Guinness Global Innovators

Investment Commentary – November 2026

RISK

This is a marketing communication. Please refer to the Prospectus, Supplement, and KID/KIIDs for the Funds (available on our website), which contain detailed information on their characteristics and objectives and full information on the risks, before making any final investment decisions.

The Funds are equity funds. Investors should be willing and able to assume the risks of equity investing. The value of an investment can fall as well as rise as a result of market and currency movements, and you may not get back the amount originally invested.

Past performance does not predict future returns.

The Guinness Global Innovators Funds are designed to provide investors with exposure to quality growth companies. The companies invested in will, in the manager's opinion, create or embrace new technology, ideas and processes to drive their growth. The Funds are actively managed and use the MSCI World Index as a comparator benchmark only.

ABOUT THE STRATEGY

Launch	01.05.2003
Index	MSCI World
Sector	IA Global
Managers	Dr Ian Mortimer, CFA Matthew Page, CFA
EU Domiciled	Guinness Global Innovators Fund
UK Domiciled	WS Guinness Global Innovators Fund

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COMMENTARY

In October, the Guinness Global Innovators Fund returned -3.4% (in GBP), the MSCI World Index returned -1.6%, and the IA Global sector returned -1.5%. The Fund therefore underperformed the Index by 1.8 percentage points and its peer group average by 1.9 percentage points.

Over October, global equities came under pressure, with the MSCI World Index declining 0.8% (in USD). While the headline decline appears modest, the figure masks a significant rotation away from Technology stocks towards more defensive areas of the market. Growing concerns over the scale of AI infrastructure investment, rising financing requirements and uncertainty over future returns weighed heavily on the Technology sector, despite generally resilient economic data and corporate earnings. This prompted a sharp reversal in market leadership, with value stocks (+2.7%) outperforming growth (-4.2%) by 6.9pp, while defensive sectors outperformed cyclicals. Energy, Consumer Staples and Health Care were among the strongest-performing sectors, while Communication Services and Technology suffered significant declines. Government bonds also rallied as investors sought safety amid volatility in equity and credit markets.

At the centre of this rotation was a growing reassessment of the AI investment boom. While demand for AI computing power remains strong, investors increasingly questioned whether the extraordinary capital being committed to data centres and computing infrastructure would ultimately generate sufficient returns. These concerns were amplified by rising borrowing costs for more highly leveraged infrastructure providers, growing pressure on free cash flow and further increases in capital expenditure announced during the latest earnings season.

In this commentary, we examine the drivers behind October's sharp rotation in market leadership and why investors are increasingly questioning the sustainability of the AI investment boom. We also consider how the enormous capital commitments, growing financing pressures and interconnected nature of the AI ecosystem reinforce the importance of financial quality, strong balance sheets and disciplined capital allocation.

Over the month of October, the Fund's relative performance can be attributed to the following:

- Information Technology was the largest detractor from performance, with the Fund's overweight exposure resulting in a negative allocation effect. Concerns surrounding the sustainability of AI investment and rising capital expenditure weighed on investor sentiment, with the sector declining 7.0% in USD over the month. However, the Fund benefited from positive stock selection, supported by a particularly strong return from Roper Technologies (+33.8% USD), as parts of the software and services industry proved relatively resilient to the broader weakness in the technology sector.
- Financials was the strongest-performing sector in the Fund, and with an aggregate return of 14.9% in USD, the Fund's holdings significantly outperformed the wider sector (+1.7%). Stock selection was a key positive contributor to relative performance, driven by particularly strong returns from the exchanges, including Intercontinental Exchange (+11.1% USD), London Stock Exchange Group (+17.4%) and Nasdaq (+15.5%), alongside the payment networks Mastercard (+15.8%) and Visa (+15.1%).
- The absence of exposure to some defensive and cyclical sectors detracted from relative performance. The wider Consumer Staples (+10.7%), Energy (+12.8%) and Utilities (+7.9%) sectors all delivered strong positive returns, benefiting from a broader shift towards more defensive areas of the market.
- Communication Services was another detractor, with the Fund's overweight exposure weighing on relative performance as the sector declined 13.5% in USD. Alphabet (-18.7%) and Meta (-15.2%) were particularly weak as their earnings results reignited investor concerns over the scale of AI-related capital expenditure and the ability of these investments to generate sufficient returns.

It is pleasing to see the strategy in the top quartile versus the IA Global sector over the longer timeframes of 10, 15 and 20-year periods, as well as since its launch.

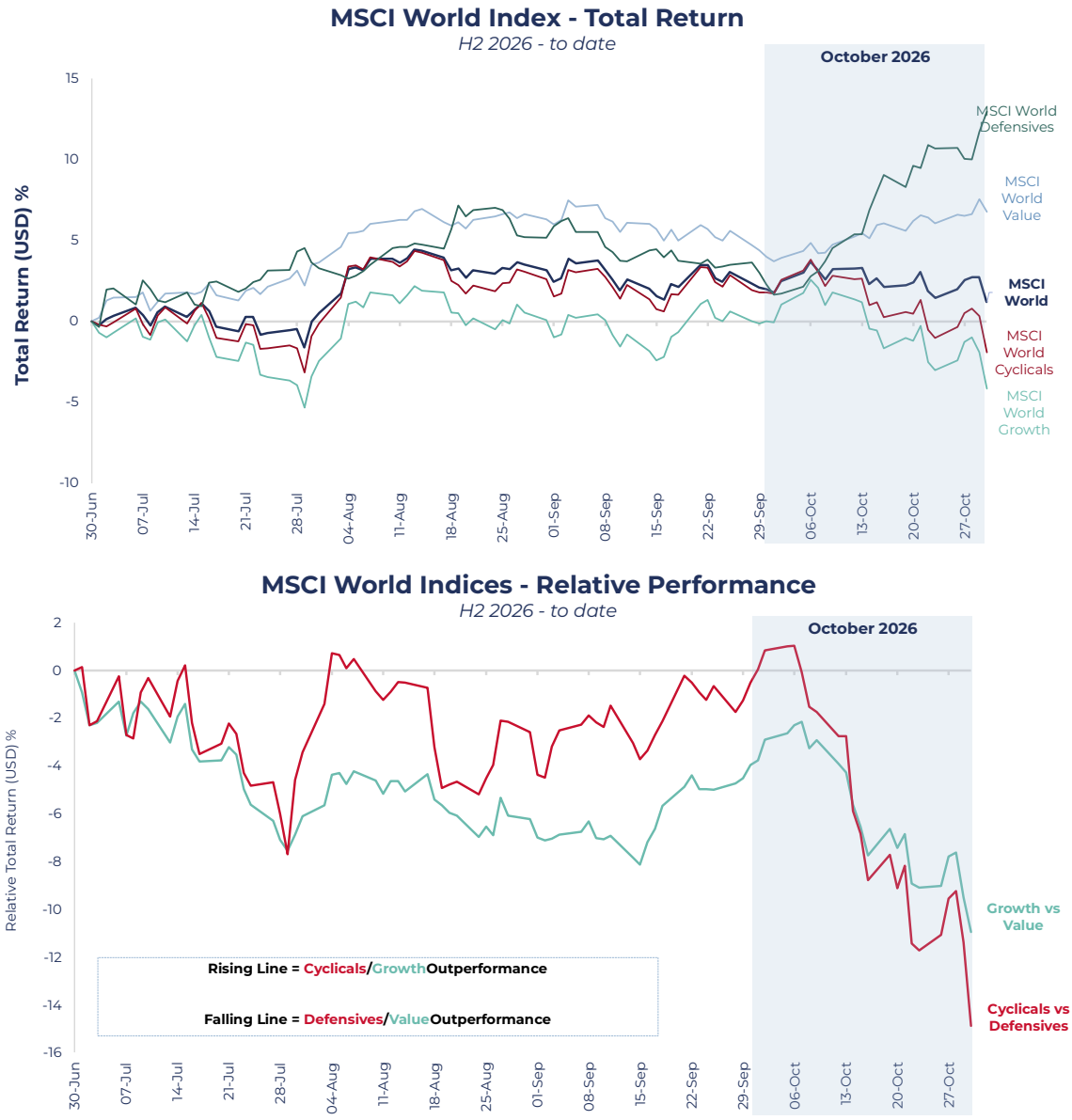
Past performance does not predict future returns.

Cumulative % total return in GBP to 31 October 2026	YTD	1 year	3 years	5 years	10 years	15 years*	20 years*	Launch*
Guinness Global Innovators	7.9	5.6	65.3	63.2	261.1	790.3	1077.5	1710.5
MSCI World	11.3	10.0	65.6	68.5	207.9	527.0	604.6	1003.4
IA Global (average)	8.9	7.5	51.0	39.7	146.3	328.1	381.0	695.4
IA Global (ranking)	**	356/568	130/503	127/448	7/271	1/171	1/109	2/79
IA Global (quartile)	**	3	2	2	1	1	1	1

Source: FE fundinfo. Net of fees. Data as of 31 October 2026.
**Simulated past performance. Performance prior to the launch of the Guinness Global Innovators Fund (31.10.14) reflects the Guinness Atkinson Global Innovators Fund (IWIRX), a US mutual fund with the same investment process since 01.05.2003.*
***Ranking not shown in order to comply with European Securities and Markets Authority rules*
Full fund performance is shown at the end of the commentary.

