HARBOR LONG-TERM GROWERS ETF

Jennison Associates LLC

Subadvisor Since 02/02/22

Ticker:	WINN
CUSIP:	41151J406
Net Expense Ratio:	0.57%
Gross Expense Ratio:	0.57%
Total Net Assets:	$246,549,220
Benchmark Name:	Russell 1000® Growth Index

Portfolio Managers


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Investment Philosophy

The Harbor Long-Term Growers ETF (WINN) seeks long-term growth of capital. The Fund invests primarily inequity securities of U.S. companies that the investment team believes will deliver superior long-term growth in revenues and earnings. This strategy employs a proprietary combination of bottom-up, fundamental research and systematic portfolio construction to derive a portfolio of growth stocks that reflects a compelling combination of opportunity, valuation and risk.

The investment team's fundamental research seeks to identify large- and mid- capitalization companies that have superior prospects for long-term growth. The investment team uses systematic portfolio construction to achieve characteristics and risk exposures consistent with the ETF's objectives. Portfolio optimization tools are employed to incorporate the investment team's fundamental growth insights, considering diversification and liquidity risk.

CHARACTERISTICS & ALLOCATION

As of 12/31/2023

Portfolio Characteristics

	Portfolio	Benchmark
Number of Holdings	63	443
Wtd Avg Market Cap ($Mil)	1,054,104.60	1,104,507.90
Median Market Cap ($Mil)	126,430.00	17,638.00
Price/Book Ratio	13.29	12.66
Adjusted Trailing P/E Ratio	42.90	33.80
% EPS Growth - Past 3 Yr	20.60	21.10
Est 3-5 Yr EPS Growth Rate (%)	22.00	18.10
Return on Equity (%)	24.53	28.33
Forecasted P/E Ratio	38.80	29.50

Economic Sectors

	Portfolio %	Benchmark %
Information Technology	42.43	43.52
Consumer Discretionary	21.18	15.79
Communication Services	11.33	11.40
Health Care	11.19	10.63
Financials	6.39	6.41
Consumer Staples	3.12	4.14
Industrials	2.78	5.90
Real Estate	1.07	0.95
Materials	0.00	0.70
Energy	0.00	0.50
Utilities	0.00	0.05

Top 10 Holdings

	Portfolio %	Benchmark %
Microsoft Corporation	11.28	11.81
Apple Inc.	8.68	11.98
Amazon.com Inc.	7.72	5.77
Alphabet Inc. Class A	6.08	3.50
NVIDIA Corporation	5.98	4.96
Advanced Micro Devices	3.91	0.57
Eli Lilly and Company	3.73	2.08
Tesla Inc.	3.62	2.89
Meta Platforms Inc. Cla	2.80	3.30
Novo Nordisk A/S Sponso	2.80	0.00
Total	**56.60**	**46.86**

Top 10 Industries

	Portfolio %	Benchmark %
Software	17.22	18.82
Semiconductors	13.62	10.12
Broadline Retail	10.24	5.89
Interactive Media	8.88	9.93
Tech Hardware Storage	8.68	12.06
Pharmaceuticals	7.90	2.70
Financial Services	5.07	4.09
Automobiles	3.62	2.89
Textiles Apparel & Lux	3.40	0.63
Hotels Rest & Leisure	2.25	2.94
Total	**80.87**	**70.08**

Market Capitalization

		Portfolio %
Large	Above 25.0B	99.48
	10.0B - 25.0B	0.00
Mid	5.0B - 10.0B	0.00
	1.0B - 5.0B	0.00
Small	0.0 - 1.0B	0.00

Harbor

3329164-20240119

Harbor Long-Term Growers ETF

PERFORMANCE

As of 12/31/2023

Average Annual Returns

	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date
Harbor Long-Term Growers ETF (NAV)	15.87%	52.42%	52.42%	N/A	N/A	N/A	3.66%	02/02/2022
Harbor Long-Term Growers ETF (Market)	15.94%	52.53%	52.53%	N/A	N/A	N/A	3.66%	02/02/2022
Russell 1000® Growth Index	14.16%	42.68%	42.68%	N/A	N/A	N/A	4.62%	02/02/2022

MANAGER COMMENTARY

As of 12/31/2023

"Uncertainty about the U.S. economy's ability to avoid a recession remains a focus entering 2024."
Jennison Associates LLC

Market in Review

In early December 2023, the Federal Reserve's ("Fed") decision to leave the federal funds rate unchanged included the surprising statement that the pace of inflation had cooled sufficiently and that the Fed did not anticipate any more rate increases. Markets rallied following the announcement.

