

RISK

This is a marketing communication. Please refer to the Prospectus, Supplement and KID/KIID for the Funds (available on our website), which contain detailed information on their characteristics and objectives and full information on the risks, before making any final investment decisions. The Funds are equity funds. Investors should be willing and able to assume the risks of equity investing. The value of an investment 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 Funds invest at least 80% in companies in the sustainable energy sector and can be volatile. Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	19.12.2007
Index	MSCI World
Sector	IA Commodity/Natural Resources
Managers	Will Riley Jonathan Waghorn
EU Domiciled	Guinness Sustainable Energy Fund Guinness Sustainable Energy UCITS ETF
UK Domiciled	WS Guinness Sustainable Energy Fund

INVESTMENT POLICY

The Guinness Sustainable Energy Funds are managed for capital growth and invest in companies involved in the generation, storage, efficiency and consumption of sustainable energy sources (such as solar, wind, hydro, geothermal, biofuels and biomass). We believe that over the next twenty years the sustainable energy sector will benefit from demand growth, improving economics and both public and private support, offering attractive investment opportunities. The Funds are actively managed and use the MSCI World Index as a comparator benchmark only.

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COMMENTARY

WAR IN IRAN TWO MONTHS ON

The Iran war has triggered an unprecedented disruption to global oil and gas markets, prompting a broad-based policy response that is likely to catalyse investment into the energy transition. This month, we comment on the outlook for energy markets and review the wider policy response.

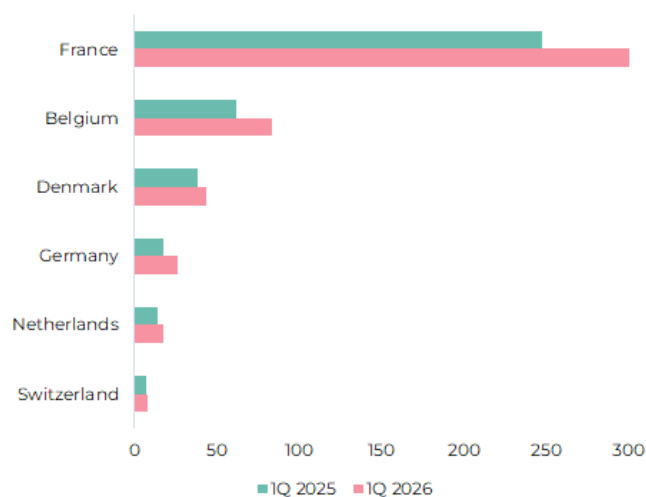
EQUITIES

The Guinness Sustainable Energy Fund (Class Y) delivered a return of 13.5% (in USD) in April, outperforming the MSCI World Index, which returned 9.6%. Markets rebounded strongly in the month as energy prices stabilised and risk sentiment improved. Among the fund's top performers were power semi manufacturers Infineon and NXP, which benefited from improved sentiment in auto end markets. Enphase and Xinyi Solar were among the weaker performers, reflecting softer underlying demand conditions.

CHART OF THE MONTH: EUROPEAN HEAT PUMP SALES

Sales of residential heat pumps across key European markets including France, Belgium, Denmark, Germany, Netherlands, and Switzerland increased by 24% in the first quarter of 2026 on average. The European Heat Pump Association cites rising energy prices and fear of energy insecurity as key reasons for the step up in sales, reflecting the early impact of the Iran war.






Residential Heat pump unit sales ('000)



Source: EHPA, May 2026

APRIL NEWS AND EVENTS IN REVIEW

In this section, we review the key news items and their impact on our various portfolio sub-sectors over the last month.

News	Sub-Sector	Impact
<p>US renewable Power Purchase Agreement (PPA) prices moved higher in Q1 2026, reflecting increasingly tight market conditions according to LevelTen. Solar PPA prices rose c.4.7% over the quarter and more than 13% year-on-year, while wind prices increased by around 8% sequentially and close to 24% year-on-year. This strength has been driven by a combination of permitting delays, supply chain constraints and strong demand from large power buyers, particularly data centres, which are competing for a limited pool of new projects. At the same time, buyers are increasingly seeking shorter and more flexible contract structures due to both higher prices and reduced visibility on project delivery timelines.</p>	Renewable PPA Prices	
<p>In the US, utilities and power generators have announced a cumulative \$1.4 trillion of planned capital expenditure through 2030, according to a report from nonprofit group Powerlines, a 21% increase on the \$1.1 trillion forecast for the equivalent five-year period just 12 months ago. The bulk of this spend is directed at physical grid infrastructure including cables, pylons and transformers, reflecting the scale of network investment required to accommodate structurally rising electricity demand. The trend reinforces the investment case for regulated utilities with visible rate-base growth, including portfolio holding NextEra Energy, and for the suppliers of the grid components that this build-out will require.</p>	US Utility Spend	
<p>Although the Strait of Hormuz remains closed to all but a few tankers, equity markets have largely looked through the energy price impact, with the S&P 500 and Nasdaq reaching all-time highs and the Nasdaq recording its strongest month since November 2020, up 15%. Markets appear to be pricing in a quick resolution to the conflict and normalisation of energy flows, discounting the risks to growth, inflation, and interest rates from a sustained energy shock.</p>	Global Markets	
<p>Asian and European fuel suppliers have increasingly turned to biodiesel as its price has fallen below traditional diesel, with European biodiesel benchmarks and Asian palm oil futures both trading at a discount to diesel following the Hormuz-driven spike in conventional fuel prices. Policy support has reinforced the shift, with Indonesia, the world's largest palm oil producer, raising its biodiesel blending mandate from 40% to 50%, and Malaysia lifting its mandate from 10% to 15%. The setup is constructive for biofuel feedstock and processing exposure, although we remain mindful that biodiesel economics are highly sensitive to relative crude oil pricing and policy continuity.</p>	Biofuel Demand	
<p>Meta has signed a non-binding letter of intent with space-based solar developer Overview Energy for 1GW of capacity reservation in 2030. The deal is a first for space-based solar and points to the growing demand for power from US hyperscalers. Overview faces material funding and technological hurdles in deploying large-scale orbital solar arrays, which capture solar energy in space and beam it to terrestrial solar panels at higher consistency and intensity than the sun alone can achieve. The agreement follows Caltech's Maple project, which proved wireless orbital energy transmission in 2025, but the technology remains at an early stage of commercial maturity.</p>	US Power Demand	

MANAGERS' COMMENTS

The Iran war has triggered very significant disruption to global oil and gas markets, prompting a broad-based policy response that is likely to catalyse investment into the energy transition. With the energy shock likely to persist through the rest of 2026, policy makers are increasingly looking to renewables, electrification and energy efficiency as long-term levers to mitigate high energy costs.

The Middle East conflict two months on

There has been no meaningful progress in restoring energy flows through the Strait of Hormuz, with around 12m b/day of oil and oil products effectively removed from global supply and no viable alternative routes to market. Since the onset of the conflict, we estimate cumulative losses to the market of close to 0.8bn barrels, with this rising by 0.36bn barrels with each additional month of disruption. Even in the event of a near-term resolution, the global oil market is likely to face a sustained supply shortfall through the remainder of 2026. In that context, policymakers are beginning to contend with a higher energy price environment and its implications for the global economy.

While the outcome and duration of the conflict remain uncertain, historical precedent suggests that Middle Eastern energy shocks are rarely resolved quickly. On average, past disruptions have taken eight months for supply to normalise, and the current crisis is larger in scale than those seen previously. Importantly, the recovery in production is likely to lag any resolution. While the IEA estimates that around 80% of affected supply could return within two months, a meaningful portion of capacity (1-2m b/day) may take longer to restore or may not return fully due to reservoir and operational constraints. The longer the disruption persists, the more challenging the restart process becomes. Taken together with the re-emergence of a geopolitical risk premium and the need to rebuild global inventories, this suggests that oil prices are likely to remain elevated for a sustained period, even after the conflict is resolved.

Historical Middle Eastern oil shocks

Maximum changes within 12 months of the crisis

	US-Iran (2026)	Kuwait (1990)	Iran-Iraq (1980)	Iran Rev (1979)	Arab Embargo (1973)	Suez (1956)
Global supply	-14%	-6%	-6%	-4%	-7%	-9%
Regional supply	-42%	-9%	-7%	-5%	-8%	-10%
Oil price (spot)	42%	32%	6%	95%	134%	9%
Oil demand	-3%	-4%	-11%	-1%	-9%	-12%

Figures in bold are the largest responses. Source: Guinness Global Investors, May 2026

The Iran war will fundamentally reshape global energy markets and accelerate the energy transition

The supply shock from the Iran war will be a major catalyst for the energy transition. As we wrote last month, periods of high and volatile energy prices expose the vulnerabilities of energy systems that rely on imported fossil fuels and strengthen the case for a more electrified system, powered by domestic renewables. As seen in Europe's response to the 2022 Russia/Ukraine crisis, policymakers will usually respond to an energy crisis with an "all of the above" approach to energy security, focusing on building greater and more diversified domestic supply. This is increasingly translating into support for more flexible, low-carbon energy solutions which offer both resilience and reduced dependence on imports. We believe the current crisis will reinforce this trend, with policymakers again prioritising measures that improve energy security while accelerating the transition.

We therefore expect to see a growing focus on:

- **Energy security:** Low-carbon energy systems (renewables, energy storage, grid expansion, nuclear) tend to be distributed and localised. Governments increasingly view the transition to homegrown clean energy as the most effective lever to mitigate the risks of high energy import costs and maritime disruptions; and

- **Energy flexibility:** Flexible energy systems generally have the following characteristics, enabling them to weather future shocks:
 - More **diversity of supply** (many sources of energy): especially renewables, nuclear and liquefied natural gas (LNG) import facilities;
 - More **modularity** (lots of smaller, distributed assets);
 - More **responsiveness** (ability to adjust supply/demand quickly): more storage, greater demand side flexibility (smart grids, smart meters, demand response programmes);
 - More **electrification:** an electrified energy system is more flexible as it reduces fuel-specific dependence;
 - More **interconnection:** cross-border electricity interconnectors and integrated power grids also improve flexibility.

