Guinness Global Innovators Fund

Investment Commentary - December 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.

Innovation. Quality. Growth. Conviction.

ABOUT THE FUND

Fund/strategy size	£460m/£583m
Fund/strategy launch	31.10.2014/01.05.2003
Index	MSCI World
Sector	IA Global
Managers	Dr. Ian Mortimer, CFA Matthew Page, CFA
Analysts	Sagar Thanki, CFA Joseph Stephens, CFA Will van der Weyden Jack Drew

Aim

The Fund is a global growth fund designed to provide exposure to companies benefiting from innovations in technology, communication, globalisation or innovative management strategies. The Fund holds a concentrated portfolio of large and medium-sized companies in any industry and in any region. 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 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 Guinness Global Innovators 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

30/11/2022	1 Yr	3 Yrs	5 Yrs	10 Yrs*
Strategy* (%)	-14.2	37.8	59.9	332.2
Index (%)	-1.0	35.0	62.1	234.5
Sector (%)	-7.2	25.5	45.1	171.0

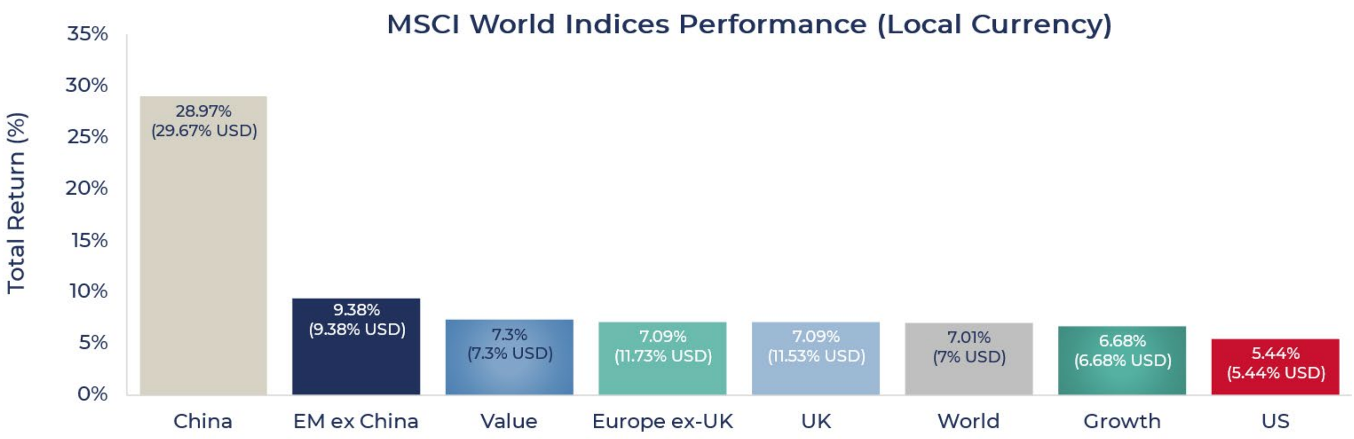
Discrete 12m performance is shown at the end of this commentary. Source: FE fundinfo, bid to bid, total return in GBP. *Composite simulation of performance. Guinness Global Innovators Fund (UCITS) launched on 31.10.14. Performance data prior to this date is based on the actual returns of a US mutual fund managed by the same team using the same investment process. 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 0.88% 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.

SUMMARY

For the month of November, the Guinness Global Innovators Fund provided a total return of 5.0% (GBP) against the MSCI World Index net total return of 3.4% (GBP) and the IA Global sector returned 3.1%. Hence the Fund outperformed the benchmark by 1.6% (GBP) and the IA Global Sector by 1.9% (GBP). Year-to-date, the Fund has produced a total return of -15.4% (GBP) compared to the MSCI World Index -2.8% (GBP) and the IA Global sector -8.4% (GBP).

Broad-based gains across global equity markets continued into November, the first consecutive monthly gains of 2022. Yet whilst Developed Markets led equities higher in October, it was Emerging Markets that outperformed in November. China was the stand-out performer, with the MSCI China Index delivering +29% in local currency terms. Growing expectations that Beijing would push ahead with re-opening plans and shift away from tough 'zero-Covid' policies, despite record Covid infections and rhetoric supporting these policies, has helped spark a return of positive sentiment towards the region.

The US market also ended in positive territory but underperformed all other major regions. Hopes that inflation had peaked and the Fed would therefore slow the pace of rate hikes supported equities, although weakness in three of the US's four largest sectors, Information Technology, Health Care and Consumer Discretionary, created a drag on the region. Early in the month, markets had expected Republicans to win both the House and the Senate in the US midterm elections. This initially buoyed markets, with a divided government reducing the likelihood of new fiscal measures and regulation. However, the proclaimed 'Red Wave' did not emerge to the extent that markets had predicted, and with the Democrats retaining the Senate, this created an additional headwind for US equities.



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

With the Federal Reserve in the midst of the fastest hiking cycle on record, markets have become increasingly sensitive to any macro-economic data that may hint at the future path of interest rates. Typically over 2022, softer-than-expected inflationary data has been a tailwind for growth stocks in particular. However, although headline CPI came in 0.3% below expectations in November, it did not lead to any significant change in the market-implied expectation of the peak in rates and the market continued to price in a 50bps hike from the Federal Reserve in December. Value continued to outperform as it has done since mid-August – but only just. Relative performance of cyclicals and defensives was volatile, but ended relatively balanced over the month.

Over the month of November, Fund performance can be attributed to the following:

- The Fund experienced a small negative allocation impact, as value marginally outperformed growth. The Fund's largest overweight position, Information Technology, slightly underperformed the MSCI World Index. The Fund also has a zero allocation to Materials, Utilities, Real Estate and Consumer Staples, as well as an underweight position to Financials, all of which outperformed the benchmark over the month of November.

- Strong stock selection more than offset any negative headwind from allocation, however. Fourteen of the Fund's 30 holdings registered double-digit returns (in USD terms) in November. The Fund's top performers included Infineon Technologies (+30.8% in USD), TSMC (+28.9%), Anta Sports (+27.7%) and Meta (+28.8%).

- Good stock selection within Information Technology was a core driver of Fund performance. Within this sector, the Fund's large overweight position to Semiconductors acted as a significant tailwind. Five out of the Fund's six semiconductor holdings outperformed the MSCI World Semiconductor Index (+18.8% USD), and all six outperformed the MSCI World in USD terms.

Whilst the rotation away from growth for the majority of the year has impacted the Fund's relative performance over shorter time periods, it is pleasing to see the Fund ranking in the top two quartiles versus its IA Global sector peers over the longer time frames of three, five & 10-year periods, as well as since launch.

