Guinness Global Energy

Investment Commentary – February 2026

RISK

This is a marketing communication. Please refer to the prospectus, supplement and KID/KIID for the Funds (available on our website), which contain 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 and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. The Fund invests only in companies involved in the energy sector; it is therefore susceptible to the performance of that one sector and can be volatile.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	31.12.1998
Index	MSCI World Energy
Sector	IA Commodity/Natural Resources
Managers	Will Riley Jonathan Waghorn Tim Guinness
EU Domiciled	Guinness Global Energy Fund
UK Domiciled	WS Guinness Global Energy Fund

INVESTMENT POLICY

The Guinness Global Energy Funds invest in listed equities of companies engaged in the exploration, production and distribution of oil, gas and other energy sources. We believe that over the next twenty years the combined effects of population growth, developing world industrialisation and diminishing fossil fuel supplies will force energy prices higher and generate growing profits for energy companies. The Funds are actively managed and use the MSCI World Energy Index as a comparator benchmark only.

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COMMENTARY

OIL

Spot prices sharply higher in January

The WTI and Brent spot oil prices rose sharply in January, driven by a number of supply disruptions (especially in the United States and Kazakhstan) and elevated geopolitical concerns centred around Venezuela and Iran. A weaker US dollar also helped to support prices. Brent and WTI closed the month at around $73/bl and $65/bl respectively, with an estimated $5-7/bl of near-term risk premium.

NATURAL GAS

Global gas prices all higher

US, European and Asian gas prices all rallied in January. In the US, an arctic blast caused Henry Hub prices to spike to over $7/Mcf during the month as 15% of US supply was taken offline. Low European gas inventories, cold weather and the threat of lower US volumes saw European prices rally as well, closing at over $14/Mcf.

EQUITIES

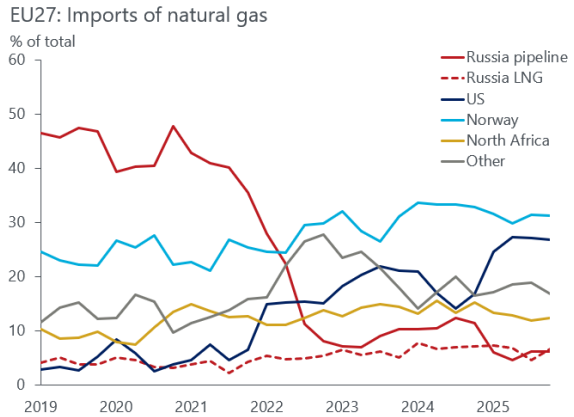
Energy outperforms the broad market in January

The MSCI World Energy Index (net return) rose by 12.6% (USD) in January, outperforming the MSCI World Index (net return), which rose by 2.2%.

CHART OF THE MONTH

Europe has dramatically reduced its reliance on Russian pipeline gas since 2021, although Russian liquefied natural gas (LNG) still comes into the region. Overall gas supply and demand have fallen, and LNG supply from the US has taken market share.

US LNG exports

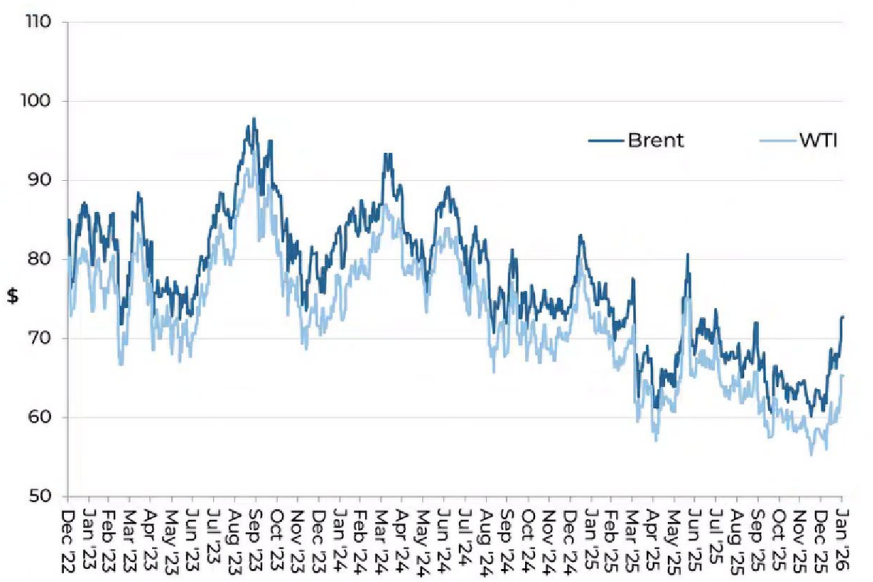


Source: Oxford Economics, Bruegel, 2026

JANUARY IN REVIEW

i) Oil market

Oil price (WTI and Brent $/barrel): December 2022 to January 2026



Source: Bloomberg; Guinness Global Investors

The West Texas Intermediate (WTI) oil price began January at $57/bl and traded steadily higher through the month to end the month at $65/bl. WTI has averaged just under $61/bl so far this year, having averaged $57/bl in 2025, $76/bl in 2024 and $78/bl in 2023. Brent oil traded in a slightly stronger fashion, opening at $62/bl and closing at just under $73/bl. Brent has averaged around $66/bl so far in 2026, having averaged $62.5/bl in 2025, $80/bl in 2024 and $83/bl in 2023. The gap between the WTI and Brent benchmark oil prices widened over the month, ending January at around $7/bl. The Brent-WTI spread has averaged around $5/bl in recent years.

Factors which strengthened WTI and Brent oil prices in January:

- **Increased geopolitical risk, especially around Iran and Venezuela**

As we discuss in our manager's comments, below, January saw increased geopolitical risk. The removal of Nicolás Maduro by the Trump administration early in the month represented a significant geopolitical intervention in a country with large proven oil reserves. Later in the month, increasing pressure from the United States on Iran saw a further risk premium arrive in the oil price. Iran's seaborne exports continue (having been around 1.5-1.8 mb/d in recent months) and the Strait of Hormuz, through which around one third of the world's seaborne crude oil passes, remains open.

- **Supply disruptions from Kazakhstan and the United States**

Operational issues at the Tengiz oil field, the largest in Kazakhstan, caused production to fall by around 0.5m b/d at peak. Meanwhile, a severe arctic cold wave caused widespread wellhead freeze-offs and supply disruptions in the United States. Both issues were temporary in nature and have now been resolved.

- **Chinese inventory purchasing**

Based on analysis from Morgan Stanley, China's pace of inventory building accelerated towards the end of 2025 (reaching 2.3m b/day in December) and has continued in 2026. While absolute data is hard to come by, Morgan Stanley estimate that China's crude oil inventories rose by around 240m barrels in 2025, effectively taking 0.6-0.7m b/day of production out of the global oil market.

Factors which weakened WTI and Brent oil prices in January:

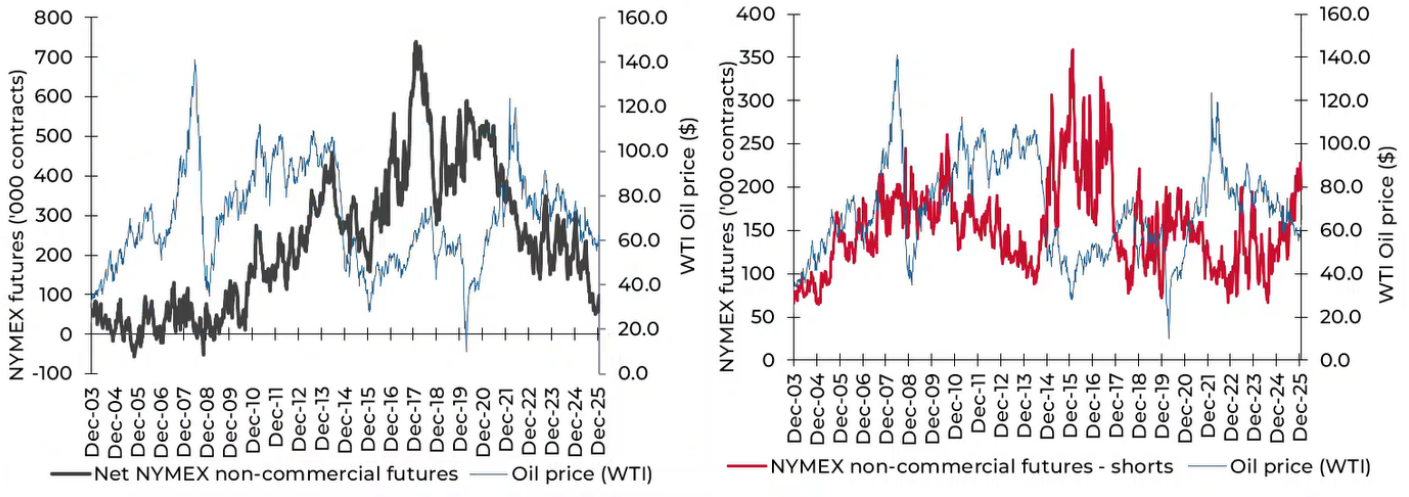
- **Oversupplied oil market**

During 2025, the OPEC+ group unwound quota cuts of around 2.5m b/day, leading to around 1.5m b/day of oil entering the market. While OPEC+ has recently stopped unwinding these quota cuts, the global oil market remains in oversupply, although the scale of the oversupply is debatable. The International Energy Agency (IEA) estimates in excess of 3m b/day of oversupply while OPEC sees the market in small deficit.

Speculative and investment flows

New York Mercantile Exchange (NYMEX) net non-commercial crude oil futures open position was 97,000 contracts long at the end of January versus 65,000 contracts long at the end of December. The net position peaked in February 2018 at 739,000 contracts long. Typically, there is a positive correlation between the movement in net position and movement in the oil price. The gross short position increased to 198,000 contracts at the end of January versus 197,000 at the end of the previous month.