This is consistent with commentary from Fatih Birol, head of the IEA, who commented that the war will “profoundly transform” global energy systems and accelerate the switch to low-carbon technologies, with countries accelerating investment in nuclear energy and small modular reactors as well as renewables.

The European Union

We wrote last month about a possible **EU response** to the crisis. On April 22, the European Commission published “**AccelerateEU**”, its long-term roadmap to strengthened energy resilience. In the report, the Commission states that “the need for transition is not new, but it must be significantly accelerated” to help reduce the bloc’s reliance on imported fossil fuels and shield its economies from rising energy costs. This is particularly relevant for Europe since imported fossil fuels account for a significant proportion of energy consumption (57%), and where the recent price shock has already resulted in an additional €24 billion in fossil fuel spending.

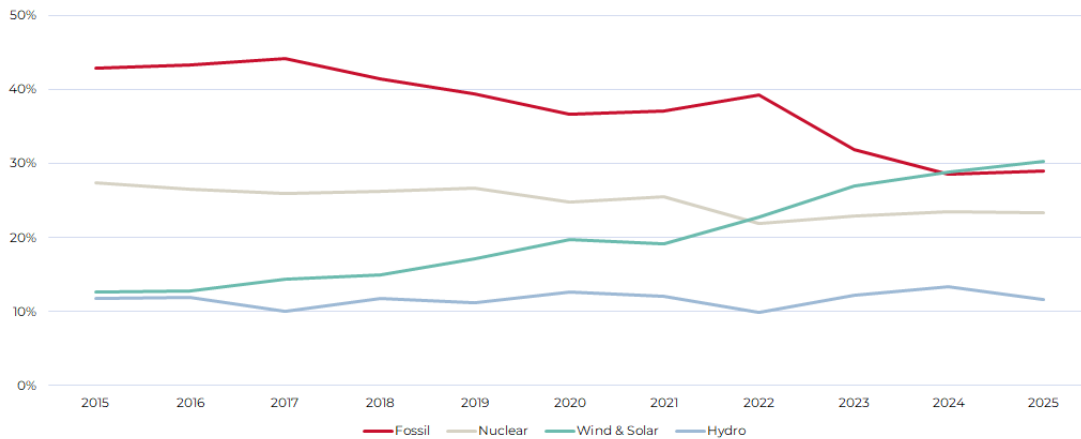
AccelerateEU builds on the REPowerEU framework, which was initially focused on reducing dependence on Russian gas through increased investment in wind, solar, storage and energy efficiency. The new plan broadens this approach beyond a single supply shock, reflecting a more structural shift towards energy security and strategic autonomy. The emphasis is now on reducing overall import dependence, strengthening system resilience and scaling domestic energy supply. The strategy is organised around five key pillars:

- **‘Closer EU coordination’:** Both internally and with suppliers to support actions such as filling gas storage facilities, strategic oil releases, and national policy responses.
- **‘Protecting consumers and businesses’:** Proposed measures include targeted income support, energy vouchers and temporary electricity tax reductions to shield households and industry from price spikes. This includes the mobilisation of €100bn through the Industrial Decarbonisation Bank and an Investment Booster funded by the EU emissions trading scheme (ETS) allowance.
- **‘More homegrown clean energy’:** Reduce oil and gas imports by encouraging investment into renewables and skills, supported by electrification targets and the removal of barriers to electrification across industry, transport, and buildings. By summer, the Commission will present an **Electrified Action Plan**.
- **‘Stepping up our energy systems’:** Upgrading and transforming energy systems to ensure the full implementation of current rules, accelerate the negotiations on the EU Grids package, and advancing ‘Energy Highways’ projects.
- **‘Boosting investments’:** Mobilising public funding at both the EU and national level to support the scaling up of private capital, alongside initiatives such as the Clean Energy Transition Investment Forum and a Clean Energy Summit. An estimated €660bn in annual investment through 2030 to facilitate the energy transition.

The final three pillars highlight the structural nature of the shift underway in European energy policy. AccelerateEU aims to accelerate domestic renewable deployment, upgrade grid infrastructure and mobilise capital to address longstanding bottlenecks to build-out. In doing so, it is likely to support both stronger electricity demand and a faster expansion of renewable supply across Europe.

It is worth highlighting the scale of the shift in Europe's generation mix since 2022. REPowerEU catalysed a meaningful acceleration in renewable deployment, with 2025 marking the first year in which wind and solar generation exceeded that of fossil fuels. Solar output reached a new high, growing by more than 20% for the fourth consecutive year and accounting for around 13% of EU electricity generation.

Share of electricity generation in the EU 2015-2025



Source: Ember, May 2026

National policy responses

Alongside the coordinated regional response, the crisis is also beginning to drive more concrete action at the national level. **France** is a notable example, having published a detailed roadmap outlining its pathway to reduce fossil fuel dependence and strengthen energy security. France has outlined explicit end-of-consumption targets for coal (by 2030), oil (by 2045) and fossil gas (by 2050). These milestones fall under a larger target of reducing the fossil share of final consumption to 40% by 2030 and 30% by 2035, before reaching carbon neutrality by 2050.

The French roadmap targets:

- **Transport and Mobility:** targeting 66% sales penetration for EVs and a 25% increase in public transport use by 2030;
- **Building and real assets:** 85% reduction in oil-fired boilers in tertiary buildings, and a 60% reduction in the residential sector as parts of a wider goal to phase out oil for heating by 2035
- **Industry, Power and Infrastructure:** phase out fossil fuels and increase wind (15 GW of offshore by 2035, and 1.3 GW of onshore each year), solar (3x capacity by 2035), nuclear power (new EPR2 reactors and lifetime extensions), hydrogen and biogas (6x production increase by 2035), and alternative fuels.

Like Europe, many **Southeast Asian** economies are highly exposed to rising energy prices and the conflict has forced energy security to re-emerge as a core priority and for governments to reassess their energy mix. This exposure is particularly acute in the current crisis, given that roughly 80% of oil transiting the Strait of Hormuz is destined for Asian markets. In response, there is now a more assertive policy reaction across the region:

- **South Korea** is heavily reliant on imported fossil fuels and generated 55% of its power from coal and gas in 2025. In response to the crisis, the country has pledged to increase its renewable energy capacity from 37 GW to 100 GW by 2030 and is expected to increase its support for nuclear energy. In order to meet these ambitious targets, the country is set to mandate the installation of solar panels on the rooftops of new factories. At the same time, the country is looking to cut its demand further by incentivising electric vehicle adoption, targeting 40% sales penetration over the same period.
- **Japan** imports 95% of its crude and 6% of its LNG from the Middle East, most of which passes through the Strait. The conflict is accelerating a long-term re-evaluation of the energy mix, specifically in the context of restarting nuclear power plants and increasing investment in renewable infrastructure to reduce structural vulnerability.

- Elsewhere in the region, **Indonesia** plans to accelerate the roll-out of its mandatory biodiesel mandates to cut its diesel imports; **Malaysia** is encouraging wider adoption of rooftop solar; and **Cambodia** has reduced import taxes related to EVs, renewables, and electric stoves to encourage adoption.

Multilateral agreements

The policy response to the crisis has extended beyond national and regional initiatives, spurring the first multilateral conference dedicated specifically to transitioning away from fossil fuels. The **Colombia Conference** brought together almost 60 countries representing roughly one-third of the global economy and focused on the practical implementation of the transition, including national phase-out roadmaps, electrification, financing and the reduction of fossil fuel dependence, reflecting a growing recognition that energy security and long-term economic resilience are increasingly aligned with the transition to low-carbon energy systems.

While it remains at an early stage and produced no binding commitments, the conference nevertheless represents a notable shift in the global policy landscape and a further indication that the current crisis is likely to have lasting implications for global energy market.

Conclusion

The Iran war has triggered a material energy shock and prompted a broad-based policy response. In addressing their dependence on imported fossil fuels, policymakers are placing greater emphasis on energy security and system flexibility, supporting increased investment across the energy transition. There will be a further focus on low-carbon and electrified energy systems, which are typically more distributed, localised and flexible, and therefore better positioned to withstand supply disruptions.

PERFORMANCE

Past performance does not predict future returns.

The **Guinness Sustainable Energy Fund** (Class Y, 0.74% OCF) delivered a return of 13.5% in the month, while the MSCI World Index (net return) delivered 9.6% (all in USD terms).

Guinness Sustainable Energy Fund	Ytd	1 Yr	3 Yrs	5 Yrs	10 Yrs*
Fund (Class Y)	11.7%	46.8%	18.2%	17.6%	172.3%
MSCI World NR Index	5.7%	29.2%	71.5%	70.7%	229.2%
Out/Underperformance	6.0%	17.7%	-53.3%	-53.1%	-56.8%

	2025	2024	2023	2022	2021
Fund (Class Y)	26.9%	-11.8%	-0.4%	-12.5%	10.4%
MSCI World NR Index	21.7%	18.7%	23.8%	-18.1%	21.8%
Out/Underperformance	5.8%	-30.4%	-24.2%	5.6%	-11.4%

	2020	2019	2018*	2017*	2016*
Fund (Class Y)	84.1%	31.4%	-15.2%	20.2%	-15.4%
MSCI World NR Index	15.9%	27.7%	-8.7%	22.4%	7.5%
Out/Underperformance	68.2%	3.7%	-6.5%	-2.2%	-23.0%

The Fund was launched on 19.12.2007. *Simulated past performance prior to the launch of the Y class on 16/02/2018. The Performance shown is a composite simulation for Y class performance being based on the actual performance of the Fund's E class, which has an OCF of 1.24%. On 31/12/2018, the benchmark became the MSCI World NR. Prior to this, the benchmark was the Wilderhill Clean Energy Index (ECO Index).

The **WS Guinness Sustainable Energy Fund** (Class Y, 0.67% OCF) delivered a return of 11.9% in the month in GBP, while the MSCI World Index (net return) delivered 6.4%.

