

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. Past performance does not predict future returns.

ABOUT THE FUND

Launch date	15.12.2020
Fund Size	£14.8M
Benchmark	MSCI World Index
Sector	IA Global
Team	Sagar Thanki CFA Joseph Stephens CFA

Aim

The Fund is a global growth fund designed to provide exposure to high quality growth companies, with sustainable products and practices. The Fund holds a concentrated portfolio of mid-cap 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

The Guinness Sustainable Global Equity 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. Further details on the risk factors are included in the Fund's documentation, available on our website.

PERFORMANCE

Past performance does not predict future returns.

31/01/2023	YTD	1 Yr	Launch*
Fund (%)	6.2	0.1	14.3
Index (%)	4.6	0.9	18.3
Sector (%)	4.4	0.1	10.4

Discrete 12m performance is shown at the end of this commentary. Source: FE fundinfo, bid to bid, total return.

*Launch: 15.12.2020. 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 0.89% per annum. Returns for share classes with a different OCF will vary accordingly. Returns do not reflect any initial charge; any such charge will also reduce the return.

SUMMARY

In January, the Guinness Sustainable Global Equity Fund provided a total return of +6.2% (GBP) against the MSCI World Index net total return of +4.6% (GBP). Hence the fund outperformed the benchmark by 1.6% (GBP).

Following a weak 2022, equity markets have begun 2023 strongly. Broad-based gains across factors and industries have been driven by investors' easing expectations of possible recessions (particularly in Europe), China's reopening, falling inflation, and the expectation that US interest rates will peak in the not-so-distant future. The question now is whether this is a 'dash-to-trash' rally and whether fundamentals have changed materially enough to warrant the strength in asset prices. Indeed, the stand-out winners thus far in 2023 have been those hit hardest over 2022. So while there are reasons to be optimistic and pleased with Fund performance so far this year, we would continue to emphasise the importance of *quality* growth – those businesses with underlying structural growth drivers and high return on capital that enable growth to be translated into economic profit. We do not invest in those more speculative names that have seen their prices swing dramatically over the last few years.

Fund performance in January can be attributed to the following:

- Strong stock selection from the Fund's Industrial exposure with Trex (+22.2%, GBP) and Interroll (+19.2%, GBP) two of the Fund's top four performers.
- Conversely, whilst stock selection within the IT sector was neutral, positive asset allocation benefited the Fund (the Fund's largest sector overweight).
- Further, not owning Microsoft (MSCI World's second largest holding) was a benefit to the Fund as the stock underperformed.
- However, not owning any stocks within the top two sectors over the month, Communications and Consumer Discretionary, was a drag from an asset allocation perspective.
- From a market cap perspective, the Fund's focus on mid-caps has been positive, with the MSCI World Mid Cap Index outperforming the MSCI World Index by 1.35% (GBP) so far this year.

Guinness Sustainable Global Equity Fund

The Fund has begun 2023 well with longer-term performance also strong – the Fund ranks 20/57 since launch vs ESG peer funds.

Data to 31-Jan-23 (GBP)	YTD	Rank (Quartile)	1-Year	Rank (Quartile)	Since Launch	Rank (Quartile)	2022	Rank	2021	Rank (Quartile)
Guinness Sustainable Global Equity Fund	6.2%		0.1%		14.3%		-16.3%		27.9%	
MSCI World	4.6%		0.9%		18.3%		-7.8%		22.9%	
Avg. ESG peer fund	3.8%		1.2%	27/69 2nd	8.6%	20/57 2nd	-13.3%	50/68 3rd	19.3%	3/57 1st

