Harbor Mid Cap Fund

Quarterly Commentary & Attribution

Subadvisor (since 12/01/2019):

EARNEST Partners LLC

Portfolio Manager(s):

Paul E. Viera

Benchmark 1 Name: Russell Midcap® Index

Investment Philosophy:

The Harbor Mid Cap Fund invests primarily in equity securities, principally common and preferred stocks of mid-sized U.S. companies. It employs fundamental research and in-depth analysis to seek to identify companies with strong growth potential and competitive advantages.

Harbor

Harbor Mid Cap Fund

PERFORMANCE

As of 06/30/2026

Average Annual Returns

Share Class	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Net Expense Ratio %	Gross Expense Ratio %
Institutional	HMCLX	41152P708	12.87%	16.56%	27.26%	13.89%	7.83%	N/A	11.42%	12/01/19	0.88	0.93
Investor	HMCNX	41152P880	12.82%	16.37%	26.84%	13.48%	7.44%	N/A	11.03%	12/01/19	1.22	1.27
Retirement	HMCRX	41152P609	12.86%	16.62%	27.33%	13.95%	7.90%	N/A	11.50%	12/01/19	0.80	0.85
Russell Midcap® Index			13.83%	15.30%	21.63%	16.51%	8.50%	N/A	11.88%	12/01/19		

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

"Software and services participated in the advance, as investors became increasingly confident that Artificial Intelligence ('AI') adoption will enhance, rather than disrupt, the earnings outlook for many software providers."

EARNEST Partners LLC

Market in Review

The U.S. mid-cap market, as measured by the Russell Midcap® Index ("Index"), returned 13.83% during the quarter, supported by broad equity gains as 10 of the 11 Global Industry Classification Standard sectors generated positive returns. Performance reflected continued investor confidence in companies with durable earnings growth, improving fundamentals, and meaningful exposure to long-term secular investment themes, particularly Artificial Intelligence ("AI") and infrastructure.

Information Technology was the clear leader, advancing more than 54% during the quarter and contributing more than half of the Index's total return. Performance remained concentrated in hardware and semiconductor companies, which gained more than 80% and 60%, respectively, as demand for AI infrastructure, accelerated computing, and data center investment continued to exceed expectations. Software and services participated in the advance, as investors became increasingly confident that AI adoption will enhance, rather than disrupt, the earnings outlook for many software providers. Industrials ranked as the second-best performing sector, supported by continued investment in AI-related infrastructure, electrification, power generation, and grid modernization, as well as sustained demand for companies supplying the equipment and components necessary to expand digital and physical infrastructure.

Energy was the lone sector to post a negative return, pressured by lower commodity prices as the reopening of the Strait of Hormuz eased concerns surrounding global energy supply disruptions and reduced geopolitical risk premiums embedded in oil prices.

Expense ratio information is as of the Fund's current prospectus, as supplemented. Gross expenses are the Fund's total annual operating expenses. The net expense ratios for this fund are subject to a contractual management fee waiver and/or expense limitation agreement, excluding interest expense and acquired fund fees and expenses (if any), through 02/28/2027.

Performance data shown represents past performance and is no guarantee of future results. Fund performance is net of management fees and expenses and reflects reinvested dividends and distributions. Past performance reflects the beneficial effect of any expense waivers or reimbursements, without which returns would have been lower. 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 Mid Cap Fund

MANAGER COMMENTARY

As of 06/30/2026

Portfolio Performance

During the second quarter, the Harbor Mid Cap Fund (“Fund”) returned 12.87%, underperforming its benchmark, the Russell Midcap® Index, which returned 13.83%.

Relative results were partially driven by performance within Information Technology, where the portfolio participated meaningfully in the sector's strong advance but trailed the benchmark as a narrower group of higher-multiple growth stocks led returns. Importantly, we believe the portfolio achieved this participation while assuming less fundamental and valuation risk. Outside of Information Technology, relative performance was supported by strong stock selection within Industrials, Health Care, and Consumer Staples, where company-specific fundamentals continued to drive favorable outcomes. Sector positioning also contributed positively, with overweight exposures to Information Technology, Industrials, and Health Care, the three strongest-performing sectors in the Index, while maintaining underweights to Energy, Consumer Staples, and Utilities, which were among the weakest-performing areas of the market.