NYMEX Non-commercial net and short futures contracts: WTI January 2004 – January 2026



Source: Bloomberg LP/NYMEX/ICE (2026)

- **OECD stocks**

OECD total product and crude inventories at the end of December (latest data point) were estimated by the IEA to be 2,838m barrels, up by 7m barrels versus the level reported for the previous month. The move in December compares to a 10-year average (pre-COVID) draw of 10m barrels, implying that the OECD market was oversupplied by around 0.5m b/day. The significant oversupply situation in 2020 pushed OECD inventory levels close to maximum capacity in August 2020 (c.3.3bn barrels), with subsequent tightening taking inventories below normal levels.

OECD total product and crude inventories, monthly, 2010 to December 2025

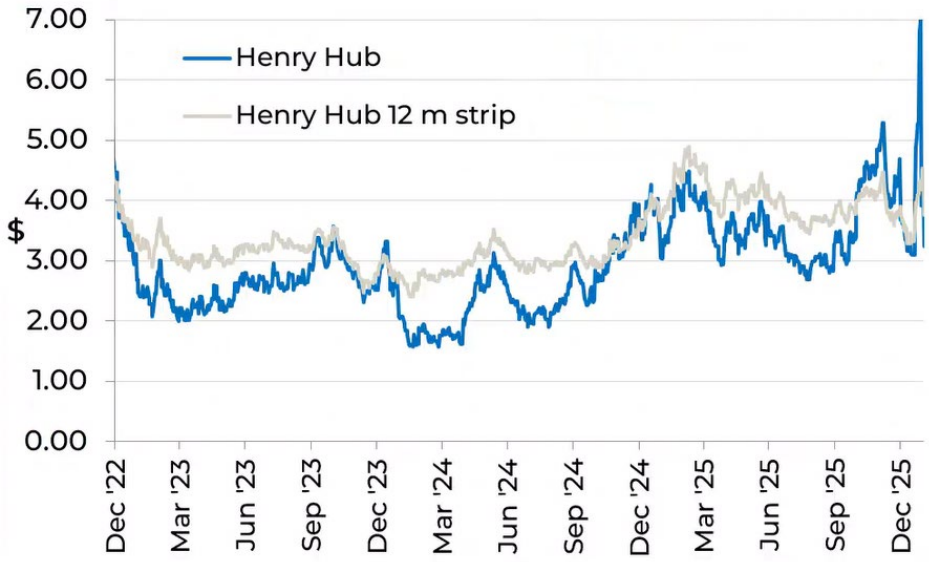
Source: IEA Oil Market Reports (January 2026 and older)

ii) Natural gas market

The US natural gas price (Henry Hub front month) opened January at $3.69/Mcf (1,000 cubic feet) and spiked during the month to reach a peak of $7.46/Mcf before receding to close at $4.35/Mcf. The spot gas price has averaged $4.03/Mcf so far in 2026, having averaged $3.63/Mcf in 2025, $2.41/Mcf in 2024 and $2.67/Mcf in 2023.

The 12-month gas strip price (a simple average of settlement prices for the next 12 months' futures prices) traded in a similar but less extreme pattern, opening at $3.75/Mcf and closing at $4.53/Mcf. The strip price has averaged $3.73/Mcf so far in 2026, having averaged $4 in 2025, $2.98 in 2024 and $3.19 in 2023.

Henry Hub gas spot price and 12m strip ($/Mcf): December 2022 to January 2026



Source: Bloomberg LP, January 2026

Factors which strengthened the US gas price in January included:

- **US arctic blast**

The arrival of winter storm Fern caused significant short-term problems for the US gas market. The cold snap caused wellhead freeze-offs (production losses) that peaked at 16-17 billion cubic feet per day, representing around 15% of total US supply, while heating loads surged to around 62 bcf/day, around 15 bcf/day higher than normal seasonal levels.

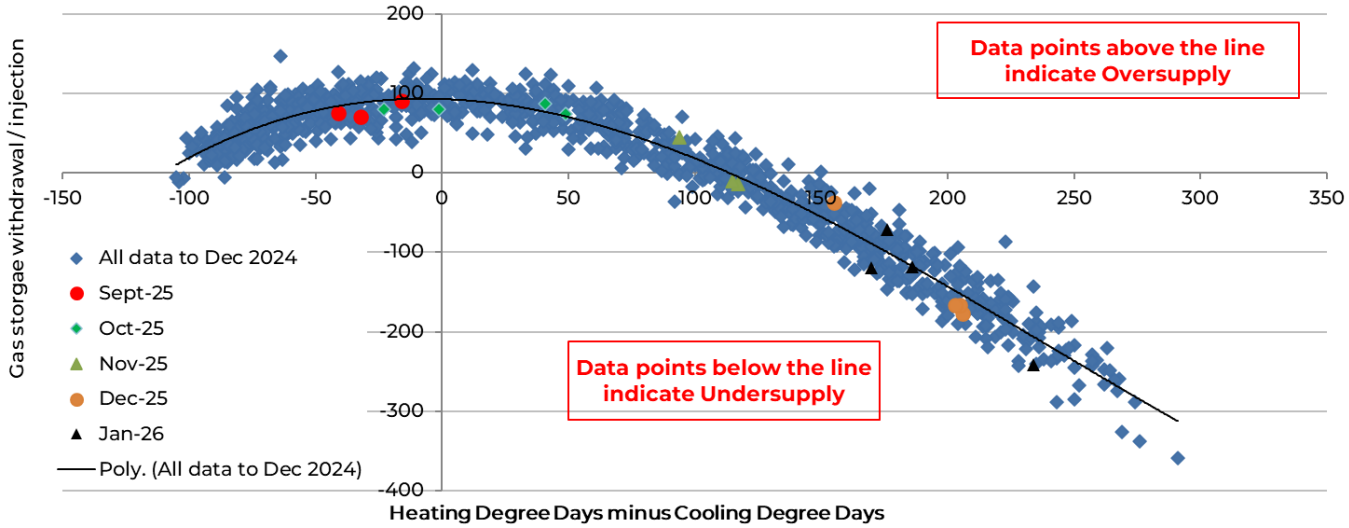
- **Low European inventories**

Gas prices in Europe were also affected as winter weather kept heating demand high while inventories remained below normal levels as the market was positioned to receive greater levels of US LNG in the coming months. Wood Mackenzie believe that European natural gas storage is on course to end the winter season at 22% full, the lowest level since March 2018.

- **Market undersupplied (ex-weather effects)**

Adjusting for the impact of weather, the US gas market was, on average, around 1 bcf/day undersupplied during December and January. This is a change to the looser markets over the earlier part of the summer, as illustrated in the chart below.

Weather-adjusted US natural gas inventory injections and withdrawals



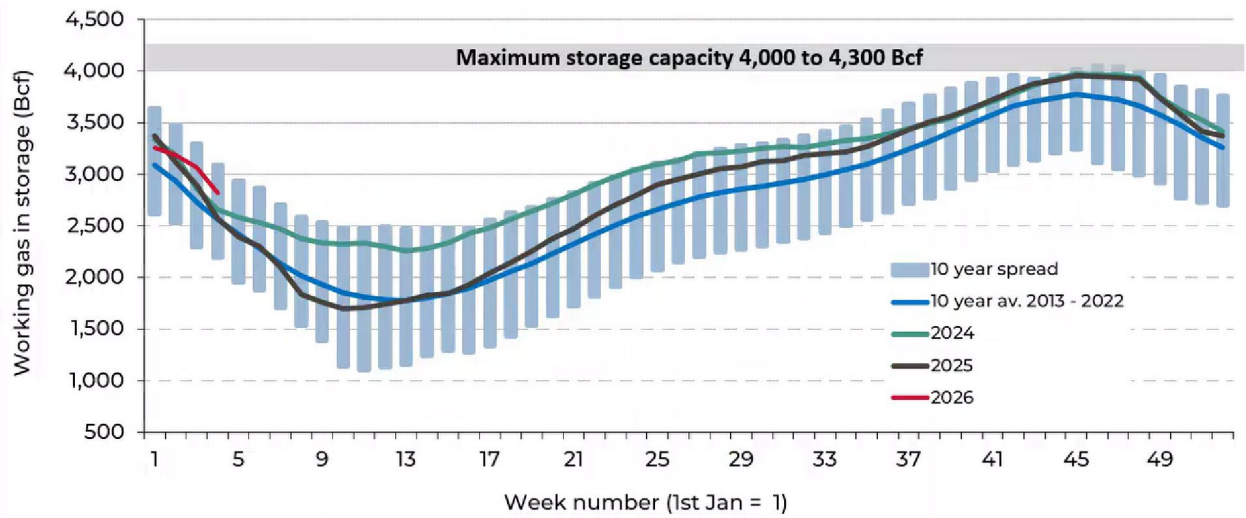
Source: Bloomberg LP; Guinness Global Investors; January 2026

Factors which were negative for the US gas price in January included:

- **Natural gas in inventories above the 10-year average**

At the end of January 2026, US natural gas inventories stood at around 2.8 Tcf, around 0.2 Tcf above the 10-year average, as a result of stronger supply growth.

Deviation from 10yr US gas storage norm



Source: Bloomberg; Energy Information Administration (EIA), January 2026

MANAGERS' COMMENTS

January saw the removal of Nicolás Maduro from power in Venezuela and the arrival of Trump's armada in the Middle East. Both events raised the geopolitical risk level and caused oil prices to strengthen. At the time of writing, there has been no oil supply impact, but the threat of one remains. We assess the potential implications of both developments here.

