Guinness Global Equity Income Fund

Investment Commentary - July 2022

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

Fund size	£2,085m
Launch date	31.12.10
Historic Yield† (Class Y GBP)	2.4%
Index	MSCI World
Sector	IA Global Equity Income
Managers	Dr. Ian Mortimer, CFA Matthew Page, CFA
Analysts	Sagar Thanki, Joseph Stephens, Will van der Weyden, Jack Drew

The Guinness Global Equity Income Fund is designed to provide investors with global exposure to dividend-paying companies. The Fund is managed for income and capital growth and invests in profitable companies that have generated persistently high return on capital over the last decade, and that are well placed to pay a sustainable dividend into the future. The Fund is actively managed and uses the MSCI World Index as a comparator benchmark only.

RISK

Lower Risk						Higher Risk
1	2	3	4	5	**6**	7

Typically lower rewards — Typically higher rewards

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 above average to high fluctuations historically. Historic data may not be a reliable indicator for the future. The Guinness Global 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.

PERFORMANCE

Past performance does not predict future returns

30.06.22	1 Yr	3 Yrs	5 Yrs	Launch*
Fund	8.0	36.7	63.6	238.6
Index	-2.6	28.4	54.8	219.9
Sector	1.0	19.2	33.8	144.2

Source: FE, bid to bid, total return. Y Class 0.80% OCF.
*Simulated past performance. Performance prior to the launch date of the Y class of the fund (11.03.15) is a composite simulation for Y class performance being based on the actual performance of the Fund's E class (1.24% OCF), which has existed since the Fund's launch on 31.12.10. The Fund's E class is denominated in USD but the performance data above is calculated in GBP.
Investors should note that fees and expenses are charged to the capital of the fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The fund performance shown has been reduced by the current OCF of 0.80% per annum. Returns for share classes with different OCFs will vary accordingly. Performance returns do not reflect any initial charge; any such charge will also reduce the return.
† Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the date shown. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

SUMMARY: PERFORMANCE

In the second quarter of 2022, the Fund returned -2.21% (in GBP), the MSCI World Index returned -9.13%, and the IA Global Equity Income sector average return was -5.41%.

The Fund therefore outperformed the Index by 6.92% over Q2 and outperformed its peer group average by 3.20%.

Over the year to date, the Fund returned -2.88% (in GBP), the MSCI World Index returned -11.39%, and the IA Global Equity Income sector average return was -6.44%.

The Fund therefore outperformed the Index by 8.51% over the year to date and outperformed its peer group average by 3.56%.

Global equity markets continued their downward trend in the second quarter, leading to the worst first half in developed equity markets for more than 50 years. In the context of rapidly accelerating inflation, central banks pivoted sharply towards more hawkish monetary policy, with the outbreak of war in Europe also heavily denting sentiment and adding further stress to global supply chains. Similar themes echoed across markets into the second quarter, with inflation continuing to run at 40-year highs in the US and 30-year highs in Europe. Consequently the question determining market sentiment has changed from whether and when central banks will begin monetary tightening to how fast and how aggressive will they be. Around the beginning of June, market participants began actively debating the possibility that rapid monetary tightening could tip the US into recession. This drove further poor performance from equity markets and a 'flight to safety' towards more defensive areas of the market.

The Fund has stood up well in various market drawdowns over the 11.5 years since it was launched and we are pleased to say the current period is no different.

In Q2, the Fund's performance versus the MSCI World Index can be attributed to the following:

- Value continued to outperform growth (albeit with a late rotation back in favour of growth mid-June), which acted as a tailwind to Fund performance.
- Dividend-paying stocks as a group remained in favour as the market rewarded those companies with higher shareholder returns in a period of slower growth.

- The Fund's largest overweight sector position relative to the benchmark, Consumer Staples, was the largest contributor to the Fund's outperformance through both asset allocation and stock selection. Four of the top five Fund performers were from this sector, including our two tobacco holdings Imperial Brands (+6.9% in USD) and British American Tobacco (+2.1%) which continued their strong performances this year.
- Industrials was the largest sector contributor, primarily through stock selection as BAE Systems ended the quarter as the Fund's top performer (+9.4%, in USD).
- Conversely, three sectors in which we do not have exposure, Energy, Utilities, and Real Estate, were drags on relative performance as these areas performed well over the quarter (with Energy the top performing sector once again, albeit down -4.9% in USD).

Longer-term, it is pleasing to see that the Fund ranks in the top decile of the IA Global Equity Income Sector average over 1 year, 3 years, 5 years, 10 years and since launch. The Fund also continues to rank as the top performing fund versus its peers since launch and over 10 years.

Cumulative % total return in GBP to 30/06/2022	YTD	1 year	3 years	5 years	10 Years*	Launch*
Guinness Global Equity Income	-2.9	8.0	36.7	63.7	219.8	238.7
MSCI World Index	-11.3	-2.6	28.4	54.8	220.4	219.9
MSCI AC World Index	-11.0	-4.2	25.6	50.0	199.0	192.2
IA Global Equity Income sector average	-6.4	1.0	19.2	33.8	142.1	144.2
IA Global Equity Income sector ranking	n/a^	5/56	2/51	3/47	1/26	1/13
IA Global Equity Income sector quartile	n/a^	1	1	1	1	1

**Simulated past performance. Performance prior to the launch date of the Y class of the Fund (11.03.15) is a composite simulation for Class Y performance being based on the actual performance of the Fund's E class (1.24% OCF), which has existed since the Fund's launch on 31.12.10. The Fund's E class is denominated in USD but the performance data above is calculated in GBP.*

Source: FE fundinfo. All funds in the sector have a similar investment policy and risk profile to the Guinness Global Equity Income Fund. ^Ranking not shown in order to comply with European Securities and Markets Authority rules.

SUMMARY: DIVIDENDS

So far in 2022, we have had dividend updates from 26 of our 35 holdings.

- 23 companies announced increases for their 2022 dividend vs 2021
- 3 companies announced a flat dividend
- 0 companies announced dividend cuts
- 0 companies announced dividend cancellations

The average dividend growth across all companies that have announced dividend actions in the Fund has been 7.5%. The average dividend growth from the 23 that announced increases is 9.1%.

