

Davy Funds p.l.c.

An open-ended umbrella investment company
with variable capital and segregated liability between sub-funds
incorporated with limited liability in Ireland
under the Companies Act 2014
with registration number 533779

SUPPLEMENT

Davy Defensive Equity Income Fund

Dated 1 December 2022

IMPORTANT INFORMATION

THIS DOCUMENT IS IMPORTANT. BEFORE YOU PURCHASE ANY OF THE SHARES REPRESENTING INTERESTS IN THE FUND DESCRIBED IN THIS SUPPLEMENT YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS SUPPLEMENT YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

The Directors (whose names appear under the heading "Management of the Company – Directors" in the Prospectus), accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Shareholders should note that dividends will be paid out of capital, therefore capital may be eroded, distribution is achieved by forgoing the potential for future capital growth and this cycle may continue until all capital is depleted.

This Supplement contains information relating specifically to Davy Defensive Equity Income Fund (the "Fund"), a fund of Davy Funds p.l.c. (the "Company"), an open-ended umbrella fund with segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the Regulations.

This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 17 December 2021 as amended by an addendum dated 1 December 2022 (the "Prospectus").

The Fund is suitable for investors who are prepared to accept a high level of volatility.

It is the intention of the Company to invest on behalf of the Fund in equities and in financial derivative instruments ("FDIs") for investment and efficient portfolio management purposes ("EPM") to achieve its investment objective. (See "Borrowing and Leverage" below for details of the leverage effect of investing in FDIs).

Certain risks attached to FDIs are set out in the Prospectus under "Risk Factors".

Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the country of your citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Shares.

You should note that there is a difference between the nature of a deposit and the nature of an investment in the Fund and the principal invested in the Fund is capable of fluctuation. The value of the Shares may go up or down and you may not get back the amount you have invested. See the section headed "Risk Factors" in this Supplement and in the Prospectus for a discussion of certain risks that should be considered by you.

An investment in the Shares is only suitable for you if you (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

General

This Supplement sets out information in relation to the Shares and the Fund. You must also refer to the Prospectus which is separate to this document and describes the Company and provides general information about offers of Shares in the Company. You should not take any action in

respect of the Shares unless you have received a copy of the Prospectus. Should there be any inconsistency between the contents of the Prospectus and this Supplement, the contents of this Supplement will, to the extent of any such inconsistency, prevail. This Supplement and the Prospectus should both be carefully read in their entirety before any investment decision with respect to Shares is made.

Distribution of this Supplement and Selling Restrictions

Distribution of this Supplement is not authorised unless accompanied by a copy of the Prospectus (other than to prior recipients of the Prospectus). The distribution of this Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. If you receive a copy of this Supplement and/or the Prospectus you may not treat such document(s) as constituting an offer, invitation or solicitation to you to subscribe for any Shares unless, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to you without compliance with any registration or other legal requirement. If you wish to apply for the opportunity to purchase any Shares, it is your duty to inform yourself of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, you should inform yourself as to the legal requirements of so applying, and any applicable exchange control regulations and taxes in the countries of your respective citizenship, residence or domicile as well as any other requisite governmental or other consents or formalities which might be relevant to your purchase, holding or disposal of the Shares.

DEFINITIONS

Approved Counterparty means any entity selected by the Investment Manager as may be described in the Supplement, provided always that the relevant entity is, in relation to OTC derivatives, one falling within a category permitted by the Central Bank Notices;

Base Currency means Euro;

Business Day means any day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Dublin or such other day or days as may be determined by the Directors from time to time and as notified to Shareholders in advance;

Dealing Day means each Business Day and such other day or days as the Directors may, in their absolute discretion, determine and notify in advance to Shareholders;

Dealing Deadline in respect of subscriptions and repurchases means 16.00 p.m. (Irish time) on the Business Day immediately preceding the relevant Dealing Day, or such other time for the relevant Dealing Day as may be determined by Directors and notified in advance to Shareholders provided always that the Dealing Deadline is no later than the Valuation Point;

Distribution Date means the dates or dates by reference to which a distribution may at the discretion of the Directors be declared which shall usually be 30 September and 31 March in each year;

Initial Issue Date means the initial issue date of the Shares of the Fund;

Investment Manager means Davy Global Fund Management Limited;

Manager means Davy Global Fund Management Limited or such other person as may be designated, in accordance with the Central Bank Rules, as the Company's fund management company;

Minimum Fund Size means €5,000,000 or such other amount as the Directors may in their absolute discretion determine;

Settlement Date in respect of subscriptions and redemptions respectively shall have the meaning outlined in the section entitled "**Key Information for Buying and Selling Shares**" below;

Valuation Point means the close of business in the relevant market where assets are listed or traded on the first Business Day immediately preceding the relevant Dealing Day by reference to which the Net Asset Value per Share of the Fund is determined provided such point will in no case precede the close of business in the relevant market that closes first on the relevant Business Day.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

Investment Objective and Policies

Investment Objective:

The Fund's investment objective is to achieve stable long-term growth in both capital and income by investing directly and/or indirectly (via financial derivative instruments ("**FDIs**") and exchange-traded funds ("**ETFs**") in a diversified portfolio of global equity securities. There is no guarantee or assurance that the investment objective of the Fund will actually be achieved.