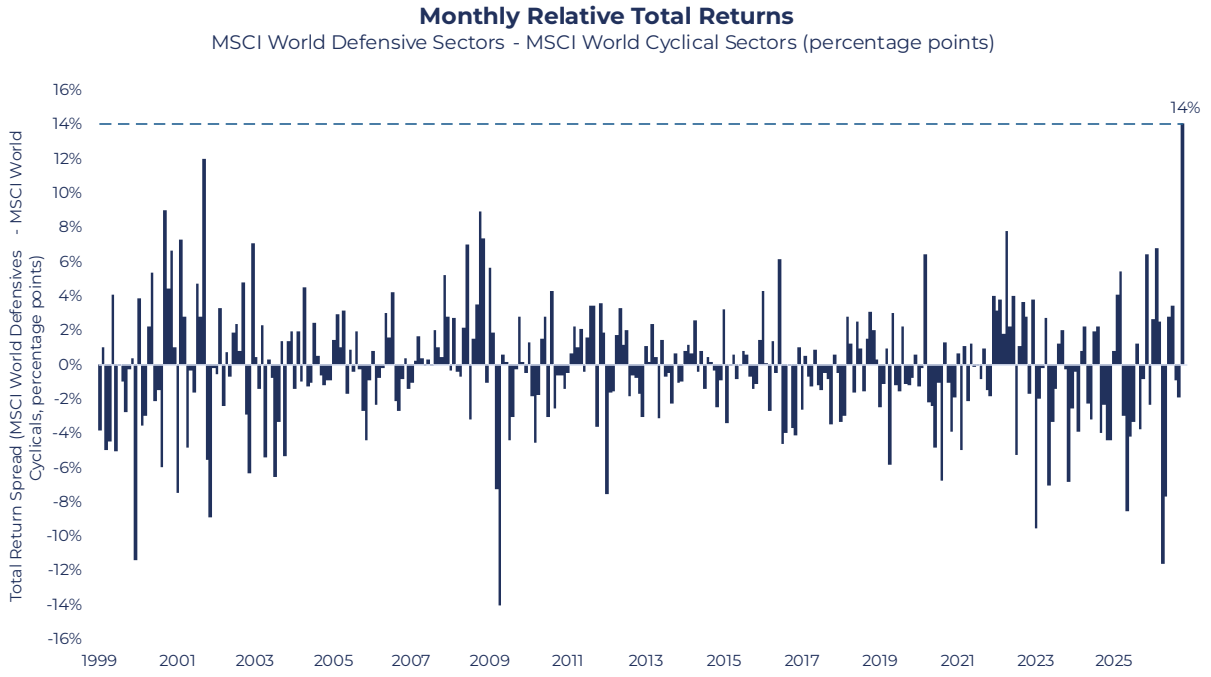
MARKET COMMENTARY

Global equities ended October relatively close to where they started, with the MSCI World Index declining just 0.8% in US dollar terms. However, this muted headline return masked an extraordinary rotation in market leadership, with some of the most significant shifts in sector and factor performance in more than 25 years. Over Q3, there was limited divergence in factor performance, with growth, value, cyclicals and defensives all delivering returns within two percentage points of the benchmark MSCI World Index. In October, the bifurcation emerged, with value stocks (+2.7%) outperforming growth (-4.2%) by 6.9pp.



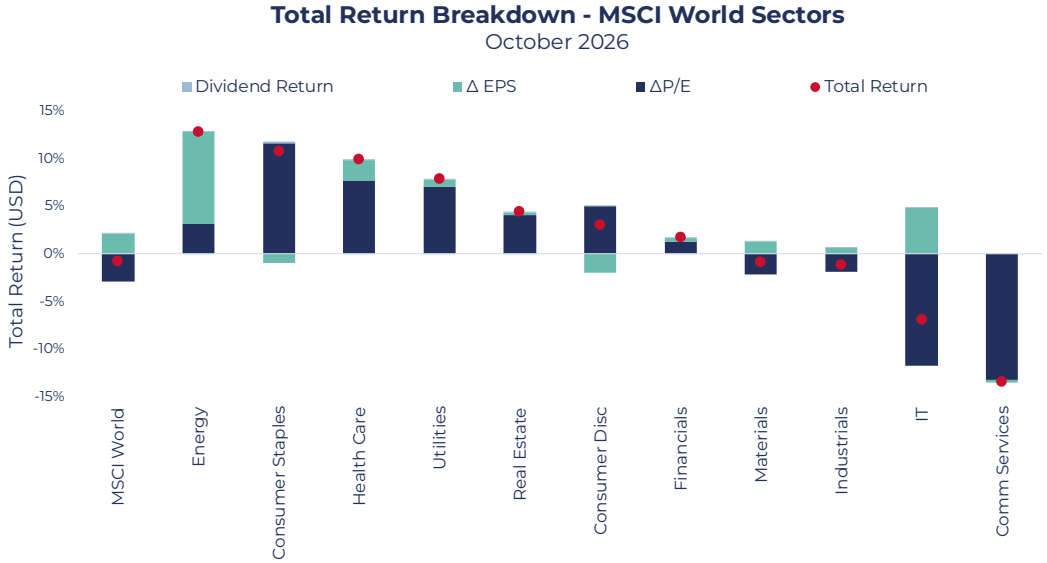
Sources: Guinness Global Investors, MSCI, Bloomberg – 30th October 2026

The divergence between defensive and cyclical sectors was even more pronounced. The MSCI World Defensive Sectors Index (+10.4%) outperformed MSCI World Cyclical Sectors (-3.6%) by approximately 14pp, the largest monthly differential between the two in 25 years, as shown in the chart below.



Sources: Guinness Global Investors, MSCI, Bloomberg – 30th October 2026

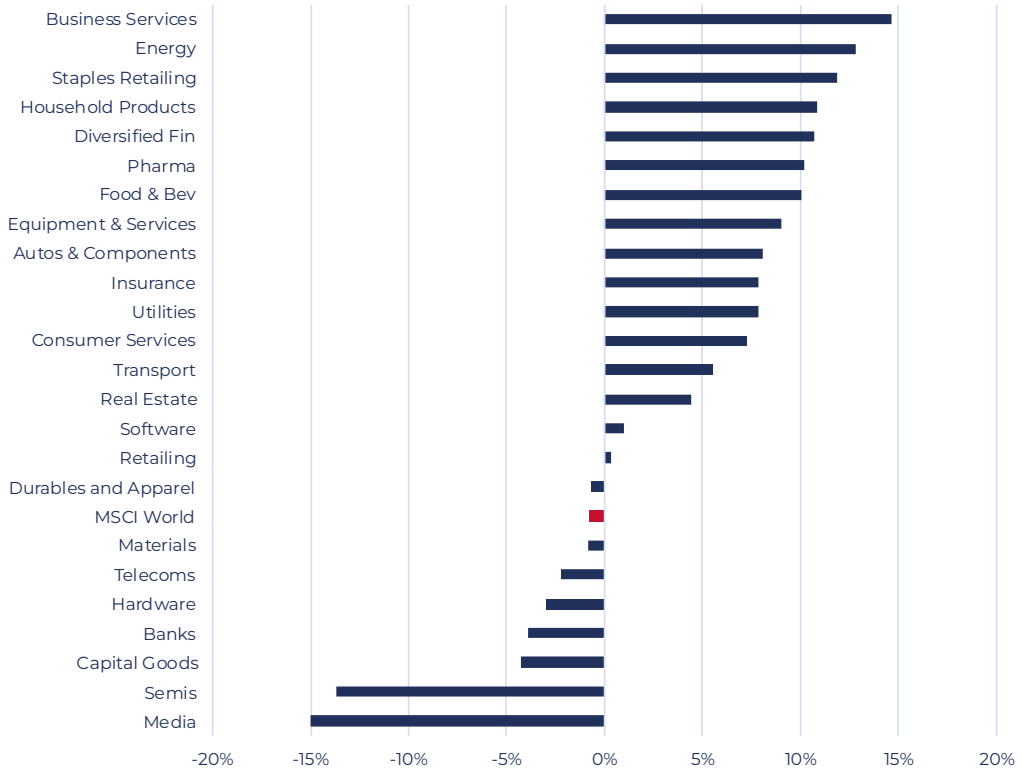
Clearly this reflected a significant shift in investor sentiment, as growing scrutiny of the AI investment boom contributed to a rotation away from technology-related stocks towards more defensive areas of the market. Energy (+12.8%) was the strongest-performing sector, benefiting from renewed tensions in the Middle East that pushed oil prices higher. Elsewhere, traditionally defensive sectors dominated, with Consumer Staples (+10.7%), Health Care (+9.9%), and Utilities (+7.9%) all delivering strong returns. At the other end of the spectrum, the more cyclically exposed Communication Services (-13.5%) and Technology (-7.0%) suffered significant declines. Notably, much of this divergence was driven by changes in valuation multiples rather than underlying earnings, as investors became increasingly cautious towards technology-related companies while favouring businesses perceived to offer greater earnings resilience and lower exposure to AI.



Sources: Guinness Global Investors, MSCI, Bloomberg – 30th October 2026

Beneath the sector level, weakness was concentrated in industries closely associated with the AI investment cycle. Semiconductors (-13.7%) was among the worst-performing industries, while media, heavily dominated by Alphabet and Meta (62% of the industry weight), accounted for the majority of weakness in Communication Services. Within Industrials, capital goods companies also came under pressure, particularly those exposed to the AI infrastructure build-out. However, the sell-off was selective. Within Technology, software (+0.9%) proved relatively resilient, and most other industries delivered positive returns.

