

Guinness Global Innovators Fund

Innovation | Quality | Growth | Conviction

INVESTMENT COMMENTARY – April 2020

About the Fund

The Fund is a global growth fund designed to provide exposure to companies benefiting from innovations in technology, communication, globalisation or innovative management strategies. The Fund holds a concentrated portfolio of large and medium-sized companies in any industry and in any region.

Fund size £211m

AUM in strategy £341m

Fund launch date 31.10.14

Strategy launch date 01.05.03

Managers Dr. Ian Mortimer, CFA
Matthew Page, CFA

Analysts Sagar Thanki
Joseph Stephens

Performance 31.03.20

Cumulative % total return (GBP)	1 year	3 years	5 years	10 years
Strategy*	2.0	17.4	55.3	214.2
Index	-5.8	6.8	40.5	131.2
Sector	-6.0	5.1	30.6	94.7
Position in sector	48 /325	59 /287	38 /252	8 /173

Annualised % total return from strategy inception (GBP)

Strategy* 11.68%

Index 8.74%

Sector 7.92%

Strategy Guinness Global Innovators*

Index MSCI World Index

Sector IA Global

Past performance should not be taken as an indicator of future performance. The value of this investment and any income arising from it can fall as well as rise as a result of market and currency fluctuations. *Composite simulation of performance. Guinness Global Innovators Fund (UCITS) launched on 31.10.14. Performance data prior to this date is based on the actual returns of a US mutual fund managed by the same team using the same investment process as applied to the UCITS version. Source: Financial Express 0.99% OCF, bid to bid, total return, in GBP.

Summary performance

In the first quarter of 2020, the Guinness Global Innovators Fund provided a total return of -10.57% (GBP) against the MSCI World Index net total return of -15.65% (GBP). Hence the fund outperformed the benchmark by 5.08% (GBP). Furthermore, it is pleasing to see the fund not only outperformed in each of the three months of the quarter but also both during the market rally (31.12.2019 – 19.02.2020) and in the subsequent drawdown (19.02.2020 – 31.03.2020).

Fund performance over the quarter

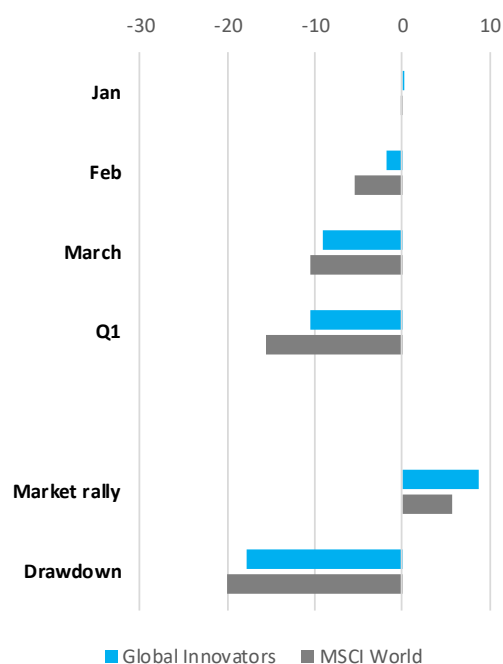


Figure 1: Global Innovators strategy total return GBP, FE

The fund performed very well over a quarter that contained stress, volatility and the end to the longest bull run in US history. The fund was constructed to invest in high-quality companies

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exposed to long-term innovative themes such as cloud computing and advanced healthcare. As a consequence, the fund invests in asset-light businesses (capex/sales of the fund is 5% vs MSCI World 10%) which tend to have larger margins (operating margin 19% vs MSCI World 12%) and which do not require substantial external financing to grow (net debt/equity of fund 5% vs MSCI World 62%). It is these companies – low fixed costs, large cash piles and long-term demand drivers – which, we believe, have the best opportunity not only to weather tough economic times, but ultimately, to outperform when ‘normality’ returns.

During the quarter, the fund’s performance can be attributed to the following:

- Overweight exposure to the Information Technology sector, while being underweight Energy and Financials. These were the main contributors to positive relative performance vs benchmark in the quarter in terms of sector allocation.
- Good stock selection within Industrials (Eaton, Roper Technology) offset the negative effect of the portfolio overweight to this underperforming sector.
- Good stock selection within Consumer Discretionary (Amazon, New Oriental Education), Financials (Intercontinental Exchange), and Communication Services (Tencent).
- Underweight Health Care and Consumer Staples were the main detractors from performance vs benchmark in sector allocation terms.
- The market punished companies with weak balance sheets due to demand shocks and heightened credit market stress. Quality companies therefore outperformed, with companies showing high returns on capital, such as those we own in the fund, rewarded.
- We had no exposure to the hardest-hit areas of the market: no energy, no banks, no airlines, no restaurants, no travel companies.

Over both the short and long term, it is pleasing to see that the fund’s strategy remains in the top quartile across all key periods versus its IA Global Sector peers.

Cumulative % total return, in GBP, to 31/03/2020	YTD	1 year	3 years	5 years	10 years	Launch*
Guinness Global Innovators	-10.57	2.00	17.36	55.31	214.24	547.99
MSCI World Index	-15.65	-5.83	6.77	40.45	131.19	312.81
IA Global sector average	-15.35	-6.01	5.15	30.63	94.72	263.31
IA Global sector ranking	76/337	48/325	59/287	38/252	8/173	7/97
IA Global sector quartile	1	1	1	1	1	1

Figure 2: Global Innovators strategy total return GBP, FE (data as at 31.03.2020)

While the companies in the fund are by no means immune to a global slowdown, the short-term impacts of Covid-19 could give way to long-term opportunities for many of the businesses we invest in. Specifically, the current environment has forced companies into reevaluating their business models, which could ultimately lead to an acceleration in global digital adoption:

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- Better online presence by businesses, which now recognise more than ever the need to have continuous communication and distribution channels with consumers in all environments
- Businesses recognising the importance of being flexible regarding working conditions, accelerating the need for cloud-based remote working infrastructure
- A change in the psychological behaviour of the consumer – increased demand for online classes from fitness to education.

These changes will be powered by many of the innovative themes we seek, from cloud computing to ecommerce and internet, media and entertainment. With a long-term view and investing in companies exposed to these themes, the recent sell-off could provide a fantastic opportunity to buy into long-term winners at reduced valuations.

