# HAZ: Global X Active Global Dividend ETF

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## 1. Quarter in Review[1]

Rising bond yields weighed on rate-sensitive sectors in the third quarter of 2026, and Utilities and Real Estate were among the weakest areas of the market. Global equities still posted modest gains, with the MSCI World Index advancing a little over 2% in Canadian dollar terms. A sharp July sell-off in semiconductors and momentum stocks was followed by record highs for the broad market in August. Energy led by a wide margin as WTI crude oil rose close to 30% in U.S. dollar terms amid Middle East supply disruption. With inflation proving stubborn, the U.S. Federal Reserve raised its policy rate in September for the first time since 2023,[2] and the 10-year U.S. Treasury yield rose to a multi-year high above 5.2%. 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]Federal Reserve FOMC statement, September 16, 2026.

## 2. Total Shareholder Return (TSR) Scorecard

| HAZ | Dividend Yield (TTM) | Dividend + Buyback Yield (TTM) | % Raised Dividends | % Executed Buybacks | Active Share vs. Benchmark | # Holdings |
|---|---|---|---|---|---|---|
| **Most recent quarter** | 1.5% | 4.1% | 93.3% | 93.3% | 77.3% | 89 |
| **Prior quarter** | 1.7% | 3.4% | 90.2% | 85.4% | 75.3% | 41 |

Source: WealthSpot LLC; S&P Capital IQ. TTM = trailing twelve months. Weighted characteristics of the underlying companies, not the distribution yield of HAZ or a return to investors. Benchmark: MSCI World 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

| HAZ | 1 YR | 3 YR | 5 YR | Since Common Inception (July 20, 2010) | Prior Quarter (Jun 30, 2026) | Most Recent Quarter (Sep 30, 2026) | Since July 1, 2026[1] |
|---|---|---|---|---|---|---|---|
| Fund return[1] | 13.97% | 18.79% | 13.80% | 12.52% | 10.55% | 0.95% | 0.95% |
| Benchmark return[2] | 18.15% | 23.78% | 15.02% | 14.45% | 16.13% | 2.02% | 2.02% |
| Active return[3] | -4.18% | -4.99% | -1.22% | -1.93% | -5.58% | -1.07% | -1.07% |

Information Technology was the largest detractor: underweight positions in several of the largest technology companies and weakness in semiconductor equipment holdings outweighed strong results from Dell Technologies and Accenture. Consumer Discretionary and Financials also detracted. Industrials contributed most, led by Recruit Holdings, while stock selection in Communication Services and the underweight in Utilities added to relative returns. The portfolio's total shareholder yield rose from 3.4% at June 30 to 4.1% at September 30, as higher buyback yields more than offset a lower dividend yield following the transition to the Sub-advisor's model portfolio.

Source: Global X Canada. [1]Effective July 1, 2026, Mirae Asset Global Investments (USA) LLC assumed the sub-advisory role for HAZ. 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: MSCI World 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.

HAZ inception date is July 20, 2010.

## 4. Portfolio Activity

### Notable Position Changes

The repositioning of HAZ 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 |
|---|---|---|
| NVIDIA | Increased | Model-selected name, increased on the team's view of the company's capital return policy |
| Logitech International | Added | Model-selected name, added at the July rebalance on the team's view on earnings resiliency despite weaker shipments in certain end markets such as personal computers. |
| Advantest | Added | Improved model score, combined with the team's view on continued strong demand and raised guidance |
| ASML | Increased | Following the July reductions described in the transition commentary, the position was rebuilt at the August rebalance as the model recommendation was revised upward, with the team adding further on share price weakness |
| Apple | Added | Reintroduced at the August rebalance following its July exit, in line with the updated model recommendation |
| Lam Research | Reduced | Added at the transition and reduced at the August rebalance on weaker model signals following share price weakness |