In the U.S. economy during the fourth quarter, there was incremental softness in hiring despite the resilience of the labor market; oil prices trended lower; and the average U.S. home price remained at historically high levels despite a dearth of activity in both existing home sales and new construction throughout 2023.

Economic growth outside of the U.S. remained muted. In China, the latest residential real estate setback continued to sap the strength of its post-COVID-19 recovery. Ongoing tensions over access to U.S. and international technology led to new restrictions on the purchase of advanced machinery — notably leading-edge semiconductor manufacturing technology — by Chinese enterprises and government agencies. In Europe, growth remained slightly positive to close the year.

At present, portfolio positioning reflects many of the same investment themes as in the past 12 months. We continue to own a diversified portfolio of companies that we believe will grow faster than the market averages in revenue, cash flow, and earnings, as well as outpace the growth of a broad universe of growth stocks as represented by the Russell 1000® Growth Index.

Portfolio Performance

The Harbor Long-Term Growers ETF ("ETF") outperformed the benchmark during the first quarter of 2023. Stock selection within the Information Technology, Industrials, and Consumer Staples sectors added the most value. Stock selection within Health Care and an overweight position in Consumer Discretionary detracted the most from relative performance.

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Harbor Long-Term Growers ETF

MANAGER COMMENTARY

As of 12/31/2023

Contributors & Detractors

Microsoft gained on potential artificial intelligence (“AI”) tailwinds, the stabilization of PCs, and Azure share gains. It continues to innovate and invest for future profitability. Amazon’s AWS is poised for a reacceleration, its e-commerce performance remains robust, and free cash flow is improving.

Argenx shares declined on the release of disappointing clinical outcomes for one of the products it has in development. Tesla shares were down slightly during the quarter without a major catalyst; however, the stock outperformed for the full year.

Buys & Sells

We initiated a position in Boeing. After being a laggard since the pandemic, it is now reaching an inflection point. Production is ramping up on its key 737 and 787 platforms, which should drive free cash flow meaningfully higher. We believe that Boeing offers unique growth potential that is largely independent of the macro environment given its backlog.

We sold our position in Ulta Beauty. The position was eliminated due to a disappointing miss on margins — driven by slowing consumer spending — and cautious forward guidance, which raised uncertainty about management’s response.

Outlook

The grudging pace of the U.S. economic slowdown might be the biggest surprise of the year. Consumer resiliency in the face of geopolitical and macroeconomic turbulence is the primary reason, reflecting low unemployment, balance sheet strength, and rising financial asset prices. Uncertainty about the U.S. economy’s ability to avoid a recession remains a focus entering 2024. We believe the evidence suggests slowing growth but not an outright recession ahead. The easing pace of inflation, along with lower borrowing costs, are new tailwinds to activity. Wage rates, one of the last contrary indicators, are no longer rising, and, in some cases, entry-level pay is now below the pandemic peak. Finally, corporate profits broadly have favorably weathered the post-pandemic period despite the demand pull forward and supply chain disruptions.

Taken together, the past two-plus years encompassed financial market distress driven by historic inflationary pressures and interest rate increases, followed by a rebound in asset prices to levels that, in some cases, reached near peaks. Valuation has played a significant role in both the decline and rebound of asset prices. This period has been challenging, but we note that the ETF’s holdings have meaningfully participated in the recovery. These companies have navigated through the environment in strong financial and operational health.

Secular growth opportunities should drive earnings and revenue increases for the ETF’s holdings ahead of benchmark averages over our investment time horizon. However, much of this potential is now reflected in share prices. Thus, the ETF’s long-term growth potential remains favorable, but near-term share price gains should be more measured.

Free cash flow represents the cash a company can generate after accounting for capital expenditures needed to maintain or maximize its asset base.

