

This is a marketing communication. Please refer to the prospectus and KIID for the Fund before making any final investment decisions. Past performance does not predict future returns.

ABOUT THE FUND

Launch date	19.12.2013
Index	MSCI Europe ex UK
Sector	IA Europe excluding UK
Team	Nick Edwards

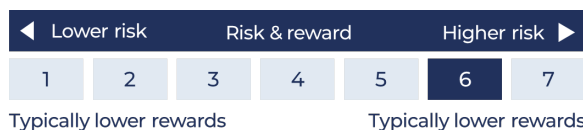
Aim

The Guinness European Equity Income Fund is designed to provide investors with exposure to high quality dividend-paying companies in the Europe ex UK region. The Fund aims to provide long-term capital appreciation and a source of income that has the potential to grow over time.

An equity fund investing primarily in Europe Ex UK equities. Primarily the companies invested in will pay dividends.

The Fund is actively managed and uses the MSCI Europe Ex UK Index as a comparator benchmark only.

RISK



The risk and reward indicator shows where the fund ranks in terms of its potential risk and return. The fund is ranked as higher risk as its price has shown high fluctuations historically. Historic data may not be a reliable indicator for the future. Past performance does not predict future returns. Data to 28.02.2022

PERFORMANCE

	1 year	3 years	From launch
Fund	10.5	30.1	80.2
Index	8.4	30.2	81.2
Sector	5.1	29.9	82.6

Annualised % total return from launch (GBP)

Fund	7.5%
Index	7.5%
Sector	7.6%

Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF for the share class used for the fund performance returns is 0.89%. Returns for share classes with a different OCF will vary accordingly. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

Source: FE fundinfo, Y class 0.89% OCF, bid to bid, total return. Launch date 19.12.13

SUMMARY

We are deeply saddened by the tragic events in Ukraine and our thoughts are with the Ukrainian people.

Europe ex UK was the weakest performing main region over the month of February with the benchmark MSCI Europe ex UK Index -4.2% (in USD). Weakness was seen across the most economically sensitive sectors of the market, notably banks, which we do not hold. Countries with borders physically close to the conflict or with high energy dependence like Germany were the most impacted.

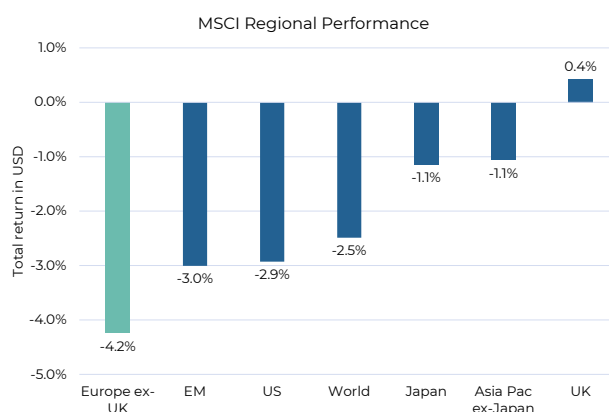


Figure 1: MSCI regional total returns breakdown for February 2022, in USD. Europe ex UK in light green. Source: Bloomberg data

The largest positive contributors to the fund's performance over the month of February (in EUR) were **Thales** +26.4%, **Salmar** +8.5%, **Novo Nordisk** +4%, **Nestlé** +1.9% and **ABB** -0.4%

At the other end of the spectrum the biggest detractors from performance were **Deutsche Post AG** -16%, **Fresenius** -15.3%, **AXA SA** -13.2%, **Recordati** -11.7% and **Konecranes Oyj** -11.5%

Looking further out, there seems a strong chance that the tragic war in Ukraine may well prove **another turning point, towards more agile and collective European decision making**, coming soon after the pandemic outcome of joint borrowing, willing for greater European integration and a reassessment of Southern attitudes towards Germany.

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SUMMARY (CONTINUED)

Within a matter of days Europe collectively agreed to block specific Russian banks from SWIFT, freeze Russian central bank assets and an EU-wide no fly zone for Russian airlines. While, equally remarkable, Germany cancelled Nord Stream II and agreed shipments of arms to a conflict zone (along with €100bn this year to modernise the German military vs. €47bn in 2021, and defence spending rising to over 2% of GDP vs. 1.3% in 2021). Matched by Switzerland offering its support to freeze assets... **It seems very likely that Europe will emerge stronger.** At the same time post the recent market weakness, the fund is trading on **just 12.4x 2023e earnings**, a -7% discount to the MSCI Europe ex UK Index.

