Guinness Global Dynamic Bond

Investment Commentary – October 2026

RISK

This is a marketing communication. Please refer to the prospectus, supplement, KIDs and KIIDs for the Fund (available on our website), which contain detailed information on its characteristics and objectives and full information on the risks, before making any final investment decisions.

The Guinness Global Dynamic Bond Fund is a fixed income fund. Investors should be willing and able to assume the risks of bond and fixed income 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. The Fund may invest in lower-rated securities which will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. The Fund may also invest up to 30% of its net assets in convertible bonds and other eligible asset classes as detailed in the Prospectus.

Past performance does not predict future returns.

The investment objective of the Fund is to provide a total return for investors through a combination of income and long-term capital growth. The Fund is actively managed without reference to a benchmark or comparative index for performance comparison purposes.

ABOUT THE STRATEGY

Launch	13.07.2026
Sector	TBC
Managers	Craig Veysey
EU Domiciled	Guinness Global Dynamic Bond Fund

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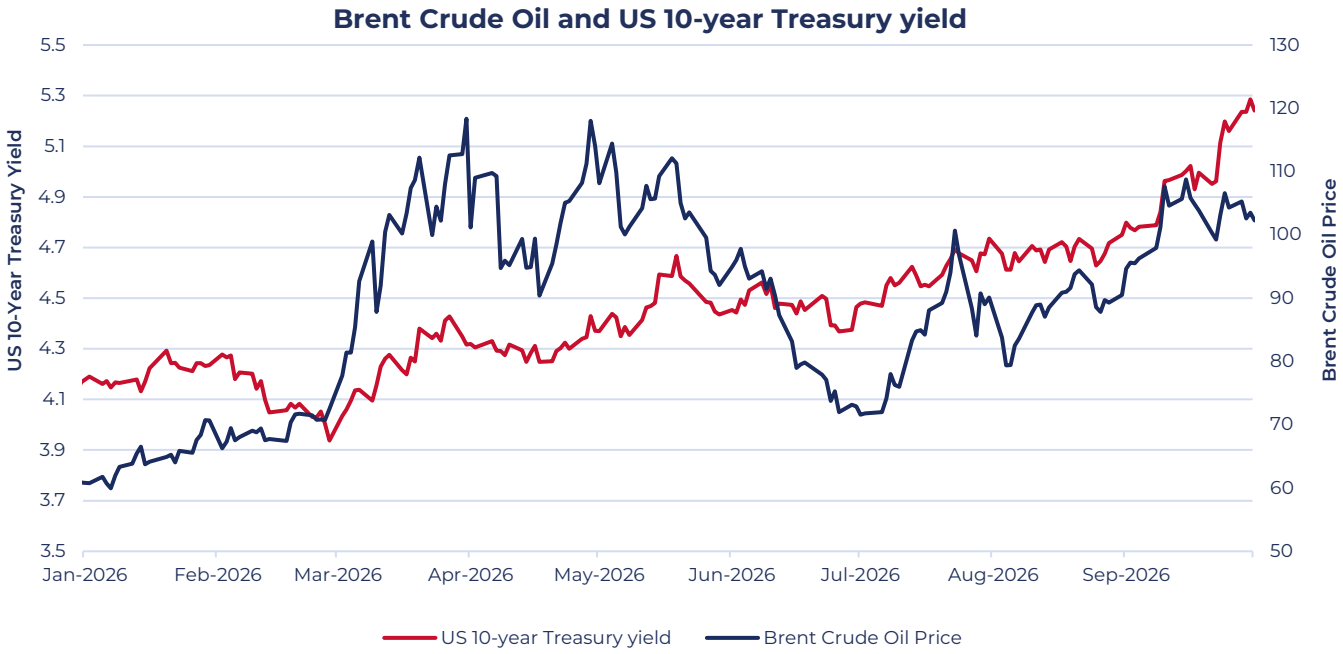
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COMMENTARY

Central banks raised rates largely as expected. It was the news around them that pushed government bond yields to their highest levels in almost two decades

Government bond yields rose sharply across developed markets in September. From our August month-end of 28 August, the US 10-year yield rose from 4.72% to 5.28%, the highest since 2007, ten-year gilts from 5.06% to 5.42% and 10-year Bunds from 3.28% to 3.59%. Central banks' interest rate rises were not themselves the catalyst. The European Central Bank raised its deposit rate to 2.50% on 10 September, the Federal Reserve raised its range to 3.75% to 4.00% on 16 September, and the Bank of Japan took its policy rate to 1.25%, a 31-year high, on 18 September, all broadly as expected. What moved markets was the tone from the Fed. Its statement called for a "timelier return to 2%", Chairman Kevin Warsh said that summer inflation readings did not show underlying trends had meaningfully improved, and the committee signalled a further increase this year.

The rest was an accumulation of bad news for bonds. Brent crude rose from around $90 at the end of August to close to $110 on 11 September, with no progress towards a ceasefire in the Middle East, and as the US Treasury Secretary has himself pointed out, bond yields have been closely tied to energy prices. On 9 September the Treasury tripled the maximum size of its long-end buybacks to $6bn, but the market had expected more and yields rose regardless. A public disagreement between Scott Bessent and his former mentor Stanley Druckenmiller over whether the buybacks amounted to yield suppression did not help. Yields eased back from mid-month until 22 September, the day Brent reached its low for the month. Two days of sharp gains in oil followed, alongside stronger than expected activity surveys in the US and Europe, with the US composite purchasing managers' index at a five-year high of 58.4. Brent finished September around $104, and the US 30-year yield closed at 5.64%.



Source: Bloomberg, Data to 1 October 2026

Elsewhere the picture was mixed. The Bank of England held Bank Rate at 3.75% but paused its gilt sales until April 2027 and set aside around £120bn of its longest gilts never to be sold, after the 30-year gilt yield reached 5.95% on 15 September, the highest since 1998. In Europe, the ECB's rate rise did little to settle French bonds: the gap between French and German 10-year yields widened from 85 basis points at the end of August to around 140 by month-end, the widest since the eurozone debt crisis. Japan was the most stable of the major markets, with the 10-year Japanese government bond yield rising just 14 basis points to 3.07%, against rises of 31 to 56 basis points in the US, UK and Germany.