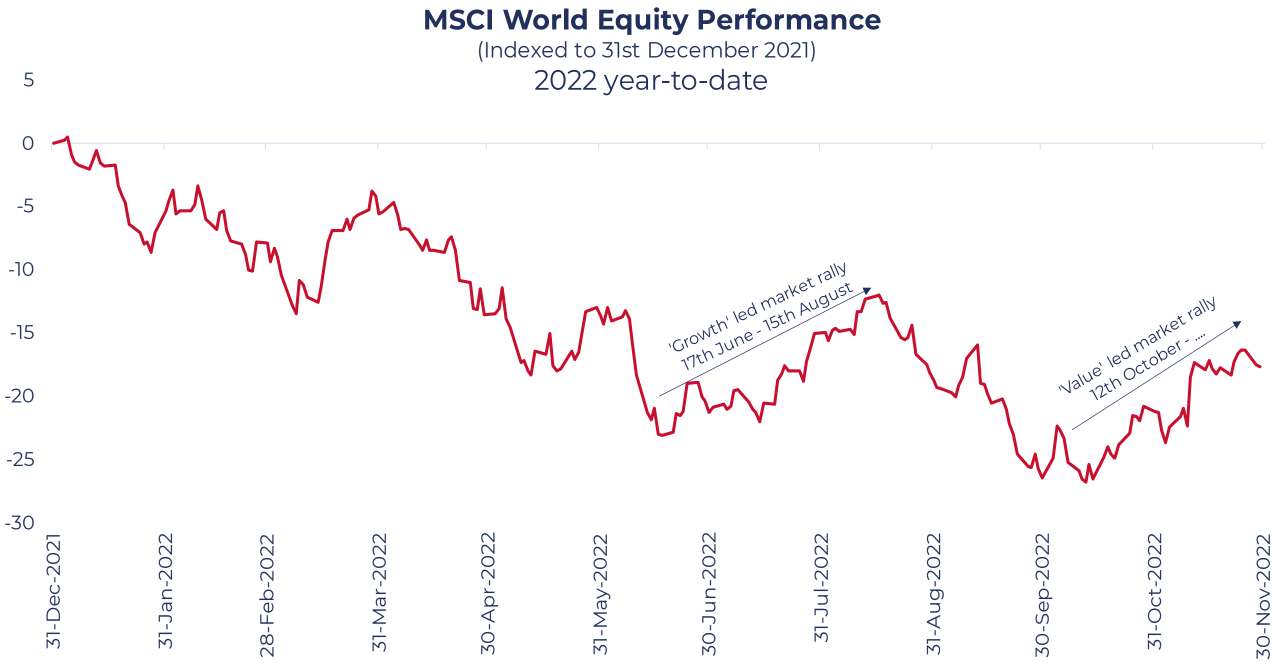
Cumulative % total return, in GBP, to 30.11.2022	YTD	1 year	3 years	5 years	10 years*	Launch*
Guinness Global Innovators	-15.4	-14.2	37.8	59.9	332.2	892.6
MSCI World Index	-2.8	-1.0	35.0	62.1	234.5	557.1
IA Global sector average	-8.4	-7.2	25.5	45.1	171.0	433.1
IA Global sector ranking	na^	387/497	35/412	76/342	6/218	7/95
IA Global sector quartile	na^	4	1	1	1	1

Source: FE fundinfo

** Simulated past performance. Performance prior to the launch of the Guinness Global Innovators Fund (31.10.14) reflects the Guinness Atkinson Global Innovators Fund (IWIRX), a US mutual fund with the same investment process since 01.05.2003. ^Ranking not shown in order to comply with European Securities and Markets Authority rules.*

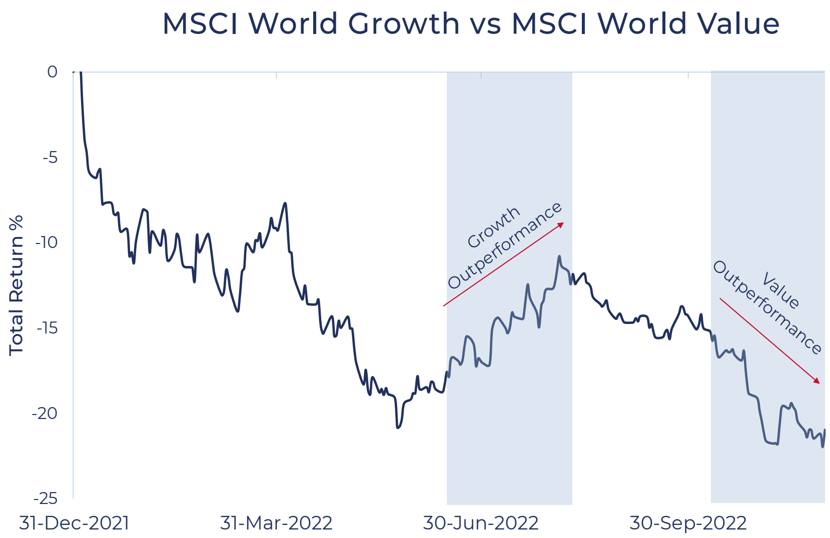
NOVEMBER IN REVIEW

Despite a broadly weak environment for equities over 2022, so far the fourth quarter has seen strong performance. This is not the first rally global equity markets have seen over 2022, however. Around mid-June, markets began anticipating a lower 'peak' policy rate and earlier rate cuts following dovish commentary from Fed Chair Jerome Powell. This led equity markets, and growth stocks in particular, higher. However, concerns over a dislocation between share price performance and fundamental outlook led many to muse of a 'bear market rally'. By mid-August, these fears were all but confirmed, following a broad sell-off that ensued until mid-October.



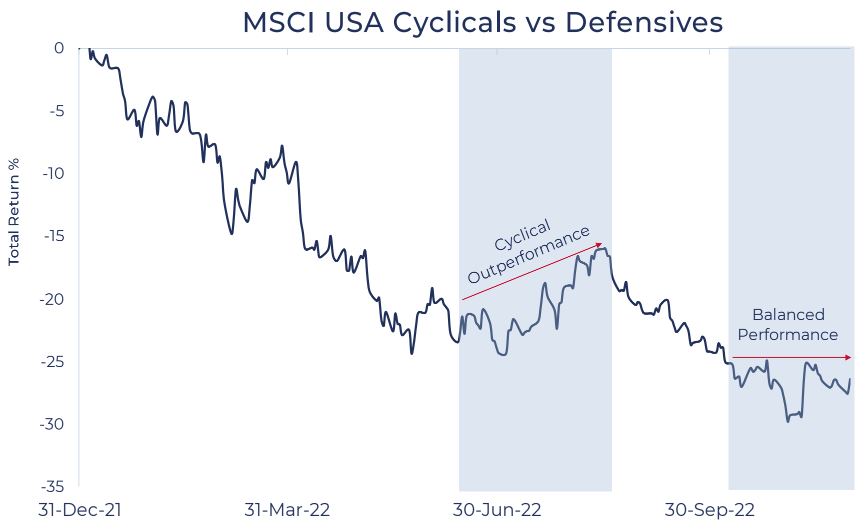
Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

The rally seen between mid-June and mid-August was very different to the rally we are seeing now. First, the strength in equities seen since mid-October has been value-led, rather than growth-led.