Investment Policies:

The Fund aims to deliver income by investing in selected securities with solid dividend yields. The Fund will use additional income received, from the selling of the Options, to purchase Options on major indices so as to provide increased protection and improve the defensive nature of the Fund. Typically when equity indices decline, the value of Put Options on those indices increase, thereby potentially reducing the down side risk of the overall Fund.

Further details of the assets the Fund will invest in to achieve its investment objective are set out below:

- (i) **Equities:** The Fund will invest in a diversified portfolio of global equity securities. A global universe of stocks is screened to identify attractive companies for possible selection by the Investment Manager. An emphasis will be placed upon the following characteristics: companies with dividend yields which have been above the sector average and are likely to be sustainable over time, financial strength as reflected in solid balance sheets and cashflow statements. The Fund does not set a target for downside protection. Such equities will typically be those issued by companies with large capitalisation (i.e. in excess of €10 billion) from across all industry sectors (e.g. financial, healthcare, materials and technology), which are primarily traded on major European, UK or US exchanges which are listed in Appendix I of the Prospectus.
- (ii) **UCITS or open-ended alternative investment funds ETFs:** Investments in such ETFs will provide indirect exposure to the global equities market to the Fund. Any investment in ETFs / collective investment schemes shall not exceed in aggregate 10% of the Net Asset Value of the Fund. The Fund will only invest in open-ended alternative investment funds that satisfy the conditions applied from time to time by the Central Bank.
- (iii) **Money market instruments such as cash or cash equivalents i.e. short-term money market deposits:** (investment grade or higher by an internationally recognised rating agency). The level of cash held may vary depending on the prevailing market conditions. The Fund may hold up to 100% of its Net Asset Value in cash at any one time, depending on market conditions.
- (iv) **FDIs in the form of Call and Put Options and Futures on equity indices and/or equity securities.**

The Investment Manager will seek to enhance the income of the Fund by selling call Options on some of the underlying equity securities within the Fund. Furthermore the Investment Manager will seek to reduce the volatility of the Fund by purchasing put Options on some of the major global equity indices such as S&P, EURO STOXX and FTSE indices ("**Equity Indices**"). A put Option is the right but not the obligation to sell to the seller a specified quantity of a particular asset at a specified price. If subsequently, equity markets decline, the value of these Put Options are likely to increase thereby reducing potential decline in the Fund value thus reducing the volatility of the Net Asset Value of the Fund. The Equity Indices which the Fund will have exposure to through the use of Options will at all times comply with the provisions of the Regulations and the requirements of the Central Bank in respect of UCITS financial indices, in particular in respect of their rebalancing frequency, diversification and publication requirements. In particular, such financial indices will typically be rebalanced annually but may be more frequent in certain cases, noting that the rebalancing frequency will not impact on the strategy of the Fund or on transaction costs associated with the Fund.

The Fund promotes environmental and/or social characteristics in accordance with Article 8 of the SFDR. Information in relation to the sustainability-related features of the Fund's investments is set

out in Appendix I to this Supplement, which Appendix details the environmental and/or social characteristics of the Fund.

The Investment Manager will actively monitor the Fund's positions to ensure that the Fund complies with the investment restrictions and is not leveraged in excess of 100% of its Net Asset Value.

As indicated above, the Investment Manager may use Futures to gain indirect exposure to equities.

For further information on the use of FDIs see "**Use of Derivative Contracts**" below.

Investment Restrictions

The Fund shall:

- not invest more than 10% of its Net Asset Value in the securities of any one issuer and shall not acquire more than 5% of the securities of any one issuer;
- not invest more than 10% of its net assets in other UCITS or open-ended alternative investment funds ETFs;
- not invest more than 60% of its Net Asset Value in securities or FDIs where the underlying securities are in any one geographical region;
- not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body; and
- not invest in real estate or indirectly in physical commodities.

If the above limits are exceeded for reasons beyond the control of the Investment Manager, or as a result of the exercise of subscription rights, the Investment Manager must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of Shareholders.

