



From the Desk of the Quantitative Equity Team

By Michael Formuziewich, CFA, Vice President, Client Portfolio Management, TD Asset Management Inc. ("TDAM")

TD Q Canadian Dividend ETF ("TQCD"), and **TD Q Global Dividend ETF ("TQGD")** (together "the ETFs") use a dynamic, quantitative approach to security selection, designed to help provide steady performance. As a result, TQCD and TQGD have generated consistent, risk-adjusted returns since inception. Further, they have each been awarded an overall 5-star rating from Morningstar®, demonstrating in action the quantitative approach at TDAM and their distinctive blends of high quality and current income.

Returns as of Dec 31, 2025	Date	Annualized						Since Inception	Morningstar Rating™
		3 mths	YTD	1 yr	3 yrs	5 yrs			
TD Q Canadian Dividend ETF (TQCD)	Nov 20-19	8.02%	33.12%	33.12%	23.35%	19.25%	13.49%	Overall	
Quartile Ranking¹		1	1	1	1	1	-		5-Star Rating
Morningstar Rating¹		-	-	★★★★★	★★★★★	★★★★★	-		★★★★★
TD Q Global Dividend ETF (TQGD)	Nov 20-19	1.38%	16.25%	16.25%	17.87%	14.93%	11.24%	Overall	
Quartile Ranking¹		3	1	1	1	1	-		5-Star Rating
Morningstar Rating¹		-	-	★★★★	★★★★	★★★★★	-		★★★★★

¹ Quartile Rankings and Morningstar Rating™ as of Dec 31, 2025.

Note: Returns for periods over one year are annualized. Net of expenses. Numbers may not add due to rounding. Refer to disclosures for additional information for Quartile rankings and Morningstar Rating™.

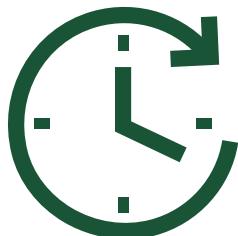
A Distinctive Approach

Both **ETFs** are uniquely driven by their portfolio construction. Well known names might appear in either ETF, but their weight is determined by careful analysis, not size or yield alone. Where some funds in the dividend space choose to rely solely on headline yield, TQCD and TQGD take a different approach, emphasizing three core quality factors:

