Guinness Sustainable Global Equity

Investment Commentary – October 2024

RISK

This is a marketing communication. Please refer to the prospectus, supplement, KIDs and KIIDs for the Funds, which contain detailed information on their characteristics and objectives, before making any final investment decisions.

The Funds are equity funds. Investors should be willing and able to assume the risks of equity investing. The value of an investment 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 Funds' documentation, available on our website.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	15.12.2020
Index	MSCI World
Sector	IA Global
Managers	Sagar Thanki, CFA Joseph Stephens, CFA
EU Domiciled	Guinness Sustainable Global Equity Fund
UK Domiciled	WS Guinness Sustainable Global Equity Fund

INVESTMENT POLICY

The Guinness Sustainable Global Equity Funds are designed to provide exposure to high-quality growth companies benefiting from the transition to a more sustainable economy. The Funds hold a concentrated portfolio of mid-cap companies in any industry and in any region. The Funds are actively managed and use the MSCI World Index as a comparator benchmark only.

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PERFORMANCE

In the third quarter of 2024, the Fund returned +5.0% (in USD) whilst the MSCI World Index returned +6.4%. The Fund therefore underperformed the MSCI World by 1.4%.

Equity markets were generally positive over Q3, not least buoyed by news late in September of a bumper 50bp (0.5 percentage points) rate cut by the US Federal Reserve (Fed). Asia ex-Japan was the top-performing major region, aided substantially by a Chinese-driven rally over September on news of accommodative government support for the economy. As a result, emerging markets also fared well.

Japanese stocks, however, underperformed, as news of a surprise rate hike by the Bank of Japan (at a time when much of the developed world is cutting rates) saw an unwinding of the so-called 'yen carry trade' and led to pronounced volatility for Japanese equities.

On an encouraging note, there was a broadening out of equities over the quarter with value stocks far outpacing their growthier counterparts, and small-caps also rallied in anticipation of lower interest rates ahead.

However, the chart below masks the substantial intra-quarter volatility that markets endured. In this quarterly commentary, we will discuss the numerous events that drove markets over the quarter, whilst also focusing on the risks on the horizon that will likely be key in shaping the future narrative.

Past performance does not predict future returns.

Returns in USD	YTD	Rank (Quartile)	Since launch	Rank (Quartile)	2023	Rank (Quartile)	2022	Rank (Quartile)	2021	Rank (Quartile)
Fund	**13.4%**		**28.9%**		**16.4%**		**-25.7%**		**26.7%**	
MSCI World	**18.9%**		**49.4%**		**23.8%**		**-18.1%**		**21.8%**	
MSCI World Mid Cap	**13.7%**		**27.2%**		**15.5%**		**-19.1%**		**17.6%**	
IA Global Sector	**14.4%**	**^**	**29.6%**	**277/461 (3rd)**	**19.4%**	**375/544 (3rd)**	**-21.0%**	**389/511 (4th)**	**16.6%**	**16/470 (1st)**
Avg. ESG peer fund*	**13.9%**	**^**	**27.4%**	**31/63 (2nd)**	**14.9%**	**46/80 (3rd)**	**-22.5%**	**55/76 (3rd)**	**18.2%**	**3/65 (1st)**

Source: Guinness Global Investors, FE fundinfo, as of 30.09.2024. Fund launched 15.12.2020.
**A custom universe of 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. The Fund's benchmark Index is the MSCI World; we include the MSCI World Mid Cap for useful context given the Fund's mid-cap focus. ^Ranking not shown in order to comply with European Securities and Marketing Authority rules.*

Despite underperformance vs the large-cap orientated MSCI World since launch, given the Fund's mid-cap focus it is pleasing to see that the Fund continues to outperform the MSCI World Mid Cap Index and place in the 2nd quartile versus ESG peers (again despite the fact that the majority of these focus on large-cap stocks). Moving forward, we continue to see the quality mid-cap space as an exciting opportunity given the prospect of looser monetary policies, the over-concentration within the mega-cap space, and the near-term entry point created by the recent mid-cap underperformance vs large-caps.