Many of the Fund's Financials holdings have declared the largest year-on-year dividend increases:

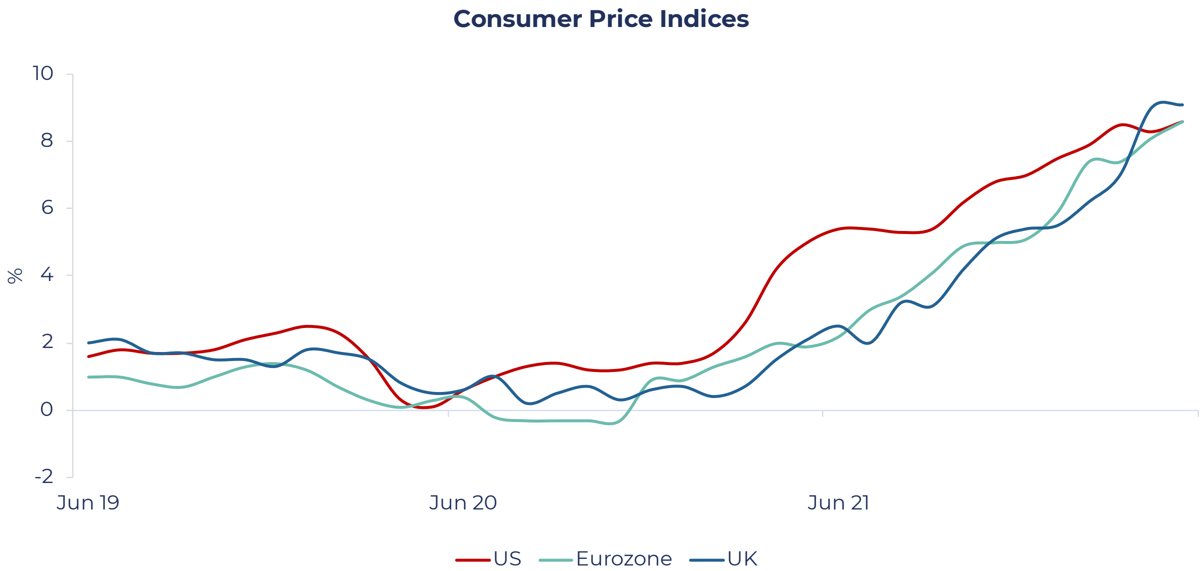
- Afla grew its dividend by 21.2% for 2022., following the 17.9% growth in 2021.
- Blackrock grew its dividend by 18.2% for 2022, following the 13.8% growth in 2021.
- CME Group grew its dividend by 11.1% for 2022, following the 5.9% growth in 2021.
- Deutsche Boerse grew its dividend by 6.7% for 2022, following the 3.4% growth in 2021.
- Arthur Gallagher grew its dividend by 6.3% for 2022, following the 6.7% growth in 2021.

The Fund's dividend yield at the end of the quarter was 2.4% (net of withholding tax) vs the MSCI World Index's 2.2% (gross of withholding tax). A moderate dividend yield – albeit higher than that of the Index – is characteristic of the Fund because our focus is not on simply finding the highest-yielding companies, but instead on finding high-quality, cash-generative businesses which can consistently grow their dividend stream year-on-year.

Explicitly screening for persistently profitable companies also means that many industries – regulated sectors such as Utilities, Telecommunications and banks, and commodity-led sectors such as Energy and Materials – tend not to appear in our investible universe. These excluded industries often contain companies that exhibit the highest dividend yields, though we believe these same companies have a relatively greater risk of dividend cuts (as we saw in 2020) and are less likely to grow their dividend over time. We will revisit the importance of dividend investing later in this report.

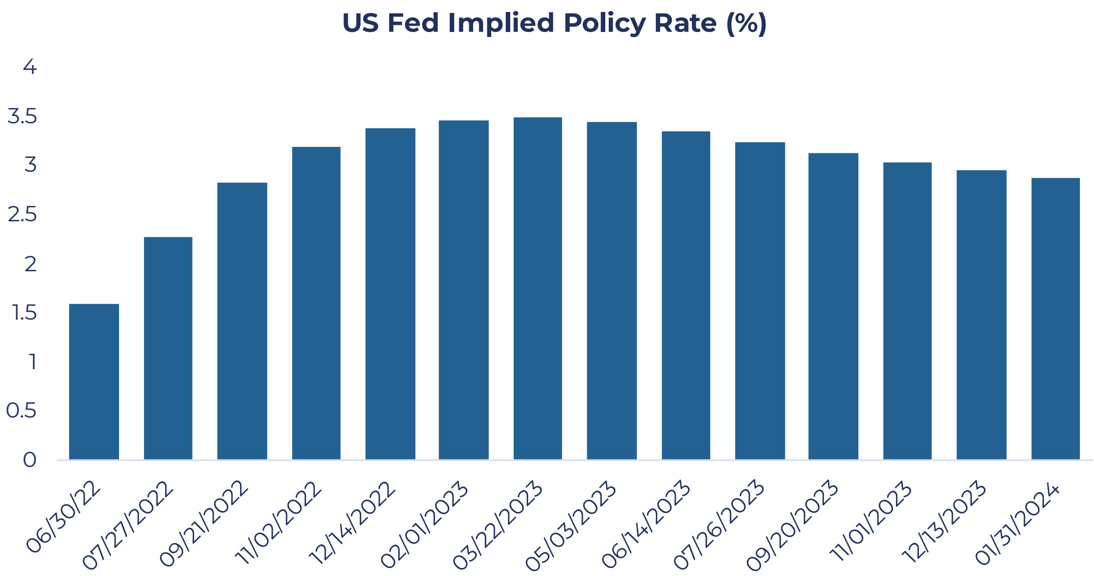
QUARTER REVIEW

The second quarter of 2022 saw a continuation of many of the themes from the first quarter, with inflation the main concern on investor's minds. Indeed, inflation continued to climb to decade-highs across developed markets, with the US reaching 8.6% in May whilst the Eurozone reached 8.1%. Whilst inflation is a global issue, it is important to note the regional differences driving these headline numbers; in the US, wage growth continued to be a significant factor with the latest figures at 5.1%, whereas in Europe and the UK, commodity prices (principally energy and food) have continued to climb, exacerbated by Russia's invasion of Ukraine, and have been the primary inflationary driver.



Source: Bloomberg. Data as of 30th June 2022

In response to the global issue of inflation, central banks have continued to tighten, in a stark change in opinion – most notably by the Fed, which retired its labelling of inflation as 'transitory'. The market is now focused on how fast and how aggressive central banks will be. Indeed, over the quarter, the Fed continued to be reactive to new data, raising rates by 75bps to 1.75%, the largest rate hike since 1994. With this, the market now expects rates in the US to rise to over 3% by year-end – a significant acceleration from the sub-1% policy rate markets had expected at the end of 2022.



