

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.

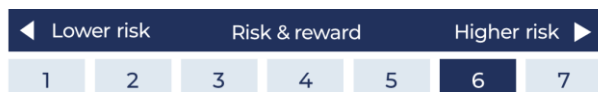
ABOUT THE FUND

Launch date	19.12.2013
Index	MSCI Europe ex UK
Sector	IA Europe excluding UK
Manager	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. The Fund is actively managed and uses the MSCI Europe Ex UK Index as a comparator benchmark only.

RISK



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 has been classed as 6 because its volatility has been measured as above average to high. Historic data may not be a reliable indicator for the future. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement; you may not get back the amount originally invested.

PERFORMANCE

Past performance does not predict future returns

31/08/2022	1 year	3 years	5 years	Launch*
Fund	-10.4	11.5	16.5	75.6
Index	-11.7	11.3	17.3	73.2
Sector	-14.3	12.5	15.6	74.8

Full discrete 12m performance is shown at the end of this commentary. Source: FE fundinfo, 0.89% OCF, bid to bid, total return. *Launch date 19.12.13. 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 performance shown has been reduced by the current OCF of 0.89% per annum. Returns for share classes with different OCFs will vary accordingly. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

AUGUST IN REVIEW

In August the Fund returned -2.43% in GBP, underperforming the MSCI Europe ex UK Index return of -2.13% by -0.30%. In 2022 to 31st August, the Fund return is -9.26%, and +3.7% ahead of the Index return of -12.96%.

The largest positive contributors to performance over the month of August (with their returns in EUR) were **Mapfre** +5.0%, **Axa** +4.8%, **Henkel** +1.7%, **Roche** -1.0% and **Deutsche Boerse** -1.3%.

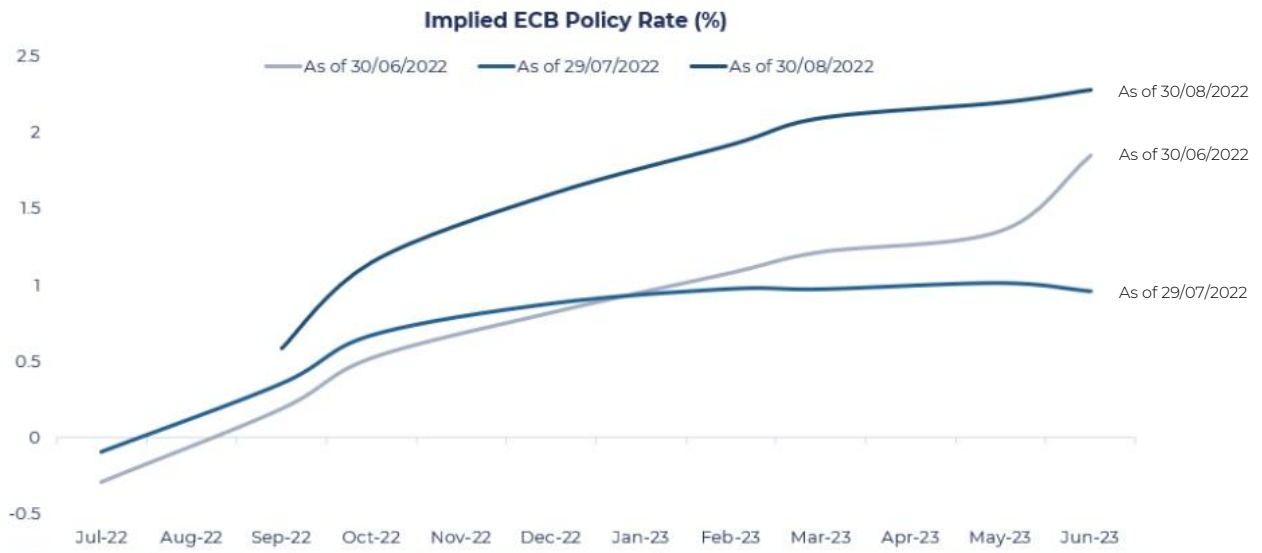
At the other end of the spectrum the biggest detractors from performance were **Kaufman & Broad** -12.7%, **Epiroc** -12.2%, **Assa Abloy** -12.1%, **Schneider Electric** -11.7% and **Universal Music Group** -10.2%.

