

## Consumer Facing Disclosures

07.04.2025

Fund identifier: FCA PRN reference – 988586

The Authorised Corporate Director (ACD) of the Fund is Waystone Management (UK) Limited. The delegated Investment Adviser is Guinness Asset Management Limited



This Fund is classified as a **Sustainability Focus** fund. This means it invests mainly in assets that focus on sustainability for people or the planet.

## Sustainability Goal

**The Fund aims to provide investors with capital growth over the long term (at least 10 years), after all costs and charges have been taken, whilst investing at least 80% in sustainable energy companies that are helping to deliver the transition towards a lower carbon economy.**

A lower carbon economy is an economy whose energy system has falling carbon dioxide emissions, achieved through a combination of energy efficiency and lower carbon energy generation technologies.

Sustainable energy includes, but is not limited to, energy derived from sources such as solar or wind power, hydroelectricity, tidal flow, wave movements, geothermal heat, biomass, biofuels or nuclear energy. Energy technology includes technologies that enable these sources to be trapped, as well as stored and transported, including hydrogen and other types of fuel cells, batteries and flywheels, as well as technologies that conserve or enable more efficient use of energy.

*While striving to meet the sustainability objective, there remains the potential for unintended negative environmental or social outcomes. For example, water usage or resource extraction in the manufacturing of clean energy equipment.*

*Pursuing the Fund's sustainable investment objective may inherently affect the financial risk and return of the Fund. The Investment Adviser is likely to have limited exposure to certain sectors, and therefore the Fund's performance may deviate from the Benchmark.*

## Sustainability Approach

The Fund invests at least 80% in assets which are involved in the sustainable energy or energy technology sectors. To qualify, a company must derive at least 50% of its business activity from helping to deliver the transition to a lower carbon economy.

We do not limit ourselves to 'pure plays', opening our universe up to some companies with existing hydrocarbon-based fuel exposure, but this must be allied with a commitment to transitioning their business models towards sustainable energy sources.

The Investment Adviser will take a quantitative approach to calculating business activity using metrics such as production, revenue, profits, assets, capital expenditure or other relevant financial or operational metrics.

The Fund may also invest up to 20% in shares of companies that have less than 50% business involvement alignment to sustainable energy or energy technology sectors, cash-like instruments, such as money market instruments, deposits, cash and near cash and up to 10% in collective investment schemes (which may include those managed by the ACD and its associates. The Fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management"). It is anticipated that the use of derivatives will be limited.

## Stewardship

The Investment Adviser will engage with investee companies held in the portfolio on a case-by-case basis to address environmental, social, and governance (ESG) concerns. Specifically, the Investment Adviser's engagement efforts seek to ensure that the strategies of portfolio companies are aligned with delivering the transition to a lower carbon economy.

The Investment Adviser's engagement framework revolves around three key pillars:

**Disclosure:** Once a risk is measured, it can be managed through target setting.

**Target setting:** Once a target has been set, it can be incentivised through remuneration.

**Incentivisation:** Once a target is incentivised, it is more likely to be achieved.

The Investment Adviser votes on matters related to investee companies, as outlined in the Investment Adviser's Proxy Voting Policy. The Investment Adviser is committed to exercising all voting rights where voting authority is retained, although exceptions may arise due to administrative arrangements which may prevent votes being cast or where it may not be in the best interests of investors to vote (due to restrictions on liquidity or 'share blocking').

Guinness Global Investors are a signatory to the [Stewardship Code 2020](#).

Stewardship and voting activity is regularly monitored and reported via the Investment Advisers Annual Stewardship Code Report, available [here](#).

## Sustainability Metrics

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The Key Performance Indicator (KPI) used to measure the Fund's focus objective is **carbon emissions displaced by the products or services of the Fund's investments**. Delivery of this KPI will help to ensure that the Fund's investments contribute to a lower-carbon economy. A lower carbon economy is beneficial because it reduces greenhouse gas emissions, helping to mitigate climate change.

The Investment Adviser will estimate carbon emissions displaced using relevant, evidence-based, financial or operational metrics. This KPI will be reported annually by the Investment Adviser to demonstrate progress towards the sustainability focus objective.

The estimate for carbon displaced is a proprietary calculation using unaudited numbers and is not equivalent to a carbon offset to the Investment Adviser or their investors.

Year	tCO <sub>2</sub> e displaced per \$1m of portfolio assets (estimated) <sup>1</sup>
2024	-

<sup>1</sup>Please note: The first set of data will be available following publication of the Fund's Annual Sustainability Report.

The value of an investment can fall as well as rise and you may not get back the amount originally invested.

## Further Details

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Further information on the key sustainability characteristics of the Fund can be found in the prospectus available on the ACD's website [www.waystone.com](http://www.waystone.com).

Further details of the Investment Advisers process is available on their website at [www.guinnessgi.com](http://www.guinnessgi.com).

Other non-sustainability related information, for example, costs and charges that are associated with the Fund, are also available on the ACD's website [www.waystone.com](http://www.waystone.com).

This document provides you with information about the sustainability features of this Fund. It is not marketing material and does not constitute or form part of any offer or invitation to buy or sell any security including any shares in the Fund. You are advised to read it so you can make an informed decision about whether to invest.