In addition, the general investment restrictions set out under the heading "**Investment Restrictions**" in the Prospectus shall apply.

Use of Derivative Contracts

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow the Fund to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily, the Fund can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Futures may also be used to manage cash balances, both pending investment of a cash flow and with respect to fixed cash targets. Frequently, using Futures to achieve a particular strategy, instead of using the underlying or related security or index, results in lower transaction costs being incurred. Any Futures contract entered into by the Fund will be in accordance with the limits prescribed by the law.

The Fund will use stock and/or index Futures to manage risk in the Fund's portfolio. The use of index Futures will be to hedge overall portfolio positions. The Fund will take Futures positions in Equity Indices or individual stocks. The Futures will be bought to reduce short term exposure of the Fund to adverse movements in the relevant index or to neutralize short term potential exposure due to the release of important economic announcements or other unforeseeable events. Such Futures will be used by the Fund as an alternative to closing off active positions. Stock Futures will be used in a similar way as a means of hedging individual positions from adverse movements arising from earnings announcements.

The Company may incur transaction costs in respect of entering into any currency or asset or index hedging.

Options

The right to buy or sell a specific quantity of a specific asset at a fixed price at or before a specified future date. There are two forms of Options: put or call Options. Put Options are contracts sold for a premium that give to the buyer the right, but not the obligation, to sell to the seller a specified quantity of a particular asset (or financial instrument) at a specified price. Call Options are similar contracts sold for a premium that give the buyer the right, but not the obligation, to buy from the seller a specified quantity of a particular asset (or financial instrument) at a specified price. Options may also be cash-settled. The Fund may use such instruments to hedge against market risk or currency risk by using stop-loss strategies. Any Option entered into by the Fund will be in accordance with the limits prescribed by the law.

A selling written call Options strategy involves: (i) gaining exposure to a base portfolio of equity securities (the “**Equity Securities Portfolio**”) either by direct investment in the equity securities or via call Options which gain exposure to the returns of a direct investment, such as Options referencing the equity securities (individually or as a basket or portfolio) or referencing an index comprising the equity securities and (ii) periodically selling call Options on the same Equity Securities Portfolio. Such call Options will, in exchange for an upfront premium (the “**Premium**”), give the counterparty the right, but not the obligation, to buy the relevant equity securities on some future date (the “**Exercise Date**”) for a price that is fixed (the “**Strike Price**”), regardless of the market price of the equity securities or level of the relevant indices on the Exercise Date. Alternatively a single cash payment is made to the counterparty which is equal to the difference between the Strike Price of the call Option and the price of the equity securities or indices on the Exercise Date rather than equity securities actually being exchanged in return for a fixed payment. The effect of selling call Options is to limit the gains that can be made, over the lifetime of the call Options, from increases in the value of the Equity Securities Portfolio. However, in return for giving up some potential gains, the Premium is paid by the counterparty. The Premium provides a cushion against losses should the value of the Equity Securities Portfolio decline and provides an income should the value of the Equity Securities Portfolio remain static. The Fund will make a gain if the Equity Securities Portfolio performs positively, but this may be less than the gain that would be made if the Investment Manager had owned the Equity Securities Portfolio but had not sold the call Options. Written or selling a call Option is when the seller gives the buyer of the call Option the right to buy a stock at certain price by a certain date. The seller of the call receives the premium that the buyer of the call Option pays. If the seller of the call owns the underlying stock, then it is called "writing a covered call". If the seller of the call does not own the underlying stock, then it is called "writing a naked call".

There will be no “naked” call positions within the Fund.

The Fund may purchase a put Option when it is expected that the underlying asset will decline in price such that the Fund would profit by either selling the put Options at a profit, or by exercising the Option. If the Fund sells a put contract, the Investment Manager is estimating the stock will not decline below the exercise price and will not fall significantly below the exercise price.

The Fund may use put Options, call Options, write Options and equity index Options, depending on the particular circumstances, in order to enhance income within the Fund.

Direct and indirect operational costs and/or fees (which do not include hidden revenue) arising from use of FDIs for EPM purposes may be deducted from the revenue delivered to the Company. Such costs and/or fees are payable to the relevant counterparty to the FDI in question and such counterparty may or may not be related to the Investment Manager or the Depositary. All revenues generated from EPM, net of direct and indirect operational costs, will be returned to the Company.

Hedging

The Fund may utilise the various FDIs outlined above for efficient portfolio management purposes to seek to hedge against declines in the values of the Fund's investments as a result of changes in currency exchange rates adverse market movements or events or to lock in performance of the portfolio. If the Company on behalf of the Fund enters into a FDI with the Approved Counterparty, the Fund could be exposed to credit risk from the creditworthiness of the counterparty.