Guinness European Equity Income Fund

	August	Qtd	Ytd	1yr	3yr	5yr
Guinness European Equity Income	-2.4%	2.2%	-9.3%	-10.4%	11.5%	16.5%
MSCI Europe Midcap Index	-3.7%	2.1%	-17.7%	-18.0%	9.9%	14.9%
MSCI Europe Growth Index	-3.4%	4.6%	-15.1%	-12.9%	16.0%	33.7%
MSCI Europe Euro Index	-1.9%	2.7%	-13.9%	-13.3%	7.2%	11.9%
MSCI Europe Value Index	-0.2%	1.1%	-2.8%	-0.6%	9.7%	7.5%
MSCI Europe High Dividend	-0.4%	1.1%	1.2%	3.4%	15.8%	26.65
MSCI UK net total return Index	-1.3%	2.2%	3.9%	9.2%	13.5%	18.9%
MSCI Europe ex UK	-2.1%	2.9%	-13.0%	-11.7%	11.3%	17.3%
Out/underperformance	-0.3%	-0.7%	3.7%	1.3%	0.2%	-0.9%

Figures from Bloomberg and FE fundinfo in GBP to 31.08.22

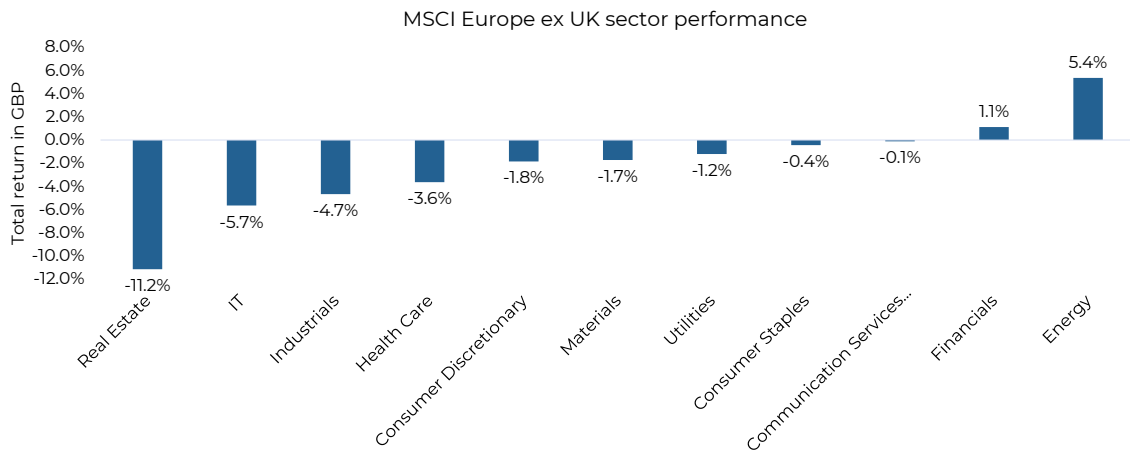
MSCI Europe ex UK fell -2.1% in GBP and -6.5% in USD as Russia continued to ratchet gas prices higher and as US rate expectations shifted higher in response to the Federal Reserve Jackson Hole meeting commentary which made clear the necessity to soften labour markets and slow growth further if inflation is to be bought under control. This resulted in continued EUR/USD weakness in spite of an accompanying near +100bps upward shift in implied ECB policy rate.



Implied ECB Policy Rate % end June, July and August 2022. Source: Bloomberg data

These shifts continued to be mirrored in sector returns with MSCI Europe ex UK Energy and Financials sectors closing the month of August higher, +5.4% and +1.1% respectively (in GBP). While Real Estate (-11.2%), IT (-5.7%), Industrials (-4.7%) and Healthcare (-3.6%) all ended the month lower as rising rate expectations resulted in multiple compression.

Guinness European Equity Income Fund



MSCI Europe ex UK sector returns in GBP. Source: Bloomberg data

The market may continue to price a deteriorating scenario for a while yet ahead of winter, and the impacts to German industry and industrial competitive advantage based on cheap Russian gas are very real. However, the narrative should shift as natural gas sourcing, alternatives substitution and energy efficiency measures take hold. The logical conclusion and policy response to Germany's current situation may also very well turn out to be **Germany's own Marshal Plan**, after years of austerity and under-investment, something that would represent a volte-face to the existing market narrative centred around stagflation and the risk of secular stagnation; and would represent a real positive for the rest of the Eurozone. It is also equally true that the structural drivers underlying the fund's large overweight position in enablers of industrial efficiency and resilience are fully intact and accelerating, across electrification, automation, decarbonisation and energy efficiency.