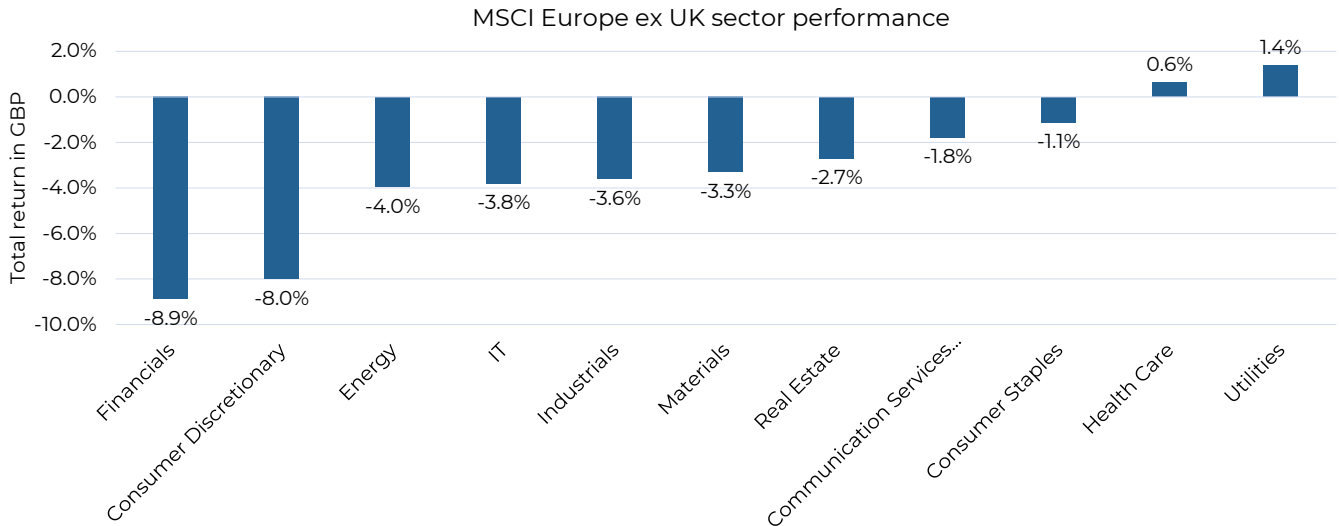


Figure 2 MSCI Europe ex UK sector returns breakdown for February 2022, in USD. Source: Bloomberg data

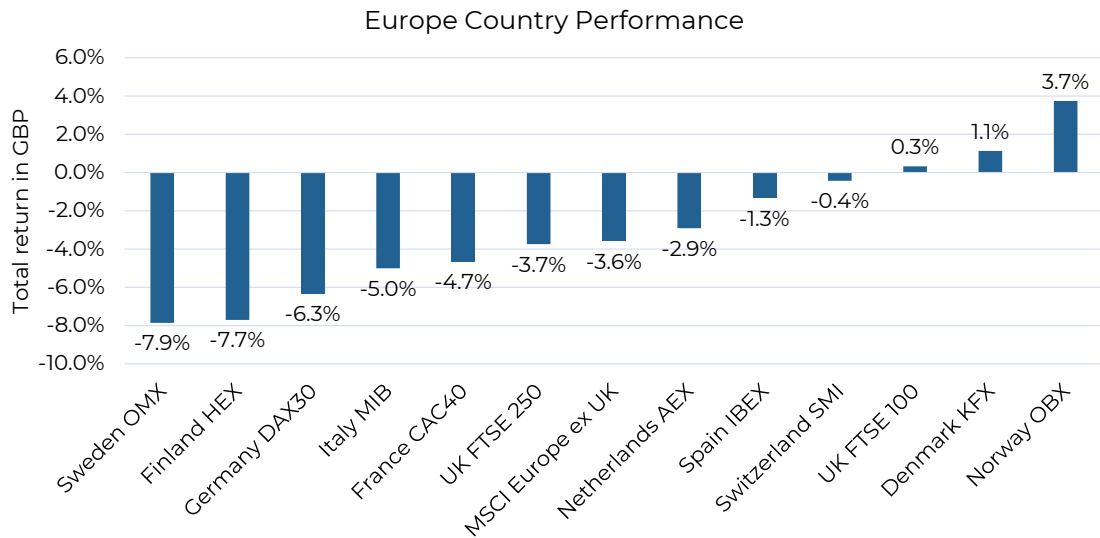


Figure 3: European main country index returns breakdown for February 2022, in USD. Source: Bloomberg data