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

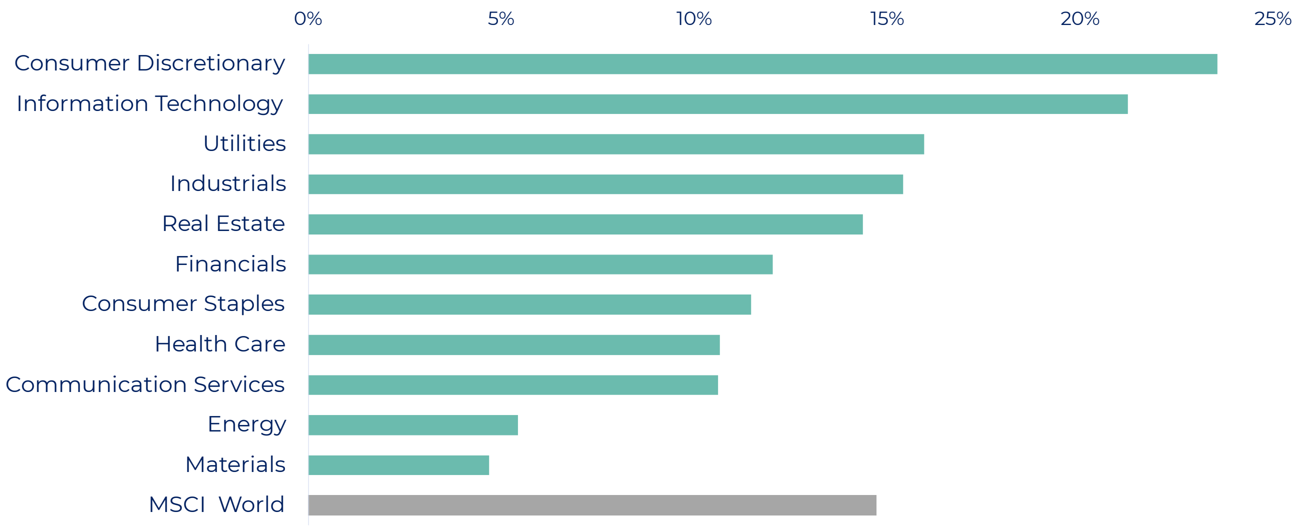
And rather than strength in 'cyclical' companies over 'defensive' companies, whilst very volatile, the picture since mid-October has been rather more balanced.



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

We can see something similar when looking from a sector perspective. In the growth-led rally seen in the summer (17th June to 15th August) , the highly valued, cyclical sectors Consumer Discretionary and Information Technology outperformed all others. Together, these two sectors account for over 30% of the MSCI World Index. With the exception of Utilities (3% of the index), other 'defensive' sectors such as Healthcare and Consumer Staples underperformed the MSCI World, alongside the commodity-based sectors of Energy and Materials.

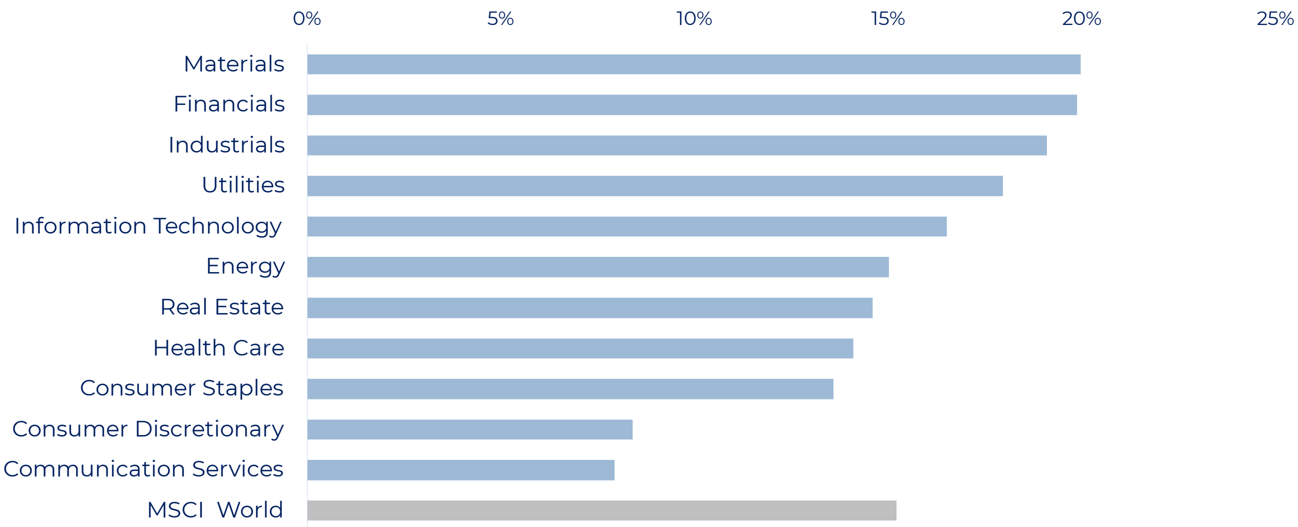
MSCI World Sector Indices Total Return (USD): June Rally



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

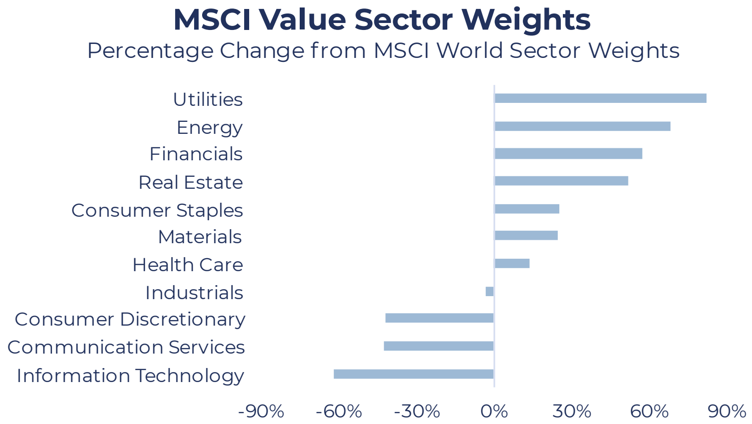
The rally since October has looked quite different. The picture is certainly less stark than what was seen in June. However, there is a small divide between growth and value. Information Technology was the only clear outperforming growth sector, and this was only due to strong performance on the final day of the month, when Fed Chair Powell gave his strongest indication yet of a slower pace of rate hikes. Until November 29th, Information Technology, Consumer Discretionary and Communication Services were the bottom three performing sectors over the rally. Even within 'cyclical' stocks there is a divide between growth and value, with the more value orientated Materials, Financials and Industrials (to an extent) sectors outperforming, and the more growth-tilted sectors of Communication Services and Consumer Discretionary significantly underperforming. Defensive sectors such as Utilities and Consumer Staples kept up broadly in line with the MSCI World.

