

RISK

This is a marketing communication. Please refer to the prospectuses, KIDs and KIIDs for the Funds, which contain detailed information on their characteristics and objectives, 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 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. Further details on the risk factors are included in the Fund's documentation, available on our website.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	19.12.2013
Index	MSCI Europe ex UK
Sector	IA Europe Excluding UK
Manager	Nick Edwards
EU Domiciled	Guinness European Equity Income Fund
UK Domiciled	WS Guinness European Equity Income Fund

OBJECTIVE

The Guinness European Equity Income Funds are designed to provide investors with exposure to high-quality dividend-paying companies in the Europe ex UK region. The Funds aim to provide capital appreciation and a source of income that has the potential to grow over time. The Funds are actively managed and use the MSCI Europe ex UK Index as a comparator benchmark only.

CONTENTS

Commentary	1
Guinness European Equity Income Fund	
Key Facts	15
Performance	16
Important Information	17
WS Guinness European Equity Income Fund	
Key Facts	18
Performance	19
Important Information	20

COMMENTARY

Over 2023 to the end of Q3, the Guinness European Equity Income Fund has produced a total return of 8.3% (in GBP) versus the MSCI Europe ex UK Index return of 6.8%. The Fund has therefore outperformed the index by 2.0%. Over the third quarter the Fund produced a total return of -0.4% vs the MSCI Europe ex UK Index return of -2.0%, outperforming the Index by 1.6%. It is pleasing to see the performance of the Fund ranks in the first or second quartile of its IA sector over key time periods as shown in the table on the following page.

In response to stubbornly high core inflation and wage growth, the European Central Bank (ECB) raised rates twice more over Q3, by 0.25 percentage points each time, taking the deposit rate up to 4% and the main refinancing rate to 4.5% in September. The ECB also increased its inflation forecast for 2023 to 5.6% from 5.4%, and for 2024 to 3.2% from 3%, while cutting its forecast for 2025 to 2.1% from 2.2%, saying price growth was “still expected to remain too high for too long” and that keeping rates at the current level for a sufficiently long duration would make “a substantial contribution to the timely return of inflation to its 2% target”. Real GDP growth forecasts were also cut to 0.7% from 0.9% and to 1% from 1.5% for 2024 and 1.5% from 1.6% in 2025. The action was reflected in the bond market, where yields on longer-dated securities that continued to move higher, with the German 10Y and 30Y notes rising from 2.4% to 2.8% and 3% respectively, representing a headwind for growth and leverage and tailwind for Financials and some value areas of the market.

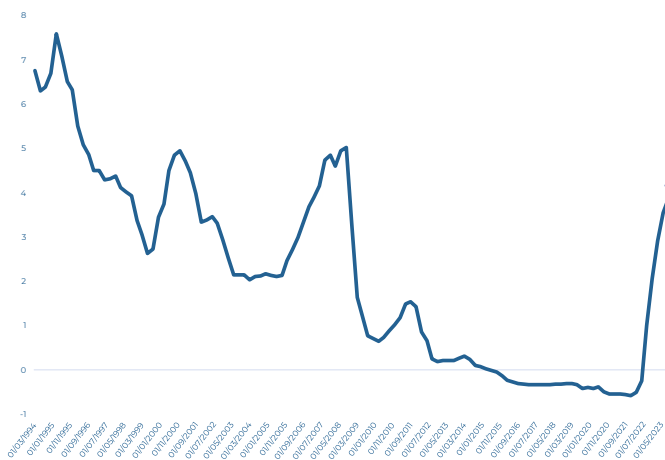
Guinness European Equity Income

Cumulative % total return in GBP to 30/09/2023	YTD	3 months	1 year	3 years	5 years	Launch*
Guinness European Equity Income	8.3	-0.4	22.5	28.7	37.1	100.9
MSCI Europe ex UK Index	6.8	-2.0	19.0	25.5	32.1	96.3
IA Europe ex UK sector average	5.4	-2.2	18.7	21.9	28.3	96.0
IA Europe ex UK sector ranking	^	^	37/143	43/131	28/119	48/99
IA Europe ex UK sector quartile	^	^	2	2	1	2

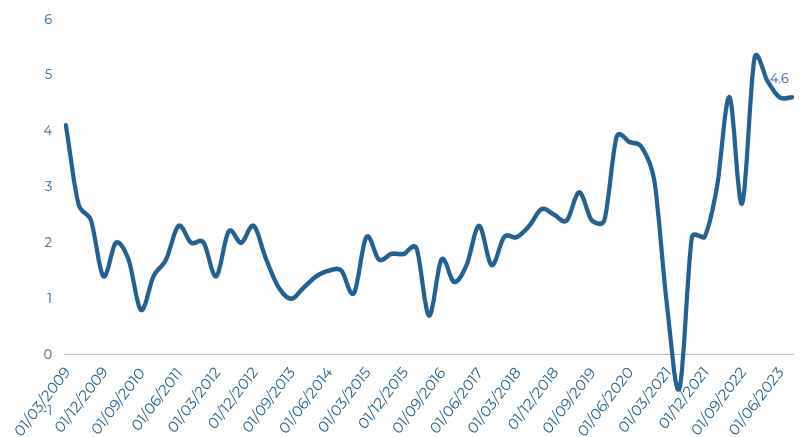
Discrete 12m % total return in GBP	Sep '23	Sep '22	Sep '21	Sep '20	Sep '19	Sep '18	Sep '17	Sep '16	Sep '15
Guinness European Equity Income	22.5	-12.9	20.7	-2.7	9.5	0.0	15.5	28.3	0.9
MSCI Europe ex UK Index	19	-12.8	20.9	-0.5	5.8	1.4	21.4	20	-1.6
IA Europe ex UK sector average	18.7	-16.1	22.4	3.1	2.2	1.9	21.9	18.4	3.6
IA Europe ex UK sector ranking	37/143	35/140	86/131	82/128	2/119	88/115	105/112	13/107	62/103
IA Europe ex UK sector quartile	2	1	6	6	1	4	4	1	3

*Fund launched 19/12/2013. Source: FE fundinfo. Class Y GBP 0.89% OCF. ^Ranking not shown in order to comply with European Securities and Markets Authority rules.

ECB 3 Month Deposit Rate %



Labor Costs Eurozone % Change YoY

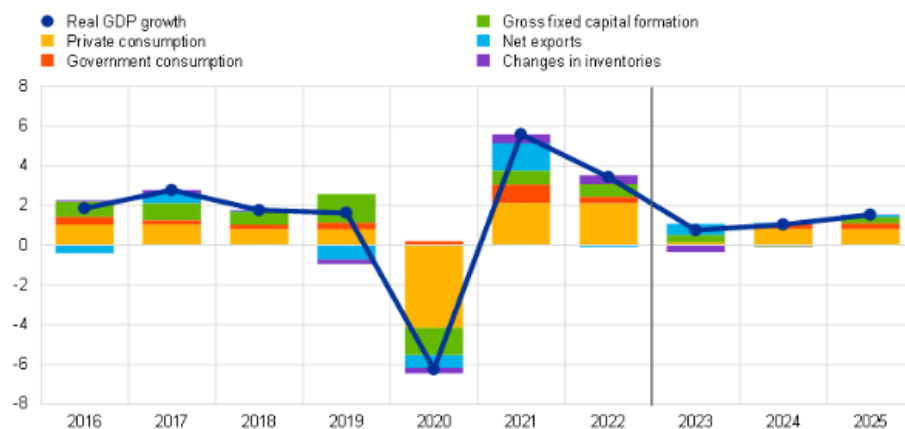


ECB 3-month deposit rate (left) and Eurozone Labor Costs % Chg year-on-year (right). Data as at end Q3 2023. Source: Bloomberg data.

On the one hand, leading indicators such as bank lending and service Purchasing Managers' Indices (PMIs) have continued to fall in response to the lagged effect of higher interest rates. On the other hand, it is encouraging to see that high yield spreads remain normal, and both the Citi European surprise index and Consumer Confidence have rebounded from lows, helped by the offsetting positives of lower input costs, robust wage growth and improving levels of interest income. The ECB forecasts real disposable incomes to increase by 0.6% in 2023 and by 1% in 2024 and 1.2% in 2025, broadly in line with its forecast for a recovery in the private consumption portion of real GDP growth in 2024 and 2025 to 1.6% from 0.3% in 2023.

Euro area real GDP – decomposition into the main expenditure components

(annual percentage changes, percentage point contributions)



Notes: Data are seasonally and working day-adjusted. Historical data may differ from the latest Eurostat publications owing to data releases after the cut-off date for the projections. The vertical line indicates the start of the projection horizon.

Euro area real GDP component history and growth forecasts. Data as of 14th September 2023. Source: European Central Bank.

Sentiment around European exporters remained weak over the quarter following extensive falls in European manufacturing PMIs and the recent slowdown in China. Europe is of course the most exposed main region to overseas company sales in general (>50%) and to the slowdown in China in particular, with the country accounting for 7.2% of company sales. However, overall levels of risk to the European economy appear low, with the most recent scenario analysis by the ECB highlighting that if China's GDP fell by 1.4 percentage points below its expectations, the impact on Euro area real GDP growth would be just 0.2 percentage points in 2024 and 2025. We would also refer readers to the Guinness Asia & EM team's constructive analysis in their [September commentary](#) of China's capital adequacy and policy response to reorientate growth.