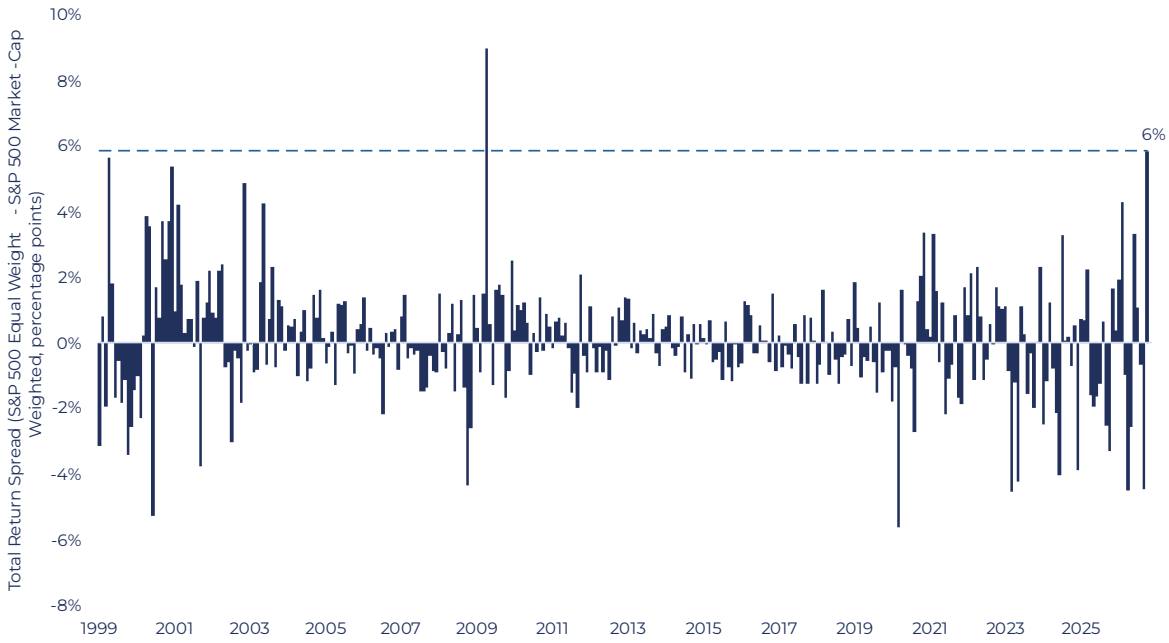
GICS Level 2 Industry Groups Total Return
October 2026



Sources: Guinness Global Investors, MSCI, Bloomberg – 30th October 2026

Perhaps the most interesting feature of this rotation was that it did not represent a broad-based retreat from equities. While the market-capitalisation-weighted S&P 500 declined 0.9%, its equal-weighted equivalent gained 5.0%, representing the largest monthly outperformance since April 2009. This was a consequence of concentrated weakness among the mega-cap technology companies. Investors instead rotated capital towards areas of the market that had previously been overlooked, providing a sharp reversal of the narrow market leadership that had characterised much of the index return since the end of March.

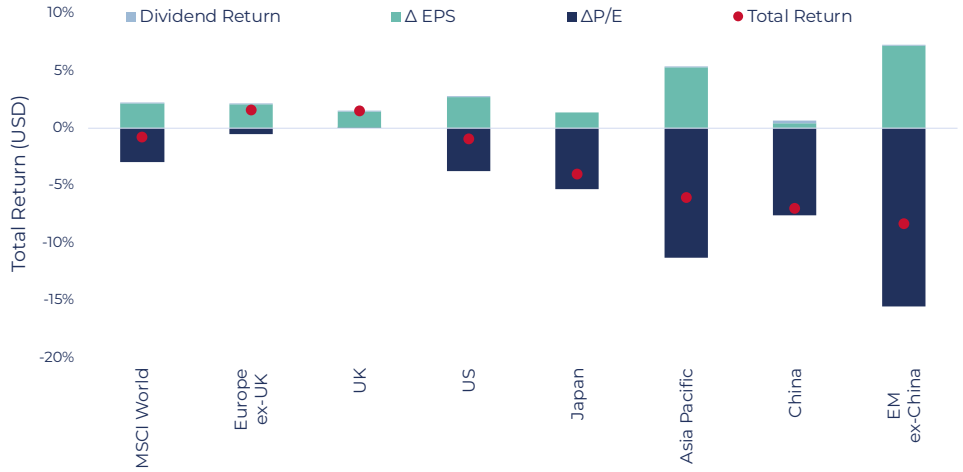
Monthly Relative Total Returns
Equally Weighted S&P 500 - Market Cap Weighted S&P 500 (percentage points)



Sources: Guinness Global Investors, S&P Global, Bloomberg – 30th October 2026

The rotation was also evident across regions. Emerging markets (-8.0% USD) significantly underperformed developed markets (-0.8%), with technology-heavy Asian markets particularly exposed. South Korea (-15.6%) and Taiwan (-8.4%) suffered sharp declines, reflecting their significant exposure to the semiconductor industry through companies such as SK Hynix and TSMC. In contrast, UK equities (+1.1%) and Europe ex-UK (+0.7%) proved relatively resilient, supported by their greater exposure to defensive sectors and, in the UK's case, Energy. Government bonds also benefited from the shift in investor sentiment, with the yield on the US 10-year Treasury falling from 5.28% to 4.93%, a further sign of a 'flight to quality'.

Global Regional Total Return Breakdown
October 2026



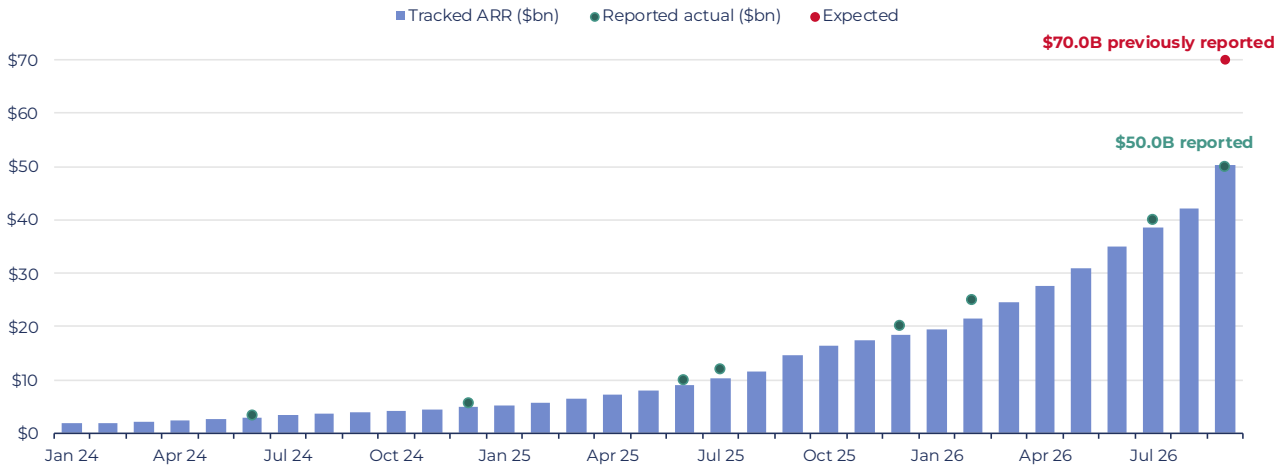
Sources: Guinness Global Investors, MSCI, Bloomberg – 30th October 2026

October was not simply a conventional retreat from risk. Despite robust economic growth and generally strong corporate earnings, investors became increasingly selective about AI-related companies that had dominated market returns for several years. The catalyst was a reassessment of whether the scale of AI investment can generate sufficient returns, and of how it is being financed.

ARTIFICIAL INTELLIGENCE AND WHY QUALITY MATTERS

October's reassessment of the AI trade began with growing questions over whether the industry's extraordinary investment commitments could be justified by future revenues. We saw styles (growth, value, defensives, cyclicals) begin to diverge around the 8th of October, when OpenAI reported annualised revenue of $50bn, rather than the $70bn reported by news media at the end of September.

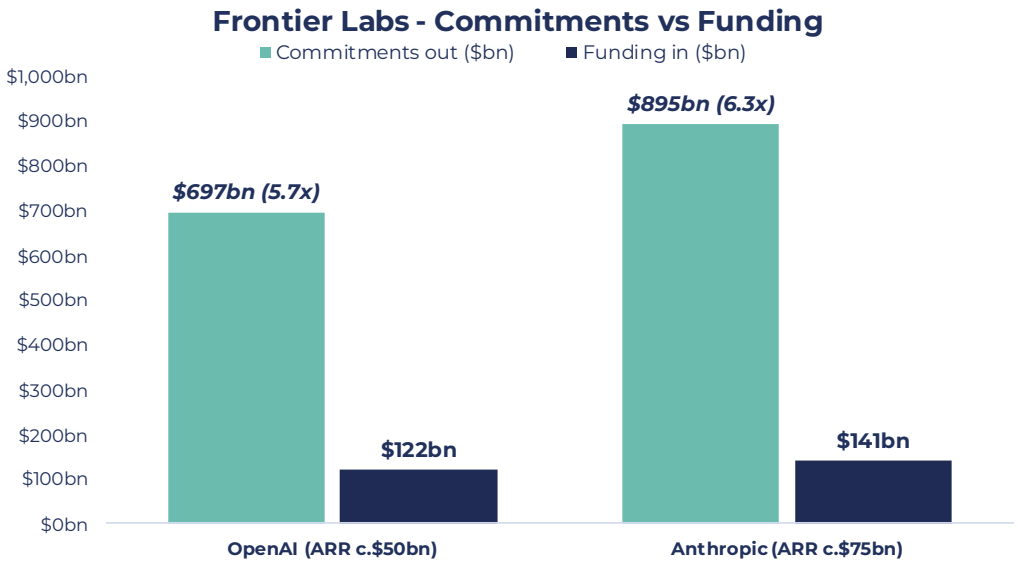
OpenAI Annualised Revenue Run -Rate ($bn)
Month-end tracked ARR, Jan 24 – Sep 26



Tracked ARR refers to estimates provided by Ticker Trends, Reported actual refers to revenues reported by OpenAI, $70.0B widely estimated by news media outlets e.g. FT

