

This is a marketing communication. Please refer to the prospectus and KID/KIID for the Fund, which contain detailed information on the Fund's characteristics and objectives, before making any final investment decisions. All data as at above date, unless otherwise stated. Past performance is not a reliable indicator of future results.

### Fund ESG Ratings

#### MSCI ESG Rating™:



Produced by MSCI ESG Research as of 26.01.24.

### SFDR Classification

Please see the fund's [Sustainability-related disclosures](#) and [SFDR Pre-contractual Disclosures](#), available on our website, for more information. [Periodic Reports](#) are also available.



### Fund Profile

#### Benchmark

MSCI World Index

#### Investment Objective

An equity fund which invests in companies in the solar, wind, hydro, geothermal, biofuels, biomass and energy efficiency sectors.

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

#### Investment Case

The Fund invests at least 80% in companies involved in sustainable energy or energy technology sectors. We believe that over the next twenty years the sustainable energy sector will benefit from the combined effects of strong demand growth and improving economics of renewable energy supply. The sector is likely to benefit from both public and private support for low carbon technologies.

#### Domicile

Ireland

### Other Documents

#### Corporate Documents

- Responsible Investment Policy
- Stewardship Code Report
- Good Governance Policy

#### Strategy Documents

- Approach to Responsible Investment and ESG
- 2023 Impact Report
- 2022 Impact Report

### Fund Approach to Responsible Investment

#### ESG Integration



#### Exclusions<sup>1</sup>



Controversial weapons<sup>2</sup>



Thermal coal<sup>3</sup>



Fossil fuel extraction<sup>4</sup>



Norges Bank Exclusion List<sup>5</sup>



#### Voting



#### Engagement



<sup>1</sup>Further details can be found in the fund's [Exclusion Policy](#), available on our website.

<sup>2</sup>Cluster munitions, landmines and biological and chemical weapons.

<sup>3</sup>Companies that generate more than 30% of revenues via thermal coal extraction or thermal coal power generation.

<sup>4</sup>The Fund excludes companies engaged in the extraction of oil, natural gas, and coal.

<sup>5</sup>The Fund adheres to the exclusion list of companies prepared by Norges Bank.

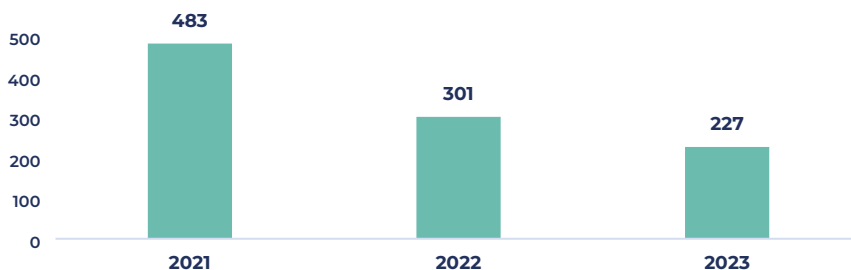
### ESG Integration Summary

Company ESG analysis is carried out to monitor how the fund's constituents contribute to its sustainable investment objective. Reviews also consist of a good governance assessment and confirm that an investment does not cause significant harm to any environmental or social sustainable investment objective. Analysis considers what the company itself, the SASB materiality framework, and MSCI deem material, along with in-house knowledge of the company.

The investment team think of ESG factors through both 'top-down' and 'bottom-up' analysis. 'Top-down' ESG can be described as the various short and long-term trends associated with the global energy transition, and include issues such as government incentives and subsidies, urban pollution, energy security, and carbon taxation. 'Bottom-up' analysis is performed through qualitative reviews of material ESG risk factors, which use public sources of information and insights from ongoing company discussions. Further information is available in the fund's Approach to Responsible Investment and ESG paper, available [here](#).

### Fund Weighted Average Carbon Intensity (WACI)\* in tCO<sub>2</sub>e/\$M revenue

The fund's carbon intensity is measured and reported over time.



Source: Guinness Global Investors, CDP; Coverage: 100% (2021, 2023), 97% (2022).

\*The Weighted Average Carbon Intensity (WACI) metric is calculated by multiplying the carbon intensity (emissions relative to revenue in millions USD) of each fund holding by its portfolio weight (the value of the holding relative to the total value of the portfolio, excluding cash). Carbon intensity is based on Scope 1 and 2 emissions. Scope 1 emissions are direct greenhouse gas emissions from sources that are owned or controlled by the company. Scope 2 emissions are indirect greenhouse gas emissions from the generation of energy purchased by the company (Reference: GHG Protocol). Coverage refers to the percentage of the carbon intensity data available at the date of publication for underlying fund holdings (as a percentage of total assets excluding cash).

