

Harbor Commodity All-Weather Strategy ETF

Ticker: **HGER** | March 2023

Fund Highlights

Distinctive. Leverages proprietary technology to target liquid commodities with high expected inflation sensitivity while aiming to maximize futures roll yield.

Dynamic. Adjusts commodity weights based on different market and inflationary regimes, particularly commodity scarcity and debasement.

Broad-Based. Provides exposure to 24 of the most liquid commodity futures traded on a US or UK exchange.

No K-1s. Offered as a 1940-Act ETF structure, eliminating the need for Schedule K-1 tax filing.

Overview

The **Harbor Commodity All-Weather Strategy ETF (HGER)** seeks to provide investment results that closely correspond, before fees and expenses, to the performance of the Quantix Commodity Index (the "Index").

Quantix Commodity Index

Through a distinctive construction and exposure to a diversified basket of commodities, the **Quantix Commodity Index ("QCI")** is designed to deliver a dynamic, all-weather approach to commodity investing and outperformance to traditional commodity indices, particularly in inflationary environments.

QCI is comprised of commodity futures, which are distinct in their relationship to inflation and are generally regarded as having the highest positive correlation to inflation of all the major asset classes.

As part of its methodology, QCI considers the relative inflation sensitivity of each commodity, dynamically adjusts the weight of gold or other commodities based on the different market and inflationary regimes, and allocates to commodities with favorable roll yield dynamics. The Index is rebalanced on a quarterly basis.

| Ticker Symbol | HGER |
|------------------------|--------------------------|
| Cusip | 41151J505 |
| Expense (%) | 0.68 |
| Inception Date | 2/9/2022 |
| Listing Date | 2/10/2022 |
| Manager Name | Quantix |
| Benchmark | Quantix Commodity Index |
| Initial Offering Price | \$20.00 |
| Listed Exchange | NYSE |
| Lead Market Maker | Jane Street |
| Rebalance Frequency | Quarterly |
| Morningstar Category | Commodities Broad Basket |

ETF Structure

- **Cost Effective:** HGER may offer a cost efficient way to access a specialized and dynamic commodities strategy built to adjust to different market environments.
- **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 and timely investment decisions.



About the Manager

Quantix Commodities LP (“Quantix”) is a commodities focused fund manager specializing in the development and management of commodities-based investment strategies. The firm is a market leader in delivering comprehensive commodity investment solutions to the marketplace.



The Quantix Team

A seasoned investment team **averaging 20 years of experience investing in commodities**

The Quantix team worked side-by-side for 7 years at Goldman Sachs to run one of the largest commodity index portfolios, pioneered innovative trading techniques to outperform commodity indices, and developed bespoke investor solutions.

Team members each led major business lines within Commodities at Goldman, a mark of their fundamental expertise across all sectors of the commodity markets.