ATTRIBUTION

MSCI Index Performances: 30/06/24 - 30/09/24 (USD)

Industry Group		Sectors		Regions		Factors		Market Cap	
Utilities	18.1%	Real Estate	17.7%	Asia ex-Japan	10.5%	GS Unprofitable Index	18.0%	Mid	10.5%
Real Estate	17.9%	Utilities	17.7%	Emerging Markets	8.6%	MSCI World Equal-Weight	10.2%	Small	10.0%
Insurance	12.8%	Materials	11.3%	UK	7.7%	Value	9.7%	Large	6.1%
Telecom Services	12.4%	Industrials	10.9%	MSCI World	6.1%	MSCI World	6.1%	Magnificent 7	3.3%
Capital Goods	11.9%	Financials	10.2%	North American	5.8%	Quality	3.8%		
Diverse Financials	11.9%	Consumer Staples	9.7%	Japan	5.7%	Growth	2.9%		
Materials	11.5%	Consumer Discretionary	6.7%	Europe ex-UK	5.6%				
Commercial&Professional Servi	10.8%	Health Care	6.2%						
Consumer Services	10.7%	MSCI World	6.1%						
Consumer Durables & Apparel	10.5%	Communication Services	2.7%						
Heath Care Equipment & Servi	10.3%	IT	0.4%						
House & Personal Products	10.1%	Energy	-2.6%						
Food & Staples Retail	9.9%								
Food Beverage & Tobacco	9.7%								
Bank	7.3%								
Transportation	7.2%								
Technology Hardware	6.8%								
Auto & Components	6.6%								
MSCI World	6.1%								
Pharma Biotech	4.3%								
Retailing	4.2%								
Software	1.3%								
Media	0.8%								
Energy	-2.4%								
Semiconductors	-4.7%								

Source: Bloomberg. Data as of 30/09/2024

The Fund's relative performance to the benchmark can be attributed to the following:

- During Q3, the market experienced a rotation between leaders and laggards, with previously underperforming segments now outperforming and vice versa. As a result, the top-performing areas included speculative growth (outpacing quality), value (surpassing growth), and small-cap companies (outperforming large-caps). This rotation is further highlighted in the subsequent sections of this report.

- After being the top-performing sector and industry in H1 2024, the IT and semiconductor sectors ended Q3 as some of the weakest performers, returning +0.2% and -4.1%, respectively. These declines weighed on the Fund's performance.

- Quality stocks underperformed over the quarter, as the market favoured companies with weaker balance sheets (lower return on capital, higher debt levels). This trend posed a challenge for the Fund, given our emphasis on high-quality businesses. However, while the focus on quality detracted from performance this quarter, it has been a significant driver of positive returns since the Fund's inception, especially as speculative growth stocks have whipsawed.

- Market performance was more evenly distributed in Q3 compared to H1, as the equally weighted MSCI World Index outperformed its market-cap-weighted counterpart, and small-cap companies outperformed large-caps. Although this broad-based performance benefited the Fund, the gains were largely concentrated in lower-quality segments that the Fund does not target.