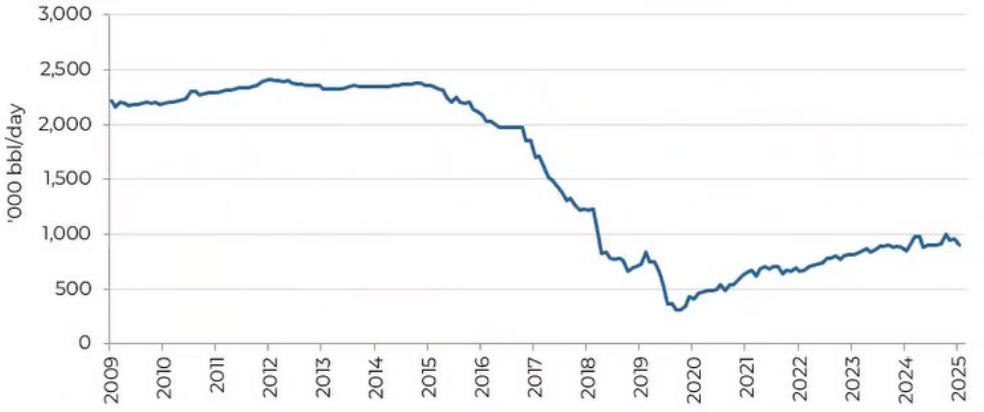
Venezuela regime change: oil macro and company implications

The removal of Nicolás Maduro under the Trump administration's direction represents a significant geopolitical intervention in a country with large proven oil reserves. The key question from an oil perspective is whether developments lead to a material increase in global oil supply, or whether the impact is more limited to trade flows, crude quality differentials, and company-specific outcomes. Our assessment is that while the political shift may eventually enable higher Venezuelan production, any meaningful supply response will take several years and require significant investment, with near-term effects concentrated more in refining markets than global oil prices.

Venezuela's recent oil history

Venezuela's oil production has fallen sharply over the past decade due to chronic under-investment, operational degradation, loss of technical capacity, and US sanctions. According to Bloomberg data, Venezuelan crude production averaged around 0.9m b/day in 2025, down from over 2.3m b/day in 2015, representing a decline of roughly 60%. Oil production troughed (ex-Covid) in 2022 at around 0.7m b/day, with the last three years bringing modest recovery, supported by partial sanctions relief and incremental operational improvements. The recovery has been fragile and heavily dependent on specific licences, diluent imports (which are imported from the US to allow Venezuela's extra-heavy oil to flow), and export logistics. Currently, Venezuela accounts for approximately 1% of global oil supply.

Venezuela oil production (000s b/day)



Source: Bloomberg, January 2026

In the **near term**, the removal of Maduro is unlikely to drive a quick change in global oil balances. The more relevant near-term impacts are expected to occur through trade re-routing, crude quality differentials, and regional refining margins. Venezuelan crude is predominantly heavy and sour in quality. In recent years, much of this supply has flowed to China and other non-Western buyers, often at discounted prices. A reorientation of Venezuelan exports toward the US Gulf Coast, where refinery configurations are better suited to heavy crude, could alter North American crude differentials. Even a shift of 0.2-0.3m b/day (20-30% of Venezuela's production) back toward US refiners would be meaningful for heavy crude pricing and refining margins.

While not affecting the oil price, we note that Venezuela has an outstanding debt to China (the amount unclear but estimated to be $10-15bn) which Venezuela has been servicing via discounted oil exports to China. US involvement in Venezuela, including the diversion of Venezuelan oil away from China and to US Gulf Coast refineries, creates friction for the Chinese.

Looking **longer-term**, any sustained increase in Venezuelan production depends on a stable regulatory environment that allows investment, access to services and equipment, imports of diluents, and reliable export channels. Despite Venezuela having significant global oil reserves, restoring production is a capital-intensive and operationally complex process, particularly after the deterioration of infrastructure over the past 10 years and loss of a skilled workforce locally. Heavy oil projects in the Orinoco Belt require continuous investment, blending agents, and reliable power and transport systems. Considering these factors, we estimate that an oil price of $80/bl or more would be required to incentive investment in new projects.

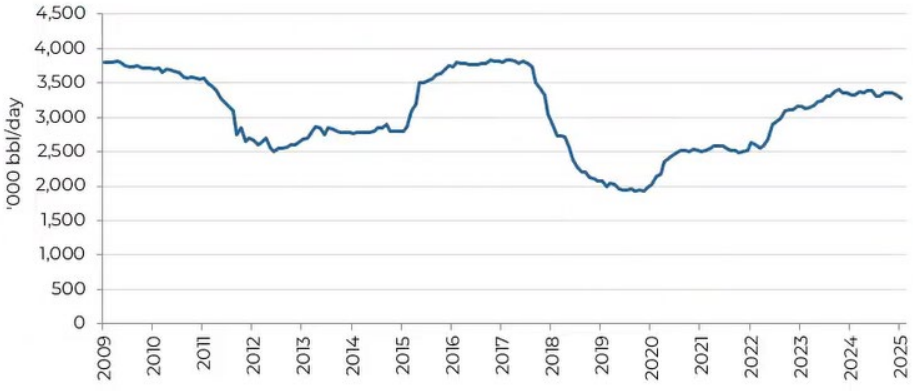
Oil companies and oil service companies that were active in Venezuela in the past (e.g. Conoco, Exxon, Schlumberger and Halliburton) have long memories and will be very cautious about committing again to the country without a strong fiscal regime and revenue guarantees. Darren Woods (CEO of Exxon) remarked in November 2025 when discussing a return: "We've been expropriated from Venezuela two different times. We have our history there".

To **summarise the Venezuela situation**, if instability worsens further, we could expect around one-third of the country's oil production (and over half of its oil exports) to be disrupted. If conditions improve, then consensus forecasts suggest that production could grow over the next 12 months by around 0.3m b/day to 1.2m b/day. The upside over the next decade is thought to be around a doubling of oil production (from c.1m b/day to 2m b/day), representing an increase in world oil production capacity of around 1%. To repeat, this would require sustained political stability, improved contract sanctity, easing of sanctions, and significant foreign investment – all big asks, in our opinion. Even if this were to occur, it will be up to fellow OPEC+ members to accommodate the increase as part of group quotas and it would be unlikely that Venezuela becomes a near-term swing producer comparable to major OPEC members with spare capacity.

Iran: further pressure to stop Iran's nuclear ambitions

Turning to **Iran**, the Trump administration continued to put pressure on the Iranian regime during the month with a major US military build-up in the region together with aggressive economic sanctions. The catalyst was the Iranian regime's response to an outbreak of nationwide demonstrations sparked by an economic collapse that saw inflation surge to 60% and the Iranian Rial lose half its value. Trump sent a "massive armada" to be positioned within effective striking range of Iran and followed up with imposing a 25% secondary tariff on any country trading with Iran, a move directly targeting major partners including China. Risk levels remained high in the second half of January as the US forces shot down an Iranian military drone and Iran carried out a military exercise in the Strait of Hormuz, but they receded somewhat at the end of the month as both sides agreed to resume nuclear negotiations in Oman to stave off a full-scale regional conflict.

Iran oil production (000s b/day)



Source: Bloomberg, January 2026

Pressure from the United States on Iran has been building since the inauguration of Donald Trump. Even during the election campaign in late 2024, Trump made his hawkish stance towards Iran very clear, and his choice of national security advisor, Mike Waltz, promised "maximum pressure" on Iran. Consistent with his campaigning, early in February, Trump signed an executive order requiring the US treasury secretary to impose "maximum economic pressure" on Iran. Geopolitical risk reached a peak in June 2025 when Israel launched a bombing campaign on Iranian military sites and nuclear enrichment locations, and, a week later, the US joined the campaign by bombing the latter, in particular those out of reach of Israeli's forces.

These events are important for the oil industry because Iran currently produces around 4.1m b/day of crude oil and condensate, with approximately 2.3m b/day exported – of which 1.7m b/day is exported as crude and 0.6m b/day as refined products. These exports represent roughly 2–2.5% of global demand and are primarily directed to China.

The loss of Iranian oil supply would be a significant near-term issue for the global oil industry, but we believe that the loss could be offset by the return of withheld OPEC+ capacity reasonably quickly. While it is difficult to be precise, we see OPEC+ spare capacity of around 3m b/day and believe that around 60% of this supply could enter the market within six months.

The Strait of Hormuz and the Bab al-Mandeb Strait

Beyond a potential production impact, Iran has control of the **Strait of Hormuz**, a 21-mile-wide stretch of water separating Iran from the United Arab Emirates and Oman. The strait is a vital corridor that represents a critical chokepoint in global energy logistics as it facilitates the transit of approximately 20m b/day of crude oil, condensate and oil products – equivalent to around 20% of global oil supply and 30% of seaborne oil trade. While much of the focus over the last few days has been on the Straits of Hormuz, we also highlight that the **Bab al-Mandeb** Strait in the Red Sea (through which nearly 10% of world oil is transported) could easily come under renewed threat from Iran-backed rebels, thereby forcing world shipping to avoid the area and travel all the way around the Cape of Good Hope in South Africa.

The risk of disruption to shipping through the Strait of Hormuz and the Bab al-Mandeb strait has clearly increased during January but we must remember that while Iran has threatened to close the Strait in previous years, it has never actually been achieved.

Potential impact on the oil price

The peace talks taking place in Oman over the weekend of February 7-8 will clearly dictate the near-term path for regional tensions and oil prices. Clearly, we cannot say what the outcome will be, but the following might help in thinking about the oil price implications of various events.

- If the situation is short-lived, if Iranian oil production is not affected and oil exports continue from the region, then oil prices likely decline to pre-conflict levels (in the order of $65/bl).