Contributors and Detractors

Key detractors included:

The TJX Companies, the world's largest off-price retailer of apparel and home fashions, operating under banners including T.J. Maxx, Marshalls, HomeGoods, and Homesense. The company purchases branded merchandise at discounts and offers consumers a constantly changing assortment of products, creating a differentiated "treasure hunt" shopping experience. Shares declined 4.8% during the quarter, weighing on relative performance despite strong operating results. We believe TJX remains well positioned given its differentiated off-price business model, strong vendor relationships, and premium real estate footprint, which has enabled it to source branded merchandise at attractive prices and consistently gain market share. The company's value-oriented offering continues to resonate across income groups, particularly during periods of economic uncertainty. These competitive advantages support sustained revenue growth, resilient margins, and long-term shareholder value.

Intercontinental Exchange, a global marketplace operator and financial technology company that owns and operates major financial exchanges, including the New York Stock Exchange. In addition to facilitating trading across commodities, interest rates, and financial markets, the company provides market data, analytics, mortgage technology, and other services to financial institutions and businesses around the world. Shares declined approximately 21% during the quarter despite strong earnings and record trading volumes. Investor concerns centered on the growing popularity of perpetual futures contracts, particularly after U.S. regulators approved new cryptocurrency-linked products, that raised fears that these instruments could reduce demand for its traditional derivatives business. We continue to own Intercontinental Exchange because we believe the market is overstating the competitive threat posed by perpetual futures. We also believe the company remains well positioned to benefit from long-term growth in energy trading, increasing demand for market data and technology services, and expanding activity across global financial markets.

Key contributors included:

Applied Materials, a leading supplier of semiconductor manufacturing equipment, software, and services. The company's technology enables virtually every stage of semiconductor fabrication, making it a critical supplier to leading foundries and memory manufacturers. Shares gained nearly 112% during the quarter and revenue increased 11% year over year, surpassing consensus, while earnings grew 20% and exceeded analyst estimates. Results were supported by record sales in leading-edge foundry and logic, 18% year-over-year growth in dynamic random-access memory sales, and continued strength in advanced packaging, prompting management to raise guidance for revenue, gross margin, and earnings. Applied Materials remains well positioned to benefit from the continued buildout of AI infrastructure and the increasing semiconductor content across automotive, industrial, and other end-markets. Combined with attractive valuation and improving growth prospects, these dynamics support continued long-term earnings growth.

Harbor Mid Cap Fund

MANAGER COMMENTARY

As of 06/30/2026

Hexcel Corp., a leading manufacturer of advanced composite materials used across the commercial aerospace, defense, space, and industrial markets. The company's carbon fiber and engineered composites are critical inputs for modern aircraft, including the Airbus A320, Airbus A350, and Boeing 737. Shares gained approximately 23% during the quarter following a strong first quarter earnings report that exceeded expectations. Revenue increased 10% year over year, surpassing consensus, while adjusted earnings per share rose 59% and exceeded analyst estimates. Results were driven by the ongoing recovery in commercial aerospace production. We believe Hexcel remains well positioned as increasing aircraft production and the growing adoption of lightweight composite materials continue to support long-term demand. The company's leadership in aerospace-grade carbon fiber provides a durable competitive advantage. Combined with its strong customer relationships and focus on advanced composite technologies, Hexcel appears well positioned to deliver sustained growth.

Entegris, a leading supplier of contamination-control solutions and high-purity materials used to manufacture advanced semiconductor chips. Its products help chipmakers produce complex chips with greater precision and fewer defects, making them an essential part of the semiconductor manufacturing process. Shares outperformed, as the company reported results ahead of expectations, with both revenue and earnings exceeding guidance. Management also issued second quarter earnings guidance above consensus expectations, driven by growing demand for next-generation memory chips and advanced logic technologies. We continue to own Entegris because it appears well positioned to benefit from the long-term trend toward increasingly advanced semiconductor manufacturing. Combined with its technology leadership, strong research and development capabilities, and pricing power, we believe Entegris can continue to gain market share and grow faster than the broader semiconductor industry.

