Guinness Global Equity Income Fund

Investment Commentary - April 2022

This is a marketing communication. Please refer to the prospectus and KIID for the Fund before making any final investment decisions. Past performance does not predict future returns.

ABOUT THE FUND

Fund size	£1,897m
Launch date	31.12.10
Historic Yield † (Class Y GBP)	2.2%
Index	MSCI World
Sector	IA Global Equity Income
Managers	Dr. Ian Mortimer, CFA Matthew Page, CFA
Analysts	Sagar Thanki Joseph Stephens Will van der Weyden

The Guinness Global Equity Income Fund is designed to provide investors with global exposure to dividend-paying companies. The Fund is managed for income and capital growth and invests in profitable companies that have generated persistently high return on capital over the last decade, and that are well placed to pay a sustainable dividend into the future.

RISK

Lower risk			Risk & reward			Higher risk
1	2	3	4	5	**6**	7
Typically lower rewards						Typically higher rewards

The risk and reward indicator shows where the fund ranks in terms of its potential risk and return. The fund is ranked as higher risk as its price has shown high fluctuations historically. Historic data may not be a reliable indicator for the future.

PERFORMANCE

Past performance does not predict future returns

	1 Yr	3 Yrs	5 Yrs	Launch*
Fund	19.0	47.0	69.9	246.3
Index	15.4	50.4	70.6	252.1
Sector	11.8	33.2	42.5	158.2

Annualised % total return from launch (GBP)*

Source: FE, bid to bid, total return. Y Class 0.80% OCF.
*Simulated past performance. Performance prior to the launch date of the Y class of the fund (11.03.15) is a composite simulation for Y class performance being based on the actual performance of the Fund's E class (1.24% OCF), which has existed since the Fund's launch on 31.12.10. The Fund's E class is denominated in USD but the performance data above is calculated in GBP.
Investors should note that fees and expenses are charged to the capital of the fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The fund performance shown has been reduced by the current OCF of 0.80% per annum. Returns for share classes with different OCFs will vary accordingly. Performance returns do not reflect any initial charge; any such charge will also reduce the return.
† Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the date shown. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

SUMMARY

Over the last 12 months the Fund returned 19.04% (in GBP), the MSCI World Index returned 15.39%, and the IA Global Equity Income sector average return was 11.83%.

- The Fund therefore outperformed the Index by 3.65% over the last 12 months and its peer group average by 7.21%, ranking 2/53 funds in the sector.
- The TB Guinness Global Equity Income Fund, a UK-domiciled fund applying the same strategy, ranks 1/53 funds in the sector over the last 12 months. All Funds in the sector have a similar investment policy and risk profile.

In the first quarter of 2022, the Fund returned -0.69% (in GBP), the MSCI World Index returned -2.43%, and the IA Global Equity Income sector average return was -1.09%.

- The Fund therefore outperformed the Index by 1.74% over Q1 and its peer group average by 0.40%.

Global equity markets sold off in Q1 2022 as geopolitical tensions spiked amid Russia's invasion of Ukraine. Investors continued to digest concerns over inflation, the prospects of rising interest rates, and the pace of the global economic recovery. Growth stocks – and those on higher valuation multiples – were most affected, while defensive sectors and value-oriented stocks performed relatively better. This proved beneficial to the Fund, leading to outperformance vs the MSCI World Index.

As expected, those companies with greater exposure to Russia and Ukraine sold off significantly, weighed down by uncertainty and the potential for heavy international sanctions. In the Fund we do not own any Russian or Ukrainian companies, nor do we own any companies domiciled in Eastern Europe. We also do not own any companies which generate a significant portion of revenue from these countries or have significant operations there. The Fund's holdings have held up well so far this year against some of the intense drawdowns seen elsewhere in the market. We also do not anticipate that any of our companies face a threat to cut or cancel their dividend payment as a result of the war.

Further, as we have seen repeatedly since the launch of the Fund, our focus on high quality and persistently profitable businesses, as well as a good mix between defensive and cyclical holdings, has generally aided the Fund's performance during market downturns while helping it keep up with rising markets. The last quarter was no different.

In Q1, the Fund's lack of exposure to the Energy, Materials and Utilities sectors (which were the best performing) proved to be a drag on performance, although this was more than offset by good stock selection within the IT, Healthcare, Financial and Industrial sectors.

Longer-term, it is pleasing to see that the Fund has outperformed the IA Global Equity Income Sector average over 1 year, 3 years, 5 years, 10 years and since launch. The Fund also continues to rank as the top performer versus its peers over the period since launch.

Cumulative % total return in GBP to 31/03/2022	YTD	1yr	3yr	5yr	10yr*	Launch
Guinness Global Equity Income Y Acc	-0.69	19.04	47.04	69.94	225.16	246.33
MSCI World Index	-2.43	15.39	50.43	70.56	240.96	252.10
MSCI AC World Index	-2.64	12.42	45.67	64.71	214.62	219.57
IA Global Equity Income Sector Average	-1.09	11.83	33.16	42.47	150.44	158.16
IA Global Equity Income Sector ranking	24/54	2/53	8/48	4/44	2/23	1/12
IA Global Equity Income Sector quartile	2	1	1	1	1	1

**Simulated past performance in 10 year and since launch figures. Performance prior to the launch date of the Y class of the fund (11.03.15) is a composite simulation for Y class performance being based on the actual performance of the Fund's E class (1.24% OCF), which has existed since the Fund's launch on 31.12.10. The Fund's E class is denominated in USD but the performance data above is calculated in GBP.*

Source: FE fundinfo. All Funds in the sector have a similar investment policy and risk profile to the Guinness Global Equity Income Fund.

SUMMARY: DIVIDENDS

So far, in 2022, we have had dividend updates from 17 of our 35 holdings:

- 15 companies announced increases for their 2022 dividend vs 2021.
- 2 companies announced a flat dividend vs 2021.
- 0 companies announced dividend cuts.
- 0 companies announced dividend cancellations.

This follows the Fund seeing 0 cancellations in 2021 and 2020.

So far, among the Fund's holdings the average dividend growth announced for 2022 stands at 7.9%. Our Financials holdings have declared the largest year-on-year dividend increases:

- **Aflac**: To grow its dividend by 21.2% for 2022. Follows the 17.9% growth in 2021.
- **Blackrock**: To grow its dividend by 18.2% for 2022. Follows the 13.8% growth in 2021.
- **CME Group**: To grow its dividend by 11.1% for 2022. Follows the 5.9% growth in 2021.
- **Deutsche Boerse**: To grow its dividend by 6.7% for 2022. Follows the 3.4% growth in 2021.
- **Arthur Gallagher**: To grow its dividend by 6.3% for 2022. Follows the 6.7% growth in 2021.