Quarter in review

Going into 2020, many of the risks of 2019 had somewhat eased: central banks seemed to be more accommodative, with the US Fed cutting interest rates for the first time since the Global Financial Crisis, a Phase One trade deal between US and China looked to set a course towards a more complete deal, and, of course, the UK left the European Union. However, in mid-February equity markets sold off sharply as the Covid-19 outbreak, which originated in Wuhan, China, had spread across the globe, causing countries to close off their borders, initiate lockdowns and effectively stop all non-essential economic activity. Consequently, the S&P 500 ended the longest bull run in US history in dramatic fashion, falling 20% in 22 days – the fastest time the Index has ever done so.

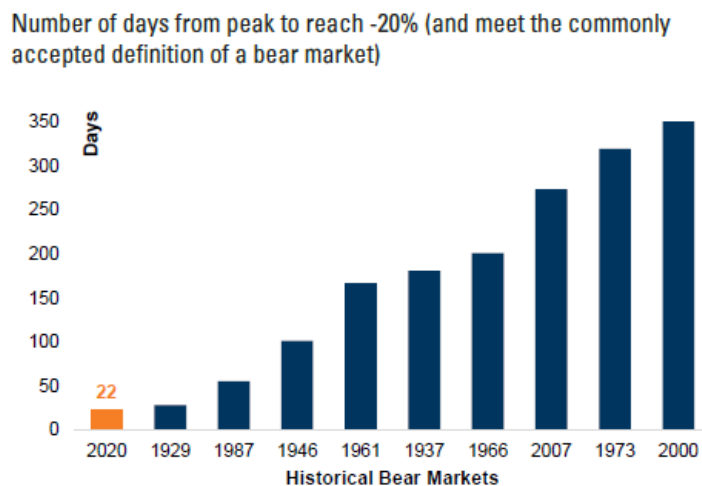


Figure 3: Bloomberg, Goldman Sachs Research

The VIX Index of volatility – otherwise known as the ‘fear gauge’ – spiked upwards in February and into March, and it currently stands at a level *above* those seen during the European Crisis, Global Financial Crisis and Dot-Com Crash.

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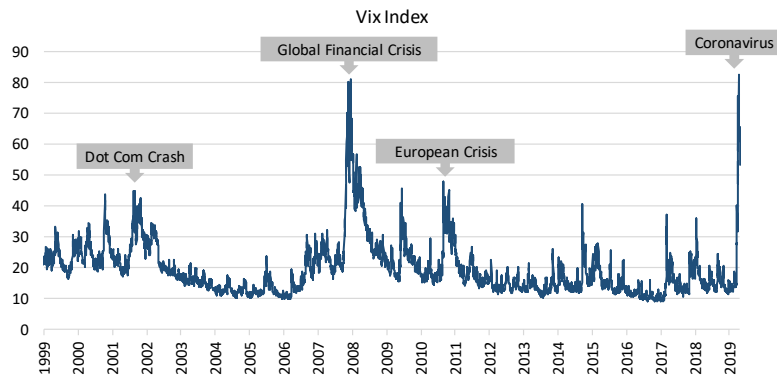


Figure 4: Bloomberg (data as of 31.03.2020)

Since the outbreak began, we have seen:

- Global cases surpass one million with over 80,000 deaths recorded
- Europe become the epicentre of Covid-19 as Italy, Spain, France and the UK all individually having more confirmed deaths than China
- Central banks slash interest rates and pass unprecedented fiscal packages with totals that surpass those of the Global Financial Crisis responses
- Significant fiscal stimulus announcements to shore up businesses and protect workers; the US, for example, passed a fiscal package worth over \$2tn
- More than 6.6 million people in the US file for jobless claims in the week ending 28th March, eclipsing the previous record of 695,000, set in 1982.
- China begin to recover, with stores re-opening (Nike now says 80% of its stores have re-opened) and the Manufacturing PMI for China rebounding to 52.0 for March from February's record low of 35.7 (the 50 level separates contraction from expansion)

Looking across regions, we saw significant falls across equity markets as Covid-19 spread across the globe. Europe was the worst-performing region due to its new status as the epicentre of the outbreak, while the US also struggled as vast stimulus packages and interest cuts were not enough to offset investor sentiment amid the continued spread of the virus as the US also overtook China in number of cases and jobless claims skyrocketed. The Asian region, and more specifically China, performed strongly into the end of the quarter as a slowdown in new cases and deaths led to a return of business activity, giving investors some confidence in the region's efforts to manage the situation. The fund's exposure to North America was the largest regional contributor to fund performance; positive stock selection from businesses including Microsoft and Nvidia, and not owning any companies in the banking sector, more than offset the slight drag from being underweight the US.

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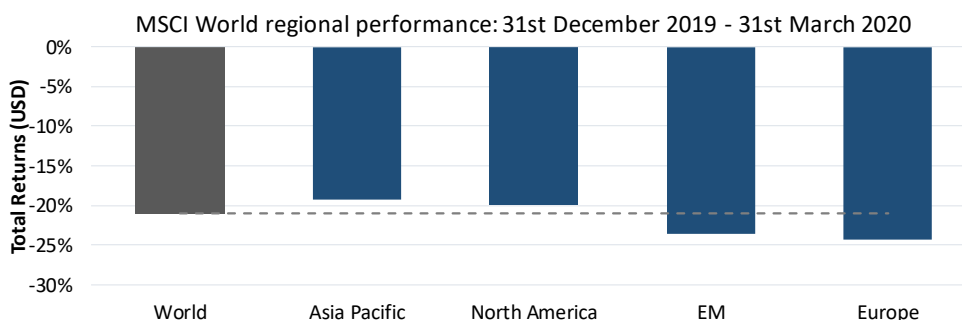


Figure 5: Bloomberg (data as of 31.03.2020)

On a sector level, Energy equities fell sharply as oil prices collapsed post the OPEC+ meeting disbanding on 3rd March. WTI fell from \$60 per barrel at the start of the year to \$20 at quarter end. Elsewhere, Financials fell as interest rates were cut by central banks globally and markets assessed risk to corporate credit. Within the sector banks led the declines, down 37% in the quarter. Health Care stocks outperformed as their defensive characteristics and relevance to the current sell-off came to the fore. Staples and Utilities rounded out the relative outperformance of ‘risk off’ with IT continuing to perform well as the market rewarded the generally stronger balance sheets and cash positions in the sector as well as stock-specific opportunities that arose from lockdowns across developed nations. Financials and Energy were the fund’s largest sector contributors to performance as we continue to own no companies in these sectors. Our overweight exposure to IT also provided positive contribution while our underweight exposures to Health Care and Consumer Staples were the main detractors from performance vs the benchmark.