Portfolio and market analysis is obviously trivial in the context of such events. At first sight events appear stagflationary, slowing down growth while simultaneously exacerbating supply issues and recent cost increases.

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This was expressed by a moderate shift lower across the German yield curve, by around 25bps at the 10Y, to -0.03%, or back to levels seen in November 2021. On one hand European economic indicators had been reaccelerating since the middle of January 2022 and could easily reassert themselves if events are short lived. On the other hand vulnerabilities like Germany's dependence on Russian gas imports (which our Energy team estimate at 37.5% of Russian gas exports into Europe per day) will take time to address.

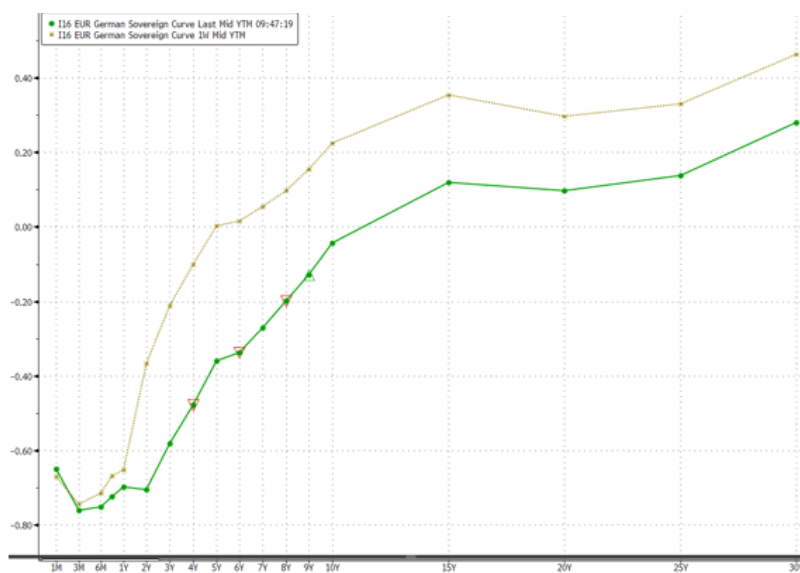


Figure 4: German yield curve one week change to 2nd March (in green). Source: Bloomberg data

The Fund's holding in French defence company **Thales** (+26.4% MoM) was for the second month running the best performing position, and as far as we can see is barely held across European equity income sector peers. The company specialises in communications and identity security technology and was written up in January's monthly. Other top performing holdings were largely quality defensives. **Nestlé** and **Salmar**, in the consumer staples area, benefitting from having limited exposure to the crisis and a strong ability to pass on input cost inflation. **Novo Nordisk** is similarly defensive and removed from events, while having strong pricing power due to new (GLP-1) product innovation. **ABB** outperformed other industrials (ex Thales) in spite of ~2% sales exposure to Russia; helped by its share buyback, its exposure to the US and to the area of process automation, which could see increased demand on the back of high oil and metals pricing. Longer-term current events look likely to accelerate the pace of transition towards electrification and away from fossil fuels as European countries look to further reduce reliance on Russian oil and gas.

Name	% Sales Russia / Ukraine	Sector	Comment
Recordati	10%	Healthcare	No plants
Henkel	7%	Cons. Staples	Six manufacturing plants
Epiroc	7%	Industrials	No plants
Danone	6%	Cons. Staples	2 manufacturing plants in Ukraine
Konecranes	3%	Industrials	Six manufacturing plants, ~1.8% sales.
Nestle	2%	Cons. Staples	No plants
Unilever	2%	Cons. Staples	No plants
ABB	2%	Industrials	6 manufacturing plants
Schneider Electric	2%	Industrials	2 R&D sites
Siemens	1%	Industrials	2 manufacturing, 1 R&D sites

Source: JPM, GS, Morgan Stanley and Bloomberg CMAP data.