Source: Bloomberg. Data as of 30th June 2022

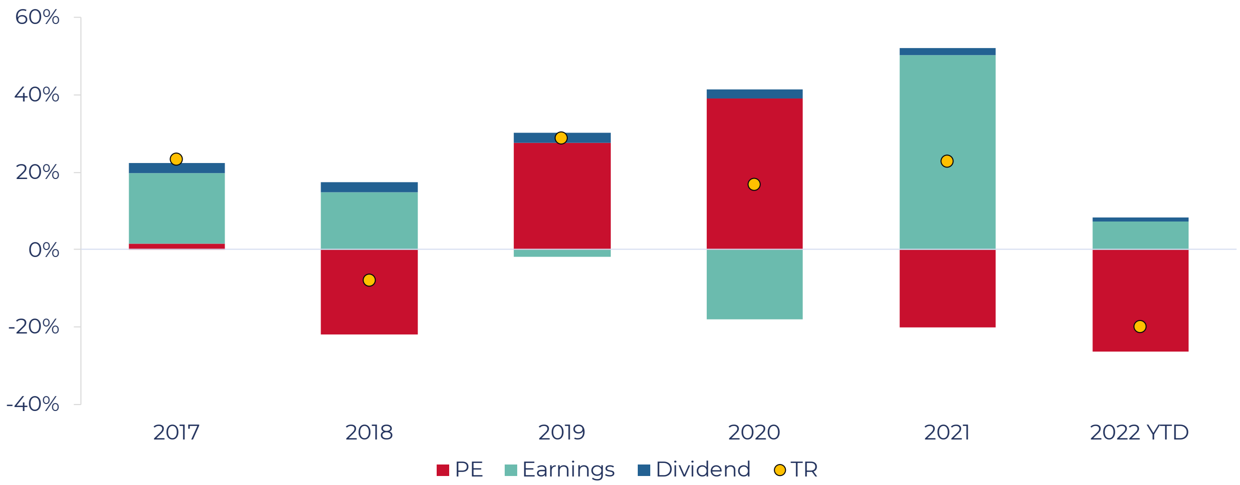
With this increasingly aggressive stance that central banks are having to take to control inflation, investors are progressively more worried that tighter monetary policies will push economies into recession. Whilst analysts have generally been positive on earnings upgrades year-to-date, recessionary concerns are beginning to cause these to flatten and, in some regions, trend down.

Where we are today

In assessing the current market environment, it is useful to contextualise it with the drivers of performance over the last two years. In 2020, when the MSCI World finished the year up 16.5% (in USD), multiple expansion drove this positive return as investors were willing to look through near-term negative earnings inflicted by Covid to a recovery. In contrast, 2021 was another strong year for markets with the MSCI World up 22.4% (USD) but markets were driven by earnings upgrades whilst multiples broadly contracted. With the onset of new variants and heightened uncertainty, the market rewarded companies that could successfully grow their bottom line.

Finally, looking at 2022 thus far, we have seen a continuation in multiple contraction as central banks have ramped up their monetary tightening policies, but we have not seen analyst earnings estimates decline against this backdrop of potentially slowing growth. Multiple contraction has therefore been the primary driver of the negative market performance this year. However, with recessionary fears on the rise, the risk now is that earnings expectations will need to begin to trend down – something the upcoming earnings season, and company forward guidance in particular, will influence heavily.

MSCI World Total Return Brekadown



Source: Bloomberg. Data as of 30th June 2022

Whilst it is not obvious in which direction the economy will proceed (and even if a recession occurs, one must also determine if it is a 'deep' recession or a 'light' recession to determine successfully which companies will do better or worse), it seems more likely we are now in a period of lower growth. We believe this highlights the importance the Fund's approach: investing in high-quality businesses with a proven ability to maintain high returns on capital across market cycles, in many cases strong pricing power with which they can pass on rising costs, and robust balance sheets which should insulate them from both the rising costs of debt and any more pronounced market volatility.

WHY DIVIDENDS (STILL) MATTER

Taking a step back, we think it is helpful to emphasise once again the importance of dividend investing, particularly in lower-growth environments. In *Why Dividends Matter*, a paper written after the Fund's launch and revisited in 2020, we assessed the importance of dividends to the total return an equity investor receives over long periods. Specifically, we see in the table below that in the various decades from the 1940s dividends accounted for on average 48.9% of total returns in the S&P500 index. However, in the two lower-growth decades, the 1940s and 1970s, dividends played an even greater role, contributing on average over 75% of total returns. Even in high-growth decades such as the 1990s or 2010s, dividends still accounted for over 25% of the overall total return.

Figure 4 S&P500 returns for individual decades since 1940

	Total return	Price appreciation	Dividends	Dividends as % of total return	
1940s	**143.1%**	34.8%	108.3%	75.7%	Low growth
1950s	**467.4%**	256.7%	210.7%	45.1%	
1960s	**109.5%**	53.7%	55.8%	51.0%	
1970s	**76.9%**	17.2%	59.7%	77.6%	Low growth
1980s	**389.2%**	227.4%	161.8%	41.6%	
1990s	**423.2%**	315.7%	107.5%	25.4%	High growth
2000s	**-9.1%**	-24.1%	15.0%	*Not meaningful*	
2010s	**256.4%**	189.7%	66.7%	*26.0%*	High growth
Average	***232.1%***	***133.9%***	***98.2%***	***48.9%***	

Source: 'Why Dividends (Still) Matter', Guinness Global Investors

The driving force behind this is the relative stability of dividend payments compared to earnings. Below we see that in five US recessionary periods, earnings per-share (EPS) dropped peak to trough by an average 42%. This is in stark contrast to dividends per share (DPS), which only dropped on average 8%.