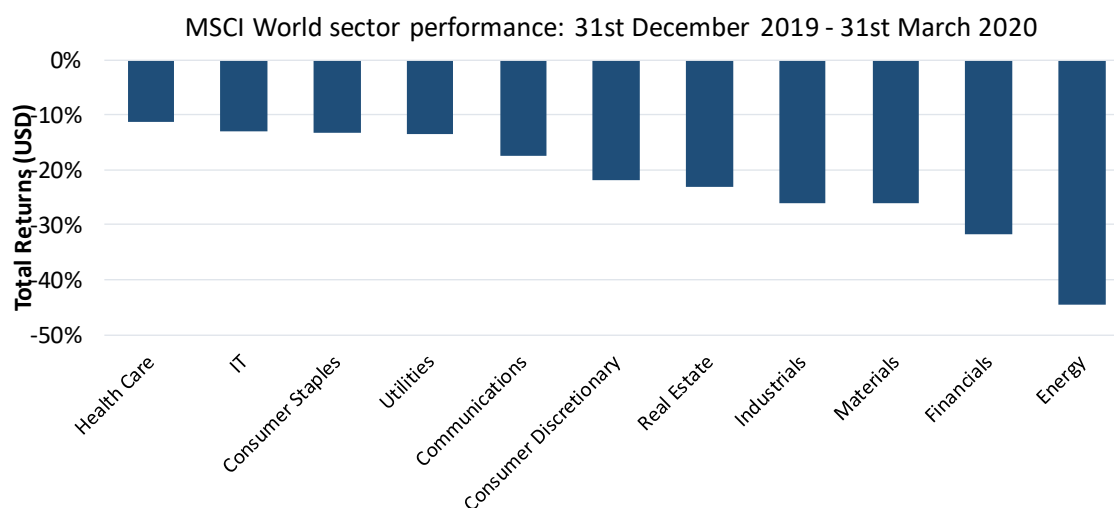


Figure 6: Bloomberg (data as of 31.03.2020)

We have begun to look more closely at how our innovation themes performed during the quarter using baskets of bellwether stocks (which we have defined). Here we find all but one of the ten themes we have identified as part of our universe construction methodology outperformed the broader MSCI World Index. Cloud Computing was the best-performing theme over the quarter as demand for cloud-based products remained relatively robust as employees worked from home and consumers streamed their videos and games. Similar arguments can be made for many more of our innovative themes,

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whose demand has held up relatively well in this period of stress. Although the fund benefitted in general from having exposure all these themes, the fund’s largest exposures to Cloud Computing (19%), Internet, Media & Entertainment (17%), Advanced Healthcare (13%), AI & Big Data (12%) and Payments & FinTech (11%) – the top five performing themes – resulted in better performance for the fund over the quarter.

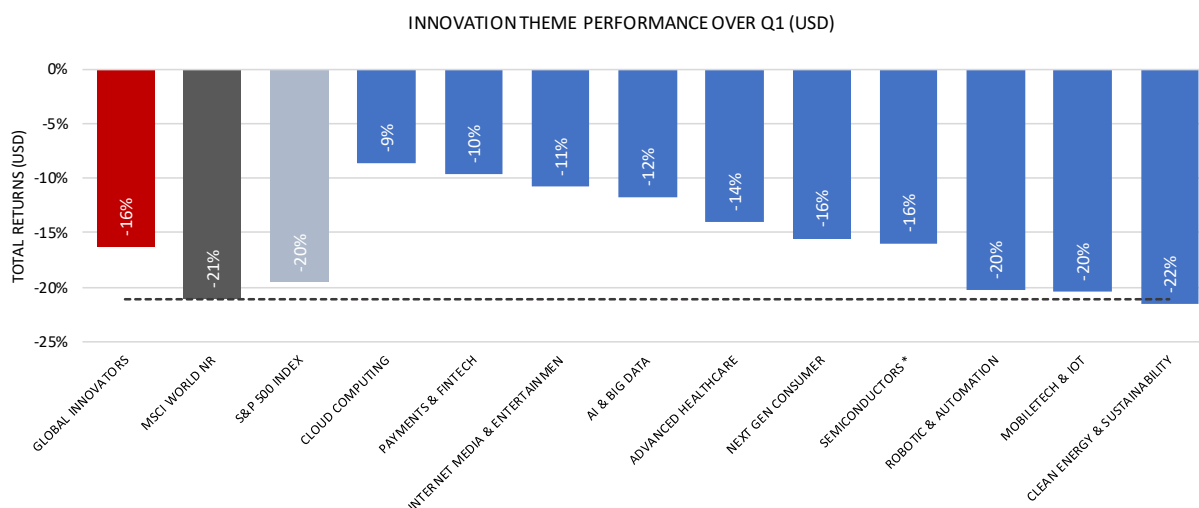


Figure 7: Bloomberg, Guinness Asset Management (data as of 31.03.2020)

**Semiconductors are not one of our innovation themes, but since these companies fit into multiple themes we find it beneficial to include them in this analysis*

One of the main differentiators between companies that performed (relatively) well in the quarter and companies that performed poorly was balance sheet strength. The market punished those companies with weak balance sheets and rewarded those with strong balance ones, being better placed to navigate the demand shocks we are witnessing and less likely to require external capital in a stressed market.