Investment-grade corporate bonds were not spared, but the damage came mostly from government bond yields rather than from credit risk. Investment-grade spreads widened only modestly, from 71 to 79 basis points, but with index duration of 5.6 years the rise in yield to worst from 4.85% to 5.34% meant the global investment-grade market fell 3.05% over the month. High yield spreads widened more, from around 270 to 314 basis points, and the global high yield market fell 3.0%.

PORTFOLIO ACTIVITY

We extended portfolio duration through the month as yields climbed, from 7.7 years to 9.6 years, within our internal range of zero to 10 years. The government bond book's contribution rose from 3.5 years to 5.7, while credit held broadly steady at 3.9. Most of the extension was made in the second half of September, as yields eased back from their mid-month highs. The final week took yields higher again, so the timing was early, but the additions were made at yields not seen in almost two decades.

The mix changed as much as the size. The US Treasury's buybacks proved less effective than we had expected, and in early September we moved part of our Treasury holding into long-dated Japanese government bonds, which reached 7.6% of the Fund exposure by month-end. In mid-September we bought longer-dated gilts, which ended the month at 11.8% of the Fund: the Bank of England's decision to stop selling its longest gilts removed a supply overhang, government comments ahead of the Budget sounded cautious, and yields were at their highest since 1998. In Europe we sold 10-year Bunds and French government bonds, reinvesting partly in 10-year Treasuries, and added at the long end in Germany, France and Italy, where positioning was very short and the ECB had shown it was serious about inflation. Over the month, US Treasuries fell from around 15% of the Fund to 8%.

Within credit we established two new positions, described below, and added to Stellantis, Co-op and Nationwide as their prices weakened. High yield exposure rose modestly to 17.9%, well within our 30% limit and concentrated in BB-rated credits.

TWO NEW CREDIT POSITIONS

CMC Markets 7.125% 2036

CMC Markets, the UK-listed online trading group, issued its first Tier 2 bond in September: a 10-year bond callable after five years and rated BB+ by Fitch. It was smaller than benchmark size and came after a heavy period of issuance, and the bonds traded below their issue price soon after launch, which gave us the opportunity. The business is well capitalised, with regulatory capital close to three times its requirement, and profit before tax rose 20% to £101m in the year to March. At a spread of around 270 basis points, roughly double that on senior bonds from listed peers IG Group and TP ICAP, we see plenty of room for the bonds to tighten, and the five-year call keeps the interest rate risk modest.

AT&T 7.05% 2052

We also bought AT&T's 7.05% sterling bond due 2052, rated BBB. AT&T has a record of retiring its own debt when bonds trade below par, including a tender offer across 63 series of notes in 2022. A long-dated bond with a 7% coupon, priced just below par, is the kind of debt that becomes a candidate for buyback when conditions allow. In the meantime it yields around 7.5% hedged into US dollars.

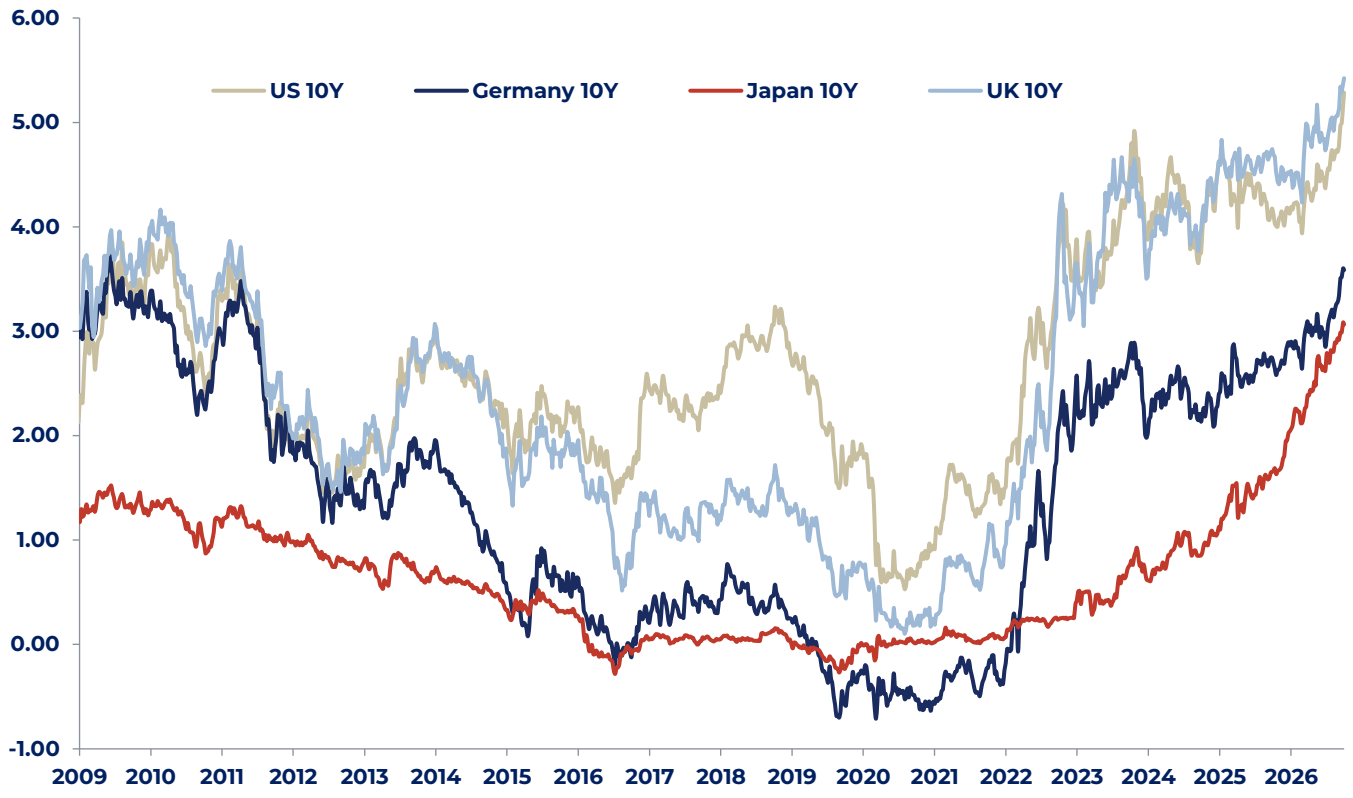
Reference to specific securities is for illustration of the investment approach only and does not constitute a recommendation to buy or sell.

