Harbor Transformative Technologies ETF (TEC)

STANDARD RFI

All responses are as of 04/30/2025.

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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 a variety of assets classes, without bias, and has led to a diverse array of investment solutions to help meet investor needs.

SUBADVISOR STRUCTURE & INVESTMENT TEAM

SUBADVISOR STRUCTURE

The subadvisor for the Harbor Transformative Technologies ETF (TEC), Jennison Associates LLC (“Jennison”), is a wholly owned direct subsidiary of PGIM Inc. (“PGIM”) and indirectly wholly owned by Prudential Financial, Inc. (NYSE: PRU).

HISTORY

Jennison Associates LLC (“Jennison”) was founded in 1969 based on a belief that is as true today as it was then: Doing what’s right for clients will always be good for business. The company was established as an SEC-registered investment advisor* for tax-exempt, US large cap growth equity accounts, primarily for large institutions.

Jennison’s success in achieving client investment objectives has been made possible by their distinct investment-focused culture. The bedrock of their success remains firmly rooted in everything they do. They are, and always have been, distinguished by professional excellence, client focus, teamwork, and experience.

Over Jennison’s history, they have expanded their array of investment capabilities across a diverse range of clients and vehicles.

Below are key dates in the firm’s history.

- **1969:** Jennison Associates Capital Corp. ("JACC") founded and registered as an investment advisor with the US Securities and Exchange Commission.
- **1975:** Jennison broadened their money management capabilities through the acquisition of Boston-based fixed income manager Carter, Doyle & Co. from Standard & Poor’s Corp.

- **1985:** JACC was acquired by the Prudential Insurance Company of America ("PICA") and became a wholly owned subsidiary of PICA.
- **1998:** JACC was reorganized as a limited liability company organized under the laws of the state of Delaware. Jennison Associates LLC, as the firm is now known, assumed all of the assets and liabilities of JACC.
- **2000:** PICA's asset management group moved its public active equity asset management capabilities (personnel and accounts) to Jennison. The action combined Jennison's strengths in growth and fixed income management with Prudential's strengths in small cap, value, and mid-cap growth equity management.
- **2001:** As part of its demutualization in December 2001 and IPO of Prudential Financial, Inc. ("Prudential Financial"), PICA reorganized the ownership of its various subsidiaries, making them direct or indirect subsidiaries of Prudential Financial. Jennison became an indirect subsidiary of Prudential Financial at this time. Prudential Financial completed its IPO on the NYSE on December 13, 2001.
- **2006:** Launched development of client-specific custom investment solutions.
- **2011:** Jennison added a global equity capability, with subsequent international and emerging market equity strategies.
- **2019:** Jennison celebrates 50 years in business.
- **2020:** Jennison became a signatory to the Principles of Responsible Investment (PRI), formalizing their ongoing commitment to ESG.

**Registration with the SEC does not imply a certain level of skill or training.*

PORTFOLIO MANAGERS

Jennison's Transformative Technologies strategy is managed by three portfolio managers, Nick Rubinstein, Eric Sartorius, and Jason McManus. Nick and Eric, supported by 13 global sector/industry analysts who cover industries where technology is increasingly being used to create a differentiated competitive advantage, are responsible for executing and implementing investment ideas, and they work closely with the analysts on new ideas and existing holdings. Jason and the Custom Solutions Group are responsible for implementing investment decisions within the ETF vehicle structure.

Nicolas Rubinstein
Managing Director
Nick Rubinstein is a technology equity portfolio manager and research analyst covering technology companies. Before joining Jennison in 1997, Nick was an analyst for the technology corporate finance group at Morgan Stanley, where he focused on the financing needs and strategic positioning of companies in high-technology industries. Prior to Morgan Stanley, Nick was as an analyst for the technology corporate finance group at Paine Webber. He received a BA with honors in international relations from Brown University.

Eric Sartorius, CFA
Managing Director
Eric Sartorius is a portfolio manager for small cap core, midcap growth, and technology strategies, and a research analyst covering information technology. He joined Jennison in 2013 from Allianz Global Investors, where he was a portfolio manager and a senior research analyst covering information technology and healthcare on the small and smid cap growth investment team. Prior to that, he began his investment career as an associate analyst covering information technology at Fred Alger Management. Eric earned a BA in political economics from Williams College and is a CFA charterholder.

Jason McManus
Managing Director and Head of Custom Solutions
Jason is the Head of Custom Solutions. An employee since 1997, Jason started as an international equity research associate before joining the applied research team in 2003. In 2006, he began managing quantitative portfolios and custom solutions for clients and was later appointed the Head of Custom Solutions. He received a BS in economics and computer science from the University at Albany, State University of New York, and an MBA in quantitative finance from New York University's Stern School of Business.

DECISION MAKING AUTHORITY

Nick and Eric manage the strategy, working together with research analysts. Jennison believes the process elevates the investment debate by engaging all team members in decision making, with analyses, deliberations, and decisions reflecting the expertise of each participant. This process ensures that this “best thinking” of all investment professionals is reflected in all client portfolios, thus producing a Jennison product.

