DIVY: Global X Active U.S. Dividend ETF

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1. Quarter in Review[1]

Rising bond yields weighed on income-oriented sectors in the third quarter of 2026, as the 10-year Treasury yield rose from 4.47% to 5.28%. Utilities (−12.2%) and Real Estate (−5.3%) were among the weakest sectors of the S&P 500 Index, while Energy was the strongest (+17.5%) on crude oil strength resulting from limited Strait of Hormuz access. The index reached a record closing high of 7,799 on August 13 and finished the quarter at 7,652, for a total return of 2.6% in Canadian dollars. The revised estimate of second quarter GDP growth rose to 2.2%,[2] but consumer prices rose 3.4% over the 12 months to August,[3] and the Federal Reserve raised its policy rate in September, its first increase since 2023.[4] Against this backdrop, Mirae Asset Global Investments (USA) LLC (the "Sub-advisor") maintained the portfolio's focus on companies returning capital through both dividends and buybacks, rather than on headline dividend yield alone.

[1]Market data, Index data, and economic data obtained via Bloomberg

[2]U.S. Bureau of Economic Analysis

[3]U.S. Bureau of Labor Statistics

[4]Federal Reserve

2. Total Shareholder Return (TSR) Scorecard

DIVY	Dividend Yield (TTM)	Dividend + Buyback Yield (TTM)	% Raised Dividends	% Executed Buybacks	Active Share vs. Benchmark	# Holdings
Most recent quarter	1.5%	4.3%	91.1%	92.4%	69.2%	92
Prior quarter	1.5%	4.1%	91.0%	93.3%	65.2%	90

Source: WealthSpot LLC; S&P Capital IQ. TTM = trailing twelve months. Weighted characteristics of the underlying companies, not the distribution yield of DIVY or a return to investors. Benchmark: S&P 500 Index. Dividend + buyback yield uses gross cash repurchases.

Units of DIVY and DIVY.U are available in Canadian dollars ("Cdn$ Units") and U.S. dollars ("US$ Units"), respectively. The base currency of each Dual Currency ETF is the U.S. dollar. Neither the Cdn$ Units nor the US$ Units are currency-hedged.

3. Performance Review

DIVY	1 YR	3 YR	5 YR	Since Inception	Prior Quarter (Jun 30, 2026)	Most Recent Quarter (Sep 30, 2026)
Fund return[1]	N/A	N/A	N/A	N/A	N/A	N/A
Benchmark return[2]	N/A	N/A	N/A	N/A	N/A	N/A
Active return[3]	N/A	N/A	N/A	N/A	N/A	N/A

Communication Services was the largest contributor, led by strong stock selection in Meta Platforms, and Financials and Materials also added. Underweight positions in Utilities and Real Estate, both of which declined, helped relative returns. Consumer Discretionary was the largest detractor, from its overweight in a declining sector and the Home Depot and Wingstop positions, while Information Technology and Energy also detracted. The portfolio's total shareholder yield edged up from 4.1% at June 30 to 4.3% at September 30.

[1]DIVY was incepted on May 26, 2026 and has less than 12 months of performance history. Investment fund regulations restrict the presentation of performance figures until a fund reaches its one-year anniversary.
[2]Benchmark: S&P 500 Index.
[3]Active return is the difference between an investment portfolio's return and the return of its benchmark over the same period.
The indicated rates of return are the historical annual compounded total returns, including changes in unit value and reinvestment of all distributions, and do not take into account sales, redemption, distribution or optional charges, or income taxes payable by any securityholder that would have reduced returns. Additionally, index returns do not take into account management, operating, or trading expenses. The rates of return above are not indicative of future returns. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated. The indices are not directly investable. Only the returns for periods of one year or greater are annualized returns.

4. Portfolio Activity

Notable Position Changes

The table below highlights changes made at the July 31 and August 31 rebalances.

Company	Portfolio Action	Rationale
Meta Platforms	Increased	Higher model score, combined with the team's view of tangible AI product improvements at second quarter earnings
Dell Technologies	Increased	Model-selected name, increased at the August rebalance on the team's view of strong backlogs and demand in key verticals
Newmont	Added	Model score improvement, with the team viewing the company as a natural resource inflation beneficiary
Alphabet	Exited	Weaker model signals alongside softer market sentiment on the pace of AI tool upgrades
Applied Materials	Reduced	Reduced at the August rebalance on weakening model signals following share price weakness, making room for new positions

5. Attribution: What Drove Relative Performance this Quarter

DIVY Sector Attribution Effect	
Sectors which helped relative performance	**Sectors which hurt relative performance**
Communication Services: **+120 bps**	Consumer Discretionary: **−139 bps**
Financials: **+77 bps**	Information Technology: **−84 bps**
Materials: **+36 bps**	Energy: **−45 bps**