- If Iranian oil exports are reduced, or flows of oil through the Strait of Hormuz see minor disruption, we expect oil prices to rise to around the $80/bl level. In this scenario, Saudi gains better control of the global oil market and manages the oil price to a level that is closer to its own fiscal needs.

- Should this become a wider regional conflict with the threat of greater, or more sustained, supply shocks, then an oil price spike similar to 2008 or 2022, in excess of $100/bl, could easily be expected.

PERFORMANCE

The main index of oil and gas equities, the MSCI World Energy Index (net return), rose by 12.6% in January, while the MSCI World Index (net return) rose by 2.2% in USD.

Within the Fund, the strongest performers were Helix Energy Solutions, Schlumberger, Baker Hughes, Suncor Energy and EnQuest while the weakest performers were Diversified Energy Company, Enbridge, Shell, Pharos Energy and OMV.

Past performance does not predict future returns.

Guinness Global Energy Fund
Performance (in USD) as at 31.01.2026

Cumulative returns (%)	YTD	1 year	3 years ann.	5 years ann.	Launch of strategy* ann. (31.12.98)
Guinness Global Energy Fund	11.9	27.3	8.6	19.7	8.6
MSCI World Energy NR Index	12.6	24.4	9.3	21.7	6.9

Calendar year returns (%)	2025	2024	2023	2022	2021	2020	2019
Guinness Global Energy Fund	17.1	-1.3	2.6	32.4	44.5	-34.7	9.8
MSCI World Energy NR Index	13.3	2.7	2.5	46.0	40.1	-31.5	11.5
	2018	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**
Guinness Global Energy Fund	-19.7	-1.3	27.9	-27.6	-19.1	24.4	2.9
MSCI World Energy NR Index	-15.8	5.0	26.6	-22.8	-11.6	18.1	1.9
	2011	**2010**	**2009**	**2008***	**2007***	**2006***	**2005***
Guinness Global Energy Fund	14.3	14.4	60.8	-48.2	37.9	10.0	62.3
MSCI World Energy NR Index	0.2	11.9	26.2	-38.1	29.8	17.9	28.7
	2004*	**2003***	**2002***	**2001***	**2000***	**1999***	
Guinness Global Energy Fund	41.0	32.3	6.7	-4.1	39.6	22.5	
MSCI World Energy NR Index	28.1	25.9	-6.4	-7.2	6.0	22.0	

Source: FE fundinfo, Guinness Global Investors and Bloomberg, bid to bid, net of fees, gross income reinvested, in US dollars

Calculation by Guinness Global Investors. *Simulated past performance prior to 31.03.2008, launch date of Guinness Global Energy Fund. The Guinness Global Energy investment team has been running global energy funds in accordance with the same methodology continuously since December 1998. These returns are calculated using a composite of the Investec GSF Global Energy Fund class A to 29.2.08 (managed by the Guinness team until this date); the Guinness Atkinson Global Energy Fund (sister US mutual fund) from 1.3.08 to 31.3.08 (launch date of this Fund), the Guinness Global Energy Fund class A (1.49% OCF) from launch to 02.09.08, and class Y (0.77% OCF) thereafter. Returns for share classes with a different OCF will vary accordingly.

Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The fund performance shown has been reduced by the current OCF of 0.77% per annum. Returns for share classes with different OCFs will vary accordingly. Performance returns do not reflect any initial charge; any such charge will also reduce the return.

Past performance does not predict future returns.

WS Guinness Global Energy Fund
Performance (in GBP) as at 31.01.2026

Cumulative returns (%)	YTD	1 year	3 years ann.	5 years ann.
WS Guinness Global Energy Fund	9.0	13.4	5.3	19.7
MSCI World Energy NR Index	10.4	12.6	5.4	21.7

Calendar year returns (%)	2025	2024	2023	2022	2021	2020	2019
WS Guinness Global Energy Fund	10.7	-0.8	-2.3	49.9	45.7	-35.7	12.6
MSCI World Energy NR Index	5.5	4.5	-3.3	64.4	41.4	-33.6	7.2
	2018	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**
WS Guinness Global Energy Fund	-6.28	-7.18	65.2	-29.6	-26.6%	-4.7	2.5
MSCI World Energy NR Index	-10.61	-4.12	51.0	-18.3	-6.1%	15.9	-2.6

Source: FE fundinfo, bid to bid, net of fees, gross income reinvested, in GBP

Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The fund performance shown has been reduced by the current OCF of 0.77% per annum. Returns for share classes with different OCFs will vary accordingly. Performance returns do not reflect any initial charge; any such charge will also reduce the return. Fund launched 21.04.2011.

PORTFOLIO

Buys/Sells

In January, there were no buys and sells in the portfolio.

Sector Breakdown

The following table shows the asset allocation of the Guinness Global Energy Fund at **January 31 2026.**

Asset allocation as %NAV	Current	*Change*	Last year end	Previous year ends									
	Jan-26		Dec-25	Dec-24	Dec-23	Dec-22	Dec-21	Dec-20	Dec-19	Dec-18	Dec-17	Dec-16	Dec-15	Dec-14
Oil & Gas	**98.9%**	***1.9%***	***97.0%***	***97.8%***	**98.9%**	**97.4%**	**96.9%**	**94.8%**	**98.3%**	**96.7%**	**98.4%**	**96.7%**	**95.1%**	**93.7%**
Integrated	53.7%	*1.0%*	*52.7%*	*55.1%*	54.7%	54.7%	57.7%	56.3%	51.1%	46.4%	42.9%	46.4%	41.5%	37.3%
Exploration & Production	18.0%	*-0.1%*	*18.1%*	*19.3%*	23.2%	23.1%	23.7%	22.2%	29.6%	35.8%	36.9%	35.8%	36.5%	36.2%
Drilling	0.0%	*0.0%*	*0.0%*	*0.0%*	0.0%	0.0%	0.0%	0.0%	0.1%	2.2%	1.9%	2.2%	1.5%	3.3%
Equipment & Services	9.9%	*1.0%*	*8.9%*	*9.8%*	10.0%	9.0%	4.0%	4.6%	9.6%	8.6%	9.5%	8.6%	11.4%	13.4%
Storage & Transportation	11.1%	*-0.2%*	*11.3%*	*8.0%*	5.0%	4.8%	4.3%	4.4%	4.0%	0.0%	3.5%	0.0%	0.0%	0.0%
Refining & Marketing	6.1%	*0.1%*	*6.0%*	*5.6%*	6.0%	5.8%	7.2%	7.3%	3.8%	3.7%	3.7%	3.7%	4.2%	3.5%
Solar	0.0%	*0.0%*	*0.0%*	*0.0%*	0.2%	0.7%	1.0%	1.8%	0.7%	0.9%	1.4%	0.9%	4.7%	3.7%
Coal & Consumable Fuels	0.0%	*0.0%*	*0.0%*	*0.0%*	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction & Engineering	0.0%	*0.0%*	*0.0%*	*0.0%*	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	1.1%	*-1.9%*	*3.0%*	*2.2%*	0.9%	1.9%	2.1%	3.3%	1.1%	2.4%	0.2%	2.4%	0.2%	2.6%

Source: Guinness Global Investors. Basis: Global Industry Classification Standard (GICS)

The Fund at end of January 2026 was on a price to earnings (PE) ratio for 2025/2026 of 14.3x/14.7x versus the MSCI World Index at 22.7x/20.3x as set out in the following table:

As at 31 January 2026	PE			EV/EBITDA			Dividend Yield	
	2024	2025E	2026E	2024	2025E	2026E	2025E	2026E
Guinness Global Energy Fund	13.2x	14.3x	14.7x	6.0x	5.9x	6.1x	3.9%	4.0%
MSCI World Index	25.2x	22.7x	20.3x	16.3x	15.1x	13.3x	1.6%	1.7%
Fund Premium/(Discount)	*-48%*	*-37%*	*-27%*	*-63%*	*-61%*	*-54%*		

*Portfolio = median CFROI; Index data = Credit Suisse MSCI World ETF median CFROI

Source: Bloomberg; Guinness Global Investors

Portfolio holdings

Our integrated and similar stock exposure (c.54%) is comprised of a mix of mid-cap, mid/large-cap and large-cap stocks. Our five large-caps are Chevron, BP, ExxonMobil, Shell and TotalEnergies. Mid/large and mid-caps are ENI, Equinor, GALP, Repsol and OMV. At November 30 2025, the median P/E ratio of this group was 10.8x 2025 earnings. We also have three Canadian integrated holdings, Suncor, Cenovus and Imperial Oil. All three companies have significant exposure to oil sands in addition to downstream assets.

Our exploration and production (E&P) holdings (c.16%) give us exposure most directly to rising oil and natural gas prices. We include in this category non-integrated oil sands companies, as this is the GICS approach. The stock here with oil sands exposure is Canadian Natural Resources. The pure E&P stocks have a bias towards the US (EOG, Diamondback and Devon), with one other name (ConocoPhillips) having a mix of US and international production. One of the key metrics behind a number of the E&P stocks held is low enterprise value / proven reserves.

We have exposure to two emerging market stocks, Petrochina and Sinopec, which in total represent around 4.3% of the portfolio.

The portfolio contains four midstream holdings, Enbridge, Kinder Morgan, Williams Cos and TC Energy. These represent four of North America's largest pipeline companies. With the growth of hydrocarbon demand expected in the US and Canada over the next five years, especially natural gas, we believe each company are well placed to execute their pipeline and energy infrastructure expansion plans.

We have reasonable exposure to oil service stocks, which comprise around 9% of the portfolio. The stocks we own provide exposure to both North American and international oil and natural gas development.

Our independent refining exposure is currently in the US in Valero, the largest of the US refiners. Valero has a reasonably large presence on the US Gulf Coast and is benefitting from a recovery in refining margins.