2-year dividend growth



Long term return on equity ("ROE") growth

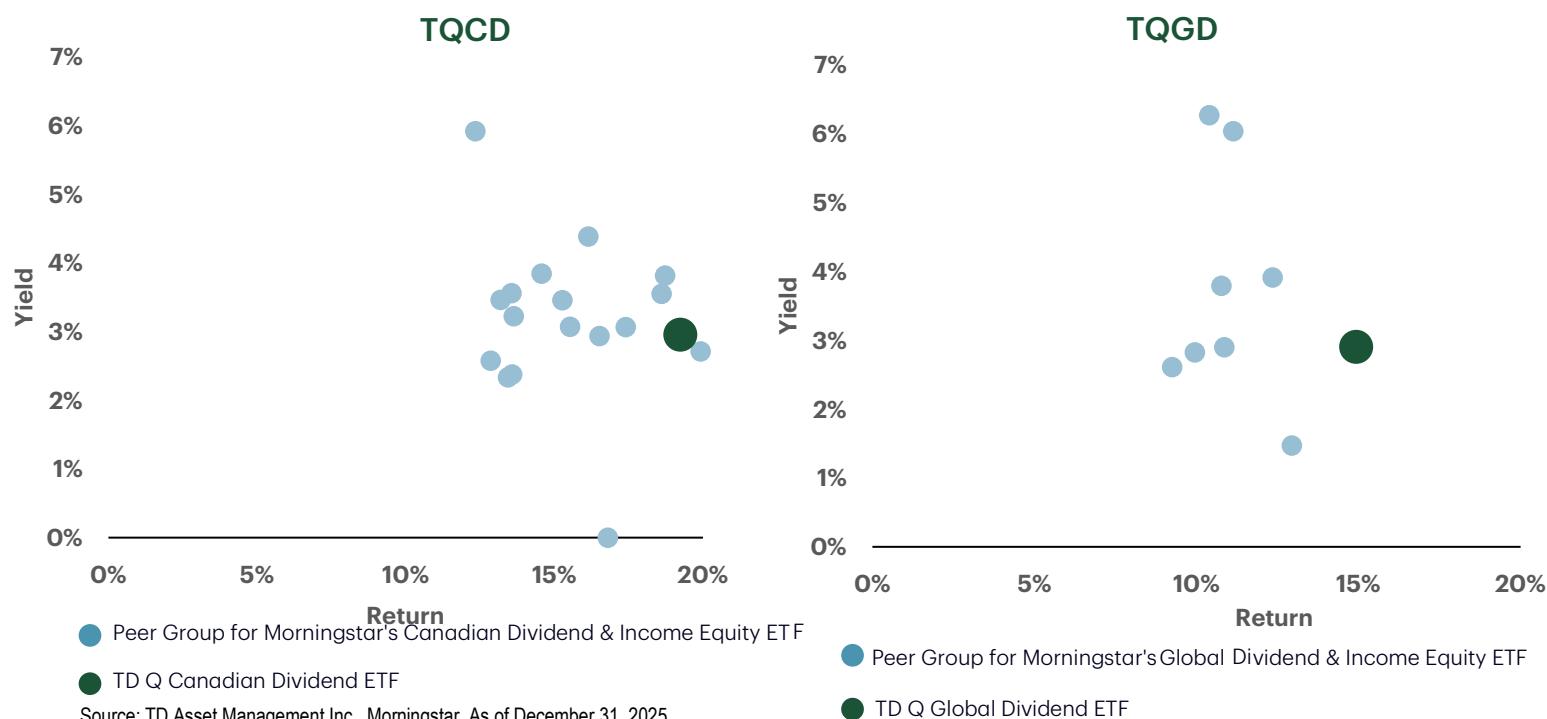


Cashflow / invested capital



As a result of emphasizing these quality metrics over market capitalization or yield exclusively (and not focusing on sector or regional (for TQGD) weighting) the ETFs' are differentiated from their peers, and even from their own benchmarks: all without sacrificing returns (**Chart 1**).

Chart 1: TD Q Dividend ETFs 5-Year Return vs. Yield



Further, while not the main focus of the ETFs, investing in well established, dividend paying companies has led to a surprising level of downside protection that beat their respective benchmarks in reducing drawdowns.

A Dynamic Strategy

It's not just yield or market capitalization. The reality is that there is no magic metric or style that is going to win in every market scenario. This is why the ETFs maintain a dynamic, quantitative approach to investing that is anything but static. **Chart 2** emphasizes the volatile road a single style might deliver across the years.

Chart 2: No Style Always Outperforms

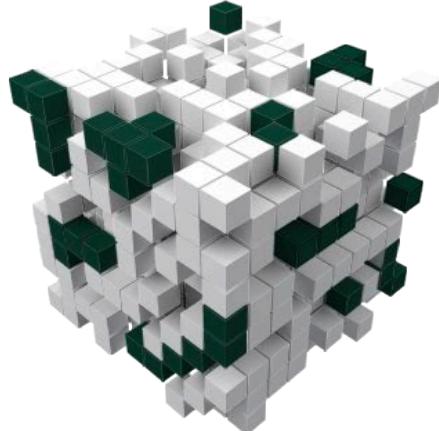
2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Small Cap 15.7%	Momentum 28.8%	Low Volatility 10.7%	Quality 32.1%	Growth 40.5%	S&P 500 Index 27.6%	High Dividend Yield 3.2%	Growth 42.8%	Growth 48.3%	Growth 13.8%
Value 12.8%	Growth 20.3%	Momentum 7.2%	Growth 30.7%	Momentum 27.3%	Quality 26.5%	Value 0.6%	Quality 32.7%	Momentum 44.3%	Momentum 12.3%
High Dividend Yield 12.2%	Quality 17.7%	Growth 6.8%	S&P 500 Index 24.8%	Quality 20.8%	Value 26.1%	Low Volatility -2.6%	S&P 500 Index 22.9%	S&P 500 Index 36.4%	S&P 500 Index 11.9%
S&P 500 Index 8.1%	S&P 500 Index 13.8%	High Dividend Yield 6.5%	Momentum 21.6%	Small Cap 16.8%	Growth 25.2%	Small Cap -11.1%	Small Cap 15.3%	Quality 35.3%	Quality 10.8%
Low Volatility 6.8%	High Dividend Yield 11.7%	Quality 6.1%	Low Volatility 21.5%	S&P 500 Index 16.3%	High Dividend Yield 20.9%	Momentum -11.4%	Low Volatility 6.8%	Low Volatility 26.5%	Value 8.4%
Quality 4.2%	Low Volatility 11.3%	S&P 500 Index 4.2%	Small Cap 20.9%	Low Volatility 3.9%	Low Volatility 20.0%	S&P 500 Index -12.2%	Momentum 6.6%	Value 24.7%	Small Cap 6.9%
Growth 2.8%	Small Cap 9.6%	Value 1.2%	Value 19.4%	High Dividend Yield -0.1%	Small Cap 18.5%	Quality -17.0%	Value 6.3%	Small Cap 22.2%	High Dividend Yield 6.7%
Momentum 1.5%	Value 7.8%	Small Cap -1.9%	High Dividend Yield 16.3%	Value -0.8%	Momentum 11.9%	Growth -27.0%	High Dividend Yield 4.0%	High Dividend Yield 21.8%	Low Volatility 2.8%