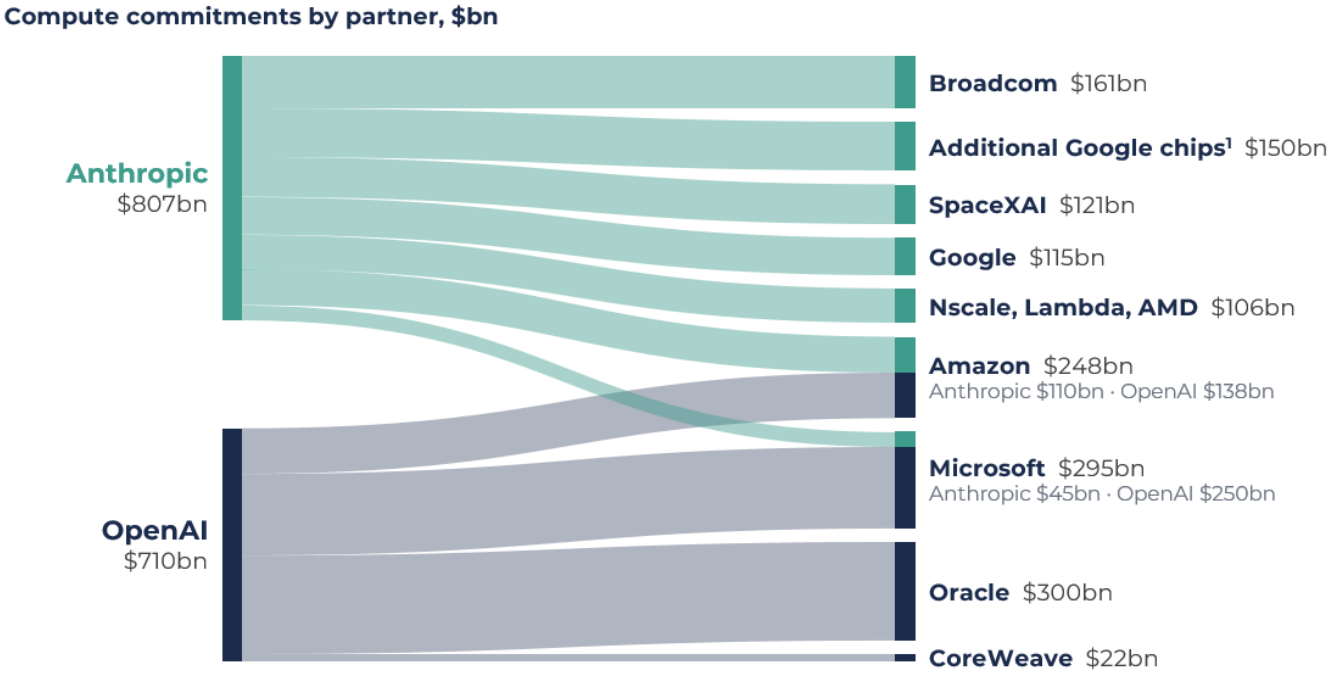
Sources: Guinness Global Investors, Ticker Trends, Company Reports – 30th October 2026

Although the discrepancy largely reflected differences in revenue definitions rather than weakening demand, it raised questions about the transparency of private AI developers and the ambitious growth assumptions underpinning the industry's investment commitments. OpenAI and Anthropic, also a leading AI laboratory, have each disclosed spending commitments about six times the size of the funding they have received so far.



Source: Anthropic S1, announced partnerships and deals between Frontier Labs and Hyperscalers/ chip designers

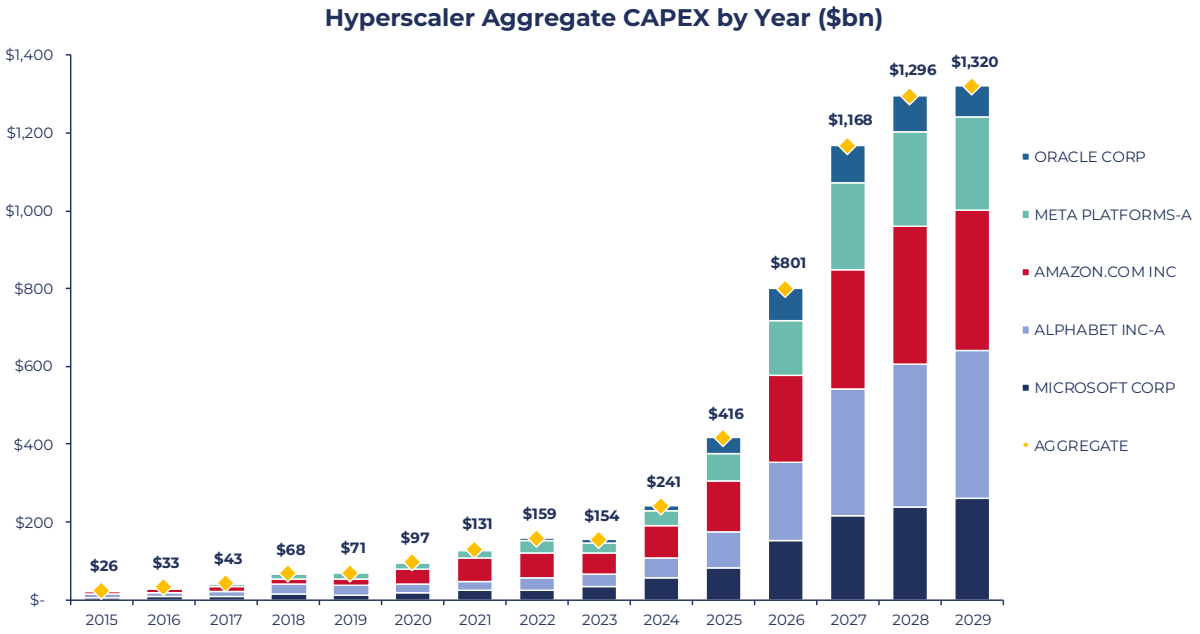
While these commitments extend over many years and do not represent an immediate funding shortfall, they highlight the heavy dependence on future revenue (and cash flow) growth and continued access to capital. Crucially, these obligations extend across a vast network of infrastructure providers, including some of the world's largest technology companies. Any inability to honour these commitments could therefore have far-reaching consequences across the AI supply chain.



Sources: Anthropic S1, Company data, Goldman Sachs, Morgan Stanley, JP Morgan & Bernstein estimates

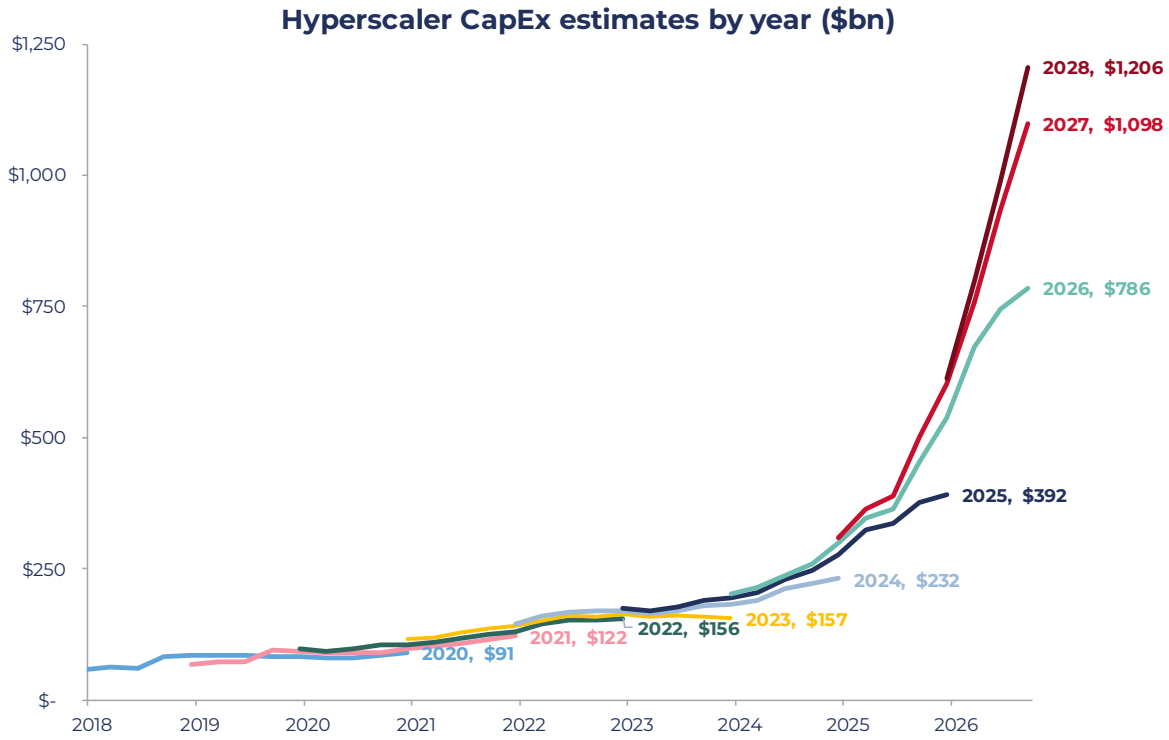
Concerns intensified the week after OpenAI's report as rising borrowing costs placed pressure on heavily leveraged AI infrastructure providers, with yields on CoreWeave's unsecured bonds surging towards 16%, far above typical high-yield levels. The subsequent Q3 earnings season added to investor unease, as mega-cap technology companies announced further increases in capital expenditure despite mounting pressures on free cash flow. Collectively, these developments prompted a reassessment not of AI's technological potential or demand, but of the assumptions about returns on capital, and access to capital, that had supported its investment cycle.

The scale of investment helps explain why these concerns could have such far-reaching consequences. Recent estimates suggest that AI infrastructure spending could total $10.3 trillion between 2025 and 2032, equivalent to 3.6% of annual US GDP, exceeding the relative scale of America's railroad, interstate highway and electrification booms. Microsoft, Alphabet, Amazon, Meta and Oracle are expected to see capital expenditure almost double in 2026, to $800bn (vs $416bn in 2025).