The two companies which announced a flat dividend for 2022 – Henkel and Danone – cited cautiousness as reasons for capital preservation amid both their respective restructuring efforts to achieve higher growth. Both companies continue to have strong balance sheets and low leverage, and we believe they have the ability to continue growing their dividend in the future.

In Henkel's case, to boost growth and profitability, management are restructuring the business, combining the Beauty Care segment with the more profitable and faster-growing Laundry & Home Care segment. The combination is expected to result in significant synergies and efficiency gains. As a result, the company expects a long-term organic sales growth rate of 3%-4% and an operating margin in the mid-teens for the newly-formed Consumer Brands segment. Management also revealed a €1 billion share repurchase program – inferring that they believe the share price is undervalued (especially since this would be the first repurchase since 2013) – and they indicated that acquisitions may be pursued. Both appear understandable considering Henkel's particularly robust balance sheet, and have been prioritised in the short term over a dividend increase. Nonetheless, over the longer term Henkel has a 10-year annualised dividend growth rate of 9%.

Danone, the global food and beverage company, is organised into Dairy & Plant-based products, Specialised Nutrition, and Water, and enjoys a leading market share in a range of niche product categories (e.g. yoghurt, soy milk and out-of-home water). This in turn means that brands such as Activia, Actimel, Alpro, Evian and Volvic dominate prime retail shelf space. In recent years Danone has lagged other consumer staples businesses in terms of growth and profitability, which is reflected in lower valuation multiples paid for the company today. To address this, and boost both gross and net margins, the company announced plans to cut costs by €1bn over the next few years. Combined with continued efforts to deleverage, this further strengthens the company's balance sheet for the future, but in the short-term has meant that management decided to maintain – rather than raise – the dividend payment.

The Fund's dividend yield at the end of the quarter was 2.2% (net of withholding tax) vs the MSCI World Index's 1.8% (gross of withholding tax).

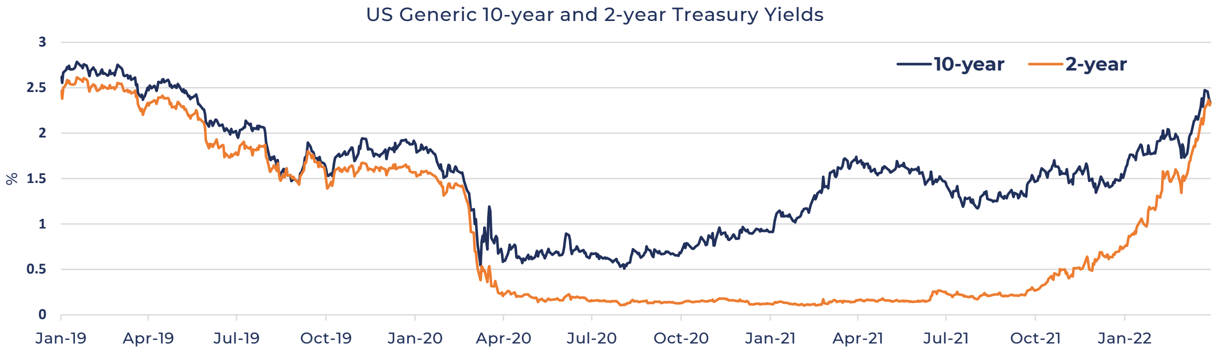
Moderate dividend yield – albeit much higher than that of the Index – is characteristic of the Fund because our focus is not on simply finding the highest-yielding companies, but instead on finding high-quality, cash-generative businesses which can consistently grow their dividend stream year-on-year.

Explicitly screening for persistently profitable companies also means that many industries – regulated sectors such as Utilities, Telecommunications and banks, and commodity-led sectors such as Energy and Materials – tend not to appear in our investible universe. These excluded industries often contain companies that exhibit the highest dividend yields, though we believe these same companies have a relatively greater risk of dividend cuts (as we saw in 2020) and are less likely to grow their dividend over time.

QUARTER REVIEW

Global equities sold off in Q1, marking the first quarterly decline since the onset of the Covid pandemic in Q1 2020. Given record inflation, investors digested the prospect of higher interest rates and the implications for risk assets. Concerns were exacerbated mid-quarter as Russia invaded Ukraine; the accompanying spike in commodity prices and renewal of supply chain issues added to the global inflationary pressures.

2022 began with the US Federal Reserve (Fed) dealing equity and bond markets with a sharp blow as its meeting minutes offered more hawkish interest rate rhetoric and indicated that it was considering quantitative tightening, i.e. shrinking its $9tn balance sheet, earlier than many expected. This led to equity markets selling off, and the bond market also reeled, with 10-year Treasury yield reaching its highest level in almost three years at the end of the quarter. This also initiated recession speculation as the gap between the 10-year and 2-year approached zero.



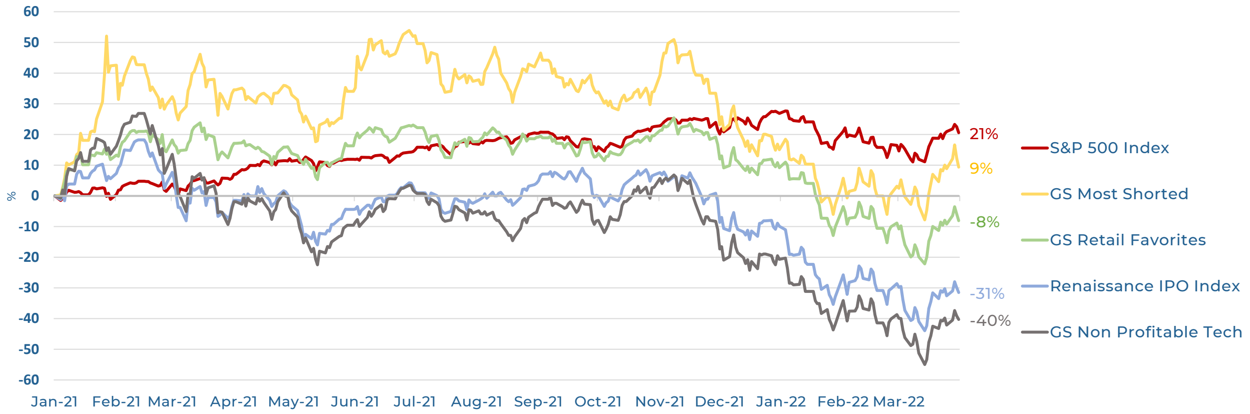
Source: Bloomberg, data as of 31st March 2022

After the Fed then delivered its first interest rate hike since 2018, 10-year and 2-year Treasury yields both exceeded 2.3%, up from only 1.5% and 0.7% respectively at the start of the year. The Fed raised the target rate by 0.25%, making it clear that further increases will be appropriate: the median voting member now expects seven hikes this year, and four next year, given that inflation globally has proven to not be as transitory as many first thought. In the US, inflation reached a 40-year high of 7.9%; Euro area inflation was revised up to 5.9%, and UK inflation accelerated to 6.2%.