WS Guinness Sustainable Energy Fund	Ytd	1 Yr	3 Yr
Fund (Class Y, 0.67% OCF)	8.8%	41.9%	8.2%
MSCI World NR Index	4.6%	27.0%	58.6%
Out/Underperformance	4.2%	15.0%	-50.4%

	2025	2024	2023
Fund (Class Y, 0.67% OCF)	18.5%	-10.4%	-5.8%
MSCI World NR Index	12.8%	20.8%	16.8%
Out/Underperformance	5.7%	-31.2%	-22.6%

The Fund was launched on 30.12.2022.

The **Guinness Sustainable Energy UCITS ETF**, under our management since 25 July 2024, delivered a return of -10.3% in the month in USD, while the MSCI World Index (net return) delivered -6.4% (all in USD terms).

Total return in USD	Ytd	1 Yr
Fund (Class A Acc, 0.65% OCF)	11.5%	45.4%
MSCI World NR Index	5.7%	29.2%
Out/Underperformance	5.9%	16.2%

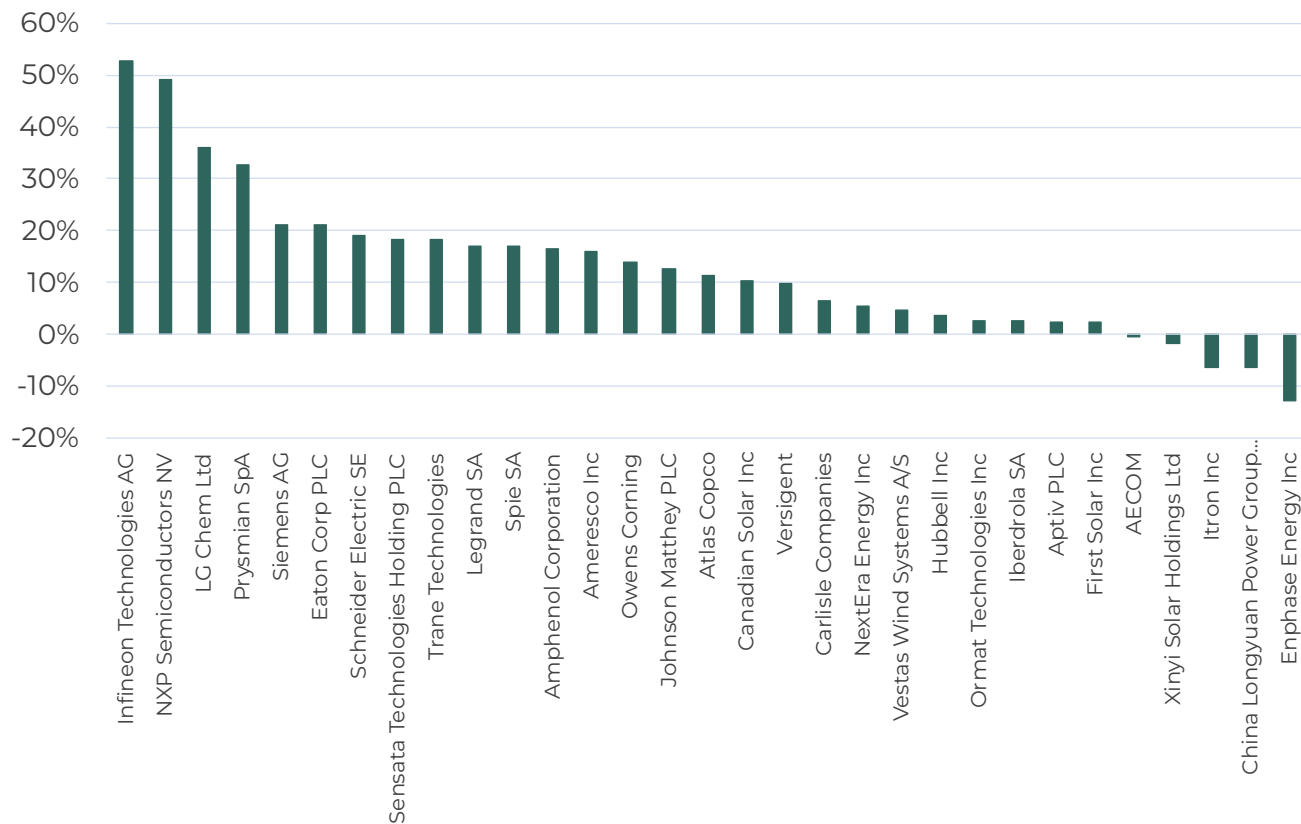
	2025
Fund (Class A Acc, 0.65% OCF)	26.3%
MSCI World NR Index	21.1%
Out/Underperformance	5.2%

Data as of 30.04.2026. Source: FE fundinfo, bid to bid, total return net of fees. Investors should note that fees and expenses are charged to the capital of the Funds. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The performance shown has been reduced by the current OCF shown. Returns for share classes with different OCFs will vary accordingly. Transaction costs also apply and are incurred when a Fund buys or sells holdings.

Guinness Sustainable Energy

Within the Fund, the strongest performers were Infineon Technologies AG, NXP Semiconductors NV, LG Chem Ltd, Prysmian SpA and Siemens AG while the weakest performers were Enphase Energy Inc, China Longyuan Power Group Corp Ltd, Itron Inc, Xinyi Solar Holdings Ltd and AECOM.

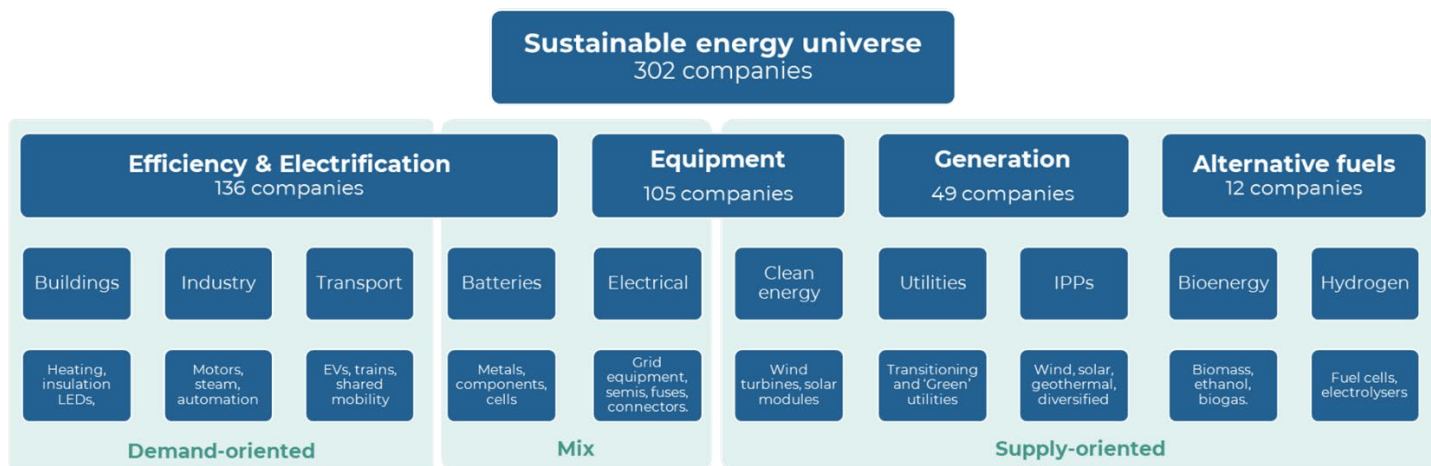
Stock by Stock performance over the month, in USD



Source: Bloomberg. As of 30th April 2026

PORTFOLIO

The Guinness Sustainable Energy Fund is positioned to benefit from many of the long-term themes associated with the transition towards a lower-carbon economy and of sustainable energy generation via investment in companies with activities that are economic with limited or zero government subsidy and which are profitable. We do not limit ourselves to 'pure plays', opening our universe to some companies with existing hydrocarbon-based fuel exposure, but this must be accompanied by a commitment to transitioning their business models towards sustainable energy sources. Our investment universe comprises around 300 companies which are classified as follows:



Source: Guinness Global Investors; data as of 30 September 2025

We monitor each of the industry areas very closely and hope that detailed top-down (macro) analysis of each (complemented with disciplined equity screening and stock valuation work) will allow us to deliver attractive fund performance via a broadly equally weighted portfolio of 30 stocks. The portfolio is designed to create a balance between maintaining fund concentration and managing stock-specific risk.

Guinness Global Investors is a signatory of the United Nations Principles for Responsible Investment. The Guinness Sustainable Energy Fund prioritises returns whilst delivering concentrated exposure to companies playing a key role in global decarbonisation. The Fund’s holdings align most closely with four of the UN’s sustainable development goals:

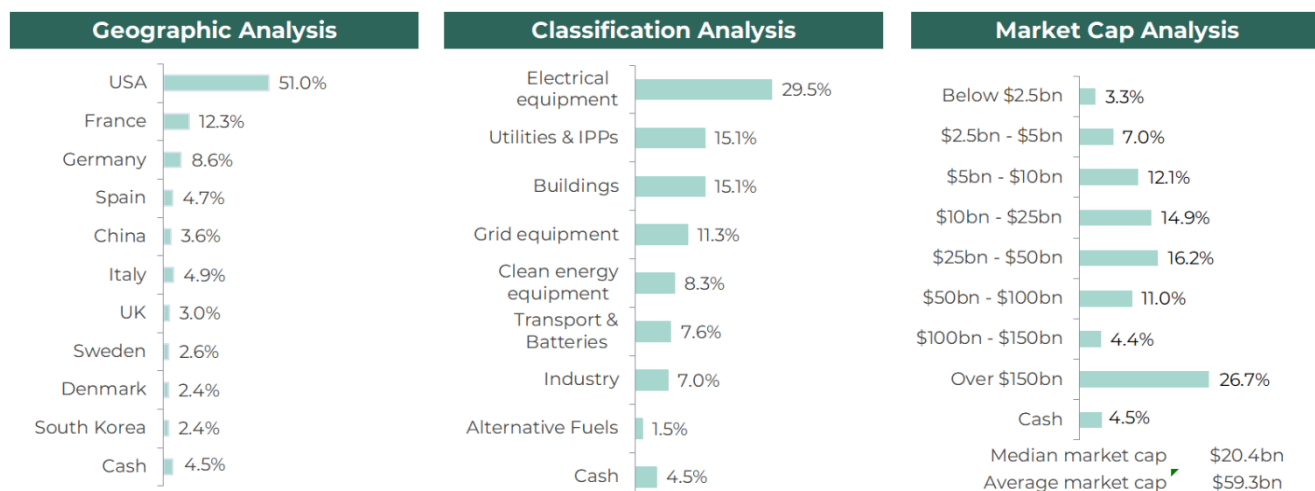


Buys/Sells

There were no buys/sells during the month, but the fund was actively rebalanced.