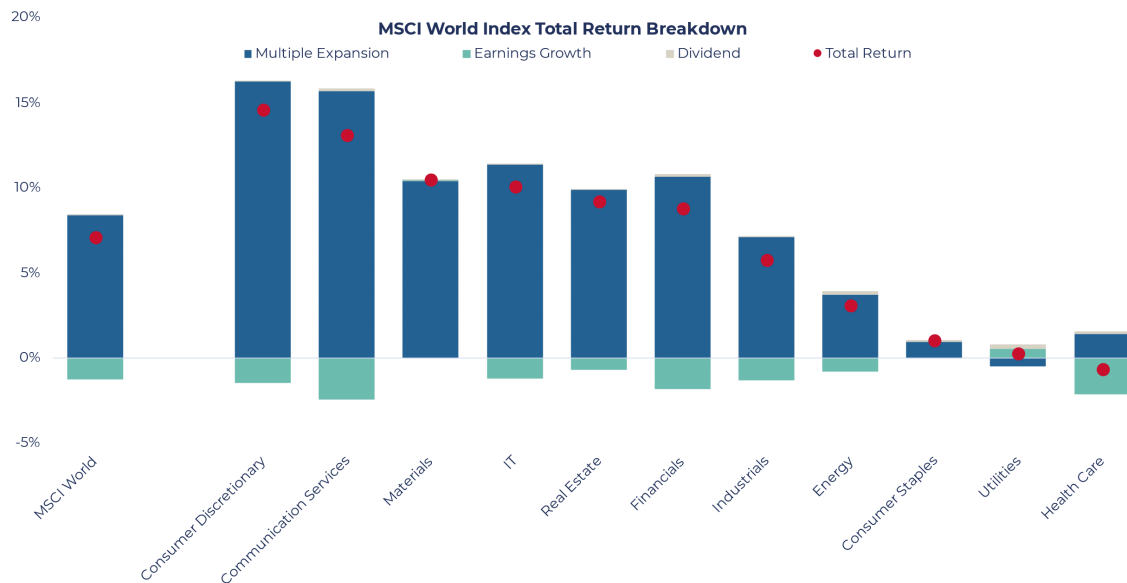
Source: Bloomberg, Cumulative Total Return in GBP, as of 31st January 2023

*A custom universe of 71 funds created by screening the IA Global Sector for all Responsible, Sustainable and Impact funds which have similar investment policies and risk profiles to the Guinness Sustainable Global Equity Fund

MONTH IN REVIEW

2023 started on a bright note for equity markets. Over January, the MSCI World Net Return Index was up +7% (USD) as investors became more optimistic on factors that had dampened markets in 2022. What has changed? China moved away from its zero-Covid policy, which should be a positive for global growth; US inflation numbers continued to trend down, positively surprising investors with the latest month-on-month consumer price index in at -0.1% vs +0.1%; energy prices continue to moderate, leading to optimism that recessions in Europe may be less likely or even avoided; and finally a belief that the US Fed may reach peak interest rates in the coming months. While these factors are clearly encouraging, a more bullish outlook and strong fundamentals from company earnings calls has not yet come to fruition and as such we would encourage a focus on *quality* growth moving forward.

The strength in markets over January has been driven by re-ratings against a backdrop of declining earnings estimates for 2023 – so far earnings season has been mixed and guidance has generally been weaker. Growth has led the equity rally – MSCI World Growth was up 9.7% (USD) vs Value up 4.5% (USD) with sectors Consumer Discretionary, Communications and IT all performing well over the month.