Europe's concern over the rapidly rising level of electric vehicle imports from China is however very real. It came to the fore over the quarter as Emmanuel Macron called for reciprocity in tariffs of 25% in China vs 10% in Europe and a "trade policy that defends Europe's productive base". The risk of policy backlash appears high. From the Fund's perspective, the risk appears manageable, in our view, with Mercedes having 18% of revenues from China, well below other European OEMs such as VW and BMW at 33% respectively; and arguably priced for the worst on 5x earnings vs ROE of >12%, and a strong balance sheet.

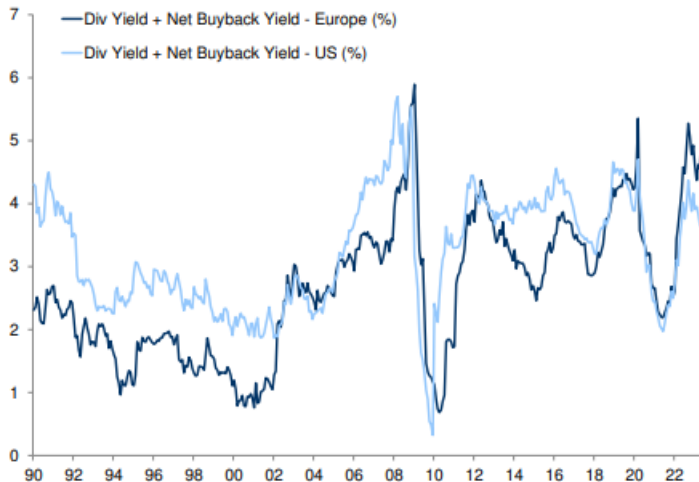
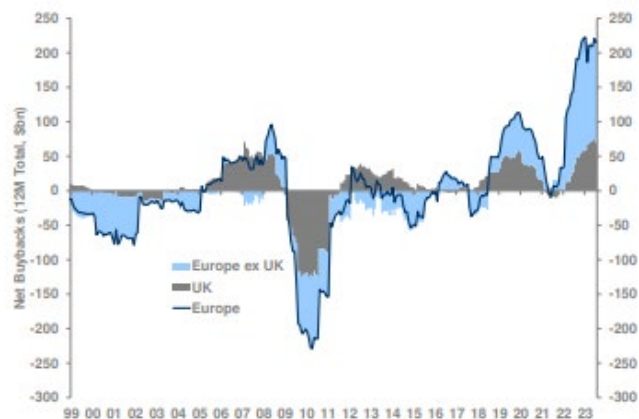
Policy action in the US is also putting pressure on Europe to defend its position and accelerate fiscal integration; notably to increase investment in order to avoid ceding climate leadership to the US, following the \$369bn Inflation Reduction Act, which incentivises far higher levels of private investment. We were interested to read a Goldman Sachs report over the quarter highlighting EU plans to de-emphasise public investment and shift towards supporting private investment in order to close the investment gap. Notably, the EU is targeting to increase capital expenditure by 13% per annum over the next 10 years or by €520bn (4% of European GDP) annually.

Over the quarter, your Fund also benefited from positive news from Novo Nordisk of the efficacy of its GLP1 type drug Wegovy in reducing the risk of major adverse cardiovascular events in obesity. This in turn however led to some uncertainty creeping into our other large sector overweight, Consumer Staples, around the risk of longer-term demand erosion stemming from greater uptake of GLP-1 appetite suppressants. Walmart's CEO confirmed that it had seen evidence that people taking GLP-1 appetite suppressants are buying slightly less calories, versus commentary from PepsiCo CEO citing negligible impact and that all structural positive trends (urbanisation, middle class development, increase in snacking, increase in mini meals) remain very solid or even accelerating. Morgan Stanley anticipates about 7 percent of American adults, or 24 million people, will be on these drugs by 2035, with a 1.3 percent reduction in US calorie consumption overall.

Income backdrop

The underperformance of Europe over the quarter brings us back to both the attractions of Europe as an investment destination in general and for income in particular. As highlighted last month, **European corporates continue to signal confidence by taking advantage of valuations close to historical lows relative to the US by buying back their stock at the fastest pace in over 20 years.** The portion of total return from buybacks is at a record high of c.32% according to Morgan Stanley data. And the increase in portion of return from buybacks is driven by cashflow and not leverage, with payouts close to the low end of history at 47%. For nearly the first time in over 30 years the European dividend yield + net buyback yield of **4.6% (split 3.1% dividend and 1.5% buyback)** sits firmly at a meaningful premium to the US dividend yield + net buyback yield of 3.2% (1.4% dividend and 1.9% buyback).

Exhibit 17: Net buyback volumes in Europe are at a record high

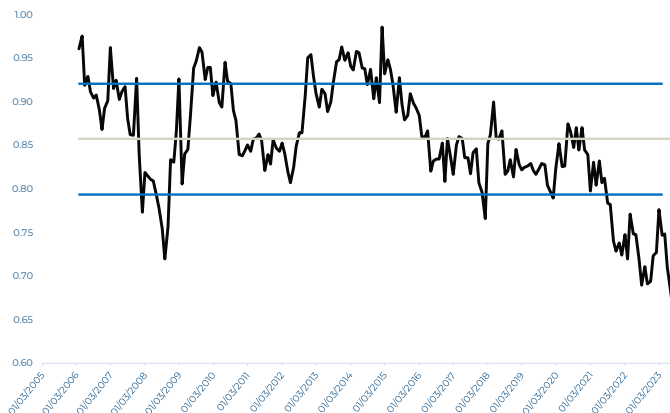


Source: FactSet, Morgan Stanley Research

Net buyback volumes in Europe (left) and Dividend Yield + Net Buyback Yield Europe vs US (right). Data as at 31st August 2023. Source: Morgan Stanley.

This means that Europe offers not just the highest dividend yield but the highest total return yield across all main regions. Much of the buyback activity stems from high-quality areas of the market where your Fund is overweight, including Consumer Staples, Financials and Industrials, second only to the Energy sector with the highest buyback breadth.

MSCI Europe ex UK (13.6x) vs MSCI USA (19.9) PE

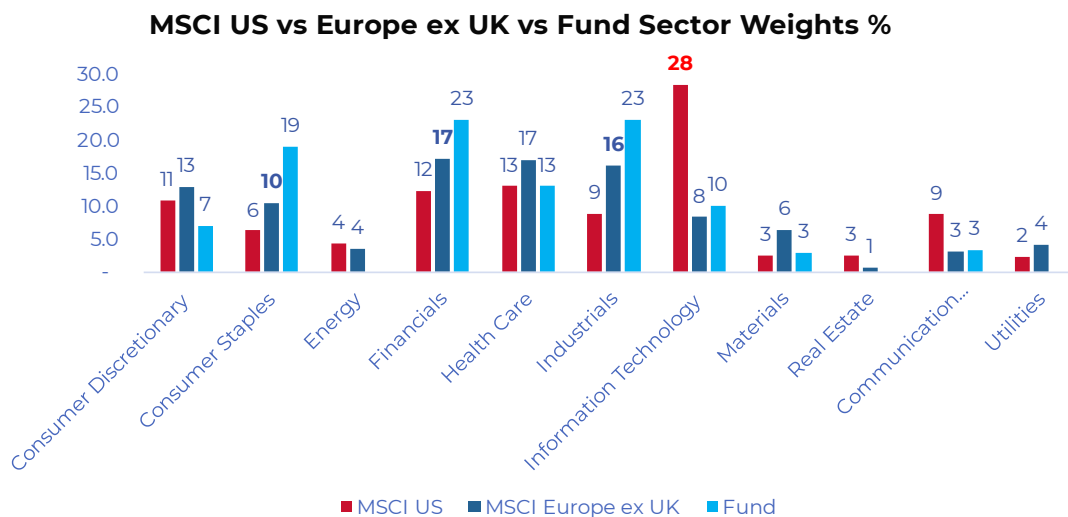


MSCI Europe ex UK historic PE relative to MSCI USA. Data as at end Q3 2023. Source: Bloomberg data.

