well as solid contributions from health care services. Meanwhile, certain exposures within health care equipment and tools were modest headwinds amid a broader de-risking of rate-sensitive assets and tariff-related volatility.

The ETF faced a common factor headwind during the quarter, which was offset by positive stock selection. From a factor perspective, the ETF's overweight exposure to volatility and earnings variation and underweight exposure to size were the largest headwinds to relative performance.

Contributors & Detractors

In biotechnology, Ascendis Pharma was a standout contributor to performance during the quarter. Momentum built following encouraging commercial trends for Yorvipath and favorable differentiation versus AstraZeneca's competing therapy. Ascendis' platform story continues to resonate, with strong uptake in endocrinology and several pending catalysts that could unlock further value. We added to the position during periods of volatility.

Intra-Cellular Therapies also drove returns following its acquisition by Johnson & Johnson at a 40% premium. We exited the position post-announcement, capturing full upside from the M&A event.

Overall, biotech was a net detractor in the quarter, primarily due to Vaxcyte, which weighed heavily on performance despite producing compelling Phase 2 infant vaccine data. Shares declined following investor overreaction to secondary endpoint misses and broader sentiment pressure stemming from regulatory turnover at the FDA. We reaffirmed conviction in the name based on its de-risked adult data, large cash balance, and highly strategic platform.

AbbVie also detracted from relative results during the quarter, due to our underweight allocation. The stock reached high valuations, and we sold our position in late January as it approached our internal price target. However, the share price continued to climb in the back half of the quarter, and our lack of exposure was a drag on relative performance.

Health care services contributed meaningfully, led by Option Care Health, which rebounded sharply after overdone fourth quarter weakness. As investor confidence returned in its post-acute care strategy and capital return discipline, shares rose 55% during the quarter. We trimmed the position into strength but maintain a favorable long-term view as home-based care adoption accelerates.

Performance in health care equipment was mixed. Intuitive Surgical started the quarter strong but ended weak, as the dynamics of growth unwind and Mexico-based manufacturing exposure weighed amid rising trade rhetoric. While the da Vinci 5 launch remains on track, we remain mindful of macro overlays affecting high-multiple franchises.

Broader medtech positioning was a modest drag, though we selectively added to some positions, like Glaukos, during March pullbacks, reflecting our constructive stance heading into earnings season.

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 Health Care ETF

MANAGER COMMENTARY

As of 03/31/2025



Buys & Sells

During the quarter, we purchased GeneDx, a leader in genomic diagnostics for rare diseases and pediatrics. The shift from legacy testing to higher-margin genetic sequencing testing is driving rapid revenue growth for the company and has led to margin expansion. Additionally, we believe that continued momentum in neonatal intensive care unit and newborn screening provides further upside potential.

During the quarter, we sold our position in biopharmaceutical developer Intra-Cellular Therapies following the announcement that Johnson & Johnson would be acquiring the company at a 40% premium to its share price at the time.

Sector Overweights and Underweights

Entering 2025, the biotechnology industry represented the largest overweight relative to the index, and it remains the largest overweight as of quarter-end. Following a period of overcapitalization and investor euphoria that peaked in February 2021, we have seen a precipitous decline in valuations, all while many high-quality companies have made significant progress in the clinic and dramatically improved intrinsic value. We also believe an unprecedented wave of merger activity could be on the horizon.

The pharmaceuticals industry represented the ETF's largest underweight as of year-end and continues to be the largest underweight as of quarter-end. We continue to believe that the industry includes many interesting opportunities. It represents a large absolute weight in the ETF; however, we remain underweight given our focus on risk-adjusted opportunities within the industry.

Positioning remained balanced with a tilt toward innovative, cash-generative companies that we believe are underappreciated by the market. Approximately 45% of the ETF remains allocated to biotechnology, with an emphasis on commercial or near-commercial names. We modestly reduced exposure to medtech following the first quarter's rally in growth equities and redeployed capital into high-conviction biopharma ideas.

Outlook

We remain constructive on the Health Care sector and see attractive risk/reward opportunities heading into the second quarter. Biotech valuations remain depressed on a multiyear basis despite rising fundamental momentum, particularly among commercial-stage names with platform potential. Regulatory headlines continue to create noise, but we believe the long-term innovation cycle remains firmly intact.

We are encouraged by a potentially more lenient M&A backdrop under the new administration and expect larger biopharma companies to become more aggressive acquirers, particularly as patent cliffs loom. This supports our overweight in biotech, where we continue to lean into platform stories like Ascendis and Soleno Therapeutics.

In medtech, we are selective, favoring differentiated technologies over commodity exposure. Managed care remains a small part of our universe but is positioned for recovery under a more favorable policy setup, particularly within Medicare Advantage. Our tools exposure is balanced, as we monitor CapEx trends and tariff implications.

Overall, our ETF remains tilted toward idiosyncratic, high-conviction names with multiple levers for value creation. We continue to prioritize commercial-stage biopharma with near-term catalysts, durable growth visibility, and scalable platforms.