Borrowings and Leverage

(a) Borrowing

The Company may only borrow on a temporary basis for the account of the Fund and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. In accordance with the provisions of the Regulations, the Company may charge the assets of the Fund as security for borrowings of the Fund.

(b) Leverage

The Fund may utilise FDI as referred to in the section headed "**Use of Derivatives Contracts**" above. The Fund will use the commitment approach to accurately measure, monitor and manage market risk and calculate its exposures.

The Fund must convert each FDI position into the market value of an equivalent position in the underlying asset of that derivative (standard commitment approach) to calculate a simple sum of the absolute value of the underlying exposures as its gross exposures. Hedging positions and netting arrangements, if used, will not be included in the calculation of the total gross exposures.

It is not expected that leverage (calculated using the Commitment Approach) arising as a result of using FDI will exceed 100% of the Net Asset Value of the Fund.

The Investment Manager does not expect the use of FDI to significantly increase the Fund's risk profile.

The Company on behalf of the Fund has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI. Any FDI not included in the risk management process will not be utilised until such time as a revised submission has been provided to the Central Bank. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Risk Factors

The general risk factors are set out in the Prospectus under the heading "**Risk Factors**". Investors should also read and consider the section of the Prospectus entitled "**SFDR-related Disclosures (a) Sustainability Risk**" before investing in the Fund. In addition, the following risk factors apply to the Fund:

- (a) This Fund is not capital protected nor is it guaranteed.
- (b) The Fund is a sub-fund of the Company. The sub-funds of the Company are segregated as a matter of Irish law and as such, in Ireland, the assets of one sub-fund will not be available to satisfy the liabilities of another sub-fund. However, it should be noted that the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There can be no guarantee that the courts of any jurisdiction outside Ireland will respect the limitations on liability as set out above.
- (c) There can be no assurance that the Fund will achieve its investment objective. The value of Shares and the income therefrom may rise or fall as the capital value of the securities in which the Fund invests may fluctuate. The investment income of the Fund is based on equity dividend payments and the selling of written call Options less expenses incurred. Therefore the Fund's investment may be expected to fluctuate in response to changes in such income or expenses.
- (d) Certain investment positions in which the Fund may invest may become illiquid. This could prevent the Fund from liquidating unfavourable positions promptly and subject the Fund to potential substantial losses. This could also impair the Fund's ability to distribute redemption proceeds to a redeeming Shareholder in a timely manner.
- (e) Futures positions may become illiquid because certain exchanges limit fluctuations in certain Futures contract prices during a single day by regulations referred to as "daily price

fluctuation limits” or “daily limits”. Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular Future has increased or decreased by an amount equal to the daily limit, positions in the Future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Fund from liquidating unfavourable positions.

- (f) Currency fluctuations may affect the value of the Fund’s investments and the income thereon and, consequently, may adversely affect value of investor’s Shares in the Fund. A significant portion of the Fund’s assets may be denominated in a currency other than base currency of the Fund. There is the risk the value of such assets and/or value of any distributions from such assets may decrease if the underlying currency in which assets are traded falls relative to the base currency in which Shares are valued and priced. The Fund may hedge its foreign currency risks through foreign currency exchange contracts, Forward contracts, currency Options and other methods. To the extent that the Fund does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of the Fund’s assets and income may be adversely affected by currency exchange rate movements. Additionally, circumstances may also arise in which hedging transactions undertaken by the Company may reduce currency gains which would otherwise accrue to it if where no such heading transactions were undertaken by the Fund.
- (g) The Fund will be exposed to the credit risk of counterparties or brokers, dealers and exchanges through which the Fund deals with in exchange-traded transactions. The Fund may be subject to the risk of loss of such of its assets as are held by a broker in the event of the broker’s bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Fund, or the bankruptcy of an exchange clearinghouse.

Profile of the Typical Investor

A typical investor will be seeking to achieve a return on their investment in the medium to long term.

Dividend Policy

For the Class A Accumulating Shares, the Class B Accumulating Shares, the Class C Accumulating Shares, the Class D Accumulating Shares, the Class E Accumulating Shares, the Class F Accumulating Shares, the Class G Accumulating Shares, the Class H Accumulating Shares, the Class I Accumulating Shares, the Class J Accumulating Shares, the Class K Accumulating Shares, the Class L Accumulating Shares, the Class M Accumulating Shares and the Class O Accumulating Shares (the "**Accumulating Share Classes**") (and indicated as such in the table in the section above titled "**Key Information for Buying and Selling Shares**"), it is the present intention of the Directors not to declare or pay dividends, and any income or gains earned by the Fund and these Share Classes, will be reinvested and reflected in the value of the Shares.

