

Hartford Schrodgers Tax-Aware Bond ETF

Tickers: ETF: HTAB

What Happened?

- The Fund returned -1.81% due primarily to higher yields for tax-exempt municipal bonds. Long yields rose more than short- and intermediate-term yields, resulting in steeper yield curves.
- Issuance in March was just shy of the record for the month (set in March 2016), which is notable after January's and February's new issue volume was also close to record setting.
- The threat of tariffs resulted in higher volatility. The tax-exemption for municipals was also a popular topic and increased anxiety for the sector.

Performance Highlights

Contributors

- Income returns were positive, though not enough to offset the materially negative price returns.

Detractors

- Higher yields resulted in negative absolute returns with longer-duration bonds underperforming short- and intermediate-duration bonds. Tax-exempts were the worst performers in excess return terms among investment-grade fixed income.

Overall Morningstar Rating™ *

★★★★

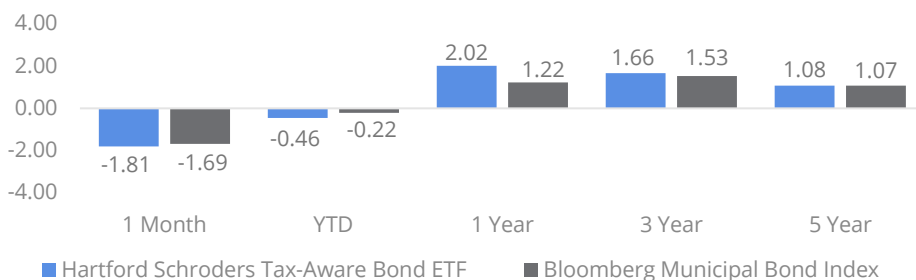
422 Products

Intermediate Core Bond Category Based on
Risk-Adjusted Returns as of 03/31/2025

Portfolio managers from Schrodgers Management and years of experience

Lisa Hornby, CFA, 18 years
Neil G. Sutherland, CFA, 28 years
Julio C. Bonilla, CFA, 27 years
David May, 15 years

Month End Performance (%) as of 3/31/25



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. Please see page 3 for standardized performance. Returns for less than one year are not annualized.

Spreads are the difference in yields between two fixed-income securities with the same maturity, but originating from different investment sectors.

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

Yield curve is a line that plots interest rates of bonds having equal credit quality but differing maturity dates; its slope is used to forecast the state of the economy and interest-rate changes.

Current Insight and Positioning From Schroders

- The last third of the month was more volatile as 25% tariffs on imported autos were announced and, as “Liberation Day” neared, bids for Treasuries strengthened and corporate spreads widened.
- Positioning is relatively unchanged relative to last month with a material allocation to tax-exempt municipals. The expectation is that tax-exempts will follow the move lower in Treasury yields, albeit with some delay.
- Questions about growth and the impact from tariffs remain, however, the initial reaction has been risk off. Valuations haven't cheapened enough to warrant a rotation into corporates, in our view, as the market awaits counter measures by US trading partners.

Portfolio Composition(%) as of 3/31/25

Tax Exempt Municipal	91
Cash and Cash Equivalents	6
Agency Mortgage Backed Securities	0
Asset Backed Securities	0
Cash	0
Corporate	0
Government Related Agencies	0
Mortgage Backed Securities	0
Other	0
Taxable Municipal	0
US Treasuries	0

Credit Exposure¹ (%) as of 3/31/25

Aaa/AAA	34
Aa/AA	47
A	17
Baa/BBB	3
Ba/BB	0
B	0
Caa/CCC or lower	0
Not Rated	0
Cash & Cash Offsets	0

Net Assets	\$431 million
# of Holdings	244
# of Issuers	179
Dividend Frequency	Monthly

Holdings Characteristics

Effective Duration	9.29 yrs.
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Characteristics are subject to change.
Percentages may be rounded.

¹Credit exposure is the credit ratings for the underlying securities of the Fund as provided by S&P, Moody's, or Fitch and typically range from AAA/Aaa (highest) to C/D (lowest). If S&P, Moody's, and Fitch assign different ratings, the average rating is used. If only two ratings agencies assign ratings, the lower rating is used. Securities that are not rated by any of the three agencies are listed as "Not Rated". The ratings breakdown includes cash and cash equivalents. Ratings do not apply to the Fund itself or to Fund shares. Ratings may change.

Average Annual Total Returns (%) as of 3/31/25

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI
HTAB NAV	-0.46	-0.46	2.02	1.66	1.08	—	1.98
HTAB Market Price	-0.61	-0.61	1.65	1.67	1.02	—	1.95
Benchmark	-0.22	-0.22	1.22	1.53	1.07	—	—
Morningstar Category	2.65	2.65	4.97	0.55	0.05	—	—

Total Operating Expenses¹: 0.39%

Morningstar Category Intermediate Core Bond

ETF Inception: 04/18/2018.

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

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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: Bloomberg Municipal Bond Index is designed to cover the USD-denominated long-term tax exempt bond market. Indices are unmanaged and not available for direct investment.

*Star Ratings: 3-year 4 stars out of 422 products, 5-year 4 stars out of 380 products for the period ended herein. Other share classes may have different ratings. The Morningstar Rating™ for funds, or "star rating", is calculated for funds and separate accounts with at least a 3-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. Star rating based on a Morningstar Risk Adjusted Return measure that accounts for variation in a managed product's monthly excess performance (without adjusting for any sales load, if applicable), placing more emphasis on downward variations and rewarding consistent performance. 5 stars are assigned to the top 10%, 4 stars to the next 22.5%, 3 stars to the next 35%, 2 stars to the next 22.5%, and 1 star to the bottom 10%. Overall Morningstar Rating is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. For more information about the Morningstar Fund Ratings, including their methodology, please go to global.morningstar.com/managerdisclosures. ©2025 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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

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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. • Fixed income security risks include credit, liquidity, call, duration, and interest-rate risk. As interest rates rise, bond prices generally fall. • Municipal securities may be adversely impacted by state/local, political, economic, or market conditions; these risks may be magnified if the Fund focuses its assets in municipal securities of issuers in a few select states. Investors may be subject to the federal alternative minimum tax as well as state and local income taxes. Capital gains, if any, are taxable. • 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 risks associated with mortgage-related and asset-backed securities 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, which could increase transaction costs and an investor's tax liability. The risks associated with the TBA market include price and counterparty risk. • 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, valuation, and counterparty risk. • 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. • 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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