The European Central Bank confirmed that the tapering of the pandemic emergency purchase programme (PEPP) will conclude in June and the asset purchase programme (APP) will gradually end over the third quarter of 2022. President Christine Lagarde left the door open to a first rate hike this year that could arrive "some time" after the end of asset purchases. In the UK, after a first hike in December, the Bank of England raised the policy rate by 0.25% twice in the first quarter, reaching 0.75%. At the March meeting, the Bank described geopolitical risks as having accentuated its prior expectations for weak growth and high inflation this year.

Over the quarter the prospect of higher interest rates continued to mar the performance outlook for companies with elevated stock valuations or weak fundamentals. The areas that underwent the most intense selling pressure were the speculative areas of the market, which steamed ahead in 2020 and the early part of 2021.

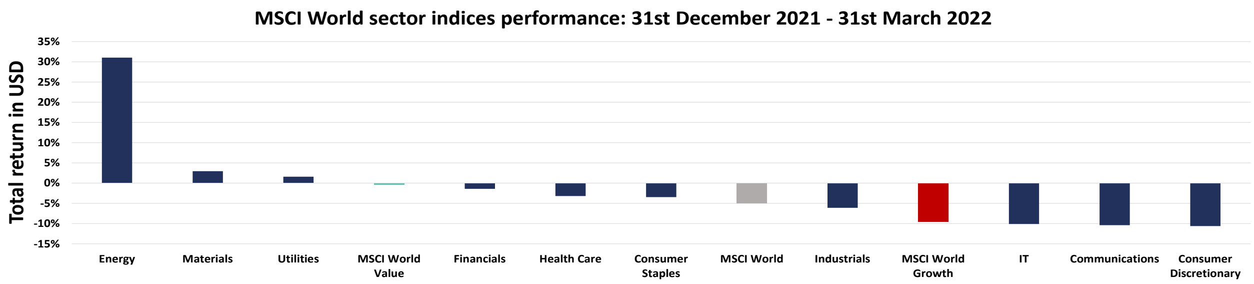
In the US, stocks within 'frothier' segments – unprofitable tech companies, companies hit by short sellers, special purpose acquisition companies (SPACs), newer initial public offerings (IPOs), and retail crowd favourites – have weakened substantially over the past 12 months and this continued at the start of this year too:



Source: Goldman Sachs (GS), Bloomberg, as of 31/03/2022.

GS most-shorted basket: 50 highest short interest names with a market cap greater than $1bn in the Russell 3000.
GS retail favorites basket: US-listed equities that are popularly traded on retail brokerage platforms.
GS non-profitable tech basket: non-profitable US-listed companies in innovative industries.
Renaissance IPO Index: portfolio of US-listed newly public companies.

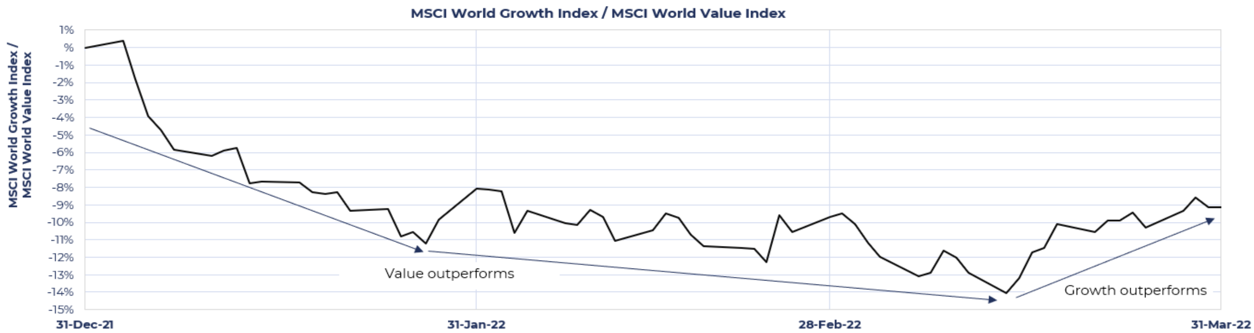
As speculative fervour drained in the quarter, investors turned to defensive sectors and value stocks in a bid to protect their portfolios, and this was beneficial for the Fund given the underlying quality of our companies and their attractive valuations.



Source: Bloomberg. As of 31st March 2022

Energy was the best-performing sector in the quarter. The oil price had its best start to the year in 30 years (rising +39%) as the price of Brent crude oil reached $108 a barrel at the end of the quarter – its highest level since October 2014. European natural gas prices rose 55% over the quarter. Having no exposure to the Energy sector proved to be a drag on performance, although this was offset by good stock selection within the IT, Healthcare, Financial and Industrial sectors.

Despite a late rally, IT and Communications were among the worst-performing sectors in the quarter. Investors took profits amid concerns that higher interest rates would reduce the present value of future cashflows for many high-growth, high-duration tech companies that have been trading on lofty valuation multiples. This also contributed heavily to the MSCI World Growth Index underperforming its Value counterpart, although we saw a small risk-reversal at the end of the quarter.



Source: Bloomberg. As of 31st March 2022

In the Fund, our stringent focus on high-quality, persistently profitable companies at attractive value keeps us away from the richly-priced areas of the market, and this proved beneficial in the quarter.

In the second half of the quarter, the focus shifted firmly to geopolitics as Russia invaded Ukraine. The devastating human consequences eclipse any financial ones, and as typical in times of heightened uncertainty, markets sank on the news of invasion. A short rally followed as sanctions were initially seen to be less severe than expected, but after fighting picked up, harsher sanctions were introduced (including removing some Russian banks from the SWIFT network and freezing Russian central bank assets held in the US), and markets trended downwards overall.