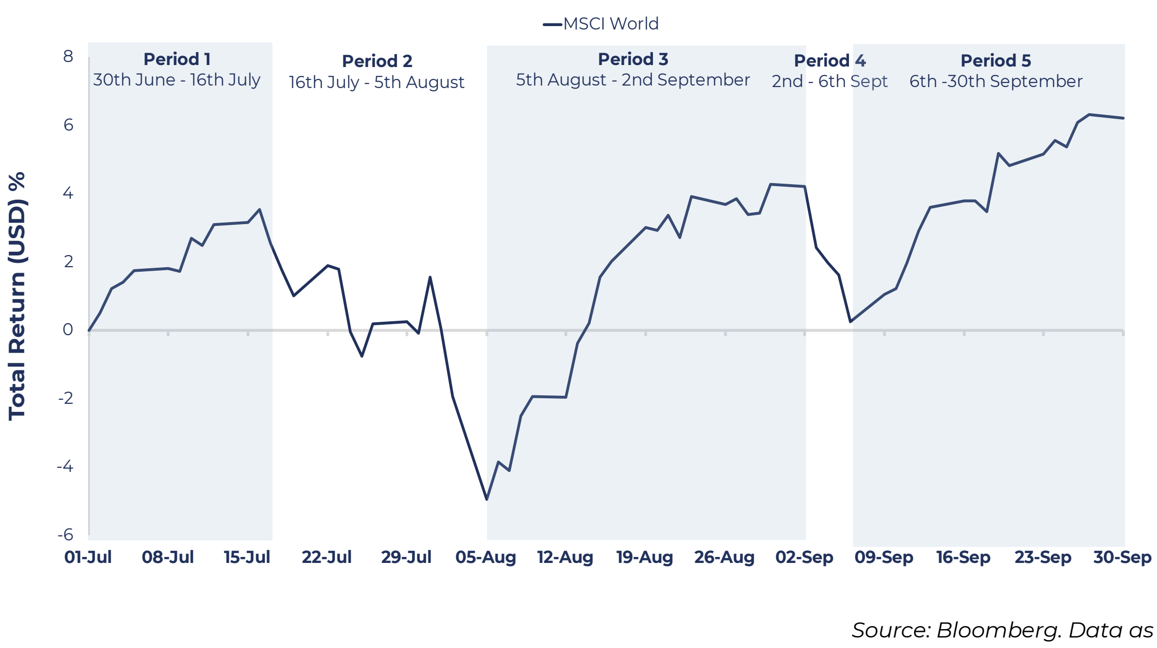
- Finally, the Fund's lack of exposure to the Energy sector continued to contribute positively, while strong stock selection within our Healthcare holdings also supported returns.

QUARTER IN REVIEW

During Q3, the market experienced a rotation between leaders and laggards, with previously underperforming segments now outperforming and vice versa. As a result, the top-performing areas included speculative growth (outpacing quality), value (surpassing growth), and small-cap companies (outperforming large-caps). As a result, the Fund lagged the benchmark with its emphasis on high quality businesses and overweight positions to the IT and the semiconductor sectors which oscillated from top to bottom performers period to period.

However, the quarter was marked by volatility and can be segmented into five distinct periods, each driven by varying underlying factors. Overall, the Fund's performance aligned with our expectations throughout these fluctuations - it outperformed during periods of market strength with strong peer-relative positioning but lagged when the markets declined. Below we outline these market drivers and subsequent Fund performance:

MSCI World Indices Total Return - Q3 2024



Source: Bloomberg. Data as of 30/09/2024

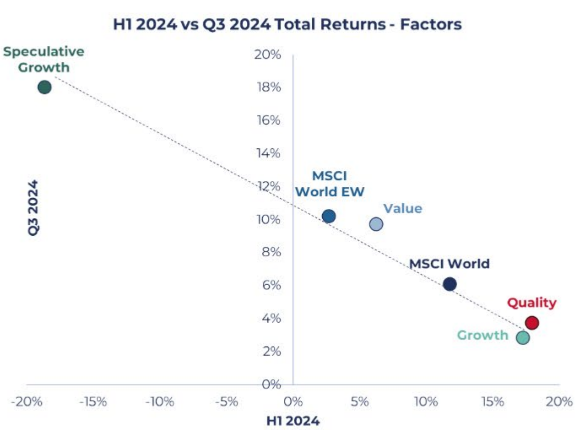
Past performance does not predict future returns