To that end and given the significant upward repricing of our Defence holding **Thales** (+61.3% YTD to end August in EUR) against the de-rating of high-quality industrial efficiency enablers driven by weaker short-term PMI data, we took the opportunity in August to buy **Atlas Copco** against the sale of **Thales**.

Atlas Copco is a 140-year-old Swedish company and a pioneer in air compression technology. Today, the company is still the world's leading air compressor manufacturer, with around 25% market share. The company's product portfolio includes power tools and vacuum pumps; equipment is highly engineered, often with customization and application-specific variations. To that point, equipment sales are done by engineers, and end-markets for the company's compressors are diverse, ranging from automotive assembly to food processing. The economic cycle can cause short-term demand volatility, but the company's flexible cost structure and large portion of service revenue underpin gross margins of c.40%. Maintenance services and spare parts contribute more than 30% of group revenue, and Atlas Copco leverages its large service operation by training its technicians to service competitors' equipment as well its own. Further, as a pioneering company, Atlas Copco possesses a patent-protected deep expertise in air compressors. Its portfolio is geared toward high-end compressors, with less exposure to lower-end basic compressors available, for example, in hardware stores. Through the years, Atlas Copco has developed several important innovations that allow it to charge a premium for its products and defend its leading market share position. The most recent of these innovations is its line of variable-speed compressors, which offer 35% energy savings on average versus fixed-speed compressors.



Markets are of course watching the Italian election with interest along with the outlook for national deficits and spending. Members of the right-wing alliance (Giorgia Meloni's Brothers of Italy, Salvini's League and Berlusconi's Forza Italia party) have now published manifestos ahead of the upcoming **Italian election on 25th September**, which encouragingly all appear to keep essentially within the limits of Article 21 of EU regulation on NextGenerationEU (underpinning Italy's €200bn share of the recovery fund), and are pro-EU, pro-NATO and supportive of higher defence spending while looking to take stronger measures to tackle immigration.

Guinness European Equity Income Fund

In short, the backdrop looks set to remain noisy, but is far from negative in the medium to longer term against fair valuations and the attractive dividend yields offered by Europe's globally leading companies - notably those held in the Guinness European Equity Income Fund, characterised by persistent high cash returns, strong balance sheets and large structural growth opportunities.

The Dividend

On the 29th July the fund paid its H1 2022 dividend of £0.4066, which including the January 31st 2022 payment of £0.072 equates to a trailing 12m yield of 3.4% post withholding tax, and remains in line with the gross MSCI Europe ex UK Index gross dividend yield. Following fund H1 2022 dividend growth of 32% YoY (for the GBP Z Class), and with only three companies remaining to declare H2 dividend payments, the fund dividend is on track to exceed 2019 levels, barring a sharp rise in Sterling over the remainder of 2022. Suggesting a CAGR since inception of over 6%.