DIVY Sector Positioning	Fund Weight	Benchmark Weight	Active Weight	Chg in Active vs. Prior Quarter (pts)
Largest overweight: Industrials	14.1%	7.9%	+6.1%	−0.3 pts
Largest underweight: Information Technology	33.0%	39.8%	−6.9%	+1.7 pts
Largest change: Consumer Staples	6.5%	4.4%	+2.1%	−6.3 pts

Source: WealthSpot LLC and Mirae Asset Global Investments (USA) LLC

DIVY Security Selection Effect – Top 5 Contributors and Detractors[5]	
Helped Relative Performance	**Hurt Relative Performance**
Meta Platforms +112 bps Second quarter revenue grew 28% on higher ad impressions and pricing, and the September launch of its consumer AI agent drove the shares sharply higher. **Portfolio action:** Increased	**Applied Materials −97 bps** Fiscal third quarter revenue grew 25%, but guidance for flat near-term gross margins disappointed investors, and the shares fell further in mid-September on commentary about a pause in AI capital spending. **Portfolio action:** Reduced
Accenture +69 bps Large U.S. federal data platform and U.S. Army contract awards, along with a dedicated Google Cloud business group, improved sentiment around the company's AI-related services. **Portfolio action:** Increased	**Home Depot −60 bps** Higher mortgage rates and the CEO's temporary medical leave, announced in August, overshadowed solid second quarter results with comparable sales up 1.7%. **Portfolio action:** Added
Dell Technologies +67 bps Fiscal second quarter results showed AI server orders at a record, and management raised its full-year AI server revenue outlook substantially. **Portfolio action:** Increased	**AppLovin −52 bps** Second quarter revenue fell short of expectations and third quarter guidance disappointed, sending the shares sharply lower. **Portfolio action:** Reduced
HP Inc. +55 bps Fiscal third quarter results and full-year earnings guidance rose, helped by demand for new AI-capable PCs, with revenue up 12.5%. **Portfolio action:** Maintained	**Wingstop −35 bps** Domestic same-store sales fell 7.5% in the second quarter and management lowered its 2026 same-store sales guidance. **Portfolio action:** Maintained
Microsoft +28 bps Fiscal fourth quarter results confirmed strong AI demand, with Azure growth accelerating to 43% and Microsoft 365 Copilot adoption broadening. **Portfolio action:** Increased	**Rollins −33 bps** A second quarter miss, as residential demand slowed and operating margin narrowed, led management to lower its 2026 organic growth outlook. **Portfolio action:** Increased

[5]All company financial data cited is from earnings reports and/or other regulatory filings

All portfolio holdings and benchmark constituents are listed in the U.S. and priced in U.S. dollars, and both are converted to Canadian dollars at the same rate, so currency contributed no relative effect.

6. Top 25 Holdings (as at September 30, 2026)

#	Security Name	% of Net Asset Value
1	Meta Platforms	8.2
2	Microsoft	7.8
3	Dell Technologies	3.8
4	Apple	3.1
5	Eli Lilly	3.0
6	Lam Research	3.0
7	Home Depot	2.8
8	Visa	2.5
9	KLA	2.3
10	Mastercard	2.3
11	Accenture	1.9
12	QUALCOMM	1.7
13	Ross Stores	1.5

#	Security Name	% of Net Asset Value
14	Starbucks	1.5
15	Automatic Data Processing	1.5
16	Philip Morris International	1.5
17	Illinois Tool Works	1.4
18	JPMorgan Chase	1.4
19	EOG Resources	1.3
20	Kroger	1.1
21	Rollins	1.1
22	Teradyne	1.0
23	Broadcom	1.0
24	AbbVie	1.0
25	Cintas	1.0

Source: Global X Canada and Mirae Asset Global Investments (USA) LLC.
Total net asset value as at Sept 30, 2026 was $2.91M

7. TSR North Star in Practice

Each quarter, we take one current holding and walk it through the four TSR (Total Shareholder Return) North Star principles, the framework the Sub-advisor uses to assess every holding. This quarter: HP Inc. (HPQ), held in DIVY since the fund's launch in May 2026. Current weight: 0.9%.

CAPITAL EFFICIENCY

Growth must create value

Return on invested capital above the median for Information Technology companies in the S&P 500 Index (21.6% at September 30) in five of the last six years. The ratio itself is very high because the company runs on little invested capital, so the consistency of the record is the more useful measure.

SHAREHOLDER COMMITMENT

Capital is returned

Combined dividend and gross buyback yield of 8.2% (TTM), compared with 9.2% a year earlier; gross repurchases equal to about 4.3% of market capitalization over the trailing twelve months, with a 3.5% net reduction in shares outstanding.