While the sanctions themselves are likely to have a limited impact on the global economy, the main concern for market participants is the impact of war on inflation. Russia has a very small equity exposure in the global indices, making up only 3% of the MSCI Emerging Markets Index and just 0.4% of the MSCI All-Country World Index. However, Russia is the third-largest oil producer in the world, producing about 11 million barrels per day (13% of global oil production), exporting about 4.3 million barrels per day, and supplying about 25% of Western Europe's oil imports. Russia also accounts for about 17% of global gas production and is a crucial exporter, accounting for 40% of Western Europe's gas imports. Any disruption to oil and gas supply, therefore, could have a material impact on energy prices, increasing the risk of a stagflation environment, i.e. one of slowing economic growth but high inflation.

In the Fund we do not own any Russian or Ukrainian companies, nor do we own any companies domiciled in Eastern Europe. We also do not own any companies which generate a significant portion of revenue from these countries or have significant operations there. The Fund's holdings have therefore fared relatively well so far this year amid some of the intense drawdowns seen elsewhere in the market.

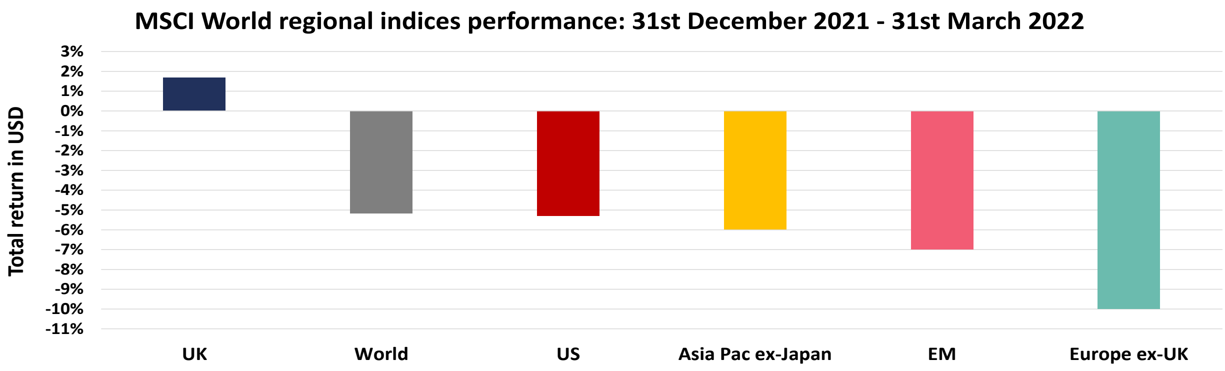
The table below shows the limited exposure that the Fund's companies have to Russia and Ukraine. Exposure comes via our large-cap, multi-national Consumer Staples and Industrials names, and neither Russia nor Ukraine are significant contributors to company revenues. Further, local operations tend to supply the local demand.

Company	% Sales from Russia	% Sales from Ukraine	Sector
Henkel	5%	<1%	Consumer Staples
Danone	5%	<1%	Consumer Staples
PepsiCo	4%	<1%	Consumer Staples
British American Tobacco	4%	<1%	Consumer Staples
Nestle	2%	<1%	Consumer Staples
Unilever	2%	<1%	Consumer Staples
Reckitt Benckiser	2%	<1%	Consumer Staples
ABB	2%	<1%	Industrials
Schneider Electric	2%	<1%	Industrials
Imperial Brands	1%	<1%	Consumer Staples
Procter & Gamble	1%	<1%	Consumer Staples
Diageo	<1%	<1%	Consumer Staples

Source: JPM & Morgan Stanley estimates. As of 28th February 2022

As the chart below shows, European equities were understandably hit hardest in the quarter given their closer trading links with

Russia. This was followed by Asia and EM, which sold off as a new round of Omicron cases weighed on Chinese markets on top of the broader macro and geopolitical concerns. The UK was the best-performing region due to higher exposure to defensive areas of the market. In the Fund, having a c.14% overweighting to the UK versus the MSCI World Index was beneficial in Q1.



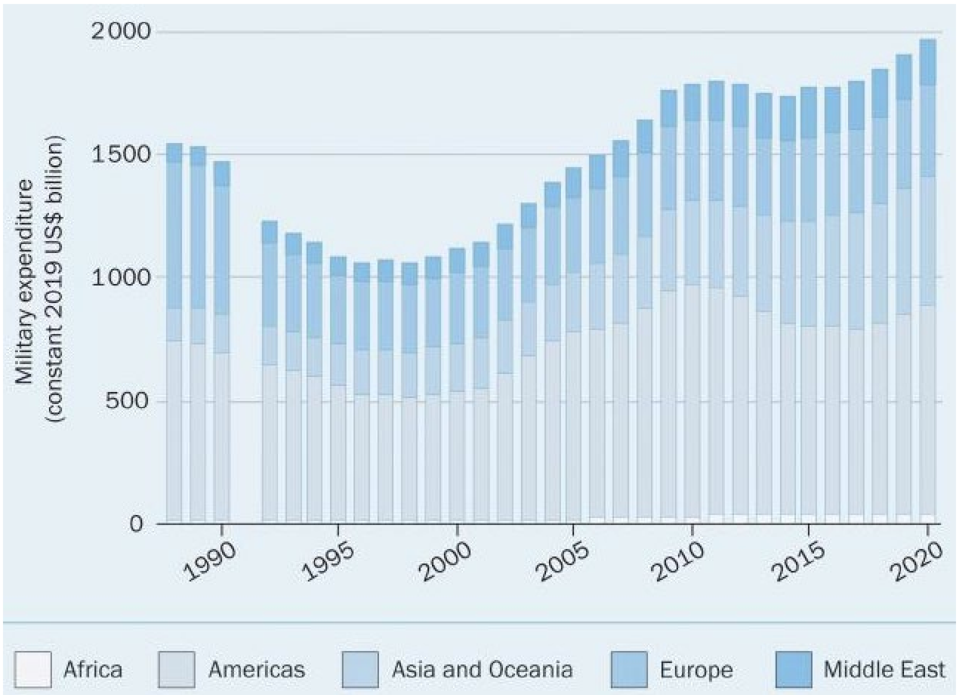
Source: Bloomberg. As of 31st March 2022

STOCK SELECTION OVER THE QUARTER

BAE Systems and Raytheon Technologies – our two defence holdings – were among the best performers in the quarter, returning 26.7% and 15.7% respectively (in USD).

BAE Systems – the British multinational manufacturer of advanced defence, security and aerospace systems – is the largest defence contractor in Europe (by revenue) and the third-largest in the world. The company has diversified exposure to many key defence markets and programmes; strong recent share price performance therefore comes as no surprise given the rise in geopolitical tensions and the prospect of continued growth – perhaps at a faster rate – in overall global defence spending, which has grown every year since 2014 and almost doubled over the last 20 years.

