

HFGO Hartford Large Cap Growth ETF

Inception Date 11/09/2021 Morningstar® Category Large Growth

Market Overview

US equities rose for the fifth consecutive quarter to register a stellar return in 2024. Sizable gains from some mega-cap technology companies led growth stocks to significantly outperform their value counterparts in the quarter. Stocks rallied in November after Donald Trump won the presidential election and the balance of political power shifted to the Republican Party, cementing a path for Trump to enact major policy initiatives, including tax and spending cuts, deregulation, and nationalist trade policies. Data suggested that economic activity continued to expand at a solid pace in the fourth quarter after GDP grew at a stout 3.10% annualized pace in the third quarter, thanks to sturdy consumer spending. The US Federal Reserve's (Fed) median projection signaled 50 basis points* (bps) of rate cuts in 2025, significantly less than 100 bps projected in September. Corporate earnings were stronger than expected; according to FactSet, third-quarter earnings for companies in the S&P 500 Index grew 5.80% year-over-year, above the 4.20% estimate on September 30. Expectations for the fourth quarter are significantly better, with analysts forecasting earnings growth of 11.9% year-over-year.

The Russell 1000 Growth Index returned 7.07% for the period. Within the Index, six of 11 sectors rose over the quarter. Consumer discretionary and energy were the top-performing sectors, while real estate and materials were the bottom-performing sectors during the period.

Performance Summary

- The Hartford Large Cap Growth ETF outperformed the Russell 1000 Growth Index during the quarter.
- Security selection was the primary driver of relative outperformance. Strong selection in information technology was partially offset by selection in consumer discretionary.
- Sector allocation, a result of our bottom-up stock-selection process, also contributed to returns. Allocation effect was driven by our underweight to consumer staples and overweight to communication services but was partially offset by our overweight to healthcare and real estate and underweight to consumer discretionary.
- Top relative contributors to performance during the quarter included overweight positions in Axon Enterprise (industrials) and Broadcom (information technology), and an underweight position in Microsoft (information technology).

Positioning & Outlook

- We continue to seek to take advantage of the current market volatility by investing in well-managed companies where we believe future earnings growth is underappreciated by the market while being cognizant of the downside risks. With interest rates looking to continue their downward path, we are hopeful this could provide a more supportive backdrop for growth stocks and for fundamentals to drive returns.
- At the end of the period, our largest overweight was to communication services, while our largest underweight was to consumer staples, relative to the benchmark.

Portfolio managers from Wellington Management and years of experience

Stephen Mortimer, 29 years

Mario E. Abularach, CFA, 31 years

Top Ten Holdings (%)

Apple, Inc.	15.41
NVIDIA Corp.	12.22
Amazon.com, Inc.	7.10
Alphabet, Inc.	6.92
Broadcom, Inc.	5.69
Meta Platforms, Inc.	5.47
Microsoft Corp.	5.26
Eli Lilly & Co.	3.21
Netflix, Inc.	3.18
Arista Networks, Inc.	2.55
Percentage Of Portfolio	67.01

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

***Basis point** is a unit that is equal to 1/100th of 1% and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security

Average Annual Total Returns (%)

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI
HFGO NAV	9.34	40.86	40.86	8.32	—	—	5.48
HFGO Market Price	9.39	40.75	40.75	8.33	—	—	5.49
Russell 1000 Growth Index	7.07	33.36	33.36	10.47	—	—	—
Morningstar Category	5.39	28.96	28.96	6.74	—	—	—

Total Operating Expenses¹: 0.59%

Morningstar® Category Large Growth

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: Russell 1000 Growth Index is an unmanaged index which measures the performance of those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values. Indices are unmanaged and not available for direct investment.

Effective July 1, 2024, the Fund had changed from a "semi-transparent" ETF, which does not publicly disclose all its portfolio holdings on a daily basis, to a "transparent" ETF, which will disclose all its portfolio holdings daily. For more information, please see the Fund's prospectus.

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 securities of large market capitalization companies may underperform other segments of the market. • Different investment styles may go in and out of favor, which may cause the Fund to underperform the broader stock market. • 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. • Because the Fund is non-diversified, it may invest in a smaller number of issuers, and may be more exposed to risks and volatility than a more broadly diversified fund.

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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