

**HCRB** Hartford Core Bond ETF

Inception Date 2/19/20 Morningstar® Category Intermediate Core Bond

## Market Overview

US fixed-income markets delivered positive total returns in the fourth quarter of 2025, as policy uncertainty, fiscal developments, and divergent central-bank actions shaped the investment landscape. The US began the quarter with its longest government shutdown on record, which delayed key economic data and forced the Federal Reserve (Fed) to make policy decisions with limited visibility. The shutdown ended in mid-November, but data gaps persisted, adding to market uncertainty. US agency mortgage-backed securities (MBS), investment-grade corporate, and high-yield corporate bonds produced positive total returns. MBS and high yield outperformed duration<sup>1</sup>-equivalent US Treasuries, while investment-grade corporate bonds underperformed as spreads<sup>2</sup> widened.

## Performance Summary

- The Hartford Core Bond ETF underperformed the Bloomberg US Aggregate Bond Index during the quarter.
- The Fund's positioning in corporate credit had a neutral impact on relative results during the period. Within IG corporate credit, we had an overweight allocation to utilities, which contributed modestly to results. Meanwhile, security selection within industrials detracted from results.
- The Fund's allocation to securitized credit was positive for performance overall, including non-agency residential mortgage-backed securities (RMBS), agency MBS, and commercial mortgage-backed securities (CMBS). Our exposure to CLOs had a negligible impact on performance.
- Active duration and yield-curve positioning detracted from results during the quarter. The Fund held an allocation to Treasury Inflation Protected Securities (TIPS), which had a small negative impact on results.

## Positioning & Outlook

- Fiscal stimulus, AI investment, deregulation, and accommodative monetary policy continue to underpin growth. Still, the impact of these policies is uneven, and political volatility keeps the macro backdrop unsettled.
- We see attractive upside potential in selectively capitalizing on credit market dislocations as they emerge.
- The Fund is positioned close to neutral in investment-grade credit relative to the benchmark, while identifying selective opportunities in utilities—benefiting from rising electricity demand driven by the artificial-intelligence cycle—and in energy, supported by attractive spreads and improved fundamentals. We maintain an overweight to agency mortgages, with an emphasis on relative value opportunities and enhancing cash flow stability. Additionally, we favor high-quality securitized credit, particularly non-agency RMBS that benefit from record homeowners' equity, conservative underwriting standards, and the absence of risky "affordability" mortgage products; shorter-duration consumer ABS, reflecting tight lending standards; and select single-asset, single-borrower CMBS deals.

### Portfolio managers from Wellington Management and years of experience

Campe Goodman, CFA, 29 years  
Robert D. Burn, CFA, 28 years  
Jeremy Forster, 22 years  
Connor Fitzgerald, CFA, 20 years  
Joseph F. Marvan, CFA, 38 years

### Top Ten Holdings (%)

U.S. Treasury Notes	26.62
Uniform Mortgage-Backed Security	11.33
U.S. Treasury Bonds	9.23
Government National Mortgage Association	5.94
Federal National Mortgage Association	5.92
Federal Home Loan Mortgage Corp.	4.59
U.S. Treasury Inflation-Indexed Bonds	1.49
PRET LLC	1.15
JP Morgan Chase & Co.	0.90
Pacific Gas & Electric Co.	0.87
<b>Percentage Of Portfolio</b>	<b>68.04</b>

Holdings and characteristics are subject to change. Percentages may be rounded.

<sup>1</sup>**Duration** is a measure of the sensitivity of an investment's price to nominal interest-rate movement.

<sup>2</sup>**Spreads** are the difference in yields between two fixed-income securities with the same maturity but originating from different investment sectors.

## Average Annual Total Returns (%)

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	SI
HCRB NAV	0.95	7.14	7.14	5.30	-0.37	—	0.85
HCRB Market Price	0.93	7.08	7.08	5.37	-0.37	—	0.85
Benchmark	1.10	7.30	7.30	4.66	-0.36	—	—
Morningstar Category	1.02	7.07	7.07	4.81	-0.31	—	—

Expenses<sup>1</sup>: 0.29%

**Morningstar® Category** Intermediate Core Bond

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](http://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 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.

BLOOMBERG® and any Bloomberg Index are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the indices (collectively, "Bloomberg") and have been licensed for use for certain purposes by Hartford Funds. Bloomberg is not affiliated with Hartford Funds, and Bloomberg does not approve, endorse, review, or recommend any Hartford Funds product. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to Hartford Funds products.

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

**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 on the 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, event, and interest-rate risk. As interest rates rise, bond prices generally fall. • 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 as well as collateralized loan obligations (CLOs) 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. • Restricted securities may be more difficult to sell and price than other securities. • 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. • The portfolio managers may allocate a portion of the Fund's assets to specialist portfolio managers, which may not work as intended. • 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.

**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](http://hartfordfunds.com). Please read it carefully before investing.**

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