Purchase and sell ideas are initiated within the team, typically by analysts. Analysts conduct their own fundamental research, build conviction in investment ideas, and make recommendations to portfolio managers. The portfolio managers collaboratively analyze, discuss, and deliberate recommendations before deciding to implement them or not.

Jason McManus is responsible for implementing the team’s investment decisions within the ETF vehicle structure.

HARBOR TRANSFORMATIVE TECHNOLOGIES ETF (TEC)

OBJECTIVE

The **Harbor Transformative Technologies ETF (TEC)** seeks long-term growth of capital by investing in companies that Jennison believes to have growth potential tied to transformative technologies. Transformative technologies are innovations that alter the way consumers, businesses or industries operate by using technology to build a competitive advantage. Such companies may be engaged in offering or developing products, processes or services that provide or benefit from technological advances and improvements, or using such products, processes or services in ways that Jennison expects to substantially drive growth.

OVERVIEW

The **Harbor Transformative Technologies ETF (TEC)** seeks to invest in fast-growing companies across sectors and industries that offer, develop, and employ technological advances. Backed by Jennison's 50+ years of bottom-up stock-picking expertise and direct access to company leadership, TEC aims to offer an actively managed, concentrated portfolio of businesses using or advancing technologies, believed to be groundbreaking across industries and market caps.

INVESTMENT PHILOSOPHY

The convergence of significant disruptive trends and ongoing innovation is creating potential opportunities today.

- Jennison’s Transformative Technologies strategy seeks innovative, transformative technology companies along with businesses in other industries that effectively use technology as a sustainable competitive advantage.
- Jennison believes success requires both an early identification of long-duration, disruptive changes in consumer and business behavior, and then investing with conviction in the business models that are best positioned to potentially succeed.

INVESTMENT PROCESS

Idea Generation

Investment ideas originate with the bottom-up fundamental research of a deep, highly experienced, and long-tenured investment team. The Subadvisor looks to invest in companies that have a strong and defensible competitive position, unique growth drivers or upcoming catalysts (e.g., launching a new product, expanding into a new market, securing a major partnership or benefiting from a new industry trend), a proven and experienced management team, the ability to capitalize on economic trends, and/or expected growth in revenue, or earnings, and/or cash flow that the Subadvisor expects to outpace market averages. These ideas can come via long-term relationships, company meetings, industry events, sell-side research, and networks. The output of this process generates a universe of approximately 300 focused companies.

Buy Discipline

Jennison's team of analysts performs financial modeling of approximately 300 companies. This deep fundamental research is centered on companies with:

Proven Business Models

- Attractive end markets
- Market leadership and pricing power
- High barriers to entry
- Strong brand
- Durable growth

Catalysts for Inflecting Growth

- Proprietary technology
- Product innovation
- Patent protection
- Economies of scale
- Brand strength

Attractive Financial Characteristics

- Above market revenue growth
- Above market margin profile
- Healthy balance sheets with financial flexibility
- Appropriate valuations

Portfolio Construction

The portfolio managers build a flexible portfolio of 35 to 60 stocks with minimal constraints that reflects conviction and uniqueness of business models. Positions in the portfolio are added one at a time based the team's judgment of each stock's portfolio-enhancing characteristics, which include diversification value within the overall portfolio, distinct opportunities not offered by other stocks, risk/reward profile, and the manager's confidence in the company's ability to execute.

Position sizes range from 0-10% and non-US exposure is capped at 20%.

Sell Discipline

A position may be eliminated or reduced when:

- The stock's fundamentals change unfavorably (for example, a competitive position weakens, earnings estimates are revised down, management changes, governance issues surface).
- The stock appreciates to full valuation.
- Business or product cycle matures.
- A more attractive risk/reward stock idea emerges.

RESEARCH PROCESS

Internal fundamental research is the cornerstone of the investment process and Jennison's investment team consists of established, experienced professionals with demonstrated expertise. Their accumulated knowledge, long-term industry relationships, and deep insights make them highly effective at identifying attractive investment ideas globally and articulating rationales that compel portfolio managers to act on them.

Nick and Eric are supported by 13 research analysts. The strategy's seasoned, interactive, and overlapping research analysts cover all global technology sectors as well as businesses in other industries that effectively use technology as a sustainable competitive advantage. The portfolio managers also conduct research, as they believe that portfolio management and research responsibilities are synergistic. Managing portfolios makes them better analysts; research responsibilities make them better portfolio managers.

While the vast majority of research is internally generated, it is supplemented with third-party research, and specialized consultants. These external resources help gauge overall market consensus thinking. External research represents approximately 15% of total research. Services the team finds useful include Research Direct, Standard & Poor's Compustat, Dow Jones, PANARAY, Bloomberg, and FactSet, along with sell-side analytics.

COMPETITIVE ADVANTAGES

Jennison believes its competitive advantages include long-standing relationships with industry contacts and management teams to build a strategic understanding of companies and assess their growth opportunities; experience in managing market gyrations; the ability to capitalize on the resources of the entire Jennison research organization to source and vet potential investment ideas and provide ongoing research across the market cap spectrum; and an extensive opportunity set invest across multiple industries provides ample opportunity for durable outperformance over a full market cycle.