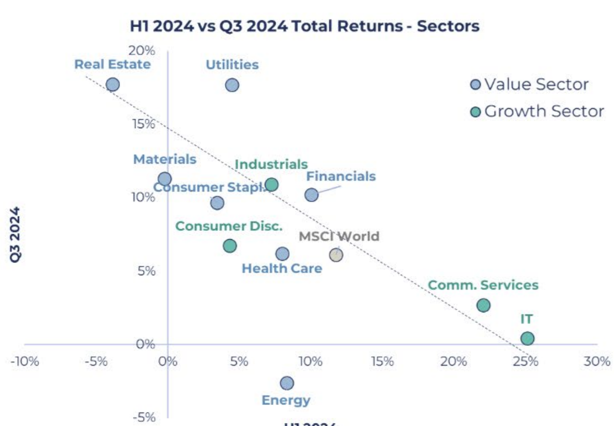
Period	Market Return	Market Performance	Fund Performance
1	3.8%	• More unloved parts of the market (namely small caps and defensive names) showed positive gains. • The release of inflation data, jobs data, and manufacturing PMIs all pointed to a constructive set up for rate cuts. • The market rallied on the constructive outlook.	• The Fund outperformed in this period, owing to a broader market rally, lifting smaller cap companies, on a constructive outlook for rate cuts. • The market was also weighed down by mixed performances amongst the 'Magnificent 7' with Meta and Amazon posting negative returns whilst Microsoft was up 0.6%.
2	-7.2%	• Economic data and earning call commentary showed signs of a struggling consumer with concerns that the Fed had kept monetary policy too restrictive for too long. • This was compounded by the Bank of Japan's decision in early August to unexpectedly raise interest rates. This led to a collapse of the so called 'Yen Carry Trade'. • The semiconductor industry sold-off over fears of future policy actions - Donald Trump stated that Taiwan should pay for its own defence, alongside rumours that the Biden-Harris administration could employ stricter trade restrictions on non-US semiconductor firms.	• The Fund underperformed during this period of decline, primarily driven by underperformance in IT and semiconductor stocks. • However, the Fund did outperform the MSCI World Growth Index and avoided the speculative growth area of the market which materially underperformed.
3	8.4%	• The drawdown in period 2, quickly reversed as equities made up the entirety of these losses over August. • Positive inflation and retail sales data quelled recessionary fears, and a rather dovish tone set by Fed chair Powell prompting improved market confidence. • Gains were generally broad based with Small & Large Cap, Growth & Value, and Defensives & Cyclicals all seeing relatively similar performance over the rally.	• The Fund performed in-line with the MSCI World and MSCI World Midcap indices. • Speculative growth did outperform quality over the period, reversing some of the losses in period 2. This was a drag on Fund performance. • This was offset by strong performances from the IT and semiconductor sectors, the fund's largest overweight exposures.
4	-3.8%	• Volatility returned to the fore over the start of September with the VIX index rising to 20.7 - its highest level in a month. • Weak manufacturing data and disappointing non-farm payroll results once more raised concerns about the state of the US economy amidst growing evidence of a domestic economic slowdown. • The sell off was led by the IT sector with growthier parts of the market, notably Semiconductors, performing particularly poorly.	• During this short drawdown, the Fund underperformed with overweight positions in IT and semiconductors, the largest drags. • Defensive areas of the market such as Consumer Staples, Real Estate, and Utilities outperformed (and finished in positive territory for the period [in USD]), which were also drags on performance.
5	5.9%	• Following the fastest rate hiking cycle on record, the Federal Reserve decided to cut the Federal Funds Rate by 50bps. • Markets rallied on the news of the bumper cut, with the S&P 500 reaching record highs and large cap tech stocks led the move. • Further positive news came from the much-challenged Chinese economy, as Beijing launched an economic stimulus package including a $114bn war chest to boost the stock market.	• The final period of the quarter saw the Fund outperform the benchmark. • Growth industries outperformed Value with the semiconductor industry returning to market leadership. • Whilst the Fund does not own any Chinese stocks, the Fund does have revenue exposure primarily through its IT holdings.

