CANADIAN HIGH DIVIDEND EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

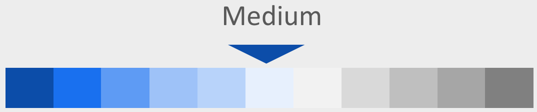
STRATEGY

In seeking to pursue its investment objective, the portfolio is designed to provide exposure to high quality Canadian dividend-paying companies that consistently generate shareholder wealth, while trading at attractive price. This strategy is based on a proprietary multi-factor quantitative model.

OBJECTIVES

1. Provide a steady stream of income by investing in Canadian Equities.
2. Consistently outperform the S&P/TSX Total Return over a 5-year period.
3. Maximize tax efficiency by having a low portfolio turnover ratio.

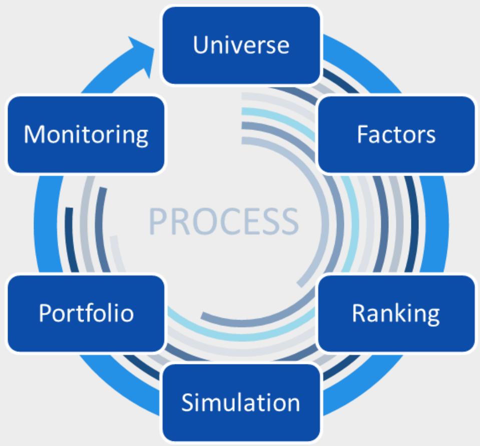
RISK RATING



REASONS TO INVEST

- ❖ Historically outperformed benchmark.
- ❖ Risk-adjusted return performance.
- ❖ Consistent investment process.

INVESTMENT PROCESS



AS OF SEPTEMBER 30TH, 2025

PERFORMANCE

Ann. (%)	1M	3M	1Y	3Y	5Y	10Y
Strategy	4.0	6.8	20.6	16.0	14.1	12.9
S&P/TSX	5.2	12.3	28.4	21.2	16.6	11.8
Difference	-1.2	-5.5	-7.8	-5.2	-2.5	1.1

Year (%)	2020	2021	2022	2023	2024	YTD
Strategy	8.7	19.9	-3.2	2.9	27.6	14.1
S&P/TSX	5.6	25.1	-5.8	11.8	21.7	23.7
Difference	3.1	-5.2	2.6	-8.9	5.9	-9.6

Month (%)	Apr	May	Jun	Jul	Aug	Sep
Strategy	1.7	4.4	1.0	-1.2	3.8	4.0
S&P/TSX	-0.1	5.6	2.9	1.7	5.0	5.2
Difference	1.8	-1.2	-1.9	-2.9	-1.2	-1.2

TOP HOLDINGS

Ticker	Companies	Weight (%)
IAG:CAN	iA Financial	6.2
SIA:CAN	Sienna Senior Living	5.2
L:CAN	Loblaw	4.9
TCL.A:CAN	Transcontinental	4.8
KEY:CAN	Keyera	4.7
H:CAN	Hydro One	4.6
EIF:CAN	Exchange Income	4.3
BMO:CAN	Bank of Montreal	4.3
LUG:CAN	Lundin Gold	4.1
QBR.B:CAN	Quebecor	4.1

CANADIAN HIGH DIVIDEND EQUITY

FACTOR-BASED MODEL PORTFOLIO STRATEGY

FACTOR-BASED

RISK STATISTICS

Since Inception	Strategy	S&P/TSX
Ann. Return (%)	15.7	7.9
Standard Dev. (%)	9.7	13.8
Max Drawdown (%)	-41.1	-48.5
Portfolio Turnover	72.2	6.3
Sharpe Ratio	1.3	0.5
Sortino Ratio	1.7	0.6
Index Correlation	0.7	1.0
R-Squared	0.5	1.0
Beta	0.5	1.0
Alpha (%)	7.8	0.0

SECTOR ALLOCATION

Weights (%)	Strategy	S&P/TSX	Deviations
Health Care	9.0	0.2	8.8
Utilities	8.2	3.6	4.6
Industrials	15.8	12.0	3.8
Financials	35.7	32.4	3.3
Telecom	4.1	2.3	1.8
Staples	4.9	3.6	1.3
Energy	14.3	15.9	-1.6
Real Estate	0.0	1.8	-1.8
Discretionary	0.0	3.2	-3.2
Materials	7.7	14.8	-7.1
Info Tech	0.0	10.3	-10.3

CHARACTERISTICS

Median	Strategy	S&P/TSX
Market Cap ($B)	12.0	4.9
Price / Earnings	15.7	15.2
Price / Book	2.3	2.3
Price / Sales	1.7	2.6
Price / Cash Flow	10.9	11.2
Return on Equity	12.9	9.7
Dividend Yield	3.8	1.3
5Y EPS Growth	8.1	11.1
Debt / Equity	1.5	0.5
5Y Beta	0.91	1.00

PORTFOLIO FACTS

Number of Securities	25
Currency	CAD
Benchmark	S&P/TSX Total Return
Inception Date	January 1st, 2000
Strategy Fees	Contact Us
Rebalancing Frequency	Quarterly

PORTFOLIO MANAGER

François Soto CFA, MBA, FRM, CIM
Founder, Portfolio Manager

With more than 15 years of experience in the financial services industry, Francois brings extensive background and innovation in the field of quantitative finance to the firm. He holds both a BBA and MBA from HEC Montreal.

CONTACT

Phone	(514) 700-1989
Email	info@factorbased.com
Website	www.factorbased.com

DISCLAIMER

The term Model Portfolio Strategy (Strategy) is a non-registered trademark of Factor-Based (FB) Inc. S&P/TSX Total Return and S&P 500 Total Return are trademarks of S&P Global Inc. and MSCI ACWI Ex US Total Return is a trademark of MSCI Inc. This Strategy is not sponsored, endorsed, sold or promoted by any of its aforementioned trademark owners or their respective affiliates make no representation, warranty or condition regarding the advisability of buying, selling or holding shares in this Strategy.

This report is prepared solely for information purposes in connection with this Strategy. Historical returns shown are simulated. They are gross of management fees and do not consider brokerage commissions. They are calculated on a total return basis and annualized for all periods greater than one year. Past performance is not necessarily an indicator of future performance. The performance shown as indicated above and may not reflect the actual performance of clients following the Strategy.

FB makes every effort to ensure that the contents have been compiled or derived from sources believed reliable. However, FB makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions which may be contained herein and accepts no liability whatsoever for any loss arising from any use of or reliance on this report or its contents. Additional information may be available to FB or its affiliates, which is not reflected herein.

This report is not to be construed as an offer to sell, or solicitation for, or an offer to buy, any securities. FB, its affiliates and/ or their respective officers, directors or employees may from time to time acquire, hold or sell securities mentioned herein as principal or agent. This communication does not constitute any offer or solicitation to residents of the U.S. or to anyone in a jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such a solicitation.