World Military Expenditure by region 1988 – 2020



Source: SIPRI Military Expenditure Database. Data as of 30th April 2021
Notes: The absence of data for the Soviet Union in 1991 means that no total can be calculated for that year. Rough estimates used for the Middle East are included in the world totals for 2015-2020.

Most European countries have increased defence spending in recent years, but several countries – most notably Germany – remain well below NATO's target of 2% of GDP. We expect accelerated defence spending will be an important feature of European budgets and an important area of growth for the market in future years.

BAE Systems generates c.50% of revenue from the US, where it is one of the six largest suppliers to the US Department of Defence, and around 25% from Europe. Around 45% of total revenue is recurring and comes from the provision of support services on incumbent long-term military programmes; this provides high visibility and stability of revenues and cashflows, in turn reducing the cyclicality of BAE Systems' business.

Longer-term, growing global defence spending bodes well for BAE Systems. The biggest contributors to growth are the ramp-up of the F-35 fighter jet, US combat vehicle deliveries, US Navy ship repair, and UK and Australian maritime activity.

- BAE has 15% programme share and an incumbent position on the F-35 Lightning II fighter jet, the world's largest military programme, which could aid production and support revenue for decades.
- BAE's Typhoon Fighter Jet is one of the main front-line aircraft of the UK Royal Air Force (RAF). BAE is currently developing a 6th-Gen jet fighter aircraft for the RAF marketed as the "Tempest" along with the Ministry of Defence, Rolls-Royce, and Leonardo S.p.A. This is intended to replace the Typhoon in 2035.
- US combat vehicles and the US Navy are set to double their fleet orders from BAE in the next five years.

Raytheon Technologies manufactures advanced technology products in the aerospace and defence industry, including aircraft engines, avionics, aerostructures, cybersecurity, guided missiles, air defence systems, satellites, and drones. The company is the result of a merger in 2020 between United Technologies' aerospace business and Raytheon's defence business.

The company is a large military contractor, receiving a significant portion of its revenue (c.12%) from the US government. Overall, 50% of revenue is from the US, 25% from Europe and 20% from Asia Pacific. Raytheon Technologies operates as four divisions:

- Collins Aerospace Systems (30% of revenue) – maker of engine controls and flight systems for military and commercial aircrafts.
- Pratt & Whitney (30%) – aircraft engine manufacturer.
- Intelligence, space and airborne systems (20%) – a mix between a sensors business and a government IT contractor.
- Integrated defence and missile systems (20%) – defence prime contracting focusing on missiles and missile defence hardware.

This list highlights Raytheon Technologies' unique diversification between commercial aerospace and defence industries, while most competitor businesses are heavily skewed to one area. Military exposure is sticky and subject to ultra-long contracts, in turn providing revenue visibility and reduced cyclicality (45% of revenue is aftermarket and recurring). Like BAE Systems, Raytheon Technologies has significant exposure to the F-35 programme – the most expensive military programme in history – as it is the sole supplier of engines for the US fighter jets. Increased defence spending arising from geopolitical conflicts aids long-term demand for Raytheon Technologies' products and services and hence the stock price appreciated over the last quarter.

VF Corp (-21.6% in USD) was the worst performer in the quarter. The global clothing manufacturer, whose line-up of high-profile brands includes Vans, The North Face, Timberland and Dickies, reported Q3 2022 results that beat earnings expectations, though this was driven by lower Selling, General and Administrative (SG&A) expenses. Sales overall grew 22% year-on-year, as strength in the outdoor coalition (especially in The North Face, up 28%) overcame sales growth of just 8% for Vans. While some of this weakness is attributable to supply chain issues, COVID-19 disruptions and economic weakness in China, VF's management admitted Vans' "brand heat" has waned in the short-term. The market took this negatively, since Vans makes up 40% of revenue and has been VF Corp's fastest-growing brand.

Looking ahead, VF Corp – a 'dividend aristocrat' with 49 consecutive years of dividend growth – once again announced growth in its dividend and lifted full-year 2022 guidance. The company expects 28% revenue growth (down from 30%) and 145% earnings growth for the coming year, with growth from all regions and particular strength in direct-to-consumer sales channels.

Sonic Healthcare (-20.2% in USD) also performed poorly in the quarter. The Australian healthcare company provides medical diagnostic services to clinicians, hospitals, community health services and private patients globally, and most revenue (c.85%) is generated from Pathology. Whilst the company's share price has benefitted from increased demand for Covid PCR tests over the last two years – and particularly in December 2021 due to the Omicron variant – investors took profits in the quarter with most expecting Covid to become endemic and thus demand to moderate. Furthermore, Sonic Healthcare reported that some testing clinics in Australia, Sonic's largest revenue market, had to close due to supply chain issues which led to a shortage of testing equipment.

More broadly, we see Sonic Healthcare as having a strong market position in a consolidating industry, which provides opportunities to gain market share and boost organic growth. The company has a strong balance sheet with little debt and a high persistent cashflow return on investment. In addition, the dividend has grown every year for the last 10, and the company is currently attractively valued at a 1-year forward price-to-earnings multiple of 12.1x.

CHANGES TO THE PORTFOLIO

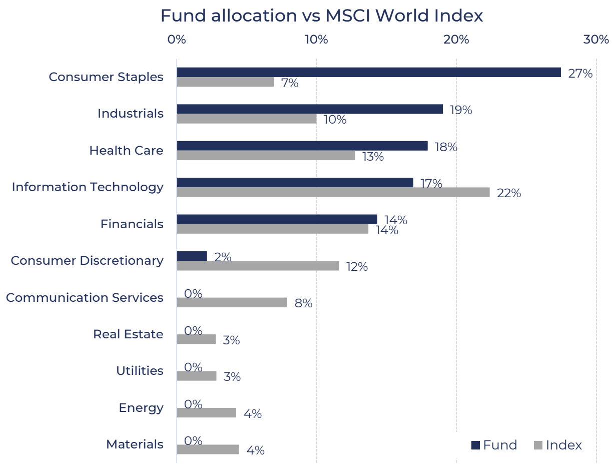
We made no changes to the portfolio in the quarter.

