

Hartford Dynamic Bond Fund

Tickers A: HDBAX C: HDBCX F: HDBFX I: HDBIX R5: HDBRX R6: HDBSX Y: HDBYX

Morningstar® Category Multisector Bond **Inception Date** 6/07/22

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 expectations of worsening economic growth and inflation.

Performance Summary

- The Fund generated positive total returns during the first quarter of 2025.
- US Treasuries returned 2.92% during the quarter, according to the Bloomberg US Treasury Index. Investment-grade (IG) corporate bonds generated total and excess returns of 2.31% and -0.85%, respectively, over the quarter, according to the Bloomberg US Corporate Bond Index. High-yield bonds returned 1.15% in local currency terms during the quarter for an excess return of -0.77%, based on the BofA Merrill Lynch Global High Yield Constrained Index.
- Duration* and yield-curve positioning contributed favorably as the elevated uncertainty and concerns around a growth slowdown in the US sent yields lower, while credit positioning detracted as spreads ended the quarter wider. Notably, our emerging-market credit exposure had a positive impact on total returns over the quarter as this segment of the market widened less than its developed market counterparts, broadly. In high-yield credit, our industrial exposure drove the high yield relative underperformance, as many of the businesses in these sectors are exposed to cyclical risks and widened around recession concerns. In IG credit, exposure to energy, communications, and consumer cyclicals were the primary detractors in terms of excess returns. These sectors widened most in the risk-off environment, which is expected given their cyclical nature.

Positioning & Outlook

- We've reduced our credit risk as we wait for valuations to better compensate us for recession risk. Despite the relatively concerning outlook for US growth and the economy, credit spreads are still tight on a historical basis. Broadly, we don't think spreads are compensating us for the elevated risk of a shock. Consequently, we've added Treasury duration over the past month.
- The market anticipated that President Donald Trump's second administration would be as pro-growth as his first term. However, we believe that their policies and goals will structurally damage growth and demand. Intermediate-duration IG credit continues to look attractive and is currently our favored area of the IG market to take risk. It offers a compelling balance of duration, credit, risk, and total return under a variety of different outcomes. We're maintaining high levels of liquidity, and paying very close attention to the US consumer, the global demand for US assets, and the job market. The US consumer has helped buoy the economy for the past few years, but excess savings may be tapped out.

Portfolio managers from Wellington Management and years of experience

Connor Fitzgerald, CFA, 19 years
Schuyler S. Reece, CFA, 18 years

Top Ten Holdings (%)

U.S. Treasury Notes	54.82
U.S. Treasury Bonds	2.98
Pacific Gas & Electric Co.	1.18
Warnermedia Holdings, Inc.	1.13
Ares Capital Corp.	1.00
Minerva Luxembourg SA	1.00
Centene Corp.	0.99
Paramount Global	0.97
SBL Holdings, Inc.	0.97
Braskem Netherlands Finance BV	0.96
Percentage Of Portfolio	66.00

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.

Average Annual Total Returns (%)

Class	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI	Expenses ¹	
								Gross	Net
A	2.12	2.12	5.75	—	—	—	5.96	1.11%	1.05%
A with 4.5% Max Sales Charge	—	—	1.00	—	—	—	4.24	—	—
F	2.20	2.20	6.11	—	—	—	6.34	0.61%	0.60%
I	2.17	2.17	6.01	—	—	—	6.20	0.73%	0.69%
R5	2.17	2.17	5.99	—	—	—	6.25	0.73%	0.70%
R6	2.20	2.20	6.11	—	—	—	6.34	0.62%	0.60%
Y	2.17	2.17	6.00	—	—	—	6.25	0.71%	0.70%
Benchmark	2.78	2.78	4.88	—	—	—	—	—	—
Morningstar Category	1.82	1.82	6.36	—	—	—	—	—	—

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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.

SI = Since Inception. Fund Inception: 06/07/2022. Performance for periods of less than one year is not annualized.

Benchmark: 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.

¹Expenses are from the Fund's most recent prospectus at the time of publication. Gross expenses do not reflect contractual expense reimbursement arrangements. Net expenses reflect such arrangements in instances when they reduce gross expenses. These arrangements remain in effect until 2/28/26 unless the Fund's Board of Directors approves an earlier termination. Without these arrangements, performance would have been lower.

Important Risks: Investing involves risk, including the possible loss of principal. Security prices fluctuate in value depending on general market and economic conditions and the prospects of individual companies. • Fixed income security risks include credit, liquidity, call, duration, event, inflation and interest-rate risk. As interest rates rise, bond prices generally fall. • The Fund may engage in active and frequent trading to achieve its objective. As a result, the Fund is expected to have high portfolio turnover, which will increase its transaction costs and could increase an investor's tax liability. • Investments in high-yield ("junk") bonds involve greater risk of price volatility, illiquidity, and default than higher-rated debt securities. • Foreign investments, including foreign government debt, 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, valuation, and counterparty risk. • Restricted securities may be more difficult to sell and price than other securities. • 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.

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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