Portfolio at December 31 2025 (for compliance reasons disclosed one month in arrears)

Guinness Global Energy Fund (31 December 2025)			P/E			EV/EBITDA			Price/Book		
Stock	**ISIN**	**% of NAV**	**2024**	**2025E**	**2026E**	**2024**	**2025E**	**2026E**	**2024**	**2025E**	**2026E**
Integrated Oil & Gas											
Exxon Mobil Corp	US30231G1022	5.2%	15.5x	17.4x	16.8x	8.4x	8.0x	7.8x	2.0x	2.0x	2.0x
Chevron Corp	US1667641005	4.7%	18.2x	20.9x	20.6x	9.4x	8.6x	7.7x	1.8x	1.6x	1.7x
Shell PLC	GB00BP6MXD84	4.8%	9.7x	11.5x	11.8x	4.1x	4.5x	4.8x	1.3x	1.3x	1.2x
Total SA	FR0000120271	4.7%	8.2x	9.5x	9.6x	4.4x	4.8x	5.0x	1.4x	1.2x	1.2x
BP PLC	GB0007980591	4.7%	12.7x	11.8x	12.1x	4.8x	4.1x	4.3x	1.6x	1.5x	1.4x
Equinor ASA	NO0010096985	3.0%	7.7x	9.1x	8.7x	1.6x	1.7x	1.9x	1.5x	1.5x	1.4x
ENI SpA	IT0003132476	3.2%	11.7x	10.3x	10.3x	4.5x	4.5x	4.6x	1.1x	1.0x	1.0x
Repsol SA	ES0173516115	3.5%	8.8x	6.5x	6.3x	5.6x	4.0x	4.0x	0.9x	0.7x	0.6x
Galp Energia SGPS SA	PTGAL0AM0009	2.9%	11.0x	9.7x	10.9x	4.3x	4.5x	4.5x	2.7x	2.3x	2.1x
OMV AG	AT0000743059	3.3%	6.8x	8.5x	8.5x	3.6x	4.0x	4.3x	1.1x	0.9x	0.9x
		40.1%									
Integrated / Oil & Gas E&P - Canada											
Suncor Energy Inc	CA8672241079	3.5%	12.4x	13.3x	15.5x	4.1x	5.5x	6.1x	1.8x	1.6x	1.6x
Canadian Natural Resources Ltd	CA1363851017	3.7%	16.4x	13.6x	15.0x	7.2x	6.5x	6.9x	2.6x	2.4x	2.4x
Cenovus Energy Inc	CA15135U1093	3.0%	13.7x	11.4x	13.9x	5.4x	5.4x	5.2x	1.5x	1.4x	1.3x
Imperial Oil Ltd	CA4530384086	3.3%	13.2x	15.2x	16.4x	7.5x	8.2x	9.2x	2.7x	2.6x	2.5x
		13.5%									
Integrated Oil & Gas - Emerging market											
PetroChina Co Ltd	CNE1000003W8	2.8%	8.3x	8.7x	8.7x	4.5x	4.6x	4.6x	0.9x	0.9x	0.8x
		2.8%									
Oil & Gas E&P											
ConocoPhillips	US20825C1045	4.2%	12.1x	14.4x	15.2x	5.9x	5.4x	5.7x	1.8x	1.8x	1.8x
EOG Resources Inc	US26875P1012	3.3%	9.0x	10.3x	10.1x	4.9x	5.2x	4.9x	2.0x	1.9x	1.7x
Diamondback Energy Co	US25278X1090	3.5%	9.5x	11.6x	13.2x	8.9x	6.6x	6.8x	1.2x	1.0x	1.0x
Devon Energy Corp	US25179M1036	3.3%	7.6x	9.1x	9.2x	4.2x	4.2x	4.3x	1.6x	1.5x	1.4x
		14.2%									
International E&Ps											
Pharos Energy PLC	GB00B572ZV91	0.0%	13.5x	n.m.	n.m.	1.1x	1.4x	1.0x	0.4x	n.m.	n.m.
		0.0%									
Midstream											
Kinder Morgan Inc	US49456B1017	2.9%	23.2x	21.4x	20.2x	14.1x	11.5x	11.1x	2.0x	2.0x	1.9x
Enbridge Inc	CA29250N1050	2.8%	18.8x	22.1x	21.3x	16.8x	12.8x	12.3x	2.5x	2.4x	2.4x
TC Energy Corp	CA87807B1076	2.8%	19.7x	21.8x	19.9x	17.2x	13.9x	12.9x	3.3x	3.1x	3.1x
Williams Cos	US9694571004	2.8%	32.0x	28.5x	26.0x	18.5x	13.5x	12.5x	5.9x	5.9x	5.8x
		11.3%									
Equipment & Services											
Schlumberger Ltd	AN8068571086	2.9%	10.4x	13.4x	13.1x	6.5x	8.4x	8.0x	2.5x	2.1x	2.1x
Halliburton Co	US4062161017	3.0%	9.7x	12.5x	12.8x	5.9x	7.6x	7.8x	2.3x	2.4x	2.1x
Baker Hughes a GE Co	US05722G1004	2.5%	19.9x	18.4x	17.6x	10.4x	10.6x	10.3x	2.7x	2.4x	2.1x
Helix Energy Solutions Group Inc	US42330P1075	0.6%	13.4x	35.8x	19.4x	3.2x	4.8x	4.5x	0.6x	0.6x	0.6x
		8.9%									
Oil & Gas Refining & Marketing											
China Petroleum & Chemical Corp	CNE1000002Q2	1.5%	10.4x	12.8x	10.5x	6.5x	6.7x	6.1x	0.7x	0.6x	0.6x
Valero Energy Corp	US91913Y1001	4.4%	19.0x	16.6x	12.8x	8.5x	8.4x	7.4x	2.1x	2.1x	2.0x
		6.0%									
Research Portfolio											
EnQuest PLC	GB00B635TG28	0.0%	n.m.	n.m.	n.m.	1.5x	1.9x	2.1x	0.5x	0.5x	0.6x
Diversified Energy Company	US25520W1071	0.0%	8.0x	4.0x	5.4x	16.5x	4.4x	4.3x	1.6x	0.8x	0.9x
		0.1%									

The Fund's portfolio may change significantly over a short period of time; no recommendation is made for the purchase or sale of any particular stock.

OUTLOOK

i) Oil market

The table below illustrates the difference between the growth in world oil demand and non-OPEC supply since 2015:

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E IEA	2026E IEA
World Demand	***95.3***	***96.4***	***98.2***	***99.5***	***100.7***	***91.8***	***97.4***	***100.0***	***102.2***	***103.1***	***104.0***	***105.0***
Non-OPEC supply (inc NGLs)	*62.1*	*61.5*	*62.5*	*65.0*	*67.0*	*64.4*	*65.0*	*66.9*	*69.3*	*70.4*	*72.1*	*73.3*
OPEC NGLs	*5.2*	*5.3*	*5.4*	*5.5*	*5.3*	*5.2*	*5.3*	*5.5*	*5.5*	*5.5*	*5.6*	*5.9*
Non-OPEC supply plus OPEC NGLs	**67.3**	**66.8**	**67.9**	**70.5**	**72.3**	**69.6**	**70.3**	**72.4**	**74.8**	**75.9**	**77.7**	**79.2**
Call on OPEC (crude oil)	**28.0**	**29.6**	**30.3**	**29.0**	**28.4**	**22.2**	**27.1**	**27.6**	**27.4**	**27.2**	**26.3**	**25.8**
Congo supply adjustment	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Gabon supply adjustment	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Eq Guinea supply adjustment	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Call on OPEC-9 (crude oil)	**27.4**	**29.0**	**29.7**	**28.4**	**27.8**	**21.6**	**26.5**	**27.0**	**26.8**	**26.6**	**25.7**	**25.2**

Source: Bloomberg; IEA; Guinness Global Investors, January 2026

Global oil demand in 2019 was 13m b/day higher than the pre-Financial Crisis (2007) peak. The demand picture for 2020, down by around 9m b/day, was heavily clouded by the impact of the COVID-19 virus and efforts to mitigate its spread. Demand rebounded between 2020 and 2024 by over 11m b/day, leaving overall consumption in 2024 2.4m b/day higher than the 2019 peak.

OPEC

The last few years have proved testing for OPEC. They have tried to keep prices strong enough that OPEC economies are not running excessive deficits, whilst not pushing the price too high and over-stimulating non-OPEC supply.

The effect of $100+/bl oil, enjoyed for most of the 2011-2014 period, emerged in 2014 in the form of an acceleration in US shale oil production and an acceleration in the number of large non-OPEC (ex US onshore) projects reaching production. OPEC met in late 2014 and responded to rising non-OPEC supply with a significant change in strategy to one that prioritised market share over price. Post the November 2014 meeting, OPEC not only maintained their quota but also raised production significantly, up by 2.5m b/day over the subsequent 18 months. This contributed to an oversupplied market in 2015 and 2016.

In late 2016, faced with sharply lower oil prices, OPEC stepped back from their market share stance, announcing plans for the first production cut since 2008. The announcement included a cut in production from Russia (a non-OPEC country), creating for the first time the concept of an OPEC+ group.

