



**DYNAMIC**  
**LIVE**  
IN CONVERSATION

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*Invest with advice.*



# Quality Focused / Deliberately Different

*Peter A. Rozenberg*

*Vice President & Portfolio Manager*

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# The Investment Team



**Peter A. Rozenberg, B.Comm**  
Vice President & Portfolio Manager

30+ years industry experience  
Lead and Co-Portfolio Manager on the  
*listed Dynamic Active ETFs*



**David L. Fingold, BSc. Management**  
Vice President & Senior Portfolio Manager

30+ years industry experience  
Co-Portfolio Manager on the  
*listed Dynamic Active ETFs*

**55+** combined years of industry experience  
Over **\$13.5 billion AUM** across Dynamic Funds & Active ETFs

## Actively Managed ETFs

Dynamic Active Global Dividend ETF (DXG)

Dynamic Active U.S. Dividend ETF (DXU)

Dynamic Active International ETF (DXIF)

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# Our Deliberately Different Approach To Investing

## Performance

Target moderate to high capital appreciation with moderate risk

## Focus on Quality

High-quality has been a long-term outperformer

## Risk Management

High-quality companies have historically had lower risk

## Industry Leaders

Companies with descriptions such as “best” or “only”

## Bottom-up Process

Build concentrated, high conviction portfolios that don't look like the index as demonstrated by high Active Share

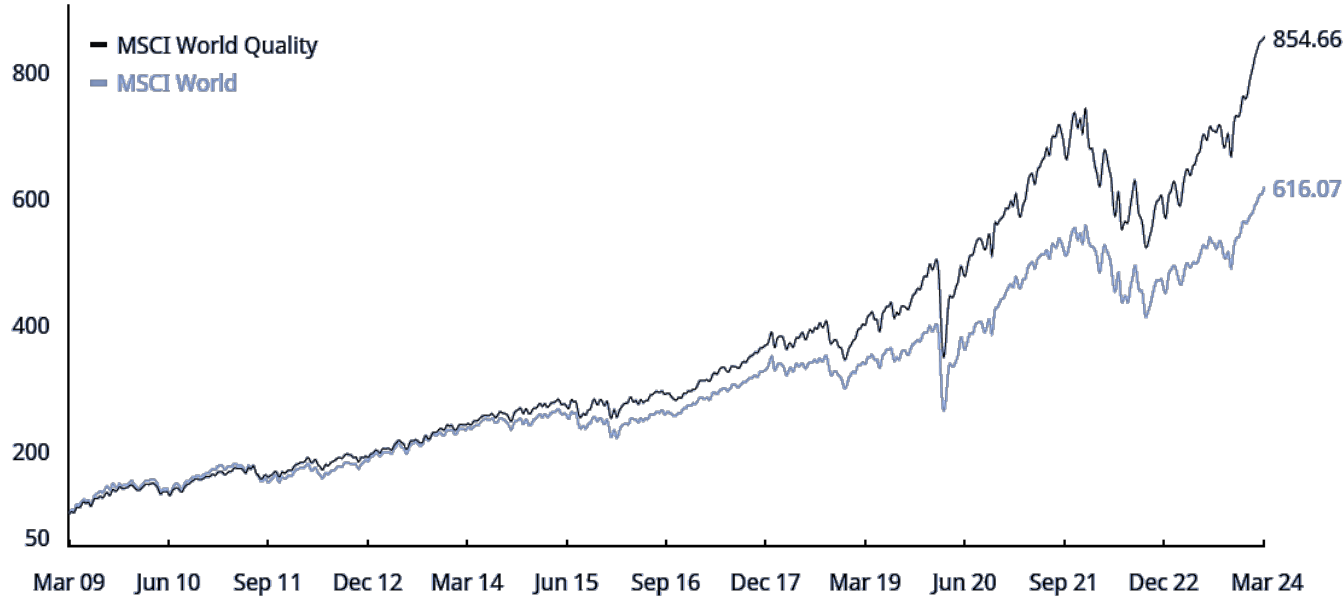
## Dividend Growers

Primarily own dividend-paying stocks. Target outcome not income

# Our Investment Criteria Checklist

- Industry leaders
- Sustainable competitive advantage
- Strong management & strategy
- High returns on invested capital
- High operating margins
- Strong free cash flow generation
- Satisfactory growth
- Strong balance sheet
- Optionality / asymmetric risk

