

# EFFE

# Harbor Osmosis Emerging Markets Resource Efficient ETF

## Fund Description

EFFE actively invests in companies within emerging markets that conduct business with positive environmental considerations.

## FactSet Analyst Report

EFFE aims to actively invest in equity securities of resource-efficient large- and mid-cap companies in emerging markets. Such companies are defined as those that emit less carbon, use less water, and generate less waste compared to their peers. The fund adviser uses a quantitative strategy based on its Resource Efficiency Scores, predicting companies with higher scores may outperform a broad-based emerging markets index. Companies are scored on carbon emissions, water use, and waste production, standardized into scores for cross-sector comparison. Resource-efficient companies within the top three quintiles of their sector are selected for the portfolio. It may also invest up to 20% in non-resource-efficient investments to align with its benchmark's weightings. Typically holding 70-90 securities, the fund avoids tobacco, certain munitions manufacturers, and companies violating UN Global Compact principles. The portfolio is rebalanced monthly, primarily following the sub-advisers quantitative strategy for buy/sell decisions.