For the Class F Distributing Shares, the Class G Distributing Shares, the Class H Distributing Shares, the Class I Distributing Shares, the Class J Distributing Shares, the Class K Distributing Shares, the Class L Distributing Shares and the Class M Distributing Shares (the "**Distributing Share Classes**") (and indicated as such in the table in the section above entitled "**Key Information for Buying and Selling Shares**"), subject to net income being available for distribution, the Directors intend to declare dividends on or before the 14th Business Day following the Distribution Date to all Shareholders entered on the register of Shareholders at the close of business on the Business Day immediately preceding the Distribution Date and therefore applicants for Shares to be dealt on or after the Distribution Date will not be entitled to the distribution paid in respect of such Distribution Date but Shareholders seeking to repurchase their Shares on or after the Distribution Date will receive the distribution paid in respect of such Distribution Date.

The Directors reserve the right to increase or decrease the frequency of dividend payments, if any, at their discretion for Distributing Share Classes. In the event of a change of policy full details will be disclosed in an updated Supplement and Shareholders will be notified in advance.

Under the Constitution, dividends may be paid out of the profits, being (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii)

realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the Fund or (iii) out of capital.

Dividends are paid out of capital to allow the provision of income to Shareholders of the Distributing Share Classes, in the event of insufficient income being in the Fund for a particular period.

Dividends will be paid to Shareholders by electronic transfer to the relevant Shareholder's bank account of record on the initial Application Form in the currency of denomination of the relevant Distributing Share Classes at the expense of the payee and within such timeframe as discussed above. The net income available for distribution in respect of the relevant Share Class will be determined in accordance with the relevant law and generally accepted accounting principles consistently applied.

Please also refer to the section in the Prospectus entitled "**Dividend Policy**".

Key Information for Buying and Selling Shares

Details of all share classes are set out in the table below.

Class	Initial Issue Price/ Issue Price	Minimum Shareholding	Minimum Initial Investment Amount**	Minimum Additional Investment Amount**
Class A € Shares Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	€500	€100
Class B € Shares Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	€500	€100
Class C € Shares Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	€500	€100
Class D € Shares Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	€500	€100
Class E € Shares Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	€500	€100
Class F £ Shares Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class F £ Distributing	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class G £ Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100

Class	Initial Issue Price/ Issue Price	Minimum Shareholding	Minimum Initial Investment Amount**	Minimum Additional Investment Amount**
Class G £ Distributing	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class H £ Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class H £ Distributing	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class I £ Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class I £ Distributing	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class J £ Accumulating	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class J £ Distributing	The prevailing issue price will be available at https://iqeq.com/fund-prices or from the investment manager.	N/A	£500	£100
Class K £ Shares Accumulating	£1	N/A	£500	£100
Class K £ Shares Distributing	£1	N/A	£500	£100
Class L £ Shares Accumulating	£1	N/A	£500	£100
Class L £ Shares Distributing	£1	N/A	£500	£100
Class M € Shares Accumulating	€1	N/A	€500	€100

Class	Initial Issue Price/ Issue Price	Minimum Shareholding	Minimum Initial Investment Amount**	Minimum Additional Investment Amount**
Class M € Shares Distributing	€1	N/A	€500	€100
Class O € Shares Accumulating	€1	N/A	€500	€100

Class O Accumulating Shares do not bear any Investment Management Fees or performance fees and are restricted to Davy personnel. Shares of any Class cannot be switched for Shares of Class O Accumulating.

**Subject to the discretion of the Directors (or their delegate) in each case to allow lesser amounts.

Applications for Shares and/or applications for the redemption of Shares along with all required anti-money laundering documentation must be received by the Dealing Deadline. Applications for Shares will only be accepted on a cleared funds basis in the Base Currency.

Applications received after the Dealing Deadline for the relevant Dealing Day shall be deemed to have been received by the next Dealing Deadline, save in exceptional circumstances where the Directors may in their absolute discretion (reasons to be documented) determine and provided the Applications are received before the Valuation Point for the relevant Dealing Day. Repurchase requests received after the Dealing Deadline shall be treated as having been received by the following Dealing Deadline, save in exceptional circumstances where the Directors may in their absolute discretion (reasons to be documented) determine and provided they are received before the Valuation Point for the relevant Dealing Day.

Subscription Settlement Date: Subscription monies should be paid to the account specified in the Application Form (or such other account specified by the Administrator) so as to be received by no later than three Business Days after the relevant Dealing Day. If payment in full and/or a properly completed Application Form along with all required anti-money laundering documentation have not been received by the relevant times stipulated above, the application may be refused.