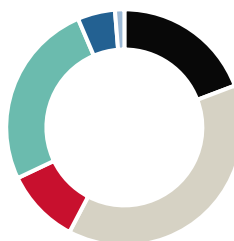
## Stewardship

Stewardship activities are integral to the investment process applied by the team. We believe that resourcing our stewardship activities with the investment team itself, with dedicated assistance as required, is the best way to ensure effective stewardship. The investment team's ESG incorporation approach often informs their proxy voting and engagement activity. In a spirit of transparency, we disclose fund-level voting and engagement statistics and case studies for calendar year 2023 below.

## Voting

The investment team make their own voting decisions based on their own research, supported by proxy voting research from Glass Lewis. All voting is undertaken by the investment team, with oversight provided by our Responsible Investment Committee. In order to vote, some markets require shares to be temporarily immobilised from trading until after the shareholder meeting has taken place (referred to as 'share blocking'). Some other markets require a local representative to be hired, under a Power-of-Attorney (POA), to attend the meeting and vote on our behalf. In such instances, it may sometimes be in clients' best interests to refrain from voting. But in all other circumstances we endeavour to exercise our voting responsibilities on clients' behalf. For more information, please see our Voting Policy, available on our website.

Voting Overview*	
Number of available proposals	456
% voted	96%
% did not vote	4%
Due to lack of POA	100%
% votes in line with management	82%
% votes against management	18%



Votes against management by topic (\*\*)

● Audit/Financials	19%
● Board Related	38%
● Capital allocation	10%
● Compensation	26%
● Shareholder proposals	1%
● Other	5%

\*\*May not sum to 100% due to rounding.

\*1st January 2023 to 31st December 2023

Source: Glass Lewis; Guinness Global Investors (31.01.24)

## Voting Case Studies



In June 2023, we voted against Lee Yin Lee, the Executive Chair of **Xinyi Solar**, a Chinese photovoltaic glass manufacturer. Lee chairs both the Nomination and Remuneration Committees. We believe the former should be chaired by an independent director to ensure robust oversight, and that the presence of an executive on the later is likely to obscure the effectiveness of the committee's evaluation of executive performance and pay.

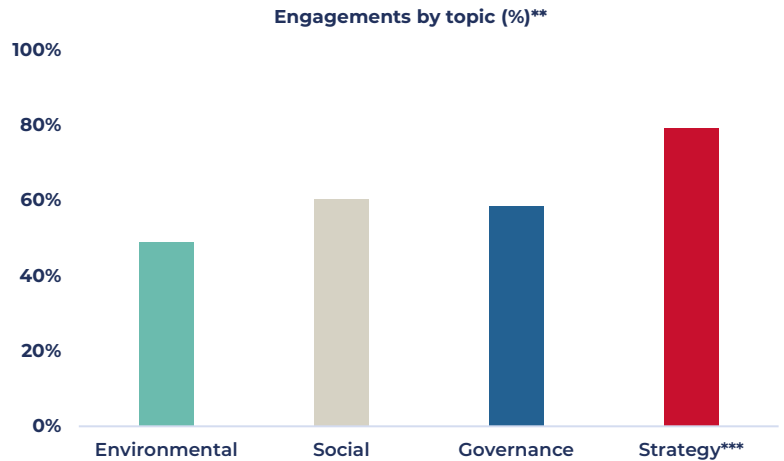


In June 2023, we voted against a proposal at **China Longyuan**, China's largest wind operator, to issue shares without pre-emptive rights. We believe granting a board with a high level of discretion over the company's capital could have a negative impact on shareholders' interests. We felt a lower limit on share issuance and tighter discount rate caps on the market price of share issuance would better protect shareholders' interests.

### Engagement

The investment team focus their engagement efforts on seeking to ensure that the strategies of portfolio companies are aligned with delivering the low-carbon transition. Desired engagement outcomes including growing our companies' positive impacts, reducing their negative impacts, and shrinking their operational emissions. For more information, please see the team's latest Impact Report.

Engagement Overview*	
Number of company interactions	81
Number of engagements	53
Engagements by topic	
Environment	49%
Social	60%
Governance	58%
Strategy***	79%



Source (table/graph): Glass Lewis; Guinness Global Investors (31.01.24)  
\*1st January 2023 to 31st December 2023

\*\*In some cases, multiple topics are covered in a single meeting and the totals do not add up to 100%.  
\*\*\*Strategy includes disclosures, opportunities in sustainable products, positive impact, and regulation.