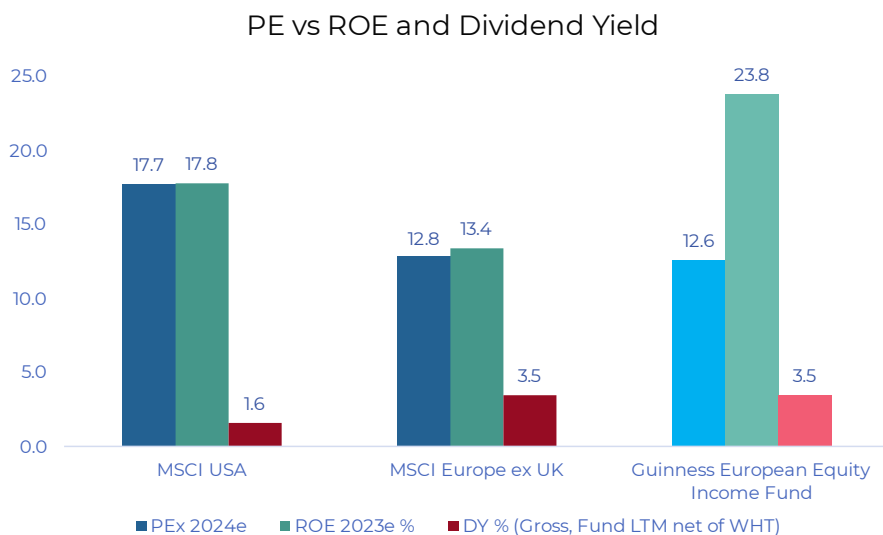
At risk of labouring the point, commodity and regulated sectors aside, Europe offers income investors a high-quality and arguably defensive sector mix for the current environment. It does not offer the high technology exposure of the US (28% IT

Guinness European Equity Income

sector), but rather far higher sector exposure to arguably **less exciting but high-quality and reasonably valued areas of the market** that stand to do well in a more inflationary and higher interest rate environment. These include globally leading consumer brands companies with a strong track record for passing on price, high-quality financials with upside exposure to interest rates, and world-class industrial automation and electrification market leaders well placed to benefit from rising climate capex into the next decade and beyond. Meanwhile, the effect of sustainably higher discount rates on relatively high valuations in some areas of the market remains to be seen.



MSCI Europe ex UK and MSCI US sector weights vs Fund sector exposure. Data as at end August 2023. Source: Bloomberg data.



Fund PE, RoE and Dividend Yield % vs MSCI Europe ex UK and MSCI US. Data as at end Q3 2023. Source: Bloomberg data. Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the stated date. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

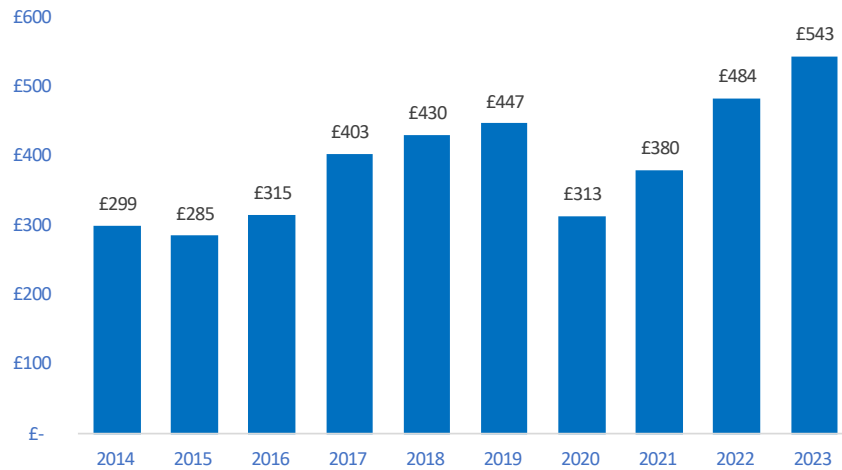
DIVIDENDS SUMMARY

The Guinness European Equity Income Fund went ex its H1 dividend of 0.4678 (Z Class GBP) on Monday 3rd July 2023 for payment on 31st July, equating to over 80% of the FY distribution, with the second smaller dividend to be declared 3rd January 2024 for payment at month end. The UK-domiciled WS Guinness European Equity Income Fund also went ex its third quarterly dividend on 2nd October (pay date 30th November). Visibility over the FY dividend is high, with just three smaller interim company dividends remaining to be declared. So far 23 companies have proposed to grow their dividend year-over-year, while 7 companies plan to hold their dividend flat. No portfolio companies expect to cut their dividend.

- H1 Dividend +15% year-on-year
- Last 12 months' dividend +20% vs 2019
- Compound annual growth rate: 6.9% (Guinness European Equity Income Fund Class Z)
- Dividend Yield last 12 months: 3.5% post withholding tax, just ahead of MSCI Europe ex UK at 3.4%

Past performance does not predict future returns.

Income paid on £10,000 investment at launch (Class Z GBP)



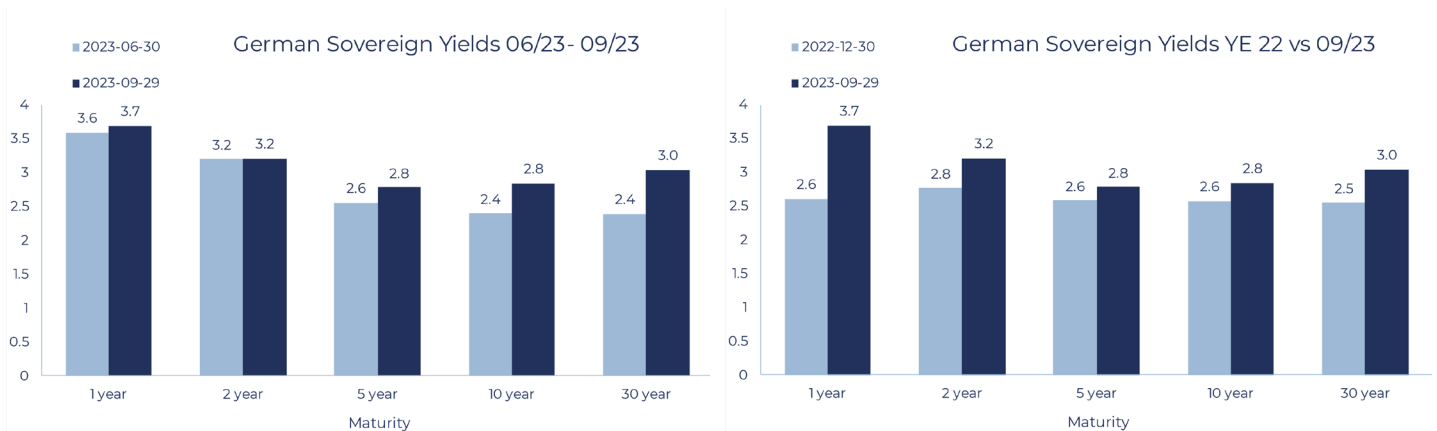
Guinness European Equity Income Fund dividend history: income paid on £10,000 investment at launch (Class Z GBP, 2023 last 12 months). Data as at 5th July 2023. Source: Link, Bloomberg.

Guinness European Equity Income

Name	Sector	# divs / year	Currency	1st Ex date	2nd Ex date	1st	2nd	3rd	4th	2023	Growth YoY	v 2019	DYe %
				2023	2023								
Capgemini SE	Information Technoloç	1	FR	EUR	30/05/2023	3.25				3.25	35%	91%	2.0
Melexis	Information Technoloç	2	BE	EUR	10/05/2023	2.20	1.30			3.50	35%	59%	4.3
EssilorLuxottica SA	Healthcare	1	FR	EUR	08/06/2023	3.23				3.23	29%	58%	1.9
Kaufman & Broad	Consumer Discretionary	1	FR	EUR	31/05/2023	2.40				2.40	23%	-4%	8.6
Atlas Copco	Industrials	2	SE	SEK	28/04/2023	1.15	1.15			2.30	21%	46%	1.6
Universal Music Group	Communications Serv	2	NL	EUR	30/05/2023	0.27	0.24			0.51	18%	NA	2.1
Novo Nordisk A/S	Health Care	2	DK	DKK	24/03/2023	8.15	4.80			12.95	16%	59%	1.1
Legrand SA	Industrials	1	FR	EUR	02/06/2023	1.9				1.90	15%	42%	2.2
Euronext NV	Financials	1	FR	EUR	23/05/2023	2.22				2.22	15%	58%	3.3
Assa Abloy AB	Industrials	2	SE	SEK	27/04/2023	2.40	2.40			4.80	14%	37%	2.0
Deutsche Boerse AG	Financials	1	DE	EUR	17/05/2023	3.60				3.60	13%	33%	2.2
AXA SA	Financials	1	FR	EUR	08/05/2023	1.70				1.70	10%	27%	6.0
Schneider Electric SE	Industrials	1	FR	EUR	09/05/2023	3.15				3.15	9%	34%	2.0
Helvetia Holding AG	Financials	1	CH	CHF	03/05/2023	5.90				5.90	7%	23%	4.6
Nestle SA	Consumer Staples	1	CH	CHF	24/04/2023	2.95				2.95	5%	20%	2.8
Recordati Industria SpA	Health Care	2	IT	EUR	22/05/2023	0.60	0.57			1.17	4%	23%	2.6
Mercedes	Consumer Discretionary	1	DE	EUR	04/05/2023	5.20				5.20	4%	60%	7.9
TietoEVRY Oyj	Information Technoloç	1	FI	EUR	24/03/2023	0.725	0.725			1.45	4%	0%	6.8
Danone SA	Consumer Staples	1	FR	EUR	09/05/2023	2.00				2.00	3%	3%	3.8
Banca Generali	Financials	2	IT	EUR	20/02/2023	0.80	1.00			1.80	3%	44%	3.9
Deutsche Post AG	Industrials	1	DE	EUR	05/05/2023	1.85				1.85	3%	61%	4.8
ABB Ltd	Industrials	1	CH	CHF	27/03/2023	0.84				0.84	2%	5%	2.6
Roche Holding AG	Health Care	1	CH	CHF	16/03/2023	9.50				9.50	2%	9%	3.8
Amundi SA	Financials	1	FR	EUR	22/05/2023	4.10				4.10	0%	41%	7.6
Henkel AG Ords	Industrials	1	DE	EUR	17/04/2023	1.83				1.83	0%	0%	3.1
Konecranes Oyj	Industrials	1	FI	EUR	30/03/2023	1.25				1.25	0%	4%	4.0
Mapfre SA	Financials	2	ES	EUR	23/05/2023	0.085	0.06			0.15	0%	-1%	7.5
Royal Unibrew	Consumer Staples	1	DK	DKK	26/04/2023	14.50				14.50	0%	34%	2.7
Salmar ASA	Consumer Staples	1	NO	NOK	09/06/2023	20.00				20.00	0%	-13%	3.7
Unilever NV	Consumer Staples	4	GB	EUR	23/02/2023	0.4268	0.4268	0.4268	0.4268	1.71	0%	5%	3.6