Redemption Settlement Date: Payment of Repurchase Proceeds will be made by electronic transfer to the account of the redeeming Shareholder at the risk and expense of the Shareholder normally within three Business Days of the relevant Dealing Day and, in all cases, will be paid within ten Business Days of the Dealing Deadline for the relevant Dealing Day, provided that all the required documentation has been furnished to and received by the Administrator.

Initial Offer Period/Offer Period

The Initial Offer Period for Class B € Accumulating Shares, Class C € Accumulating Shares, Class D € Accumulating Shares, Class M € Accumulating, Class H £ Accumulating and Class H £ Distributing is now closed.

The Initial Offer Period for all other Class is from 9.00am (Irish time) on 2 December 2022 to 5.00pm (Irish time) on 1 June 2023.

The Initial Offer Period may be shortened or extended by the Directors. The Central Bank will be notified in advance of any such shortening or extension if subscriptions for Shares have been received and otherwise shall be notified subsequently, on an annual basis.

Anti-Dilution Levy

The Directors may, where there are net subscriptions or redemptions, charge an Anti-Dilution Levy which will be calculated to cover the costs of acquiring or selling investments as a result of net subscriptions or redemptions on any Dealing Day, which will include any dealing spreads, commissions and will be charged in circumstances where the Directors believe it is necessary to

prevent an adverse effect on the value of the assets of the Fund. The level of the Anti-Dilution Levy may vary but at no time shall exceed a maximum of 3% of the Net Asset Value of the Fund.

Publication

The Net Asset Value per Share will be published 1 Business Day following the relevant Dealing Day on <https://igeg.com/fund-prices> and may also be published in Irish financial press on a weekly basis.

Fees and Expenses

Class	Investment Management Fee	Administrator Fee	Depository Fee	Performance Fee
Class A € Shares Accumulating	0.425%	0.085%	0.0175%	0%
Class B € Shares Accumulating	0.55%	0.085%	0.0175%	0%
Class C € Shares Accumulating	1.40%	0.085%	0.0175%	0%
Class D € Shares Accumulating	0.675%	0.085%	0.0175%	0%
Class E € Shares Accumulating	1.10%	0.085%	0.0175%	0%
Class F £ Shares Accumulating	0.55%	0.085%	0.0175%	0%
Class F £ Shares Distributing	0.55%	0.085%	0.0175%	0%
Class G £ Shares Accumulating	0.675%	0.085%	0.0175%	0%
Class G £ Shares Distributing	0.675%	0.085%	0.0175%	0%
Class H £ Shares Accumulating	0.75%	0.085%	0.0175%	0%
Class H £ Shares Distributing	0.75%	0.085%	0.0175%	0%
Class I £ Shares Accumulating	1.10%	0.085%	0.0175%	0%
Class I £ Shares Distributing	1.10%	0.085%	0.0175%	0%
Class J £ Shares Accumulating	1.4%	0.085%	0.0175%	0%
Class J £ Shares Distributing	1.4%	0.085%	0.0175%	0%

Class	Investment Management Fee	Administrator Fee	Depository Fee	Performance Fee
Class K £ Shares Accumulating	1.25%	0.085%	0.0175%	0%
Class K £ Shares Distributing	1.25%	0.085%	0.0175%	0%
Class L £ Shares Accumulating	1.50%	0.085%	0.0175%	0%
Class L £ Shares Distributing	1.50%	0.085%	0.0175%	0%
Class M € Shares Accumulating	0.3%	0.085%	0.0175%	0%
Class M € Shares Distributing	0.3%	0.085%	0.0175%	0%
Class O € Shares Accumulating	0%	0.085%	0.0175%	0%

Investment Management Fee and Expenses

The Investment Manager shall be entitled to the maximum annual Investment Management Fee equal to a percentage of the Net Asset Value of the relevant Class detailed in the above table. Such fee shall be accrued on each Dealing Day and payable monthly in arrears.

The Investment Manager is also entitled to its reasonable out-of-pocket expenses out of the assets of the Fund.

Administration Fee and Expenses

The Administrator shall be entitled to the maximum annual administrator fee equal to a percentage of the Net Asset Value of the relevant Class detailed in the above table subject to a monthly minimum fee of €2,500 together with its reasonable costs and expenses incurred by the Administrator in the performance of its duties as Administrator of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears.

Depository Fee and Expenses

The Depository shall be entitled to an annual Depository Fee equal to a percentage of the Net Asset Value of the relevant Class, detailed in the above table, subject to a minimum monthly fee of €600 together with reasonable costs and expenses incurred by the Depository in the performance of its duties as depository of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears.