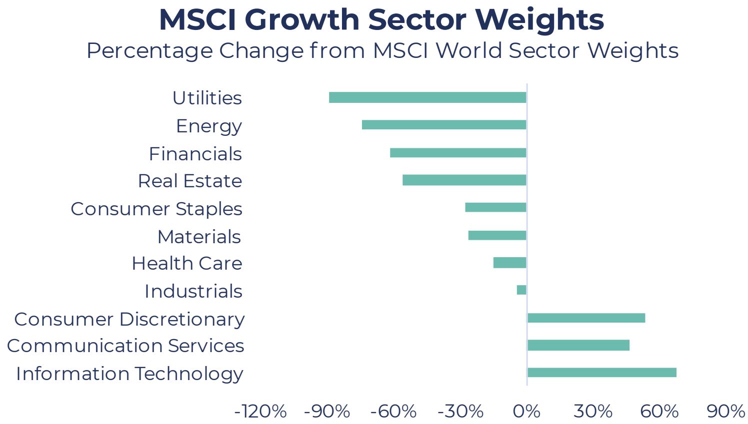
MSCI World Sector Indices Total Return (USD): October Rally



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

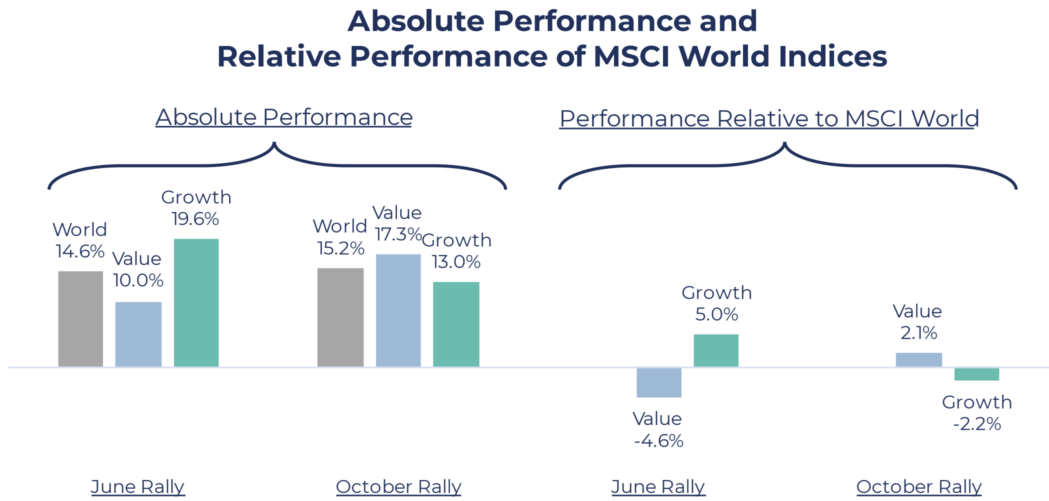
For reference, the weights of sectors within the value and growth indices as of October 31st can be seen in the charts below, relative to the broad MSCI World Index.





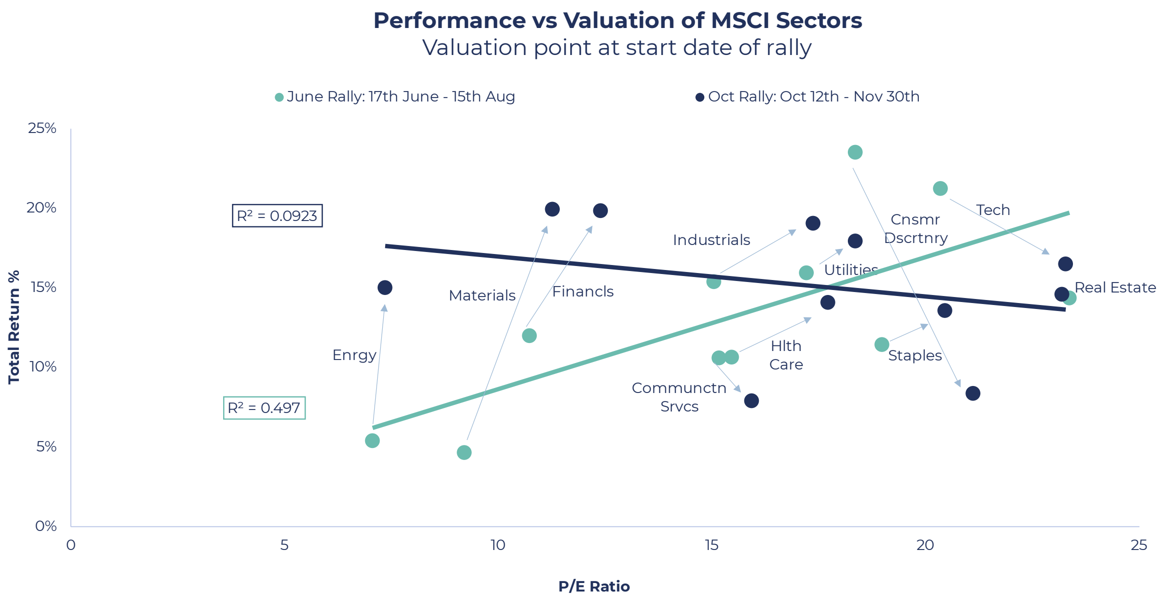
Source: Guinness Global Investors, MSCI, as of 30/11/2022

However, even with this value outperformance, the performance differential between growth and value was less stark than it was during the June rally. Both rallies (so far) have seen the MSCI World rise approximately 15%. In the growth-led rally of June, the MSCI World Growth Index outperformed the MSCI World Value Index by 9.6%. In the value-led rally of October, value outperformed growth by just 4.3%.



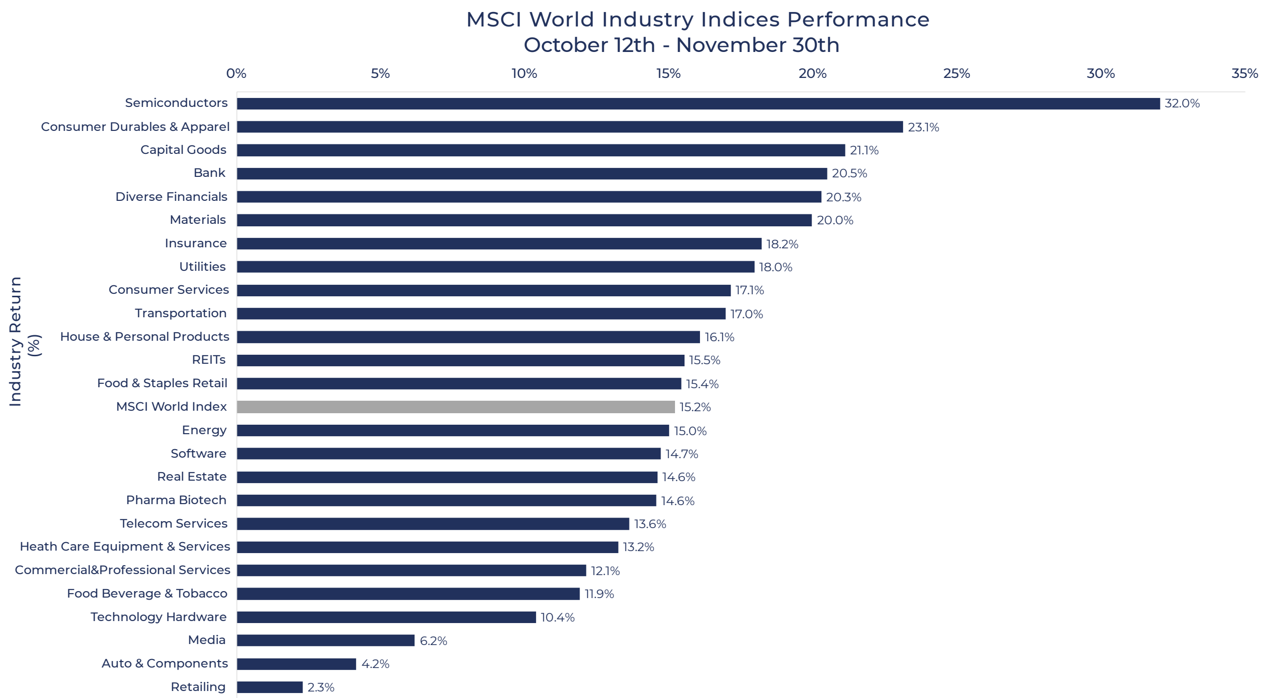
Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