Fund proposed YoY dividend growth by holding in local currency. Data as at end Q3 2023. Source: Bloomberg

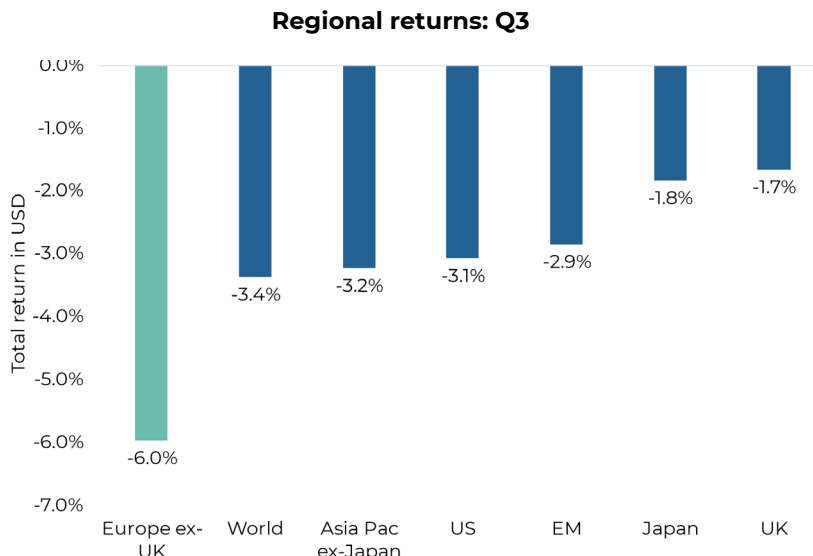
FUND PERFORMANCE



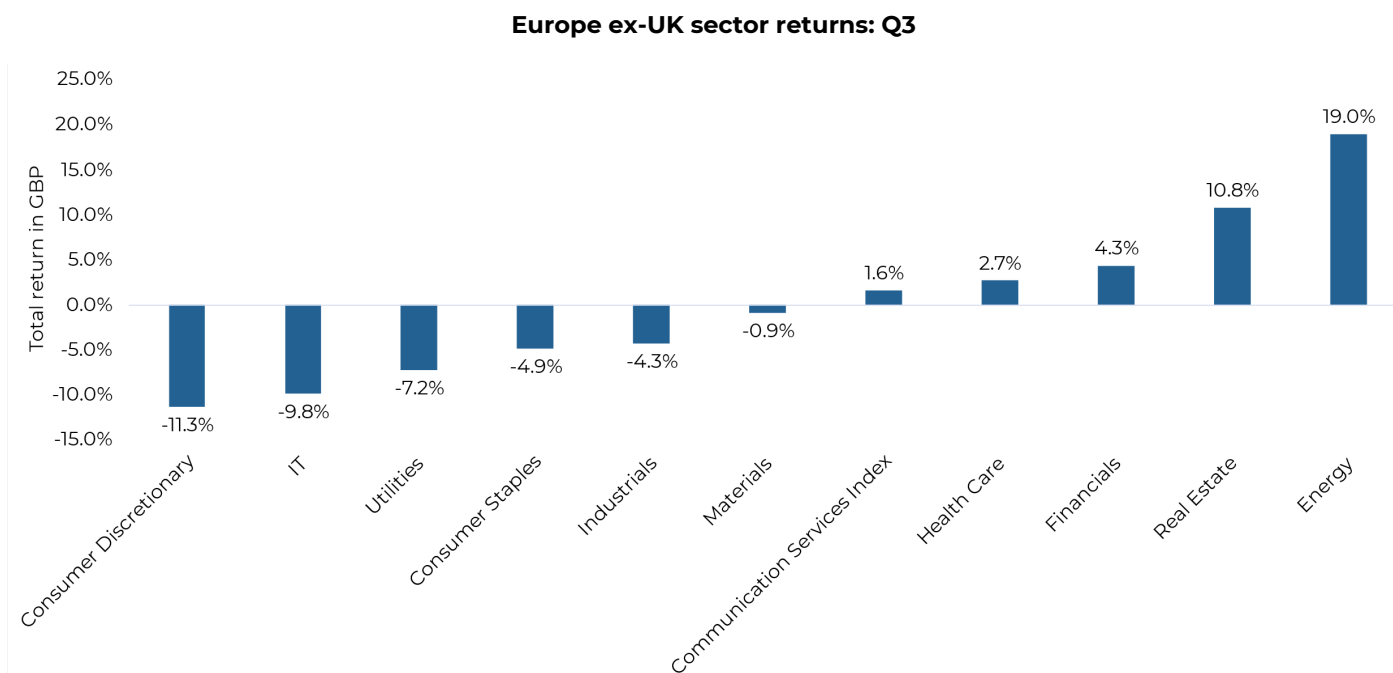
Data as at end Q3 2023 vs Q2 2023 (left) and YTD. Source: Bloomberg

Over the third quarter of 2023 it was primarily longer-dated maturities' yields which continued to rise with 10Y and 30Y German sovereign yields rising from 2.4% to 2.8% and 2.4% to 3% respectively as the market moved to price in a combination of softer-than-expected growth and higher levels of interest rates for the longer term, in response to stubbornly high core inflation and wage growth. This followed more hawkish commentary from the US Federal Reserve's late September meeting and a dot plot which indicated continued tight monetary policy into 2024 – a headwind for higher-multiple growth stocks and a tailwind for some value areas of the market and Financials in general.

Guinness European Equity Income



MSCI World Index geographic total return breakdown for Q3 2023 in USD. Source: Bloomberg

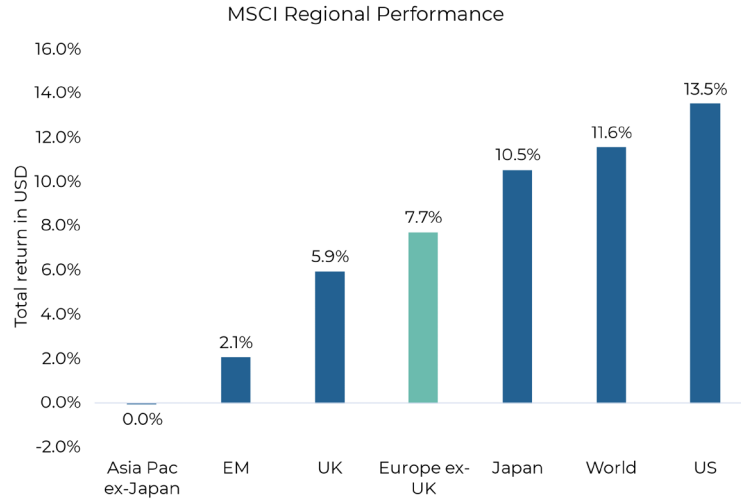


MSCI Europe ex UK sector performance in Q3, in GBP. Source: Bloomberg

The Funds outperformed the MSCI Europe ex UK in a market where commodity and regulated sectors Energy and Real Estate were the best performing sectors. Financials was the third-best performing sector helped by the tailwind of rising interest rates, and Healthcare specifically benefited from a strong performance by Novo Nordisk, Europe's largest company by market cap. At the other end of the spectrum, Consumer Discretionary, notably luxury, and the IT sector suffered as higher-multiple growth companies underperformed as discount rates moved higher, while Utilities also underperformed as financial input costs and competition for capital rose. At Fund level it was principally Consumer Discretionary, Communication Services and Financials that drove outperformance more than offsetting underperformance from our Industrials overweight and not holding Energy. In Consumer Discretionary we benefited from not holding higher-multiple luxury stocks, and in Communications Services from holding Universal Music rather than generally highly leveraged telecoms.

