

Harbor Health Care ETF

Quarterly Commentary & Attribution

Subadvisor (since 11/16/22):

Westfield Capital Management Company, L.P.

Portfolio Manager(s):

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Benchmark 1 Name: Russell 3000 Growth Health Care Index

Investment Philosophy:

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

Harbor Health Care ETF

PERFORMANCE

As of 06/30/2026

Average Annual Returns

	Ticker	CUSIP	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Gross Expense Ratio %
Harbor Health Care ETF (NAV)	MEDI	41151J869	15.30%	7.64%	27.53%	15.62%	N/A	N/A	16.70%	11/16/2022	0.80
Harbor Health Care ETF (Market)	MEDI	41151J869	15.46%	7.60%	27.48%	15.60%	N/A	N/A	16.92%	11/16/2022	0.80
Russell 3000® Growth Health Care Index			15.17%	4.90%	27.08%	13.49%	N/A	N/A	13.03%	11/16/2022	

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

"Heading into the third quarter, we see the M&A backdrop for biopharma as even more favorable than it was earlier in the year."

Westfield Capital Management Company, L.P.

Market in Review

Health Care sentiment shifted meaningfully during the second quarter of 2026. The biopharmaceutical ("biopharma") sub-industry's momentum, which had cooled in the first quarter as investor attention rotated toward artificial intelligence ("AI"), reasserted itself sharply in the back half of the quarter, particularly through the month of June, as a wave of M&A activity and positive clinical data presentations drew technology-oriented capital back into the sector. The Russell Growth Indexes' annual reconstitution also lifted biopharma's weight within the Health Care benchmarks, amplifying the sub-industry's influence on relative performance heading into the third quarter.

Biotechnology was again the standout performer, though leadership within the rally was notably narrow and concentrated in the more speculative, non-earning corner of the group—a dynamic that stands in contrast to our process's longstanding preference for commercial-stage, earnings-generating biopharma. Medical technology remained the weakest area of the sector for a second consecutive quarter, weighed down by idiosyncratic issues among several large-cap bellwethers and lingering uncertainty over whether softer procedure volumes reflect a transient or more structural trend. However, valuations have compressed to levels we consider increasingly attractive. Health Care distributors, which we view as a defensive subsector insulated from broader macro and geopolitical crosscurrents, continued to benefit from steady prescription volume growth and GLP-related tailwinds.

We remain constructive on Health Care overall, and our conviction in biopharma across the market-cap spectrum remains strong. The quarter's rally was a reminder that the sub-industry can move quickly once sentiment turns, and while a portion of that move was concentrated in lower-quality names that sit outside our process, we believe the underlying drivers remain firmly in place: improving M&A conditions, a more accommodative regulatory backdrop, and a maturing group of commercial-stage companies with genuine standalone growth prospects.

Portfolio Performance

During the second quarter, the Harbor Health Care ETF ("ETF") returned 15.30% (NAV), underperforming the Russell 3000® Growth Health Care Index ("Index"), which returned 15.17%.

Strong stock selection within biotechnology was outweighed by relative weakness within pharma and health care providers & services. From a factor perspective, volatility and momentum were top-performing factors during the quarter, and the ETF benefited from our overweight exposure to both.

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 06/30/2026



Contributors & Detractors

Biotechnology:

Biotechnology was the largest contributor to relative performance during the quarter, with strong stock specific returns from several holdings, driven by clinical data catalysts and M&A activity. The M&A environment for biopharma assets with established commercial franchises remains unusually favorable. We believe the ETF's emphasis on commercial-stage biopharma, along with innovative, quality earlier-stage companies, positions it to participate in continued consolidation.

Legend Biotech was the top contributor, as shares advanced on a positive early-stage CAR-T data readout for LB2501, alongside continued strong commercial execution for CARVYKTI, its approved multiple myeloma therapy, which again posted net trade sales ahead of consensus during the quarter. We continue to view the company as a share-taking leader in a fast-growing market.

