

QUVU

Hartford Quality Value ETF

Morningstar® Category Large Value

Lipper Peer Group Large-Cap Value

Inception Date 10/13/2023

Market Overview

US equities rose for the fourth consecutive quarter, with gains broadening beyond mega-cap tech companies. The equal-weighted S&P 500 Index outperformed the market-cap weighted version, and value stocks outpaced growth stocks. The US economy remained healthy, with Q2 GDP rising at a 3.0% annualized rate. However, concerns about slowing economic activity led the Federal Reserve (Fed) to cut interest rates by 50 basis points* in September. Inflation declined, with the core Personal Consumption Expenditures Price Index rising just 0.1% in August (2.7% annually). The Fed projects further rate cuts this year and in 2025. Corporate earnings were strong, with S&P 500 Index companies' Q2 earnings growing 11.2% year over year. The close presidential race between Vice President Kamala Harris and former President Donald Trump kept markets on edge.

The Russell 1000 Value Index returned 9.43% over the quarter. Within the Index, 10 out of 11 sectors rose during the quarter. Utilities, real estate, and consumer discretionary were the top-performing sectors, while energy was the worst-performing sector.

Performance Summary

- Hartford Quality Value ETF underperformed the Russell 1000 Value Index during the quarter.
- Security selection detracted from relative performance, driven primarily by weaker selection in financials, healthcare, and information technology. This was partially offset by strong selection in consumer staples, energy, and materials.
- Sector allocation also detracted from relative performance due to an overweight allocation to energy and an underweight allocation to industrials. This was partially offset by an overweight allocation to utilities.
- Top detractors during the period included overweight allocations to QUALCOMM (information technology) and Wells Fargo (financials). Top relative contributors over the period included an out-of-benchmark allocation to Unilever (consumer staples) and not holding Intel (information technology).

Positioning & Outlook

- Recent data points include delayed capital expenditure (capex) spend due to election uncertainty, the anticipated burden of high labor and material costs, and signs of a weakening consumer. These factors, along with US Presidential election-related uncertainty, lead us to anticipate elevated volatility through year-end, especially in context of overall market valuations and elevated growth expectations for companies with significant exposure to technology spending. Given the wide range of outcomes, we are focused on companies with consistent pricing power, strong balance sheets, and sustainable and growing cash flows trading at attractive valuations.
- At the end of the period, our largest underweights were to the industrials and consumer discretionary sectors. We were most overweight to consumer staples and communication services.

Portfolio Managers from Wellington Management

Matthew G. Baker

Senior Managing Director
Equity Portfolio Manager
Professional Experience Since 1995

Nataliya Kofman

Senior Managing Director
Equity Portfolio Manager
Professional Experience Since 1998

Brian J. Schmeer, CFA

Managing Director
Equity Research Analyst
Professional Experience Since 2012

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

Top Ten Holdings (%)

JP Morgan Chase & Co.	3.41
UnitedHealth Group, Inc.	3.38
Philip Morris International, Inc.	2.67
Wells Fargo & Co.	2.67
American Express Co.	2.54
Morgan Stanley	2.37
Omnicom Group, Inc.	2.06
EOG Resources, Inc.	2.05
Unilever PLC	2.05
Medtronic PLC	2.04
Percentage Of Portfolio	25.24

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

On 5/10/23, the Board of Directors approved the Fund converting to an actively-managed exchange-traded fund (ETF), while maintaining a substantially similar principal investment strategy, on 10/13/23. Please see the prospectus supplement for more information.

	Performance (%)		Average Annual Total Returns				
	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI
QUVU NAV	6.91	13.54	23.64	7.91	10.29	8.69	8.03
QUVU Market Price	6.87	13.60	—	—	—	—	24.18
Russell 1000 Value Index	9.43	16.68	27.76	9.03	10.69	9.23	—
Morningstar Category	8.04	15.90	27.14	9.58	11.24	9.30	—
Lipper Peer Group	7.38	17.03	28.55	10.08	11.82	9.79	—

Total Operating Expenses¹: 0.45%

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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.

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 market prices of the Fund's shares will generally 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. • Different investment styles may go in and out of favor, which may cause the Fund to underperform the broader stock market. • For dividend-paying stocks, dividends are not guaranteed and may decrease without notice. • 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. • 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. • Financially material environmental, social and/or governance (ESG) characteristics are one of several factors that may be considered. The Fund may perform differently from funds that do not integrate ESG into their analysis.

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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