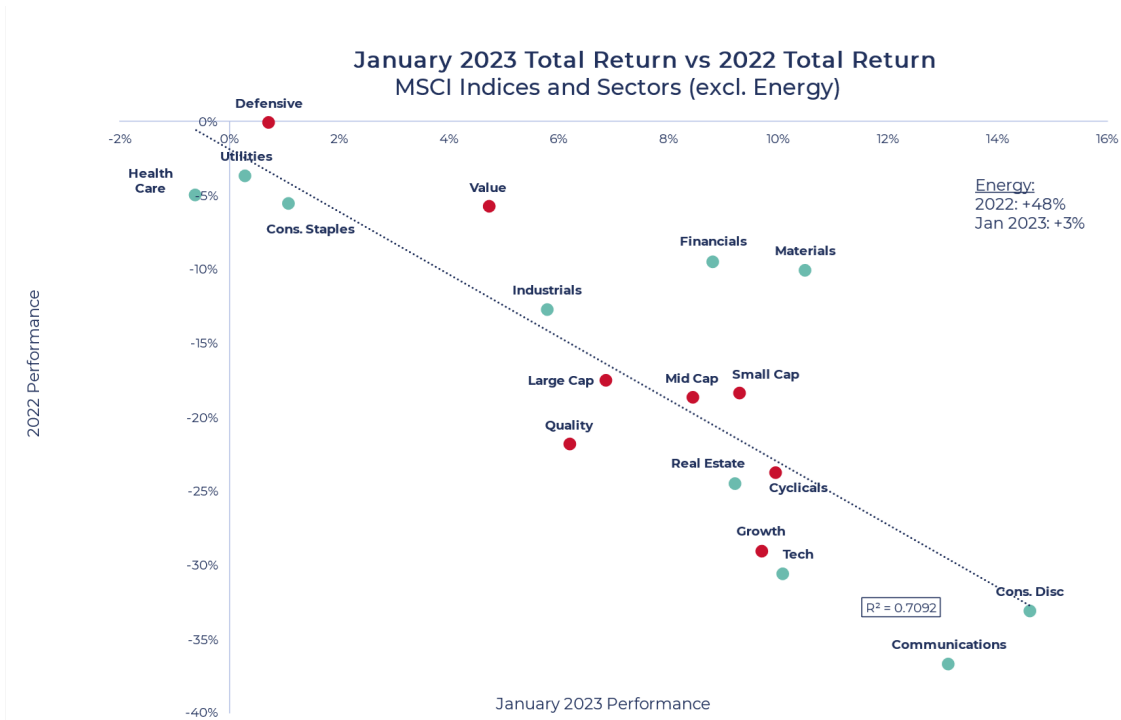


Source: Bloomberg. Data in USD, 31.01.2023

However, there seems to be an element of a mere price moderation in the areas hit hardest in 2022. The Goldman Sachs non-profitable tech index, for instance, has risen 22.0% (USD) this year, having ended 2022 down 62.3% (USD).

Guinness Sustainable Global Equity Fund

The figure below shows more clearly the reversal of fortunes for sectors and factors this year compared to 2022 total returns.

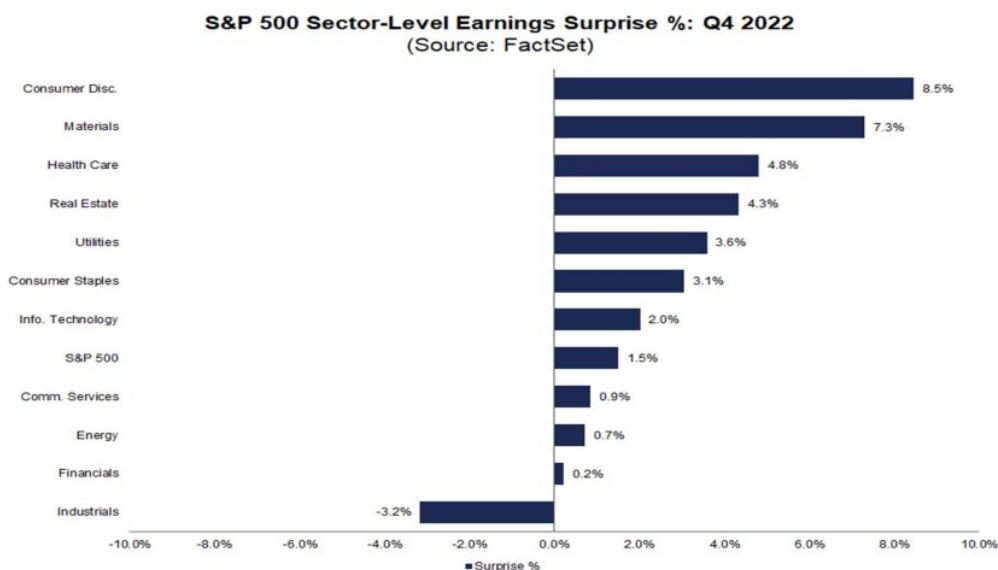


Source: Bloomberg. Data in USD, 31.01.2023

Indeed, the returns of the Fund's holdings show a similar pattern: three out of the Fund's top four holdings over January 2023 (Trex +24.5%, Zebra +23.3%, Interroll +21.4%), were the worst three performing stocks over 2022.

Earnings season

As we progress through earnings season, a mixed picture has emerged. Businesses have broadly reported Q4 earnings which were better than expected, but guidance for the coming period has generally been weaker than expected. Furthermore, large cuts to employee numbers at Big Tech businesses have highlighted the need for caution in 2023.



Source: Factset, 31.01.2023

Guinness Sustainable Global Equity Fund

All six of the Fund's holdings that have reported so far have reported better-than-expected sales and earnings for the prior quarter. Among them, we highlight the following:

A. O. Smith

A. O. Smith, the leading provider of energy efficient water heaters, predominately in the US, reported better-than-expected results and guidance on the last day of the month which sent the stock up 13% (USD) on the day. Although the business is navigating residential destocking, a moderating housing market and Covid-related disruptions in China, it projects that steel prices in 2023 on an annual basis will improve approximately 40% to 45% compared to 2022, the reopening of China, although not immediately, will lead to improved growth throughout the year, and it expects inventory destocking will normalise. Overall, the company seems to be managing macroeconomic headwinds well, with its strong pricing power reflected in the positive price mix more than offsetting volume declines during the 4th quarter.