GROWING RETURNS

Returns are increasing

Ten consecutive years of dividend growth, at a 9.1% five-year compound annual growth rate, alongside continued share repurchases.

CASH FLOW SUSTAINABILITY

Returns are fundable

Free cash flow covering dividends and gross buybacks about 1.67x, with operating cash flow at 1.90x net income over the trailing twelve months, although the free-cash-flow margin is a modest 6.6%.

Why it matters: HP Inc.'s dividend yield of 3.9% already stands out on a traditional yield screen, yet it captures less than half of what the company returns to shareholders. Gross buybacks add a further 4.3%, for a total shareholder yield of 8.2%, covered by free cash flow and backed by ten consecutive years of dividend growth. This is the fuller picture the TSR North Star framework is designed to capture, and the part a dividend-only view misses.

8. Human Oversight in Action

Every rebalance is reviewed by a senior portfolio manager with 20+ years of investment experience, and every deviation from the model is recorded.

Examples of overrides this quarter – DIVY

Trigger Category	Action Taken	Rationale
Corporate events	Excluded	Two companies subject to announced acquisition agreements were excluded, as their share prices reflected the deal terms rather than the fundamentals the model assesses.
Narrative risk	Reduced weight below raw model recommendation	Concerns that AI could disintermediate their businesses led to weights below the raw model recommendation in several financial data, software and services names at the early-July rebalance (based on the June 30 model evaluation).
Balance-sheet stress	Excluded	Balance-sheet risk amid intense price competition in the company's industry; the name was excluded at the early-July rebalance (based on the June 30 model evaluation) and the July 31 rebalance, and restored to its model weight at the end of August.

DISCLAIMERS

Model Portfolio Information and Performance

Mirae Asset Global Investments (USA) LLC ("Mirae Asset") serves as sub-advisor to the Global X Active U.S. Dividend ETF ("DIVY" or the "Fund"), with investment research provided by WealthSpot LLC. Mirae Asset provides Global X Investments Canada Inc. ("Global X") with a model portfolio, including security selections, target portfolio weights and portfolio manager adjustments. Global X retains discretionary investment authority over the Fund and is responsible for executing trades.

Current-period portfolio performance, attribution and security-level contributions, presented in this commentary reflect the model portfolio and do not necessarily represent the Fund's actual transactions or investment results. Model returns are presented in Canadian dollars, gross of management fees and other Fund expenses. Actual Fund performance may differ from model portfolio results due to differences in portfolio holdings, trade execution and timing, transaction costs, fees and other expenses.

The top five contributors and detractors reflect securities held at an overweight relative to the benchmark, ranked by their contribution to relative model portfolio returns for the reporting period. Securities held at an underweight or not held in the model portfolio are excluded.

Commissions, management fees and expenses all may be associated with an investment in products (the "Global X Funds") managed by Global X Investments Canada Inc. The Global X Funds are not guaranteed, their values change frequently and past performance may not be repeated. The prospectus contains important detailed information about the Global X Funds. Please read the relevant prospectus before investing.

DIVY.U's investment process primarily utilizes a quantitative multifactor model, developed by WealthSpot LLC, an affiliate of the Manager, which incorporates machine learning techniques, including deep learning. The model generates systematic research outputs from multiple fundamental and alternative factors and incorporates financial data and other information sources relevant to the issuer, including rates of change of fundamental and alternative factors. Portfolio management and investment decisions remain the responsibility of the Sub-Advisor and are ultimately based on the Sub-Advisor's understanding of the company, its business and its outlook. The Sub-Advisor considers the model outputs and reviews DIVY.U's investments on an ongoing basis to try to ensure that the best relative values are identified.

The use of quantitative models carries the risk of potential issues with design, coding, implementation and maintenance of the computer programs, data and/or other technology used in the quantitative models. These issues could negatively impact investment returns. Moreover, as with many developing technologies, AI presents risks and challenges that could affect its further development, adoption and use and, therefore, could affect the ETFs that use AI technology. AI algorithms may be flawed and techniques such as machine learning, deep learning and large language models may prove ineffective. Data sets may be insufficient, of poor quality, or contain biased information. Any deficiencies or inaccuracies in the analyses that AI applications and/or quantitative models produce or assist in producing for an ETF may result in a decrease in the ETF's portfolio value. Such risks should be viewed as an inherent element of investing in an investment strategy that relies upon a quantitative model that uses new technology such as AI.

Certain statements may constitute a forward-looking statement, including those identified by the expression "expect" and similar expressions (including grammatical variations thereof). The forward-looking statements are not historical facts but reflect the author's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking statements. These forward-looking statements are made as of the date hereof and the authors do not undertake to update any forward-looking statement that is contained herein, whether as a result of new information, future events or otherwise, unless required by applicable law.

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