Centene, a leading health insurer focused on government-sponsored health care programs. The company provides health coverage to millions of members while working with state and federal governments to deliver affordable care. Shares outperformed during the quarter, as the company reported double-digit earnings growth, driven by better-than-expected medical cost trends and improving profitability. We continue to own Centene because we believe the company's earnings power has been improving as premium pricing adjusts to reflect underlying health care cost trends. Health insurance pricing is designed to adapt over time, allowing insurers to restore profitability as costs become better understood. With margins continuing to recover and the company's leading position in government-sponsored health care programs, we believe Centene remains well positioned for continued earnings growth.

Buys and Sells

During the second quarter, we purchased Devon Energy, a U.S. independent oil and natural gas exploration and production company with operations concentrated in onshore basins across the United States.

We sold Coterra Energy, a U.S. independent oil and gas exploration and production company with operations in the Permian Basin, Marcellus Shale, and Anadarko Basin. We sold this stock due to the investment thesis coming to fruition.

Overweights and Underweights

As of June 30, 2026, the Fund's largest sector overweights were Industrials, Information Technology, and Financials. The largest sector underweights were Utilities, Communication Services, and Consumer Staples. Sector weightings are an outgrowth of our fundamental bottom-up investment process.

Outlook

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

Harbor Mid Cap Fund

TOP 10 HOLDINGS

As of 06/30/2026

Top 10 Holdings	Portfolio %	Benchmark 1 %
Entegris Inc.	3.62	0.20
Woodward Inc.	3.59	0.18
Keysight Technologies Inc.	3.38	0.43
Applied Materials Inc.	3.18	0.00
Cummins Inc.	2.91	0.00
Twilio Inc. Class A	2.54	0.22
Hexcel Corporation	2.35	0.05
Vertiv Holdings Co. Class A	2.15	0.00
Arrow Electronics Inc.	2.14	0.08
Masco Corporation	2.14	0.12
Total	**28.00**	**1.28**

QUARTERLY ATTRIBUTION

As of 06/30/2026

Best & Worst Performers

Best Performers	Average Weight %	Gross Return %
APPLIED MATERIALS INC	2.14	111.80
CENTENE CORP	1.49	96.06
TWILIO INC - A	2.26	63.99
ENTEGRIS INC	3.00	53.52
ARROW ELECTRONICS INC	2.08	48.81

Worst Performers	Average Weight %	Gross Return %
ALBEMARLE CORP	2.18	-24.61
INTERCONTINENTAL EXCHANGE IN	1.46	-21.44
MURPHY OIL CORP	0.64	-20.38
BROADRIDGE FINANCIAL SOLUTIO	0.79	-15.15
DEVON ENERGY CORPORATION	1.51	-14.88

Contributors & Detractors

Greatest Contributors	Gross Return %	Contribution to Return %
APPLIED MATERIALS INC	111.80	1.84
ENTEGRIS INC	53.52	1.38
TWILIO INC - A	63.99	1.09
CENTENE CORP	96.06	0.94
ARROW ELECTRONICS INC	48.81	0.81
Total		**6.06**

Greatest Detractors	Gross Return %	Contribution to Return %
ALBEMARLE CORP	-24.61	-0.53
INTERCONTINENTAL EXCHANGE IN	-21.44	-0.32
DEVON ENERGY CORPORATION	-14.88	-0.25
ULTA BEAUTY INC	-13.72	-0.21
CENCORA INC	-9.71	-0.15
Total		**-1.46**

Holdings are subject to change. Current holdings can be found at harborcapital.com.
Performance data shown represents past performance and is no guarantee of future results.