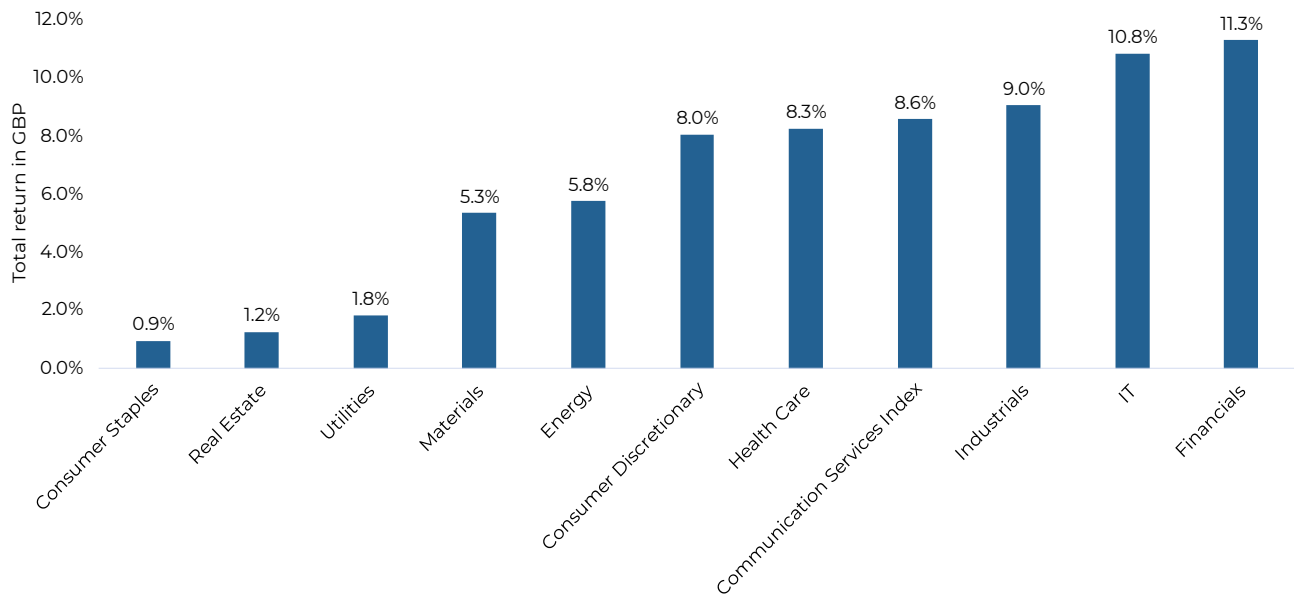
Guinness European Equity Income

Regional returns year-to-date



MSCI World Index geographic total return breakdown YTD 2023, in USD Source: Bloomberg

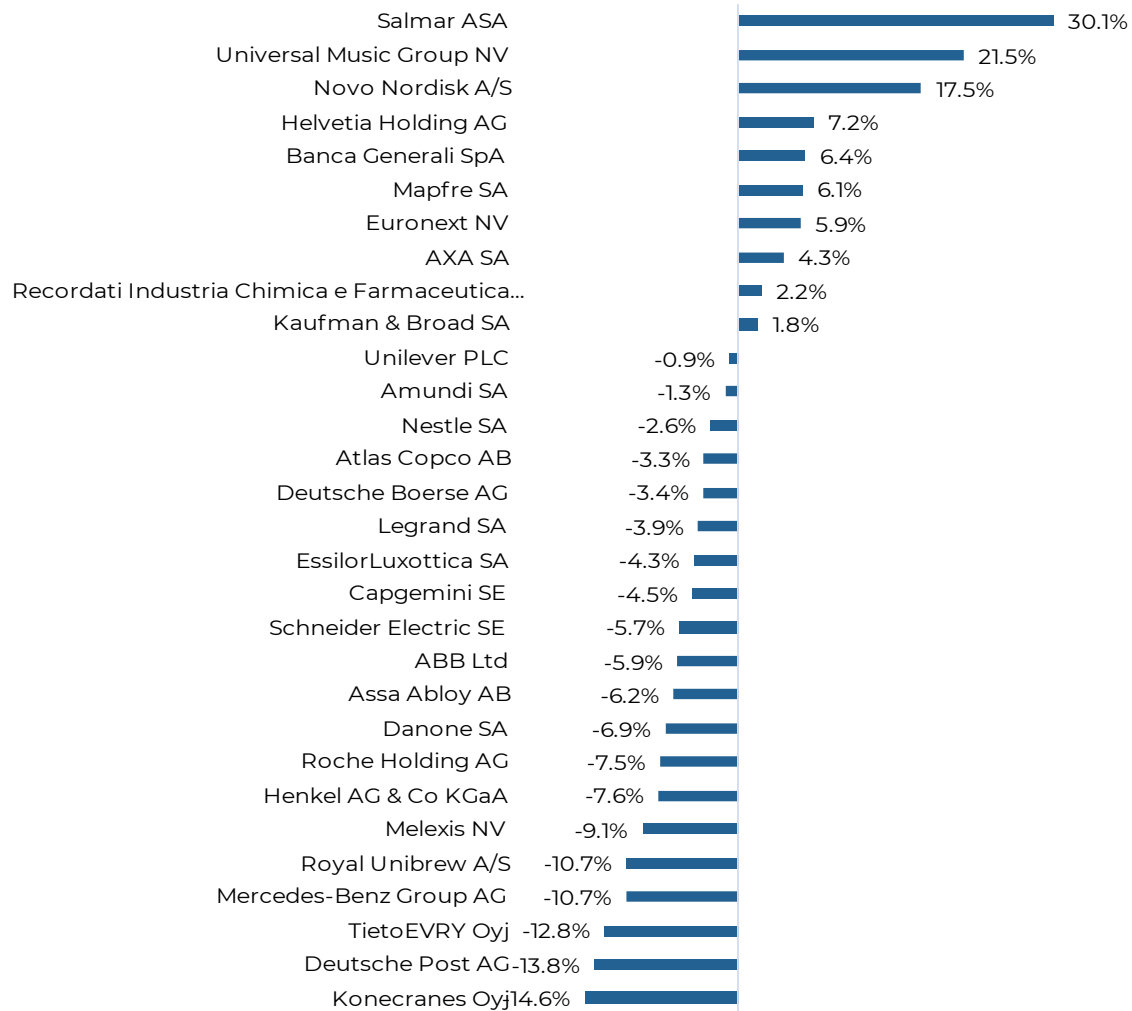
Europe ex-UK sector returns year-to-date



MSCI Europe ex UK sector performance YTD, in GBP. Source: Bloomberg

FUND PERFORMANCE

Stock performance over Q3 2023 (EUR)



Individual stock performance over Q3 2023, in EUR. Source: Bloomberg data.

The best performing holdings over the Q3 quarter in EUR were **Salmar +30.1%**, **Universal Music +21.5%** and **Novo Nordisk +17.5%**.

Salmar (+30.1%) was our best performing stock over Q3 following the release of quarterly results highlighting 12% YoY harvest volume growth and good progress in terms of project milestones and acquisition integration, alongside continued high levels of innovation in terms of new and offshore farming developments. News that the company will cancel 13.1m treasury shares also met with a positive reception, reducing overhang and signalling a degree of confidence given the uncertain regulatory backdrop, which continues to weigh on investment capex, returns and the share price in the form of the aquaculture tax. The Norwegian Parliament voted in the tax retrospectively to the start of 2023 in May at a rate of 25% on top of the existing regular corporate tax rate of 22%, thereby equating to a margin tax rate on aquaculture of 47%. However, the rules for tax calculation are not yet finalised, and Salmar continues to lobby government, highlighting the potential for significant national withdrawal of investment capital from the industry based on the government assumption that aquaculture is a "location-bound resource rent industry". It doesn't seem unlikely that a middle ground will be reached. In the meantime, the shares trade around historic average



Guinness European Equity Income

multiples off arguably depressed earnings and amid low global supply growth, and offer a 2024e dividend yield of approximately 3.6%, with scope for a resumption in dividend growth in due course.

Universal Music Group was our second-best performing holding, rising 21.5% over the quarter. The initial concern over the possible impacts of AI-generated music shifted to opportunity as UMG adopts a more artist-centric model. Secondly, Digital Service Providers including YouTube raised prices by 10% in the US and by 15% for global subscribers. Q2 results were also positively received, with subscription streaming sales growth of +13% the main driver behind group sales growth of 9% and ebitda growth of 19% supported by positive operating leverage as subscription streaming sales dropped through to an ebitda margin of 21.9% vs 20% year-on-year.



We were also interested to see new data from Morgan Stanley suggesting that Universal Music's market share of top performing artists had risen to 43% in Q3 vs just under 40% in Q1 and Q2, alongside estimates for paid music streaming users to rise to 17.5% of smartphone users in 2027e vs c.13.5% today. This implies streaming revenue growth of nearly 12% per annum off c.7% consumer spending growth on recorded music.

