

Harbor Osmosis Emerging Markets Resource Efficient ETF (EFFE)

STANDARD RFI

Harbor Capital Advisors, Inc.

(Adviser)

111 South Wacker Drive, 34th Floor Chicago,
IL 60606

Foreside Fund Services, LLC

(Distributor)

3 Canal Plaza, Suite 100
Portland, ME 04101

Osmosis Investment Management

(Subadvisor)

36-38 Botolph Lane
London, UK
EC3R 8DE

harborcapital.com

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.

Harbor offers investors access to a lineup of respected institutional investment firms sourced worldwide. Recognizing that no single firm can excel in managing all types of asset classes, Harbor utilizes a “manager-of-managers” approach where we seek to identify experienced portfolio managers with proven track records, who specialize in a particular asset class. These managers are responsible for making the day-to-day investment decisions and effecting the purchase and sale of the securities held by the underlying Harbor strategies.

Our arrangements with subadvisors, combined with our internal philosophy of closely managing costs, allow us to offer a family of funds that we believe delivers long-term value to our shareholders.

SUBADVISOR & INVESTMENT TEAM

SUBADVISOR STRUCTURE

The subadvisor for the **Harbor Osmosis Emerging Markets Resource Efficient ETF (EFFE)** is Osmosis Investment Management (“Osmosis”).

Osmosis, established in 2009 and headquartered in London, is a sustainable investment firm specializing in quantitative investment strategies. The company focuses on identifying resource-efficient companies – those that effectively manage carbon emissions, water consumption, and waste generation relative to their economic output. This approach aims to deliver attractive risk-adjusted returns while achieving measurable environmental benefits.

PORTFOLIO MANAGERS

The portfolio managers are jointly and primarily responsible for the day-to-day investment decision making for the Fund.

Robbie Parker

CFA, Chief Investment Officer and Chair of the Investment Committee

Mr. Parker is the Chief Investment Officer at Osmosis and Chair of the Investment Committee. He has served as Chief Investment Officer since 2021, previously serving as an Investment Director, Portfolio Manager and Analyst. Mr. Parker has been with Osmosis since 2012.

Alex Stephen

Portfolio Manager

Mr. Stephen serves as Portfolio Manager for the Fund. Mr. Stephen spent eight years in Australia working with Redpoint Investment Management and Antares Equities. Prior to that, Mr. Stephen worked for eight

years as a portfolio manager at Legal & General Investment Management (LGIM), managing several index portfolios. Mr. Stephen has been with Osmosis since 2019.

Harbor Osmosis Emerging Markets Resource Efficient ETF (EFFE)

OBJECTIVE

The **Harbor Osmosis Emerging Markets Resource Efficient ETF (EFFE)** seeks long-term growth of capital by investing in resource efficient large- and mid-capitalization public companies located in emerging markets.

OVERVIEW

The **Harbor Osmosis Emerging Markets Resource Efficient ETF (EFFE)** focuses on creating compelling, alpha seeking portfolios by leveraging proprietary environmental data on carbon, water, and waste efficiency. This approach aims to deliver consistent, quality returns while reducing environmental impact, making it a compelling choice for long-term investors.

INVESTMENT PHILOSOPHY

Osmosis believes that to gain mainstream adoption, sustainable investment should not come at the cost of financial returns and that sustainability metrics, if quantifiable and objective in nature, can be applied to mainstream portfolios to generate alpha.

Climate change and pressure on natural resources, coupled with growing societal awareness, are drivers forcing corporates to implement sustainable production and business processes. Osmosis believes that those companies that are more resource efficient, having effectively monetized sustainability to the balance sheet, are more likely to outperform their peers over the long term.

INVESTMENT PROCESS

Osmosis leverages its proprietary, quantitative Model of Resource Efficiency (MoRE) to identify firms that excel in resource efficiency within their respective sectors, guiding investment decisions toward companies that demonstrate both environmental responsibility and strong financial performance. Osmosis' research indicates that resource-efficient companies appear better suited to navigate the rapidly changing physical and regulatory landscape and offer the potential to create greater long-term value than less-efficient firms.