Revolution Medicines, a clinical-stage oncology company developing targeted therapies for RAS-driven cancers, was a notable contributor. Shares advanced following positive clinical data and favorable competitive safety comparisons. We maintain conviction in the company's platform and continue to hold the position ahead of a pivotal pancreatic cancer data readout expected later this year.

Ascendis Pharma, the ETF's largest biotechnology holding, outperformed during the quarter as Yorvipath's commercial momentum continued, and additional long-term growth hormone data reinforced the durability of the franchise. We continue to view the company as a high-quality business with the potential to compound earnings over time.

Insmed, a commercial-stage biopharma company focused on rare disease therapies, declined over investor concern about treatment discontinuation rates for its lead rare disease therapy, which we believe is overblown, given the company's intact commercial trajectory. We added to the position during the quarter.

Vaxcyte, a clinical-stage biotechnology company developing vaccines for infectious disease, was a detractor during the quarter. Shares came under pressure after management's commentary was interpreted as tempering expectations ahead of a year-end Phase 3 data readout, compounded by investor concern over competitive dynamics. We trimmed the position to manage risk but continue to view the vaccine candidate's broad serotype coverage favorably heading into the data readout.

MedTech:

Our underweight position in Intuitive Surgical was the leading contributor, as shares declined sharply amid broader pressure on medical technology valuations tied to concerns over slowing procedure volumes—a theme that weighed on large-cap bellwether names across the sub-industry during the quarter.

Boston Scientific, a diversified medical device manufacturer, was a detractor from relative results, as shares lagged amid the broader pressure on medical technology valuations described above.

Health Care Providers & Services:

UnitedHealth Group advanced after the Centers for Medicare & Medicaid Services' calendar year 2027 Medicare Advantage rate update came in well ahead of expectations—a tailwind for managed care broadly. We continue to hold the position.

GeneDx Holdings, a leader in genetic testing for rare diseases and pediatrics, declined further after a difficult prior quarter, pressured by continued concern about pricing and reimbursement dynamics within its genomic testing business. We decided to sell the position during the quarter, as our conviction in the business model viability started to waver.

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MANAGER COMMENTARY

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Pharmaceuticals:

Pharma was the largest detractor from relative performance, driven by our underweight exposure to Eli Lilly, the benchmark's largest constituent by a wide margin. Shares outperformed, driven by continued execution across its obesity and diabetes franchise. While we continue to view Eli Lilly as the best-positioned player in the GLP-1 market, supported by the strength of weight loss data and longer intermediate peptide duration relative to Novo Nordisk, we remain underweight relative to the index weight of over 45%. We continue to believe that GLP-1 remains one of the most powerful product cycles in global pharma with a long runway ahead.

Buys & Sells

During the quarter, we benefited from M&A activity and sold our position in Nuvalent, an oncology-focused biopharma company following the announcement that GKS would be acquiring the company.

We also sold our position in GeneDx Holdings, a leader in genetic testing for rare diseases and pediatrics, which has been pressured by continued concern about pricing and reimbursement dynamics within its genomic testing business. We decided to sell the position, as our conviction in the business model viability started to waver.

We rotated the capital into biopharma names across the capitalization spectrum, including Relay Therapeutics, a clinical stage biopharma company with assets targeting both oncology and vascular conditions.

Sector Overweights & Underweights

Entering 2026, the biotechnology industry represented the largest overweight relative to the index and it remains the largest overweight as of quarter-end. We continue to view biotechnology as one of the most attractive area within Health Care, with exposure spread across both commercial-stage and development-stage names. Within the group, we are underweight more speculative and non-earning earlier stage names, which face disproportionate pressure from rising rates. M&A remains supportive, with large-cap pharma paying substantial premiums for commercial-stage assets.