# Quality Outperforms Over the Long-Term

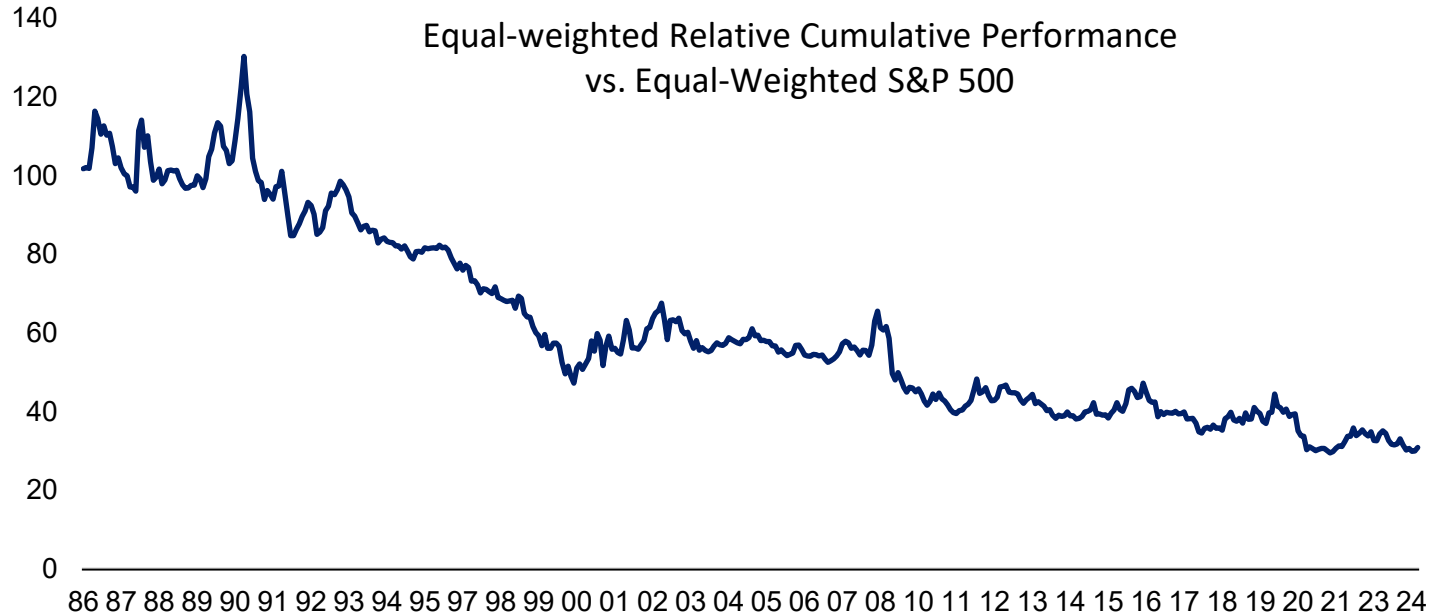


Indices are not managed and it is not possible to invest directly in an index.  
 Source: MSCI. Cumulative Index Performance – Gross Returns (USD) (March 2009 – March 2024)

Annual Performance (%)		
Year	MSCI WQ	MSCI World
2023	33.0	24.4
2022	-21.9	-17.7
2021	26.1	22.4
2020	22.7	16.5
2019	36.7	28.4
2018	-5.1	-8.2
2017	26.6	23.1
2016	5.1	8.2
2015	4.3	-0.3
2014	9.0	5.5
2013	27.7	27.4
2012	13.7	16.5
2011	4.4	-5.0
2010	11.4	12.3
2009	33.5	30.8

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# Low Beta Generally Lags



Source: FactSet, BofA US Equity & Quant Strategy

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# Why Traditional Value Has Not Worked;

## Returns For Value Factor & Rise Of Intangible Investments

Returns for the value factor turn sharply negative

Rolling 10-year value strategy returns (%)