This distinction can also be seen by comparing sector performance against valuation. The growth-led rally in June had a strong correlation between performance and P/E ratio (1 year forward) and a steeper, positive gradient. The recent value-led rally has a negative gradient (as expected), but this gradient has a lower magnitude and a lower correlation. This suggests that factor rotation is having less influence on this rally, and individual company performance greater influence.



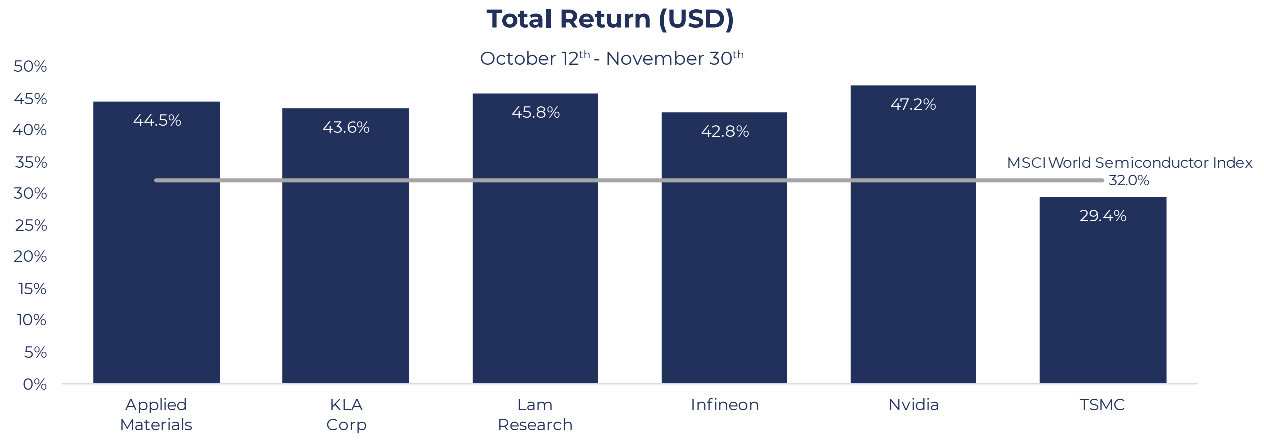
Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

Looking at industries helps to affirm this point, with significant divergence in performance across sectors – regardless of their cyclical/defensive and value/growth orientation. For example, taking industries within Information Technology, the Fund's largest overweight sector, Technology Hardware is the fourth worst performing over the recent rally (+10.4%), Software (+14.7%) has performed relatively in-line with the MSCI World (+15.2%), and Semiconductors (+32.0%) outperformed.



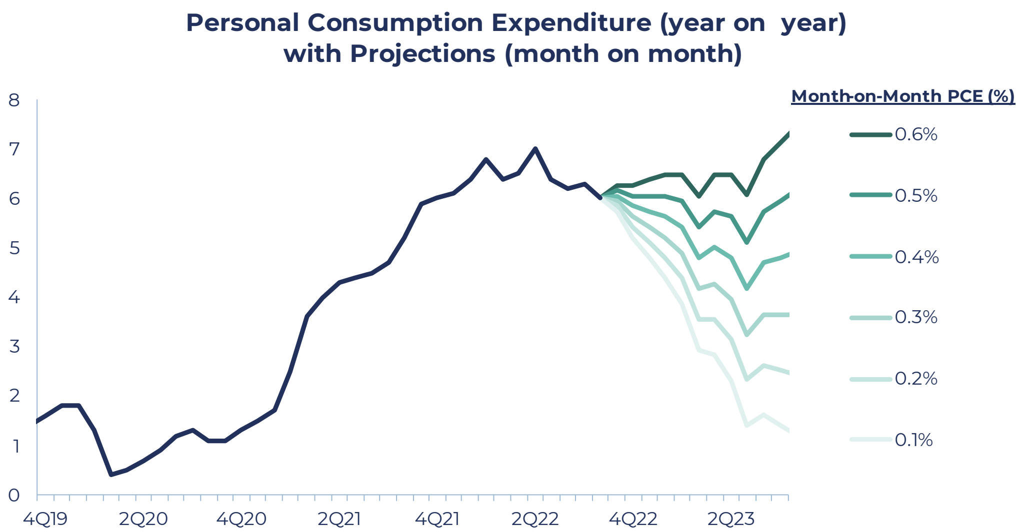
Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

Semiconductors are the Fund's largest overweight position. We have long held a view that Semiconductor companies will benefit from the long-term secular innovation themes that we have identified within the Fund, such as Automation and Cloud Computing, and will help these stocks grow over the long term and potentially through different market environments. With the exception of TSMC, which underperformed the MSCI Semiconductor Index by 2.6%, all other Semiconductor holdings held in the Fund outperformed the industry benchmark by at least 10%.



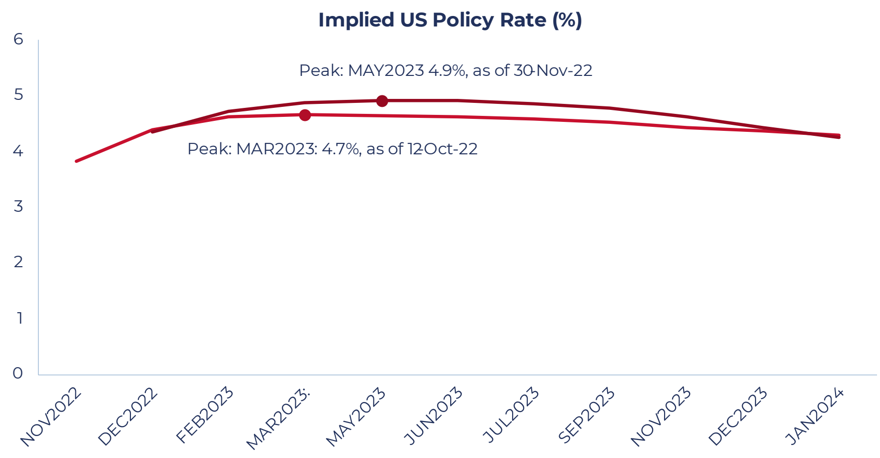
Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