The Depository shall also be entitled to be reimbursed out of the assets of the Fund all agreed sub-custodian fees, expenses and transaction charges (which will be charged at normal commercial rates) as agreed with the Directors.

Establishment Expenses

The fees and expenses incurred in connection with the establishment of the Fund will not exceed €10,000. These fees and expenses will be paid out assets of the Fund and will be amortised over the first five years.

This section should be read in conjunction with the section entitled "**Fees and Expenses**" in the Prospectus.

Management Fee

Investors are referred to the Prospectus for details of the Manager's fee.

Benchmark Regulation

The Fund uses the MSCI World Index (the "**Benchmark**") to measure the performance of the Fund for comparison purposes only.

The Benchmark, administered by the European Money Markets Institute, has been added to the list of critical benchmarks pursuant to Article 10(1) of the Benchmark Regulation.

Miscellaneous



Additional Funds of the Company may be added in the future with the prior approval of the Central Bank. The names of the other Funds are disclosed in the Prospectus.

Appendix I

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

	Product name:	Davy Defensive Equity Income Fund	Legal entity identifier:	635400ZOILYTRUJGBW96
<p>Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.</p>	Environmental and/or social characteristics			
	Does this financial product have a sustainable investment objective?			
	<input checked="" type="radio"/> <input type="radio"/> Yes		<input checked="" type="radio"/> <input type="radio"/> No	
	<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments		
<p>The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities.</p> <p>That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.</p>	<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy		
	<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		
	<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input type="checkbox"/> with a social objective		
	<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments		
	What environmental and/or social characteristics are promoted by this financial product?			
	<p>The Fund avoids investing in companies which violate humanitarian principles or labour rights by reference to the UN Global Compact ("UNGC") Principles. A third-party data provider is used to identify a violation, measured by the severity and number of human and labour rights controversial incidents recorded for a company. Additionally, the Fund excludes companies that: (i) manufacture cluster munitions or landmines; (ii) derive more than 10% of their revenue from the production of thermal coal; or (iii) derive revenues from the production of tobacco products.</p> <p>The Fund has not designated a reference benchmark for the purpose of attaining the above environmental and social characteristics.</p>			
<p>Sustainability indicators measure how the</p>	<p><input checked="" type="radio"/> What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?</p>			

<p>environmental or social characteristics promoted by the financial product are attained.</p>	<p>On an ongoing basis, the Investment Manager uses the following sustainability indicators to monitor investee companies:</p> <ul style="list-style-type: none"> - The percentage of revenues derived from the manufacture or sale of cluster munitions or landmines. The Fund will not hold any companies with exposure to this indicator. - The percentage of revenues derived from the production of thermal coal. The Fund will not hold any companies that derive more than 10% of their revenue from this indicator. - The percentage of revenues derived from the production of tobacco products. The Fund will not hold any companies that derive revenue from this indicator. - Violations of UNGC Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. A third-party data provider is used to identify a violation, measured by the severity and number of human and labour rights controversial incidents recorded for a company (denoted by a 'red flag'). This Fund will not invest in any companies with such violations.
	<p>● What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?</p>
	<p>Not applicable, the Fund does not intend to make sustainable investments.</p> <p>The environmental objective set out in Article 9 of the EU Taxonomy Regulation to which the investments of the Fund with environmental characteristics will contribute is climate change mitigation.</p>
	<p>● How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?</p>
<p>Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.</p>	<p><i>Not applicable</i></p>
	<p>--- <i>How have the indicators for adverse impacts on sustainability factors been taken into account?</i></p>
	<p><i>Not applicable</i></p>
	<p>--- <i>How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:</i></p>
	<p><i>Not applicable</i></p>