MARKET OUTLOOK

Yields are at multi-decade highs, and speculative positioning in government bonds is the shortest since 2023

Recent weakness has left starting yields the most attractive we have seen in years, and not only in the US, where the ten-year ended September at 5.28%, the highest since 2007. Ten-year gilts yield 5.42%, German Bunds 3.59% and even Japan 3.07%. We have not seen levels like these for decades. The concern behind them is understandable, with inflation still above target and public finances in poor shape. But investors are now being paid properly for it, which was not true in previous years. Positioning and sentiment on the highest-quality developed market debt have become very negative at precisely that point. On our own measures, speculative short positions across the major government bond markets are the largest since 2023. France stood out. Our in-house model, which measures how stretched a market has become, put French government bonds 3.77 standard deviations from their norm at the end of September. That was the most stretched reading since mid-2022 and in the most extreme 1% of the past five years.

Should a shock arrive that is not currently priced, or should growth and inflation expectations simply moderate, that positioning is likely to unwind and support returns. A weaker economy, itself a consequence of rates at these levels, is the most obvious catalyst, but it is also possible that bond yields at multi decade highs may start to be viewed as a more viable defensive asset in a multi-asset bond portfolio. Long-dated bonds benefit most if yields decline, and with curves this steep they compound attractively while we wait. That is why we raised the Fund's government bond allocation from 33.1% to 38.7% over the month, with longer-dated gilts and the 30-year Treasury its largest holdings at month-end.



Source: Bloomberg, 30 September 2026

Yields now pay investors to wait

The simplest test of whether a bond yield is attractive is to ask how far yields would have to rise over a year before the income is wiped out. Today the answer is a long way. At 5.28%, a US 10-year Treasury can absorb a rise of around 70 basis points in a year before its return turns negative. In August 2020, when it yielded 0.52%, the cushion was just 5 basis points. The Fund, yielding 7.0% hedged into US dollars with duration of 9.6 years, has a cushion of around 74 basis points. In our view, current yields price the risks of inflation, deficits and heavy supply more than adequately.

	Yield	Duration (years)	Yield rise one year's income absorbs
US 10-year, August 2020	0.52%	9.7	5bp
US 10-year, 30 September 2026	5.28%	7.7	69bp
The Fund (USD hedged), 30 September 2026	7.05%	9.6	74bp

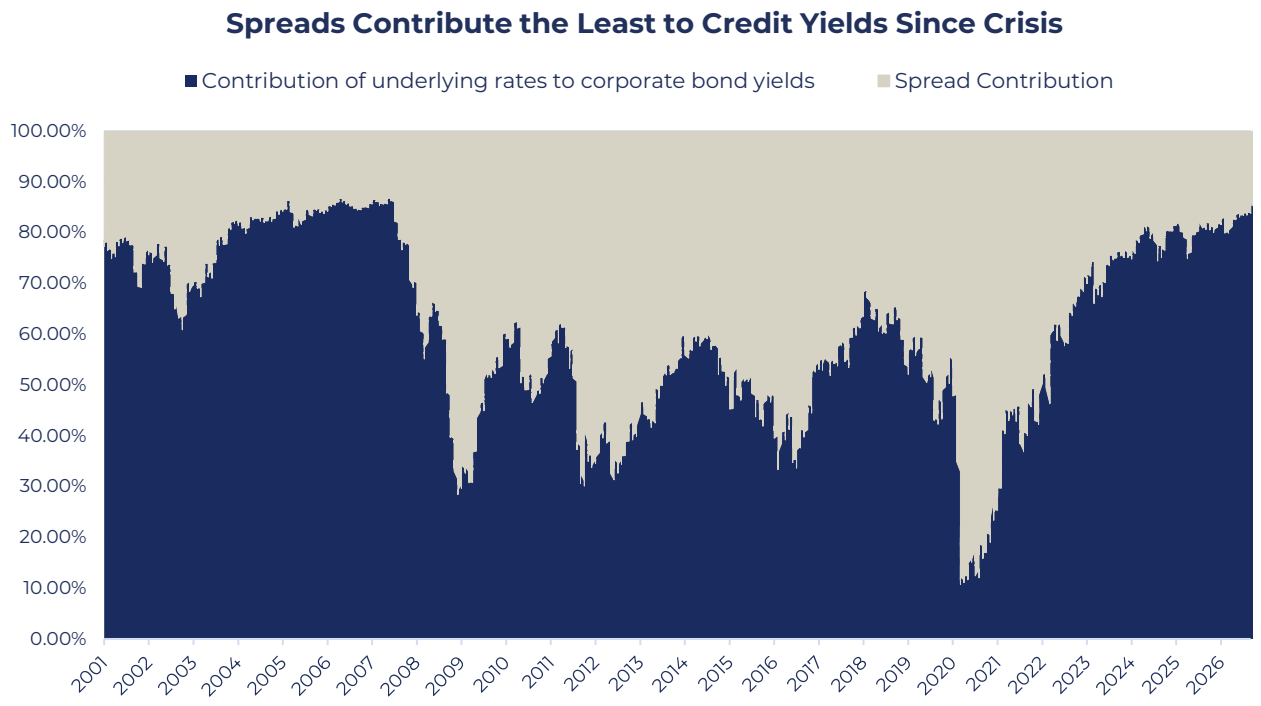
Source: Bloomberg, 30 September 2026

The figures shown are illustrative estimates only and are not a guaranteed level of protection against losses, as other factors can affect returns.

Positioning strengthens the case. When investors are this heavily positioned for higher yields, it takes little good news to force them to buy back, and the moves that follow can be sharp.

Where is the yield coming from?