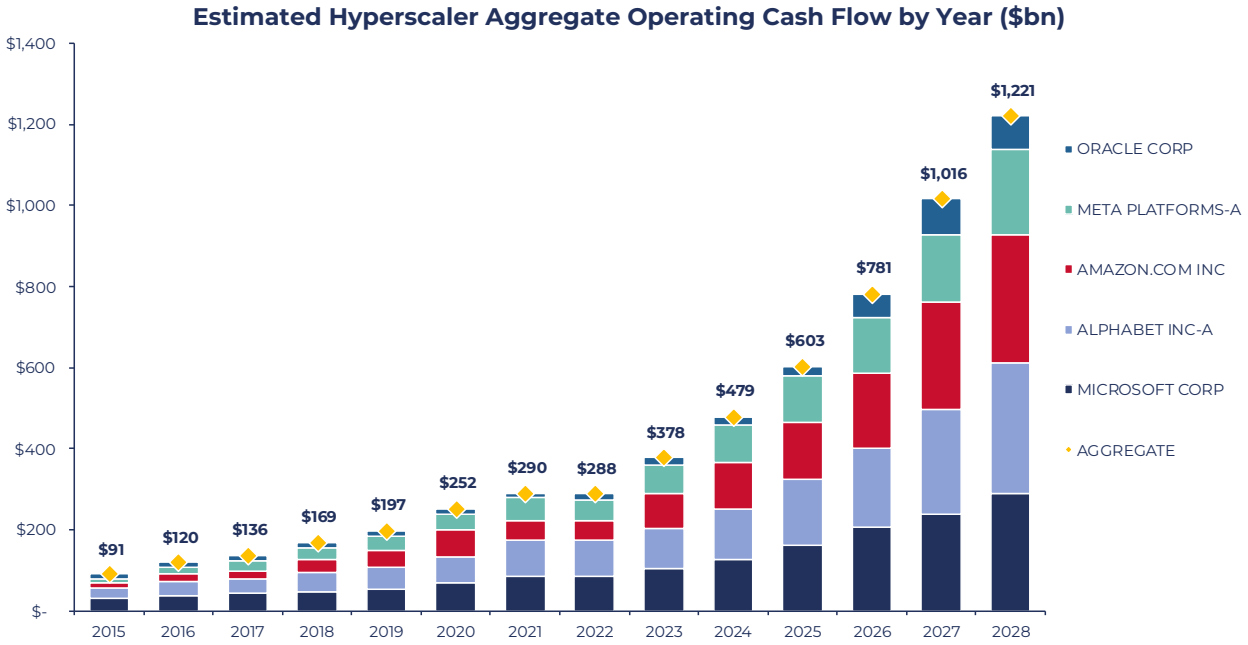
Sources: Guinness Global Investors, Bloomberg consensus, Company Reports – 30th October 2026

These are estimates that have been rising consistently over time.



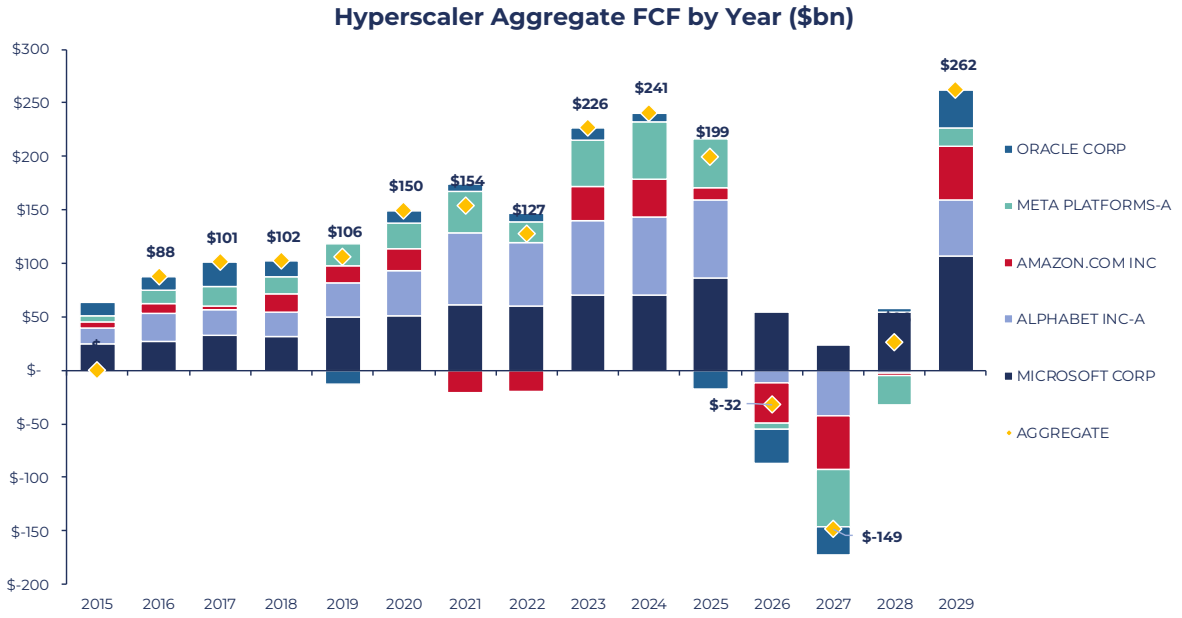
Sources: Guinness Global Investors, Bloomberg consensus, Company Reports – 30th October 2026

Among the same companies, operating cash flow is expected to rise c.30% in 2026, but not by enough to offset the full capital expenditure outlay (in aggregate).



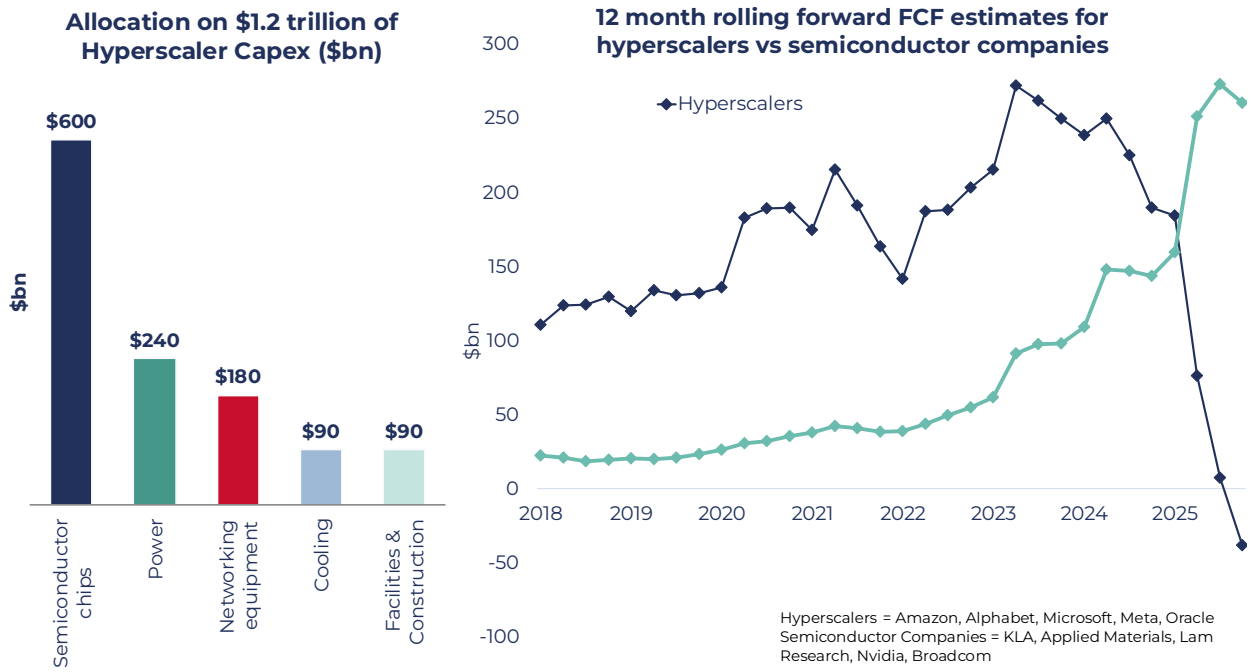
Sources: Guinness Global Investors, Bloomberg consensus, Company Reports – 30th October 2026

This is pushing their combined free cash flow into negative territory, compared with a $199bn surplus a year earlier. This deficit is expected to further deepen in 2027. Only Microsoft is expected to retain a positive free cash flow throughout. While this expenditure does not all directly relate to AI, it illustrates how some of the world's most profitable businesses are becoming increasingly capital-intensive, with investment requirements growing considerably faster than cash generation.



Sources: Guinness Global Investors, Bloomberg consensus, Company Reports – 30th October 2026

Around half of this investment is ultimately flowing into the semiconductor industry, which has been among the greatest beneficiaries of the AI boom. This has driven extraordinary revenue, earnings and cash flow growth across the semiconductor supply chain. The chart below highlights how hyperscaler capex is flowing towards these semiconductor companies, and the impact this has had on their cash flows.

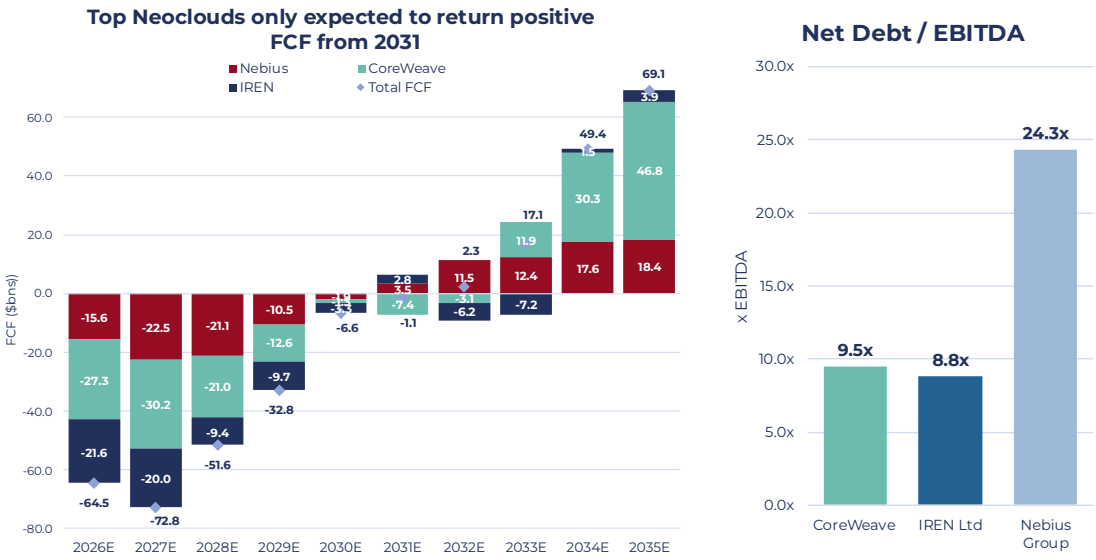


Sources: Guinness Global Investors, BNP Paribas Equity Research, Bloomberg consensus, Company Reports – 30th October 2026

However, it has also created significant dependence on the continuation of this investment cycle. With expectations of sustained, rapid growth, semiconductor companies are particularly sensitive to any reassessment of future capital expenditure. Importantly, spending need not decline outright to disappoint investors; even a moderation from the exceptional growth rates currently anticipated could have significant implications for earnings expectations and valuations.