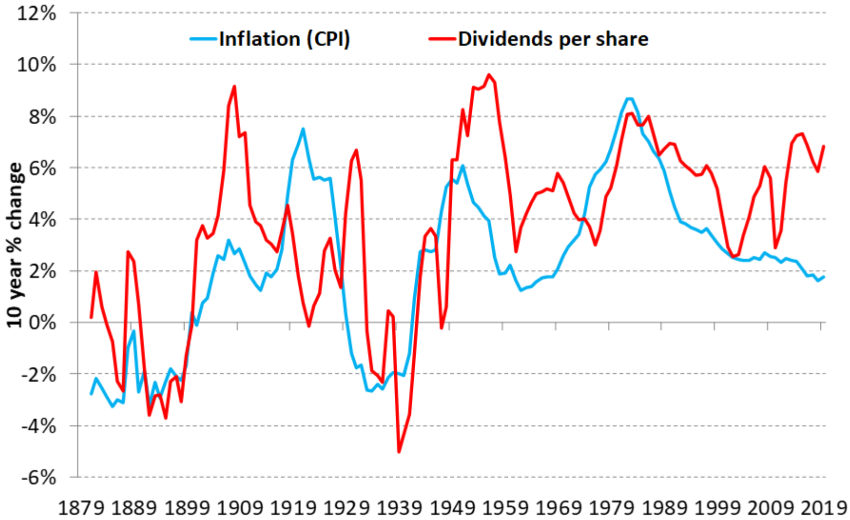
Figure 5 S&P500 DPS and EPS falls in the last 5 US recessionary periods

US Recessionary period	Dividend per share (DPS) trough date	Earnings per share (EPS) trough date	Peak to trough (%) DPS	Peak to trough (%) EPS
Nov 1973 to Feb 1975	Dec 1975	Sep 1975	-1%	-15%
Jul 1981 to Oct 1982	No decline in DPS	Mar 1983	-	-19%
Jul 1990 to Feb 1991	Dec 1991	Jun 1992	-1%	-32%
Mar 2001 to Oct 2001	Jun 2001	Dec 2001	-6%	-54%
Dec 2007 to May 2009	Mar 2009	Mar 2009	-24%	-92%
Average			**-8%**	**-42%**

Source: 'Why Dividends (Still) Matter', Guinness Global Investors

We also note that over long periods, the growth in dividends matches and often exceeds inflation – suggesting that the income stream from dividend payments can be maintained in real terms.

Figure 7 **Rolling 10-year growth in inflation (CPI) and S&P500 dividends per share**
January 1881 to January 2019



Source: Robert J. Shiller, stock market data used in "Irrational Exuberance" Princeton University Press, Guinness Global Investors

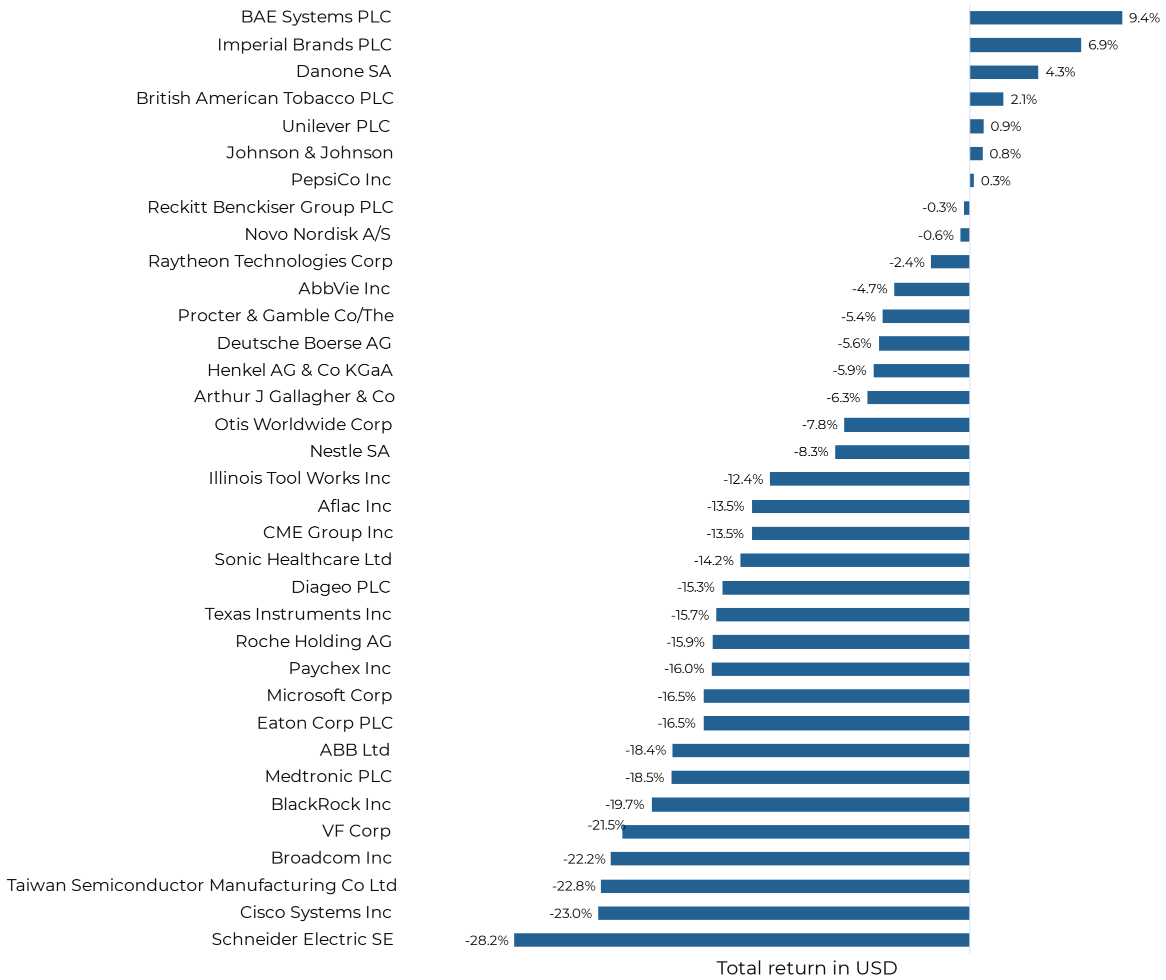
To conclude we would summarise that, historically, dividends have:

- Delivered an even greater proportion of total return in periods of low growth
- Delivered an income stream that is much more consistent than that of company earnings
- Grown at a rate equal or above that of inflation over the longer term

As such, we believe there is a good argument for dividend investing in the current market environment. We would caution, however, that not all dividends are created equally. We note that 'high-yield' stocks and sectors can perform poorly in market sell-offs, and particularly in recessionary environments, as these companies can often be more economically sensitive or more highly regulated (such as banks, where we have seen many instances of dividend payments being curtailed by regulators or the influence of governments). In this scenario we believe the case for quality, growing dividends may be more compelling: they are less likely to be cut, they can protect better in a downturn, and often have better prospects for stable and sustainable earnings growth.