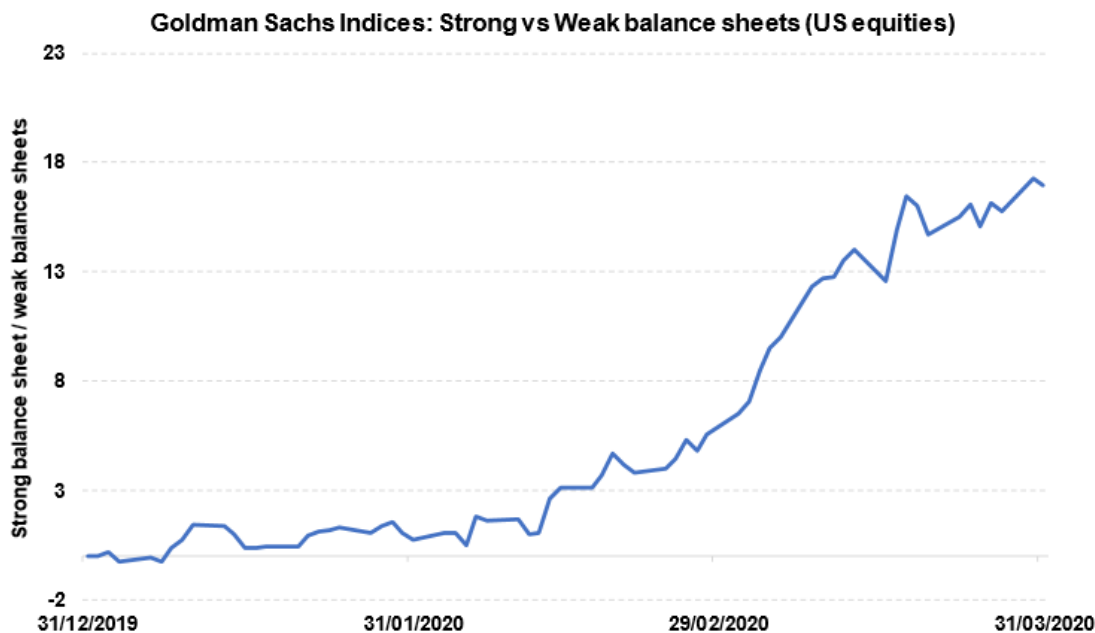


Figure 8: Goldman Sachs Research, Bloomberg, rebased at 31.12.2019

This highlights the importance of balance sheet strength and particularly in times of stress. We have always considered balance sheet strength as part of our company analysis and a weak balance sheet would be a significant ‘red flag’. There are many ways to define a strong balance sheet and the ability of a company to service its debt, and credit rating agencies attempting to capture both in their ratings. The chart below shows that that 87% of companies in the Global Innovators Fund have an investment grade credit rating (AAA to BBB- based on S&P ratings), compared to only 56% of the MSCI World.

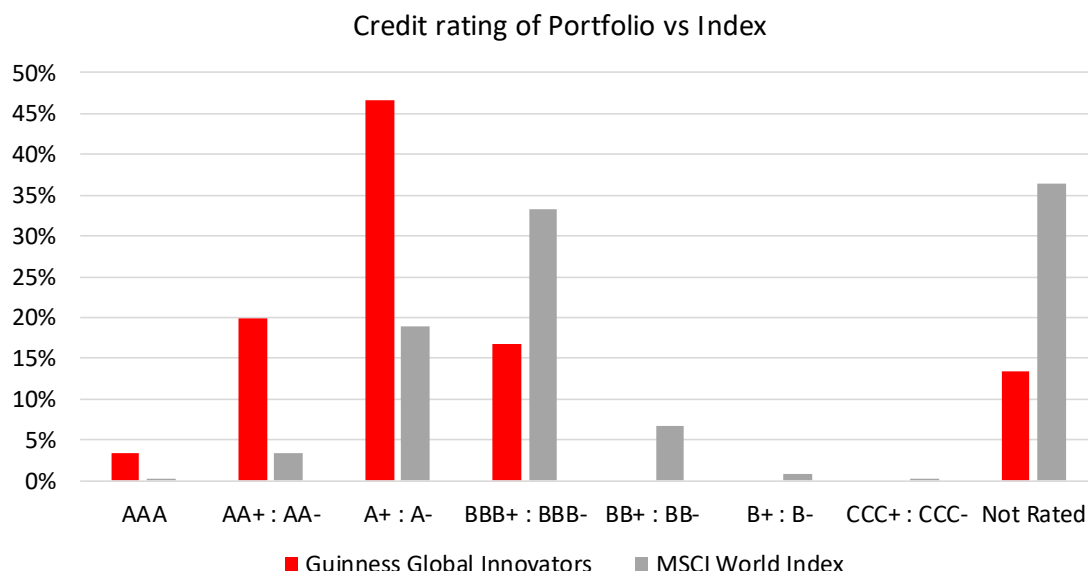


Figure 9: Guinness Asset Management, Bloomberg (data as of 31.03.2020)

If we look instead at net-debt-to-EBITDA ratios, 40% of the portfolio has more cash than debt (ratio <0) vs 25% for the MSCI World; and 33% have a ratio greater than one, vs almost 60% for the

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benchmark. This gives us confidence that our companies not only have relatively better prospects of survival, but they are better positioned to continue rewarding shareholders.

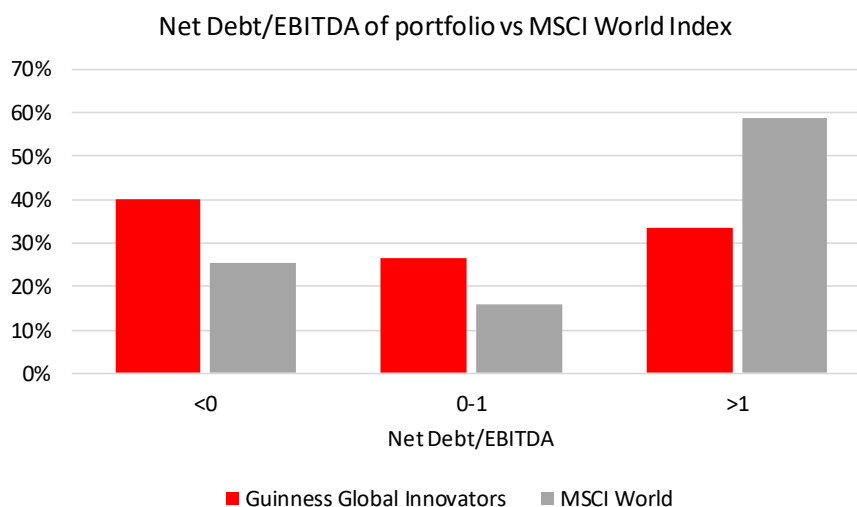


Figure 10: Guinness Asset Management, Bloomberg (data as of 31.03.2020)

Stock performances over Q1 2020 (total returns USD):

The fund benefited from strong stock selection over the quarter, with existing holdings Nvidia, Amazon and Tencent all providing positive returns. Nvidia benefitted from an increase in video gaming from consumers in lockdown as well as robust demand for its graphic processing units (GPUs) in data centres that provide the infrastructure enabling cloud-based products. Amazon, which commands the largest market share of the cloud computing market (with Amazon Web Services) similarly benefitted from the relatively robust demand for its cloud computing capabilities as more people worked remotely, streamed video and used cloud-based products. Although Amazon’s ecommerce business was not immune to supply chain disruption, its online-only business will have held up relatively well as high street stores closed and consumers flocked online. Conversely, our exposure to European Industrials including Continental, Siemens, Infineon (a semiconductor company that has large proportion of its revenue derived from the automotive sector) and Fanuc, the Japanese robotics manufacturer, was a drag on the portfolio.