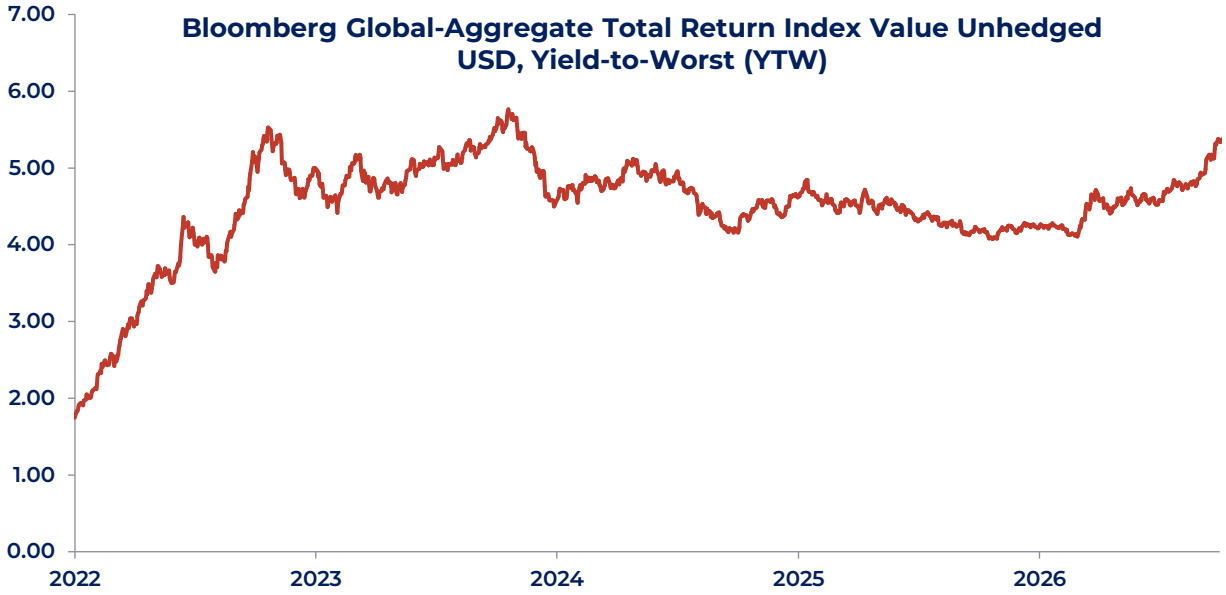
Spreads account for only around 15% of the all-in yield on the global investment-grade index, with government bonds supplying the rest. That remains close to the lowest contribution since before the financial crisis. September showed what this means in practice. Investment-grade spreads widened only from 71 to 79 basis points, but the market fell 3.05%, because the yield to worst rose from 4.85% to 5.34% on 5.6 years of duration. Almost all of the move came from government bond yields, not from credit risk becoming better paid.

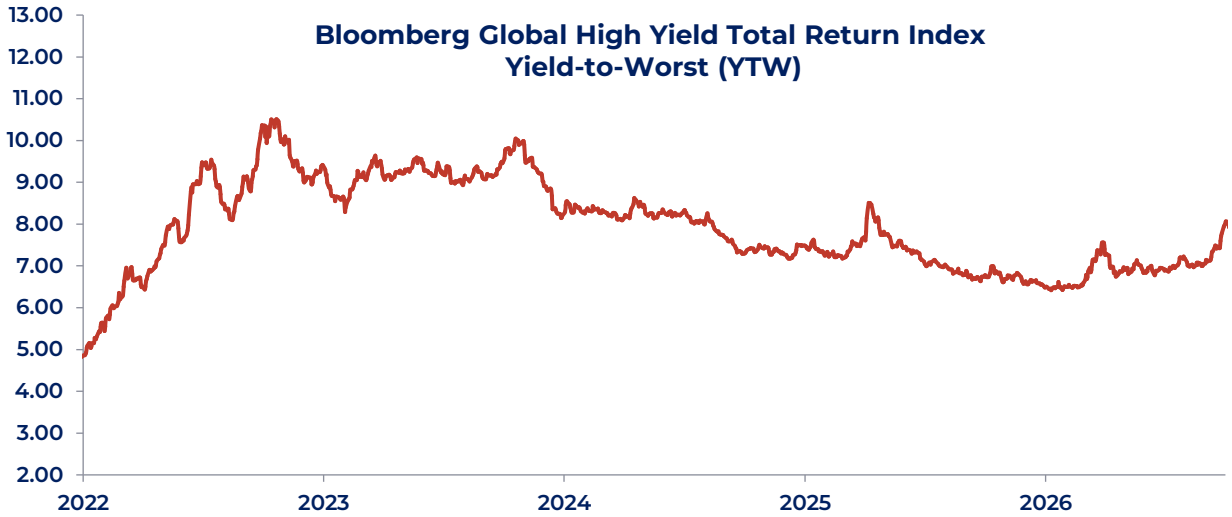


Note: Global Investment Grade, monthly resolution, as of 30 Sep September 2026. Source: Bloomberg Indices

Credit: better entry points are appearing, but this is not yet a dislocation

High yield has started to move. Spreads widened from around 270 basis points at the end of August to 314 at the end of September, and to around 340 since, the widest since March. That is a step in the right direction for a buyer. It is not yet the dislocation we have been waiting for, and spreads at these levels still leave little margin for disappointment, whether from a renewed energy shock, from the heavy corporate borrowing funding AI-related investment, or simply from a slowing economy. With government bonds this attractive, broad credit risk is not the way to be paid. We work bottom-up and without bias, adding selectively where pricing reflects structure or technical pressure rather than fundamentals, as with CMC and the additions to Stellantis and Co-op this month. High yield stands at 17.9% of the portfolio against an internal maximum of 30%, focused on BB-rated credits, which leaves ample room to add if spreads widen further.