Harbor Mid Cap Fund

ATTRIBUTION

As of 06/30/2026

Quarterly Attribution:
Harbor Mid Cap Fund vs Russell Midcap® Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	13.20	13.83	-0.62
Currency Contribution	0.00	0.00	0.00
Total Return	**13.20**	**13.83**	**-0.62**

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 Staples	1.07	4.28	-3.21	18.06	0.57	17.49	0.19	0.02	0.47	0.20	0.67
Utilities	1.64	5.98	-4.34	1.72	0.99	0.73	0.03	0.06	0.61	0.01	0.63
Industrials	28.32	19.21	9.10	16.83	16.04	0.79	4.63	3.01	0.23	0.21	0.44
Energy	3.91	6.72	-2.81	-13.32	-7.24	-6.07	-0.52	-0.53	0.66	-0.25	0.41
Communication Services	0.00	3.40	-3.40	0.00	4.50	-4.50	0.00	0.17	0.33	0.00	0.33
Real Estate	5.02	6.70	-1.68	11.63	9.47	2.16	0.61	0.67	0.08	0.11	0.19
Health Care	9.67	8.81	0.86	13.61	12.36	1.26	1.33	1.07	0.02	0.12	0.14
Consumer Discretionary	8.20	10.35	-2.15	0.42	7.39	-6.97	0.10	0.83	0.13	-0.61	-0.48
Materials	5.82	5.14	0.68	-5.09	1.13	-6.22	-0.28	0.08	-0.08	-0.42	-0.49
Information Technology	17.82	15.91	1.90	42.63	54.42	-11.79	6.47	6.97	0.82	-1.58	-0.76
Financials	14.65	13.50	1.15	3.60	10.80	-7.20	0.61	1.49	-0.04	-1.12	-1.15
Total	**100.00**	**100.00**	**0.00**	**13.20**	**13.83**	**-0.62**	**13.20**	**13.83**	**2.70**	**-3.33**	**-0.62**

Trailing 1 Year Attribution:
Harbor Mid Cap Fund vs Russell Midcap® Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	28.49	21.61	6.88
Currency Contribution	0.00	0.00	0.00
Total Return	**28.49**	**21.61**	**6.88**

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	26.40	18.71	7.69	41.04	29.40	11.65	10.36	5.29	0.70	2.97	3.67
Consumer Discretionary	8.81	11.32	-2.51	20.16	5.09	15.08	2.15	0.77	0.40	1.58	1.98
Consumer Staples	1.22	4.75	-3.53	13.54	-1.24	14.78	0.14	-0.09	0.92	0.20	1.13
Communication Services	0.00	3.81	-3.81	0.00	-3.14	3.14	0.00	-0.15	1.07	0.00	1.07
Materials	6.01	5.10	0.90	33.40	20.29	13.11	2.16	1.08	0.10	0.77	0.87
Information Technology	14.61	13.06	1.55	78.92	83.03	-4.11	10.09	9.21	1.18	-0.53	0.66
Utilities	1.76	6.13	-4.37	15.81	14.37	1.45	0.29	0.90	0.35	0.03	0.38
Energy	3.46	6.09	-2.63	42.37	33.02	9.35	1.49	1.95	-0.27	0.24	-0.03
Financials	17.36	14.66	2.69	2.97	4.10	-1.13	0.95	0.67	-0.34	-0.14	-0.48
Real Estate	5.91	6.99	-1.08	-5.43	5.60	-11.03	-0.32	0.39	0.19	-0.79	-0.60
Health Care	11.14	9.37	1.77	7.50	16.61	-9.12	1.05	1.59	0.03	-1.13	-1.09
Total	**100.00**	**100.00**	**0.00**	**28.49**	**21.61**	**6.88**	**28.49**	**21.61**	**3.66**	**3.22**	**6.88**

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

Harbor Mid Cap Fund

ATTRIBUTION

As of 06/30/2026

Trailing 3 Year Attribution:
Harbor Mid Cap Fund vs Russell Midcap® Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	51.82	58.10	-6.28
Currency Contribution	0.00	0.00	0.00
Total Return	**51.82**	**58.10**	**-6.28**

