Q1 2026 Update

IQ EQ Global Equity Income Fund

For Investment Professionals Only

Performance	1 month (%)	Q1 2026 (%)	1 year (%)	3 years p.a. (%)	5 years p.a. (%)
IQ EQ Global Equity Income Fund[1] (net of fees)	-5.42	4.80	17.20	13.98	11.29
MSCI World Index Net[2]	-4.05	-1.71	11.47	14.51	10.71

Source: IQ EQ Fund Management (Ireland) limited (IQ EQ Global Equity Income Fund Class A Acc EUR) and RIMES as at 31 March 2026.

[1]The IQ EQ Global Equity Income Fund is a UCITS fund and was launched on 1 December 2010. On 1 May 2024 the Fund name was changed from Global Equity Income Fund to IQ EQ Global Equity Income Fund.

[2]The MSCI World Index shown above does not include fees or operating expenses and you cannot invest in it. The MSCI World Index captures large and mid-cap representation across 23 Developed Markets (DM) countries. With 1,650 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

Fund overview

The aim of the **IQ EQ Global Equity Income Fund** (the "Fund") is to achieve long-term capital growth through investment in companies which expect to generate a higher-than-average dividend yield. The Fund targets a dividend yield 1% greater than the market dividend yield. The concept is that dividends are the foundation of total returns over the long term.

Market comment

Equity markets fell by 1.7% in the first quarter of 2026 as measured by the MSCI World Index (net) in euro terms. After gaining 2.4% during January and February, the surprise attack by the United States ("US") and Israel on the Iranian leadership and its military infrastructure, and the subsequent closure of the Strait of Hormuz, caused global energy prices to spike and risk assets to fall steadily during March. Conflicting statements from the US and Iran about background negotiations added to the uncertainty. The outcome for the quarter might have been worse had President Trump not indicated on the last day of the quarter that an end to the conflict could come within weeks, causing the US market to rally by 2.2%.

The Energy sector was the standout performer during the quarter, rising by 40% as oil prices breached $100 per barrel for the first time since the Russian invasion of Ukraine in 2022. The price of a barrel of Brent crude had risen from $60 to $70 per barrel in the run-up to the start of the US/Israel bombings on Feb 28th. On a number of occasions during March the price came close to $120. As at quarter-end, US gasoline prices had breached $4 per gallon for the first time since 2022, putting pressure on the US administration for a quick resolution to the situation. The Utilities sector was also a relatively strong performer as rising European power prices are expected to boost profits in the region, and the ongoing robust Artificial Intelligence ("AI") related demand for power in the US boosted Utilities companies there. The Consumer Discretionary and Information Technology sectors were laggards during the quarter. These sectors house mega-cap stocks such as Microsoft, Nvidia and Apple, which underperformed during the quarter as investors reduced risk.

Fund performance

The IQ EQ Global Equity Income fund returned +4.80% during the quarter, compared with the MSCI World Index, which fell by 1.7%. Stock Selection and Sector Selection were positive contributors to relative performance during the quarter, while Currency Effects were negative. Sector selection was driven by an overweight position in Industrials and an underweight in the Consumer Discretionary sector. The underweight positions in the Energy and Real Estate sectors were negative contributors to relative performance. Corning and TSMC were among the strongest contributors to equity performance during the quarter. The currency outcome was driven by a rise in the dollar versus the euro during the quarter.

The **top five equity contributors** to relative performance during the quarter were: Corning Inc, TSMC, Samsung Electronics Ltd, Johnson & Johnson, and Merck & Co.

The **bottom five equity detractors** from relative performance during the quarter were: Airbus SE, Relx Plc, Paychex Inc, ADP Inc, and Roche Holdings.

Corning Inc. (GLW) is a global technology-based company producing optical fibre, cable, and photonic components for the telecommunications industry, as well as manufacturing glass panels, liquid crystal display glass, and projection video lens assemblies for the information display industry. GLW has several secular opportunities which outweigh the cyclical exposures that many manufacturing companies face. The company has also noted strong demand more generally for US-made components and equipment in light of the new US tariff regime. Meanwhile, the company is executing on its strategic plan ("Springboard"), which had aimed to get operating margins to 20%, well ahead of schedule. GLW has been citing strong demand in its Optical division from AI-related business in recent quarters and announced in January that it had signed a deal to supply $6bn worth for optical products to Facebook parent Meta. The shares rose strongly on the news. The company was among the best performers in the portfolio during the quarter.

Taiwan Semiconductor Manufacturing Company (TSM) is a multinational semiconductor production and development company headquartered in Hsinchu, Taiwan. TSM manufactures semiconductors for corporations such as Apple, Nvidia, AMD and Qualcomm. The company has become the dominant global microchip manufacturer due to its adoption of the "pure-play foundry" model, allowing it to focus on making chips that other companies design. TSM has become the primary chip supplier to the "Magnificent 7". Despite ongoing concerns about tariffs and American relations with China, the company has confirmed that it will increase investment in the current year. TSM has excellent sustainability credentials, operating with an exceptionally strong competitive moat, allowing them to pay 70% of free cash flow in dividends each year. The company released its fourth quarter earnings report and outlook in mid-January that was well ahead of investor expectations. Management cited resilient long-term, AI-driven growth and said it was investing in new capacity in Taiwan and the US. Momentum in the shares continued through the quarter as investors focused on the hardware providers within the AI ecosystem.

