HAL: Global X Active Canadian Dividend ETF

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1. Quarter in Review[1]

Income-oriented Canadian stocks lagged in the third quarter of 2026. Within the S&P/TSX Canadian Dividend Aristocrats Index, which returned –1.3%, telecommunications and utilities stocks fell sharply and real estate stocks also declined, leaving the index about three percentage points behind the broader market. The S&P/TSX Composite Index set a series of record closing highs from mid-July, then slipped about 3% in September while the U.S. 10-year Treasury yield climbed, finishing with a total return of +1.6% for the quarter. Energy was the standout sector, rising +18% as WTI crude oil climbed close to 30% in U.S. dollar terms, while financials fell about 3%. The Bank of Canada (BoC) held its policy rate at 2.25% in July and September. Against this backdrop, 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]Bank of Canada

2. Total Shareholder Return (TSR) Scorecard

HAL	Dividend Yield (TTM)	Dividend + Buyback Yield (TTM)	% Raised Dividends	% Executed Buybacks	Active Share vs. Benchmark	# Holdings
Most recent quarter	2.3%	5.7%	77.6%	81.7%	71.1%	71
Prior quarter	2.3%	3.8%	87.8%	68.3%	66.1%	43

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

Prior quarter reflects the portfolio managed by the previous sub-advisor prior to the July 1, 2026 transition.

3. Performance Review

HAL	1 YR	3 YR	5 YR	Since Common Inception (Feb 9, 2010)	Prior Quarter (Jun 30, 2026)	Most Recent Quarter (Sep 30, 2026)	Since July 1, 2026[1]
Fund return[1]	34.70%	24.53%	14.88%	10.72%	9.80%	2.06%	2.06%
Benchmark return[2]	16.65%	22.40%	12.35%	10.48%	7.67%	-1.32%	-1.32%
Active return[3]	18.05%	2.13%	2.53%	0.24%	2.13%	3.38%	3.38%

Energy was the largest contributor, led by strong stock selection in Suncor Energy, and Materials added through its overweight in gold producers. Underweight positions in Communication Services, Utilities and Real Estate, where income-oriented stocks declined, also helped. Industrials was the largest detractor, mainly from the underweight in a sector that rose, with smaller drags from Consumer Discretionary and Financials. The portfolio's total shareholder yield rose from 3.8% at June 30 to 5.7% at September 30, driven by higher buyback yields following the transition to the Sub-advisor's model portfolio, while the dividend yield was steady at 2.3%.

Source: Global X Canada. [1]Effective July 1, 2026, Mirae Asset Global Investments (USA) LLC assumed the sub-advisory role for HAL. Performance for periods prior to July 1, 2026 was achieved under a different sub-advisor and a different investment strategy, and is not indicative of results under the current investment approach.

[2]Benchmark: S&P/TSX Canadian Dividend Aristocrats 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.

HAL inception date is February 9, 2010.

4. Portfolio Activity

Notable Position Changes

The repositioning of HAL from the previous sub-advisor's June 30 holdings was described in the July transition commentary. The table below highlights changes made at the subsequent July 31 and August 31 rebalances.

Company	Portfolio Action	Rationale
Barrick Mining	Added	Model score, combined with the team's view that gold continues to command investor interest amid inflationary pressures
Gildan Activewear	Added	Added in July on the model score and increased in August on the team's view of the integration of the Hanesbrands acquisition
Cenovus Energy	Increased	Changes in the model's screening outputs, combined with the team's own review of Energy holdings
Loblaw Companies	Increased	Model score improvement, combined with the team's view on the company's results and continued capital returns
Alimentation Couche-Tard	Reduced	Following its increase at the transition, the position was reduced at the July rebalance and partly rebuilt in August as target sizing was revised
Kinross Gold	Reduced	Following its increase at the transition, the position was trimmed at both subsequent rebalances in line with updated target sizing

5. Attribution: What Drove Relative Performance this Quarter

HAL Sector Attribution Effect	
Sectors which helped relative performance	Sectors which hurt relative performance
Energy: **+160 bps**	Industrials: **–121 bps**
Materials: **+113 bps**	Consumer Discretionary: **–36 bps**
Communication Services: **+104 bps**	Financials: **–28 bps**

HAL Sector Positioning	Fund Weight	Benchmark Weight	Active Weight	Chg in Active vs. Prior Quarter (pts)
Largest overweight: Financials	45.1%	19.6%	+25.4%	+17.7 pts
Largest underweight: Industrials	5.6%	16.9%	−11.3%	−11.0 pts
Largest change: Financials	45.1%	19.6%	+25.4%	+17.7 pts

