



The Factor Report

Definitions

Investment Factors

Value: Companies that are considered undervalued relative to their fundamentals.

Momentum: Companies that are appreciating in price and benefiting from positive sentiment.

Quality: Companies that have historically exhibited strong profitability and healthy balance sheets.

Volatility: Companies exhibiting lower price volatility than the market average or portfolios that seek to take advantage of diversification benefits by holding lower-correlated assets.

Small Size: Smaller companies.

The Cyclical Nature of Factor Performance

Understanding the importance of diversification across factors is key to mitigating the underlying risk exposures that drive returns.

A portfolio of combined factors may offer improved efficiency and greater efficacy than portfolios of individual factors alone.

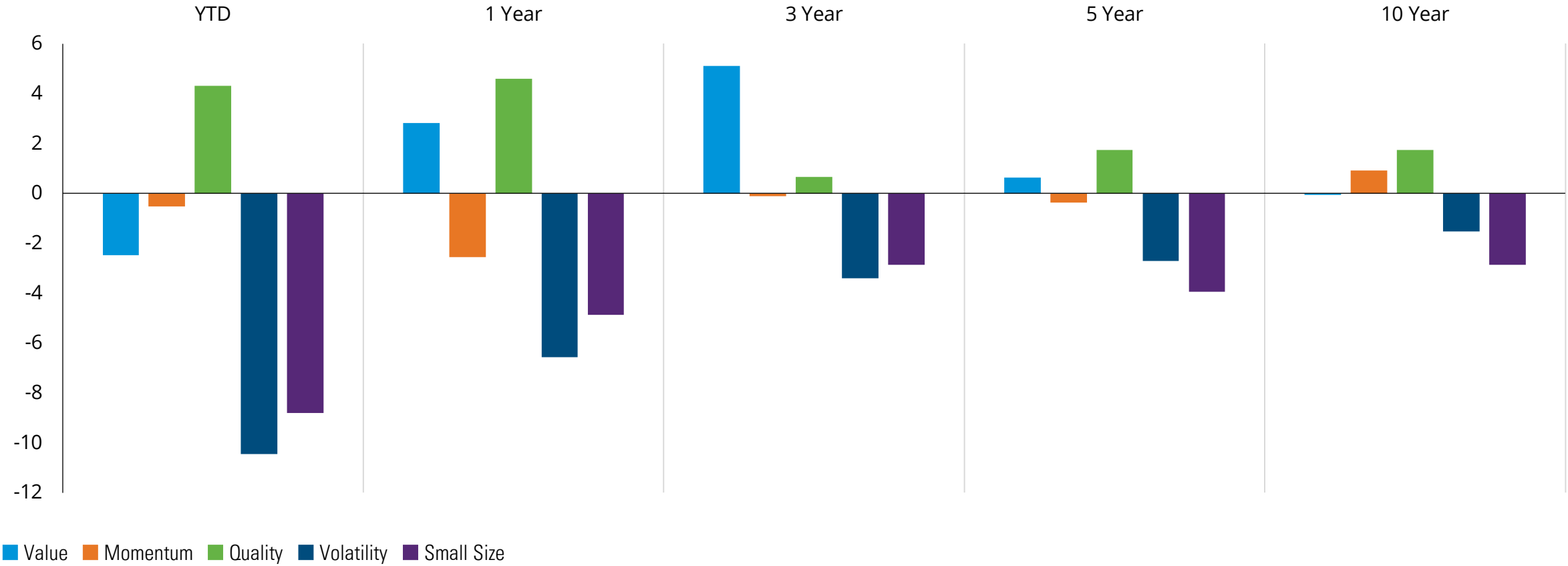
Global Factor Annual Total Returns (%)

Best ↑ ↓ Worst	Momentum 2.3	Volatility 3.6	Momentum 4.0	Value 3.7	Momentum 4.0	Volatility 7.4	Quality 1.1	Quality 3.1	Value 6.2	Value 9.1	Quality 4.5
	Small Size 1.7	Value 1.5	Volatility 2.7	Small Size 1.1	Quality 3.0	Quality 4.1	Value -1.1	Momentum 1.8	Momentum 3.3	Volatility 7.3	Value 0.4
	Quality 0.6	Momentum 0.9	Quality 1.8	Quality -0.2	Volatility -1.1	Momentum 2.5	Momentum -1.9	Small Size -5.1	Quality 2.3	Small Size 0.7	Momentum -1.6
	Value 0.4	Small Size 0.3	Small Size -0.1	Volatility -1.1	Value -1.7	Value -2.1	Volatility -2.2	Value -9.6	Volatility 1.9	Momentum -0.2	Volatility -5.4
	Volatility -2.1	Quality -0.3	Value -1.9	Momentum -1.8	Small Size -1.7	Small Size -2.6	Small Size -3.3	Volatility -10.7	Small Size -1.5	Quality -3.4	Small Size -5.6
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 YTD