Figure 5: Fund stock sales exposure to Russia Ukraine. Source: multiple brokers including JPM, GS, Morgan Stanley and Bloomberg CMAP data.

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Your fund holds no equities listed in Eastern Europe (please see geographic allocation on page 7), and aggregate fund **exposure to Russia and Ukraine is low at approximately 1.4% of sales**. Of the ten fund holdings shown above with >1% sales exposure to the region four are reported to have no significant manufacturing operations, while all are arguably critical in nature and as such stand a chance of avoiding the worst of Russian sanctions. Among the worst performers, **Deutsche Post** is impacted in a minor way by the no-fly zone.

Fresenius SE's underperformance was more driven by the lack of immediate catalyst coming out of the recent divisional review rather than anything relating to the crisis in Ukraine. **Axa** sold off from 14-year all-time highs with the insurance sector but not to the same degree exposed European banks fell, as regional credit risks ballooned (CS liquid HY benchmark spreads +34% YTD). **Recordati** and **Konecranes** have 10% and 3% sales exposure to the region respectively, which has been reflected in price, and which should barring the worst of outcomes come back over time given the critical nature of their products.

Fund liquidity is excellent with an average market cap of \$64bn and median market cap of \$30bn. Time taken to sell 100% of fund holdings based on selling at 25% of average daily volume as at end January, suggests 99% of the fund sold in one day and 100% within two days.

The dividend yield on the fund is currently **3.7% gross** expected for 2022 vs. the MSCI Europe ex UK Index yield of 3.2% gross. We would normally quote the dividend on a trailing 12m basis but portfolio 2021 portfolio switches and outstanding pandemic impacts on payouts mean the prospective yield should prove a more accurate indication of return. With just four 2021 final dividends remaining to be declared for payment in 2022 **we do not expect any meaningful impact on the fund dividend** from the crisis. So far this year 21 companies have raised their dividend YoY and five have held their dividend flat, suggesting a payout close to 2019 levels. Of the five names holding the dividend flat four are Consumer Staples, where higher input costs have led to some short-term margin pressure. On the other hand, valuations look fair and the sector has a strong track record for passing on inflation over the longer-term.

		Guinness European Income Fund	MSCI Europe ex UK Index
Quality	Debt / equity %	79.0	203.0
	Net debt / Equity %	37.9	43.0
	ROE %	21.4	11.1
Value	PE (2022e)	13.6	13.9
	FCF Yield %	7.3	5.5
Dividend	Dividend Yield (Best) % gross	3.7	3.2
	Weighted average payout ratio %	39.4	73.1
Conviction	Number of stocks	30	344
	Active share	82	NA

Source: Bloomberg, Guinness data

Figure 6: Portfolio statistics vs MSCI Europe ex UK Index. Source: Bloomberg data as at 2nd March 2022.

Your fund has recorded no portfolio changes YTD and remains overweight high-quality Industrials, Staples and Financials (including counter cyclical exchanges) characterised by **persistent high cash returns and strong balance sheets. These are capital-light companies with strong pricing power that should easily be able to**

Guinness European Equity Income Fund

navigate a period of higher input costs and pass on inflation. This stands in contrast to the average 25% weighting to commodity and regulated areas of the market across peer income funds. By country your fund's overweight to the higher-IP markets of Northern Europe should translate into peer-leading dividend growth in the longer term and leaves the fund well placed in the event of heightened credit risk resulting from recent events.