Harbor Health Care ETF



QUARTERLY ATTRIBUTION

As of 03/31/2025

Best & Worst Performers

Best Performers	Average Weight %	Return % (NAV)
SOLENO THERAPEUTICS INC	0.79	58.95
INTRA-CELLULAR THERAPIES INC	0.36	52.14
OPTION CARE HEALTH INC	3.66	50.65
GENEDX HOLDINGS CORP	0.92	19.10
IRHYTHM TECHNOLOGIES INC	0.67	16.09

Worst Performers	Average Weight %	Return % (NAV)
VAXCYTE INC	4.50	-53.87
ROCKET PHARMACEUTICALS INC	0.88	-46.94
PRAXIS PRECISION MEDICINES, INC.	0.04	-43.38
WEST PHARMACEUTICAL SERVICES, INC.	0.13	-36.25
GLAUKOS CORP	2.41	-34.36

Contributors & Detractors

Greatest Contributors	Return % (NAV)	Contribution to Return %
ASCENDIS PHARMA A/S - ADR	13.21	2.72
OPTION CARE HEALTH INC	50.65	1.84
LEGEND BIOTECH CORP-ADR	4.27	0.78
INTRA-CELLULAR THERAPIES INC	52.14	0.77
ELI LILLY & CO	7.11	0.55
Total		6.67

Greatest Detractors	Return % (NAV)	Contribution to Return %
VAXCYTE INC	-53.87	-2.20
GLAUKOS CORP	-34.36	-0.88
DEXCOM INC	-12.19	-0.51
ROCKET PHARMACEUTICALS INC	-46.94	-0.49
HAEMONETICS CORP/MASS	-21.18	-0.47
Total		-4.55

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

Harbor Health Care ETF

ATTRIBUTION

As of 03/31/2025



Quarterly Attribution:
Harbor Health Care ETF vs Russell 3000 Growth Health Care Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	2.16	2.18	-0.02
Currency Contribution	0.00	0.00	0.00
Total Return	2.16	2.18	-0.02

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
Consumer Discretionary	0.00	0.09	-0.09	0.00	-24.70	24.70	0.00	-0.02	0.03	0.00	0.03
Information Technology	0.00	0.00	0.00	0.00	103.64	-103.64	0.00	0.00	0.00	0.00	0.00
Health Care	98.92	99.91	-0.99	2.07	2.21	-0.14	2.15	2.20	0.00	-0.05	-0.05
Total	100.00	100.00	0.00	2.16	2.18	-0.02	2.16	2.18	0.03	-0.05	-0.02

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

Harbor Health Care 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. Since the Fund may hold foreign securities, it may be subject to greater risks than funds invested only in the U.S. These risks are more severe for securities of issuers in emerging market regions. Foreign currencies can decline in value and can adversely affect the dollar value of the fund. Since the Fund typically invests in a limited number of companies, an adverse event affecting a particular company may hurt the Fund's performance more than if it had invested in a larger number of companies.

Health Care Industry Risk: Because the Fund seeks to invest all, or substantially all, of its assets in the health care industry, the value of its shares will depend on the general condition of the that industry. The health care industry may be affected by any number of factors, including, but not limited to, lapsing patent protection, industry innovation, extensive government regulation, restrictions on government reimbursement for medical expenses, research and development costs, limited product lines, product liability litigation, an increased emphasis on outpatient services, and competitive forces.

Authorized Participant Concentration/Trading Risk: Only authorized participants ("APs") may engage in creation or redemption transactions directly with the Fund. The Fund is classified as non-diversified, 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. **New Fund Risk:** 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. **Small and Mid Cap Risk:** The Fund's performance may be more volatile because it may invest in issuers that are smaller companies.

Benchmarks

The Russell 3000® Growth Health Care Index is an unmanaged index generally representative of companies involved in medical services or health care in the Russell 3000 Index, which is comprised of the 3,000 largest U.S. companies as determined by total market capitalization. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

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.

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.

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.

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 sector, industries, or country holdings may be greater than 100% because of the inclusion of derivatives and the collateral securities supporting those instruments.

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 Health Care 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

Alpha is the excess return of an investment relative to the return of a benchmark index.

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.

Median Market Cap: The median size of the companies in a portfolio or index as measured by the market value of outstanding shares.

Weighted Average Market Capitalization: The average size of the companies in a portfolio or index as measured by the market value of outstanding shares.

Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share.

The Est 3-5 Yr EPS Growth (%) is the estimated growth of earnings per share over the next 3-5 years, using pre-calculated mean long-term EPS growth rate estimates, which are calculated using each individual broker's methodology, from FactSet, First Call, I/B/E/S Consensus, and Reuters. Forward looking estimates may not come to pass.

% EPS Growth - Past 3 Year: Earnings per share refers to the bottom-line measure of a company's profitability defined as net income divided by the number of outstanding shares.

The Adjusted Trailing P/E (price-to-earnings) Ratio is the closing stock price divided by the sum of the last 12 months actual EPS.

Forecasted P/E Ratio: a measure of the P/E (price-to-earnings) ratio using forecasted earnings for the P/E calculation.

Return on Equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity.

The Price/Book (price-to-book) Ratio evaluates a firm's market value relative to its book value.

All P/E, ROE and P/B statistics are calculated as weighted medians.