STOCK SELECTION

Individual stock performance



Source: Guinness Global Investors. Data 31st March 2022 – 30th June 2022

Imperial Brands and British American Tobacco (BAT) – our two tobacco holdings – were among the best performers in the quarter, returning 6.9% and 2.1% respectively (in USD).

Imperial Brands is the world's fourth-largest cigarette and tobacco manufacturer (by market cap) and sells products under brands including Davidoff, West, Golden Virginia, Drum and Rizla. While the share price has proved resilient year-to-date, particularly strong performance came in May after the company reported pleasing half-year earnings results which beat analyst expectations and saw EPS grow 7.7% year-on-year (constant currency).

Revenues grew 0.3% overall in the half-year; tobacco revenue was up 0.1% as higher prices were able to offset a 0.7% decline in volumes, while sales of its next generation products, which include Pulze heated tobacco and blu e-cigarettes, saw an 8.7% rise, driven by a strong performance in Europe.

In addition, management announced that the company's 'recovery strategy' involved investing to improve market share performance in five key markets (US, the UK, Germany, Spain and Australia) as well as lowering group debt. On the former, having seen aggregate market share decline by c.30bps per year over FY16-20, it was broadly flat in FY21 and grew +25bp in H1 2022, with additional investments planned for H2 2022. In terms of debt, the group reduced net debt by £1.1bn year-on-year, and net debt/Ebitda at 2.4x is now within the company's target range of 2-2.5x – which could presage a move to repurchase shares via a buyback policy.

Management also said that it is now ready to launch the Pulze heated tobacco device and ID heatsticks in major European markets following successful trials in Greece and the Czech Republic. Although Next Generation Products (NGP) remains a small part of Imperial Brands' portfolio, a successful range of products would likely be well rewarded by the market as it would be seen as offsetting the long-term declines in combustible tobacco volume. Imperial Brands trades at a 1-year forward price-to-earnings multiple of c.7x (vs the MSCI World Index figure of c.15x) and provides a dividend yield of c.8% (vs the MSCI World Index figure of c.2.2%).

British American Tobacco is the world's largest cigarette and tobacco manufacturer by revenue, selling well-known brands such as Lucky Strike, Dunhill, Kent, Pall Mall, B&H and Camel. Low manufacturing costs, inelastic demand and significant pricing power enables BAT to maintain high profit margins, and in turn return capital to shareholders. Gross margins are consistently c.80%, and BAT has a strong balance sheet with high cash flow conversion; the dividend yield is 6.8% and the 1-year forward price-to-earnings ratio stands at 9.4x.

While the threats to tobacco businesses are well known (the fall in cigarette smoking, increased regulation, higher taxes, slow growth of alternative products), the share prices of BAT and Imperial Brands have both performed well in 2022 so far as investors have sought companies with high dividend yields and low valuations and the safety of businesses with significant pricing power and lower cyclicality.

Schneider Electric was the weakest performer over the quarter (-28.2% in USD).

During the past three months, broader macroeconomic factors continued to weigh on the stock. Notably, stringent Chinese domestic policy and persistent lockdowns in Shanghai have impacted Schneider Electric's local manufacturing and distribution centres. Input shortages particularly affected the high-margin process automation division, which experienced delivery challenges stemming from the semiconductor shortage. Management flagged supply chain issues as a headwind to both top-line growth and margin expansion in the short term, but adopted a cautiously optimistic outlook for H2. Nonetheless, the supply chain woes over the quarter led to negative sentiment which saw the PE multiple of stock fall from recent highs.

However, despite these headwinds, Schneider Electric maintained strong guidance for FY 2022, reiterating 9-13% EBITDA growth and a +30bps to +60bps EBITDA margin improvement – so the fall in the stock appears to be driven by sentiment and not by fundamentals at this stage. Strong and improving fundamentals coupled with the ongoing trends of electrification, automation and digitisation leave the company well placed to benefit from attractive industry growth over the longer term.

Cisco (-23.0% in USD) was also one of the weaker performers in the quarter.

Part of the relative underperformance can be attributed to a broader rotation out of large-cap US technology names, a trend which started at the beginning of the year and has broadly continued throughout the second quarter. Cisco also posted a mixed set of earnings, marginally beating on EPS but missing top-line revenue estimates by c.4%. This raised concerns over the sustainability of demand, faced with a potential economic slowdown and the shift of computer workloads to the cloud, which may lead to fewer datacentre hardware sales. The firm also outlined weak guidance, citing the familiar but concerning headwinds of Chinese lockdowns and supply disruptions over the next quarter and throughout FY 2022. Updated forecasts of a 1% to 5.5% top-line contraction sent shares tumbling 17% USD over the next two trading sessions, and the stock remained largely unchanged for the rest of the quarter. However, we maintain our favourable outlook for the company. Management explained that despite the declining top line, demand remains buoyant with no sign of a slowdown in customer purchases. This would imply that fears of a long-term structural decline are overblown, and once supply chain pressures abate, Cisco will be well placed to continue growing its revenues. In the interim, the firm's strong balance sheet ($27.1 billion in gross cash, $11.1 billion in net cash) will allow it to comfortably fund operations, pay down debt, and maintain its dividend.

CHANGES TO THE PORTFOLIO

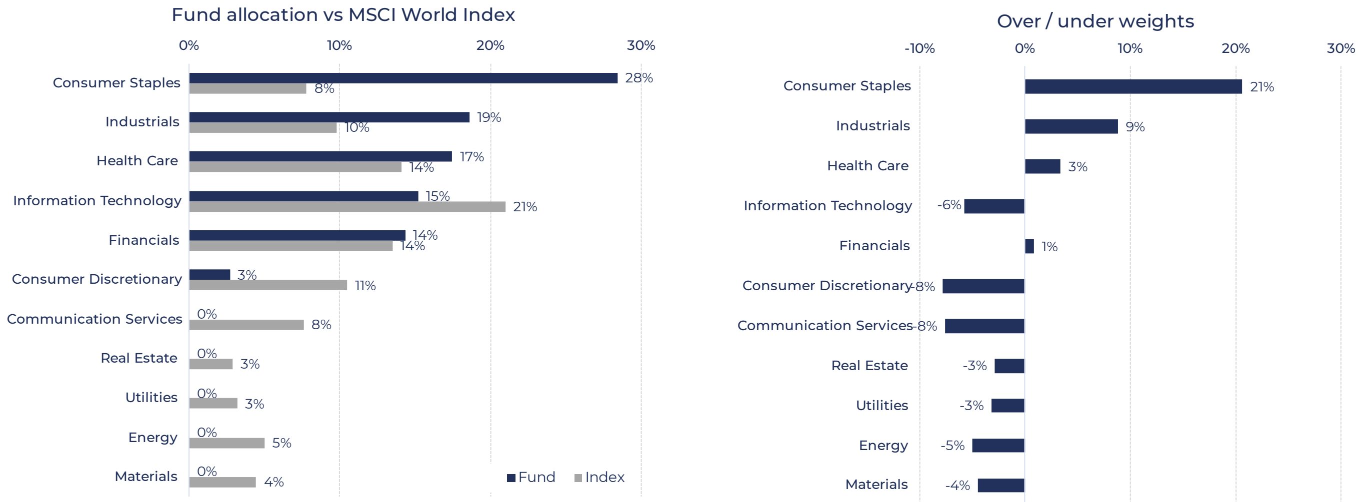
We made no changes to the portfolio in the quarter.