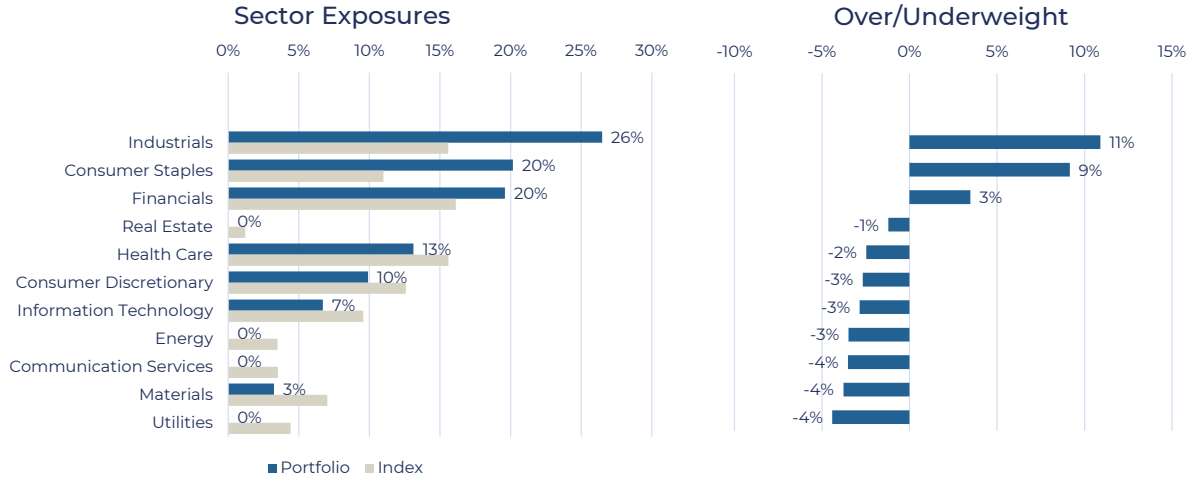


Figure 6: Fund sector weights and Over/Underweight exposures. Source: Bloomberg data

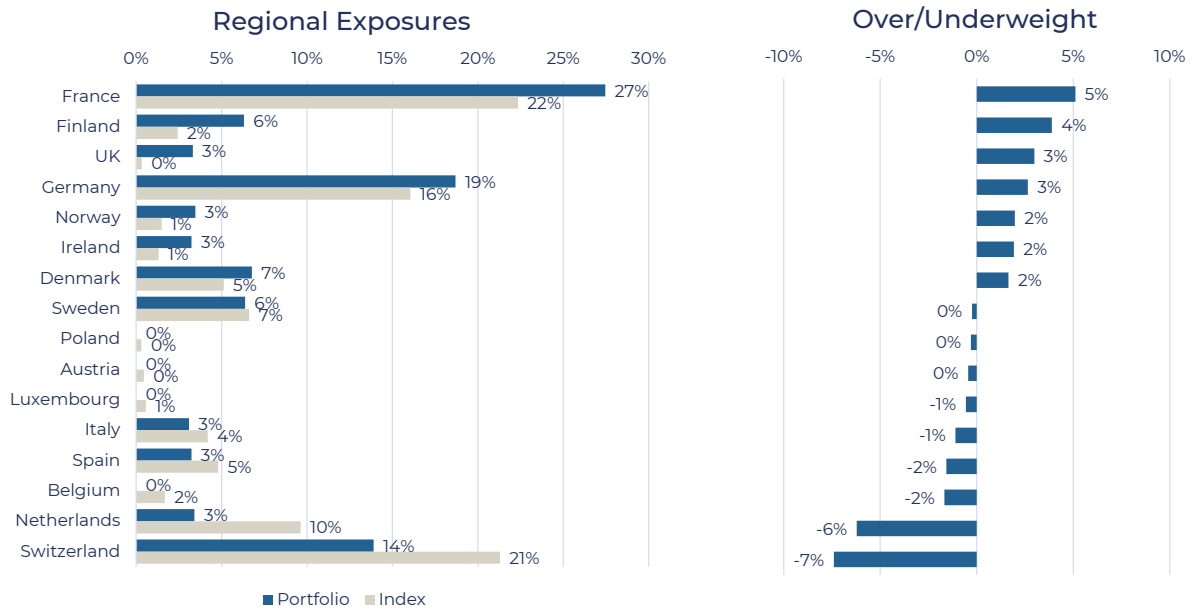


Figure 7: Fund country weights and Over/Underweight exposures. Source: Bloomberg data

Thank you for your continued support.