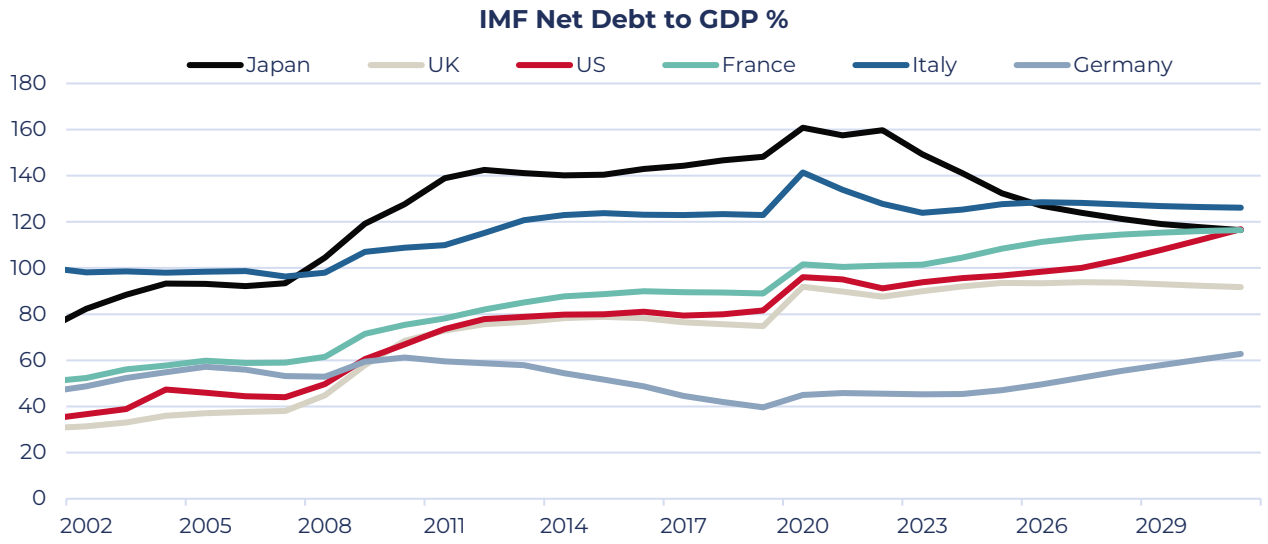




Source: Bloomberg Indices, as of 30 September 2026

Two opportunities for our government bond allocation

Market-capitalisation-weighted indices lend most heavily to whoever has issued most, which is a poor organising principle when the issuance is the problem. As we noted last month, on IMF projections, US net debt rises towards 115% of GDP by 2031, while Japan, long cited as the cautionary tale, falls towards 123% from a peak above 160%. Germany deteriorates from a position of considerable strength and remains the outlier by some distance. Running the government allocation actively lets us act on those differences rather than accept the weights an index would hand us, and two decisions this month follow directly from it.



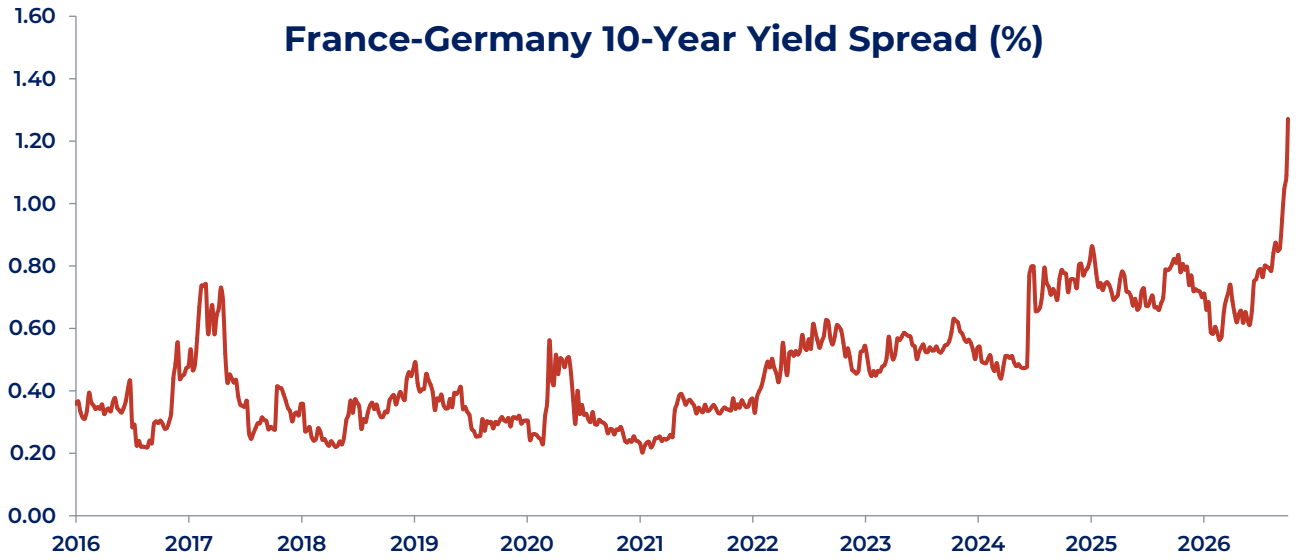
Source: Bloomberg September 2026

Japan: the steadiest market, and improving

Japan has become one of the Fund's largest government bond exposures, at 7.6% at the end of September and around 10% today. Three things stand out. Japan is one of the few major economies where net debt is falling as a share of GDP, from a peak above 160% in 2020 towards 123% by 2031 on IMF projections. Hedged back into US dollars, a 30-year JGB yields around 6.8%, against 5.6% on the 30-year Treasury. Meanwhile, Japan was the most stable of the major bond markets in September. The Bank of Japan is now raising rates, and political pressure on domestic pension funds to invest more at home supports demand for JGBs. We also see the yen as undervalued, with the potential to benefit as a safe haven as Japanese rates rise and the debt picture improves.

France: why we sold

We have sold our remaining French government bonds since the month end, using a brief rally to do so. The gap between French and German 10-year yields has widened from 85 basis points at the end of August to above 150 basis points in mid-October. The presidential election in April and May 2027 has left little appetite for compromise on the budget. Marine Le Pen, who leads the polls, has pledged €140bn of savings by 2032, but she also aims to reverse the 2023 pension reform, which raised the retirement age from 62 to 64 and was projected to save €17.7bn a year by 2030. Reversing it would add to spending, making the savings target harder to reach. With public debt at around 119% of GDP and a deficit above 5%, we see a real risk that yields may stay more elevated ahead of the election.