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

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Harbor Long-Term Growers ETF

QUARTERLY ATTRIBUTION

As of 12/31/2023

Best & Worst Performers

Best Performers	Average Weight %	Return % (NAV)
CROWDSTRIKE HOLDINGS INC - A	0.75	52.54
ADVANCED MICRO DEVICES	2.79	43.37
ARM HOLDINGS PLC	0.25	40.41
BROADCOM INC	0.95	35.01
UBER TECHNOLOGIES INC	2.09	33.88

Worst Performers	Average Weight %	Return % (NAV)
BRISTOL-MYERS SQUIBB CO	0.29	-10.81
APTIV PLC	0.52	-9.00
TRADE DESK INC/THE -CLASS A	0.30	-7.92
BECTON DICKINSON AND CO	0.83	-5.30
AIRBNB INC-CLASS A	0.50	-0.78

Contributors & Detractors

Greatest Contributors	Return % (NAV)	Contribution to Return %
MICROSOFT CORP	19.34	2.31
AMAZON.COM INC	19.53	1.49
APPLE INC	12.60	1.24
ADVANCED MICRO DEVICES	43.37	1.16
NVIDIA CORP	13.86	1.04
Total		**7.24**

Greatest Detractors	Return % (NAV)	Contribution to Return %
TESLA INC	-0.70	-0.16
AIRBNB INC-CLASS A	-0.78	-0.15
BRISTOL-MYERS SQUIBB CO	-10.81	-0.13
APTIV PLC	-9.00	-0.09
BECTON DICKINSON AND CO	-5.30	-0.06
Total		**-0.58**

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

Harbor Long-Term Growers ETF

ATTRIBUTION

As of 12/31/2023

Quarterly Attribution:
Harbor Long-Term Growers ETF vs Russell 1000® Growth Index

Performance

	Portfolio	Benchmark	Active
Return Ex Currency	16.08	14.16	1.92
Currency Contribution	0.00	0.00	0.00
Total Return	**16.08**	**14.16**	**1.92**

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
Information Technology	42.12	43.33	-1.20	20.25	17.75	2.49	8.64	7.73	-0.03	1.05	1.02
Industrials	2.19	5.83	-3.64	35.10	13.05	22.05	0.66	0.73	0.06	0.39	0.45
Consumer Staples	2.95	4.14	-1.20	19.53	10.28	9.24	0.57	0.41	0.05	0.28	0.33
Consumer Discretionary	21.96	15.68	6.28	13.90	12.62	1.28	2.92	2.01	-0.13	0.27	0.14
Energy	0.00	0.55	-0.55	0.00	-2.46	2.46	0.00	-0.02	0.10	0.00	0.10
Real Estate	1.01	0.90	0.10	33.66	23.93	9.73	0.33	0.21	0.01	0.09	0.10
Communication Services	11.23	11.55	-0.32	11.70	11.30	0.40	1.28	1.27	0.02	0.05	0.06
Financials	6.37	6.43	-0.06	12.61	11.95	0.66	0.80	0.75	0.00	0.04	0.04
Utilities	0.00	0.05	-0.05	0.00	23.89	-23.89	0.00	0.01	-0.01	0.00	-0.01
Materials	0.00	0.67	-0.67	0.00	17.67	-17.67	0.00	0.12	-0.03	0.00	-0.03
Health Care	11.55	10.87	0.67	7.79	9.08	-1.29	0.88	0.93	-0.05	-0.15	-0.21
Total	**100.00**	**100.00**	**0.00**	**16.08**	**14.16**	**1.92**	**16.08**	**14.16**	**-0.08**	**2.00**	**1.92**

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

Harbor Long-Term Growers 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.

All investments involve risk including the possible loss of principal. 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. 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. 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.

Benchmarks

The Russell 1000® Growth Index is an unmanaged index generally representative of the U.S. market for larger capitalization growth stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell 1000® Growth Index and Russell® are trademarks of Frank Russell Company.

Disclosures

Expense ratio information is as of the Fund's current prospectus, as supplemented. Gross expenses are the Fund's total annual operating expense.

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, 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.

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.

Jennison Associates LLC is an independent subadvisor to the Harbor Long-Term Growers ETF.

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

Harbor Long-Term Growers 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

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.

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