Fund Commentary

HARTFORDFUNDS
Our benchmark is the investor.®

HSUN

Hartford Sustainable Income ETF

Morningstar® Category Multisector Bond

Inception Date 09/21/2021

Lipper Peer Group Multi-Sector Income

Market Overview

Global fixed income markets generated negative total returns during the first quarter, as measured by the Bloomberg Global Aggregate Index. Stronger-than-expected economic data, including persistent inflation pressures, pushed out the expected timing of central bank rate cuts. Resilient consumer spending and strong corporate earnings helped propel further spread tightening across most fixed income sectors. Most currencies depreciated versus the US dollar (USD).

Performance Summary

- The Hartford Sustainable Income ETF outperformed the Bloomberg US Aggregate Bond Index as spread tightening and income offset the impact of higher sovereign yields.
- The Fund's positioning in high yield and bank loans helped relative performance, while an underweight to investment grade credit detracted. Within high yield we expect better opportunities to increase exposure at wider spreads. Bank loans offer attractive return potential relative to default loss expectations, in our view. The Fund's allocation to convertible bonds focused on digitization and healthcare innovation themes, modestly detracted from performance. Select exposure to emerging markets (EM) debt had a favorable impact on relative results, particularly corporate and sovereign debt, while local debt had a negligible impact on returns.
- The Fund's allocation to securitized sectors was a positive contributor to relative performance, particularly non-agency residential mortgage-backed securities (RMBS), asset-backed securities (ABS), and to a lesser extent commercial mortgage obligations (CMBS).
- An underweight to agency MBS passthroughs also benefited results during the quarter.
- Tactical US duration* positioning during the quarter had a positive impact on relative performance overall, as did an allocation to Treasury Inflation-Protected Securities (TIPS).

Positioning & Outlook

- We believe that resilient consumer spending and strong company fundamentals should prevent a significant downturn for the US economy.
- The Fund maintains a modestly defensive risk posture due to tight credit spreads while preserving cash and high-quality liquid assets, and a shorter duration profile.
- The Fund is positioned with an underweight to IG credit and agency MBS, in favor of high yield – particularly European banks, bank loan issuers with sustainable cash flows and pricing power and select seasoned non-agency RMBS opportunities. The Fund holds select green bonds supporting resource efficiency projects. The Fund opportunistically will seek to purchase dislocated CMBS and collateralized loan obligations (CLOs). We favor EM corporate issuers with prudent balance sheet management in select sectors. The Fund holds a modest exposure to select convertible bonds.

Portfolio Managers from Wellington Management

Campe Goodman, CFA
Senior Managing Director
Fixed-Income Portfolio Manager
Professional Experience Since 1997

Joseph F. Marvan, CFA
Senior Managing Director
Fixed-Income Portfolio Manager
Professional Experience Since 1988

Robert D. Burn, CFA
Senior Managing Director
Fixed-Income Portfolio Manager
Professional Experience Since 1998

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

Top Ten Holdings (%)

Uniform Mortgage-Backed Security	14.25
U.S. Treasury Notes	11.36
U.S. Treasury Bonds	7.79
Federal National Mortgage Association Connecticut Avenue Securities	2.55
Federal Home Loan Mortgage Corp.	1.71
U.S. Treasury Inflation-Indexed Notes	1.44
UBS Group AG	1.11
Aegea Finance SARL	1.01
Medline Borrower LP	1.01
Societe Generale SA	0.99
Percentage Of Portfolio	**43.22**

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.

MARCH 31, 2024

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Performance (%)

Class	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI
			Average Annual Total Returns				
HSUN NAV	2.07	2.07	8.30	—	—	—	-1.34
HSUN Market Price	1.65	1.65	7.63	—	—	—	-1.40
Bloomberg US Aggregate Bond Index	-0.78	-0.78	1.70	—	—	—	—
Morningstar Category	1.31	1.31	7.09	—	—	—	—
Lipper Peer Group	1.12	1.12	6.58	—	—	—	—

Total Operating Expenses[1]**:** 0.54%

Morningstar® Category Multisector Bond **Lipper Peer Group** Multi-Sector Income

SI = Since Inception, ETF Inception: 09/21/2021

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.

Bloomberg U.S. 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.

[1]Expenses 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 Fund's share price may 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. • 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. • 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. 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, regulatory, and counterparty risk. • 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 and related expenses as well as price and counterparty risk. • Restricted securities may be more difficult to sell and price than other securities. • Loans can be difficult to value and less liquid than other types of debt instruments; they are also subject to nonpayment, collateral, bankruptcy, default, extension, prepayment and insolvency risks. • 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. • Applying sustainability framework to the investment process may result in foregoing certain investments and underperformance comparative to funds that do not have a similar focus. There is a risk that the securities identified by the sub-adviser as meeting its sustainable investing framework do not operate as anticipated. • 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. • The Fund may have high portfolio turnover, which could increase its transaction costs and an investor's tax liability.

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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