Guinness Sustainable Energy

Portfolio structure analysis



Data as of 30.04.2026. Source: Guinness Global Investors. Portfolio holdings are subject to change.

Portfolio sector breakdown

The following table shows the asset allocation of the Fund at 30th April and at previous year ends.

Asset allocation as %NAV	Current	Change	Year end				Previous year ends			
	Apr-26		Dec-25	Dec-24	Dec-23	Dec-22	Dec-21	Dec-20	Dec-19	
Electrical equipment	29.5%	0.9%	28.7%	26.8%	25.1%	20.3%	19.0%	10.0%	9.6%	
Buildings	15.1%	-0.4%	15.4%	14.8%	9.6%	7.7%	4.2%	3.7%	10.2%	
Utilities & IPPs	15.1%	-0.4%	15.5%	20.5%	19.5%	17.7%	23.1%	24.6%	22.2%	
Grid equipment	11.3%	0.7%	10.6%	9.0%	7.6%	7.3%	6.6%	6.1%	5.5%	
Clean energy equipment	8.3%	-2.5%	10.8%	10.3%	15.8%	19.7%	18.7%	28.8%	23.5%	
Transport & Batteries	7.6%	-1.3%	8.9%	11.3%	16.4%	18.5%	19.5%	20.4%	21.7%	
Industry	7.0%	0.0%	7.0%	4.8%	0.0%	0.0%	0.0%	0.0%	0.0%	
Alternative Fuels	1.5%	-0.2%	1.7%	1.8%	1.8%	3.0%	3.7%	3.6%	3.2%	
Cash	4.5%	3.0%	1.5%	0.7%	4.2%	5.8%	5.3%	3.0%	4.2%	
Total	100.0%		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Source: Guinness Global Investors

Valuation

At the month's end, the Guinness Sustainable Energy portfolio traded on the following multiples:

As at 30 April 2026

	PE			EV/EBITDA			Dividend Yield		EPS Growth (%pa)		Cash return	
	2024E	2025E	2026E	2024E	2025E	2026E	2025E	2026E	2019-24	2025-28	2025E	2026E
Guinness Sustainable Energy Fund	25.8x	24.4x	20.6x	14.8x	12.7x	11.0x	1.4%	1.8%	7.0%	15.3%	10.7%	12.3%
MSCI World Index	26.0x	23.7x	20.0x	13.1x	15.5x	13.1x	1.8%	1.9%	6.8%	13.7%	10.0%	10.7%
Fund Premium/(Discount)	-1%	3%	3%	13%	-19%	-15%						

*2024 P/E = Latest month-end price / 2024 earnings; Portfolio = median CFROI; Index data = HOLT MSCI World ETF median CFROI, EPS derived from consensus, adjusted for Canadian Solar and LG Chem

Source: Guinness Global Investors, Bloomberg

Portfolio holdings as at the end of April 2026

Our portfolio is typically allocated across 30 broadly equally weighted equities, providing exposure across the value chain of sustainable energy.

A key theme in the portfolio (at around c.37% weight) is that of **electrical equipment**, where we own a number of companies that facilitate the electrification of energy demand and the build-out of the electrical grid. Holdings such as Eaton, Schneider Electric, Amphenol and Legrand participate in various niches in the design, manufacturing and servicing of electrical products across low, medium and high voltage applications, for a wide range of end markets. Hubbell holds a particular specialism in high voltage grid equipment, especially in the United States, while Prysmian manufactures the cable used in high voltage interconnectors and connections to new supply sources. Lastly, Itron has a heritage in manufacturing smart meters and is increasingly providing services and consulting to utilities around this installed base to enable more efficient utilisation of the grid.

The electrification and efficiency of buildings, industrial activities, and transportation represent a total weight of c.33% and are split as follows:

- In terms of **transportation** exposure, the portfolio holds five names in the electric vehicle sub-category, giving it exposure to companies that provide semiconductors, electronics, components and software/services to the growing EV and autonomous vehicle industry. Infineon and NXP Semi are providers of power semiconductors and microcontrollers that are a necessity for higher-voltage electric vehicles to become competitive with ICE (internal combustion engine) vehicles, while Aptiv and Sensata are component manufacturers and service providers that should benefit from the ever-increasing amount of electronics present in electric vehicles. We hold one lithium-ion battery manufacturer, LG Chem, which is a Korean chemicals company and one of the largest lithium-ion battery manufacturers in the world.
- Our **buildings** exposure comes via pure-play quality exposure to heating and cooling industries (via commercial HVAC manufacturer Trane Technologies) as well as high-quality roofing manufacturer Carlisle Companies. We also own Owens Corning, a manufacturer of insulation (and associated products). Our final holdings here are SPIE, a French electrical engineering company that provides services for building maintenance, predominantly in France and Germany, and AECOM, a US focused Design & Engineering business with exposure to building efficiency and the renewable energy buildout.
- Our **industrial** efficiency and electrification exposure comes from two positions, in Siemens and Atlas Copco. Siemens provides us with exposure to efficiency and electrification across a wide range of end markets, while Atlas Copco offers exposure to the efficient use of air (often referred to as the fourth utility) in manufacturing processes, via compressors and vacuum technology.

In terms of the **generation** of sustainable energy, we hold a c.17% weight to utilities and independent power producers. China Longyuan is a pure-play Chinese wind power producer and represents one of our two independent power producer (IPP) holdings. The remaining exposure comes in the form of geothermal via Ormat, the world's only integrated producer and equipment manufacturer for geothermal projects. We also have broad-based wind/solar renewable energy generation through NextEra Energy (the largest producer of renewable energy in the world), while Iberdrola is our one utility, with particular exposure to electricity networks.

We hold exposure to the **solar and wind equipment** and manufacturing value chains. Xinyi Solar is the world's largest supplier of the glass used in solar cell modules, and Enphase manufactures the inverters required to convert DC solar power into consumable AC electricity. Canadian Solar and First Solar give integrated exposure to the solar cell and module manufacturing process, covering both the standard polysilicon manufacturing process (via Canadian Solar) as well as the specialist cadmium telluride process used by First Solar. Wind turbine manufacturer Vestas provides broad exposure to the strong growth that we expect in the onshore and offshore wind markets. Lastly, we have some exposure to bioenergy (and a broader range of energy efficiency projects) via Ameresco, a US-listed clean energy project developer.

Portfolio themes as at end April 2026

Theme	Example holdings	Weighting (%)
1 Electrification of energy demand		25.4%
2 Modernising the power grid		11.3%
3 Rise of the electric vehicle and auto efficiency		10.8%
4 Power semiconductors		8.4%
5 Wind & solar equipment manufacturing		8.8%
6 Low carbon power generation: regulated producers		9.3%
7 Low carbon power generation: independent producers		7.3%
8 Building and industrial efficiency		14.2%
9 Other (inc cash)		4.5%

Portfolio at end March 2026 (one month in arrears for compliance reasons)

