

HSUN

Hartford Strategic Income ETF

Morningstar® Category Multisector Bond
Lipper Peer Group Multi-Sector Income

Inception Date 09/21/2021

Market Overview

Global fixed-income markets generated strong positive total returns during the third quarter, as measured by the Bloomberg Global Aggregate Index hedged to US dollars. Sovereign yields declined sharply as inflation further moderated across most developed-market (DM) economies and central-bank policies generally trended toward providing more accommodation. Spread sectors outperformed government bonds as spreads compressed. Most currencies gained vs. the US dollar (USD).

Performance Summary

- The Hartford Strategic Income ETF outperformed the Bloomberg US Aggregate Bond Index during the period.
- The Fund's positioning in high-yield bonds and bank loans helped relative performance, while an underweight to investment-grade (IG) credit detracted from results. The quality composition of the high-yield market remains strong relative to history, and we expect opportunities to increase exposure at wider spreads. Bank loans offer attractive carry relative to default loss expectations, in our view. The Fund's allocation to convertible bonds, focused on digitization and healthcare innovation themes, had a favorable impact on relative performance. Select exposure to emerging markets (EM) corporate debt had a favorable impact on relative results, followed by sovereign debt, while local debt had a negligible impact on returns.
- The Fund's allocation to securitized sectors was a positive contributor to relative results, led by non-agency residential mortgage-backed securities (RMBS), asset-backed securities (ABS), and commercial mortgage obligations (CMBS). Consumer fundamentals remain supportive overall although deteriorating for the lower income cohort.
- An underweight to agency MBS passthroughs detracted from performance.
- Relative duration*/yield curve positioning hurt returns during the period.

Positioning & Outlook

- We believe a soft-landing scenario will likely unfold for the US economy as the wealth boost supports consumer spending and offsets a weaker employment backdrop.
- The Fund maintains a modestly defensive risk posture due to tight credit spreads while preserving cash and high-quality liquid assets. The Fund is positioned with close to average duration profile.
- The Fund is positioned with an underweight to IG credit and agency MBS, favoring high yield, bank loan issuers with sustainable cash flows and pricing power, and select seasoned non-agency RMBS opportunities. The Fund opportunistically will seek to purchase dislocated CMBS and ABS. We favor EM corporate issuers with prudent balance sheet management. We hold a modest exposure to select convertible bonds focused on digitization and healthcare innovation themes.

Portfolio Managers from Wellington Management

Campe Goodman, CFA

Senior Managing Director
 Fixed-Income Portfolio Manager
 Professional Experience Since 1997

Joseph F. Marvan, CFA

Senior Managing Director
 Fixed-Income Portfolio Manager
 Professional Experience Since 1988

Robert D. Burn, CFA

Senior Managing Director
 Fixed-Income Portfolio Manager
 Professional Experience Since 1998

The portfolio managers are supported by the full resources of Wellington.

Top Ten Holdings (%)

U.S. Treasury Notes	11.13
U.S. Treasury Bonds	7.86
Federal National Mortgage Association	3.26
Federal Home Loan Mortgage Corp.	3.03
Federal National Mortgage Association Connecticut Avenue Securities Trust	3.03
Uniform Mortgage-Backed Security	1.38
U.S. Treasury Inflation-Indexed Bonds	1.09
U.S. Treasury Inflation-Indexed Notes	1.01
AMMC CLO 22 Ltd.	0.91
WE Soda Investments Holding PLC	0.89
Percentage Of Portfolio	33.59

Holdings and characteristics are subject to change. Percentages may be rounded.

***Duration** is a measure of the sensitivity of an investment's price to nominal interest-rate movement.

Effective 09/30/24, the Fund (formerly known as the Hartford Sustainable Income ETF) changed its name, objective, and principal investment strategy as well as reduced the Fund's management fee rate. Returns prior to 09/30/24 reflect the performance of the Fund's prior objective and principal investment strategy.

Performance (%)

Class	QTD	YTD	Average Annual Total Returns				SI
			1 Year	3 Year	5 Year	10 Year	
HSUN NAV	5.78	8.97	17.26	1.38	—	—	1.04
HSUN Market Price	6.33	8.98	17.28	1.39	—	—	1.13
Bloomberg US Aggregate Bond Index	5.20	4.45	11.57	-1.39	—	—	—
Morningstar Category	4.38	6.74	12.86	1.41	—	—	—
Lipper Peer Group	4.47	6.32	12.80	0.79	—	—	—

Total Operating Expenses¹: 0.49%

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SI = Since Inception

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For more current performance information to the most recent month ended, please visit hartfordfunds.com.

ETF shares are bought and sold at market price, not net asset value (NAV). Total returns are calculated using the daily 4:00 p.m. Eastern Time NAV. Market price returns reflect the midpoint of the bid/ask spread as of the close of trading on the exchange where Fund shares are listed. Market price returns do not represent the returns an investor would receive if they traded shares at other times. Brokerage commissions apply and will reduce returns.

Bloomberg US Aggregate Bond Index is composed of securities that cover the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. Indices are unmanaged and not available for direct investment.

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¹Expenses are the total annual fund operating expenses as shown in the most recent prospectus.

Important Risks: Investing involves risk, including the possible loss of principal. The net asset value (NAV) of the Fund's shares may fluctuate due to changes in the market value of the Fund's holdings which may in-turn fluctuate due to market and economic conditions. The Fund's share price may fluctuate due to changes in the relative supply of and demand for the shares on an exchange. The Fund is actively managed and does not seek to replicate the performance of a specified index. • Fixed income security risks include credit, liquidity, call, duration, event and interest-rate risk. As interest rates rise, bond prices generally fall. • Investments in high-yield ("junk") bonds involve greater risk of price volatility, illiquidity, and default than higher-rated debt securities. • Foreign investments may be more volatile and less liquid than U.S. investments and are subject to the risk of currency fluctuations and adverse political, economic and regulatory developments. These risks may be greater, and include additional risks, for investments in emerging markets. • Derivatives are generally more volatile and sensitive to changes in market or economic conditions than other securities; their risks include currency, leverage, liquidity, index, pricing, regulatory, and counterparty risk. • The risks associated with mortgage-related and asset-backed securities as well as collateralized loan obligations (CLOs) include credit, interest-rate, prepayment, liquidity, default and extension risk. • The purchase of securities in the To-Be-Announced (TBA) market can result in higher portfolio turnover and related expenses as well as price and counterparty risk. • Restricted securities may be more difficult to sell and price than other securities. • Loans can be difficult to value and less liquid than other types of debt instruments; they are also subject to nonpayment, collateral, bankruptcy, default, extension, prepayment and insolvency risks. • Obligations of U.S. Government agencies are supported by varying degrees of credit but are generally not backed by the full faith and credit of the U.S. Government. • In certain instances, unlike other ETFs, the Fund may effect creations and redemptions partly or wholly for cash, rather than in-kind, which may make the Fund less tax-efficient and incur more fees than an ETF that primarily or wholly effects creations and redemptions in-kind. • The Fund may have high portfolio turnover, which could increase its transaction costs and an investor's tax liability.

Investors should carefully consider a fund's investment objectives, risks, charges and expenses. This and other important information is contained in a fund's full prospectus and summary prospectus, which can be obtained by visiting hartfordfunds.com. Please read it carefully before investing.

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