### Engagement Case Studies



**Hubbell** is a diversified electrical product manufacturer and a leading supplier of electrical transmission and distribution equipment. Our 2021 ESG review noted a relatively modest emissions target to reduce Scope 1 and 2 emissions by 10% by 2025. Encouraging the company to set a more ambitious target was set as our top engagement priority. In 2022, Hubbell achieved its target well ahead of schedule, and we asked the company to set a long-term emissions reduction target and register it with the Science Based Targets Initiative (SBTi). We were pleased to see Hubbell set a more ambitious mid-term target in 2023 and continue to encourage a long-term target.



**Ormat** is a leading vertically integrated geothermal generation company. It regularly provides clear 3-4 year guidance, setting capacity targets for geothermal generation and more recently for battery storage. We first encouraged Ormat to link CEO pay to capacity targets in 2021, which would incentivise strong operational execution while growing the company's positive impact. After following up in 2022 and 2023, we were pleased to see 50% of the CEO's performance stock unit award allocated to capacity targets in Ormat's updated proxy statement.

### Collaborative engagement



We are a member of **CDP**, which allows us access to environmental data for all companies that report to CDP. Through our membership, we participate in collaborative engagements, such as the **CDP Non-Disclosure Campaign (NDC)**. The NDC aims to drive further corporate transparency around climate change, deforestation and water security, by encouraging companies to respond to CDP's disclosure requests. In 2023, we joined the **CDP Science-Based Targets (SBT) Campaign**, to encourage portfolio companies to commit to and set 1.5°C-aligned science-based targets.



Since 2019, we have been members of **Climate Action 100+**, the world's largest-ever investor engagement initiative on climate change. We collectively engaged with a US-listed oil & gas producer, across a wide range of topics including remuneration and methane reduction.

### Initiatives

We participate in relevant industry initiatives to promote the proper functioning of markets, responsible investing, and the management of market-wide and systemic risk. Where appropriate, members of the investment team will use initiatives to engage collaboratively with portfolio companies.

#### External company ratings

Signatory of:



We became signatories to the United Nations Principles for Responsible Investment (UN PRI) in 2019, which provides external assurance on our stewardship approach broken down by activity.

In our latest Assessment Report, published in 2023, we received the following scores:



**Policy Governance and Strategy**



**Direct - Listed Equity - Active Fundamental**



**Confidence Building Measures**

### Industry Initiatives



**CFA UK's** mission is to build a better investment profession by serving the public interest by educating investment professionals, by promoting and enforcing ethical and professional standards and by explaining what is happening in the profession to regulators, policymakers, and the media. A member of the investment team at Guinness is part of the Sustainability Community Champions group.



As the trade body for the UK investment management industry, the **Investment Association (IA)** seeks to represent the industry interests, improve the investment landscape through thematic initiatives, which highlight topics such as diversity and inclusion, and by improving standards and best practice.



The **Independent Investment Management Initiative (IIMI)** aims to contribute effective financial regulation and promote client-centred models of investment management. Our CEO, Edward Guinness sits on the board of IIMI.



We are public supporters of the **Task Force on Climate-Related Financial Disclosures (TCFD)**, and we seek to improved climate-related financial disclosure that is consistent, comparable, reliable, and clear to enhance our investment processes.



The **UK Stewardship Code 2020** sets high stewardship standards for those investing money on behalf of UK savers and pensioners. It comprises a set of 12 'apply and explain' Principles for asset managers and asset owners to demonstrate their stewardship role and performance.



The **UK Sustainable Investment and Finance Association (UKSIF)** aims to support its members to grow sustainable and responsible finance in the UK. It also seeks to influence policymaking that promotes the growth of sustainable finance. Our Responsible Investment Lead is a member of the Industry Development Committee, and another member of investment team serves on the Membership Committee.

# Guinness Global Equity Income

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

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

MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics and Ratings (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 31,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG is a Registered Investment Adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy, nor should it taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when buy or sell them. The Information is provided 'as is' and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. The information contained herein: (1) is proprietary to MSCI ESG and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither MSCI ESG nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

**Documentation** The documentation needed to make an investment, including the Prospectus, the Key Information Documents (KIDs), Key Investor Information Document (KIIDs) and the Application Form, is available in English from [www.guinnessgi.com](http://www.guinnessgi.com) or free of charge from: - the Manager: Waystone Management Company (IE) 4th Floor 35 Shelbourne Road, Ballsbridge, Dublin DO4 A4E, Ireland; or the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ. Waystone Management Company (IE) 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.waystone.com/waystonepolicies/>

**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, Reyl & Cie S.A., Rue du Rhône 4, 1204 Geneva, Switzerland. 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.