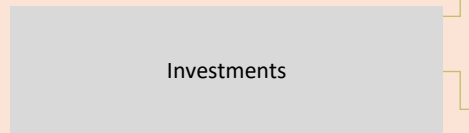
	<p><i>The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.</i></p> <p>The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.</p> <p><i>Any other sustainable investments must also not significantly harm any environmental or social objectives.</i></p>
	<p>Does this financial product consider principal adverse impacts on sustainability factors?</p>
	<p><input checked="" type="checkbox"/> Yes,</p>
	<p>The Investment Manager in the management of the Fund considers principal adverse impacts on sustainability factors for the Fund, by assessing and monitoring the mandatory principal adverse impact indicators ("PAI") referenced in Annex 1 of the delegated regulation (EU) 2022/1288.</p> <p>Investee companies identified as outliers on specific indicators, or which exhibit high adverse impact across several indicators, are identified based on data acquired from third-party providers and / or internal analysis. These companies are subject to further analysis by the Investment Manager which may lead to engagement with company management. If sufficient understanding and resolution on the issue is not achieved, the ESG risk profile of the company is raised, which may ultimately lead to a decision to liquidate the position.</p> <p>The PAIs identified are subject to a formal monthly review.</p> <p>Further detail on principal adverse impacts on sustainability factors will be available in the financial statements.</p>
	<p><input type="checkbox"/> No</p>
	<p>What investment strategy does this financial product follow?</p>
<p>The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance</p>	<p>The Fund invests in (i) equity securities (ii) UCITS or open-ended alternative investment funds and ETFs (iii) money market instruments such as cash or cash equivalents (iv) FDIs in the form of call and put options and futures on equity indices and/or equity securities.</p> <p>The investment approach for direct equity securities utilises a combination of both quantitative and fundamental analysis (for example, dividend yield, P/E Ratios, balance sheet) and quantitative screens including consideration of sustainability indicators such as minimum safeguards. This screening process, which utilises third-party data coupled with</p>

	<p>internal research, narrows the universe to a sub-set of potential investments which comply with the exclusion criteria applied for the Fund.</p>
	<p>● What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?</p>
<p>Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.</p>	<p>The Fund avoids investing in companies which violate humanitarian principles or labour rights by reference to the UN Global Compact ("UNGC") Principles. A third-party data provider is used to identify a violation, measured by the severity and number of human and labour rights controversial incidents recorded for a company. Additionally, the Fund excludes companies that: (i) manufacture cluster munitions or landmines; (ii) derive more than 10% of their revenue from the production of thermal coal; or (iii) derive revenues from the production of tobacco products.</p>
	<p>● What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?</p>
	<p>None.</p>
	<p>● What is the policy to assess good governance practices of the investee companies?</p>
	<p>The investee companies are rated for good governance practices using a third-party ratings provider. This ESG data that is provided to the Investment Manager in this manner includes, but it not limited to, information in relation to a company's corporate governance, including board diversity, executive compensation, anticompetitive practices and ownership and control. The investment team (which includes an ESG specialist) then analyses and seeks to verify the ESG data and ratings in respect of such companies (the "ESG Information") by using data that they have compiled through their own proprietary in-house research function. By way of example, the in-house research function will specifically engage with such companies to seek clarification on, and/or further information in relation to, the ESG Information, if required. If sufficient understanding and resolution on the issue identified is not achieved, the ESG risk profile of the company is raised, which may ultimately lead to a decision to liquidate the position.</p>
	<p>What is the asset allocation planned for this financial product?</p>
<p>Asset allocation describes the share of investments in specific assets.</p>	<p>The Fund invests in (i) equity securities (ii) UCITS or open-ended alternative investment funds and ETFs (iii) money market instruments such as cash or cash equivalents (iv) FDIs in the form of call and put options and futures on equity indices and/or equity securities.</p> <p>The Fund will invest a minimum of 80% of its Net Asset Value invested in equity securities which align with the environmental and/or social characteristics of the Fund as described above.</p>
	<p>● How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?</p>

Derivative use, if any, does not contribute to attaining the environmental or social characteristics promoted by the Fund.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies
- capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?






The Fund does not currently commit to investing more than 0% of its Net Asset Value in environmentally sustainable environmental activities within the meaning of the EU Taxonomy.


Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



What is the minimum share of investments in transitional and enabling activities?

The Fund does not currently commit to investing more than 0% of its Net Asset Value in transitional and enabling activities.

	 What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?
	<p><i>Not applicable.</i></p>
 are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.	 What is the minimum share of socially sustainable investments?
	<p><i>Not applicable.</i></p>
	 What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?
	<p>These investments comprise of (i) UCITS or open-ended alternative investment funds ETFs (ii) money market instruments such as cash or cash equivalents (iii) FDIs in the form of call and put options and futures on equity indices and/or equity securities. Minimum environmental and social safeguards are not applicable due to the nature of the investments.</p>
	<p>Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?</p>
	<p><i>No</i></p>
	<p>How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?</p>
	<p><i>Not applicable</i></p>
	<p>How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?</p>
	<p><i>Not applicable</i></p>
	<p>How does the designated index differ from a relevant broad market index?</p>
	<p><i>Not applicable</i></p>

<p>Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.</p> 	<p>● Where can the methodology used for the calculation of the designated index be found?</p>
	<p><i>Not applicable</i></p>
	<p>Where can I find more product specific information online? More product-specific information can be found on the website:</p>
	<p>Davy Funds Plc IQ-EQ (iqeq.com)</p>