

HAPS

Harbor Human Capital Factor US Small Cap ETF

Fund Description

HAPS tracks a market cap-weighted index of small-cap US stocks believed to possess a strong corporate culture relating to financial performance. Holdings are reweighed to meet sector neutrality.

FactSet Analyst Report

HAPS invests in small-cap US stocks perceived to possess strong human capital factors across 11 GICS sectors. From the Solactive GBS United States 2000 Index, HAPS targets the top-scoring human capital firms. This is based on the premise that happy and motivated employees can generate better outcomes. Selection begins with a proprietary scoring methodology that quantitatively measures the contribution of a company's corporate culture to its financial performance based on factors such as employee engagement and motivation, trust and transparency, point-of-view diversity, and compensation fairness. Utilized quantifiable metrics include human capital, behavioral, and data sciences. The portfolio is market-cap-weighted, with a 5% cap on each stock. To maintain sector weights of parent universe, adjustments are made by supplementing predetermined small-cap sector ETFs. The index reconstitutes annually. Prior to September 5, 2023, the ETF's name was Harbor Corporate Culture Small Cap ETF.