The current market rally was sparked by the onset of Q3 earnings season, in which results were surprisingly resilient. Of the companies that reported Q3 earnings over the period, 70% surprised to the upside for EPS, with average growth of +2.4% year-on-year. Whilst these figures may be below long-run average numbers, prior concerns of an economic slowdown heavily impacting companies failed to materialise, driving equities higher. Markets were buoyed further by strong economic data coming out of the US, with GDP prints of +2.6% (annualised), ending the two-quarter streak of negative growth. Positive momentum continued into November, when the US announced softer-than-expected inflation numbers. Headline inflation came in at 7.7%, 0.3% below economist expectations, and core inflation rose +0.3% month-on-month, significantly below the +0.6% figure from the month prior. Personal Consumption Expenditure (PCE), the Fed's preferred measure of inflation, came in at +0.3% (month-on-month) for the third month running. The chart below shows how rates of month-on-month PCE below 0.5% offer paths towards lower levels of PCE inflation (year-on-year) over the next 12 months.



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

Over the majority of 2022, any indication that 'peak' inflation had been reached tended to drive outperformance in growth. However, in the most recent market rally, strength in value has remained. The difference this time round appears to be in interest rate expectations. Expectations of easing inflation has tended to build expectations of a more dovish Federal Reserve, in turn driving a lower, and earlier, market-implied peak-policy rate. This is positive for growth stocks in particular, being more 'high-duration' in nature. Yet markets had largely priced in a slower pace of rate hikes by the beginning of the rally already. In fact, the small change that did occur indicated a slightly higher, and slightly later, peak rate – a headwind for growth. Therefore, growth did not receive the usual *relative* tailwind that it had done in other periods where lower inflation data has surprised the market.

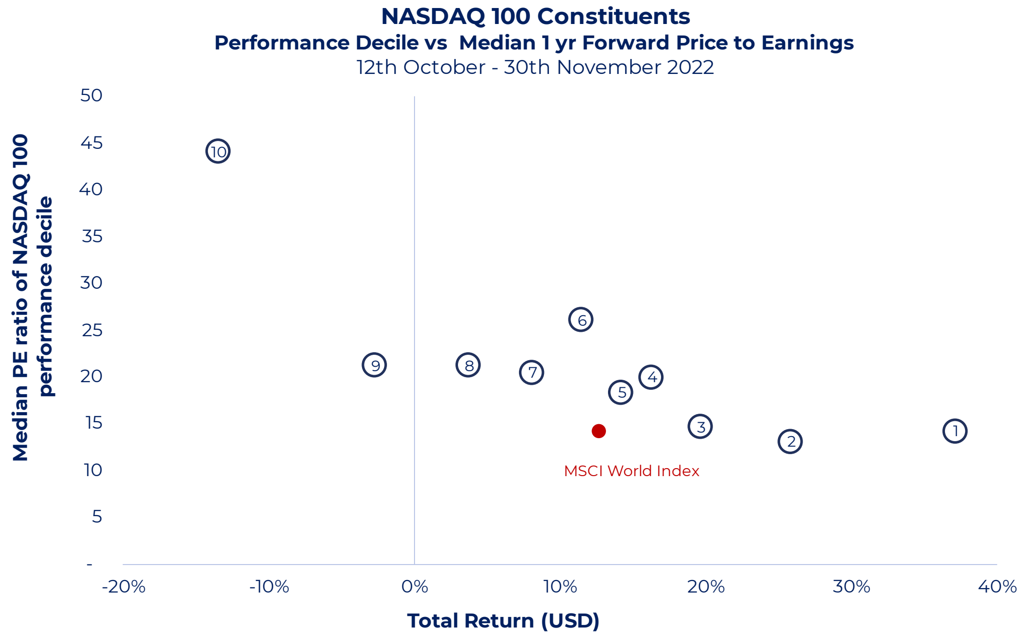


Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

Growth was also unable to benefit from any outperformance in 'Big Tech', as it is had done in other periods of equity strength this year. In fact, Big Tech was a surprising pocket of weakness during the earnings season, as was discussed in detail in our previous commentary. With headwinds to cloud computing and advertising, Amazon, Microsoft, Alphabet and Meta all largely offered weaker than expected results or guidance and were therefore unable to drag the growth index higher.

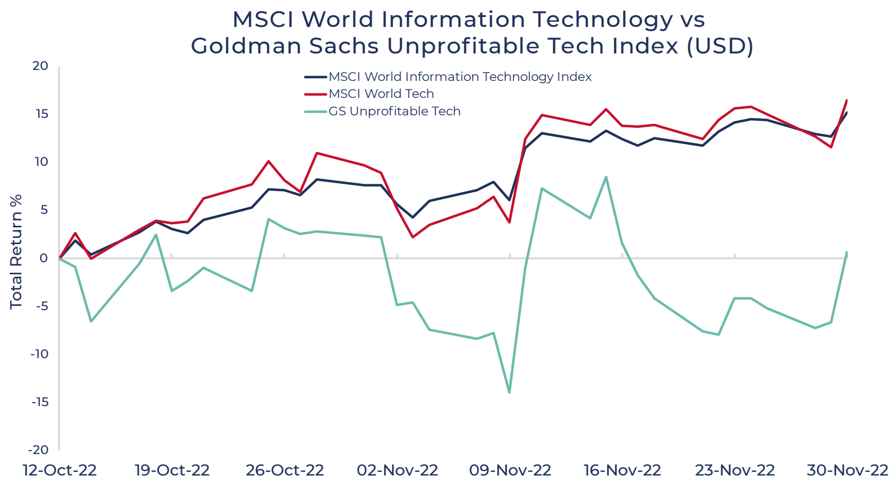
Whilst we have largely discussed the current market rally as value-led, it is important to emphasise that the divergence between value and growth performance has been small. Considering the mixed performance of cyclical and defensive industries, markets appear to have been focusing more on company and sector fundamentals and outlooks, rather than taking a view on factor performance.

Over the current equity rally, there has also been a significant divergence in performance between more speculative stocks with more extreme valuations, and 'quality growth' stocks, where current valuations place lower weight on future growth prospects. The bottom performing decile (labelled 10 in the chart below) in the Nasdaq 100 (regarded as a more growth/tech focused index) over the period in question was the highest valued (on a median basis) by far, on a 1 year forward P/E basis. This reflects more speculative stocks, with more extreme valuations, underperforming. On the other hand, the three best performing deciles (labelled 1, 2 and 3) were some of the cheapest on a forward P/E basis.