KLA Corp, Teradyne

The near-term consensus for the semiconductor industry is for a correction. However, earnings and outlooks have so far been more mixed. Samsung, for example, guided to stronger-than-expected capex in 2023, which is a positive read-across for semiconductor equipment manufacturers KLA Corp and Teradyne, and we have also seen strong guidance from ASML, the leader in photolithography. For both KLA and Teradyne, Q4 figures came in above estimates, although guidance was weaker than expected: KLA is negatively affected by recent export restrictions to China, while management indicated they expect the Wafer Fab Equipment market to decline 20% in 2023. Teradyne similarly pointed to weakness in the market, with Apple's move to 3nm chip node taking longer than previously expected (Teradyne's largest customer). Cyclicalities in the semiconductor industry is nothing new, and so despite the weaker guidance, we are confident that these businesses with their leading market shares and strong pricing power can continue to outgrow their wider markets.

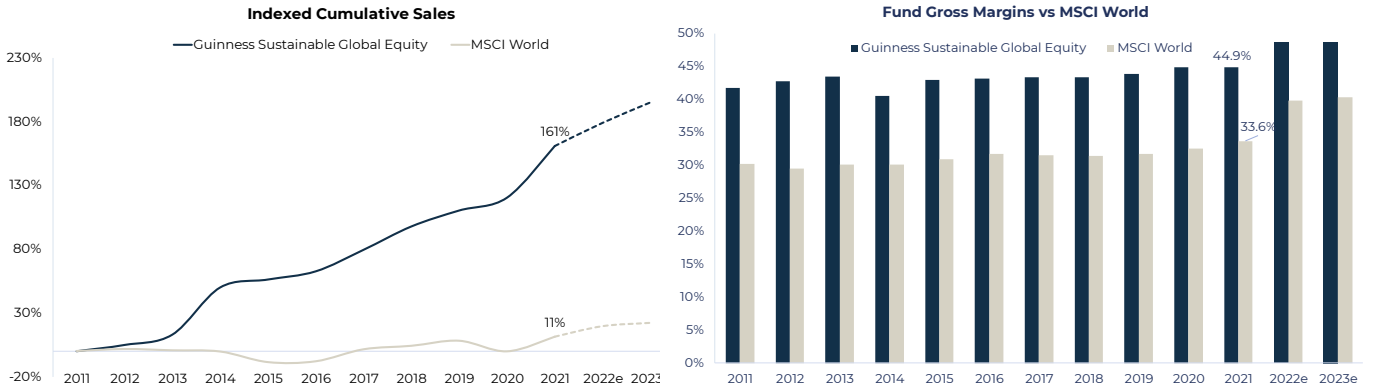


The importance of quality growth

Whilst we have generally taken a cautious tone to this commentary, there are real positives appearing in the market which should not be discounted. However, without real earnings growth coming through from businesses, we would continue to highlight the need for *quality growth* over speculative or cyclical growth. The Guinness Sustainable Global Equity Fund invests in businesses enabling or exposed to structural growth themes and which have quality characteristics that allow that growth to translate into real economic profit. We do not invest in businesses with no real earnings or excessive valuations that have been some of the hardest hit over the last few years.

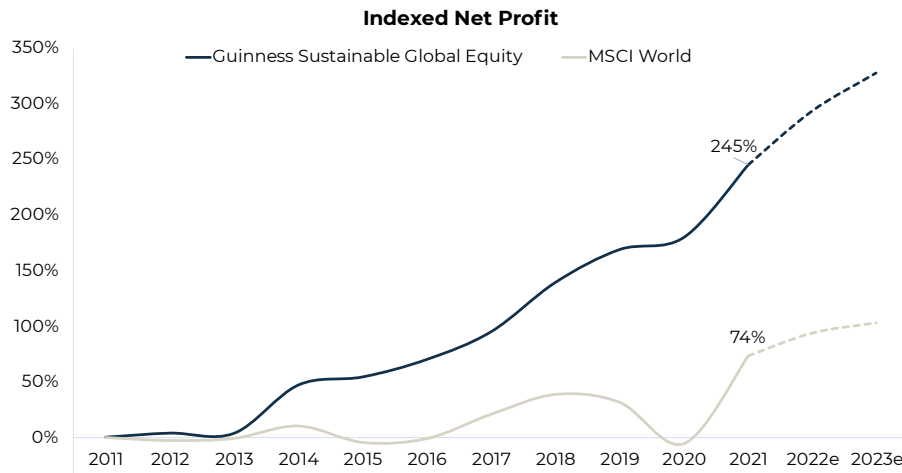
Investing in quality growth leads to greater profit growth conversion and a greater compounding of that growth over the longer term. We demonstrate this with the figures below, in which we show Fund holdings have shown materially higher sales growth over the last 10 years coupled with greater gross margins when compared to the MSCI World Index.