PORTFOLIO POSITIONING

We continue to balance quality defensive and quality cyclical/growth companies. We have approximately 45% in quality defensive companies (e.g. Consumer Staples and Healthcare) and around 55% in quality cyclical or growth-oriented companies (e.g. Industrials, Financials, Consumer Discretionary, Information Technology, etc.).

While the defensive names tend to have lower beta and hold up better when markets are falling, the cyclical holdings allow the Fund to maintain performance when markets are rebounding and rising. However, it is important to note that we believe that within these more cyclical sectors we are owning the 'quality' businesses. All the companies we seek to invest in have strong balance sheets and a history of performing well in difficult market environments. Within Financials, for example, we hold no banks, which helps to dampen the cyclicality of our Financials, but we do own exchange groups such as CME and Deutsche Boerse which do well in periods of market volatility as volumes tend to increase.

The Fund also has zero weighting to Energy, Utilities, Materials, Real Estate and Communication Services. The largest overweight is to Consumer Staples.

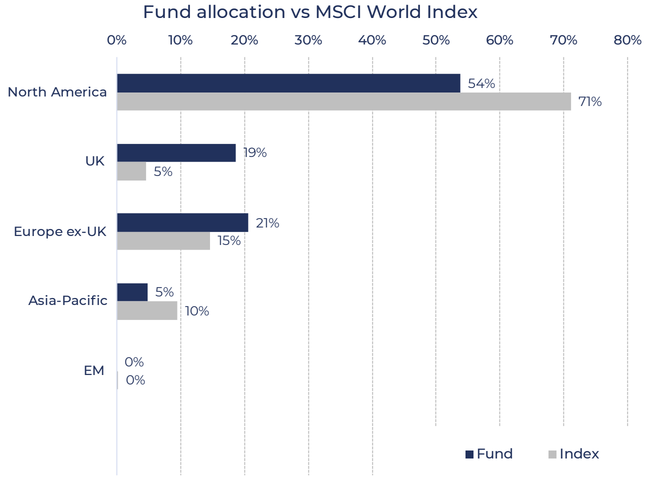


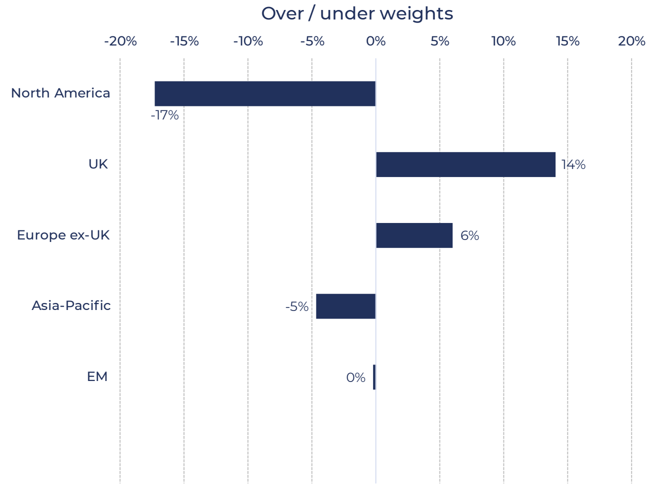
Sector breakdown of the Fund versus MSCI World Index.
Source: Guinness Global Investors. Data as of 30th June 2022

In terms of geographic exposure (shown below), the largest difference between the Fund and the benchmark is our exposure to the US (as measured by country of domicile). The Fund at quarter end had c.54% weighting to North America, which compares to the index at c.71%.

The largest geographic overweight remains Europe ex-UK and the UK, though we are diversified around the world with 54% in the US, 40% in Europe and 5% in Asia Pacific. Within Asia Pacific we have one company listed in Taiwan (Taiwan Semiconductor Manufacturing) and one company listed in Australia (Sonic Healthcare).

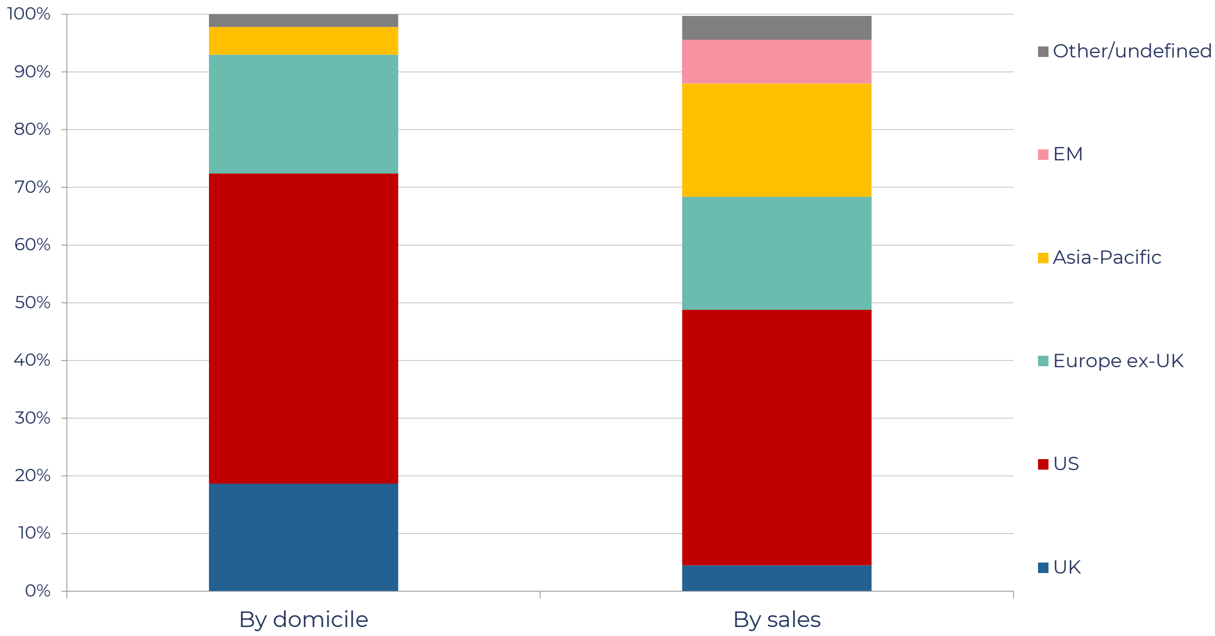
Guinness Global Equity Income Fund





Regional breakdown of the Fund versus MSCI World Index.
Source: Guinness Global Investors. Data as of 30th June 2022