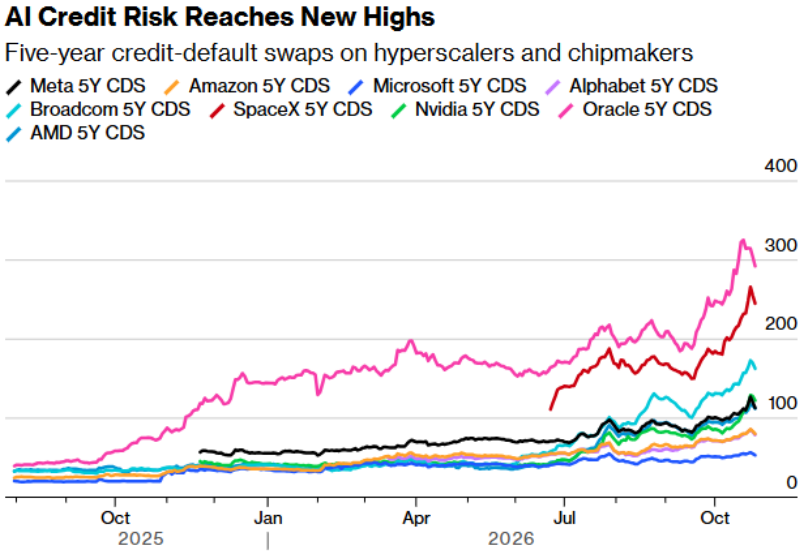
At the heart of this reassessment is uncertainty over whether the enormous capacity being built will ultimately generate attractive returns. Demand for AI computing power continues to far outstrip supply, but this does not guarantee that the economics will remain favourable as capacity expands. Should supply eventually catch up, increased competition could put downward pressure on prices, and technological progress could shorten the economic lives of existing equipment. While cheaper computing could stimulate greater adoption, the fundamental question is whether that additional demand will be sufficient to justify the capital already committed. Goldman Sachs suggests feasibility for a 15% return on invested capital, and Morgan Stanley suggests the "highest quality players in the AI ecosystem have a line of sight to 25% return on invested capital". However, Morgan Stanley notes that "the calculus changes materially as we moved down the credit quality spectrum".

These vulnerabilities are particularly pronounced among specialist AI infrastructure providers, known as neoclouds. These companies build and operate data centres equipped with advanced GPUs, renting computing capacity to AI developers and other customers. Unlike the largest hyperscalers, they typically have far less diversified businesses and rely heavily on debt and lease financing to fund their expansion. Morningstar estimates that the largest neoclouds will not generate positive aggregate free cash flow until 2031. Meanwhile, leverage is already exceptionally elevated, with net debt to EBITDA ranging from 9x for Iren to 24x for Nebius. Higher borrowing costs, falling GPU rental prices or weaker utilisation could quickly undermine project economics and restrict further investment. Indeed, Nvidia is increasingly using its own financial strength to support the neoclouds' build-out by providing guarantees covering up to 25% of potential shortfalls in GPU residual values under certain financing arrangements, which helps to reduce borrowing costs for these operators. While such arrangements can sustain investment, they also highlight the growing financial interconnectedness of the AI ecosystem, in which risks are increasingly extending beyond leveraged infrastructure providers to the larger technology companies supporting them.



Sources: Guinness Global Investors, Bloomberg consensus, Company Reports – 30th October 2026

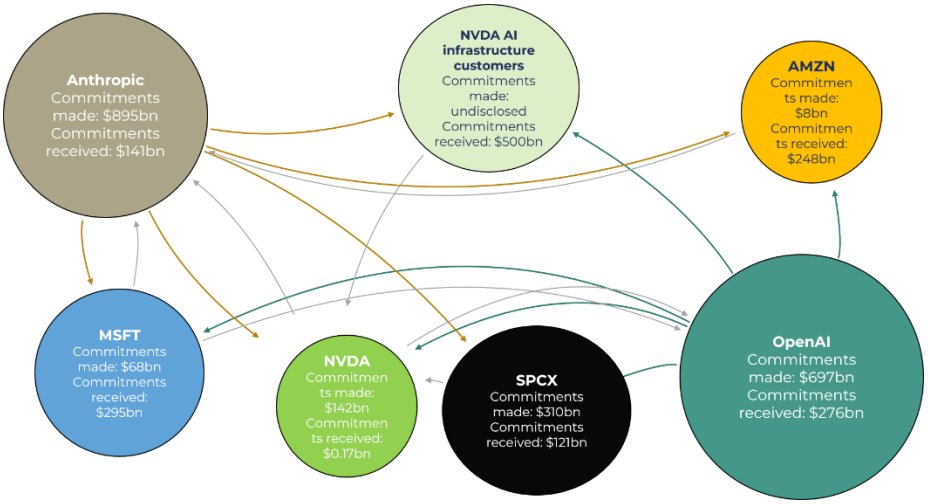
This growing divergence in financial resilience is becoming increasingly evident in credit markets. While AI-related investment commitments continue to expand, investors are placing greater scrutiny on the ability of individual companies to finance them. Five-year credit-default swap spreads for Oracle and SpaceX have approached 300 and 250 basis points respectively, considerably above those of the financially stronger hyperscalers. The widening disparity reflects growing concerns over capital-intensive business models where investment requirements are outpacing cash generation, leaving these companies more exposed if external financing conditions tighten.



Sources: Bloomberg Article "Wall Street's AI Debt Machine Is Starting to Choke on Supply" – 28th October 2026

Further complicating matters is the increasingly circular nature of financing across the AI ecosystem, a recurring theme in 2026. As mentioned, OpenAI and Anthropic have made enormous long-term commitments to infrastructure providers, many of which are also investors in the AI developers themselves. The two AI laboratories have collectively committed approximately $295bn to Microsoft and $248bn to Amazon, both of which are also investors in the AI laboratories.

We also touched upon Nvidia providing financial support to companies purchasing its chips, including guarantees covering up to 25% of shortfalls in GPU residual values, to help reduce the cost of capital for these firms. While such arrangements are not inherently problematic, they raise questions about how much of the industry's apparent demand is being supported by capital circulating within the same ecosystem, rather than independently generated revenues. Should AI developers struggle to monetise their services or secure further funding, their suppliers could face a double hit: weaker demand for infrastructure alongside losses on their investments or financial guarantees. This growing interconnectedness increases the risk of financial difficulties spreading across the AI value chain. The infographic below illustrates the level of interconnectedness among some of the key players in the market.



Sources: Guinness Global Investors, Company Reports and estimates – 30th October 2026

In our view, while financing pressures are unlikely to derail the broader AI investment boom, they could increasingly determine which companies can afford to sustain their investment plans. Morgan Stanley estimates that Alphabet, Amazon, Meta and Microsoft account, directly or indirectly, for more than 75% of expected AI-related capital expenditure, with their combined spending forecast to increase by over 50% in 2027. These companies benefit from highly rated balance sheets (averaging approximately AA), substantial profitability and considerable financial flexibility, meaning higher borrowing costs are unlikely to materially constrain their investment plans. The situation is very different for more heavily leveraged neoclouds and infrastructure developers, where tighter financing conditions could force a slowdown in investment or greater reliance on stronger counterparties. For semiconductor and capital goods companies supplying the AI build-out, sustained hyperscaler spending should continue to support demand, even if financially weaker participants scale back their expansion plans. October's reassessment therefore reinforces the importance of financial quality, with strong balance sheets, resilient cash generation and disciplined capital allocation becoming increasingly valuable as the investment cycle matures.

How the Fund is positioned in relation to AI

October's sharp rotation in market leadership presented a challenging backdrop for the Fund, given its greater exposure to growth-oriented and cyclical businesses, particularly within the semiconductor industry, which represent our largest industry allocation. However, despite the significant weakness in AI-related stocks, the Fund's relative performance proved resilient, reflecting the quality of our underlying holdings, disciplined portfolio construction and diversification across innovation themes.

While we maintain meaningful exposure to the AI investment cycle, our focus remains firmly on high-quality businesses with established competitive advantages, strong balance sheets, high margins and a demonstrated ability to generate attractive returns on capital. This has kept us away from some of the more speculative areas of the AI ecosystem such as heavily leveraged neoclouds and memory companies, where historical returns on capital have been considerably more volatile. We have also taken profits during periods of outperformance through our rebalancing process. Our broadly equal-weight portfolio construction, with each holding at approximately 3.3%, also avoids excessive concentration in single stocks. For example, we trimmed many of our semiconductor holdings in February and again in June. This approach has been particularly valuable during a period of significant divergence in share price performance.

AI is only one of several long-term innovation themes to which the Fund is exposed. Our holdings span a broad range of industries and structural growth opportunities, many of which have very different underlying drivers. Financial exchanges and payment providers, for example, performed particularly well during October, helping to offset some of the weakness elsewhere in the portfolio.

Ultimately, while the Fund's greater cyclical and growth exposure inevitably creates sensitivity to periods of market rotation, its relatively resilient performance in October, compared with higher-growth strategies, demonstrates the benefits of our quality-focused approach. We note, for context, that in October the MSCI World Growth Index fell 4.2% (in USD). We have seen similar investment cycles before and remain confident that our combination of financially strong businesses, diversified thematic exposure and disciplined portfolio construction leaves the Fund well positioned to benefit from long-term structural growth opportunities and to avoid speculative areas or excessive valuations.

STOCK PERFORMANCE IN OCTOBER

There were no changes made to the Fund in October.

Roper Technologies (+33.8% in USD) ended the month as the Fund's strongest performer following a robust earnings report. Roper operates a diversified portfolio of mission-critical, vertical-market software businesses. Earlier in the year, it faced concerns over the 'SaaSpocalypse' and the potential disruption of traditional software businesses by AI. However, the company's recent third-quarter results demonstrated accelerating organic growth, improving momentum across its software portfolio and early signs of AI monetisation, lessening these fears. Revenues grew 8% year-on-year with organic growth accelerating to 7% from 5% in the previous quarter, while adjusted earnings per share grew 15%, ahead of management's prior expectations. Importantly, the improvement was broad-based, with both Application and Network Software contributing to the acceleration. The stronger performance also gave management confidence to raise full-year earnings guidance, reinforcing expectations that organic growth momentum can continue into 2027.