Source: Bloomberg, as of 30 September 2026

POSITIONING

The most significant change this month was in government bonds, which rose from 33.1% of the Fund at the end of August to 38.7% at the end of September. Investment-grade credit fell from 48.4% to 41.6% and high yield rose modestly from 17.2% to 17.9%, with 1.8% in cash and an average credit rating of BBB+. Portfolio duration was 9.6 years at month-end, near the top of our zero-to-10-year range, reflecting our view that yields more than compensated for the risks.

Key Facts	
Yield to Maturity	6.55% (USD Hedged Yield 7.05%)
No. of holdings	38
Average rating	BBB+
Portfolio Duration	9.58 years
Income Yield	5.96%
Distribution Yield	6.39%
Distribution Frequency	Monthly

Top 10 Holdings	Coupon	Maturity	Sector	%
UK Gilt	0.500%	22/10/2061	Government	6.6%
US Treasury	5.000%	15/05/2056	Government	6.0%
UK Gilt	3.750%	22/10/2053	Government	5.2%
Nationwide	10.250%	PERPETUAL	Financials	3.9%
Co-Operative Grp	8.250%	01/06/2028*	Consumer, Non-Cyclical	3.9%
Italy	4.200%	01/03/2034	Government	3.7%
Energy Transfer	6.750%	15/11/2035*	Energy	3.0%
Centrica	6.500%	21/02/2030*	Utilities	3.0%
EDF	7.375%	17/06/2035*	Utilities	3.0%
CMC Markets	7.125%	03/09/2031*	Financials	3.0%

** Expected call date*

Source: Bloomberg and Waystone, as of Sep 30 2026

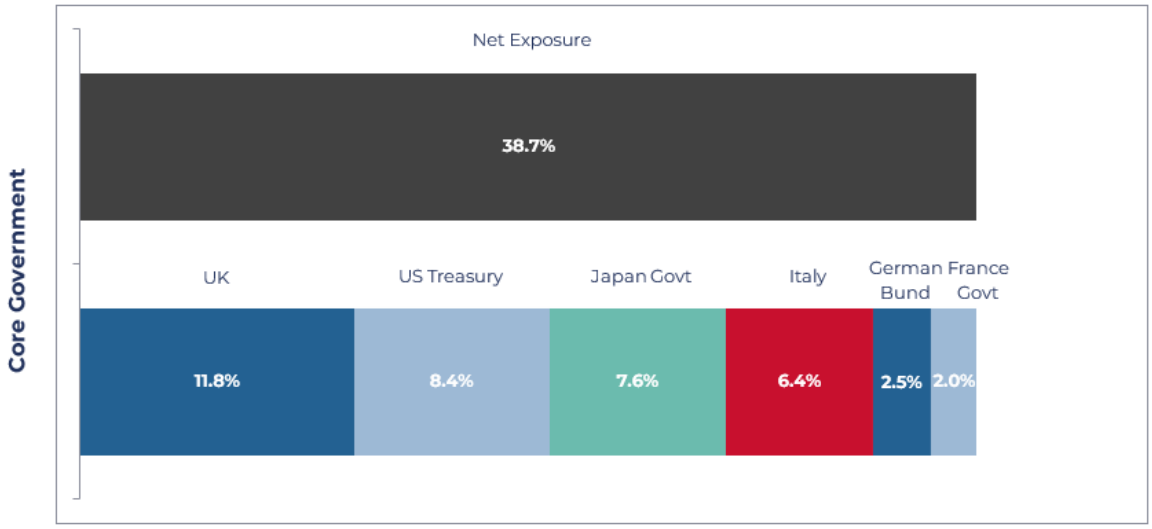
At the month end, government bond exposure was spread across the UK at 11.8%, the US at 8.4%, Japan at 7.6%, Italy at 6.4%, France at 2.0% and Germany at 2.5%. Longer-dated gilts and the 30-year Treasury were the Fund's largest holdings. Individual credit positions remain sized with conviction, between roughly 2.5% and 4%, and concentrated on situations specific to the issuer or instrument rather than the direction of markets.

Since month-end we have reduced portfolio duration risk to around 6 years. Government bonds rallied in mid-October as speculative short positioning, which had become extreme, was squeezed as we had expected. We used that rally to reduce our long-duration positions in the UK and US. Without the immediate catalyst of a more detailed ceasefire and deal between the US and Iran, and the lower energy prices that would probably follow, we expect more of a range trade on yields in the near term, with a move to higher yields providing an opportunity to add again to duration for a more sustained rally in bonds. We have also sold our remaining French government bonds and increased Japan exposure to around 10%.

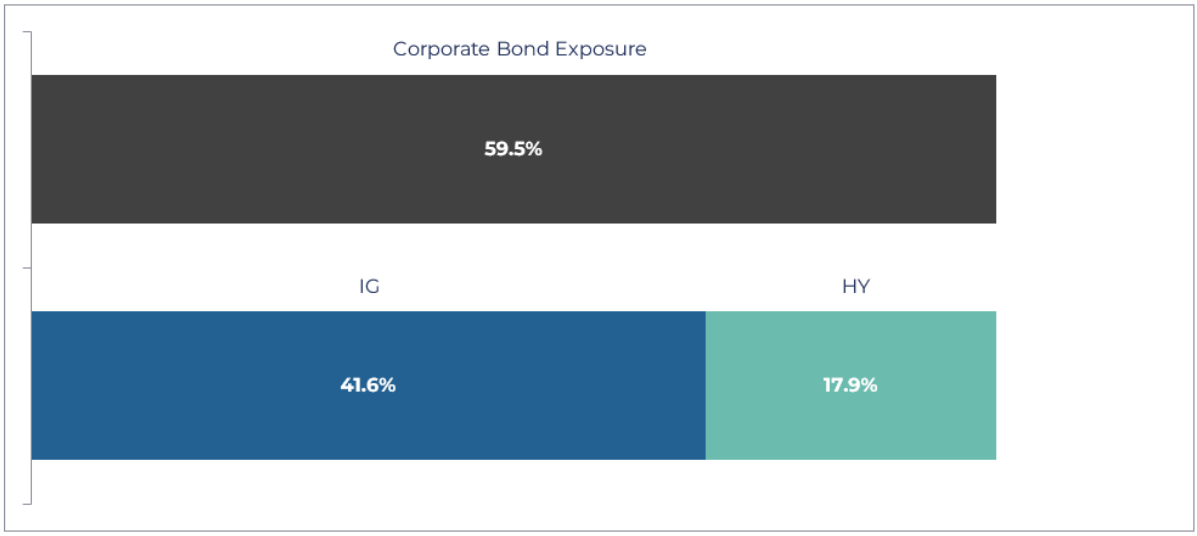
On currencies, non-base currency bond exposure was fully hedged at month-end. We held a long yen position for much of September and closed it around the Bank of Japan's meeting. Since month-end we have re-established it, this time against the euro.

