

# IA Clarington QV Global Equity Fund

## Manager Commentary – Q1 2026

IA Clarington QV Global Equity Fund Series F returned 1.1% relative to -1.8% for the MSCI World Index over the past quarter. Over the past year, the return was 11.0% for the Fund compared to 15.3% for the benchmark.

Global equity markets delivered mixed results over the last 12-month period. Early on, returns were driven by a resurgence in U.S. information technology stocks benefiting from renewed artificial intelligence (AI) optimism. U.S.-centric momentum continued into the third quarter, with returns dominated by a narrow group of technology stocks. Valuations were supported by the start of the U.S. Federal Reserve's cutting cycle and robust corporate earnings. A broadening of leadership took place in the final quarter of 2025, with health care, materials and financials attracting renewed interest on attractive valuations and improving fundamentals. The first quarter of 2026 was defined by the escalating conflict in the Middle East and the effective closure of the Strait of Hormuz, which drove a dramatic shift toward energy, materials and utilities as global commodity prices surged.

Strong security selection within the information technology sector and a shift to overweight energy late in the period contributed to the Fund's performance.

Samsung Electronics Co. Ltd. contributed to the Fund's performance over the last 12-month period, as improved sentiment toward memory semiconductor manufacturers and a developing memory super cycle drove the stock higher. Company-specific factors included NVIDIA HBM3E approval and improved fab utilization. Alphabet Inc. also contributed as solid revenue and earnings growth drove the share price higher. Google Cloud was a standout, with AI adoption driving a 47% year-over-year increase in run-rate revenues. Applied Materials Inc. contributed as accelerating demand for AI-computing infrastructure and a constructive 2026 outlook supported the stock.

Selection effects in the health care and consumer discretionary sectors, along with an overweight in consumer staples, detracted from the Fund's performance.

Novo Nordisk AS detracted from the Fund's performance after issuing underwhelming 2026 guidance citing competitive pressure and pricing challenges. Poor trial results for its next-generation obesity drug, CagriSema, which failed to demonstrate non-inferiority versus Eli Lilly and Company's Tirzepatide, added further pressure. The company has since launched an oral version of its Wegovy weight loss drug, which has been well received. Centene Corp. also detracted after withdrawing annual guidance as a result of a slowing ACA Marketplace business and worse-than-expected morbidity rates. UnitedHealth Group Inc. detracted as a rare earnings shortfall driven by higher-than-expected medical costs prompted the company to withdraw financial guidance and replace its CEO.

The fund manager added new holdings in Novo Nordisk AS, The Estée Lauder Companies Inc., Warrior Met Coal Inc., Bunzl plc, Demant A/S, Old Dominion Freight Line Inc., Chevron Corp., Exxon Mobil Corp., Halliburton Company and Netflix Inc.

The fund manager increased the Fund's holdings in PepsiCo Inc., Alimentation Couche-Tard Inc., Starbucks Corp., Darden Restaurants Inc., Union Pacific Corp., Merck & Co. Inc., Hikma Pharmaceuticals PLC, EOG Resources Inc. and Admiral Group PLC.

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Holdings in Bayer AG, TGS ASA, 3M Company, WH Smith PLC, Novartis AG, Svenska Handelsbanken AB, Hormel Foods Corp., Applied Materials Inc. and Johnson & Johnson were eliminated. The fund manager reduced the Fund's holdings in Melexis NV, Sunbelt Rentals Inc., Alphabet Inc., Samsung Electronics, Tokyo Electron Ltd., UnitedHealth Group and Centene.

While the near-term outcome for the Strait of Hormuz remains uncertain, the conflict in the Middle East marks a continued shift toward a multipolar world. The fund manager believes equity market volatility could remain a persistent feature, as production declines and the destruction of energy infrastructure may constrain medium-term energy supply while supporting inflationary pressures. The fund manager believes diversification among the Fund's holdings should provide ongoing ballast, with numerous holdings trading toward trough valuations and providing attractive mid-term return potential. The remainder offer stable earnings growth or above-average compounding prospects that may provide inflation and downside protection through the current uncertainty.

<b>Fund and benchmark performance as at March 31, 2026</b>	<b>1-year</b>	<b>3-year</b>	<b>5-year</b>	<b>10-year</b>
IA Clarington QV Global Equity Fund - Series F	11.0%	11.1%	9.9%	9.3%
MSCI World Index (CAD) <sup>1</sup>	15.3%	18.0%	12.6%	12.6%

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For definitions of technical terms in this piece, please visit [iaclarington.com/glossary](https://iaclarington.com/glossary) and speak with your investment advisor.

This Fund changed its name from IA Clarington Global Equity Fund, effective June 16, 2025.

Series F securities are available only to investors participating in fee based advisory programs through their dealer. No sales charges apply when investing in Series F. iA Clarington does not pay ongoing trailing commissions to dealers for Series F and therefore are not embedded in the Management Expense Ratio (MER). Instead, investors pay an explicit dealer advisor fee for investment advice and related services. Any differences in performance between fund series are primarily due to differences in fees and expenses, as described in the fund's prospectus.

<sup>1</sup>Source: MSCI Inc. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI.

The performance data comparison presented is intended to illustrate the Fund's historical performance as compared with historical performance of widely quoted market indices. There are various important differences that may exist between the Fund and the stated indices that may affect the performance of each. The MSCI World Index (CAD) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index (CAD) consists of 23 developed market country indices. The Fund's market capitalization, geographic and sector exposure may differ from that of the benchmark. The Fund's currency risk exposure may be different than that of the benchmark. The Fund may hold cash while the benchmark does not. It is not possible to invest directly in market indices. The performance comparison is for illustrative purposes only and does not imply future performance.

Indicated mutual fund rates of return include changes in share or unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Returns for more than one year are historical annual compounded total returns while returns for one year or less are cumulative figures and are not annualized. A mutual fund's "yield" refers to income generated by securities held in the fund's portfolio and does not represent the return of or level of income paid out by the fund.

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