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

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MANAGER COMMENTARY

As of 06/30/2026



Outlook

Heading into the third quarter, we see the M&A backdrop for biopharma as even more favorable than it was earlier in the year. The pipeline needs of large pharma companies are becoming more acute as patent cliffs draw closer, and that urgency is translating into real capital commitments, supported by an accommodative U.S. Food and Drug Administration and Federal Trade Commission posture. Importantly, the improving path to standalone commercialization means the ETF is less reliant on deal activity to realize value in many of its biopharma holdings, giving us confidence in the underlying thesis, whether or not a given name is ultimately acquired. We expect continued deal flow, concentrated in the areas of greatest need for large pharma: oncology, immunology, and rare disease.

Biotechnology remains our highest-conviction sub-industry, but after such a rapid move, we are inclined to add to positions on pullbacks rather than chase strength at current levels. We continue to favor a balance of mature, commercial-stage compounders alongside select development-stage names with near-term data catalysts. We are focused on maintaining discipline against the unprofitable, non-earning biotech cohort that drove much of the quarter's more speculative gains and that we believe remains vulnerable if the macro backdrop turns less accommodative. Within pharma, we continue to see more differentiated innovation in biotech than in the broader pharma group and remain selective, favoring the handful of large-cap names with genuine organic growth drivers over those more reliant on acquired growth to offset patent expirations.

We are becoming incrementally more constructive on medical technology, following its extended period of underperformance and valuation compression, and are beginning to selectively add exposure to names we believe have been overly punished for what look like idiosyncratic, rather than structural, issues. We continue to view distributors as an attractive defensive complement within the sector. We are also monitoring the growing use of AI in drug discovery and molecule optimization across the industry, which we believe should improve the potential long-term probability of success and investability of biopharma research and development, even though we remain cautious about underwriting pure-play, AI-adjacent stories directly, given the difficulty in isolating true differentiation.

Harbor Health Care ETF

TOP 10 HOLDINGS

As of 06/30/2026



Top 10 Holdings		
	Portfolio %	Benchmark 1 %
Eli Lilly and Company	20.72	45.21
Ascendis Pharma A/S	14.33	0.59
Gilead Sciences Inc.	4.42	0.00
Legend Biotech Corp.	4.35	0.00
Rhythm Pharmaceuticals	4.29	0.28
AbbVie Inc.	3.22	1.68
Intuitive Surgical Inc.	3.04	6.62
Insmmed Incorporated	2.90	1.08
Natera Inc.	2.73	1.75
Revolution Medicines Inc.	2.72	1.69
Total	62.73	58.90

QUARTERLY ATTRIBUTION

As of 06/30/2026

Best & Worst Performers

Best Performers	Average Weight %	Gross Return % (NAV)
ORUKA THERAPEUTICS INC	0.47	94.03
REVOLUTION MEDICINES INC	2.49	92.58
GUARDANT HEALTH INC	1.35	62.42
LEGEND BIOTECH CORP-ADR	5.00	59.65
ADAPTIVE BIOTECHNOLOGIES	1.11	54.54

Worst Performers	Average Weight %	Gross Return % (NAV)
GENEDX HOLDINGS CORP	0.84	-46.26
INSMED INC	3.44	-34.80
BOSTON SCIENTIFIC CORP	1.85	-31.98
INSULET CORP	0.98	-27.45
PRAXIS PRECISION MEDICINES I	0.40	-25.31

Contributors & Detractors

Greatest Contributors	Gross Return % (NAV)	Contribution to Return %
ELI LILLY & CO	30.56	6.25
ASCENDIS PHARMA A/S	16.61	2.97
LEGEND BIOTECH CORP-ADR	59.65	2.76
REVOLUTION MEDICINES INC	92.58	2.01
RHYTHM PHARMACEUTICALS INC	27.67	1.08
Total		15.07

Greatest Detractors	Gross Return % (NAV)	Contribution to Return %
INSMED INC	-34.80	-1.69
GENEDX HOLDINGS CORP	-46.26	-1.11
BOSTON SCIENTIFIC CORP	-31.98	-0.86
INTUITIVE SURGICAL INC	-13.73	-0.65
VAXCYTE INC	0.03	-0.56
Total		-4.87

Holdings are subject to change. Go to harborcapital.com/etf/medi for current holdings.
Performance data shown represents past performance and is no guarantee of future results.