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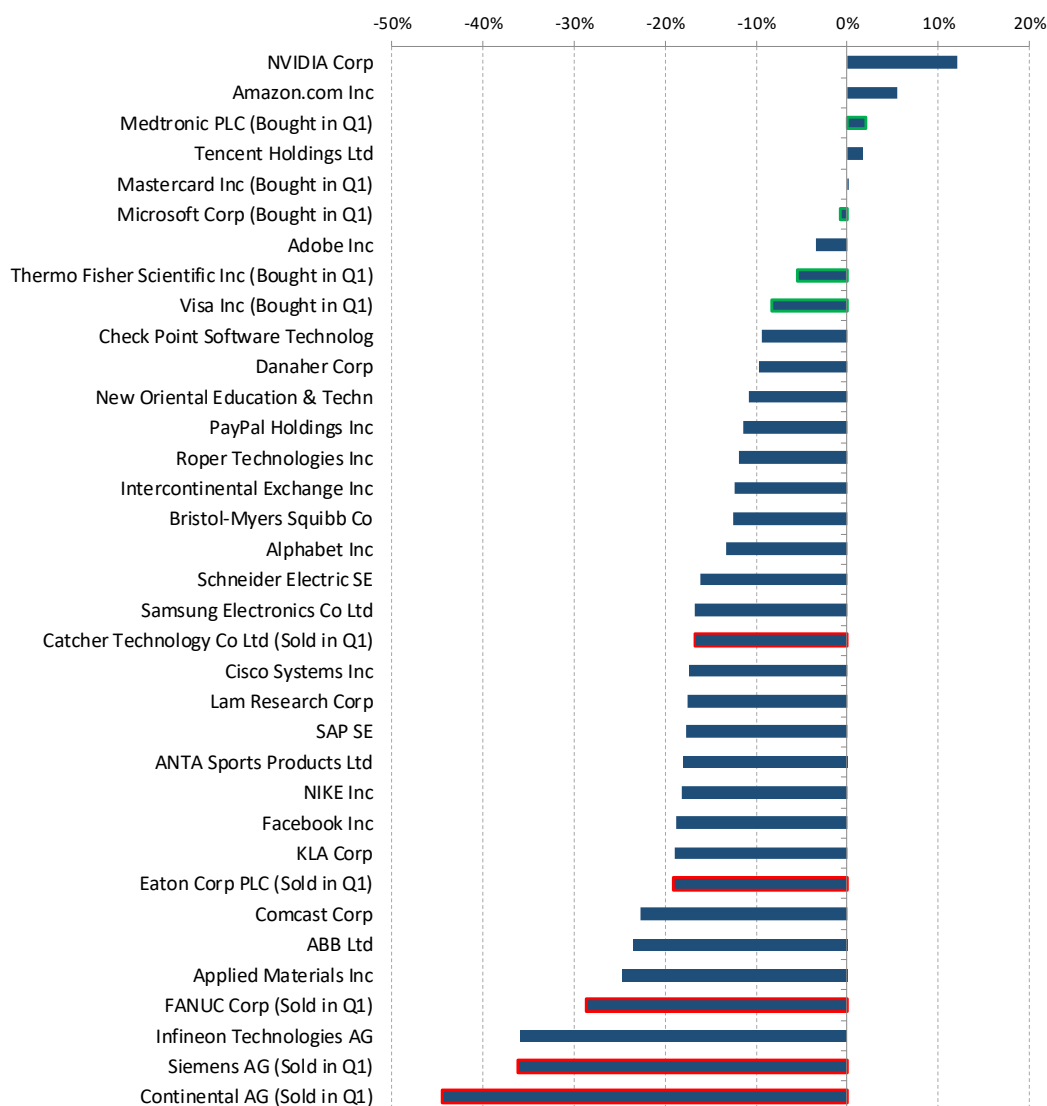


Figure 11: Individual performances of fund constituents. Guinness Asset Management, Bloomberg (data as at 31.03.2020)

Changes to the portfolio

We made five changes to the portfolio over the quarter, selling positions in Continental, Siemens, Fanuc, Catcher Technologies and Eaton, while initiating new positions in Visa, Mastercard, Microsoft, Medtronic and Thermo Fisher. In short, we exited positions in companies we believed to be more at risk given the current economic climate while entering positions in high-quality businesses which have been on our watchlist for some time but had questions over their valuation. In terms of exposure to our Innovation themes, the switches increased our allocation to Advanced Healthcare, Payments and Fintech and Cloud Computing whilst reducing our exposure to Robotics & Automation and Clean Energy & Sustainability.



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Continental, the manufacturer of tyres and chassis used in electric and autonomous vehicles, has struggled recently as growth in car sales has slowed, particularly in China, the largest auto market in the world. While the company trades on an attractive valuation given the oligopoly in tyres and its focus on innovative electric and autonomous sectors, the Covid-19 fall-out has pushed any growth from these innovative areas further out and as a result we felt there were better investments available.

Siemens, the conglomerate with businesses focusing on electrification, automation and digitalization, had been held in the portfolio since 2016. While the company has spun off several divisions leaving a company more focused on high-IP, high-growth areas, we felt there was little by way of short-term initiatives that the firm could deploy to spur near-term growth.

Fanuc is the second-largest producer of robotic arms primarily used in the manufacture of automotive and electronics,, with this technology set to transcend into increasing numbers of applications. While the company is attractively positioned for the future of robotics and automation, Fanuc's end markets have been some of the hardest hit from the Covid-19 slowdown and could possibly delay the technology from finding new applications as it requires large upfront costs. Furthermore, since the leading producer of robotic arms, ABB, is also held in the portfolio, we felt it best to reduce our exposure to this area considering the slowing macroeconomic environment.

In selling Catcher and Eaton, we essentially banked a 'relative profit'. Despite being more cyclical businesses, they had held up well relative to their respective sectors in the sell-off yet still had near-term headwinds. We therefore decided to sell both positions and buy into better-quality companies that had also sold off but for which longer-term growth was more certain and potentially greater.



