

This document provides detailed sustainability related disclosures regarding the Guinness Global Investors (“Guinness”) – Sustainable Energy Fund (“The Fund”) which is categorised as Article 9 under the Sustainable Financial Disclosure Regulation.

(a) Summary

The investment objective of the Guinness Sustainable Energy Fund is to provide investors with long-term capital appreciation.

The Fund intends to invest at least 80% of its net assets in equity securities of globally based companies involved in sustainable energy or energy technology sectors. Sustainable energy includes but is not limited to energy derived from such sources as solar or wind power, hydroelectricity, tidal flow, wave movements, geothermal heat, biomass or biofuels. Energy technology includes technologies that enable these sources to be trapped and also various manners of storage and transportation of energy, including hydrogen and other types of fuel cells, batteries and flywheels, as well as technologies that conserve or enable more efficient use of energy.

(b) No significant harm to the sustainable investment objective

Prior to investment, company ESG analysis is carried out to confirm that a proposed investment does not cause significant harm to any environmental or social sustainable investment objective.

The ESG analysis is proprietary, based on information provided by the investee company and third-parties. It is designed to assess the ESG risks and opportunities of the proposed investment. Details of this ESG analysis are covered in the fund’s “Approach to Responsible Investment and ESG” document available [here](#).

(c) Sustainable investment objective of the financial product

The Fund seeks to meet its sustainable investment objective by investing in sustainable energy companies that contribute towards reduced global carbon emissions.

As part of this sustainable objective, the fund has an Impact Report that discloses Guinness Global Investors’ estimates of the positive and negative decarbonisation impact delivered by companies held by the fund. The report highlights the sustainable energy universe construction process and how the businesses we seek to invest in map to the UN Sustainable Development Goals (SDGs). The Impact Report is available [here](#).

(d) Investment Strategy

The Fund intends to invest at least 80% of its net assets in equity securities of globally based companies involved in sustainable energy or energy technology sectors. Sustainable energy includes but is not limited to energy derived from such sources as solar or wind power, hydroelectricity, tidal flow, wave movements, geothermal heat, biomass or biofuels. Energy technology includes technologies that enable these sources to be trapped and also various manners of storage and transportation of energy, including hydrogen and other types of fuel cells, batteries and flywheels, as well as technologies that conserve or enable more efficient use of energy.

Full details of how ESG is considered within the investment strategy are covered in the fund’s “Approach to Responsible Investment and ESG” document available [here](#).

(e) Proportion of investments

The Fund intends to invest at least 80% of its net assets in equity securities of globally based companies involved in sustainable energy or energy technology sector and at least 80% of its net assets in sustainable investments.

(f) Monitoring of sustainable investment objective

Company ESG analysis is carried out to monitor the sustainable investment objective. This company ESG analysis considers material ESG risks and opportunities and is complemented by regular news screening to monitor potential controversies. As part of this process, the fund measures and reports on the Principal Adverse Indicators.

(g) Methodologies

The Investment manager positively screens for companies where it believes their sustainable energy activities are or will be the key driver of equity value. This screening process is compliant with the Investment Manager's exclusion policy (available [here](#)) and other fund specific exclusion criteria.

ESG factors are integrated in the investment process via 'top down' and 'bottom up' approaches. Our 'top down' approach considers the various short and long-term trends associated with the global energy transition while our 'bottom up' ESG analysis qualitatively considers the ESG risk and opportunities that each company faces and the potential impact of these factors on valuation.

The methodologies used in the investment process and additional fund level exclusion criteria are discussed in the fund's 'Approach to Responsible Investment and ESG' document available [here](#).

(h) Data sources and processing

Sources of Data

Guinness uses a combination of internal and external sources, including, but not limited to third-party ESG vendors and research providers; company management reports and presentations; news and media sources; and in-house company valuation models and analysis.

Assessing data quality

Guinness assesses the quality of all internal and external data on an ongoing basis. Once an external service provider has been chosen, we conduct annual (two way) due diligence with them to ensure we remain satisfied with the original assessment. For data providers, the quality of service received is reviewed by the Chief Investment Officer in cooperation with the investment team. The quality of data received is also monitored day-to-day by the Investment Manager during their incorporation of ESG factors into the investment process.

How data is processed

Some third-party data might be applied consistently (for example during an initial equity screening process) while other data might be used on an ad hoc basis (for example in qualitative ESG reviews). Data is collected and processed in house among the investment team for internal analysis and reporting purposes.

Proportion of estimated data

The proportion of estimated data varies according to the availability of data. We consider data quality on an ongoing basis and do not take third-party data at face value. Data transparency and quality is a component of our engagement activity with companies and third-party data providers.

(i) Limitations to methodologies and data

Data obtained from third party providers or issuers may be incomplete, inaccurate or unavailable. As a result, we are faced with the risk of incompletely or incorrectly assessing a company.

To improve this, where possible we engage with organisations to overcome the issues of inconsistent data. We encourage investee companies to measure and disclose required data in order to prevent third party providers publishing potentially incorrect estimates. Furthermore, for available data we cross-reference data to ensure we reach a level of data consensus.

Research is predominately conducted in-house and we use third party data resources as a complement to our research process.

(j) Due diligence

The ESG Investment strategy, informed by our Responsible Investment Policy (available [here](#)) is the predominant due diligence process for investments in our equity funds with regards ESG factors. The ESG investment process resides with individual investment teams and is supported across teams by our Responsible Investment analyst. The process is overseen by the Responsible Investment Committee which is chaired by our CEO and includes all portfolio managers. The Responsible Investment Committee meets quarterly and has the objective of developing, performing, and monitoring ESG incorporation and stewardship activities within Guinness Global Investors.

(k) Engagement policies

We undertake a range of engagement activities with investee companies on behalf of our clients. We have developed an in-house proprietary tool to record and monitor engagement dialogues with companies (measuring achievements through a milestone timeline) and to report internally and externally. In some cases, we may engage with companies in collaboration with other investors.

We also vote proxies on behalf of our investors. Our Proxy Voting Policy (available [here](#)) provides guidance to investment managers when executing voting. We use Glass Lewis as a Proxy adviser but the final voting decision is made by the investment manager.

(l) Attainment of the sustainable investment objective

Further information on the attainment of sustainable investment objectives can be found in our annual impact report, available [here](#). The fund does not use a reference benchmark or index.

IMPORTANT INFORMATION

This document is provided for information only. All the information contained in it is believed to be reliable but may be inaccurate or incomplete; it should not be relied upon. It is not an invitation to make an investment nor does it constitute an offer for sale.

Guinness Global Investors is a trading name of Guinness Asset Management Ltd, which is authorised and regulated by the Financial Conduct Authority (223077).