Cummins Inc. (CMI) manufactures and sells a wide range of diesel, natural gas, and hybrid engines, power generators and alternators. Its ability to improve the efficiency of its power solutions enables it to deliver double digit margins. Innovation is also positioning the company for the transition to electric powertrains. This has resulted in strong ESG credentials, highlighting its role as a leader in low emissions technologies. The engine division has been relatively weak since the US Environmental Protection Agency ("EPA") announced earlier this year that it might row back on legislation tightening emissions, which is due to come into effect in 2027. The laws were expected to result in a strong market for trucks in the run-up to the introduction of the legislation. This is now at risk due to the EPA review. However, the company has recently reported strong performance in its Data Centre backup power business, which it gets from the deployment of AI-related services. Meanwhile the company's Accelera unit, which is focused on zero-emissions vehicles and technologies. CMI released an earnings update early in February that disappointed investors, specifically on the power generation side. This caused the shares to fall on the day, before recovering those losses during the rest of the month.

Airbus (“AIR”), is the largest aeronautics and space company in Europe, providing products, services and solutions for the commercial aircraft, helicopter, defence and space sectors. The company has three divisions: Airbus Commercial, Airbus Helicopters, and Airbus Defence & Space. AIR, along with Boeing, operate a de facto duopoly in the production of commercial aircraft. The company has made market gains against its US rival in recent years, particularly in the narrowbody segment of the market, due in part to some missteps at Boeing in this segment. At its fourth quarter earnings update in February, management scaled back expectations of the number of the A220 and A320 Neo narrowbody aircraft deliveries during 2026 . The A320 Neo reduction was attributed to the failure of US engine manufacturer, Pratt and Whitney, to deliver the contracted number of engines to AIR. Middle East hostilities exacerbated the underperformance as travel in the region was curtailed and investors began to reassess the tourism prospects for region, which is an important customer of AIR.

RELX PLC develops information-based analytics and decision tools for professional and business customers in the Risk, Scientific, Technical & Medical (“STM”), Legal and Exhibitions sectors. The Risk business helps detect and prevent online fraud and money laundering and deliver insight to insurance companies among others. STM helps researchers and healthcare professionals improve health outcomes by combining high-quality scientific and medical information and trusted data sets with technology solutions. In Legal, RELX owns LexisNexis, the go-to database for legal professional worldwide. The company’s exhibitions business, RX, is second only to Informa in that space. As AI-related shares have surged in the past 12 months, investors have also been looking for companies at risk from the deployment of AI tools. With its large databases of information and tools that analyse that information, investors are concerned about startups disintermediating companies such as RELX. However, RELX’s chief selling point is the quality control, peer reviewing and trust associated with their brands, and the tools they provide professionals. The shares recovered somewhat in the latter half of the quarter on a good Q4 earnings report, which allayed some investor concerns.

Calendar year performance

Fund / Index / Holdings	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)
IQ EQ Global Equity Income Fund (Net of Fees) (Eur)*	**10.9**	**19.1**	**9.3**	**-2.8**	**27.5**
MSCI World Index Net (Eur)	**6.8**	**26.6**	**19.6**	**-12.8**	**31.1**
Automatic Data Processing Inc.	-10.2	28.4	-0.2	-1.3	42.6
Airbus SE	31.1	12.7	27.7	0.2	25.2
Corning Inc	87.8	60.6	-1.2	-11.6	5.9
Cummins Inc	49.4	48.9	1.7	14.1	-1.7
Johnson & Johnson	47.5	-4.8	-8.6	6.0	11.4
Merck & Co Inc	9.8	-6.3	1.0	49.4	1.8
Paychex Inc	-17.5	21.3	6.2	-13.2	50.2
Relx Plc	-15.4	18.8	38.9	-2.7	37.3
Roche Holdings AG	32.7	8.8	-12.8	-21.4	26.3
Samsung Electronics Co Ltd	130.8	-37.9	38.3	-31.3	-8.0

Source: IQ EQ Fund Management (Ireland) Limited (IQ EQ Global Equity Income Fund Class A Acc EUR) and RIMES as at 31 March 2026. Performance quoted in local currency unless otherwise stated.

Warning: Past performance is not a reliable guide to future performance. The value of the investment can reduce as well as increase and, therefore, the return on the investment will also be variable. Changes in exchange rates may have an adverse effect on the value price or income of the product.

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www.iqeq.com/davy-funds-plc

Our Summary of Investor Rights can be found at our website at:
https://iqeq.com/wp-content/uploads/2024/12/November-2024-Update-IQ-EQ-Summary-of-Investor-Rights.pdf

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The IQ EQ Global Equity Income Fund (formerly the Global Equity Income Fund – the name change is effective from 1 May 2024) is a sub-fund of Davy Funds plc, an open-ended umbrella investment company with variable capital and segregated liability between sub-funds incorporated with limited liability under the Companies Acts 2014, authorised by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferrable Securities (UCITS). The Prospectus, Supplement and Key Investor Document for the fund are available in English from IQ EQ Fund Management -Ireland) Limited, 5th Floor, 76 Sir John Rogerson's Quay, Dublin Docklands, Dublin 2, D02 C9D0, Ireland or https://www.iqeq.com/davy-funds-plc/. Investors should be aware that some of the Directors of the Company (Davy Funds plc) are also employed by the Investment Manager, Promoter and Distributor. Further information in relation to the management of potential conflicts of interest is available upon request.

The MSCI World Quality Index is based on MSCI World, its parent index, which includes large and mid cap stocks across 23 Developed Market (DM) countries*. The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage. The MSCI Quality Indexes complement existing MSCI Factor Indexes and can provide an effective diversification role in a portfolio of factor strategies.

About us*

We are IQ-EQ, a leading investor services group employing over 5,900 people across 25 jurisdictions worldwide. We bring together that rare combination of global expertise with a deep understanding of the needs of our clients. We have the know how and the know you to support fund managers, global companies, family offices and private clients.

*Information correct as of September 2025

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Reference: NC_24022024_1