

TRPA Hartford AAA CLO ETF

Inception Date 5/30/18 Morningstar® Category Ultrashort Bond

Market Overview

US fixed-income markets generated positive total returns during the first quarter, as measured by the Bloomberg US Aggregate Bond Index. Trade tensions and monetary-policy divergence drove market volatility and an increasingly clouded economic outlook. Most fixed-income sectors underperformed US Treasuries as spreads widened amid an expected deteriorating growth/inflation tradeoff. Collateralized Loan Obligation bonds generated positive total returns over the period as measured by the JP Morgan CLO AAA Index, generating 1.08%.

Performance Summary

- The Hartford AAA CLO ETF marginally underperformed the JP Morgan CLO AAA Index during the first quarter.
- The portfolio's out-of-benchmark allocations to single-A CLOs detracted from relative returns over the quarter.
- The portfolio's out-of-benchmark allocation to AA CLOs contributed modestly to relative performance over the quarter.

Positioning & Outlook

- The team is maintaining a slightly long risk position. All-in yields are attractive, and our team's investment philosophy is to emphasize income results in a procyclical tilt in portfolios. Uncertainty remains on tariff implementation, resulting in a wide range of potential outcomes for the near-term growth and inflation outlooks.
- Loan fundamentals have been resilient amid higher earnings. Wide-open capital markets have allowed for significant refinancing activity; private credit is refinancing the lowest quality cohort.
- Loan-downgrade trends have stabilized, and we expect defaults to remain benign, though slightly elevated when including distressed exchanges.
- CLO structures are strong and designed to withstand short-term spikes in defaults.
- Last year was a record year for CLO issuance; we expect continued refi/reset activity through 2025 though likely lower than 2024 amid the heightened macro uncertainty. Regulatory changes and CLO ETFs are supportive of single A-rated and above demand.
- Additionally, US and Japanese bank buyers are supportive of AAA spreads.
- AAA/AA CLOs offer attractive yields for a default-remote asset.
- Market technicals could weigh on spreads near term. We favor secondary over primary.

Portfolio managers from Wellington Management and years of experience

Alyssa Irving, 29 years
Cory D. Perry, CFA, 26 years

Top Ten Holdings (%)

CIFC Funding Ltd.	6.25
Ares XXVII CLO Ltd.	3.51
Bain Capital Credit CLO Ltd.	3.27
OCP CLO Ltd.	3.14
Barings CLO Ltd.	2.87
Elmwood CLO 23 Ltd.	2.81
Voya CLO Ltd.	2.40
Octagon 67 Ltd.	1.95
Apidos CLO XL Ltd.	1.88
KKR CLO 52 Ltd.	1.88
Percentage Of Portfolio	29.96

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

Effective 2/12/24, the Fund (formerly known as the Hartford Short Duration ETF) changed its name, objective, principal investment strategy, portfolio managers and benchmark as well as reduced the Fund's management fee rate.

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

Average Annual Total Returns (%)

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI
TRPA NAV	1.03	1.03	6.21	4.33	3.92	—	3.20
TRPA Market Price	1.06	1.06	6.40	4.43	4.13	—	3.22
Benchmark	1.08	1.08	6.26	6.02	5.26	—	—
Morningstar Category	1.17	1.17	5.49	4.49	3.20	—	—

Total Operating Expenses¹: 0.24%

Morningstar® Category Ultrashort Bond

SI = Since Inception. Performance for periods of less than one year is not annualized

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.

Benchmark: JP Morgan CLOIE AAA Index is designed to track the performance of broadly-syndicated, arbitrage US CLO debt from AAA tranches.

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¹Expenses are the total annual operating expenses from the Fund's most recent prospectus at the time of publication.

Important Risks: Investing involves risk, including the possible loss of principal. Security prices of the Fund's underlying holdings will fluctuate in value depending on general market and economic conditions and the prospects of individual companies. The market price of the Fund's shares will fluctuate in response to changes in the Fund's net asset value, intraday value of the Fund's holdings, and the supply and demand for shares. • The Fund is actively managed and does not seek to replicate the performance of a specified index. • The Fund invests significantly in collateralized loan obligations (CLOs) which are associated with a number of risks including liquidity, interest-rate, credit, event, and call risk as well as the risk of default of the underlying assets. CLOs are managed by investment advisers who may have conflicts of interest or limited operating histories. Newly issued CLOS purchased in the primary market typically experience delayed or extended settlement periods. • To the extent the Fund focuses on one or more sectors, the Fund may be subject to increased volatility and risk of loss if adverse developments occur. • Loans can be difficult to value and less liquid than other types of debt instrument; they are also subject to nonpayment, collateral, bankruptcy, default, extension, prepayment and insolvency risks. • Restricted securities may be more difficult to sell and price than other 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. • 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. • 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.

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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