Guinness Sustainable Energy Fund (31 March 2026)			P/E			EV/EBITDA			Price/Book			Dividend Yield		
Stock	ISIN	% of NAV	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
ALTERNATIVE FUELS														
Ameresco Inc	US02361E1082	1.5%	20.5x	28.8x	24.3x	17.6x	11.7x	10.2x	1.3x	1.2x	1.1x	0.0%	0.0%	0.0%
		1.5%												
EFFICIENCY & ELECTRIFICATION														
Carlisle Cos Inc	US1423391002	2.5%	23.2x	19.2x	16.3x	11.5x	12.4x	11.6x	6.0x	8.6x	7.1x	1.1%	1.4%	1.5%
AECOM	US00766T1007	3.2%	47.3x	16.6x	14.2x	10.6x	10.3x	9.3x	5.1x	4.5x	3.5x	1.0%	1.4%	1.3%
Owens Corning	US6907421019	2.1%	8.3x	9.8x	11.4x	5.4x	7.3x	6.6x	1.8x	2.3x	2.1x	2.3%	2.9%	3.0%
Spie SA	FR0012757854	3.3%	22.0x	16.9x	13.7x	9.6x	8.0x	7.5x	3.9x	2.9x	2.6x	2.2%	2.9%	3.2%
Trane Technologies PLC	IE00BK9ZQ967	4.2%	46.1x	31.9x	28.2x	23.5x	20.2x	18.2x	12.5x	9.7x	8.4x	0.8%	0.9%	1.0%
Siemens AG	DE0007236101	3.7%	27.0x	21.3x	19.0x	14.0x	11.3x	10.2x	3.3x	2.4x	2.2x	2.4%	2.7%	2.8%
Atlas Copco AB	SE0017486889	2.7%	31.5x	29.9x	27.7x	43.9x	40.3x	36.3x	8.1x	6.8x	6.0x	1.7%	2.0%	2.1%
Aptiv PLC	JE00BTDN8H13	2.9%	16.0x	10.0x	8.5x	6.2x	5.5x	5.2x	1.9x	1.4x	1.3x	0.0%	0.1%	0.1%
Johnson Matthey PLC	GB00BZ4BQC70	3.0%	12.1x	23.1x	14.7x	13.2x	8.4x	7.9x	1.5x	1.4x	1.7x	3.9%	4.2%	16.1%
LG Chem Ltd	KR7051910008	2.0%	12.9x	594.8x	184.2x	9.9x	7.7x	5.5x	0.6x	0.7x	0.7x	0.4%	0.9%	1.4%
		29.6%												
GENERATION														
Iberdrola SA	ES0144580Y14	5.2%	27.7x	23.1x	19.9x	16.3x	13.0x	12.4x	2.9x	2.3x	2.2x	2.5%	3.7%	3.9%
China Longyuan Power Group C	CNE100000HD4	2.9%	7.1x	12.2x	7.8x	11.0x	10.2x	9.9x	0.8x	0.6x	0.6x	3.5%	3.8%	4.1%
NextEra Energy Inc	US65339F1012	5.0%	29.7x	31.6x	23.2x	23.2x	15.5x	14.3x	3.8x	2.9x	2.6x	2.2%	2.7%	2.9%
Ormat Technologies Inc	US6866881021	3.7%	54.1x	49.8x	48.3x	21.4x	15.3x	14.0x	2.8x	2.5x	2.4x	0.4%	0.4%	0.5%
		16.9%												
EQUIPMENT														
Amphenol Corp	US032095I017	4.3%	80.2x	36.2x	28.8x	37.2x	17.0x	14.8x	15.6x	9.1x	7.1x	0.4%	0.8%	0.8%
Eaton Corp PLC	IE00B8KQN827	4.4%	42.9x	31.2x	26.9x	24.7x	20.1x	17.6x	7.6x	6.2x	5.5x	1.1%	1.2%	1.3%
Hubbell Inc	US4435I06079	4.8%	34.0x	29.0x	24.9x	20.3x	17.9x	16.8x	8.1x	5.9x	5.2x	1.0%	1.2%	1.2%
Itron Inc	US4657411066	2.6%	50.5x	13.4x	14.9x	12.5x	11.1x	9.8x	2.9x	2.3x	1.9x	0.0%	n.m.	n.m.
Legrand SA	FR0010307819	4.4%	30.5x	26.2x	22.8x	20.6x	16.3x	14.9x	5.1x	4.3x	3.9x	1.5%	2.0%	2.2%
Prysman SpA	IT0004176001	4.2%	48.0x	28.0x	21.7x	20.5x	12.7x	11.4x	6.2x	3.9x	3.4x	0.8%	1.0%	1.2%
Schneider Electric SE	FR0000121972	4.1%	34.2x	29.9x	23.6x	19.8x	16.4x	14.6x	4.8x	4.7x	4.3x	1.6%	2.0%	2.2%
Infineon Technologies AG	DE0006231004	3.4%	15.5x	38.2x	22.6x	12.9x	12.2x	9.8x	3.2x	2.7x	2.4x	0.9%	1.0%	1.1%
NXP Semiconductors NV	NL0009538784	2.9%	14.6x	19.3x	14.1x	11.9x	10.9x	9.6x	5.5x	4.3x	3.8x	2.1%	2.2%	2.4%
Sensata Technologies Holding P	GB00BFMBMT84	3.0%	10.3x	7.8x	9.7x	6.2x	8.5x	8.0x	1.8x	1.6x	1.4x	1.4%	1.4%	1.5%
Canadian Solar Inc	CA136635I098	1.4%	3.2x	n.m.	134.5x	13.2x	10.9x	8.5x	0.3x	0.3x	0.3x	0.0%	0.0%	0.0%
Enphase Energy Inc	US29355A1079	0.79%	11.7x	27.9x	16.9x	23.4x	14.2x	11.9x	6.0x	3.5x	2.9x	0.0%	0.0%	0.0%
First Solar Inc	US336433I070	3.0%	23.4x	13.3x	11.0x	9.9x	7.3x	5.8x	2.6x	1.9x	1.5x	0.0%	0.0%	0.0%
Xinyi Solar Holdings Ltd	KYG9829N1025	1.4%	6.1x	10.7x	16.1x	7.5x	8.1x	6.6x	0.8x	0.8x	0.8x	3.7%	3.0%	4.3%
Vestas Wind Systems A/S	DK0061539921	2.7%	828.5x	31.9x	23.8x	16.2x	9.6x	8.2x	8.1x	5.6x	4.6x	2.0%	0.7%	1.0%
		47.5%												
Cash	Cash	4.6%												

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 - sustainable energy & the energy transition

Over the next thirty years, the world will continue its transition to a sustainable energy system. The key factors driving the transition are:

- **Population and GDP growth** putting a significant strain on today's energy supply
- **Economics** as sustainable sources of energy will be cheaper than the incumbents
- **Climate change** leading the world to reduce carbon emissions via cleaner energy
- **Pollution** forcing governments to drive air pollution out of cities via cleaner energy
- **Energy security** as sustainable energy sources, which are more evenly spread across all countries, facilitate lower reliance on energy imports.

The outcomes of the energy transition will, of course, be wide-ranging. On the **supply** side, we see a sustained shift towards renewable power generation, fulfilling global power generation needs, which are set to double by 2050. On the **demand** side, we believe that improved energy efficiency will be key to limiting energy consumption growth to a manageable level so that it can be increasingly satisfied by renewable sources.

The long-term direction is clear and is driven by economics, in our opinion, while geopolitical issues (such as the invasion of Ukraine in February 2022) could potentially have an effect on the speed of the transition and the relative importance of the factors stated above.

Policy support, investment and economics

Energy transition policy has been increasingly shaped in recent years by energy security, affordability and industrial competitiveness, against a backdrop of rising power demand. Policy approaches have diverged across regions: the United States has seen a reduction in federal support for some low carbon energy technologies but has boosted others; China has continued to consolidate its structural advantages in clean-energy deployment and manufacturing; and Europe has maintained broadly supportive policies while seeking to strengthen industrial resilience.

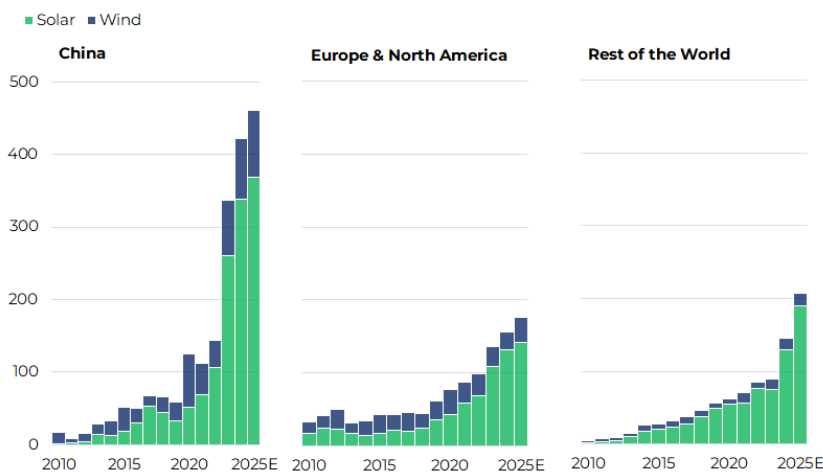
The spectre in the **United States** of President Trump's second term in office loomed large over the clean energy sector. Indeed, many of the executive orders from 20th January 2025, the first day of President Trump's new term, related to the energy sector. Some were specific to the fossil fuel industry while others reflected the broader need for greater access to cheap energy to satisfy estimates of growing demand. Specifically in the realm of energy transition, Trump ordered a withdrawal from the Paris Agreement, a revoking of President Biden's 2021 electric vehicle targets and a suspension of new federal offshore wind leasing. However, it was also clear coming into 2025 that surging US electricity demand (as a result of the growth of artificial intelligence querying and data centres as well as the wider trend of electrification) was a critical issue. It was imperative for Trump to deal with this if he wanted to win the 'AI arms race', requiring him to oversee significant grid upgrades and near-term growth in both renewable and natural gas-based power generation.

In the event, the budget reconciliation bill of May 2025 initially proposed fewer changes to President Biden's Inflation Reduction Act (IRA) than expected following President Trump's election. However, amendments by the House of Representatives in late May reduced the value of IRA credits, raising approximately \$570bn. The resulting One Big Beautiful Bill Act ("OBBBA") eliminated electric vehicle and certain residential solar tax credits and accelerated the phase-out of utility-scale solar and wind ITC and PTC tax credits. Subsequent clarifications issued in August 2025 materially improved the outlook for developers by extending the time periods over which projects can qualify for these remaining production tax credits. Separately, manufacturing tax credits for battery and solar equipment were retained through 2032 (beyond prior expectations), while wind-related manufacturing credits remain scheduled to end in 2027. With this hurdle now cleared, we have seen a resumption and acceleration of activity in the US, as the country's power crisis becomes the dominant issue.

China continues to reap the benefits of decades of investment in sustainable energy technologies, extending its dominance across the clean-tech value chain. Independent tracking suggests China produced 80-85% of all solar modules in 2025, around 70% of all wind turbines and around 70% of all battery electric vehicles. In the second half of the year, China pursued

anti-involution efforts to remove excess manufacturing capacity, eradicate aggressive pricing and improve profitability for manufacturers, thereby improving the country's competitive positioning.