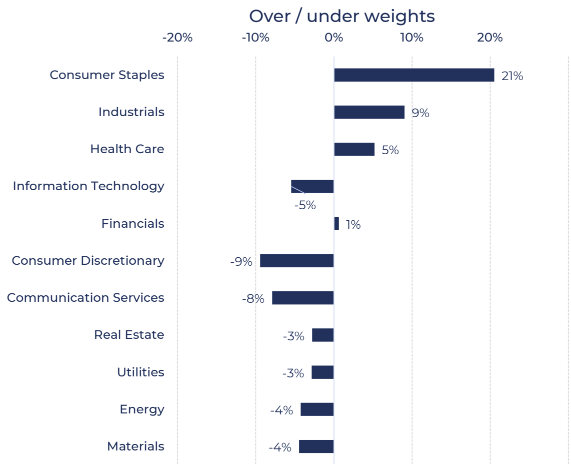
PORTFOLIO POSITIONING

We continue to maintain a fairly even balance between quality defensive and quality cyclical/growth companies. We have approximately 45% in quality defensive companies (e.g. Consumer Staples and Healthcare) and around 55% in quality cyclical or growth-oriented companies (e.g. Industrials, Financials, Consumer Discretionary, Information Technology, etc.)

While the defensive names tend to have lower beta and hold up better when markets are falling, the cyclical holdings allow the Fund to maintain performance when markets are rebounding and rising. We believe that within these more cyclical sectors we are owning the 'quality' businesses. All the companies we seek to invest in have strong balance sheets and a history of performing well in difficult market environments. Within Financials, for example, we hold no banks, which helps to dampen the cyclicality of our Financials, but we do own exchange groups such as CME and Deutsche Boerse (which do well in periods of market volatility as volumes tend to increase).

The Fund also has zero weighting to Energy, Utilities, Materials, Real Estate and Communications. The largest overweight is to Consumer Staples.

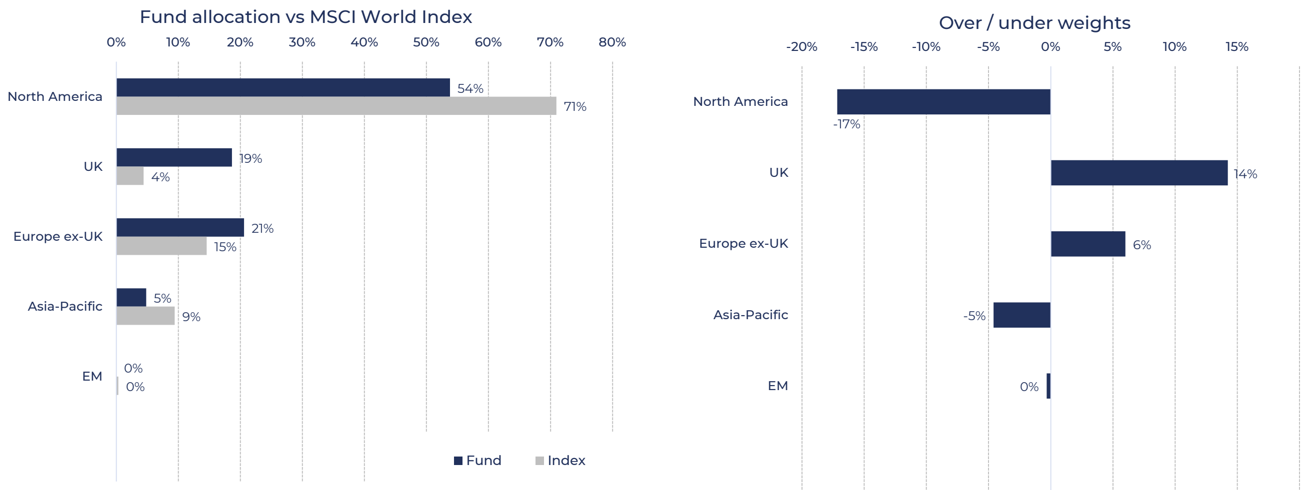




Sector breakdown of the Fund versus MSCI World Index.
Source: Guinness Global Investors, Bloomberg. Data as of 31st March 2022

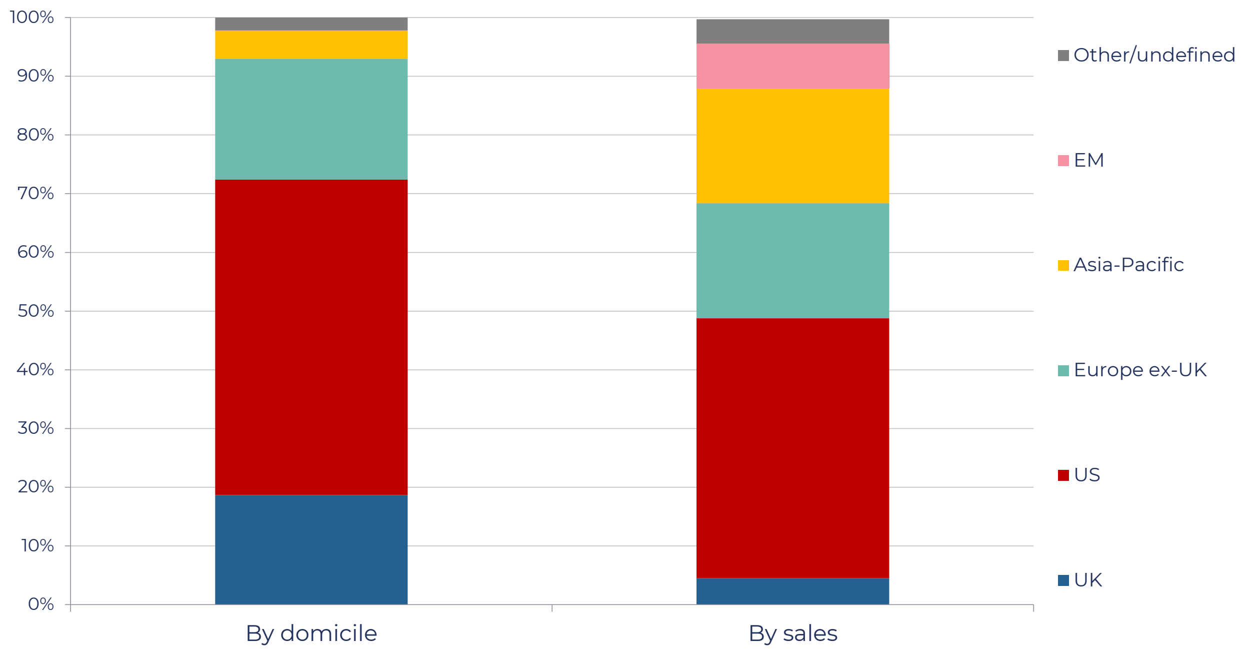
In terms of geographic exposure (shown below), the largest difference between the Fund and the benchmark is our exposure to the US (as measured by country of domicile). The Fund at quarter end had c.54% weighting to North America, which compares to the index at c.71%.