## 5. Attribution: What Drove Relative Performance this Quarter

| HAZ Sector Attribution Effect | |
|---|---|
| **Sectors which helped relative performance** | **Sectors which hurt Relative Performance** |
| Industrials: **+54 bps** | Information Technology: **−223 bps** |
| Communication Services: **+39 bps** | Consumer Discretionary: **−76 bps** |
| Utilities: **+31 bps** | Financials: **−56 bps** |

| HAZ Sector Positioning | Fund Weight | Benchmark Weight | Active Weight | Chg in Active vs. Prior Quarter (pts) |
|---|---|---|---|---|
| **Largest overweight:** Consumer Discretionary | 12.9% | 8.4% | +4.5% | +7.3 pts |
| **Largest underweight:** Communication Services | 2.3% | 8.1% | −5.9% | −4.2 pts |
| **Largest change:** Information Technology | 36.1% | 31.9% | +4.2% | +9.8 pts |

| HAZ Regional Positioning | Fund Weight | Benchmark Weight | Active Weight | Chg in Active vs. Prior Quarter (pts) |
|---|---|---|---|---|
| **Largest overweight:** United States | 72.0% | 71.0% | +1.0% | +8.8 pts |
| **Largest underweight:** United Kingdom | 0.4% | 3.7% | −3.3% | −4.8 pts |
| **Largest change:** United States | 72.0% | 71.0% | +1.0% | +8.8 pts |

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

| HAZ Security Selection Effect – Top 5 Contributors and Detractors[3] | |
|---|---|
| **Helped Relative Performance** | **Hurt Relative Performance** |
| **Dell Technologies +76 bps**<br>Record fiscal second quarter results showed AI server demand still accelerating, with revenue up 58% year over year, and management raised its full-year revenue and AI server outlooks.<br>**Portfolio action:** Maintained | **Lam Research −59 bps**<br>The shares fell sharply in the July semiconductor sell-off and again in mid-September on worries about AI capital spending, outweighing record June quarter revenue and a strong outlook.<br>**Portfolio action:** Reduced |
| **Recruit Holdings +61 bps**<br>Record first quarter results, led by the HR Technology segment that includes Indeed, came with higher full-year revenue and earnings guidance.<br>**Portfolio action:** Increased | **KLA −55 bps**<br>The shares fell with the semiconductor equipment group in July and lagged the market until a late-quarter recovery, as investors focused on the outlook for its margin mix despite results above the midpoint of guidance.<br>**Portfolio action:** Maintained |
| **Accenture +50 bps**<br>The shares rebounded sharply in July from depressed levels as confidence in demand for its AI-related services improved, and ended the quarter well ahead despite some giveback in September.<br>**Portfolio action:** Maintained | **Applied Materials −44 bps**<br>The shares fell with the semiconductor equipment group in July and weakened again after fiscal third quarter results, when flat near-term gross margin guidance overshadowed record revenue.<br>**Portfolio action:** Reduced |
| **Ross Stores +25 bps**<br>Comparable store sales rose 10%, driven mainly by customer traffic, and management raised its full-year earnings guidance.<br>**Portfolio action:** Maintained | **Novo Nordisk −33 bps**<br>Pipeline and competitive concerns, including a missed primary endpoint in the ziltivekimab ZEUS trial and a long-term growth outlook that disappointed investors, outweighed a raised 2026 outlook.<br>**Portfolio action:** Reduced |
| **Agilent Technologies +21 bps**<br>Fiscal third quarter results showed revenue up 8.1% and non-GAAP earnings per share up 18% from a year earlier, and management raised its full-year revenue and earnings guidance.<br>**Portfolio action:** Maintained | **Intuit −27 bps**<br>Fiscal 2027 revenue guidance fell short of expectations and management acknowledged weaker customer acquisition, outweighing a fiscal fourth quarter that beat consensus.<br>**Portfolio action:** Added |

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

Currency effects on relative performance were negligible, at approximately −2 bps for the quarter, and no active currency positions were taken.