Roper's commentary also provided encouraging evidence that AI is increasingly becoming a growth opportunity rather than simply a disruption risk for its software businesses. Roper highlighted that 17-18 of its 21 software businesses now offer meaningful agentic AI solutions, with early signs of commercial traction. At CentralReach, approximately 75% of quarterly bookings were AI-related, while Aderant reported around 25%, demonstrating growing customer willingness to pay for AI-enabled functionality. These products are designed to improve customer productivity by automating complex workflows, and Roper monetises them through a combination of recurring subscriptions, consumption-based pricing and premium cloud offerings. Although monetisation remains at an early stage, management expects AI to become a more meaningful revenue contributor in 2027. We continue to view Roper's combination of mission-critical software, high recurring revenues and disciplined capital allocation as particularly attractive. AI disruption remains an important consideration, but the company's deeply embedded customer relationships, proprietary data and specialised workflows provide clear competitive advantages, and we see Roper as well positioned to continue benefiting from AI integration.

London Stock Exchange Group (LSEG, +17.4%) was another of the Fund's top-performing stocks over the month after a strong set of third-quarter results. Previously this year, despite delivering consistently strong operational performance, LSEG had come under significant pressure as investors questioned the potential disruption from AI to its traditional financial data and desktop businesses. However, the latest results provided reassurance, with organic revenue growth accelerating to 8.8% from 7.1%, comfortably ahead of consensus expectations of 7.8%. Performance was particularly strong in Markets, where revenue grew 12.5%, supported by elevated trading and clearing activity, including 16.7% growth in OTC Derivatives. Importantly, subscription revenue growth also accelerated to 6.6%, supporting management's ambition to reach approximately 7% in 2027. This strength prompted another upgrade to full-year guidance. Management now expects organic revenue growth of at least 8%, alongside improved margins and free cash flow generation of at least £2.8bn.

The results and accompanying strategic announcements also helped to shift the investor debate away from the threat of AI disruption and towards the opportunities it could create for LSEG's proprietary data assets. While investors remain concerned that AI-powered financial tools could replace traditional desktop products such as Workspace, LSEG is increasingly positioning itself as a critical provider of the trusted, high-quality financial data required to power these tools. Early evidence of customer adoption has been encouraging, with 72% of its 50 largest Data & Analytics customers now connected to its AI data servers and usage increasing fivefold quarter-on-quarter. Furthermore, around 80% of AI-related customer agreements involve the purchase of additional datasets, suggesting AI could ultimately increase demand for LSEG's data rather than undermine its business model. Alongside this, LSEG announced the $3.5bn acquisition of Octus, a specialist provider of proprietary credit data, while its majority-owned Tradeweb business agreed to acquire Trumid, expanding its electronic bond trading capabilities. Both acquisitions strengthen LSEG's position in credit markets, with Octus particularly attractive given its difficult-to-replicate datasets, often protected by confidentiality agreements; these datasets should become increasingly valuable as AI adoption broadens. Although the valuation paid for Octus is demanding and will increase leverage, management's confirmation that it retains capacity for a further £1-1.5bn share buyback in 2027 provided reassurance about the company's cash generation and commitment to shareholder returns.

With underlying growth accelerating, margins improving and further opportunities from AI adoption and acquisitions, we remain confident in the long-term investment thesis for LSEG.

Lam Research (-27.2%), Applied Materials (-23.7%), KLA Corp (-19.0%)

The Fund's semiconductor equipment holdings (Lam Research, Applied Materials, and KLA Corp) were among the worst-performing stocks over the month as investors took profits following exceptionally strong performance earlier in the year. Despite continued strength in AI-related semiconductor investment, elevated valuations and increasingly demanding expectations weighed on sentiment. However, the latest earnings from Lam Research and KLA remained very strong, suggesting the pull-back was driven more by a reset in expectations than any deterioration in fundamentals.

Lam Research delivered another record quarter, with revenue growing 54% year-on-year to $8.22bn, supported by strong demand in NAND and DRAM memory chips and leading-edge Foundry/Logic. Gross margins reached a 20-year high of 52.4%, although shares fell approximately 11% as December-quarter guidance fell short of elevated expectations. Management raised its 2027 wafer fabrication equipment (WFE) outlook to over $200bn, representing growth of at least 30%, though this was below some of the more optimistic market forecasts. Importantly, management emphasised that supply-chain bottlenecks and limited cleanroom availability are constraining shipments rather than weakening customer demand. KLA similarly delivered a strong beat-and-raise quarter, with record revenue of $4.14bn, up 13% sequentially, and operating margins exceeding 46% for the first time. December-quarter revenue guidance of $4.7bn comfortably exceeded expectations, while management also raised their 2027 WFE forecast to over $200bn. With growing backlogs, rising equipment intensity and continued investment in advanced semiconductors, we remain confident in both companies' long-term growth prospects despite near-term share price volatility. Applied Materials, meanwhile, is set to report in November.

Schneider Electric (-20.1%) was one of the Fund's weakest performers over the month. Share price weakness followed the announcement of its all-cash acquisition of PTC, the US design and engineering software group. While the acquisition strengthens Schneider's software capabilities, expanding its presence in product design and lifecycle management, investors questioned the premium paid, the integration risks and the decision to allocate substantial capital towards industrial software rather than its faster-growing Energy Management business. Concerns were also raised around the financing structure, which includes approximately €6bn of new equity issuance and €16bn of additional debt, alongside uncertainty over the potential impact of AI on traditional software businesses.

However, later in the month, Schneider posted exceptional third-quarter results, which were largely disregarded by the market. Schneider's underlying operational performance remained strong, with third-quarter organic revenue growth accelerating to 16.9%, comfortably ahead of consensus expectations of 13.8%. Energy Management grew 18.8%, supported by continued triple-digit demand growth in data centres, while Industrial Automation increased 8.1%, reflecting an ongoing cyclical recovery. Strength was broad-based across regions, with particularly strong demand in North America and Asia, reinforcing Schneider's leading position in electrical infrastructure supporting the AI build-out. Management raised full-year organic revenue growth guidance to 12–14%, the second consecutive guidance raise, alongside improved expectations for margins and profitability.

We continue to view Schneider as well positioned to benefit from AI infrastructure investment, electrification, and energy efficiency. While the PTC acquisition introduces greater capital allocation and execution risks, the underlying investment thesis remains intact, supported by accelerating organic growth, improving margins and strong demand across its core electrical equipment businesses. The recent share price weakness appears to be largely driven by concerns around the acquisition rather than any deterioration in operational performance.

We thank you for your continued support.

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Matthew Page, CFA
Dr Ian Mortimer, CFA

Investment Analysts
Sagar Thanki, CFA
Joseph Stephens, CFA
William van der Weyden, CFA
Loshini Subendran
Eric Santa Menargues, CFA
Laura Neill, CFA

GUINNESS GLOBAL INNOVATORS FUND - FUND FACTS

Fund size	$1360.9m
Fund launch	31.10.2014
OCF	0.79%
Benchmark	MSCI World TR

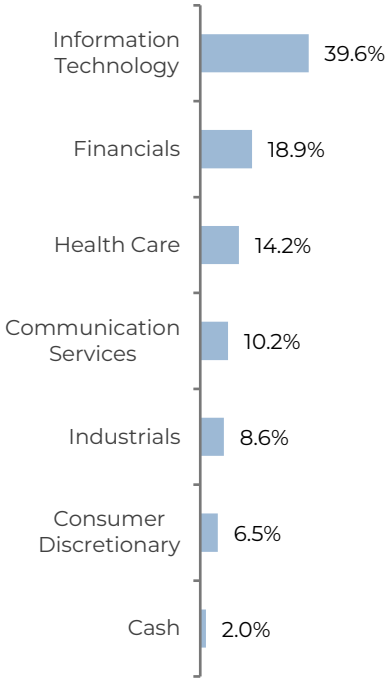
GUINNESS GLOBAL INNOVATORS FUND - PORTFOLIO

Top 10 holdings

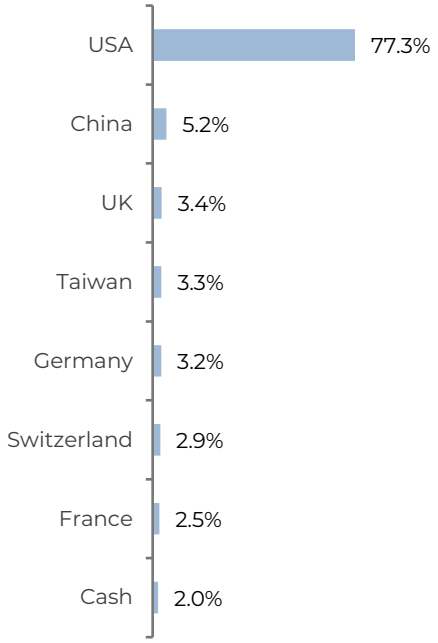
Thermo Fisher Scientific	4.2%
Nasdaq	4.2%
Roper Technologies	4.1%
Visa	4.0%
Microsoft	4.0%
Apple	3.9%
Mastercard	3.8%
salesforce.com	3.6%
AMD	3.5%
Amazon.com	3.5%

Top 10 holdings	38.7%
Number of holdings	30

Sector



Country



Past performance does not predict future returns.