Source: TD Asset Management, FactSet Research Systems. As of December 31, 2025

The ETFs aim to provide a smoother, more comfortable experience for investors and as such, consider multiple factors and evaluate hundreds of securities to spot patterns that might be overlooked by traditional analysis.

Looking ahead

As markets evolve, the ETFs will continue to adapt their investment strategies, emphasizing quality, diversification, and disciplined risk management. With a strong foundation built on over two decades of experience from the Quantitative Equity Team at TDAM, the ETFs are well-positioned to continue identifying opportunities and that align with long-term investor goals.



**For further information,
please contact your investment professional.**



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Index returns do not represent ETF returns. The indicated rates of return are the historical total returns for the periods including changes in unit value and reinvestment of all distributions and do not take into account redemption, commission charges or income taxes payable by any unitholder that would have reduced returns. Past performance may not be repeated.

Certain statements in this document may contain forward-looking statements ("FLS") that are predictive in nature and may include words such as "expects", "anticipates", "intends", "believes", "estimates" and similar expressions or their negative versions. FLS are based on current expectations and projections about future general economic, political and relevant market factors, such as interest and foreign exchange rates, equity and capital markets, the general business environment, assuming no changes to tax or other laws or government regulation or catastrophic events. Expectations and projections about future events are inherently subject to risks and uncertainties, which may be unforeseeable. Such expectations and projections may be incorrect in the future. FLS are not guarantees of future performance. Actual events could differ materially from those expressed or implied in any FLS. You should avoid placing any reliance on FLS.

TD Q Canadian Dividend ETF listed under the Canadian Dividend & Income Equity Category. The Canadian Dividend & Income Equity Category contains 482 funds with 1-year history as of December 31, 2025. Each series of a fund is counted separately. Quartile and Percentile data taken from Morningstar® for the period November 20, 2019 to December 31, 2025.

TD Q Global Dividend ETF listed under the Canadian Dividend & Income Equity Category. The Canadian Dividend & Income Equity Category contains 482 funds with 1-year history as of December 31, 2025. Each series of a fund is counted separately. Quartile and Percentile data taken from Morningstar® for the period November 20, 2019 to December 31, 2025.

The Morningstar Risk-Adjusted Ratings (MRARs), commonly referred to as the Star Rating, relates the risk-adjusted performance of a fund to its peers within the same CIFSC Fund Category for the period ended as noted and are subject to change monthly. Morningstar calculates ratings for categories with at least 20 funds. To determine a fund's rating, the fund and its peers are ranked by their MRARs. If a fund scores in the top 10% of its category, it receives five stars (High); if it falls in the next 22.5%, it receives four stars (Above Average); the next 35% earns a fund three stars (Neutral or Average); those in the next 22.5% receive two stars (Below Average); and the lowest 10% receive one star (Low). The Overall Rating is a weighted combination of the 3, 5, and 10-year ratings. For greater detail, see www.morningstar.ca.

Quartile rankings are intended to measure how well a fund has performed compared to other funds in its peer group. Quartile rankings are compiled by ranking all of the funds in a category by return over a given time period. The top performing 25% of funds in the category are assigned a quartile ranking of 1, the next 25% a 2, the next 25% a 3, and the bottom 25% of funds a 4. Quartile rankings can change over time.

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