The largest geographic overweight remains Europe ex-UK and the UK, though we are diversified around the world with 54% in the US, 40% in Europe and 5% in Asia Pacific. Within Asia Pacific we have one company listed in Taiwan (Taiwan Semiconductor Manufacturing) and one company listed in Australia (Sonic Healthcare).



Regional breakdown of the Fund versus MSCI World Index.
Source: Guinness Global Investors, Bloomberg. Data as of 31st March 2022

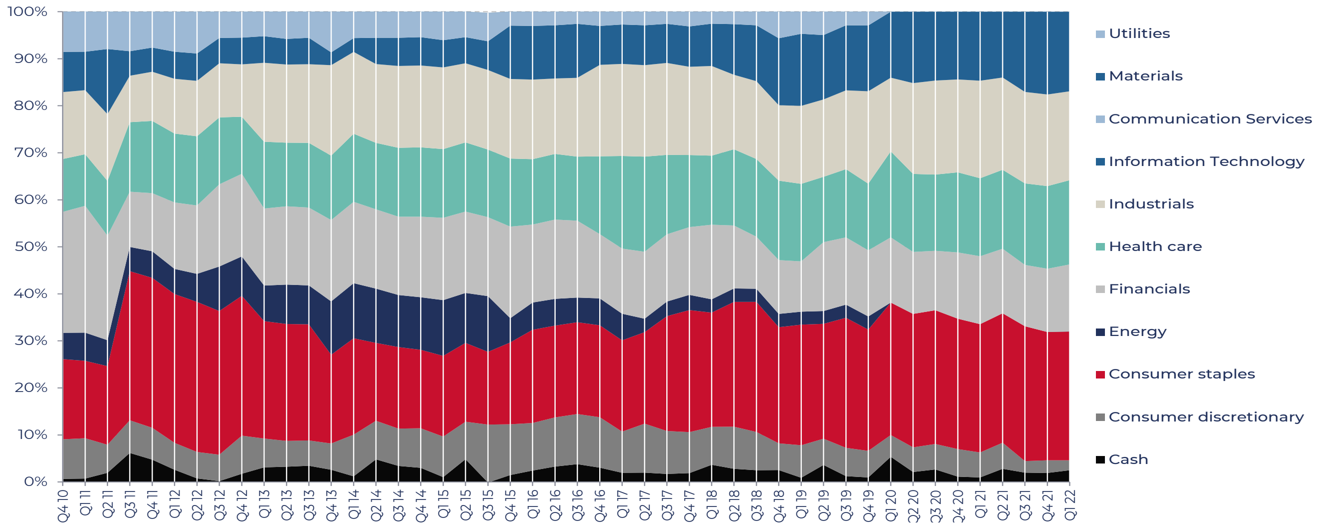
We note, regarding the Fund's UK exposure (shown below), (i) the Fund has lower exposure to the UK when considered in revenues (c.5%) versus by domicile (c.19%). This is because we have favoured UK-domiciled companies with more global exposure (such as Unilever and Imperial Brands). (ii) There is greater exposure to Asia Pacific by revenues (c.20%) than by domicile (c.5%).



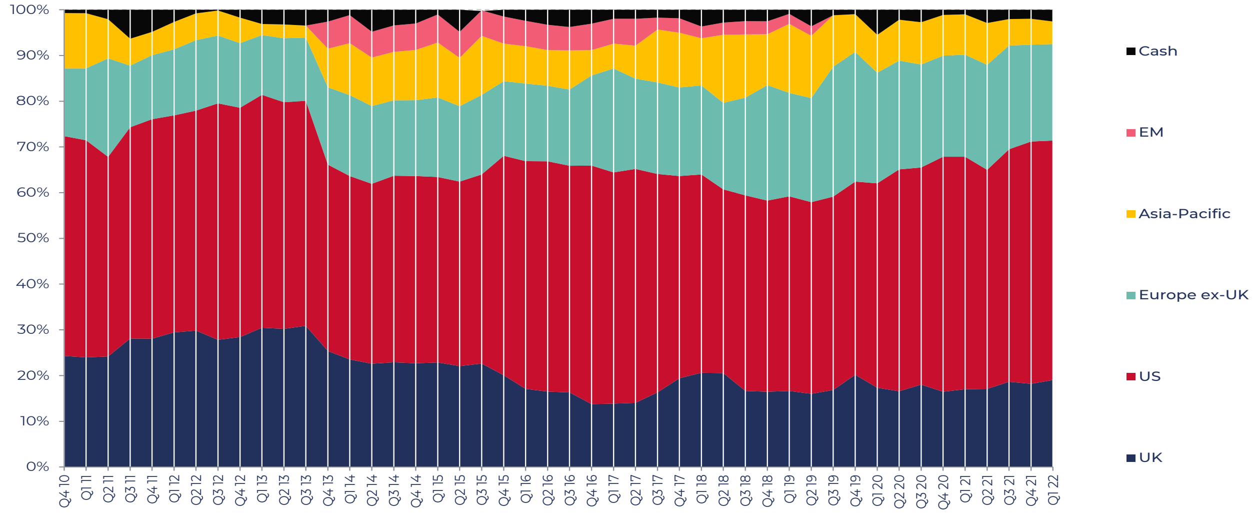
Geographic breakdown of the Fund.
Source: Guinness Global Investors, Bloomberg. Data as of 31st March 2022

The two charts below show how the exposure of the Fund has evolved since we launched the strategy in 2010.

Guinness Global Equity Income Fund



Sector breakdown of the Fund since launch.
Source: Guinness Global Investors. Data as of 31st March 2022



Geographic breakdown of the Fund since launch.
Source: Guinness Global investors. Data as of 31st March 2022

OUTLOOK

The four key tenets to our approach are quality, value, dividend, and conviction. We follow metrics at the portfolio level to make sure we are adhering to them. At quarter end, we are pleased to report that the portfolio continues to deliver on all four relative to the MSCI World Index.

		Fund	MSCI World Index
Quality	Weighted average return on capital	16.1%	7.2%
	Weighted average net debt / equity	56%	71%
Value	PE (2022e)	17.4	18.0
	FCF Yield (LTM)	4.1%	5.3%
Dividend	Dividend Yield (LTM)	2.2%* (net)	1.8% (gross)
	Weighted average payout ratio	50%	40%
Conviction	Number of stocks	35	1650
	Active share	89%	-

Portfolio metrics versus index. As of 31st March 2022
**Historic Yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the date shown. It does not include any preliminary charges. Investors may be subject to tax on the distribution.*
Source: Guinness Global Investors, Bloomberg

Our high-conviction Fund has companies which are on average better quality at better value versus the index and with a higher dividend yield. At the end of the quarter the Fund was trading on 17.4x 2022 expected price-to-earnings, a discount of 3.2% to the broad market, and with a dividend yield premium of 22%.