Fund GBP Z Class Dividend History

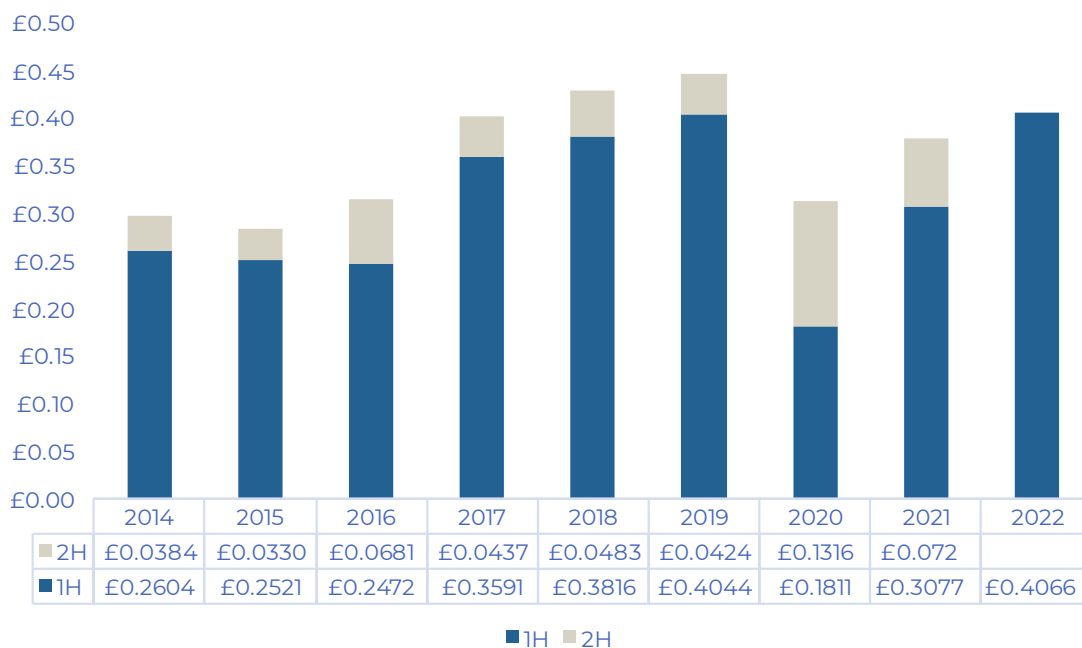


Figure 3: Fund Dividend history GBP Z Class since inception. Source: Guinness, Bloomberg data

A 3.4% dividend yield (post withholding tax) is in the third quartile or mid to lower end of closer peer Europe ex UK Income Fund dividend yields. However as shown in the peer portfolio characteristics table below, your fund offers top-decile returns, low leverage, and growth vs peers and the Index all for an EV/EBITDA multiple approximately in line with peers.

Guinness European Equity Income Fund

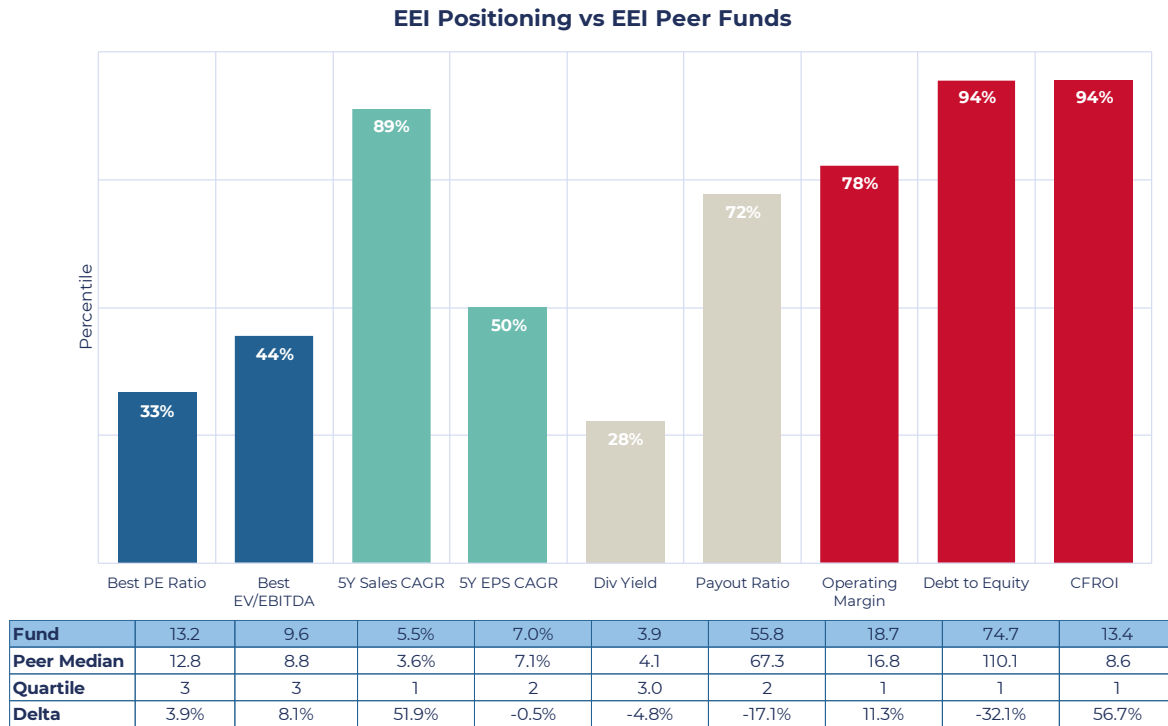


Figure 4: Fund characteristics vs main Europe ex UK income peers – top decile quality and sales growth metrics for near average EV/Ebitda multiples. Source: Guinness Global Investors, Bloomberg data.