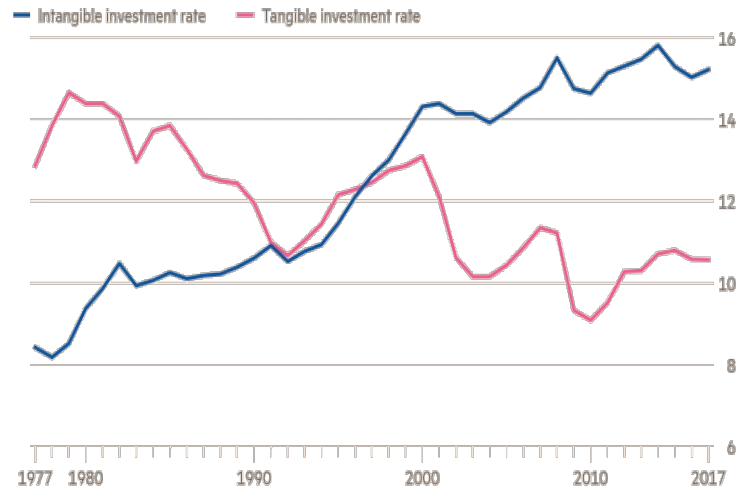


- Value is not a low P/B or PE ratio
- Value investing is buying something for less than its worth
- Present value of future cash flows

Source: FT

The rise of intangible investments

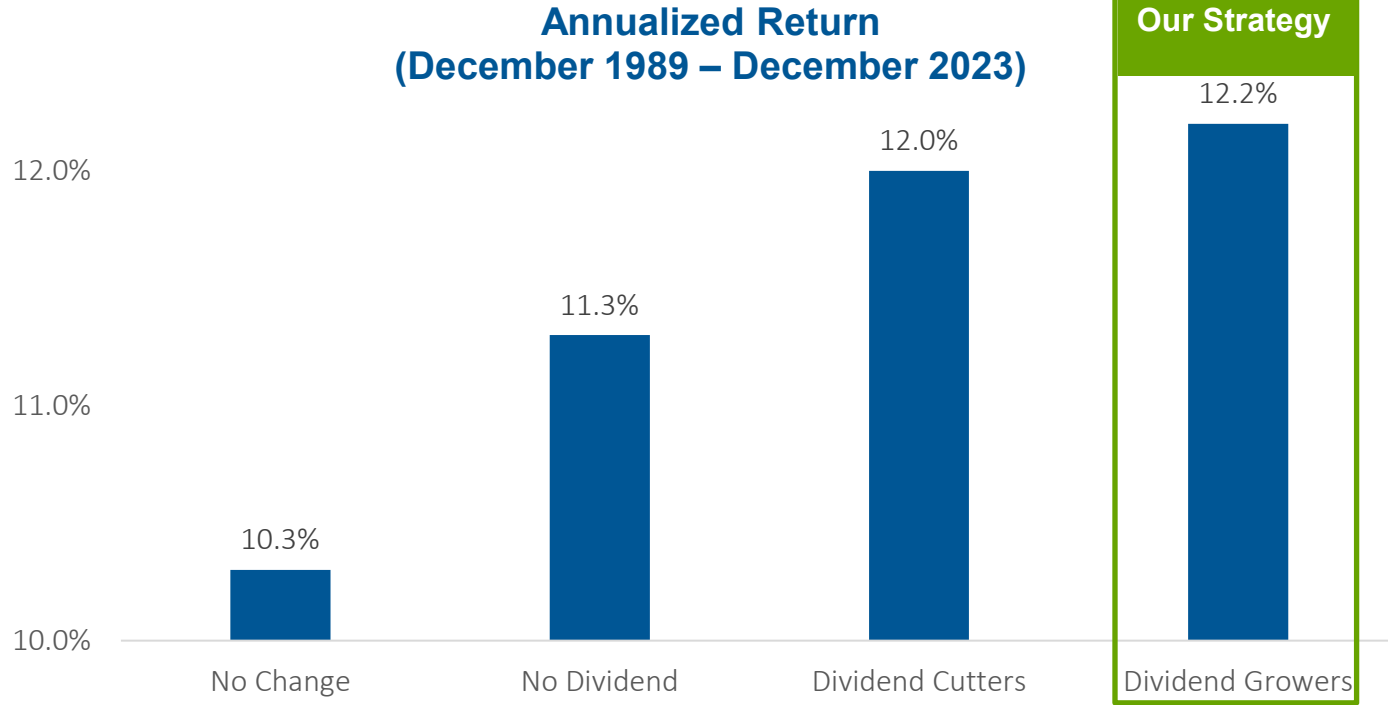
US nonresidential business investment as a % of business sector gross value added