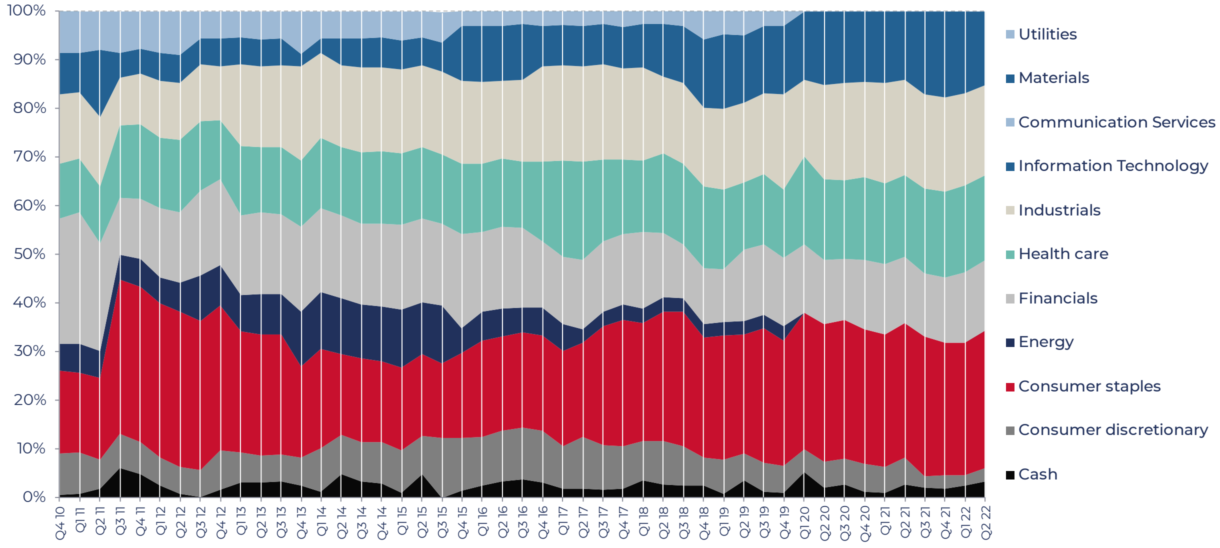
Regarding the Fund's UK exposure (shown below), the Fund has lower exposure to the UK when considered in revenues (c.5%) versus by domicile (c.19%). This is because we have favoured UK-domiciled companies with more global exposure (such as Unilever and Imperial Brands). There also is greater exposure to Asia Pacific by revenues (c.20%) than by domicile (c.5%).



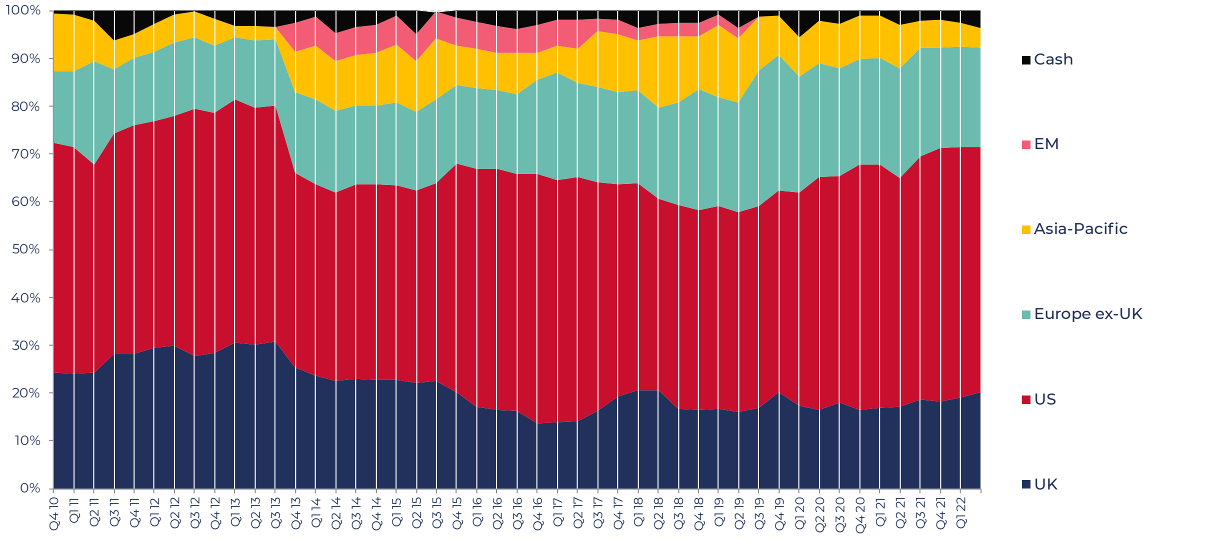
Geographic breakdown of the Fund.
Source: Guinness Global Investors. Data as of 30th June 2022

The two charts below show how the exposure of the Fund has evolved since we launched the strategy in 2010.

Guinness Global Equity Income Fund



Sector breakdown of the Fund since launch.
Source: Guinness Global Investors. Data as of 30th June 2022



Sector breakdown of the Fund since launch.
Source: Guinness Global Investors. Data as of 30th June 2022

OUTLOOK

The four key tenets to our approach are quality, value, dividend, and conviction. We follow metrics at the portfolio level to make sure we are adhering to them.