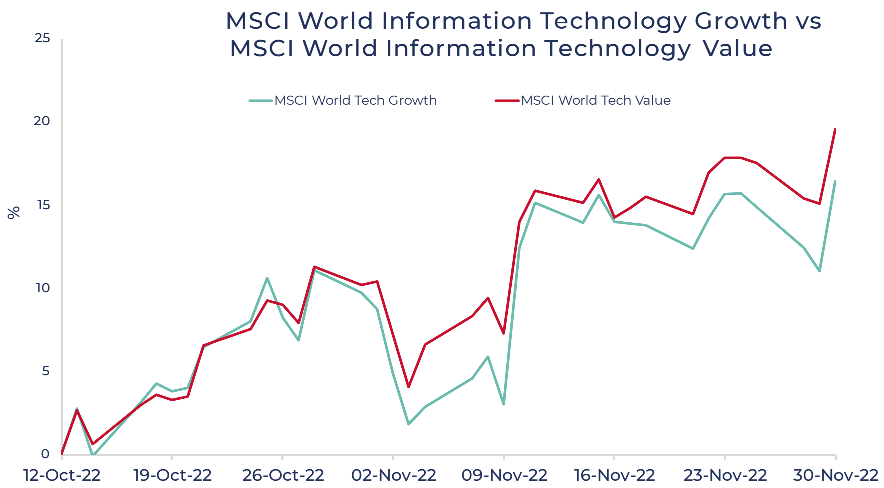
Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

The Goldman Sachs Unprofitable Tech Index tells a similar story. The index, which is made up of a basket of unprofitable tech companies, significantly underperformed the broader MSCI Technology Index over the same period. These companies were typically the more speculative stocks with 'frothier' valuations, with most cash flows forecast far into the future. In times of an uncertain macro-economic outlook, particularly one with a potential recession on the horizon, investors prefer the sanctuary of quality stocks with good balance sheets, stable earnings and strong fundamentals – such as those found within the Fund. Whilst the MSCI World Information Technology Index was able to perform broadly in line with the broader MSCI World over the period, the Goldman Sachs Unprofitable Index significantly underperformed.



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

Being conscious of valuation has been a tailwind for the Fund. As seen below in MSCI World Information Technology Growth Index vs MSCI World Information Technology Value Index, technology stocks with a value tilt outperformed those with a stronger growth tilt. With a weak economic outlook over the medium term, investors have sought higher-quality safe havens with less potential for downside valuation risk.



Source: Guinness Global Investors, Bloomberg, as of 30/11/2022

In general, stocks have been led higher by an improved outlook on inflation, and better than expected company earnings. But recessionary concerns remain and have driven a rotation towards stocks which have actual, positive earnings and can rely on the strength of their balance sheets in more challenging times. The Fund's focus on these types of quality businesses has shown its strength in avoiding the highly valued non-profitable tech companies that have swung between large rises and falls, and underperformed significantly in the most recent rally. Whilst our high exposure to the IT sector means we are not immune from the potential impact of further rotations away from growth, our investment philosophy has always been to seek out companies delivering profitable growth. In the Fund we continue to apply a 'valuation discipline' to stock selection and monitor carefully the valuation we are ascribing to future growth against that of the current business. We believe the secular growth trends and innovation themes that our companies are exposed to are likely to be able to successfully navigate volatile and uncertain macro-environments over the longer term.

PORTFOLIO HOLDINGS

Semiconductor holdings - Infineon (+36.1% USD), TSMC (+34.8%), NVIDIA (+25.4%), KLA (24.7%), Applied Materials (24.4%) & Lam Research (+16.7%)

A pandemic-induced boom in demand paired with heavily disrupted supply chains led to strong semiconductor industry performance in 2020, as demand outstripped supply. However, a retrenchment in consumer demand for displays (PCs and Smartphones), fears of an economic slowdown spurring an inventory correction among manufacturers, and improving supply chain conditions leading to a 'glut' in some end-markets have all contributed to a sell-off in the semiconductor industry over 2022. More recently, the US has been implementing unilateral export controls on the Chinese chip industry, slowing progress in China's ability to obtain or manufacture advanced chips, and denting sentiment further for firms with exposure to the region. Overall, the uncertainty over the short-term outlook in the chip industry has led the MSCI World Semiconductor Index down 26.6% (USD) year-to-date (as of 30th November 2022), underperforming the MSCI World by 15.4%.

Since mid-October, however, there has been a strong rebound in the sector. Since the 14th October, when the MSCI World Semiconductor Index touched a two-year low, the Index is up +33% (USD). Over the month of November, each of the Fund's Semiconductor holdings produces double-digit returns, with five out of the six outperforming the MSCI World Semiconductor Index (+18.8% USD). Sentiment was buoyed by the news that Warren Buffet's Berkshire Hathaway had taken a $4.1bn dollar stake in TSMC and that US President Biden and Chinese leader Xi Jinping had a first in-person meeting, a potential first step for a stabilisation in relations. But it was company earnings that was the core driver, with quarterly results largely above expectations. Management teams often noted the short-term difficulties facing firms going in to 2023, which markets largely interpreted as the 'bottom' of the cycle being in sight. Many companies also offered guidance for when they believed the supply glut would clear, with bellwether TSMC expecting the inventory correction to take only a few quarters. Whilst TSMC also guided for an expected slowdown in the semiconductor market over 2023, they believed they could continue to grow over the next year due to market leadership and technological advantages. The Fund's Semiconductor equipment companies Lam Research, Applied Materials and KLA all delivered significant beats to the top and bottom line, although they forewarned of a difficult spending environment going into 2023.

Overall, we continue to be bullish on the sector over the long term. Whilst we recognise the challenges faced within the industry including Sino-US tensions, cuts to capex, and supply-demand imbalance, our view is that these headwinds are largely temporary, and that the long-term secular trends that semiconductor designers, manufacturers and equipment makers are exposed to will prevail to drive long-term growth in the industry. These secular trends include but are not limited to increasing and widespread demand from multiple end market applications such as cloud and the internet of things, as well as the increasing semiconductor content per device.

Zoom Video Communications (-9.6% USD)

Zoom Video Communications ended the month as the Fund's bottom performer, driven by a negative reaction to the its earnings announcement. Whilst headline figures matched expectations (revenue +0.4% to consensus, adjusted EPS +28.3%), we found the negative market reaction to the results to be overdone. In our view, the most important areas to the firm continued to show broad-based strength (enterprise, upmarket, nascent product lines). The firm did have to lower its revenue guide for FY23 by $15m (less than half a percent to total sales), but $14m was a result of FX movements. On the other hand, the firm guided to a 100bp increase in operating margins, accounting for an incremental $50mn to the bottom line. Despite this, the stock fell 7% in after-hours trading. As has been the case throughout 2022, performance in 'Online' (which is effectively the firm's retail segment) is continuing to dampen sentiment in the stock, despite continued strong performance in the Enterprise segment – the most important growth driver, and a higher-quality revenue stream, in our view.