Unlike many environmentally focused managers, Osmosis does not rely on third-party or estimated data. Instead, Osmosis uses its team of environmental scientists and investment experts to construct a Resource Efficiency score from 15+ years of proprietary data. The scoring quantifies a company's efficiency in utilizing energy and water, and managing waste, relative to its revenue. Companies that generate higher revenue with lower resource use achieve higher scores, reflecting operational excellence and sustainability.

The fund constructs its portfolio by identifying and investing in large- and mid-cap companies within emerging markets that demonstrate high resource efficiency. At least 80% of the fund's assets are allocated to companies in the top three quintiles of resource efficiency. The portfolio is optimized to maximize resource efficiency exposure while controlling for various risks. The result is a diversified portfolio of around 70 high-quality, resource-efficient emerging market companies.

FUND HIGHLIGHTS

Alpha-driven Environmental Focus. EFFE offers a distinct, alpha-seeking approach to emerging markets equity investing while aiming to meaningfully lower the portfolio's carbon, water, and waste footprint. This approach aims to deliver economic returns with a focus on environmental considerations, appealing to investors who believe in sustainability.

Proprietary Data Collection. Unlike many competitors, Osmosis collects and validates its own proprietary environmental data on carbon, water, and waste efficiency, in an effort to ensure high accuracy and reliability. This data is integrated with financial metrics to help identify companies that manage their environmental and financial balance sheets effectively.

ETF STRUCTURE

- **Cost Effective:** EFFE is a cost-efficient way to gain exposure to core emerging markets equities.
- **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.

VEHICLE INFORMATION

The **Harbor Osmosis Emerging Markets Resource Efficient ETF** inceptioned in December 2024 and is currently available as an active ETF (Ticker: EFFE).

Ticker Symbol	EFFE
Cusip	41151J737
Total Expense Ratio	0.78%
Inception Date	12/18/2024
Listing Date	12/19/2024
Manager Name	Osmosis Investment Management
Listed Exchange	NYSE
Active/Passive	Active
Benchmark	MSCI Emerging Markets Index
Lead Market Maker	Virtu
Morningstar Category	Diversified Emerging Markets

For complete details on Harbor Osmosis Emerging Markets Resource Efficient ETF (EFFE), including fees and expenses, please contact your Harbor representative and/or refer to the Fund's prospectus available at harborcapital.com.

DISCLOSURE

Responses regarding the Harbor organization have been provided by Harbor Funds Distributors, Inc. Responses relating to the investment team of the Harbor Osmosis Emerging Markets Resource Efficient ETF (EFFE) 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.

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

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. Large cap stocks may underperform compared to small or mid cap stocks, which may lead the Fund to lag behind funds focused on smaller caps, while mid cap stocks carry added risks like illiquidity and higher volatility than those of large companies. 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. There is no guarantee that the Subadvisor's resource efficiency strategy will accurately provide exposure to resource efficient companies and the Fund may outperform or underperform other funds that invest in similar asset classes but employ different investment styles. The Subadvisor relies on company data for Resource Efficiency Scores but does not guarantee its accuracy or completeness. The Fund utilizes a quantitative model and there are limitations in every quantitative model. There can be no assurances that the strategies pursued or the techniques implemented in the quantitative model will be profitable, and various market conditions may be materially less favorable to certain strategies than others.

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 **MSCI Emerging Markets Index** is a market capitalization weighted index of equity securities in more than 20 emerging market economies. This unmanaged index does not reflect fees and expenses and is not available for direct investment.

Alpha is a measure of risk (beta)-adjusted return.

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.

Osmosis Investment Management is a third-party subadvisor to the Harbor Osmosis Emerging Markets Resource Efficient ETF.

Foreside Fund Services, LLC is the Distributor of the Harbor Osmosis Emerging Markets Resource Efficient ETF.