Thank you for your continued support.

Portfolio Manager

Nick Edwards

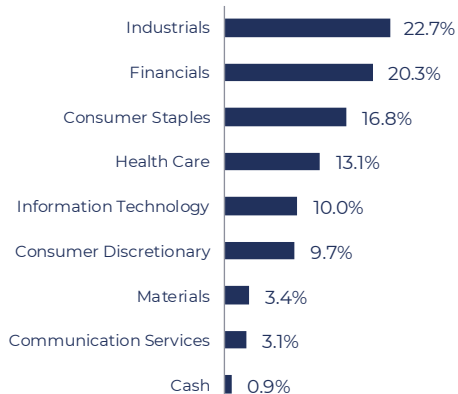
Guinness European Equity Income Fund

PORTFOLIO

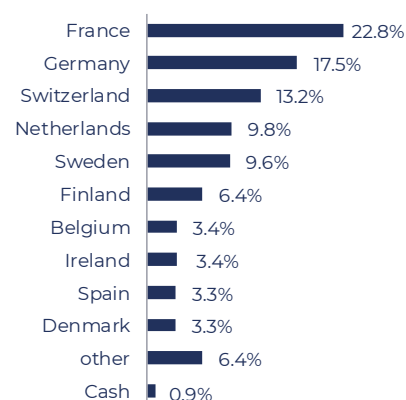
Fund top 10 holdings

Deutsche Boerse	3.7%
Fresenius SE & Co KGaA	3.6%
AXA	3.5%
UNILEVER NV	3.5%
Henkel AG & Co KGaA	3.5%
Mercedes-Benz Group AG	3.4%
MELEXIS NV	3.4%
Smurfit Kappa Group	3.4%
ABB	3.4%
Helvetia Holding	3.4%
% of Fund in top 10	34.8%
Total number of stocks	30

Sector analysis



Geographic allocation



PERFORMANCE

Past performance does not predict future returns.

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

31/08/2022

Fund (Y Class, 0.89% OCF)	6.7%
MSCI Europe ex UK Index	6.5%
IA Europe ex UK sector average	6.6%

Discrete years % total return (GBP)	Aug '22	Aug '21	Aug '20	Aug '19	Aug '18	Aug '17	Aug '16	Aug '15
Fund (Y Class, 0.89% OCF)	-10.4	27.9	-2.8	6.0	-1.4	22.4	19.8	1.9
MSCI Europe ex UK Index	-11.7	26.2	-0.1	4.3	1.0	24.4	14.2	1.1
IA Europe ex UK sector average	-14.3	27.1	3.2	0.3	2.5	23.5	15.0	4.6
Fund vs sector	3.9	0.9	-6.0	5.7	-3.9	-1.1	4.7	-2.7

Cumulative % total return (GBP)	1 month	YTD	1 year	3 years	5 years	Launch*
Fund (Y Class, 0.89% OCF)	-2.4	-9.3	-10.4	11.5	16.5	75.6
MSCI Europe ex UK Index	-2.1	-13.0	-11.7	11.3	17.3	73.2
IA Europe ex UK sector average	-2.3	-14.5	-14.3	12.5	15.6	74.8

RISK ANALYSIS

31/08/2022

Annualised, weekly, from launch on 19/12/2013 in GBP	Index	Sector	Fund
Alpha	0.00	0.95	0.61
Beta	1.00	0.88	0.94
Information ratio	0.00	0.03	0.04
Maximum drawdown	-25.02	-24.43	-30.36
R squared	1.00	0.89	0.90
Sharpe ratio	0.19	0.21	0.20
Tracking error	0.00	5.32	4.99
Volatility	16.07	14.89	15.92

*Fund launch date: 19.12.13.

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

IMPORTANT INFORMATION

Issued by Guinness Global investors, 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.