OPEC-9 oil production to December 2025

('000 b/day)	31-Dec-19	30-Nov-25	31-Dec-25	Current vs Dec 2019	Current vs last month
Saudi	9,730	10,000	**10,000**	270	0
Iran	2,080	3,330	**3,270**	1,190	-60
Iraq	4,610	4,290	**4,370**	-240	80
UAE	3,040	3,610	**3,590**	550	-20
Kuwait	2,710	2,560	**2,560**	-150	0
Nigeria	1,820	1,500	**1,520**	-300	20
Venezuela	730	960	**900**	170	-60
Libya	1,110	1,270	**1,320**	210	50
Algeria	1,010	970	**970**	-40	0
OPEC-9	**26,840**	**28,490**	**28,500**	**1,660**	**10**

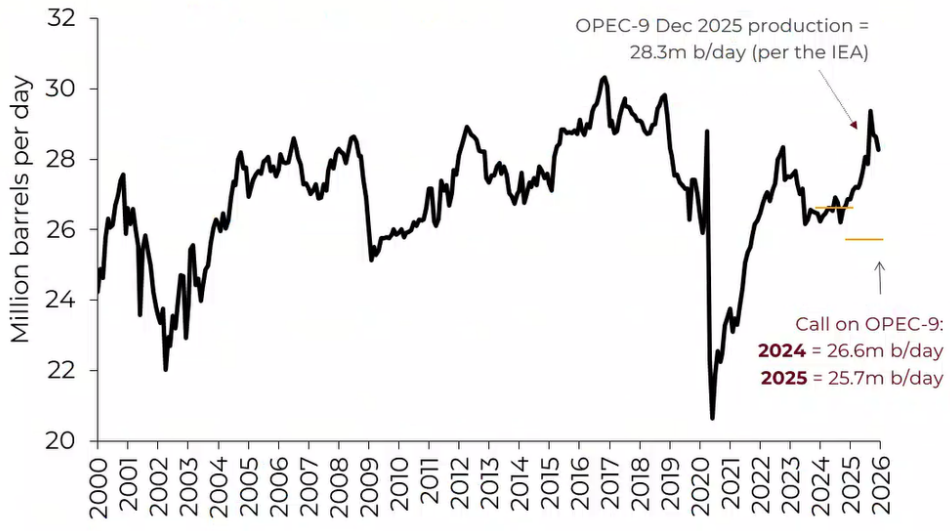
Source: Bloomberg; Guinness Global Investors, 31.01.2026

The 2017-19 period continued to be volatile for OPEC, with further production cuts necessary to balance ongoing non-OPEC supply growth.

The challenge for OPEC+ then ballooned in 2020 with the onset of COVID around the world. Initially, OPEC and their non-OPEC partners failed to reach agreement around their response to demand from the spread of the virus, precipitating a fall-out between participants and a short-lived price war. In light of extreme oil market oversupply, OPEC and non-OPEC partners reconvened in April 2020 and confirmed a deal to cut their production by nearly 10m b/day.

In mid-2021, with demand largely recovered after COVID, the OPEC+ group agreed to taper their quota cuts until late 2022. The actions of OPEC through the pandemic gave us confidence that OPEC was looking to do 'what it takes' to keep the market in balance, despite extreme challenges. Since the end of 2022, OPEC have adjusted their production to match closely the prevailing call on the group, whilst mindful that any loss of market share must not stretch too far. Most recently, over the summer of 2025, the group has increased quotas sharply, taking advantage of low inventories to bring its oil back to market.

OPEC-9 apparent production vs call on OPEC 2000 – 2025



Source: IEA Oil Market Report (Jan 2026 and prior); Guinness estimates

OPEC's actions in recent years have generally demonstrated a commitment to delivering a reasonable oil price to satisfy their own economies but also to incentivise investment in long-term projects. Saudi's actions at the head of OPEC have

been designed to achieve an oil price that to some extent closes their fiscal deficit (c.$90/bl is needed to close the gap fully), whilst not spiking the oil price too high and over-stimulating non-OPEC supply.

In the shorter term, the COVID-19 and Russia/Ukraine crises have created particularly challenging conditions, adding to oil price volatility. Longer-term, we believe that Saudi seek a 'good' oil price, one that satisfies their fiscal needs. Overall, we reiterate two important criteria for Saudi:

1. Saudi is interested in the average price of oil that they get; they have a longer investment horizon than most other market participants.

2. Saudi wants to maintain a balance between global oil supply and demand to maintain a price that is acceptable to both producers and consumers.

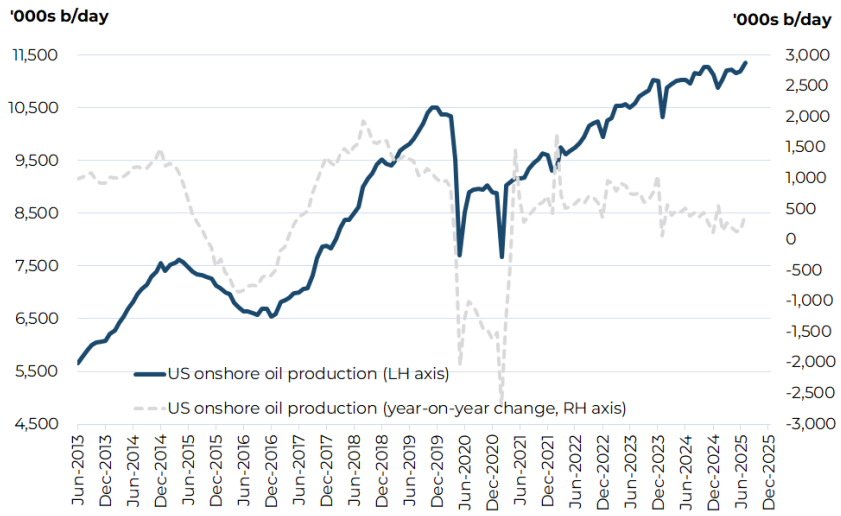
Nothing in the market in recent years has changed our view that OPEC can put a floor under the price – as they did in 2020, 2018, 2016, 2008, 2006, 2001 and 1998.

Supply looking forward

The non-OPEC world has, since the 2008 financial crisis, grown its production more meaningfully than in the period before 2008. The growth was 0.9% p.a. from 2001-2008, increasing to 1.7% p.a. from 2009-2024.

Growth in the non-OPEC region since the start of the last decade has been dominated by the development of shale oil and oil sands in North America (up around 8m b/day since 2010), implying that the rest of the non-OPEC region has seen limited growth over this period, despite the sustained high oil price until mid-2014.

US onshore oil production



Source: EIA; Guinness Global Investors, January 2026

The growth in US shale oil production, especially the Permian Basin, raises the question of how much more there is to come and at what price. Our assessment is that US shale oil is capital-intensive but some growth is viable, on average, at around $70 oil prices. In particular, there appears to be ample inventory in the Permian Basin to maintain volumes into the late-2020s. The rate of development is heavily dependent on the cashflow available to producing companies, and the underlying cost of services to drill and fracture the wells. Since 2019, we have seen increased shareholder pressure successfully applied to US E&P companies to improve their capital discipline and to cut their reinvestment rates.

The collapse in oil prices at the start of 2020 to a level well below $50/bl changed the landscape, with US E&P companies reducing capital spending further as they attempted to live within their cashflows. Shale oil production dropped by nearly 3m b/day in 2020 (peak to trough) and took nearly three years to recover to the previous peak of late 2019.

Non-OPEC supply growth outside the US has been sustained in recent years, by a handful major project additions, notably in Guyana and Brazil. Net growth remains sluggish, however, as much of the new oil has been required to offset natural declines in more mature basins.

Future demand

The IEA estimate that 2025 oil demand will rise by around 0.9m b/day to 104m b/day, 3.3m b/day ahead of the 2019 pre-COVID peak. Post the COVID demand recovery, the world is settling back into annual oil demand growth of plus or minus 1m b/day, led by increased use in the non-OECD region. China has been, and continues to be, a key – although no longer major - part of this growth and signs are emerging that India will also grow well.

The trajectory of global oil demand over the next few years will be a function of global GDP, the pace of the 'consumerisation' of developing economies, the development of alternative fuels, and price. At $80/bl, the world oil bill as a percentage of GDP is around 2.7%, and this will still be a stimulant of further demand growth. If oil prices were in a higher range (say around $115/bl, representing 3.8% of GDP), we would probably return to the pattern established over the past five years, with a flatter picture in the OECD more than offset by growth in the non-OECD area. Flatter OECD demand reflects improving oil efficiency over time, dampened by economic, population and vehicle growth. Within the non-OECD, population growth and rising oil use per capita will both play a significant part.

We keep a close eye on developments in the 'new energy' vehicle fleet (electric vehicles; hybrids etc). Sales of electric vehicles (pure electric and plug-in hybrid electrics) globally were around 17m in 2024, up from 14m in 2023. We expect to see strong EV sales growth again in 2025, up to around 23m, exceeding 20% of total global sales. Even applying an aggressive growth rate to EV sales, we see EVs comprising only around 5-6% of the global car fleet by the end of 2025. Looking further ahead, we expect the penetration of EVs to accelerate, causing global gasoline demand to peak at some point in the middle of the 2020s. However, owing to the weight of oil demand that comes from sources other than passenger vehicles (around 75%), which we expect to continue growing linked to GDP, we expect total oil demand not to peak until around 2030.

Conclusions about oil

The table below summarises our view by showing our oil price forecasts for WTI and Brent in 2025 versus recent history.