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 Staples	1.31	4.41	-3.10	22.52	-6.77	29.29	0.25	-0.47	2.47	0.52	2.99
Industrials	24.18	18.43	5.75	80.34	76.93	3.41	18.23	13.67	1.24	1.17	2.41
Consumer Discretionary	7.95	10.77	-2.82	47.44	29.75	17.69	4.49	3.89	0.73	1.61	2.34
Communication Services	0.00	3.63	-3.63	0.00	26.19	-26.19	0.00	1.08	1.29	0.00	1.29
Financials	19.26	15.53	3.73	65.42	71.24	-5.82	13.78	11.72	1.12	-1.05	0.07
Utilities	1.65	5.77	-4.12	47.36	64.10	-16.74	0.81	3.62	-0.15	-0.24	-0.39
Real Estate	6.58	7.48	-0.89	10.93	25.12	-14.19	0.93	2.23	0.36	-1.04	-0.67
Materials	6.96	5.35	1.61	15.94	17.94	-2.00	0.56	1.02	-0.72	-0.40	-1.12
Health Care	10.77	9.79	0.98	2.64	9.97	-7.33	0.26	0.48	-0.08	-1.11	-1.19
Energy	3.36	5.50	-2.14	12.18	84.50	-72.32	0.51	4.15	-0.35	-2.39	-2.73
Information Technology	15.08	13.35	1.72	77.19	172.25	-95.05	11.50	16.70	1.51	-9.26	-7.75
Total	**100.00**	**100.00**	**0.00**	**51.82**	**58.10**	**-6.28**	**51.82**	**58.10**	**5.90**	**-12.18**	**-6.28**

Trailing 5 Year Attribution:
Harbor Mid Cap Fund vs Russell Midcap® Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	57.12	50.28	6.83
Currency Contribution	0.00	0.00	0.00
Total Return	**57.12**	**50.28**	**6.83**

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	7.01	11.19	-4.18	90.12	11.58	78.54	7.08	1.43	1.55	5.43	6.97
Communication Services	0.00	3.75	-3.75	0.00	-28.83	28.83	0.00	-2.44	4.67	0.00	4.67
Financials	18.71	14.83	3.88	70.93	54.15	16.78	15.71	9.38	0.91	3.15	4.06
Industrials	23.03	17.47	5.57	97.56	92.27	5.29	22.31	16.53	2.93	0.82	3.76
Consumer Staples	1.55	4.22	-2.67	53.51	1.07	52.44	1.54	-0.13	2.05	1.53	3.58
Utilities	1.54	5.61	-4.07	55.36	82.09	-26.73	0.94	4.12	-0.92	-0.33	-1.25
Real Estate	6.70	7.77	-1.07	-9.48	12.60	-22.08	-0.83	0.58	0.75	-2.10	-1.35
Energy	3.72	5.22	-1.50	69.67	185.14	-115.47	3.22	6.65	0.05	-2.64	-2.59
Health Care	10.41	10.22	0.19	-24.25	-5.55	-18.70	-4.28	-1.36	0.17	-3.73	-3.56
Materials	7.31	5.52	1.79	-3.39	22.38	-25.77	-1.84	1.09	-0.48	-3.13	-3.61
Information Technology	17.32	14.21	3.11	80.56	150.02	-69.46	12.60	14.43	1.54	-6.46	-4.92
Total	**100.00**	**100.00**	**0.00**	**57.12**	**50.28**	**6.83**	**57.12**	**50.28**	**14.29**	**-7.46**	**6.83**

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

Harbor Mid Cap Fund

IMPORTANT INFORMATION

Risks

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 mid cap companies pose special risks, including possible illiquidity and greater price volatility than stocks of larger, more established companies.

Benchmarks

The Russell Midcap® Index is an unmanaged index generally representative of the U.S. market for medium capitalization stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell Midcap® Index and Russell® are trademarks of Frank Russell Company.

Disclosures

All holdings-related data is provided by FactSet. Because FactSet relies on external sources for its data, that data may differ slightly from actual values maintained by Harbor Funds.

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.

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Harbor Mid Cap Fund

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.