Annual renewable capacity additions by region 2000-25E (GW)



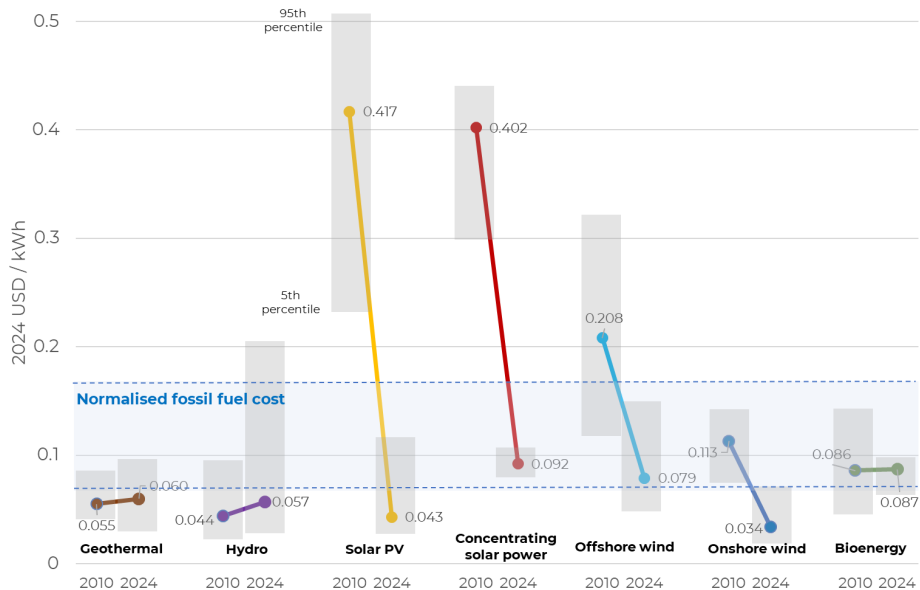
Source: BNEF; Guinness Global Investors

European policy remains supportive of the Energy Transition. In February 2025, the European Commission introduced the Clean Industrial Deal, a policy aimed at boosting the EU's clean manufacturing sector and industrial competitiveness by adding 100GW of renewable energy capacity annually until 2030 and making €100 billion available to support energy-intensive industries such as steel, metals, and chemicals. The deal also proposes streamlining bureaucratic processes, increasing European Investment Bank-backed guarantees for renewable energy projects, and supporting power grid manufacturers. In addition, Germany's debt brake reform (Feb'25), unlocks approximately €1 trillion in additional investment into defence, infrastructure and energy transition projects over the next decade.

Overall, **global investment in clean technologies** continues to grow and is likely to have hit nearly \$2.2trn in 2025 according to the IEA, up by around 10% versus 2024 and twice the spend on coal, oil and gas in the year. Globally, spending on low-emission power generation has almost doubled over the past five years, led by solar PV.

Research from the International Renewable Energy Agency (IRENA) in 2025 supports the view that renewable electricity is the cheapest form of new electricity supply in most situations. According to their Levelized Cost of Electricity (LCOE) estimates, the cost of wind and solar projects commissioned in 2024 (most recent data) ranged from \$0.03-0.11/kWh, well below the fossil fuel cost range of \$0.08-0.17/kWh. The LCOE of solar and wind remained broadly versus 2024 data, as the impacts of higher interest rates, plus the 2022/23 inflation cycle, were offset by greater economies of scale. These technologies are now competitive with the cheapest new fossil-fuel generation, which also produces power at roughly \$0.08/ kWh, although inflation in gas turbine costs likely biases these estimates higher for projects commissioned in 2025 and 2026.

Global LCOE of newly commissioned utility-scale renewable power generation technologies (2010-2024)

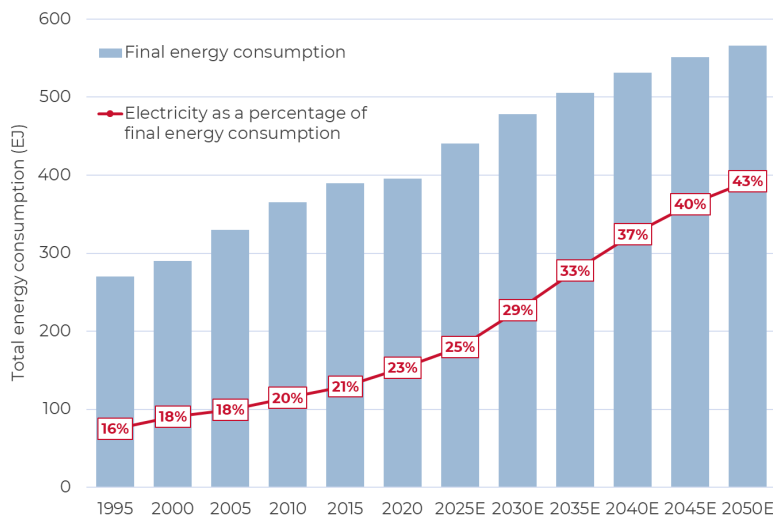


Source: IRENA; Guinness Global Investors, August 2025, percentile ranges from 2024 or 2023 if data if not available

The electrification of demand

The global economy is in the early stages of a secular energy transition, marked by rapid growth in renewable and low-carbon energy sources and the **electrification** of global energy demand. The electrification of the world energy system is driving substantial upward revisions to power demand, and we expect annual growth of around 4% per year from 2025 to 2040, meaning that electricity will ultimately account for 43% of total final energy consumption. The scale of this demand growth, nearly 90EJ or nearly the size of current global power generation capacity, poses considerable challenges for governments and countries, many of which have historically planned for stagnant or only modestly rising demand.

Total final energy consumption (1990-2040E)



Source: IEA, Guinness estimates, January 2026

The drivers of this electrification trend are broad, and include:

- The electrification of heating and cooling in buildings and manufacturing processes in industry
- The electrification of transportation
- Surging electricity demand from AI and data centres (especially in the United States)

In the near term, the IEA expect global power demand to rise by 3.3% in 2025 and 3.7% in 2026, well above the 2.6% average annual growth seen between 2015-2023. Growth is driven by rising industrial activity, continued electrification, expanding use of appliances and air conditioning, and accelerating demand from data centres, with heatwaves adding further pressure in many regions. As a result, electricity demand is expected to rise at more than twice the rate of total energy demand in both years, underscoring the secular growth of electricity demand. Investment in efficiency-related activities, to help offset the strong demand growth drivers, is expected to have grown 6% in 2025, reaching almost \$800 billion (a 70% increase since 2015 and reflective of a step-change in spending committed to improving efficiency).

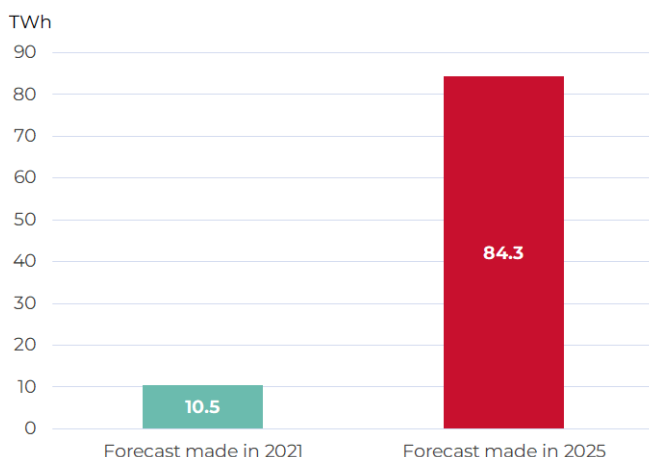
Data centres: heaping near-term pressure on power markets, especially in the US

The build out of AI infrastructure and data centres requires vast amounts of electricity and is causing a particular near term issue in the United States. AI data centres run continuously and are growing in scale and complexity; in 2025 alone, the largest hyperscalers are expected to spend \$350bn on AI capex. Whilst forecasting demand growth is challenging due to rapid advances in both hardware efficiency and the scale of AI workloads, we see data centres growing from 4-5% of US power demand to ~12% by 2030, largely driven by AI servers which are 3-5x more energy intensive than traditional servers.

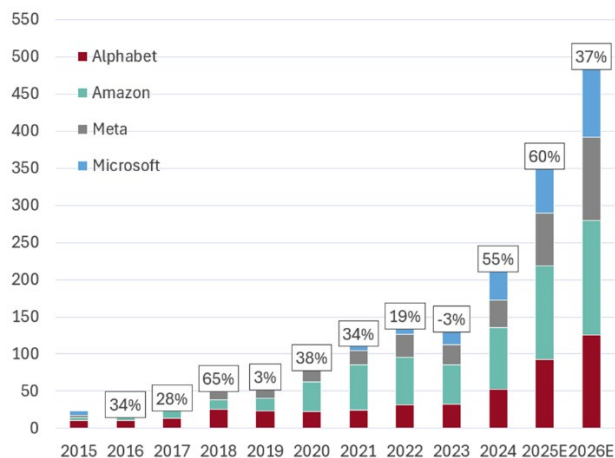
AI demand is also being compounded by the onshoring of manufacturing and the wider electrification of transport, buildings and industry. Investment in new US manufacturing facilities has surged 184% since 2020, driven by semiconductors, batteries, and advanced materials, with the CHIPS Act and IRA spurring over \$500 billion in private investment since 2021.

Looking longer term, the outlook for annual power demand growth to 2040 in the US has increased by almost 8x since 2021 (according to Nextera Energy). To meet this demand growth and reverse a trend of stagnant growth and improved efficiency, the US must rapidly expand generation capacity and address emerging supply constraints.

Annual increase in US electricity demand to 2040
as forecasted by NextEra Energy



Capital expenditure of US hyperscalers (USD\$bn)

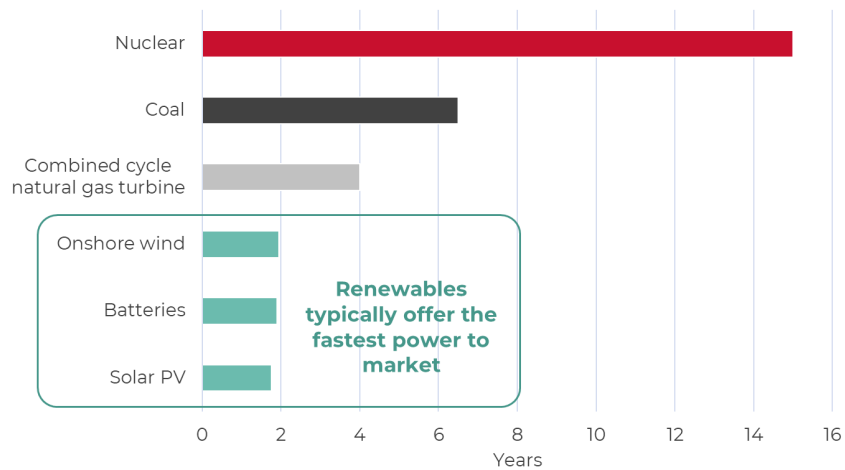


Source: NextEra, Bloomberg, January 2026

As laid out by NextEra, the US’s largest electricity provider, the US needs to increase investment in almost all forms of generation. In the short-term, given their speed to market, flexibility, and cost advantages, a combination of renewables and storage are best positioned to deliver new power.