The higher quality revenue stream from Enterprise is due to pricing power, multi-contract solutions, cross-selling opportunity, longer-term contracts, and stickiness (stemming from organizational inertia). Over the quarter, Enterprise exposure increased to 56% of sales, up from 49% last year, with strong top-line growth of +20% year-on-year, holding up better than expectations. It was positive to see the firm having strong success in the upmarket (a subsegment of enterprise where the firm is currently underpenetrated), with revenues from customers contributing more than $100,000 (T12M) growing by +31% and accounting for 27% of sales. In addition, there was a high level of growth in the amount enterprise customers were spending with the firm, with a net dollar expansion rate for enterprise customers of 117%, although again, this was down sequentially. Online fell 10% in 3Q, (-8% in 2Q) with lower purchase intent weighing on customer conversions. This is despite the firm having success in reducing churn rates to pre-pandemic levels of c.3%. Management indicated Online Revenue could stabilise in F2Q4 (three quarters' time), with initiatives on local pricing and packaging, and time limits, encouraging higher free-to-paid conversions. In our view, the market is placing too much emphasis on the online segment, which is facing headwinds as we exit the pandemic, and not enough on the firm's other growth opportunities and higher-quality segments. Overall, the firm's nascent product lines and growing total addressable market offer strong growth potential, and paired with the firm's brand equity, solid balance sheet and focused strategy, these give us confidence in our overall investment thesis for the firm.

We thank you for your continued support.

Portfolio Managers

Matthew Page, CFA

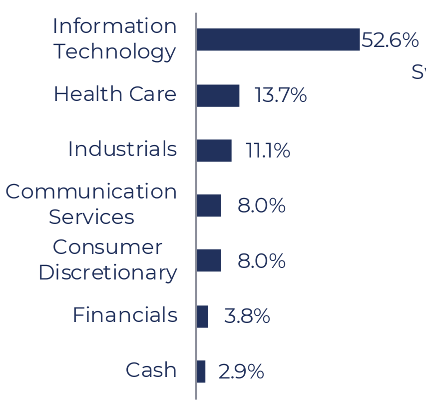
Dr Ian Mortimer, CFA

PORTFOLIO

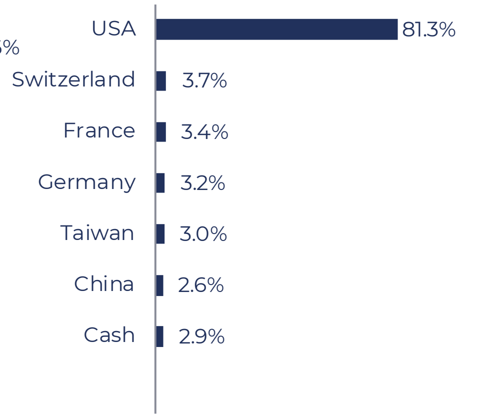
Fund top 10 holdings (%)

Amphenol Corp	4.3%
Mastercard Inc	4.1%
Thermo Fisher Scientific	3.9%
Roper Technologies Inc	3.9%
Visa	3.9%
Intercontinental Exchange	3.8%
ABB	3.7%
Microsoft	3.6%
Danaher Corp	3.6%
KLA-Tencor	3.6%
% of Fund in top 10	38.6%
Total number of stocks	30

Sector analysis (%)



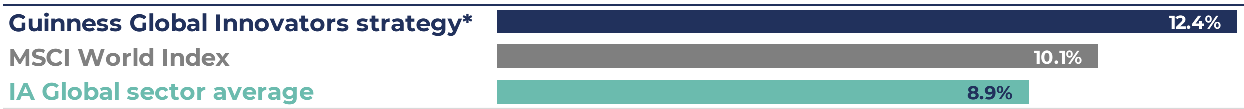
Geographic allocation (%)



PERFORMANCE*

Past performance does not predict future returns.

Annualised % total return from strategy inception (GBP) **30/11/2022**



Discrete years % total return (GBP)	Nov '22	Nov '21	Nov '20	Nov '19	Nov '18
Guinness Global Innovators Fund	-14.2	24.1	29.4	20.1	-3.3
MSCI World Index	-1.0	22.9	10.9	13.0	6.2
IA Global sector average	-7.2	19.0	13.6	12.6	2.7
IA Global sector ranking	387/497	72/453	44/412	29/382	302/342
IA Global sector quartile	4	1	1	1	4

Cumulative % total return (GBP)	YTD	1 Yr	3 Yrs	5 Yrs	Launch*
Guinness Global Innovators strategy	-15.4	-14.2	37.8	59.9	892.6
MSCI World Index	-2.8	-1.0	35.0	62.1	557.1
IA Global sector average	-8.4	-7.2	25.5	45.1	433.1

RISK ANALYSIS **30/11/2022**

Annualised, weekly, 5 years, in GBP	Index	Sector	Fund
Alpha	0	-0.23	-0.86
Beta	1	0.82	1.09
Information ratio	0	-0.28	-0.05
Maximum drawdown	-24.58	-21.61	-24.27
R squared	1	0.84	0.84
Sharpe ratio	0.38	0.29	0.30
Tracking error	0	6.49	7.86
Volatility	16.02	14.40	19.16

*Simulated past performance. Performance prior to the launch of the Guinness Global Innovators Fund (31.10.14) reflects the Guinness Atkinson Global Innovators Fund (IWIRX), a US mutual fund with the same investment process since 01.05.2003. Discrete 12m performance is shown below.

Source: FE fundinfo, bid to bid, total return. Fund Y GBP class (0.88% 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.

DISCRETE 12-MONTH PERFORMANCE*

Past performance does not predict future returns.

Discrete 12m % total return (GBP)	Nov '22	Nov '21	Nov '20	Nov '19	Nov '18	Nov '17	Nov '16	Nov '15	Nov '14	Nov '13
Guinness Global Innovators Strategy	-14.2	24.1	29.4	20.1	-3.3	24.3	22.2	2.7	23.6	40.2
MSCI World Index	-1.0	22.9	10.9	13.0	6.2	14.1	24.3	3.3	13.9	23.7
IA Global sector average	-7.2	19.0	13.6	12.6	2.7	15.7	19.3	2.1	8.7	21.8
IA Global Sector Ranking	387/497	72/453	44/412	29/382	302/342	19/312	133/286	163/265	4/238	6/218
IA Global Sector Quartile	4	1	1	1	4	1	2	3	1	1

	Nov '12	Nov '11	Nov '10	Nov '09	Nov '08	Nov '07	Nov '06	Nov '05	Nov '04	Nov '03
Guinness Global Innovators Strategy	11.4	1.0	23.5	35.4	-30.6	15.2	6.8	25.9	-1.6	6.8
MSCI World Index	11.5	0.5	11.7	23.2	-24.0	7.8	5.8	22.8	5.7	7.8
IA Global sector average	11.2	-5.6	13.5	28.0	-28.6	8.7	9.0	23.1	7.5	9.1
IA Global Sector Ranking	122/205	26/179	19/164	34/155	88/140	26/134	78/118	39/101`	92/97	62/91
IA Global Sector Quartile	3	1	1	1	3	1	3	2	4	3

Source FE fundinfo. *Composite simulation of performance. Guinness Global Innovators Fund (UCITS) launched on 31.10.14. Performance data prior to this date is based on the actual returns of a US mutual fund managed by the same team using the same investment process as applied to the UCITS version.

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 Innovators 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 Global Innovators 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.

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.

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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