

Dynamic Funds announces updated risk ratings, other fund changes and non-cash distribution for Dynamic Active ETF

FOR IMMEDIATE RELEASE

TORONTO, December 4, 2023 – Dynamic Funds announced that risk ratings for the following funds will be changed effective December 4. These changes are consistent with the investment risk classification methodology required by the Canadian Securities Administrators (CSA). There is no change to the investment objective or strategy of the funds associated with their new risk ratings.

Fund	New Risk Rating	Current Risk Rating
Dynamic Asia Pacific Equity Fund	Medium to High	Medium
Dynamic Global Equity Fund	Medium	Low to Medium
Dynamic Global Infrastructure Class	Medium	Low to Medium
Dynamic Global Infrastructure Fund	Medium	Low to Medium
Dynamic International Dividend Private Pool	Medium	Low to Medium
Dynamic Retirement Income Fund	Medium	Low to Medium
Dynamic Small Business Fund	Medium	Low to Medium
Marquis Equity Portfolio	Medium	Low to Medium

A summary of the CSA's Risk Classification Methodology and the investment objective and strategy of the funds can be found in the applicable Dynamic Funds prospectus available at www.dynamic.ca or by contacting our Customer Relations Centre at 1-800-268-8186.

Fund Name Change for Dynamic Alternative Managed Risk Private Pool Class

Effective December 4, 2023, Dynamic Alternative Managed Risk Private Pool Class will be renamed Dynamic Premium Balanced Private Pool Class. The Pool continues to be managed by Damian Hoang and Derek Bastien and its investment objectives, strategies, and risk rating remain the same.

Capping of Dynamic Money Market Class

Effective December 5, 2023, Dynamic Money Market Class will be closed to all new investment. Additionally, management fees have been streamlined on Dynamic Money Market Class (Series C) and Dynamic Money Market Fund (Series A), resulting in no net change to unitholders. The management fee waiver has been removed and the annual management fee has been adjusted accordingly to remain at 0.55%.

Non-cash distribution for Dynamic Active ETF

Dynamic Funds today announced a non-cash distribution for Dynamic Active Global Equity Income ETF (“the ETF”) listed on the TSX Exchange. The non-cash distribution, as presented in the table below, will be made to all securityholders of record as at December 11, 2023 payable on December 14, 2023.

The ETF was considered a “financial institution” for purposes of the “mark-to-market” rules contained in the *Income Tax Act* (Canada). The ETF ceased to be a financial institution when not more than 50% of the ETF was held by one or more financial institutions, which resulted in a deemed year-end for tax purposes. Accordingly, the ETF is required to distribute the net income earned and arising from the realization of gains on mark-to-market property held by the ETF at such time to securityholders.

The distribution will be paid in the form of additional units of the ETF. The additional units will be immediately consolidated so that the number of units outstanding following the distribution will equal the number of units outstanding prior to the distribution. Accordingly, each securityholder’s aggregate adjusted cost base of units of the ETF will increase.

The tax characteristics of the distributions will be reported to CDS Clearing and Depository Services Inc. in early 2024. Securityholders can contact their brokerage firm for this information.

The non-cash distribution amount per unit is:

Dynamic Active ETF name	Ticker symbol (TSX)	Non-cash distribution per unit (\$)
Dynamic Active Global Equity Income ETF	DXGE	0.12243

For more information about these and the other Dynamic Active ETFs, please visit Dynamic.ca/ETF.

Commissions, trailing commissions, management fees and expenses may be associated with mutual fund investments, including ETFs. Please read the prospectus before investing. Mutual funds and ETFs are not guaranteed, their values change frequently and past performance may not be repeated.

About Dynamic Funds

Dynamic Funds is a division of 1832 Asset Management L.P., which offers a range of wealth management solutions, including mutual funds, actively managed ETFs, and investment solutions for private clients, institutional clients and managed asset programs. 1832 Asset Management L.P. is a limited partnership, the general partner of which is wholly owned by Scotiabank. ® Dynamic Funds is a registered trademark of its owner, used under license.

Website: www.dynamic.ca | X (formerly Twitter): @DynamicFunds | LinkedIn: <https://www.linkedin.com/company/dynamic-funds/>

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