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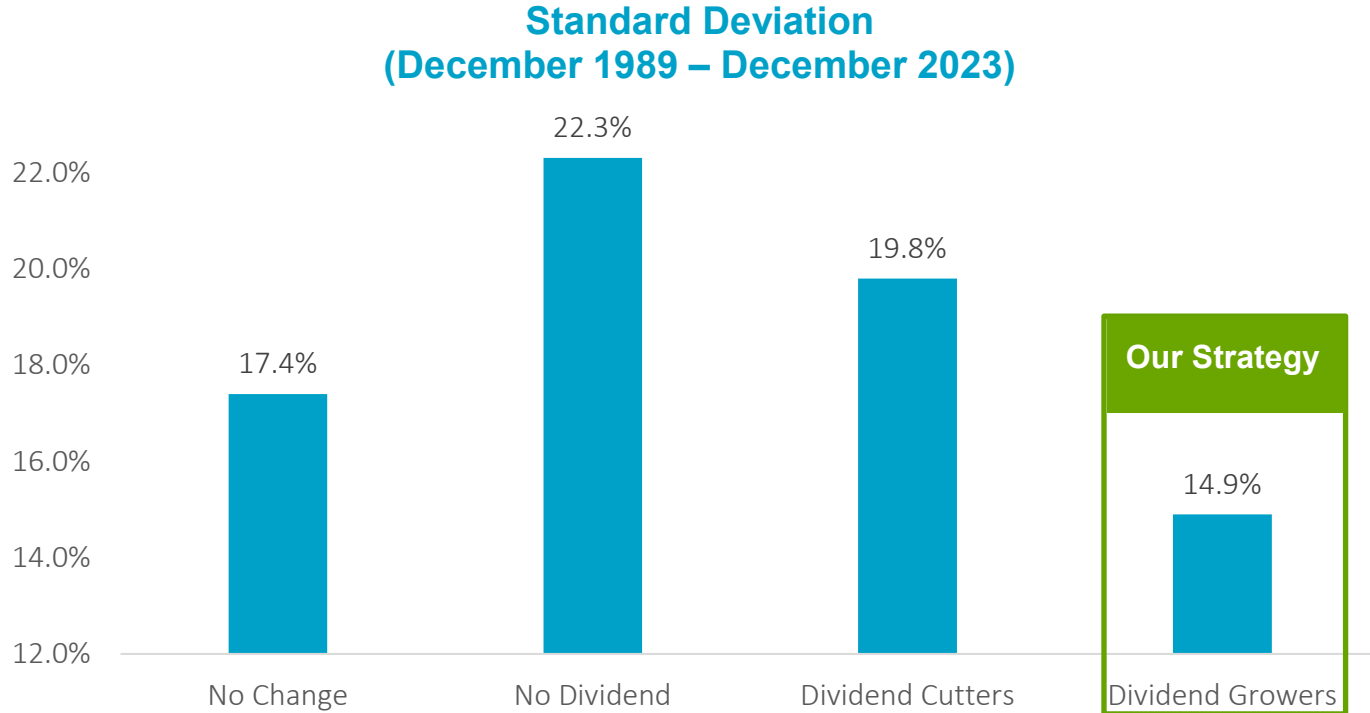
# Dividend Growers Have Higher Returns U.S. Companies



Source: Dynamic Funds, FactSet. Returns in USD

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# Dividend Growers Have Lower Standard Deviation U.S. Companies




Source: Dynamic Funds, FactSet. Returns in USD

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# Dynamic Active Global Dividend ETF (DXG)

## Portfolio Guidelines

Ticker	Target Portfolio Attributes*	
	<b>Asset Allocation</b>	
	U.S. equity	40-80%
	International equity	15-60%
	Emerging markets equity	0-20%
	Canadian equity	0-10%
	Cash	fully invested
	<b>Portfolio Construction</b>	
	Number of holdings	15-30
	Minimum number of sectors	6
	Sector deviation from benchmark	+/-30%
	Minimum market capitalization	\$5 billion
	Maximum Issuer Weight	10%
	<b>Benchmark: Total Return MSCI World Index (C\$)</b>	
	<b>Management Fee: 0.75%</b>	

\*Portfolio attribute targets shown are guidelines only. Actual allocations and holdings may vary due to changes in market conditions and other factors.

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