Catcher Technologies is the manufacturer of aluminium and magnesium casings for smartphones and laptops. Our original thesis was that although the company derives a material portion of its revenue from Apple, the company was able to generate competitor-leading margins (net margin 23% at time of purchase) and we felt consumers' desire for increasingly premium devices should increase the demand for Catcher's products in new and more sophisticated smartphones and laptops. However, with smartphone sales already facing slowing growth, we felt the current environment raised further questions over the time lag before consumers would begin purchasing luxury items again, coupled with increasing competition which had eroded Catcher's competitive advantage.

Eaton, the power management company, manufactures energy-efficient products that help customers manage their electrical, hydraulic and mechanical power more sustainably. With the company deriving c.10% of its revenues from aerospace, 14% from automotive and a further (undisclosed) portion from oil and gas, we felt the company was not best placed to weather the current slowdown versus more asset-light investment opportunities that were exposed to more robust end markets.

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Visa and **Mastercard** have a duopoly on the global (ex-China) card network market. These businesses are responsible for handling billions of daily transactions connecting merchants with consumers' accounts. While cross-border transactions account for a material proportion of revenues for these businesses (many of which will now be materially affected while countries lock down their borders), their domestic-to-domestic transactions should remain relatively robust during this period and could even benefit as more people are forced to pay by card rather than cash (as people move online while shops are closed, and shops selling essentials recommend paying by card to reduce the transfer of the virus). These businesses continue to push into new regions including China, where UnionPay holds a monopoly, and use new technologies including blockchain to find solutions to unstructured business-to-business transactions.



Microsoft commands the second-largest market share in the cloud computing market (behind Amazon, also owned in the portfolio), which has seen tremendous growth as consumers demand increasingly cloud-based products and services. Alongside cloud computing, the company derives revenues from a diverse portfolio of products and services including the world's largest desktop operating system in Windows and its Office applications along with emerging technologies such as Artificial Intelligence, virtual reality headsets and mobile computing (smartphones, laptops and desktops).



While drug pricing pressures have created some uncertainty in pharmaceuticals, MedTech is an area we have liked for some time for its more stable recurring revenues but which has traded on historically high multiples. Again, the recent sell-off provided an opportunity to enter new positions in two high-quality medical technology companies. **Medtronic** is the largest pure-play MedTech business in the world, having initially specialised in pacemakers and defibrillators but over time expanding into providing a vast portfolio of medical equipment from stents, ventilators, and diabetes insulin pumps to robotic surgery. **Thermo Fisher** similarly produces a wide array of medical equipment and derives over 50% of its revenue from consumables, creating high recurring revenue. Both companies exhibit strong balance sheets and wide moats, which are derived from the strong relationships they have built with hospitals and practitioners and their resulting knowledge of these specific products.

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Portfolio characteristics

The two charts below show how the exposure of the fund has evolved since we launched the strategy back in 2003. We continue to hold no exposure to Real Estate, Energy, Materials, Consumer Staples and Utilities. Technology remains our largest exposure, split between three sub-sectors: semiconductors; software and services; and technology hardware. On a regional basis, North America continues to be the largest exposure (67%), with Europe (19%) and Asia Pacific (14%) sharing similar exposures.

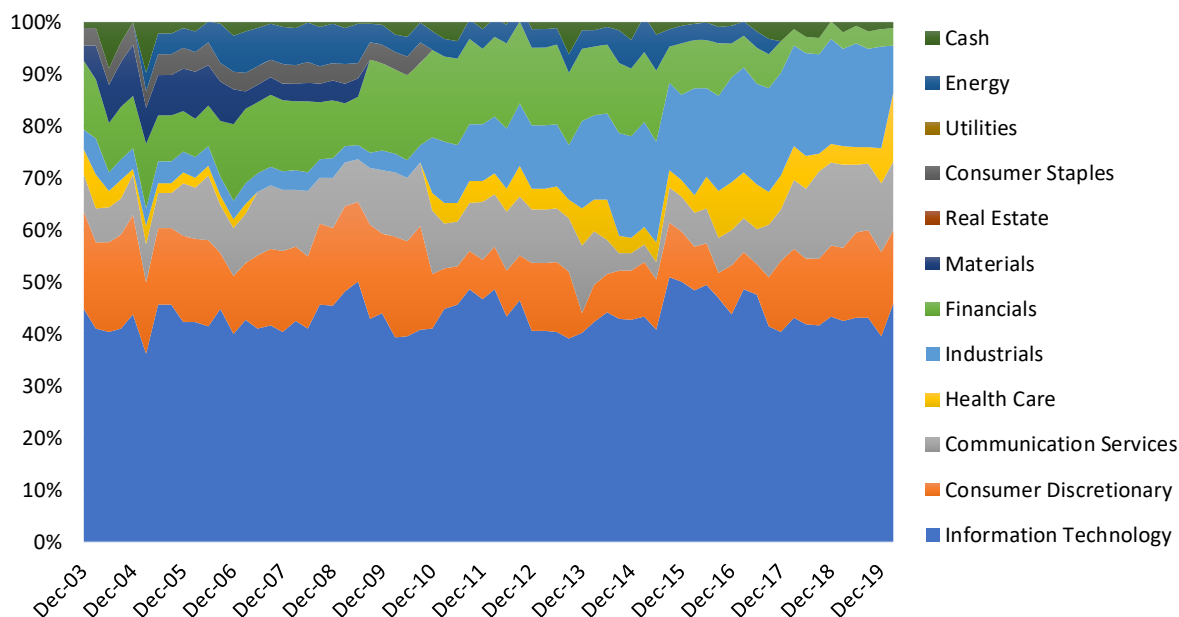


Figure 12: Portfolio sector breakdown. Guinness Asset Management, Bloomberg (31.03.2020)