Average WTI & Brent yearly prices, and changes

																			Est
Oil price ($/bl)	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
WTI	72	100	62	80	95	94	98	93	49	43	51	65	57	39	68	94	78	76	67
Brent	73	99	63	80	111	112	109	99	54	45	55	72	64	43	71	99	83	81	70
Brent/WTI average	**73**	**99**	**62**	**80**	**103**	**103**	**103**	**96**	**51**	**44**	**53**	**68**	**61**	**41**	**70**	**97**	**80**	**78**	**69**
Brent/WTI y-on-y change	-3%	37%	-37%	28%	29%	0%	0%	-7%	-47%	-13%	19%	29%	-11%	-32%	68%	39%	-17%	-2%	-13%
Brent/WTI (5yr MAV)	59	72	75	78	83	89	90	97	91	80	70	63	55	53	58	67	70	73	79

Source: Guinness Global Investors estimates, Bloomberg, January 2026

We believe that Saudi's long-term objective remains to maintain a 'good' oil price, something north of $80/bl. The world oil bill at around $80/bl represents 2.7% of 2024 global GDP, well under the thirty-year average level of around 3%.

ii) Natural gas market

US gas demand

On the demand side for the US, industrial gas demand and power generation gas demand (each about 25-35% of total US gas demand) are key. Commercial and residential demand, which make up a further quarter, have been fairly constant on average over the last decade – although yearly fluctuations due to the severity of winter weather can be marked.

US natural gas demand

Bcf/day	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E
US natural gas demand:															
Residential/commercial	19.2	22.4	23.4	21.4	20.5	20.9	23.4	23.5	21.5	21.5	23.2	21.5	21.0	22.8	22.5
Power generation	24.9	22.3	22.3	26.5	27.3	25.3	29.0	30.9	31.7	30.9	33.1	35.3	36.8	35.8	35.1
Industrial	19.7	20.3	20.9	20.6	21.1	21.6	23.0	23.1	22.3	22.5	23.2	23.3	23.3	23.6	23.7
Pipeline exports (Mexico)	1.8	1.9	1.9	2.7	3.8	4.0	4.6	5.1	5.4	5.9	5.7	6.1	6.4	6.7	7.0
LNG exports	-	-	-	0.1	1.0	2.6	2.8	4.8	6.4	9.7	12.0	12.6	12.6	15.9	18.7
Pipeline/plant/other	6.1	6.7	6.3	6.5	6.4	6.5	7.0	7.8	7.7	7.8	7.4	8.2	8.3	8.4	8.0
Total demand	**71.7**	**73.6**	**74.8**	**77.8**	**80.1**	**80.9**	**89.8**	**95.2**	**95.0**	**98.3**	**104.6**	**107.0**	**108.4**	**113.2**	**115.0**
Demand growth	3.1	1.9	1.2	3.0	2.3	0.8	8.9	5.4	- 0.2	3.3	6.3	2.4	1.4	4.8	1.8

Source: EIA; GS; Guinness estimates, Jan 2026

Industrial demand (of which around 35% comes from petrochemicals) trends up and down depending on the strength of the economy and the differential between US and international gas prices. Electricity gas demand (i.e. power generation) is affected by weather, in particular by warm summers, which drive demand for air conditioning, but the underlying trend depends on GDP growth and the proportion of incremental new power generation each year that goes to natural gas versus the alternatives of coal, nuclear and renewables. Gas has been taking market share in this sector: in 2022 38% of electricity generation was powered by gas, up from 22% in 2007. The big loser here is coal, which has consistently given up market share.

Total gas demand in 2024 (including Mexican and LNG exports) was around 108.8 Bcf/day, up by 1.7 Bcf/day versus 2023 and 13 Bcf/day higher than the pre-COVID level in 2019. The biggest contributor to the growth in demand in 2024 was power generation.

We expect US demand growth in 2025 of 3.0 Bcf/day, similar to the average growth seen between 2021 and 2024. Growth is expected to be driven by higher LNG exports and greater power generation demand. Beyond 2025, we expect to see a material increase in US LNG export capacity as higher international gas prices incentivise new LNG export investment. Proposed projects imply capacity growth of around 3 Bcf/day by the end of 2025 and a further 5-6 Bcf/day in 2026-2028, bringing total export capacity to over 20 Bcf/day by 2028.

US gas supply

Overall, whilst gas demand in the US has been strong over the past five years, it has been overshadowed by a rise in onshore supply, holding the gas price lower.

The supply side fundamentals for natural gas in the US are driven by three main moving parts: onshore and offshore domestic production, pipeline imports of gas from Canada, and LNG imports. Of these, onshore supply is the biggest component, making up over 90% of total supply.

US natural gas supply

Bcf/day	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E
US natural gas supply:															
US (onshore & offshore)	65.7	66.3	70.9	74.2	73.4	73.6	84.3	91.4	91.1	91.8	97.4	102.5	101.7	105.6	107.2
Net imports (Canada)	5.4	5.0	4.9	4.9	5.5	5.8	5.4	4.7	4.4	5.1	5.6	5.2	5.8	6.2	5.8
LNG imports & other	0.8	0.6	0.5	0.5	0.4	0.3	0.1	0.1	-	-	0.1	-	-	-	
Total supply	**71.9**	**71.9**	**76.3**	**79.6**	**79.3**	**79.7**	**89.8**	**96.2**	**95.5**	**96.9**	**103.1**	**107.7**	**107.5**	**111.8**	**113.0**
Supply growth	2.4	-	4.4	3.3	- 0.3	0.4	10.1	6.4	- 0.7	1.4	6.2	4.6	- 0.2	4.3	1.2
(Supply)/demand balance	- 0.2	1.7	- 1.5	- 1.8	0.8	1.2	-	- 1.0	- 0.5	1.4	1.5	- 0.7	0.9	1.4	2.0

Source: EIA; GS; Guinness estimates, Jan 2026

Since 2010, the weaker gas price in the US reflects growing onshore US production driven by rising shale gas and associated gas production (a by-product of growing onshore US oil production). Interestingly, the overall rise in onshore production has come despite a collapse in the number of rigs drilling for gas, which has dropped from a 1,606 peak in September 2008 to a trough of 68 in July 2020, before recovering to 125 at the end of October 2025. However, offsetting the fall, the average productivity per rig has risen dramatically since 2020 as producers focus their attention on the most prolific shale basins, whilst associated gas from oil production has grown handsomely.

The outlook for gas production in the US depends on three key factors: the rise of associated gas (gas produced from wells classified as oil wells); expansion of the newer shale basins, principally the Marcellus/Utica, and the decline profile of legacy gas fields.

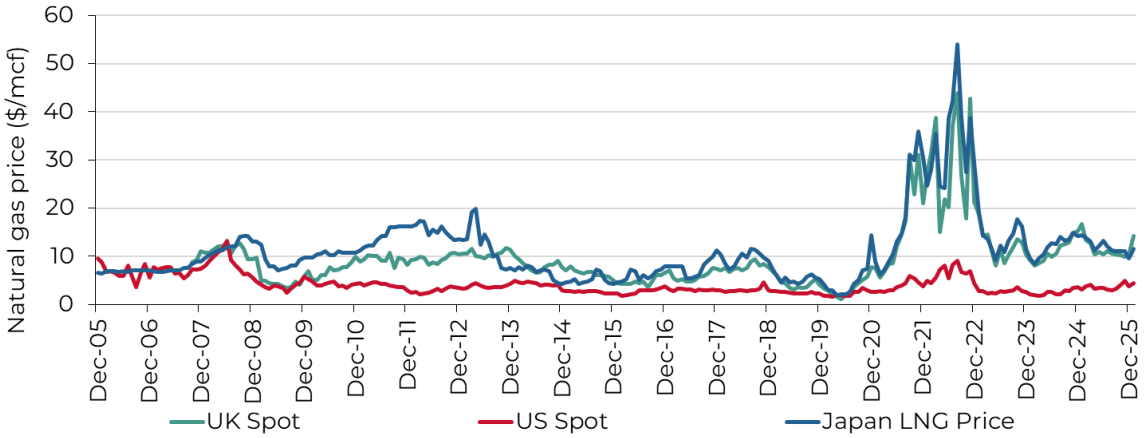
Associated gas production is expected to rise again in 2025 albeit at a slower pace (+0.8 Bcf/day) than in 2022 (+5.5 Bcf/day) and 2023 (+3.6 Bcf/day). Lower supply growth is expected from onshore properties as weaker natural gas prices have brought a lower rig count and lower investment.

Outlook for US LNG exports – global gas arbitrage

We expect the LNG market is going to be quite finely balanced over the next couple of years. In the event of moderate Chinese LNG demand and "normal" European winters, LNG supply and demand appear to be roughly in balance and global LNG prices appear to be fairly priced at around $10/Mcf. However, stronger Asian demand (including South Korea and Japan as well as China) or a colder than expected European winter could easily see LNG in tight supply and cause international gas prices spike, although it is unlikely that they revert to the $40-$50 levels seen in winter 2022/2023.

Looking further ahead, we see international gas prices settling in a $9-11/Mcf range. This price range should be sufficient to incentivise new US LNG supply to come online from 2025. It would also allow Europe to displace permanently almost all its Russian gas imports. An international gas price in the $9-11/Mcf is well down on the highs seen in 2022, but would leave the market at a higher price point than that seen in the few years prior to COVID and the Russian invasion of Ukraine.