Harbor Health Care ETF

ATTRIBUTION

As of 06/30/2026

Quarterly Attribution:

Harbor Health Care ETF vs Russell 3000 Growth Health Care Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	15.29	15.08	0.21
Currency Contribution	0.00	0.00	0.00
Total Return	15.29	15.08	0.21

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
Health Care	98.77	99.86	-1.09	15.46	15.05	0.41	15.28	15.04	0.00	0.43	0.43
Consumer Staples	0.00	0.01	-0.01	0.00	-27.66	27.66	0.00	0.00	0.00	0.00	0.00
Information Technology	0.00	0.01	-0.01	0.00	43.46	-43.46	0.00	0.00	0.00	0.00	0.00
Industrials	0.00	0.03	-0.03	0.00	34.50	-34.50	0.00	0.01	-0.01	0.00	-0.01
Consumer Discretionary	0.00	0.10	-0.10	0.00	44.00	-44.00	0.00	0.04	-0.03	0.00	-0.03
Total	100.00	100.00	0.00	15.29	15.08	0.21	15.29	15.08	-0.22	0.43	0.21

Trailing 1 Year Attribution:

Harbor Health Care ETF vs Russell 3000 Growth Health Care Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	27.00	26.70	0.30
Currency Contribution	0.00	0.00	0.00
Total Return	27.00	26.70	0.30

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
Health Care	98.86	99.86	-0.99	27.26	26.71	0.54	26.95	26.68	0.00	0.52	0.52
Consumer Staples	0.00	0.01	-0.01	0.00	-77.86	77.86	0.00	-0.03	0.04	0.00	0.04
Information Technology	0.00	0.01	-0.01	0.00	23.14	-23.14	0.00	0.00	0.00	0.00	0.00
Industrials	0.00	0.03	-0.03	0.00	55.23	-55.23	0.00	0.02	-0.01	0.00	-0.01
Consumer Discretionary	0.00	0.10	-0.10	0.00	38.35	-38.35	0.00	0.04	-0.01	0.00	-0.01
Total	100.00	100.00	0.00	27.00	26.70	0.30	27.00	26.70	-0.22	0.52	0.30

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



Harbor Health Care ETF

ATTRIBUTION

As of 06/30/2026

Trailing 3 Year Attribution:
Harbor Health Care ETF vs Russell 3000 Growth Health Care Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	52.85	44.82	8.04
Currency Contribution	0.00	0.00	0.00
Total Return	52.85	44.82	8.04

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
Health Care	98.62	99.88	-1.26	52.67	44.83	7.85	52.25	44.77	0.00	7.82	7.82
Information Technology	0.02	0.02	0.01	43.69	103.03	-59.34	0.37	-0.01	-0.08	0.44	0.36
Financials	0.14	0.00	0.14	0.52	0.00	0.52	0.02	0.00	0.07	0.00	0.07
Industrials	0.00	0.03	-0.03	0.00	-86.50	86.50	0.00	-0.02	0.04	0.00	0.04
Consumer Staples	0.00	0.01	-0.01	0.00	16.85	-16.85	0.00	0.00	0.01	0.00	0.01
Consumer Discretionary	0.00	0.07	-0.07	0.00	124.91	-124.91	0.00	0.07	-0.05	0.00	-0.05
Total	100.00	100.00	0.00	52.85	44.82	8.04	52.85	44.82	-0.22	8.26	8.04

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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.

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.

Best and Worst Performers sections reflect stocks in the portfolio for the quarter with an average weight of 0.25% or greater.

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, 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.

Foreside Fund Services, LLC is the Distributor of the Harbor ETFs.



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 risk-adjusted excess return of an investment relative to the return of a benchmark index.