In short, the runway for streaming revenue growth remains long for Universal Music, with smartphone penetration in key emerging markets still very low, at around 6% in China and just c.2% in India. As we commented in Q2, while there remains much to improve upon in terms of governance and incentives disclosure, management are best-in-class and clearly focused on the opportunity, with the upper end of CEO long-term incentives based on a share price of €38 vs around €26 today. The dividend contribution to the Fund is low, with a yield of just over 2.1% (up +18% year-on-year) and no buyback (given the greater opportunity presented by bolt-on music rights deals), but the opportunity remains significant, in our view. Universal Music is a unique asset, owning some 31% of global music rights, critical to technology, with ongoing strong uptake across growth areas including social media, gaming and health & fitness.

Novo Nordisk (+17.5%) was the third-best performing portfolio holding in Q3, supported by significantly better than expected SELECT trial results of its GLP-1 type once-weekly 2.4mg Semaglutide treatment named Wegovy in reduced cardiovascular risk and greater weight loss in obesity, resulting in an upgrade to company full-year constant currency sales growth guidance from 24%-30% to 27%-33%. Novo Nordisk is in a strong position as the leader in global diabetes treatment with market share of 32.7% (rising 1.7ppts year-on-year), and a GLP-1 market share of 54.1% vs GLP-1's just c.5% penetration of total diabetes prescriptions. Hence the runway for this new beneficial class of medicine to take share from standard insulins remains significant. The potential for end market treatment growth is also large, with Novo estimating that just 15% of some 537m global sufferers of diabetes are in good control of their condition, a number which is seen expanding by 32% to 784m in 2045. Worse, for obesity, Novo estimates that just 2% of some 764m living with the condition are receiving medical treatment. That is not to say there aren't factors to keep an eye on. Supply bottlenecks aside, Novo's valuation on 32x 2024 earnings is at the top end of history vs a 10-year average of c.22x, and patent expiries pick up from the end of this decade onwards. But overall, the trial result is another example of the power of Novo Nordisk's focused innovation engine and its track record for expanding into related market niches outside of its core diabetes franchise characterised by large unmet clinical need. We note the positive market reception to the launch of Novo's GLP-1 class of drugs in European markets, and await further data on the potential for Semaglutide in related treatments beyond weight reduction and cardiovascular risk due in November with interest. With a 2024e dividend yield of 1.6% Novo may be the lowest yielding European income holding, but that is only a small part of the picture given an annualised 10Y dividend growth rate of 13%, and a track record for persistent near equivalent annual share buybacks.



The worst two performing holdings were **Konecranes -14.6%** and **Deutsche Post -13.8%**.

Deutsche Post (-13.8%), which trades as DHL Group, was the second-worst performing position over the month, with softening quarterly earnings driven primarily by normalisation in global air and sea forwarding rates from high levels and as Asian markets, notably China, remained weak. That said, DHL Express (c.50% group EBIT) remained broadly stable amid ongoing good capacity discipline and the leading international (ex-US) position in a three-player global oligopoly. Importantly, DHL results highlighted ongoing strong structural growth drivers for e-commerce and digitally led business including DHL Supply Chain, underscoring the structural improvement in its overall position post-pandemic in spite of short-term cyclical headwinds. We also note that the company continues to buy back its own shares as part of the €3bn buyback plan which runs through to the end of 2024 and contributes to a total return yield not far off 7% (split c.5% dividend yield and c.2% buyback), off shares which trade at a modest discount to historic levels.



Guinness European Equity Income

Konecranes (-14.6%) was our worst performing stock over Q3 against a backdrop of falling PMIs and weakening international trade, irrespective of the reassuring position given at Q2 / H1 results. The company has an order book of €3.4bn, +25% YoY to an all time high, and still positive mid-single digit order growth across Service and Port Solutions vs Industrial Equipment -2%; alongside 350bps margin improvement and group RoCE of 17.2% vs 13.4% YoY and Net Debt / Ebitda down to 1.3x vs. 1.8x YoY. Capital allocation continued to highlight the overall direction of travel towards service, sustainability and Asia. Konecranes has acquired Whiting Corporation's industrial and nuclear crane and crane servicing business and Munck Cranes AS industrial crane service business. Supply chain issues continue to abate and Konecranes expects to continue to be able to offset any further cost pressure with positive pricing. The tone of commentary did however reflect the backdrop of falling PMI data, with Konecranes adding that it had seen some hesitation in decision-making among Port Solutions customers, with two "mega orders" reportedly put on hold for around a couple of quarters.



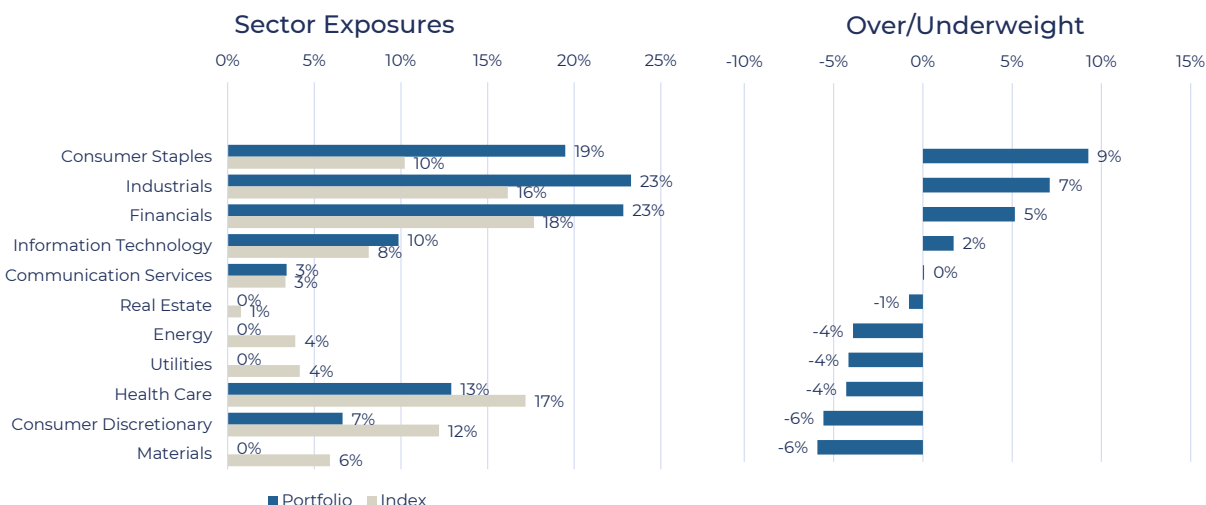
On c.9x next year's earnings, Konecranes continues to be priced for low growth at a time when capex on industrial efficiency and automation is picking up. The multiple also remains miles apart from former parent company Kone (lifts), on c.19x, where service comprises 50% of sales vs 38% (YE 2022) at Konecranes, which continues to seem anomalous given a good degree of similarity across business models, albeit of course serving different industries.

CHANGES TO THE PORTFOLIO

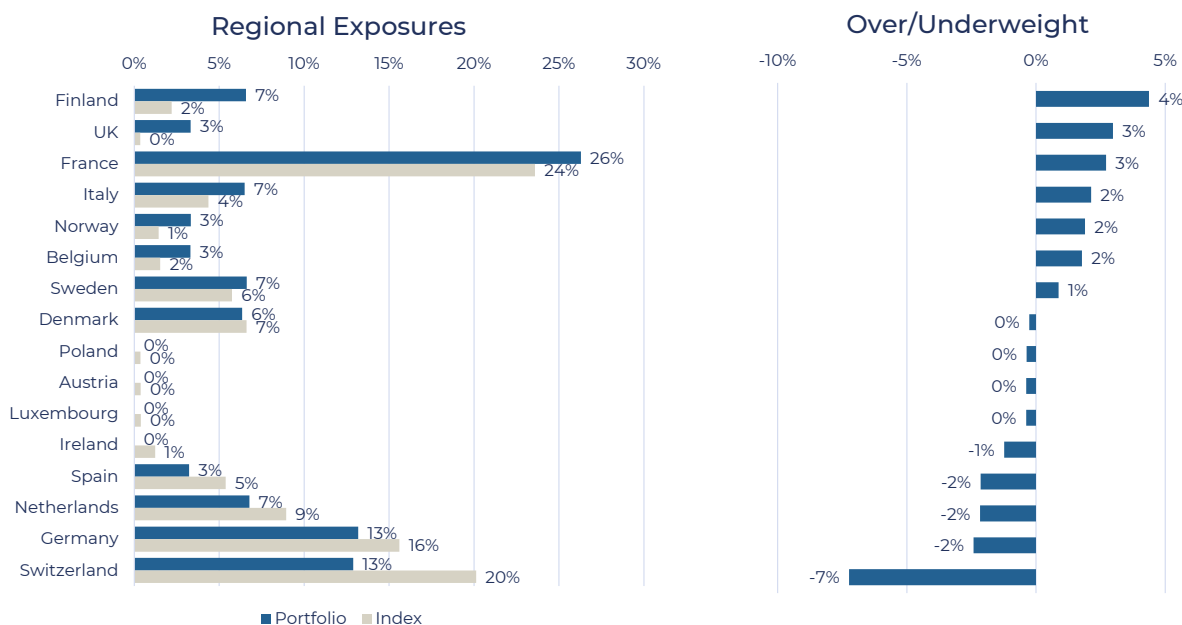
There were no changes to portfolio holdings over the third quarter.