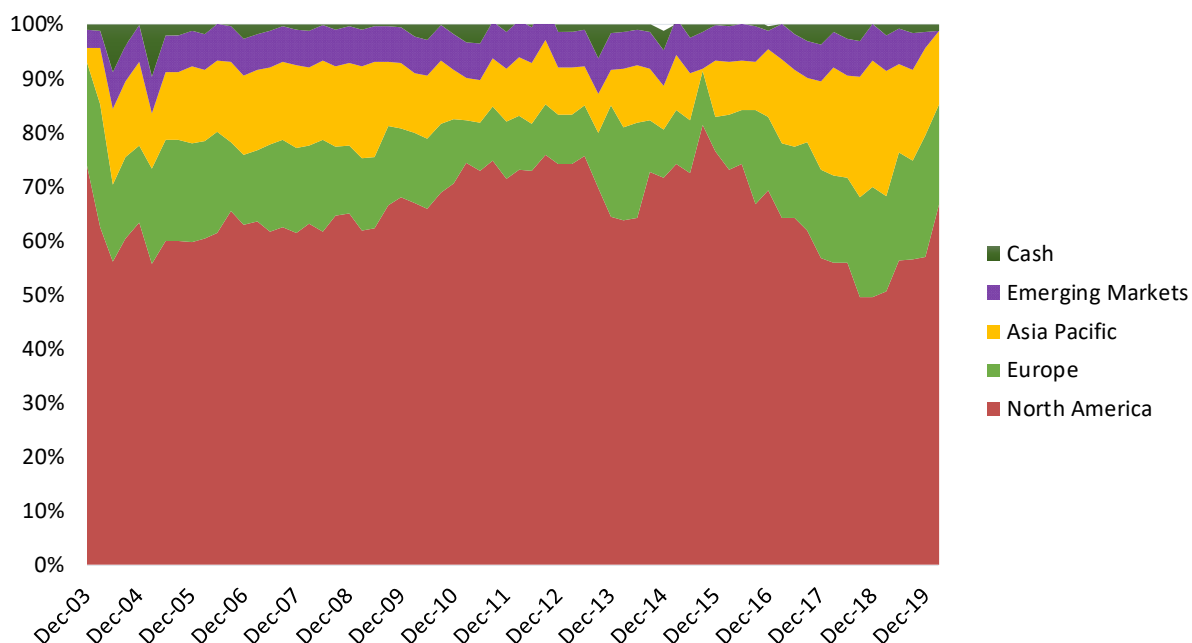


Figure 13: Portfolio geographic breakdown. Guinness Asset Management, Bloomberg (31.03.2020)

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The overall effects of the five switches we made during the quarter were an increase in our exposure to the US while reducing our exposure to Europe, Asia Pacific and Emerging Markets, while the switches also increased our exposure to IT and Healthcare and reduced the exposure to Industrials and Consumer Discretionary.

The fund's allocation to regions are now similar to that of the MSCI World. This is a result of our bottom-up stock selection process and not a 'top-down' decision.

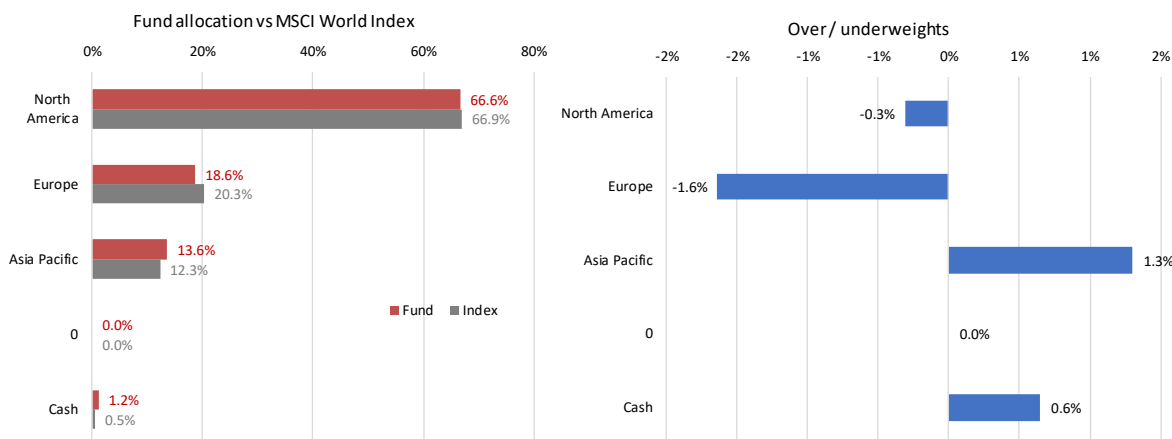


Figure 14: Geographic breakdown of the fund versus MSCI World Index. Guinness Asset Management, Bloomberg (data as at 31.03.2020)

On a sector level, the fund continues to have a large overweight to IT (26.8%), while the fund's 0% exposure to Real Estate, Energy, Materials, Consumer Staples and Utilities leaves these areas underweight relative to the benchmark.

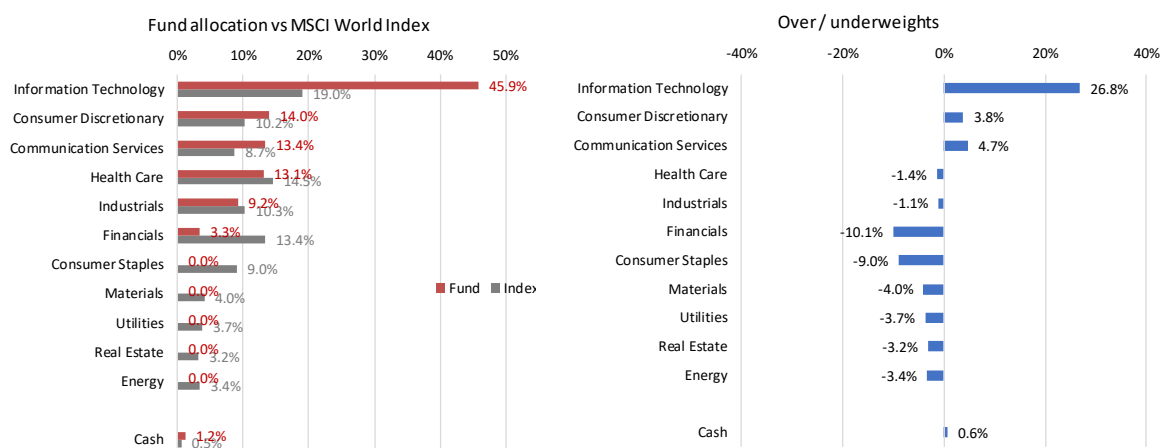


Figure 15: Sector breakdown of the fund versus MSCI World Index. Guinness Asset Management, Bloomberg (data as at 31.03.2020)

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Key fund metrics today

Innovation: We seek companies that are exposed to secular growth themes, which should therefore be more insulated to cyclical growth cycles. Our industrials exposure, for example, includes companies such as Schneider Electric, which is growing strongly in areas such as building efficiency and automation.