Guinness Sustainable Global Equity Fund



Backdated figures for current Fund holdings. Fund launch: 15.12.2020. Source: Guinness Global Investors, Bloomberg, 31.12.2022

This has led to significantly greater profit growth over that period – 245% profit growth vs MSCI World 74%. Whilst historic performance may not translate into the future, we believe investing in these sorts of businesses puts the Fund in good stead and is a sensible approach in this environment.



Source: Bloomberg, 31.01.2023

We thank you for your continued support.

Portfolio Managers

Joseph Stephens, CFA

Sagar Thanki, CFA

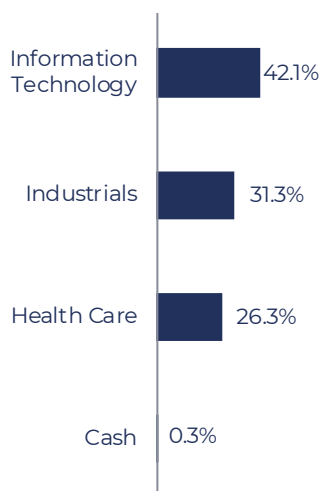
Guinness Sustainable Global Equity Fund

PORTFOLIO

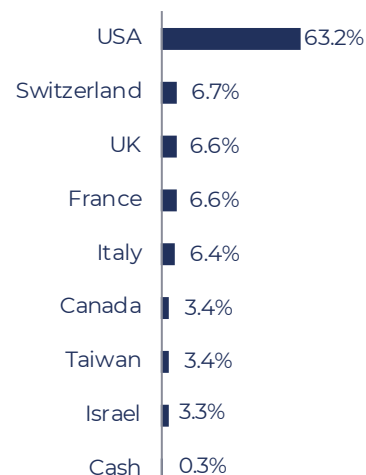
Fund top 10 holdings

A O Smith Corp	3.8%
Interroll Holding	3.7%
Cadence Design Systems Inc	3.6%
Addus HomeCare	3.6%
Fortive Corp	3.5%
KEYSIGHT TECHNOLOGIES	3.5%
Spirax-Sarco Engineering	3.5%
Tetra Tech Inc	3.5%
IDEX Corp	3.5%
Teradyne Inc	3.5%
% of Fund in top 10	35.7%
Total number of stocks	30

Sector analysis



Geographic allocation



PERFORMANCE

Annualised % total return from strategy inception (GBP)*

31/01/2023

Guinness Sustainable Global Equity (0.89% OCF)	6.5%
MSCI World Index	8.2%
IA Global sector average	4.7%

Discrete 12m % total return (GBP)

Jan '23 Jan '22

Guinness Sustainable Global Equity (0.89% OCF)	0.1	15.0
MSCI World Index	0.9	19.3
IA Global sector average	0.1	9.4
ESG peer fund average**	-13.2	19.2
Quartile vs ESG peer funds**	3rd	1st

Cumulative % total return (GBP)

1 year Launch*

Guinness Sustainable Global Equity (0.89% OCF)	0.1	14.3
MSCI World Index	0.9	18.3
IA Global sector average	0.1	10.4
ESG peer fund average**	-13.2	4.8
Quartile vs ESG peer funds**	3rd	2nd

RISK ANALYSIS

Annualised, weekly, since launch, in GBP

	Index	Sector	Fund
Alpha	0.00	-1.92	-2.33
Beta	1.00	0.82	1.12
Information ratio	0.00	-0.53	-0.23
Maximum drawdown	-14.55	-18.11	-24.78
R squared	1.00	0.81	0.79
Sharpe ratio	0.32	0.07	0.14
Tracking error	0.00	6.10	8.42
Volatility	14.19	12.93	17.89

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. Source: FE fundinfo bid to bid, total return (0.89% OCF). Fund launch date: 15.12.2020.

**A custom universe of 71 funds created by screening the IA Global Sector for all Responsible, Sustainable and Impact funds which have similar investment policies and risk profiles to the Guinness Sustainable Global Equity Fund.

IMPORTANT INFORMATION

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 report is primarily designed to inform you about Guinness Sustainable Global Equity 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 Sustainable Global Equity 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 Information Document (KID) / 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 KID 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.