

Harbor International Compounders ETF

Ticker: **OSEA** | December 2024



Average Annual Returns as of 12/31/2024

	3 Months	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Fund Inception	Fund Inception Date	Gross Expense Ratio
Harbor International Compounders ETF (NAV)	-9.22%	-0.37%	-0.37%	N/A	N/A	N/A	12.74%	09/07/2022	0.55%
Harbor International Compounders ETF (Market)	-10.19%	-0.72%	-0.72%	N/A	N/A	N/A	12.59%	09/07/2022	0.55%
MSCI All Country World Ex. US (ND) Index	-7.60%	5.53%	5.53%	0.82%	4.10%	4.80%	11.83%		
Morningstar US Fund Foreign Large Growth	-6.93%	5.00%	5.00%	-3.20%	3.78%	5.51%	4.91%		

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.

Investment Team & Philosophy

- Founded in 1986, C WorldWide is an equity boutique investment firm based in Copenhagen, Denmark.
- Since the firm's inception, AUM has grown to over \$18 billion (as of 12/31/2024). The firm has over three decades of experience employing a disciplined and consistent process.
- OSEA is a high conviction portfolio employing a 30-stock maximum. This approach ensures a constant competition for capital, ensuring each holding continuously earns its place in the portfolio.
- It's not the magnitude of growth, it's the sustainability of growth. The team is seeking companies with competitive advantages, strong governance and clear long-term strategies which have the potential to compound earnings growth over time.
- C WorldWide devotes resources explicitly to focus on identifying generational trends (20 – 40 years) and themes (at least five years, often longer). These thematic insights help drive C WorldWide toward attractive addressable markets with the potential for sustainable growth.
- These themes are seamlessly integrated with C WorldWide's disciplined, bottom-up fundamental research; the team will never invest in low conviction stocks regardless of conviction in the theme.

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Approach to Investing based on Competition for Capital

The process starts and ends with a portfolio of C WorldWide's highest conviction ideas – maximum 30 holdings. Their one in, one out approach is a result of competition for capital.



*The core members of the Global Research Meeting are the four PMs in global decision team Bo Knudsen, Bengt Seger, Mattias Kolmand and Peter O'Reilly, supplemented with global PMs Jakob Greisen and Leemon Wu, and Emerging Markets PM Aman Kalsi, Senior Advisor Lars Wincentzen. Director of Research, Senior Analyst David Rindegren, Senior Analyst Marcus Bellander, and Sustainability Specialist Mette Bergenstoff Sletbjerg.

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Portfolio Characteristics Reflect Distinct and Consistent Approach

Ticker Symbol	OSEA
Cusip	41151J885
Listed Exchange	NYSE
Gross Expense Ratio	0.55 %
Lead Market Maker	Virtu
Inception Date	09/07/2022
Manager Name	C WorldWide Asset Management
Benchmark	MSCI All Country World Ex. US (ND) Index
Morningstar Category	Foreign Large Growth

Conviction: Maximum 30 stocks
Buy/Sell discipline: one in/one out

Global trends and themes
Tailwinds and headwinds drive
bottom-up selection

Low turnover
Long-term investment horizon

Profitability
Above average quality and
strong margins

Growth
Higher earnings growth and
return on equity

Quality
Lower balance sheet risk

OSEA's key ratios
are the result of
the team's focus
on identifying
companies with
the following
characteristics:

As of 12/31/24	OSEA	MSCI ACWI ex US
# Holdings	29	2,058
Active Share	90%	-
1 Year Turnover	12%	-
Operating Margin 12M Trailing	24.9	19.4
Est 3-5 Year EPS Growth	9.8%	11.4%
ROE 12M Trailing	25.7	17.2
Net Debt / EBIDTA 12M Forward	0.7	1.7

C WorldWide believes higher profitability and growth should compound earnings and drive performance over time.



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. Investing in international and emerging markets poses special risks, including potentially greater price volatility due to social, political and economic factors, as well as currency exchange rate fluctuations. 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.

The Subadviser considers certain 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.

The **MSCI All Country World Ex. US (ND) Index** is a free float-adjusted market capitalization weighted index that is designed to measure equity market performance in the global developed and emerging markets, excluding the U.S. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

The **Morningstar US Fund Foreign Large Growth** category includes funds that invest in large international stocks that are expected to grow at an above-average pace. These funds are often concentrated and can be more volatile, but they offer the potential for higher returns.

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Active share is a metric that measures how different a fund's holdings are from its benchmark index.

Correlation is a statistic that measures the degree to which two securities move in relation to each other.

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.

ROE is a measure of financial performance calculated by dividing net income by shareholders' equity.

Operating Margin is a measure of a company's overall profitability from operations.

EBITDA or earnings before interest, taxes, depreciation, and amortization is used as an indicator of the overall profitability of a business.

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.

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.

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