The Fund continues to offer a portfolio of consistently highly profitable companies with strong balance sheets and a valuation discount to the MSCI World Index. With inflation and geopolitics front of mind, we are also confident that the companies in the portfolio are well placed from a pricing power perspective, and the defensive nature of the portfolio – which has outperformed in all market corrections since launch in 2010 – gives us confidence heading into uncertain markets. As in the past, our unchanging approach of focusing on quality compounders and dividend growers should continue to stand us in good stead in our search for rising income streams and long-term capital growth.

We thank you for your continued support.

Portfolio Managers

Matthew Page

Ian Mortimer

Investment Analysts

Sagar Thanki

Joseph Stephens

William van der Weyden

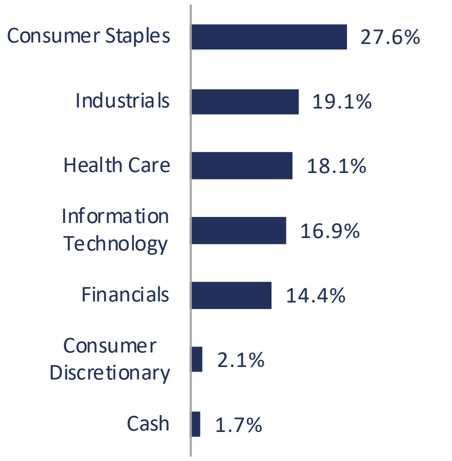
Guinness Global Equity Income Fund

PORTFOLIO

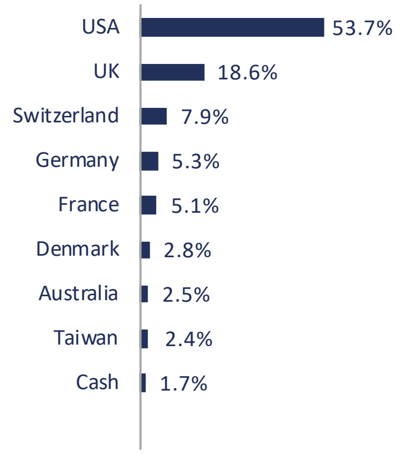
Fund top 10 holdings

Abbvie	4.1%
British American Tobacco	3.8%
BAE Systems	3.7%
Paychex Inc	3.3%
Aflac	3.3%
Broadcom	3.2%
Johnson & Johnson	3.1%
Imperial Brands	3.1%
Deutsche Boerse	3.1%
Gallagher, Arthur J	3.0%
% of Fund in top 10	33.7%
Total number of stocks held	35

Sector analysis



Geographic allocation



PERFORMANCE*

Past performance does not predict future returns. We are now following new requirements from the European Securities and Markets Authority (ESMA), which came into force on 2nd February 2022, relating to information on past performance. These mean that we can only illustrate fund performance information with 12-month minimum periods, with the exception of year-to-date performance, which can be shown to quarter-end.

Annualised % total return from launch (GBP)	31/03/2022
Fund (Y class, 0.80% OCF)	11.7%
MSCI World Index	11.8%
IA Global Equity Income sector average	8.8%

Discrete 12m % total return (GBP)	Mar '22	Mar '21	Mar '20	Mar '19	Mar '18	Mar '17	Mar '16	Mar '15	Mar '14	Mar '13	Mar '12
Fund (Y class, 0.80% OCF)	19.0	28.0	-3.5	13.3	2.0	24.7	2.8	15.8	8.7	18.6	4.3
MSCI World Index	15.4	38.4	-5.8	12.0	1.3	31.9	-0.3	19.1	8.4	17.7	0.9
IA Global Equity Income Sector average	11.8	32.0	-9.8	8.5	-1.4	25.4	-1.8	12.6	7.1	18.3	11.6

Cumulative % total return (GBP)	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Launch
Fund (Y class, 0.80% OCF)	-0.7	19.0	47.0	69.9	225.0	246.3
MSCI World Index	-2.4	15.4	50.4	70.6	241.0	252.1
IA Global Equity Income Sector average	-1.1	11.8	33.2	42.5	150.4	158.2

RISK ANALYSIS 31/03/2021

Annualised, weekly, from launch on 31.12.10, in GBP	Index	Sector	Fund
Alpha	0.00	-0.17	1.47
Beta	1.00	0.76	0.85
Information ratio	0.00	-0.42	-0.03
Maximum drawdown	-24.58	-22.41	-21.78
R squared	1.00	0.79	0.89
Sharpe ratio	0.57	0.42	0.62
Tracking error	0.00	6.63	4.85
Volatility	14.33	12.23	12.97

*Simulated past performance. Performance prior to the launch date of the Y class of the fund (11.03.15) is a composite simulation for Y class performance being based on the actual performance of the Fund's E class (1.24% OCF), which has existed since the Fund's launch on 31.12.10. The Fund's E class is denominated in USD but the performance data above is calculated in GBP. Source: Financial Express, bid to bid, total return. Fund Y class (0.80% OCF): Fund returns are for share classes with a current Ongoing Charges Figure (OCF) stated above; returns for share classes with a different OCF will vary accordingly.

IMPORTANT INFORMATION

Issued by Guinness Global Investors. Guinness Global Investors is a trading name of Guinness Asset Management Limited which is authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about Guinness Global Equity Income Fund. It may provide information about the Fund's portfolio, including recent activity and performance. It contains facts relating to the equity markets and our own interpretation. Any investment decision should take account of the subjectivity of the comments contained in the report.

This document is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing, but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Fund or to buy or sell individual securities, nor does it constitute an offer for sale.

Risk
The Guinness Global Equity Income Fund is an equity fund. Investors should be willing and able to assume the risks of equity investing. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Details on the risk factors are included in the Fund's documentation, available on our website. Shareholders should note that all or part of the fees and expenses will be charged to the capital of the Fund. This will have the effect of lowering the capital value of your investment.

Documentation
The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available in English from www.guinnessgi.com or free of charge from:-

- the Manager: Link Fund Manager Solutions (Ireland) Ltd (LFMSI), 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland; or, the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

LFMSI, as UCITS Man Co, has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights
A summary of investor rights in English is available here: https://www.linkgroup.eu/policy-statements/irish-management-company/

Residency
In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

Structure & regulation
The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

Switzerland
This is an advertising document. The prospectus and KIID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Ile, 1204 Geneva, Switzerland.

Singapore
The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ('SFA') and this material is limited to the investors in those categories.

Telephone calls will be recorded and monitored