The Fund's yield to maturity was 6.6% at month-end, or 7.0% hedged into US dollars. Alongside credit selection we will continue to manage government bond exposure, duration and currency risk actively as conditions change.

Tactical Positioning
Active Macro Overlay

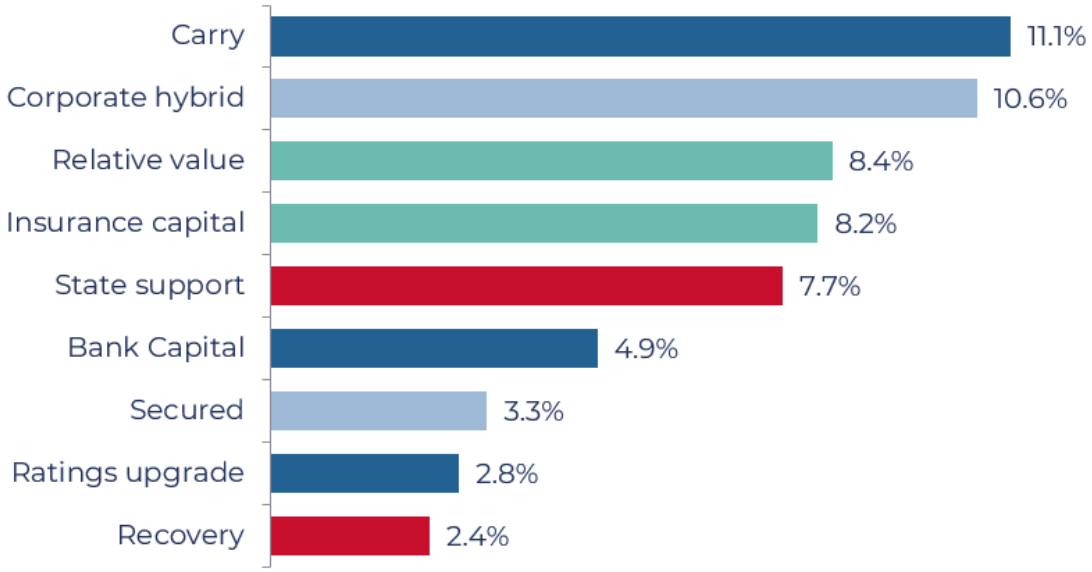


Strategic Positioning
Value-Driven Credit Approach

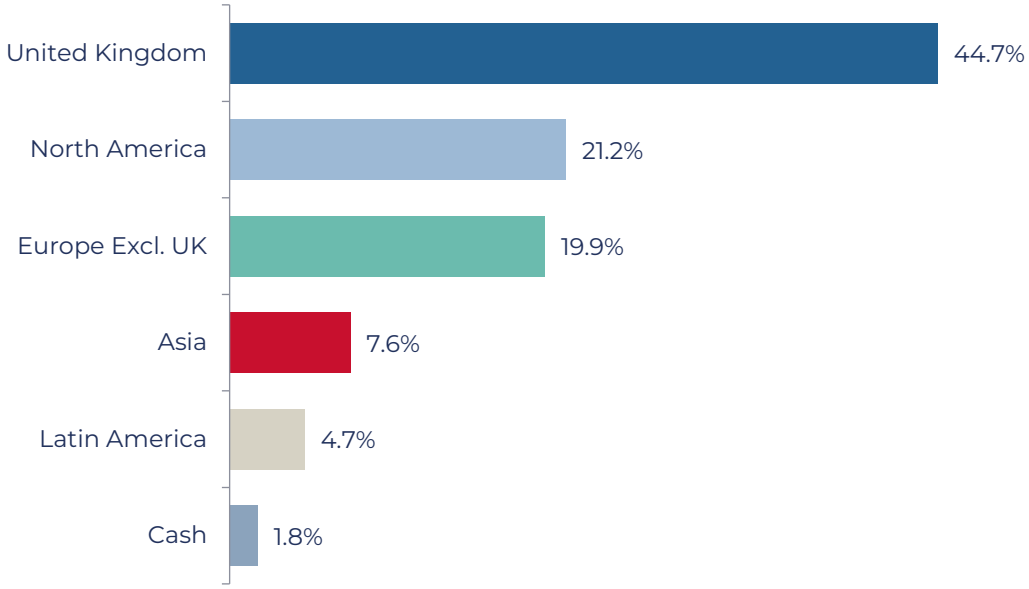


Source: Guinness Global Investors. Data as of 30 September 2026

Corporate Bonds breakdown by strategy

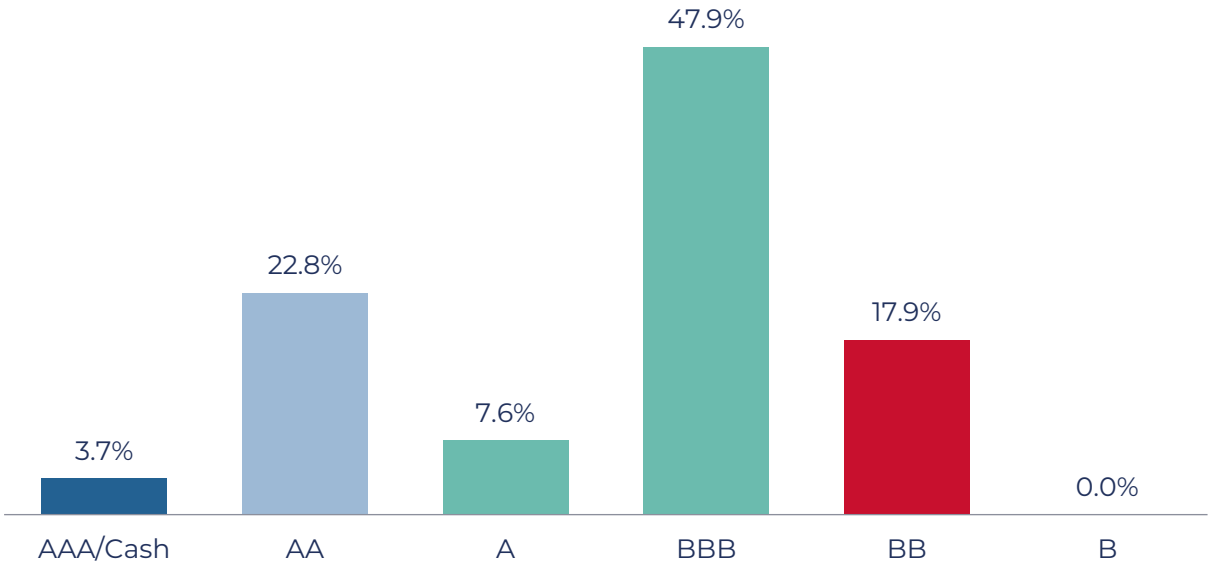


Geographic Allocation



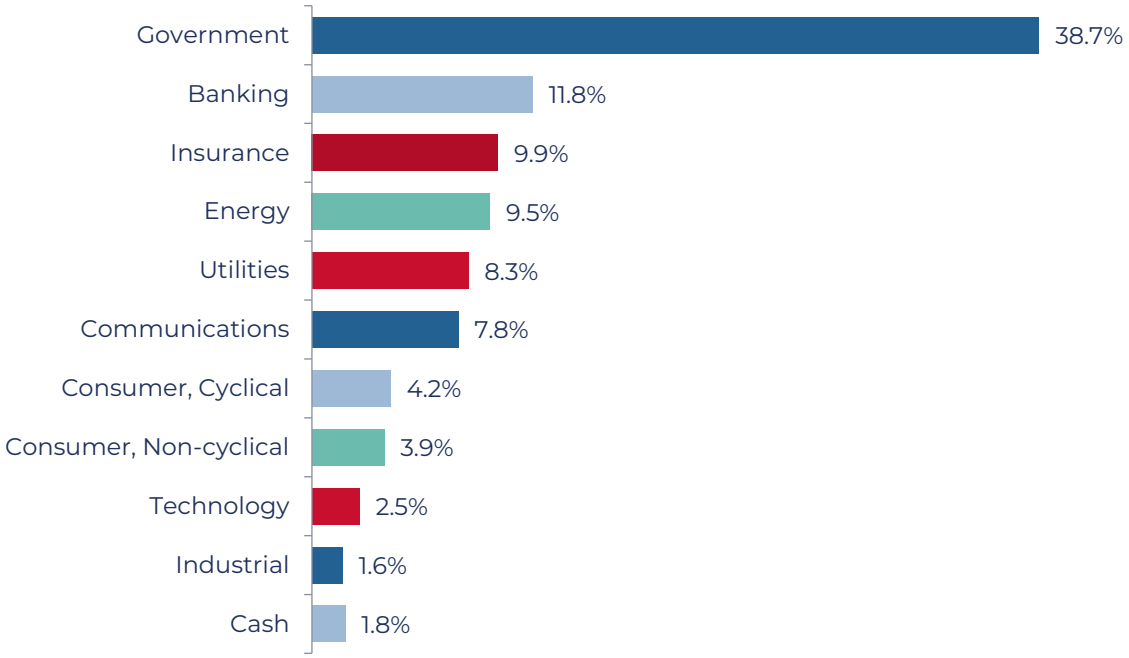
Source: Guinness Global Investors. Data as of 30 September 2026

Credit Ratings



Credit ratings indicate the assessed creditworthiness of a bond issuer. Bonds rated BBB- or above are generally considered investment grade, while those rated BB or below are considered below investment grade and carry a higher risk of default. Credit ratings are not guarantees and may change over time.

Sector Exposure



Source: Guinness Global Investors. Data as of 30 September 2026

We look forward to keeping you informed and thank you for your support of the Fund.

Portfolio Manager
Craig Veysey

IMPORTANT INFORMATION

Issued by Guinness Global Investors, which is a trading name of Guinness Asset Management Limited, which is authorised and regulated by the Financial Conduct Authority and registered with the Securities and Exchange Commission ("SEC"). SEC registration does not imply a certain level of skill or training.

This report is primarily designed to inform you about fixed interest securities and equity and fixed interest markets invested in by the Guinness Global Dynamic Bond 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. OCFs for all share classes are available on www.guinnessgi.com.

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

- the Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin D04 A4E0, Ireland; or
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager 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, including collective redress mechanisms, is available here: https://www.waystone.com/waystone-policies/

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.**

The Fund is recognised in the UK under the Overseas Funds Regime (OFR) but it is not a UK-authorised Fund. UK investors should be aware that they may not be able to refer a complaint against the fund's Management Company or its Depositary to the UK's Financial Ombudsman Service. Any claims for losses relating to the Management Company or its Depositary will not be covered by the Financial Services Compensation Scheme, if either entity should become unable to meet its liabilities to investors. For more information, please see the Country Supplement for this Fund on www.guinnessgi.com.

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 KID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Intesa Sanpaolo Wealth Management S.A., Rue du Rhône 4, 1204 Geneva, Switzerland. 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.

Glossary of Terms: A glossary explaining key investment terms used in our marketing materials is available here: https://www.guinnessgi.com/glossary.

Telephone calls will be recorded and monitored.