FUND POSITIONING

Your Fund holds no exposure to highly cyclical areas such as mining and oil or regulated ones including utilities, telecoms and banks. Few companies from these sectors make it into our universe due to our focus on quality and persistent high cash returns. Industrials, Consumer Staples, and Financials (exchanges, insurers and wealth managers) remain our sector overweight holdings. The portfolio is thus well balanced between quality defensives (44%, a high since Fund inception, across Staples, Healthcare, Exchanges within Financials and Universal Music Group in Communication Services) and high-quality cyclicals (56%). There is a small overweight to the IT sector, but nearly all the companies in the portfolio are notable for their best-in-class use of technology. Notably our overweight Industrials sector is focused almost entirely on globally leading industrial technology and automation. For a sector breakdown of Fund positioning since launch please see our [annual review 2022](#).



Guinness European Equity Income



Source: Guinness Global Investors, Bloomberg (data as at 30.09.2023)

The Guinness approach to equity income results in a natural bias towards high-quality northern European markets, with overweight exposures to **Scandinavia** and **France**, and **Italy** following the three switches made in Q1 2023. The high northern Europe exposure results from two factors. First, we find more high-quality companies with attractive long-term dividend growth potential in Scandinavia and northern Europe, and secondly, some of these countries represent quite low weights in the MSCI Europe ex UK Index. Perhaps more importantly in the current context, the Funds are predominantly invested in globally leading European companies, irrespective of where they are listed.

KEY FUND METRICS

The four key tenets to our approach are: quality, value, dividend, and conviction. We follow these metrics at the portfolio level to make sure we are providing what we say we will.

At the quarter end, we are pleased to report that the portfolio continues to deliver on all four of these measures relative to the benchmark MSCI Europe ex UK Index.

		Fund	MSCI Europe ex UK Index
Quality	Debt / equity	77.7%	193.0%
	Return on equity	23.8%	12.8%
Value	PE (2023e)	12.6	12.8
	FCF Yield	4.8%	4.0%
Dividend	Dividend Yield (LTM)	3.5%	3.4%
	Weighted average payout ratio	52.5%	57.1%
Conviction	Number of stocks	30	344
	Active share	85%	-

Portfolio metrics versus MSCI Europe ex UK Index. Guinness Global Investors, Bloomberg (data as at 30.09.2023)

OUTLOOK

Our focus on companies with a proven track record of generating persistent high cash returns in all weather, alongside strong balance sheets and the presence of structural growth drivers, leaves the strategy well placed in an uncertain environment characterised by inflation and ‘higher for longer’ interest rates. In this context, the portfolio’s main overweight sectors Staples, Financials and Industrials have a track record for passing on price rises, offering upside exposure to higher interest rates and benefiting from increased levels of capital investment. While good portfolio balance with 44% defensives and 56% quality cyclicals sets the strategy apart from many income funds which focus on higher dividend yields across highly cyclical and regulated sectors or undertake barbell strategies. In the near term, good fund liquidity (average market cap \$62bn) and low leverage leaves the Funds well placed in case of further tightening of interest rates and liquidity. While longer-term structural growth drivers including resurgent Asian demand growth and climate capex should prove supportive for their focus on globally leading companies listed in Europe.

An equally weighted conviction portfolio of high-quality companies trading at reasonable valuations paying moderate to high and growing dividends is an attractive profile in any environment. Your Fund offers significantly higher return characteristics and favourable balance sheet metrics compared to the wider index, whilst trading on a valuation multiple approximately in line with the Index. In general, our portfolio companies exhibit strong levels of self-determination, characterised by market leadership positions, widening moats, aligned interests and long runways for growth. We believe that whatever the weather this represents a good place to be.

Thank you for your continued support.

Portfolio Manager

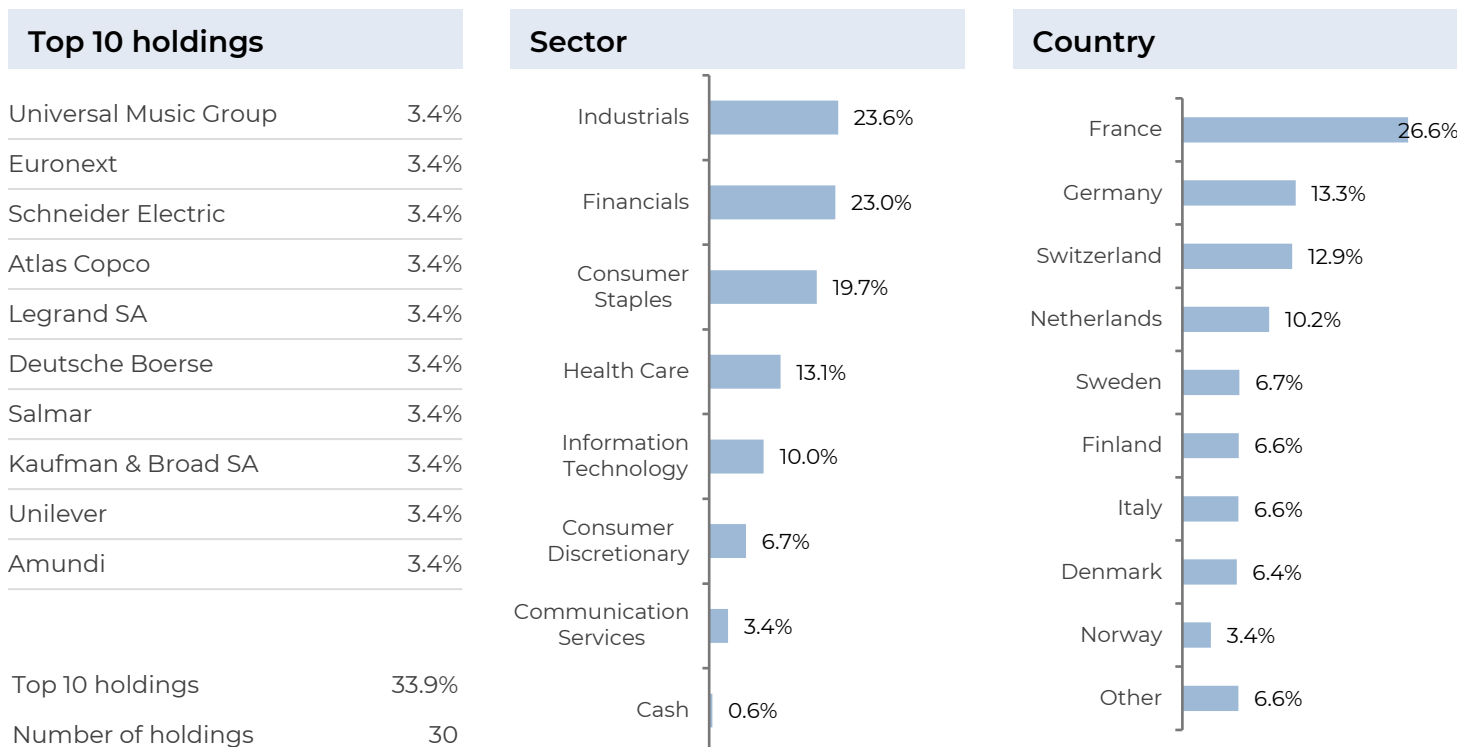
Nick Edwards

GUINNESS EUROPEAN EQUITY INCOME FUND - FUND FACTS

Fund size	\$9.6m
Fund launch	19.12.2013
OCF	0.89%
Benchmark	MSCI Europe ex UK TR
Historic yield	3.5% (Y GBP Dist)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

GUINNESS EUROPEAN EQUITY INCOME FUND - PORTFOLIO



Guinness European Equity Income Fund

Past performance does not predict future returns.