		Fund	MSCI World Index
Quality	Weighted average return on capital	16.1%	7.2%
	Weighted average net debt / equity	56%	71%
Value	PE (2022e)	16.0	14.9
	FCF Yield (LTM)	5.4%	5.8%
Dividend	Dividend Yield (LTM)	2.4% (net)*	2.2% (gross)
	Weighted average payout ratio	50%	40%
Conviction	Number of stocks	35	1650
	Active share	89%	-

*Portfolio metrics versus index. Data as of 30th June 2022 * Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at 30th June 2022. It does not include any preliminary charges. Investors may be subject to tax on the distribution. Source: Guinness Global Investors, Bloomberg*

Whilst the Fund tends to trade at a discount to the broader market, at the end of the quarter the Fund was trading on 16.0x 2022 expected earnings; a c.7% premium to the broad market. This has been a result of the Fund's relative outperformance in the near term and potentially reflects a market multiple which is already discounting a drop in earnings. If the 'E' in the market PE ratio is actually expected to fall (as many commentators are suggesting, due to the slow reaction of company analysts to a changing macro environment) then, all things equal, the PE ratio of market should, in fact, be higher. This blunt analysis also assumes that the Fund 'E' is less likely to fall – which we can argue makes sense with the higher-quality characteristics seen across the Fund's holdings. Only time will tell, but it is clear the market is anticipating the upcoming earnings season to result in downgrades of earnings at the index level.

The Fund continues to offer a portfolio of consistently highly profitable companies with strong balance sheets and pricing power to pass on higher costs. As noted earlier, we believe there is a strong case for dividend investing in general, and particularly in low-growth environments, and further that sustainable and growing dividends may offer better opportunities than 'high yield' today.

As ever, we believe our unchanging approach of focusing on quality compounders and dividend growers should continue to stand us in good stead in our search for rising income streams and long-term capital growth.

We thank you for your continued support.

Portfolio Managers

Matthew Page

Ian Mortimer

Investment Analysts

Sagar Thanki

Joseph Stephens

William van der Weyden

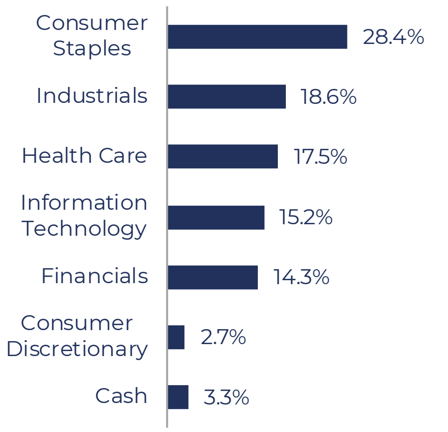
Jack Drew

PORTFOLIO

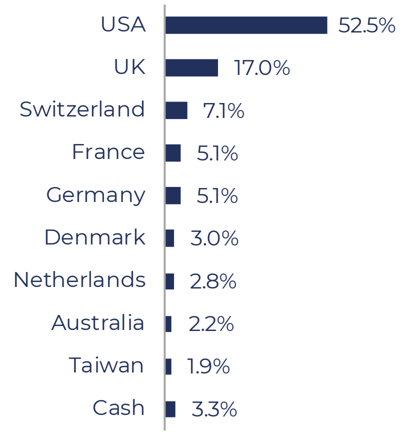
Fund top 10 holdings

BAE Systems	4.2%
British American Tobacco	4.1%
Abbvie	4.1%
Imperial Brands	3.4%
Johnson & Johnson	3.3%
Deutsche Boerse	3.0%
Novo Nordisk	3.0%
Aflac	3.0%
Paychex Inc	3.0%
Pepsico	2.9%
% of Fund in top 10	34.0%
Total number of stocks held	35

Sector analysis



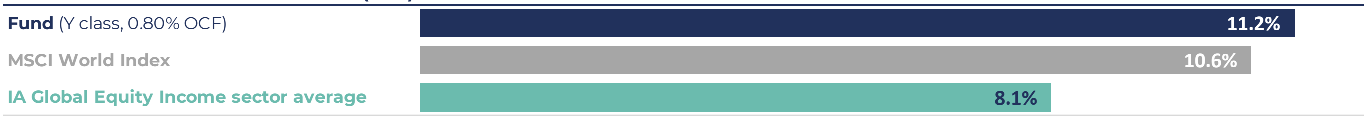
Geographic allocation



PERFORMANCE*

Past performance does not predict future returns

Annualised % total return from launch (GBP) 30/06/2022



Discrete 12m % total return (GBP)	Jun '22	Jun '21	Jun '20	Jun '19	Jun '18	Jun '17	Jun '16	Jun '15	Jun '14	Jun '13	Jun '12
Fund (Y class, 0.80% OCF)	8.0	19.8	5.7	13.7	5.3	16.1	18.9	5.4	8.3	23.9	-0.6
MSCI World Index	-2.6	24.4	5.9	10.3	9.3	21.6	14.4	10.3	10.0	22.6	-2.7
IA Global Equity Income Sector average	1.0	21.2	-2.6	8.4	3.6	19.2	9.6	4.3	9.6	21.1	-1.9
IA Global Equity Income Sector ranking	5/56	29/53	7/51	11/48	21/47	31/42	6/38	23/37	17/32	9/26	6/17

Cumulative % total return (GBP)	1m	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Launch
Fund (Y class, 0.80% OCF)	-1.9	-2.9	8.0	36.7	63.6	219.7	238.6
MSCI World Index	-5.2	-11.3	-2.6	28.4	54.8	220.4	219.9
IA Global Equity Income Sector average	-5.0	-6.4	1.0	19.2	33.8	142.1	144.2

RISK ANALYSIS 30/06/2022

Annualised, weekly, from launch on 31.12.10, in GBP	Index	Sector	Fund
Alpha	0.00	0.01	1.96
Beta	1.00	0.75	0.85
Information ratio	0.00	-0.37	0.08
Maximum drawdown	-24.58	-22.41	-21.78
R squared	1.00	0.79	0.88
Sharpe ratio	0.50	0.37	0.59
Tracking error	0.00	6.73	4.94
Volatility	14.47	12.26	13.02

*Simulated past performance. Performance prior to the launch date of the Y class of the fund (11.03.15) is a composite simulation for Y class performance being based on the actual performance of the Fund's E class (1.24% OCF), which has existed since the Fund's launch on 31.12.10. The Fund's E class is denominated in USD but the performance data above is calculated in GBP. Source: Financial Express, bid to bid, total return. Fund Y class (0.80% OCF): 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.

IMPORTANT INFORMATION

Issued by Guinness Global Investors. Guinness Global Investors 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 Global 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
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'Ile, 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