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

HAL Security Selection Effect – Top 5 Contributors and Detractors[3]	
Helped Relative Performance	**Hurt Relative Performance**
Suncor Energy +107 bps Strong second quarter results lifted capital returns, with adjusted funds from operations matching the company's previous record quarterly level and monthly share repurchases increased from August. **Portfolio action: Increased**	**Aritzia −41 bps** Retail weakness, valuation concerns and uncertainty about consumer spending and tariffs weighed on the shares, even though fiscal first quarter revenue rose more than 40%. **Portfolio action: Maintained**
Manulife Financial +23 bps Second quarter core earnings per share rose 16% on a constant exchange rate basis, with strong core earnings growth in Asia and strength in global wealth and asset management. **Portfolio action: Reduced**	**Alimentation Couche-Tard −25 bps** Investors weighed its July 31 agreement to acquire a controlling stake in Poland's Zabka Group alongside weaker fuel volumes, as same-store road fuel volumes fell in both the U.S. and Europe. **Portfolio action: Reduced**
Lundin Gold +23 bps Strong operating results from its Fruta del Norte mine in Ecuador and high gold prices supported the shares, and in July the company announced two new copper-gold discoveries in the district. **Portfolio action: Maintained**	**Intact Financial −25 bps** Elevated catastrophe and large losses, tied to storms in Alberta, Ontario and Quebec and commercial property fires in the U.K. and Ireland, pushed second quarter operating earnings below expectations. **Portfolio action: Reduced**
Constellation Software +21 bps Second quarter results showed accelerating cash generation, with free cash flow available to shareholders up 57%, and S&P Global Ratings revised its outlook on the company to positive in late August. **Portfolio action: Reduced**	**FirstService −16 bps** Second quarter revenue missed expectations, with reduced activity in its roofing business the main drag. **Portfolio action: Maintained**
Kinross Gold +18 bps Second quarter results showed a higher average realized gold price, a 42% rise in margin per ounce sold and higher free cash flow, and the company said it was on track to return 40% of its free cash flow to shareholders in 2026. **Portfolio action: Reduced**	**Gildan Activewear −14 bps** Second quarter results showed lower wholesale volumes as the company continued to reduce inventory across customer channels, and full-year sales are now expected at the low end of the company's range. **Portfolio action: Added**

All portfolio holdings and benchmark constituents are listed in Canada and priced in Canadian dollars, so currency contributed no relative effect.

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

#	Security Name	% of Net Asset Value
1	The Toronto-Dominion Bank	7.2
2	Bank of Montreal	6.4
3	Royal Bank of Canada	5.8
4	Canadian Imperial Bank of Commerce	5.5
5	Manulife Financial	4.9
6	Suncor Energy	4.9
7	Loblaw Companies	3.8
8	Canadian Natural Resources	3.6
9	The Bank of Nova Scotia	3.0
10	National Bank of Canada	2.9
11	Alimentation Couche-Tard	2.8
12	George Weston	2.7
13	Sun Life Financial	2.6
14	Canadian National Railway	2.2
15	Kinross Gold	2.2

#	Security Name	% of Net Asset Value
16	Dollarama	2.1
17	Aritzia	2.0
18	Imperial Oil	2.0
19	Constellation Software	1.9
20	Intact Financial	1.9
21	Thomson Reuters	1.7
22	Lundin Gold	1.6
23	Cenovus Energy	1.6
24	Great-West Lifeco	1.6
25	FirstService	1.5

Source: Global X Canada and Mirae Asset Global Investments (USA) LLC.
Total net asset value as at Sept 30, 2026 was $121.44M

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

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: Suncor Energy (SU), added during the July transition. Current weight: 4.9%.

CAPITAL EFFICIENCY

Growth must create value

Return on invested capital of 18.8%, against a median of 8.5% for Energy companies in the benchmark, and above that median in each of the last five years.

SHAREHOLDER COMMITMENT

Capital is returned

Combined dividend and gross buyback yield of 5.6% (TTM), compared with 8.9% a year earlier; gross repurchases equal to about 3.1% of market capitalization over the trailing twelve months, with a 3.6% net reduction in shares outstanding.

GROWING RETURNS

Returns are increasing

The dividend has been raised in each of the last five years, a record that runs from its reset in 2020, at a 23.4% five-year compound annual growth rate measured from the reset level.

CASH FLOW SUSTAINABILITY

Returns are fundable

Free-cash-flow margin of 18.3%, with free cash flow covering dividends and gross buybacks about 1.64x and operating cash flow at 1.77x net income over the trailing twelve months.

Why it matters: Suncor's dividend yield of 2.5% captures less than half of what the company returns to shareholders. Gross buybacks add a further 3.1%, for a total shareholder yield of 5.6%, covered by free cash flow and accompanied by a 3.6% net reduction in shares outstanding over the past year. 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 – HAL

Trigger Category	Action Taken	Rationale
Dividend sustainability	Excluded	Concerns over dividend sustainability at two telecommunications companies; both were excluded at the initial July installation and both subsequent rebalances, although the raw model recommendation held small weights.
Narrative risk	Reduced weight below raw model recommendation	AI-related risk to the business and limited disclosure; the position was held below the raw model recommendation at the August rebalance.
Corporate events	Excluded	Excluded at the August rebalance in light of merger and acquisition activity involving the company.

DISCLAIMERS

Model Portfolio Information and Performance

Mirae Asset Global Investments (USA) LLC ("Mirae Asset") serves as sub-advisor to the Global X Active Canadian Dividend ETF ("HAL" 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.

Prior-quarter figures, where presented, reflect the portfolio managed by the previous sub-advisor prior to Mirae Asset's appointment effective July 1, 2026. As the Fund transitioned to a different sub-advisor and investment strategy, prior-quarter figures may not be directly comparable to current-period model portfolio figures. Fund performance achieved before July 1, 2026 is not indicative of results under the current investment approach.

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.

Effective July 1, 2026, Mirae Asset Global Investments (USA) LLC ("Mirae Asset USA") assumed the sub-advisory role for the Global X Active Canadian Dividend ETF ("HAL"). HAL's investment process primarily utilizes a quantitative model, developed by WealthSpot LLC, an affiliate of the Manager, which includes the use of AI technology, such as machine learning and 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 Mirae Asset USA and are ultimately based on Mirae Asset USA's understanding of the company, its business and its outlook. Previously, HAL was sub-advised by Guardian Capital LP, and this change may impact performance. Had these changes been in effect before this date, the performance of HAL could have been different.

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.

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Published on October 28, 2026