Global gas prices

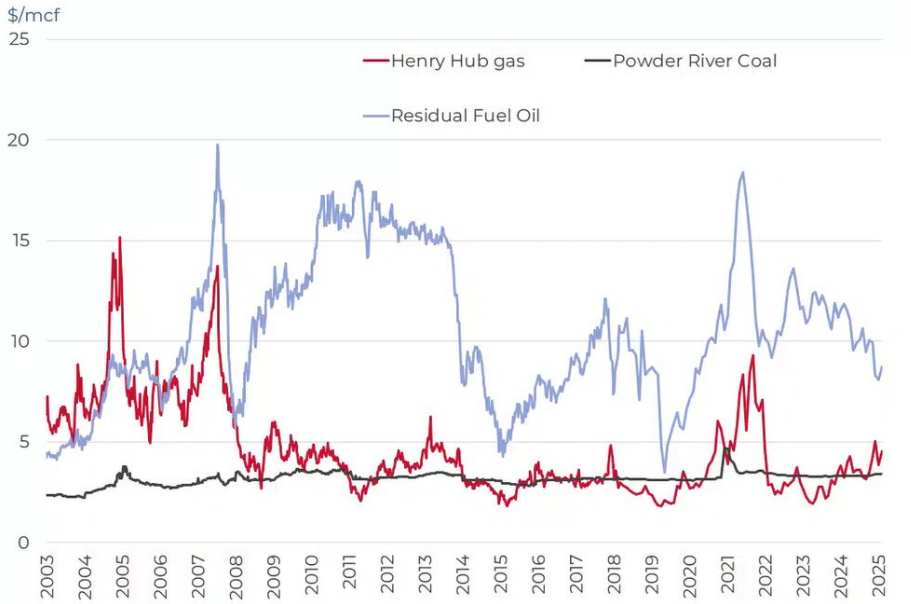


Source: Bloomberg; Guinness Global Investors, Jan 2026

Relationship with oil and coal

The following chart of the front month US natural gas price against heating oil (No 2), residual fuel oil (No 6) and coal (Sandy Barge adjusted for transport and environmental costs) seeks to illustrate how coal and residual fuel oil switching provide a floor and heating oil a ceiling to the natural gas price. When the gas price has traded below the coal price support level (2012 and 2016), resulting coal-to-gas switching for power generation was significant.

Natural gas versus substitutes (fuel oil and coal) - Henry Hub vs residual fuel oil, heating oil, Sandy Barge (adjusted) and Powder River coal (adjusted)



Source: Bloomberg; Guinness Global Investors, Jan 2026

Conclusions about US natural gas

The US natural gas price since 2010 has mainly fluctuated between $2 and $4/Mcf. The extremes of this range have tended to coincide with warm and cold winters, and any sustained recovery over $3.50/Mcf has generally been muted by strength in gas supply. With inflationary pressures, we estimate that new onshore supply has an incentive price of around $3.50/Mcf. Assuming normal weather in 2025, we expect a Henry Hub price at around this level.

APPENDIX: Oil and gas markets historical context

Oil price (WTI $) since 1989

Source: Bloomberg, Jan 2026

For the oil market, the period since the Iraq/Kuwait war (1990/91) can be divided into four distinct periods:

1) **1990-1998:** broadly characterized by decline. The oil price steadily weakened 1991 – 1993, rallied between 1994 – 1996, and then sold off sharply, to test 20-year lows in late 1998. This latter decline was partly induced by a sharp contraction in demand growth from Asia, associated with the Asian crisis, partly by a rapid recovery in Iraq exports after the UN Oil for food deal, and partly by a perceived lack of discipline at OPEC in coping with these developments.

2) **1998-2014:** a much stronger price and upward trend. There was a very strong rally between 1999 and 2000 as OPEC implemented 4m b/day of production cuts. It was followed by a period of weakness caused by the rollback of these cuts, coinciding with the world economic slowdown, which reduced demand growth and a recovery in Russian exports from depressed levels in the mid 90's that increased supply. OPEC responded rapidly to this during 2001 and reintroduced production cuts that stabilized the market relatively quickly by the end of 2001.

   Then, in late 2002 early 2003, war in Iraq and a general strike in Venezuela caused the price to spike upward. This was quickly followed by a sharp sell-off due to the swift capture of Iraq's Southern oil fields by Allied Forces and expectation that they would win easily. Then higher prices were generated when the anticipated recovery in Iraq production was slow to materialise. This was in mid to end 2003 followed by a much more normal phase with positive factors (China demand; Venezuelan production difficulties; strong world economy) balanced against negative ones (Iraq back to 2.5 m b/day; 2Q seasonal demand weakness) with stock levels and speculative activity needing to be monitored closely. OPEC's management skills appeared likely to be the critical determinant in this environment.

   By mid-2004 the market had become unsettled by the deteriorating security situation in Iraq and Saudi Arabia and increasingly impressed by the regular upgrades in IEA forecasts of near record world oil demand growth in 2004 caused by a triple demand shock from strong demand simultaneously from China; the developed world (esp. USA) and Asia ex China. Higher production by OPEC has been one response and there was for a period some worry that this, if not curbed, together with demand and supply responses to higher prices, would cause an oil price sell off. Offsetting this has been an opposite worry that non-OPEC production could be within a decade of peaking; a growing view that OPEC would defend $50 oil vigorously; upwards pressure on inventory levels from a move from JIT (just in time) to JIC (just in case); and pressure on futures markets from commodity fund investors.

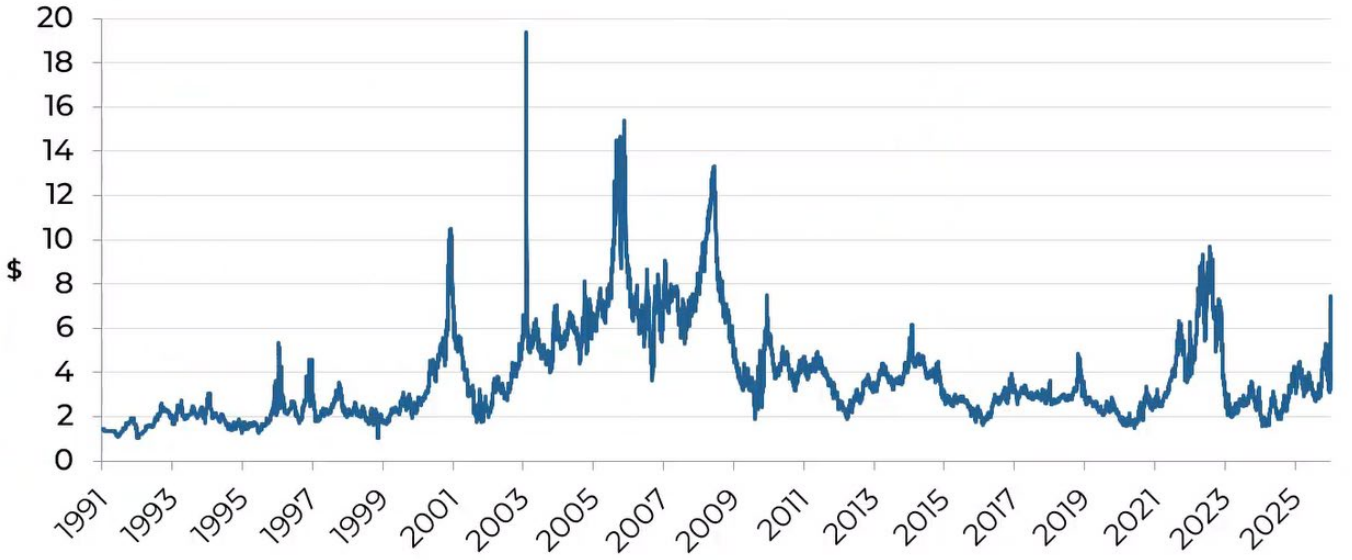
   Continued expectations of a supply crunch by the end of the decade, coupled with increased speculative activity in oil markets, contributed to the oil price surging past $90 in the final months of 2007 and as high as $147 by the middle of 2008. This spike was brought to an abrupt end by the collapse of Lehman Brothers and the financial crisis and recession that followed, all of which contributed to the oil price falling back by early 2009 to just above $30. OPEC responded decisively and reduced output, helping the price to recover in 2009 and stabilise in the $70-95 range where it remained for two years.

   Prices during 2011-2014 moved higher, averaging around $100, though WTI generally traded lower than Brent oil benchmarks due to US domestic oversupply affecting WTI. During this period, US unconventional oil supply grew strongly, but was offset by the pressures of rising non-OECD demand and supply tensions in the Middle East/North Africa.

3) **2014-2020:** a further downcycle in oil. Ten years of high prices leading up to 2014 catalysed a wall of new non-OPEC supply, sufficient that OPEC saw no choice but to stop supporting price and re-set the investment cycle. Oil prices found a bottom in 2016 (as a result of OPEC and non-OPEC partners cutting production again), but its recovery was capped by the volume of new supply still coming into the market from projects sanctioned pre the 2014 price crash. Average prices were pinned 2017-19 in the $50-70/bl range, with prices at the top end of this rang stimulating oversupply from US shale. The alliance between OPEC and non-OPEC partners fell apart briefly in March 2020 and, coupled with an unprecedented collapse in demand owing to the COVID-19 crisis, oil prices dropped back below $30/bl, before recovering to around $50/bl by the end of 2020 thanks to renewed OPEC+ action.

4) **2021 onwards:** Underinvestment in new oil capacity in the 2015-2020 period catalysed the start of a new cycle in 2021, pushing prices above $75/bl.

North American gas price since 1991 (Henry Hub $/Mcf)



Source: Bloomberg, Jan 2026

With regard to the US natural gas market, the price traded between $1.50 and $3/Mcf for the period 1991 - 1999. The 2000s were a more volatile period for the gas price, with several spikes over $8/Mcf, but each lasting less than 12 months. On each occasion, the price spike induced a spurt of drilling which brought the price back down. Excepting these spikes, from 2004 to 2008, the price generally traded in the $5-8 range. Since 2008, the price has averaged below $4 as progress achieved in 2007-8 in developing shale plays boosted supply while the 2008-09 recession cut demand. Demand has been extremely strong over the last decade but this has been outpaced by continued growth in onshore production, driven by the prolific Marcellus/Utica field and associated gas as a by-product of shale oil production.

North American gas prices are important to many E&P companies. In the short term, they do not necessarily move in line with the oil price, as the gas market is essentially a local one. (In theory 6 Mcf of gas is equivalent to 1 barrel of oil so $60 per barrel equals $10/Mcf gas). It remains a regional market more than a global market, though the development of the LNG industry is creating a greater linkage.

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GUINNESS GLOBAL ENERGY FUND

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