

HMOP Hartford Municipal Opportunities ETF

Inception Date 12/13/17 Morningstar® Category Muni National Interm

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 an expected deteriorating growth/inflation tradeoff. The Bloomberg Municipal 1-15 Year Blend (1-17) Index returned 0.39% during the quarter. The ratio of 10-year AAA general obligations (GOs) to 10-year Treasuries increased from 68.4% to 77.4%, remaining below the long-term historical average of 88% over the last 20 years.¹

Performance Summary

- The Hartford Municipal Opportunities ETF underperformed the Bloomberg Municipal 1-15 Year Blend (1-17) Index during the quarter.
- Security selection within investment-grade general-obligation bonds detracted.
- Security selection in investment-grade and high-yield revenue bonds was the primary driver of positive performance. Within investment-grade revenue bonds, security selection in port, airport and marina, education, and industrial development contributed the most.
- Duration* and yield-curve positioning negatively impacted relative returns, primarily due to the ETF's overweight exposure to the long-end of the curve, where yields rose significantly over the period.

Positioning & Outlook

- Fundamentals are broadly positive after generous direct and indirect federal support and coming out of the pandemic.
- Many municipal sectors have natural outlets for inflationary pressures, but the more labor-constrained sectors will be more challenged.
- Expect municipals to behave defensively in a downturn given their high quality and strong balance sheets.
- Tax-exempt municipal valuations as proxied by the municipal bond/treasury ratio are unattractive relative to history. However, municipal bond all-in yields look attractive relative to comparable-quality corporates at intermediate and long maturities.
- Despite higher issuance this year, we expect demand to remain robust, particularly if rates begin to trend lower.

Overall Morningstar Rating™ *

★★★★

260 Products

Muni National Interm Category Based on Risk-Adjusted Returns as of 03/31/2025

Portfolio managers from Wellington Management and years of experience

Brad W. Libby, 29 years

Elizabeth J. Kleinerman, CFA, 24 years

Top Ten Holdings (%)

California Community Choice Financing Auth, CA, Rev	2.53
Illinois Housing Dev Auth, IL, Rev	2.52
State of Texas, TX, GO	2.38
Main Street Natural Gas, Inc., GA, Rev	2.26
County of Fairfax, VA, GO	1.83
Black Belt Energy Gas Dist, AL, Rev	1.67
Metropolitan Transportation Auth, NY, Rev	1.66
State of Illinois, IL, GO	1.59
Port Auth of New York & New Jersey, NY, Rev	1.38
Massachusetts Dev Finance Agency, MA, Rev	1.23
Percentage Of Portfolio	19.05

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.

¹Source: Bloomberg

Average Annual Total Returns (%)

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI
HMOP NAV	0.18	0.18	2.09	2.18	1.81	—	2.35
HMOP Market Price	0.16	0.16	1.91	2.19	1.77	—	2.35
Benchmark	0.39	0.39	1.57	1.93	1.26	—	—
Morningstar Category	-0.08	-0.08	1.70	1.58	1.22	—	—

Total Operating Expenses¹: 0.29%

Morningstar® Category Muni National Interm

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: Bloomberg Municipal 1-15 Year Blend (1-17) Index is a sub-index of the Bloomberg Municipal Bond Index. It is a rules-based market value-weighted index of bonds with maturities of 1 year to 17 years engineered for the tax-exempt bond market. Indices are unmanaged and not available for direct investment.

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

*Star Ratings: 3-year 4 stars out of 260 products, 5-year 4 stars out of 241 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.

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. • Municipal securities may be adversely impacted by state/local, political, economic, or market conditions. Investors may be subject to the federal Alternative Minimum Tax as well as state and local income taxes. Capital gains, if any, are taxable. • Fixed income security risks include credit, liquidity, call, duration, and interest-rate risk. As interest rates rise, bond prices generally fall. • Investments in high-yield ("junk") bonds involve greater risk of price volatility, illiquidity, and default than higher-rated debt securities. • 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.

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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