Diversification does not eliminate the risk of experiencing investment loss. Past performance does not guarantee future results. As of 9/30/23. The chart ranks the performance of various factors using the global equity universe as defined by Hartford Funds. Factor returns are represented by the performance differential between a quintile 1 portfolio (companies with factor scores in the top 20%) and a quintile 5 portfolio (companies with factor scores in the bottom 20%). Actual results may differ significantly. For illustrative purposes only. Data: Compustat, 10/23. Calculations by Hartford Equity Risk Model & Hartford Equity Modeling Platform.

US Equity Factor Performance

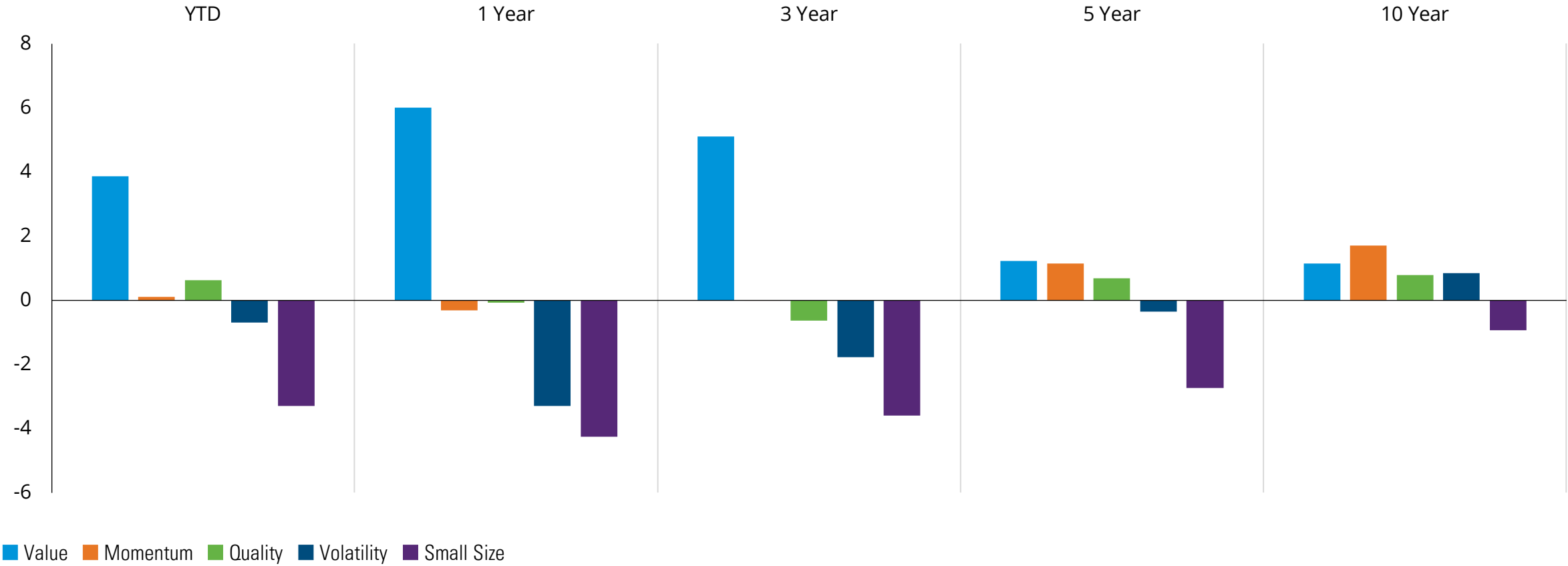
US Equity Factor Returns (%)



Past performance does not guarantee future results. As of 9/30/23. The chart illustrates the performance of various factors using the US universe as defined by Hartford Funds. Factor returns are represented by the performance differential between a quintile 1 portfolio (companies with factor scores in the top 20%) and a quintile 5 portfolio (companies with factor scores in the bottom 20%). Actual results may differ significantly. Refer to page 7 for additional information. For illustrative purposes only. Data: Compustat, 10/23. Calculations by Hartford Equity Risk Model & Hartford Equity Modeling Platform.