BENCHMARK

While the strategy is benchmark agnostic, Jennison believes the NASDAQ 100 Total Return Index is the most appropriate for evaluation purposes.

FUND HIGHLIGHTS

Strategic partnership with Jennison Associates. Jennison Associates is a long-term partner and premier growth equity manager with deep expertise in identifying secular growth leaders in technology. With a strong track record and over $50 billion in technology equities, Jennison brings nearly five decades of experience in uncovering companies driving sustained transformation and innovation.

Focused on transformative technologies. TEC seeks to invest in companies that use or enable technology believed to be groundbreaking and have the potential to drive disruptive secular shifts and growth leaders across sectors. The team taps into themes like Artificial Intelligence (AI)-augmented cloud computing, AI-driven semiconductor development, and cybersecurity to help uncover companies with distinct growth drivers and that are expected to evolve as new technologies and opportunities emerge. This flexible, forward-looking approach seeks to identify and invest in businesses transforming industries through technology.

Selective, "best-ideas" portfolio. TEC is built around a "best-ideas" approach, drawing on Jennison's deep, bottom-up research in an effort to Identify leading-edge companies driving long-term, meaningful change. The portfolio is concentrated in 35-60 holdings—each holding reflects a high conviction that a company can lead or disrupt its industry. With flexibility across sectors and market caps, TEC aims to offer direct exposure to the next wave of technology-led growth.

ETF STRUCTURE

- **Cost Effective:** TEC is a cost-efficient way to gain access to a "best-ideas" portfolio of groundbreaking companies.
- **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 team's valuation approach for larger, well-established companies is likely to include conventional metrics such as revenue, cash flow, and earnings growth. Its focus on smaller, earlier-in-development companies is likely to be focused on revenue growth, size of addressable markets, business model scalability, sustainability of their competitive advantage, and longer-term opportunities. It is not unusual for new, disruptive companies with long-term growth opportunities to be unprofitable initially, especially when it is more ideal for the business to reinvest heavily for scalability at earlier stages.

Historical Investment Guidelines	
# of Holdings	Typically 35 to 60 stocks
Industry Allocations	The Fund concentrates its investments (i.e., invests 25% or more of its total assets) in the securities of companies in the groups of industries comprising the information technology sector. Under normal circumstances, the Fund invests at least 80% of its net assets, plus borrowings for investment purposes, in securities of "transformative technology" companies.
Initial Position Size	Position size reflects risk/reward and varies based on the individual opportunity. It is also a function of how the portfolio manager views the security/issuer in the context of the overall portfolio.
Security Allocations	The Fund normally does not own more than 10% of a company's outstanding shares.
% to Foreign Countries	The Fund invests primarily in the securities of U.S. issuers but may invest up to 20% of its total assets in the securities of foreign issuers, including issuers located or doing business in emerging markets.
Cash Allocation	The portfolio is typically fully invested. Cash is not actively managed; rather, it is a residual of investment ideas.

VEHICLE INFORMATION

The Harbor Transformative Technologies ETF incepted in April 2025 and is currently available as an active ETF (Ticker: TEC).

Ticker Symbol	TEC
Cusip	41151J638
Total Expense Ratio	0.69%
Inception Date	04/16/2025
Listing Date	04/17/2025
Manager Name	Jennison Associates
Benchmark	Nasdaq-100 Index
Listed Exchange	NYSE
Lead Market Maker	GTS
Morningstar Category	Morningstar Technology Sector

For complete details on Harbor Transformative Technologies ETF (TEC), 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 Transformative Technologies ETF (TEC), including the process for making portfolio decisions and effecting the purchase and sale of securities held by the ETF, or any specific operational aspects of the subadvisor are provided by the subadvisor to the ETF 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.

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 or a recommendation to purchase a particular security.

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. At times, a growth investing style may be out of favor with investors which could cause growth securities to underperform value or other equity securities. The Fund's focus on transformative technology companies increases exposure to sector volatility, rapid innovation cycles, competition, regulation, and market shifts, which may impact performance unpredictably. The Fund's investments in foreign securities expose it to higher risks than Funds investing only in the U.S., including currency risk, which may negatively impact its value if foreign currencies fluctuate against the U.S. dollar. Depositary receipts carry risks like political instability, currency fluctuations, higher costs, and weaker investor protections. 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.

The Subadvisor considers certain Environmental, Social and Governance (ESG) factors in evaluating company quality which may result in the selection or exclusion of securities for reasons other than performance and the Fund may underperform relative to other funds that do not consider ESG factors.

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 **Nasdaq-100 Index®** is designed to measure the performance of 100 of the largest Nasdaq-listed non-financial companies. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Jennison Associates LLC is an independent subadvisor to the Harbor Transformative Technologies ETF.

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.

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Foreside Fund Services, LLC is the Distributor of the Harbor Transformative Technologies ETF.