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

| # | Security Name | % of Net Asset Value |
|---|---|---|
| 1 | NVIDIA | 4.7 |
| 2 | Visa | 4.6 |
| 3 | Mastercard | 4.5 |
| 4 | KLA | 3.9 |
| 5 | Dell Technologies | 3.3 |
| 6 | Apple | 2.8 |
| 7 | ASML | 2.7 |
| 8 | Lam Research | 2.5 |
| 9 | Recruit Holdings | 2.4 |
| 10 | Meta Platforms | 2.3 |
| 11 | JPMorgan Chase | 2.2 |
| 12 | Ross Stores | 2.0 |
| 13 | Seagate Technology | 1.8 |

| # | Security Name | % of Net Asset Value |
|---|---|---|
| 14 | QUALCOMM | 1.6 |
| 15 | Accenture | 1.6 |
| 16 | Logitech International | 1.5 |
| 17 | Texas Instruments | 1.5 |
| 18 | NIKE | 1.4 |
| 19 | Intuit | 1.4 |
| 20 | Verisk Analytics | 1.3 |
| 21 | Illinois Tool Works | 1.3 |
| 22 | HOYA | 1.2 |
| 23 | Advantest | 1.2 |
| 24 | McDonald's | 1.1 |
| 25 | Altria | 1.1 |

Source: Global X Canada and Mirae Asset Global Investments (USA) LLC.
Total net asset value as at Sept 30, 2026 was $431.71M

## 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: Accenture (ACN), held in HAZ since July 2026. Current weight: 1.6%.

**CAPITAL EFFICIENCY**

**Growth must create value**

Return on invested capital of 31.5%, against a median of 19.9% for Information Technology companies in the MSCI World Index, and above that median in each of the last six years.

**SHAREHOLDER COMMITMENT**

**Capital is returned**

Combined dividend and gross buyback yield of 8.6% (TTM), up from 5.4% a year earlier; gross repurchases equal to about 5.1% of market capitalization over the trailing twelve months, with a 1.8% net reduction in shares outstanding.

**GROWING RETURNS**

**Returns are increasing**

At least 15 consecutive years of dividend growth, at a 13.1% five-year compound annual growth rate, with total shareholder yield higher than a year earlier.

**CASH FLOW SUSTAINABILITY**

**Returns are fundable**

Free-cash-flow margin of 17.2%, with free cash flow covering dividends and gross buybacks about 1.31x and operating cash flow at 1.69x net income over the trailing twelve months.

**Why it matters:** Accenture's dividend yield of 3.5% 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 5.1%, for a total shareholder yield of 8.6%, funded by free cash flow and backed by at least 15 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 – HAZ**

| Trigger Category | Action Taken | Rationale |
|---|---|---|
| Narrative risk | Reduced weight below raw model recommendation | Clinical trial setbacks and competitive pressure in a key therapeutic area; the position was held below the raw model recommendation at the initial July portfolio installation and the July 31 rebalance. |
| Narrative risk | Reduced weight below raw model recommendation | Weak product updates and competitive concerns in the company's industry; the position was held at about half the raw model recommendation at the July 31 and August 31 rebalances. |
| Narrative risk | Excluded | An unresolved controversy over the effect of AI on the company's business, with no scheduled company update to address it for several months; the name was excluded at the August rebalance. |

## DISCLAIMERS

**Model Portfolio Information and Performance**

Mirae Asset Global Investments (USA) LLC ("Mirae Asset USA") serves as sub-advisor to the Global X Active Global Dividend ETF ("HAZ" 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 Global Dividend ETF ("HAZ"). HAZ's investment process is primarily based on a robust, systematic research process differentiated by a unique bottom-up analysis approach. Mirae Asset USA uses 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, to analyze multiple fundamental and alternative factors and incorporate 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, the ETFs were sub-advised by Guardian Capital LP, and this change may impact performance. Had these changes been in effect before this date, the performance of the ETF could have been different. For more information, please refer to the disclosure documents of the ETFs at http://www.GlobalX.ca.

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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