Source: Bloomberg. Data as of 30/09/2024

Market leadership

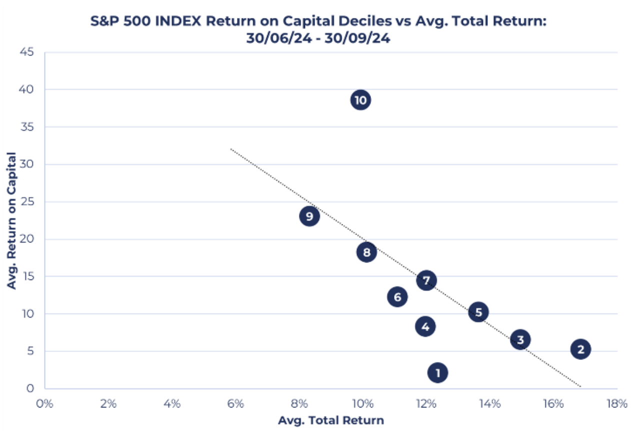
Whilst the market has rallied sharply over the quarter, its structure has changed substantially. Over the first half of 2024 (H1), gains were overwhelmingly driven by the IT sector and Communications Services. Over Q3, however, these sectors saw relatively muted performances whilst gains were in fact led by the weakest performers from H1 with Utilities, Real Estate, Materials and Consumer Staples all driving the market higher. Similarly, by factor, during H1 2024, the market was led by quality and growth whereas speculative growth declined materially. These roles reverse in Q3. In the figure below, we highlight the striking reversal of leadership between H1 and Q3 2024:

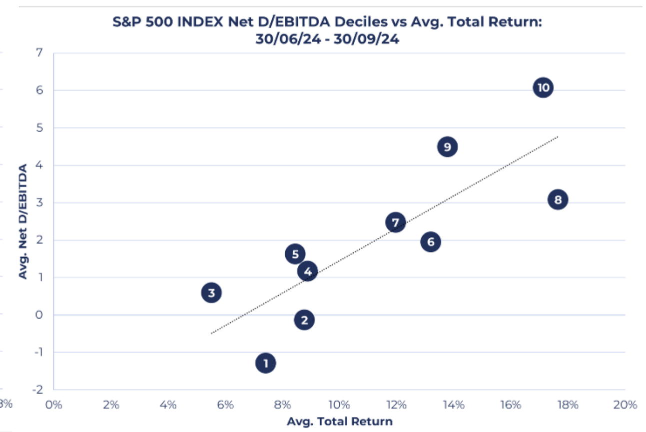




Source: Bloomberg. Data as of 30/09/2024

Narrowing in on the rotation of the quality factor, we can observe that, within the S&P 500, the best performing stocks over the quarter tended to be those with lower return-on-capital profiles (lower decile), and with higher debt levels (higher decile).