Portfolio Manager - HGER

Matthew Schwab

The Quantix Partners

Don Casturo

Chief Investment Officer

Daniel Cepeda

Portfolio Manager

Tom Glanfield

Portfolio Manager

A Team Approach

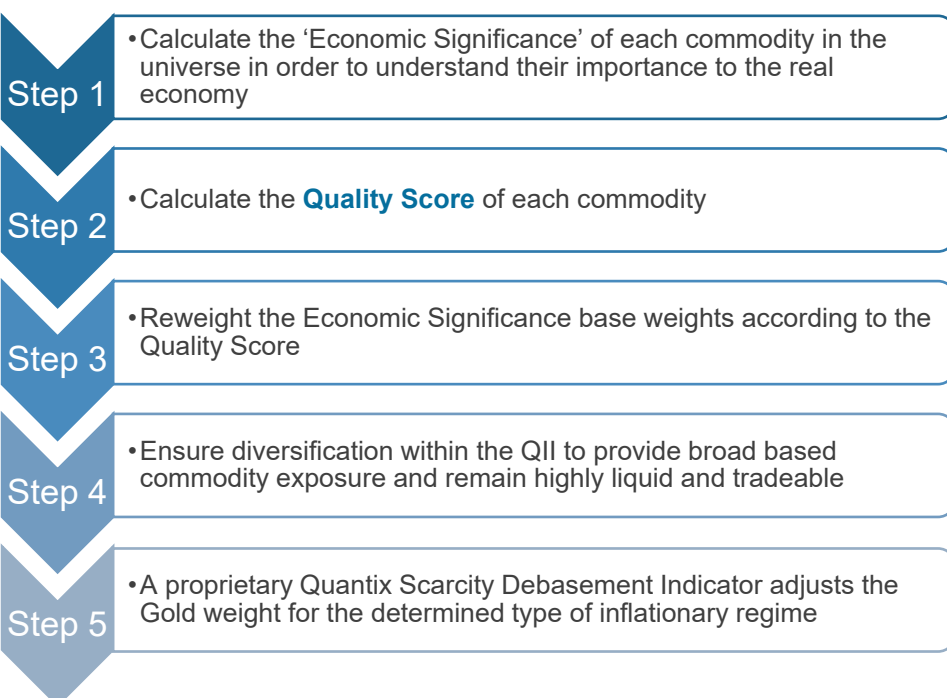
“Teamwork is critical to our success. We believe that a collective mindset can deliver much more than any individual. We value contribution and prioritize collaboration.”

Investment Process

The eligible universe of commodities consists of the 24 most liquid commodity futures based on historical open interest and volume measures. They are traded on either a US or UK exchange and denominated in USD. A minimum of 15 commodity futures will be included in the index.

The investment process is designed to reflect the Inflation Sensitivity and Roll Yield Return of each commodity, applied to the economic significance of commodities in the real world, within a diversification risk management framework.

This is accomplished via a **five-step process**:



Quantix aims to **optimize commodity basket weights** to increase inflation sensitivity and long-term returns through weighting toward commodities which have a higher **Quality Score**.

Quality Score:

- Higher correlations to CPI
- High relative pass-through costs
- Lower cost to hold and roll the exposure.

Sector Weights: No minimum limit. Maximum varies by sector with upper limit of 50%

Commodity Weights: 2% minimum, 20% maximum (except Gold with max 40%)



Engineered to be All-Weather

| | |
|---|--|
| 1 | Designed to increase inflation sensitivity in periods of higher inflation by targeting commodities with high pass-through costs, a higher correlation to CPI, and taking in account the cost to hold the exposure. |
| 2 | Though commodities with low pass-through costs are filtered out, the index retains relevant exposure to a broad spectrum of commodity sectors to help potential diversification to an investment portfolio. |
| 3 | Sector weights are determined to achieve inflation protection from a variety of sources by analyzing historical correlations. |
| 4 | Quantix understands the critical importance of implementation methodology in rolling commodity indices, especially in differing commodity price environments. |
| 5 | Quantix carefully optimizes the implementation of the inflation sensitivity framework using a scarcity/debasement lens. |

For more information, please visit www.harborcapital.com/etfs or call (866) 313-5549.

Important Information

Quantix Commodities LP ("Quantix") is a third-party subadvisor to the Harbor Commodity All-Weather Strategy ETF.

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. 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.

Commodity Risk: The Fund has exposure to commodities through its and/or the Subsidiary's investments in commodity-linked derivative instruments. Authorized Participant Concentration/Trading Risk: Only authorized participants ("APs") may engage in creation or redemption transactions directly with the Fund. Commodity-Linked Derivatives Risk: The Fund's investments in commodity-linked derivative instruments (either directly or through the Subsidiary) and the tracking of an Index comprised of commodity futures may subject the Fund to significantly greater volatility than investments in traditional securities.

Diversification does not assure a profit or protect against loss in a declining market.

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.

Roll yield is the return from adjusting a futures position from one futures contract to a longer-dated contract.

Debasement refers to lowering the value of a currency.

The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services.

Unlike mutual funds, ETFs may trade at a premium or discount to their net asset value. The ETF is new and has limited operating history to judge. Shares are bought and sold at market price not net asset value (NAV). 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

Foreside Fund Services, LLC is the Distributor of the Harbor Commodity All-Weather Strategy ETF.

Investors should carefully consider the investment objectives, risks, charges and expenses of a Harbor 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.