Quality: We only invest in companies with good (and ideally growing) returns on capital and strong balance sheets. In the recent sell-off a clear distinction was seen between businesses with strong vs weak balance sheets – companies which have taken on too much debt have been ‘propped up’ by low interest rates, but a shock to revenues has the potential to alter this balance and the market quickly discounted this scenario.

Growth and valuation: We look to buy good growth companies at reasonable valuations and specifically we try to avoid paying too high a premium for expected future growth as this is inherently less predictable.

Conviction: Although we run a concentrated portfolio of 30 stocks, we weight each position equally. This caps stock-specific risk to approximately 3.3%, thereby limiting the impact to the overall portfolio of a single company performing particularly poorly.

The table below illustrates how these four tenets of our approach are reflected at the portfolio level.

		Fund	MSCI World Index
Innovation	R&D / Sales	10%	7%
	CAPEX / Sales	5%	10%
Quality	CFROI (median 2020)	18%	8%
	Return-on-Equity	17%	13%
	Weighted average net debt / equity	5%	62%
Growth (& valuation)	Trailing 3-year sales growth (annualised)	14%	10%
	Estimated earnings growth (2021 vs 2020)	18%	14%
	FCF yield	4.8%	5.6%
	PE (2020e)	19.4	15.4
Conviction	Number of stocks	30	1190
	Active share	88%	-

Figure 16: Portfolio metrics versus index. Guinness Asset Management, Credit Suisse HOLT, Bloomberg (data as at 31.03.2020)

With borders closed, countries locked down and business activity drastically slowed, we believe our approach of investing in quality companies that can better weather economic uncertainty is highly desirable. Further, by taking a long-term view and investing in companies exposed to innovative themes, the recent sell-off could provide a fantastic opportunity to buy into long-term winners at reduced valuations. To reiterate, although these innovative companies are not immune to an economic slowdown, the short-term impact created by the Covid-19 outbreak could give way to an acceleration in innovation adoption: businesses will look to accelerate their digital presence,

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Guinness Global Innovators Fund

employers may demand more cloud-based working environments and ultimately consumer behaviours may change as they turn to more online products and services.

Portfolio Managers

Dr Ian Mortimer, CFA
Matthew Page, CFA

Analysts

Joseph Stephens
Sagar Thanki

Data sources

Fund performance: *Financial
Express, Total return in GBP*

Index and stock data: *Bloomberg*

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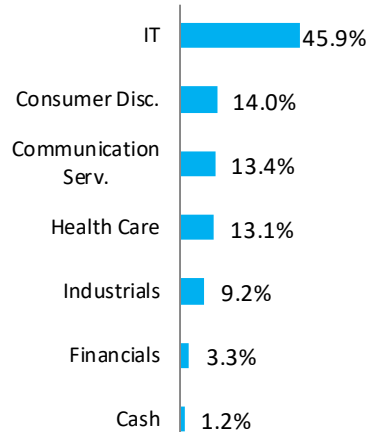
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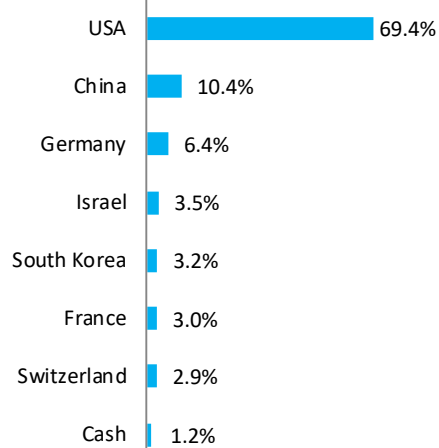
Fund top 10 holdings

Amazon.com	4.1%
Tencent Holdings	3.7%
Adobe Systems Inc	3.7%
Nvidia Corp	3.5%
Check Point Software	3.5%
Danaher Corp	3.4%
Microsoft	3.4%
Bristol-Myers Squibb Co	3.4%
Thermo Fisher Scientific	3.4%
Paypal	3.3%
% of Fund in top 10	35.6%
Total number of stocks	30

Sector analysis



Geographic allocation



31/03/2020

Annualised % total return from strategy inception (GBP)

Guinness Global Innovators strategy*	11.68%
MSCI World Index	8.74%
IA Global sector average	7.92%

Discrete years % total return (GBP)

	Mar '20	Mar '19	Mar '18	Mar '17	Mar '16
Guinness Global Innovators strategy*	2.0	3.9	10.8	35.3	-2.2
MSCI World Index	-5.8	12.0	1.3	31.9	-0.3
IA Global sector average	-6.0	9.0	2.7	28.6	-3.4

Cumulative % total return (GBP)

	1 month	Year-to-date	1 year	3 years	5 years	10 years
Guinness Global Innovators strategy*	-9.1	-10.6	2.0	17.4	55.3	214.2
MSCI World Index	-10.6	-15.7	-5.8	6.8	40.5	131.2
IA Global sector average	-9.9	-15.4	-6.0	5.1	30.6	94.7

RISK ANALYSIS

31/03/2020

Annualised, weekly, 5 years, in GBP	Index	Sector	Strategy*
Alpha	0	0.06	2.27
Beta	1	0.80	1.07
Information ratio	0	-0.18	0.37
Maximum drawdown	-24.58	-21.61	-22.23
R squared	1	0.81	0.86
Sharpe ratio	0.21	0.14	0.33
Tracking error	0	6.58	6.64
Volatility	14.93	13.33	17.32

Past performance should not be taken as an indicator of future performance. The value of this investment and any income arising from it can fall as well as rise as a result of market and currency fluctuations.

Source: Financial Express, bid to bid, total return, in GBP. Fund Y class composite (0.99% OCF): *Composite simulation of performance. Guinness Global Innovators Fund (UCITS) launched on 31.10.14. Performance data prior to this date is based on the actual returns of a US mutual fund managed by the same investment team using the same investment process as applied to the UCITS version. The past performance of the US mutual fund is not indicative of the future performance of Guinness Global Innovators Fund. 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.

Past performance should not be taken as an indicator of future performance. The value of investments and any income arising from them can fall as well as rise as a result of market and currency fluctuations.

Important information

Issued by Guinness Asset Management Limited, authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about Guinness Global Innovators 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 Innovators 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.

Documentation

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

- the Manager: Link Fund Manager Solutions (Ireland) Limited, 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.

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'Île, 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.

GUINNESS

ASSET MANAGEMENT

Guinness Asset Management Ltd is authorised and regulated by the Financial Conduct Authority

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