Portfolio Manager

Nick Edwards

Guinness European Equity Income Fund

DISCRETE YEARS PERFORMANCE

Past performance does not predict future returns

Discrete Years %	Feb-22	Feb-21	Feb-20	Feb-19	Feb-18	Feb-17	Feb-16	Feb-15
Guinness European Equity Income Y GBP Dist	10.5	8.4	8.7	-4.3	5.4	36.4	-5.0	1.6
MSCI Europe ex UK TR	8.4	13.2	6.1	-3.6	11.2	26.2	-6.0	4.6
IA Europe Excluding UK	5.1	17.6	5.1	-6.1	13.7	23.0	-1.4	3.6

Source FE fundinfo to 28.02.22 in GBP

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PORTFOLIO

Fund top 10 holdings	Sector analysis	Geographic allocation
Bakkafrost 3.6%	Industrials 25.8%	France 26.5%
Capgemini SE 3.5%	Financials 19.9%	Germany 19.2%
Salmar 3.4%	Consumer Staples 19.8%	Switzerland 13.1%
Euronext 3.4%	Health Care 13.1%	Norway 7.0%
Tieto 3.4%	Consumer Discretionary 9.8%	Finland 6.7%
Konecranes 3.4%	Information Technology 6.8%	Sweden 6.4%
Helvetia Holding 3.3%	Materials 3.2%	Netherlands 3.4%
AXA 3.3%	Cash 1.5%	Italy 3.3%
Roche Holding 3.3%		Spain 3.3%
Danone 3.3%		Denmark 3.3%
% of Fund in top 10 33.9%		other 6.4%
Total number of stocks 30		Cash 1.5%

PERFORMANCE

Past performance does not predict future returns. We are now following new requirements from the European Securities and Markets Authority (ESMA) which came into force on 2nd February 2022 relating to information on past performance. These mean that we can only illustrate fund performance information with 12-month minimum periods, with the exception of year-to-date performance, which can be shown to quarter-end.

Annualised % total return from launch on 19/12/2013 in GBP

28/02/2022

Fund (Y Class, 0.89% OCF)	7.5%
MSCI Europe ex UK Index	7.5%
IA Europe ex UK sector average	7.6%

Discrete years % total return (GBP)

	Feb '22	Feb '21	Feb '20	Feb '19	Feb '18
Fund (Y Class, 0.89% OCF)	10.5	8.4	8.7	-4.2	5.4
MSCI Europe ex UK Index	8.4	13.2	6.1	-3.6	11.2
IA Europe ex UK sector average	5.1	17.6	5.1	-6.1	13.7
Fund vs sector	5.4	-9.3	3.6	1.9	-8.3

Cumulative % total return (GBP)

	1 year	3 years	5 years	Launch
Fund (Y Class, 0.89% OCF)	10.5	30.1	31.3	80.2
MSCI Europe ex UK Index	8.4	30.2	39.5	81.2
IA Europe ex UK sector average	5.1	29.9	38.7	82.6

RISK ANALYSIS

28/02/2022

Annualised, weekly, from launch on 19/12/2013 in GBP	Index	Sector	Fund
Alpha	0.00	0.97	0.52
Beta	1.00	0.88	0.94
Information ratio	0.00	0.02	0.01
Maximum drawdown	-25.02	-24.43	-30.36
R squared	1.00	0.89	0.90
Sharpe ratio	0.25	0.28	0.26
Tracking error	0.00	5.22	4.98
Volatility	15.67	14.62	15.59

Fund returns are for share classes with a current Ongoing Charges Figure (OCF) stated above; returns for share classes with a different OCF will vary accordingly. Source: FE fundinfo bid to bid, total return (0.89% OCF). Fund launch date: 19.12.13

Guinness European Equity Income Fund

IMPORTANT INFORMATION

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

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

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 Fund or to buy or sell individual securities, nor does it constitute an offer for sale.

Risk

The Guinness European Equity Income Fund is an equity fund. 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. Details on the risk factors are included in the Fund's documentation, available on our website. Shareholders should note that all or part of the fees and expenses will be charged to the capital of the Fund. This will have the effect of lowering the capital value of your investment.

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.guinnessgi.com or free of charge from:-

- the Manager: Link Fund Manager Solutions (Ireland) Ltd (LFMSI), 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland; or, the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

LFMSI, as UCITS Man Co, has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

Investor Rights

A summary of investor rights in English is available here: <https://www.linkgroup.eu/policy-statements/irish-management-company/>

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 KIID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.

Singapore

The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ('SFA') and this material is limited to the investors in those categories

Telephone calls will be recorded and monitored.