NextEra see “firmed” generation (intermittent renewables backed by storage), as having the lowest levelized cost of generation in 2030. The company reports an estimated cost of \$25-\$50/MWh for new onshore wind (including storage) and \$35-\$75/MWh for new solar (including storage). This is considerably cheaper than new natural gas combined cycle at \$85-\$115/MWh and a small modular reactor (in 2035) at \$130-\$150/MWh.

Average US power plant development timeline (from concept to operation)



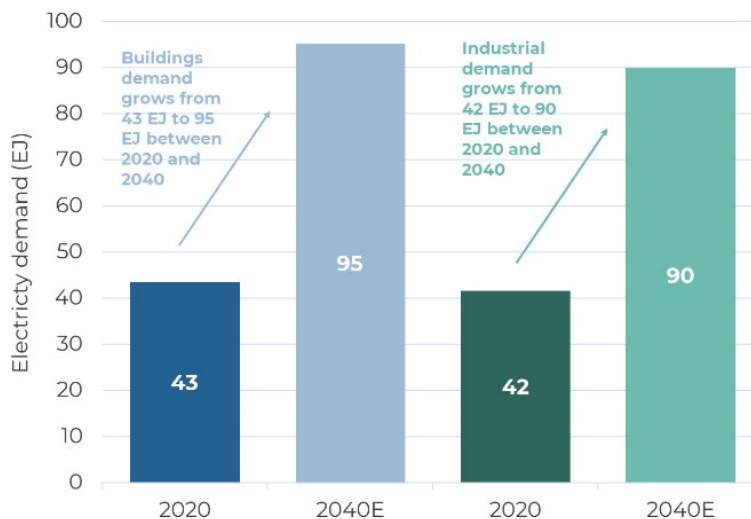
Source: NextEra, August 2025

Despite the urgent need for more electricity, the US has found it increasingly difficult to bring new generation online. Although renewables represent more than 90% of the interconnection queue, an outdated interconnect process means that wait times have grown 70% in the last decade, with key markets seeing wait times of over 7 years. In practice, much of this queue won't translate into real projects as it doesn't take into account grid constraints such as the availability of power equipment and turbines and includes speculative applications from developers looking to reserve places on the grid.

Buildings & industry: electrifying the largest consumers of energy

Buildings and industry are two of the largest consumers of energy, together accounting for almost 70% of final energy demand in 2024. Given the vast existing stock of homes, commercial buildings and industrial facilities, the scope for electrification is enormous, as is the potential for efficiency improvements that can moderate future demand growth. It's worth noting that in our base-case scenario, we assume that significant energy efficiency gains drive energy demand growth of around 1% per year, half the historic rate of nearly 2% per year. Given their size, a substantial share of these efficiency gains will need to come from the buildings and industrial sectors.

Electricity consumption in buildings and industry: 2020 vs 2040 (Exajoules)



Source: IEA, Guinness Global Investors, January 2026

Buildings

The global buildings sector, covering both residential and commercial properties, accounts for around 28% of final energy demand and demand is set to grow further as a growing population drives new housing needs, economic expansion adds commercial floor space, and rising incomes drive demand for heating, cooling, and household appliances.

We see electricity demand increasing by ~2.2x by 2040, growing at an average of 4%pa, with growth driven by heat pumps, heating/cooling and digitalisation.

Industry

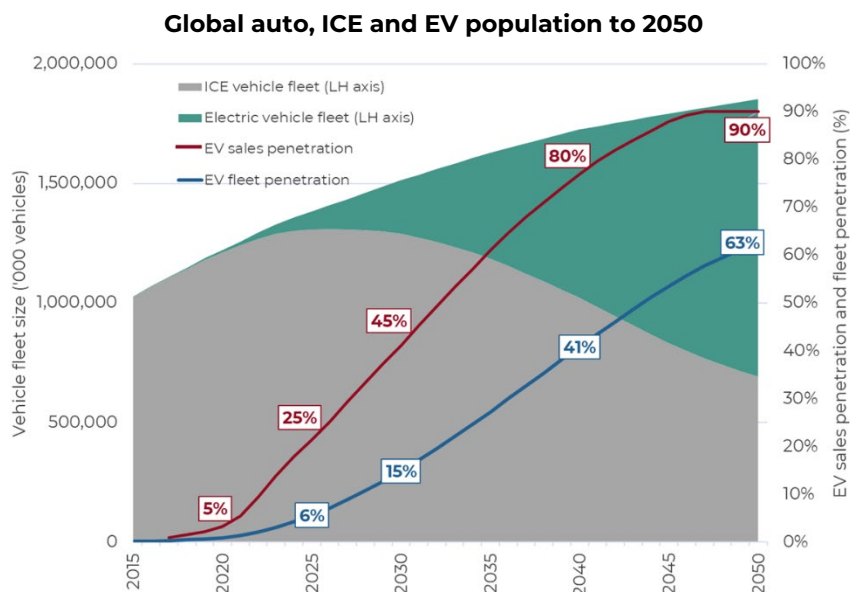
The industrial sector is the largest single consumer of energy globally, accounting for around 40% of final energy demand, and demand will continue to rise as populations expand and economies grow. Today, fossil fuels supply close to 60% of the energy used in emissions-intensive industries such as aluminium, cement, steel and chemicals, underscoring the scale of the electrification opportunity. In these hard-to-abate sectors, large-scale policy frameworks will be essential to displace fossil fuels, with a combination of strong incentives and tighter regulation required to tilt the economics of industrial processes toward cleaner forms of energy.

Within industry, the electrification of heat represents the most significant driver of future electricity demand, supported by the growing automation of production processes and broader uptake of electric motor systems. Tangible progress is already underway across several key technologies including industrial motor systems (pumps, fans, compressors and drives) as well as electric arc furnaces and electric boilers.

Transportation: falling battery costs make electrified transport more economic

The electrification of transport, led by the rapid adoption of electric vehicles (EVs), represents the final major driver of electricity demand growth. EV sales have expanded significantly over the past decade, from roughly 0.5m units in 2015 to 17.5m in 2024, yet the sector remains overwhelmingly reliant on fossil fuels. We expect a >50x increase in the number of EVs on the road in 2040 versus 2020 levels and that transportation’s share of world electricity demand will increase. In 2024, transport accounted for 28% of global final energy use but contributed only 2% of global electricity demand, highlighting the substantial runway for electrification ahead.

EV sales have continued to grow at a healthy pace, albeit slower than was expected a few years ago. We expect sales growth of 25% in 2025, with EVs making up 1 in every 4 cars sold and annual sales reaching c.22m. In the long-term, we believe that EV penetration will increase (reaching 45% by 2030 and >80% by 2050) as falling battery costs improve affordability, and technology improvements enhance performance and safety.



Guinness Sustainable Energy

Source: US DoE (actual), Guinness Global Investors (estimates) as of January 2026

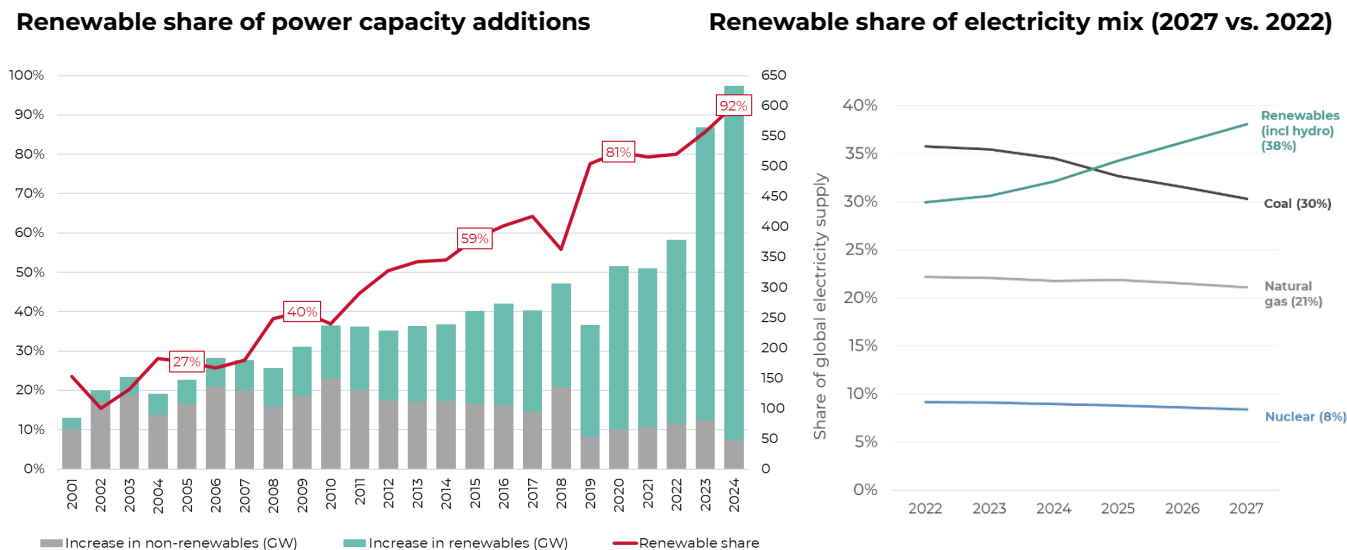
A key pillar of our forecast for rising EV penetration is the continued decline in battery costs and the resulting improvement in EV relative economics. Battery prices (at \$108/kWh in 2025) have already fallen by 93% since 2010 and are expected to fall below \$100/kWh as early as 2026, a milestone widely seen as enabling cost parity with internal combustion engines. As the industry continues to scale and technology improves, battery costs are projected to decline even further, reaching around \$70/kWh by 2030.

In China, falling battery costs mean that over two-thirds of electric vehicles are cheaper than their internal combustion counterparts. In fact, electric cars have been cheaper in China, on average, than comparable combustion cars since 2023 and, as battery prices fall in other regions, we would expect to see a similar increase in penetration rates.