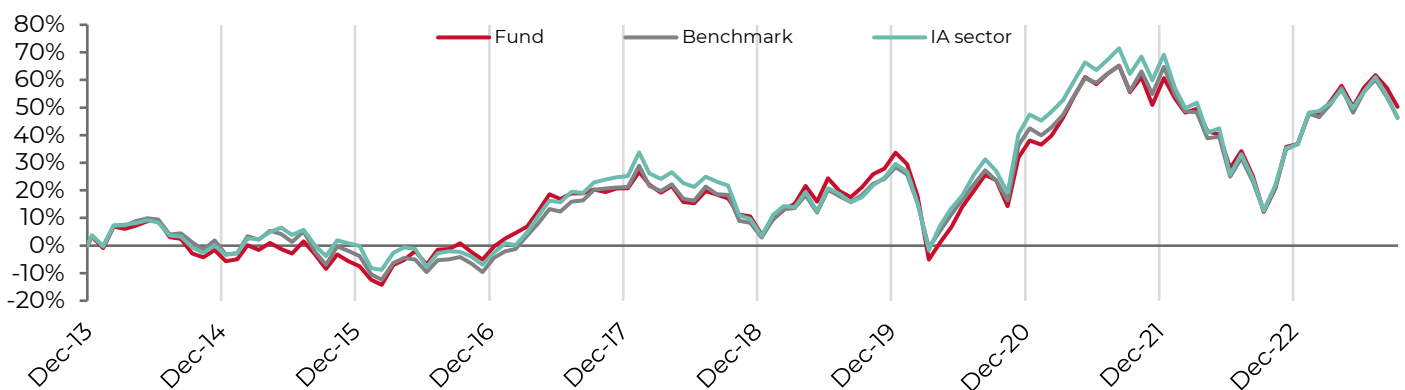
GUINNESS EUROPEAN EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-0.7%	+8.3%	+22.5%	+28.7%	+37.2%	-
MSCI Europe ex UK TR	-1.3%	+6.8%	+19.0%	+25.5%	+32.1%	-
IA Europe Excluding UK TR	-1.8%	+5.4%	+18.7%	+21.9%	+28.3%	-
(USD)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-4.4%	+9.9%	+33.9%	+21.5%	+28.3%	-
MSCI Europe ex UK TR	-4.9%	+8.3%	+30.1%	+18.5%	+23.7%	-
IA Europe Excluding UK TR	-5.4%	+7.0%	+29.8%	+15.1%	+20.1%	-
(EUR)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-2.0%	+10.8%	+23.9%	+34.6%	+40.9%	-
MSCI Europe ex UK TR	-2.5%	+9.2%	+20.4%	+31.2%	+35.7%	-
IA Europe Excluding UK TR	-3.0%	+7.8%	+20.1%	+27.4%	+31.8%	-

GUINNESS EUROPEAN EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fund	-4.2%	+17.5%	+0.1%	+23.7%	-8.8%	+10.7%	+28.5%	+3.6%	-3.0%	-
MSCI Europe ex UK TR	-7.6%	+16.7%	+7.5%	+20.0%	-9.9%	+15.8%	+18.6%	+5.1%	-0.7%	-
IA Europe Excluding UK TR	-9.0%	+15.8%	+10.3%	+20.3%	-12.2%	+17.3%	+16.4%	+9.3%	-0.9%	-
(USD)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fund	-14.9%	+16.4%	+3.3%	+28.6%	-14.0%	+21.2%	+7.8%	-2.0%	-8.6%	-
MSCI Europe ex UK TR	-18.0%	+15.7%	+10.9%	+24.8%	-15.1%	+26.8%	-0.6%	-0.7%	-6.6%	-
IA Europe Excluding UK TR	-19.2%	+14.7%	+13.8%	+25.2%	-17.3%	+28.4%	-2.4%	+3.3%	-6.7%	-
(EUR)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fund	-9.3%	+25.2%	-5.2%	+31.1%	-9.8%	+6.4%	+10.9%	+9.0%	+3.9%	-
MSCI Europe ex UK TR	-12.6%	+24.4%	+1.8%	+27.1%	-10.9%	+11.4%	+2.4%	+10.7%	+6.4%	-
IA Europe Excluding UK TR	-13.9%	+23.4%	+4.4%	+27.5%	-13.1%	+12.8%	+0.5%	+15.1%	+6.2%	-

GUINNESS EUROPEAN EQUITY INCOME FUND - PERFORMANCE SINCE LAUNCH (USD)



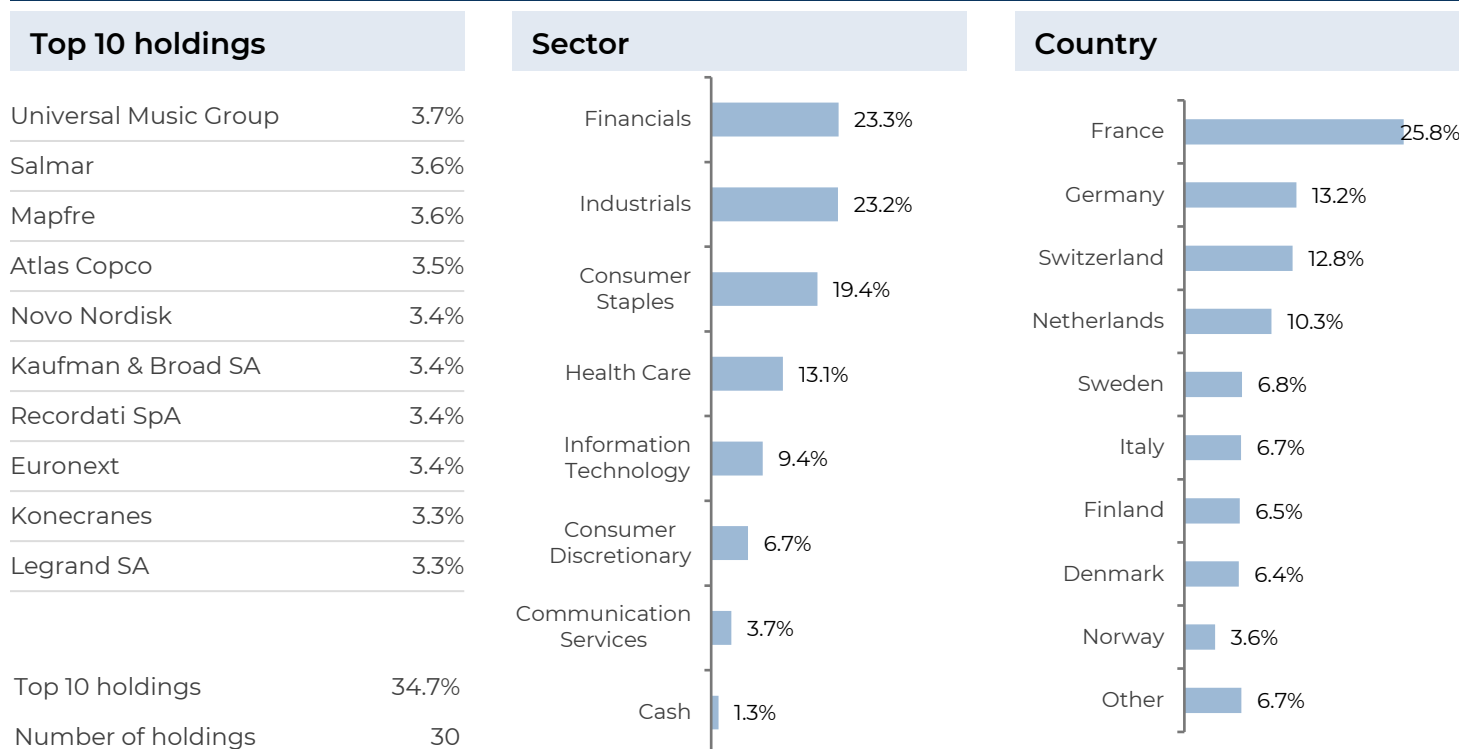
Source: FE fundinfo to 30.09.23. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF for the share class used for the fund performance returns is 0.89%. 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.

WS GUINNESS EUROPEAN EQUITY INCOME FUND - FUND FACTS

Fund size	£0.5m
Fund launch	30.12.2022
OCF	0.89%
Benchmark	MSCI Europe ex UK TR
Historic yield	3.1% (Y Inc)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

WS GUINNESS EUROPEAN EQUITY INCOME FUND - PORTFOLIO



WS Guinness European Equity Income Fund

Past performance does not predict future returns.

WS GUINNESS EUROPEAN EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
MSCI Europe ex UK TR	-	-	-	-	-	-
IA Europe Excluding UK TR	-	-	-	-	-	-

WS GUINNESS EUROPEAN EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
MSCI Europe ex UK TR	-	-	-	-	-	-	-	-	-	-
IA Europe Excluding UK TR	-	-	-	-	-	-	-	-	-	-

WS GUINNESS EUROPEAN EQUITY INCOME FUND - PERFORMANCE SINCE LAUNCH (GBP)

For regulatory reasons, we are unable to provide performance information where the track record is less than 12 months.

Source: FE fundinfo to 30.09.23. 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 for the share class used for the fund performance returns is 0.89%. 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.

This report is primarily designed to inform you about the Guinness European Equity Income Fund and the WS Guinness European Equity Income 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.

GUINNESS EUROPEAN EQUITY INCOME FUND

Documentation

The documentation needed to make an investment, including the Prospectus, the 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 DO4 A4E, Ireland or the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE Management Company (IE), as UCITS Man Co, has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights

A summary of investor rights in English is available here: <https://www.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.

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, 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.

WS GUINNESS EUROPEAN EQUITY INCOME 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 <https://www.waystone.com/our-funds/waystone-fund-services-uk-limited/> or free of charge from:-

Waystone Fund Services (UK) Limited
64 St James's Street
Nottingham
NG1 6FJ
General enquiries: 0115 988 8200
Dealing Line: 0115 988 8285
E-Mail: clientservices@waystonefs.co.uk

Waystone Fund Services (UK) Limited is authorised and regulated by the Financial Conduct Authority.

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.

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.

Telephone calls will be recorded and monitored.