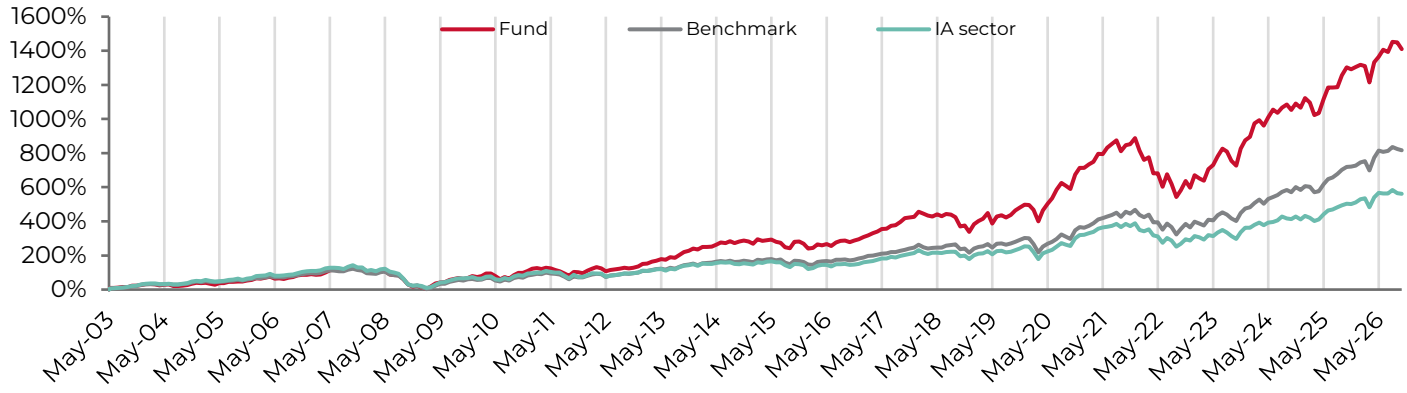
GUINNESS GLOBAL INNOVATORS FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-3.4%	+7.9%	+5.6%	+65.3%	+63.2%	+261.1%
MSCI World TR	-1.6%	+11.3%	+9.9%	+65.6%	+68.5%	+207.9%
IA Global TR	-1.5%	+8.9%	+7.5%	+51.0%	+39.7%	+146.3%
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	-2.5%	+7.5%	+7.7%	+82.5%	+59.5%	+298.3%
MSCI World TR	-0.8%	+10.9%	+12.1%	+82.9%	+64.7%	+237.8%
IA Global TR	-0.6%	+8.4%	+9.7%	+66.7%	+36.5%	+170.3%
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	-0.8%	+13.1%	+11.3%	+72.8%	+65.3%	+289.9%
MSCI World TR	+1.0%	+16.7%	+15.9%	+73.1%	+70.7%	+231.7%
IA Global TR	+1.1%	+14.1%	+13.4%	+57.8%	+41.5%	+165.4%

GUINNESS GLOBAL INNOVATORS FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+12.1%	+21.9%	+32.1%	-20.7%	+22.6%	+32.1%	+31.3%	-11.9%	+22.0%	+27.7%
MSCI World TR	+12.8%	+20.8%	+16.8%	-7.8%	+22.9%	+12.3%	+22.7%	-3.0%	+11.8%	+28.2%
IA Global TR	+11.2%	+12.6%	+12.7%	-11.1%	+17.7%	+15.3%	+21.9%	-5.7%	+14.0%	+23.3%
(USD)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+20.4%	+19.7%	+40.0%	-29.6%	+21.5%	+36.3%	+36.6%	-17.0%	+33.6%	+7.2%
MSCI World TR	+21.1%	+18.7%	+23.8%	-18.1%	+21.8%	+15.9%	+27.7%	-8.7%	+22.4%	+7.5%
IA Global TR	+19.4%	+10.6%	+19.4%	-21.0%	+16.6%	+18.9%	+26.8%	-11.2%	+24.8%	+3.4%
(EUR)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+6.1%	+27.7%	+35.2%	-25.0%	+30.7%	+25.0%	+39.1%	-12.8%	+17.3%	+10.2%
MSCI World TR	+6.8%	+26.6%	+19.6%	-12.8%	+31.1%	+6.3%	+30.0%	-4.1%	+7.5%	+10.7%
IA Global TR	+5.3%	+18.0%	+15.4%	-15.8%	+25.5%	+9.1%	+29.2%	-6.8%	+9.6%	+6.5%

GUINNESS GLOBAL INNOVATORS FUND - PERFORMANCE SINCE LAUNCH (USD)



Simulated past performance prior to the launch of the Guinness Global Innovators Fund (31.10.14) reflecting a US mutual fund which has the same investment process since the strategy's launch on 01.05.03.
Source: FE fundinfo net of fees to 31.10.26. 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 current OCF is 0.79%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return. Graph data is in USD from 01.05.03.

WS GUINNESS GLOBAL INNOVATORS FUND - FUND FACTS

Fund size	£27.6m
Fund launch	30.12.2022
OCF	0.79%
Benchmark	MSCI World TR

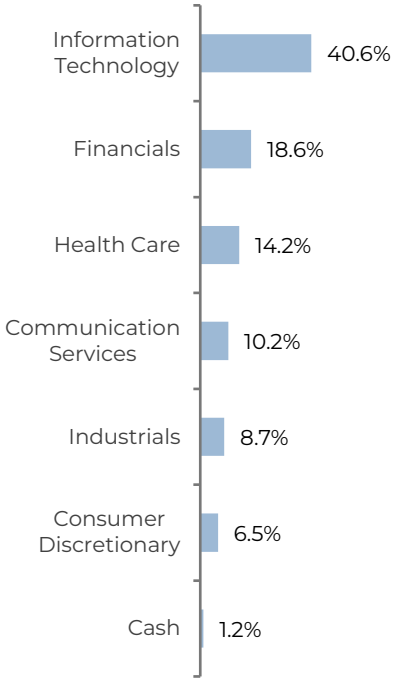
WS GUINNESS GLOBAL INNOVATORS FUND - PORTFOLIO

Top 10 holdings

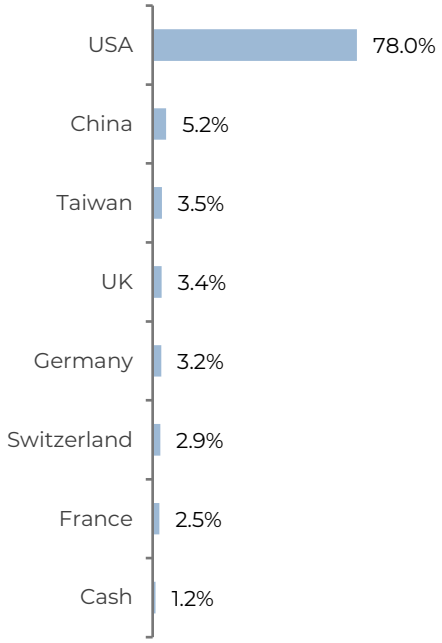
Thermo Fisher Scientific	4.1%
Nasdaq	4.1%
Microsoft	4.0%
Visa	4.0%
Roper Technologies	3.9%
AMD	3.9%
Apple	3.9%
Mastercard	3.8%
salesforce.com	3.6%
Amazon.com	3.6%

Top 10 holdings	38.8%
Number of holdings	30

Sector



Country



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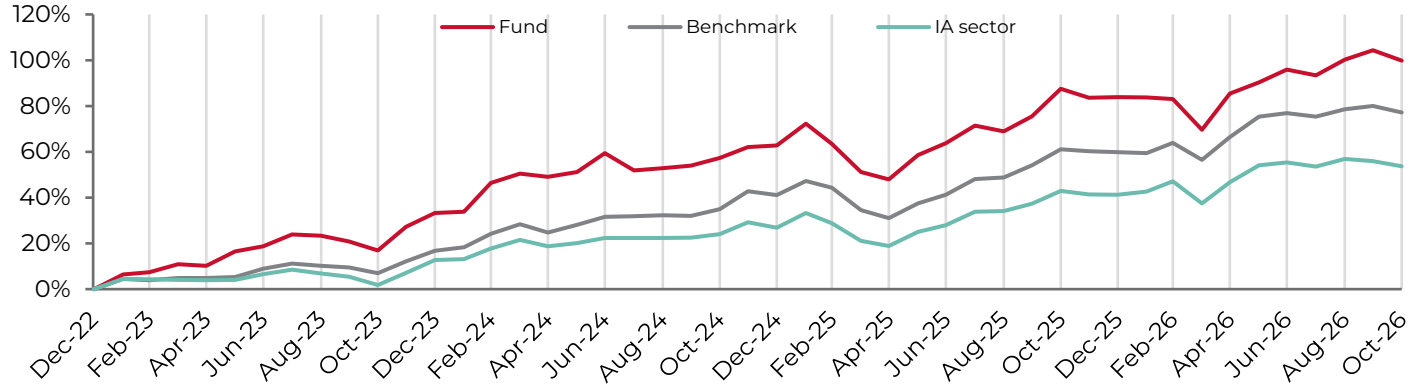
WS GUINNESS GLOBAL INNOVATORS FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-2.2%	+8.7%	+6.6%	+71.1%	-	-
MSCI World TR	-1.6%	+11.3%	+9.9%	+65.6%	-	-
IA Global TR	-1.5%	+8.9%	+7.5%	+51.0%	-	-

WS GUINNESS GLOBAL INNOVATORS FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+13.0%	+22.2%	+33.3%	-	-	-	-	-	-	-
MSCI World TR	+12.8%	+20.8%	+16.8%	-	-	-	-	-	-	-
IA Global TR	+11.2%	+12.6%	+12.7%	-	-	-	-	-	-	-

WS GUINNESS GLOBAL INNOVATORS FUND - PERFORMANCE SINCE LAUNCH (GBP)



Source: FE fundinfo net of fees to 31.10.26. 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 current OCF is 0.79%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

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 as an investment adviser 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 the Guinness Global Innovators Fund and the WS Guinness Global Innovators Fund. It may provide information about the Funds' 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. 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 Funds or to buy or sell individual securities, nor does it constitute an offer for sale. If you decide to invest, you will be buying shares in the Fund and will not be investing directly in the underlying assets of the Fund.

GUINNESS GLOBAL INNOVATORS FUND
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.**

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.

For UK Investors 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 .

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'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.

WS GUINNESS GLOBAL INNOVATORS FUND
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.fundsolutions.net/uk/guinness-global-investors/ or free of charge from:-
Waystone Management (UK) Limited PO Box 389, Darlington, DL1 9UF E-Mail: wtas-investorservices@waystone.com
Waystone Management (UK) Limited is authorised and regulated by the Financial Conduct Authority.

Residency
This Fund is registered for distribution to the public in the UK but not in any other jurisdiction. In other countries or in circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients.
.
Structure & regulation
The Fund is a sub-fund of WS Guinness Investment Funds, an investment company with variable capital incorporated with limited liability and registered by the Financial Conduct Authority.

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.