Developed Markets (ex-US) Factor Performance

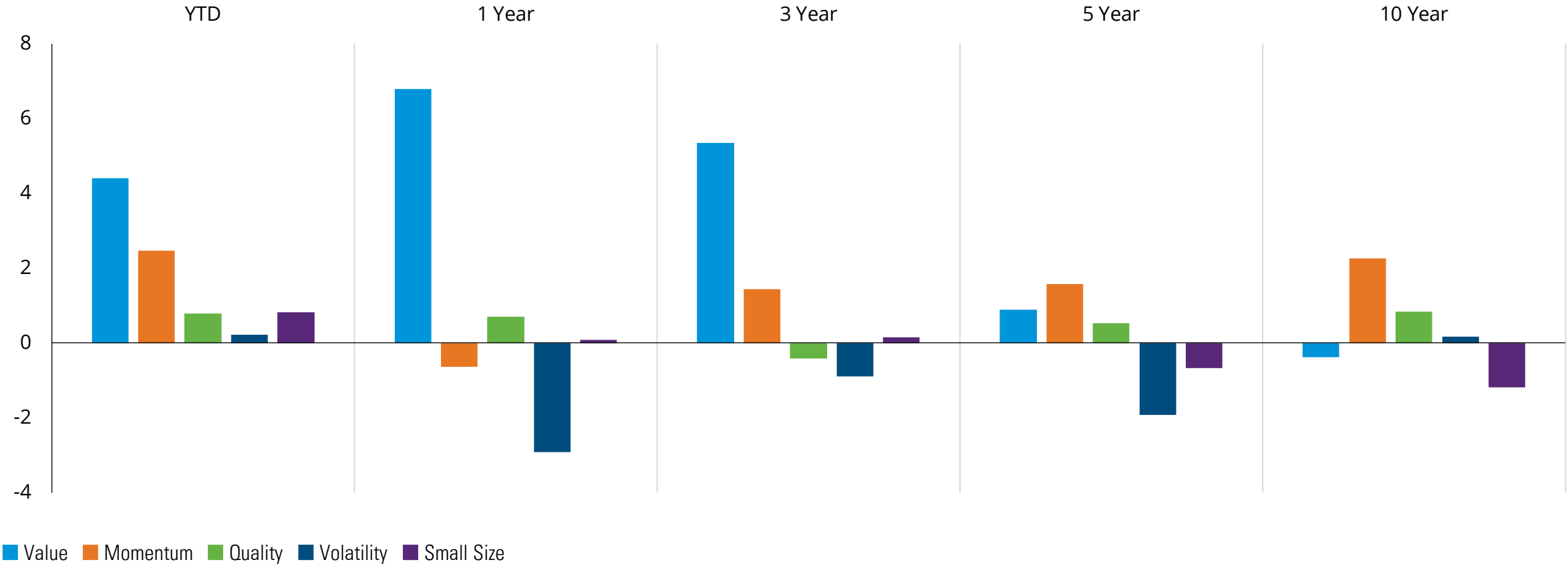
Developed Markets (ex-US) Equity Factor Returns (%)



Past performance does not guarantee future results. As of 9/30/23. The chart illustrates the performance of various factors using the developed markets (ex US) universe as defined by Hartford Funds. Factor returns are represented by the performance differential between a quintile 1 portfolio (companies with factor scores in the top 20%) and a quintile 5 portfolio (companies with factor scores in the bottom 20%). Actual results may differ significantly. Refer to page 7 for additional information. For illustrative purposes only. Data: Compustat, 10/23. Calculations by Hartford Equity Risk Model & Hartford Equity Modeling Platform.

Emerging Markets Equity Factor Performance

Emerging Markets Equity Factor Returns (%)



Past performance does not guarantee future results. As of 9/30/23. The chart illustrates the performance of various factors using the emerging market universe as defined by Hartford Funds. Factor returns are represented by the performance differential between a quintile 1 portfolio (companies with factor scores in the top 20%) and a quintile 5 portfolio (companies with factor scores in the bottom 20%). Actual results may differ significantly. Refer to page 7 for additional information. For illustrative purposes only. Data: Compustat, 10/23. Calculations by Hartford Equity Risk Model & Hartford Equity Modeling Platform.

Factor Universe Methodology: Companies within each quintile portfolio are equally weighted. Portfolios are reconstituted monthly. Eligible companies have a total market capitalization of at least \$500 million and an average daily trading volume of at least \$1.5 million over the last six months, resulting in approximately 2,500 companies. The portfolios are theoretical and assume no fees or trading costs.

Important Risks: Investing involves risk, including the possible loss of principal. ● 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 and economic developments. These risks may be greater for investments in emerging markets. ● Small and mid-cap securities can have greater risks and volatility than large-cap securities.

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