Renewable energy supply and power grids

Having considered electrification, the key driver of demand, we now turn to the drivers of renewable supply and consider solar, wind and the need for upgrading of the global power grid.

The relative economics of renewable power continue to improve and underpin their continued penetration of the global electricity mix. With 91% of utility-scale projects commissioned in 2024 producing electricity more cheaply than new fossil-fuel alternatives, renewables are now cost-competitive across most major markets. Their share of global capacity additions has risen accordingly, climbing from about 40% in 2010 to more than 90% in 2024. This structural shift is accelerating, and 2025 is expected to mark the point at which renewables (including hydropower) overtake coal as the leading source of global electricity generation.



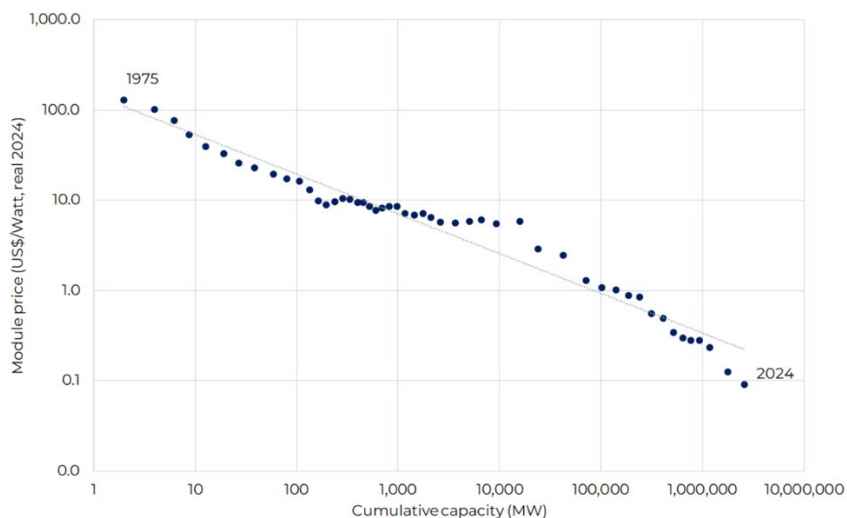
Source: IEA, IRENA, Guinness Global Investors estimates, January 2026

Solar: at the bottom end of the cost curve and growing rapidly

Solar has grown rapidly over the last decade, with annual installations rising more than tenfold. This expansion has undoubtedly been driven by a collapse in systems costs (down over 95% since 2010) and improvements in technology (solar module efficiency has improved 5x over recent decades). The decline in costs has been the result of large-scale manufacturing investment, particularly in China, and the development of a global industrial supply chain that has enabled low-cost solar deployment at unprecedented volumes.

Solar's attractive economics, with average LCOE's of around \$0.04/kWh, leave it at the bottom of the global power-generation cost curve, making it, more often than not, the cheapest source of new electricity. Beyond its cost advantage, solar also benefits from design simplicity and rapid build-out times and, when paired with increasingly affordable storage, offers a pathway to competitively priced, "firmed" renewable power.

Solar module prices (1976 – 2024)



Source: BNEF, Maycock, Guinness Global Investors, January 2026

Thinking long-term, solar is likely to remain the fastest growing source of renewable energy. We expect to see annual solar installations grow medium-to-high single digits per year over the next decade with much of the incremental growth coming from emerging markets, where electricity demand is accelerating and where solar’s cost advantage is most pronounced. Power markets such as India, the Middle East, and Southeast Asia remain undeveloped and continue to build project pipelines, pointing to their role in future demand growth.

Wind: record global installations in 2025 with China being dominant

The wind sector has seen more moderate growth over the last decade, with installations almost doubling between 2015-2024. Over this period, larger turbines, higher capacity factors and improved offshore technologies have materially lowered costs and improved reliability, supporting continued demand growth. However, wind projects tend to be larger and more complex than solar; they are more capital intensive, have longer lead times, and can be more exposed to permitting delays and supply chain disruptions. As a result, the industry has grown more slowly than solar, despite having comparable LCOE profiles. Over the past 5 years, much of the industry’s growth has been supported by the large-scale build out of capacity in mainland China, accounting for about 50% of the industry total installed base as of 2024. This is set to continue with China adding 66% of annual global installations in 2025.

The outlook for global wind demand near term will largely depend upon how China adjusts to its new market-based power regime. The country has replaced fixed feed-in tariffs with liberalised market trading, meaning that renewables are competing head-on with fossil fuels. Whilst this will likely introduce short-term headwinds and lower expectations for installations in 2026, we are encouraged by the announcement of updated targets to install 120 GW of new capacity every year between now and 2030, including 15 GW of offshore capacity. Outside of China, the global wind market is increasingly diversifying with strong contributions from India, Europe and parts of Southeast Asia. The offshore market is set for a step up in 2026, with project completions due across a range of markets such as the UK, Vietnam and France. In the longer-term, we expect wind installations to grow at 6-7% per year through 2030, with the smaller offshore market growing at a higher rate of around 20%.

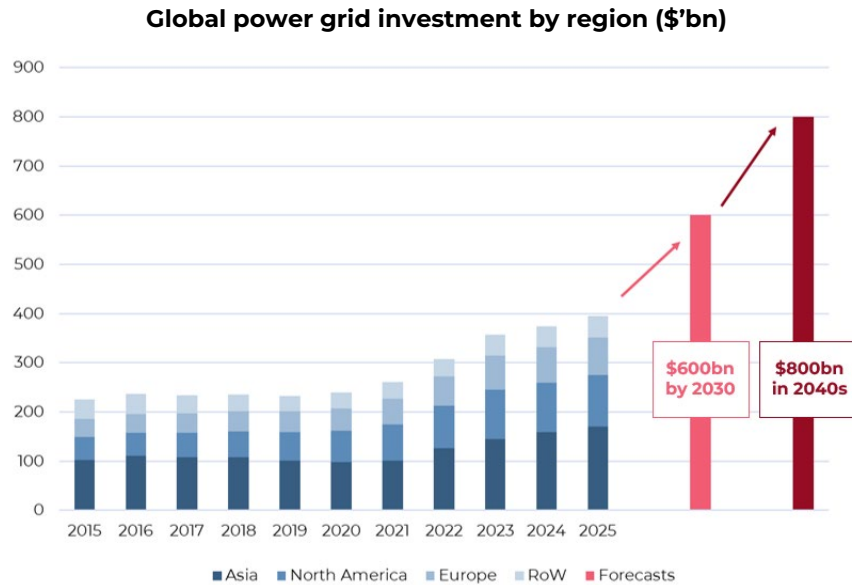
Power grids: a multi-year expansion, replacement and digitalisation cycle ahead

The global power grid requires substantial and sustained investment to integrate an ever-growing pipeline of renewables and support the rising demands of an electrified world. Put simply, the grid needs to be larger, smarter and more resilient to enable the energy transition to continue at pace. Long-term growth drivers include expansion, replacement, digitalisation and load growth improvements.

Looking ahead, BNEF expect average global capex growth of 11% per year between 2025-2027, levels that are structurally higher than recent years. In the US, utilities companies have laid out multi-year investment plans in response to data centre demand, with five companies alone expected to spend \$255 billion by 2029. In Europe, planned spending is set to grow from around \$26 billion in 2024, to around \$70 billion in 2028. China will continue to lead spending growth in Asia, with preliminary plans suggesting spending will grow 11% per year between 2022-2027.

Guinness Sustainable Energy

Whilst grid spending appears to have entered a period of structurally higher growth, it still falls below the spending level required to connect new renewables, unblock interconnect queues, and meet the level of forecast demand growth. Annual investment will need to reach over \$600 billion per year by 2030 to put spending on track, growing further to average \$800 billion per year through the 2040s.



Source: Rystad, IEA; September 2025

IMPORTANT INFORMATION

Issued by Guinness Global Investors, a trading name of Guinness Asset Management Ltd, which is authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about the Guinness Sustainable Energy Fund and the WS Guinness Sustainable Energy Fund. It may provide information about the Funds' portfolios, including recent activity and performance. It contains facts relating to the equity markets and our own interpretation. Any investment decision should take account of the subjectivity of the comments contained in the report.

This document is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Funds or to buy or sell individual securities, nor does it constitute an offer for sale. OCFs for all share classes are available on www.guinnessgi.com. If you decide to invest, you will be buying shares in the Fund and will not be investing directly in the underlying assets of the Fund.

GUINNESS SUSTAINABLE ENERGY FUND

Documentation

The documentation needed to make an investment, including the Prospectus, Supplement, the Key Investor Information Document (KIID), Key Information Document (KID) and the Application Form, is available in English from www.guinnessgi.com or free of charge from the Manager: Waystone Management Company (IE) Limited 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin D04 A4E0, Ireland; or the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights

A summary of investor rights, including collective redress mechanisms, is available in English 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, REYL & Cie S.A., Rue du Rhône 4, 1204 Geneva. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva.

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.

Australia

For professional investors only.

WS GUINNESS SUSTAINABLE ENERGY FUND

Documentation

The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available in English from www.waystone.com/our-funds/waystone-fund-services-uk-limited/ or free of charge from Waystone Management (UK) Limited, PO Box 389, Darlington DL1 9UF.

General Enquiries: 0345 922 0044

E-Mail: wtas-investorservices@waystone.com.

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.

GUINNESS SUSTAINABLE ENERGY UCITS ETF

Documentation

The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID), Key Information Document (KID) and the Application Form, is available in English from www.guinnessgi.com, www.hanetf.com or free of charge from the Administrator: J.P Morgan Administration Services (Ireland) Limited, 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin 2 DO2 F985; or the Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Residency

In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

Structure & regulation

The Fund is a sub-fund of HANetf ICAV, an Irish collective asset management vehicle umbrella fund with segregated liability between sub-funds which is registered in Ireland by the Central Bank of Ireland and authorised under the UCITS Regulations.

Telephone calls will be recorded and monitored.