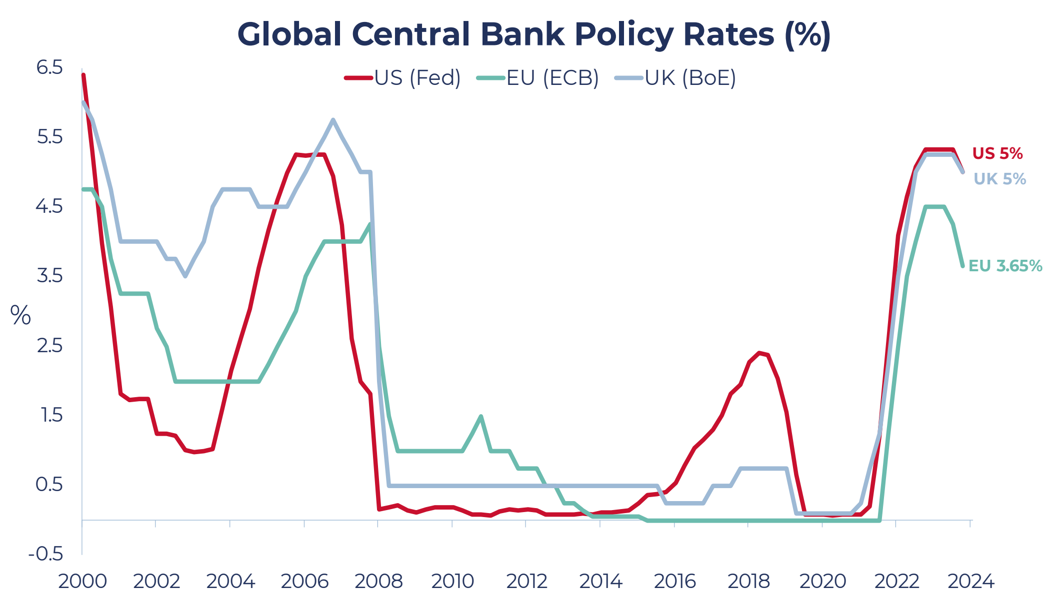




Source: Bloomberg. Data as of 30/09/2024

Again, our emphasis on high-quality businesses - characterised by persistently strong returns on capital and low debt levels - acted as a headwind for the portfolio during the quarter. However, it has been a positive driver of performance since the Fund's inception in 2020, as sustained high inflation and interest rates have favoured companies with more resilient operating models. Looking ahead, we believe that quality will continue to be a crucial factor as investors navigate a US election, slower global GDP growth, and the possibility of a new, higher baseline for inflation and interest rates.

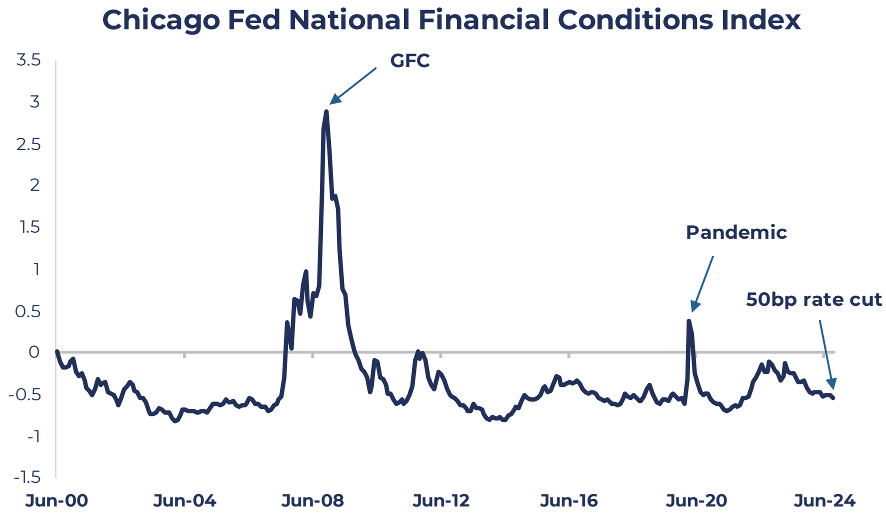
Interest rate cuts



Source: Federal Reserve, Bank of England Eurostat. Data as of 30/09/2024

And so, it begins … the much-anticipated US rate cutting cycle has started, and it kicked off with a 50bp cut. The market pricing had moved in the days leading up to the cut, implying that there was a marginally better than 50-50 chance this would happen. However, by and large, economists did not see this coming (only 9 out of 113 economists who responded to Bloomberg's expectation survey forecast a cut of this magnitude). This does seem understandable, as cuts of this magnitude tend to only happen at times of great economic stress (Dot Com Bubble, GFC, Pandemic etc.). According to the

Chicago Fed's National Financial Conditions Index, things are presently about as lenient as they get (positive values indicate tight financial conditions, while negative values indicate looser conditions.)

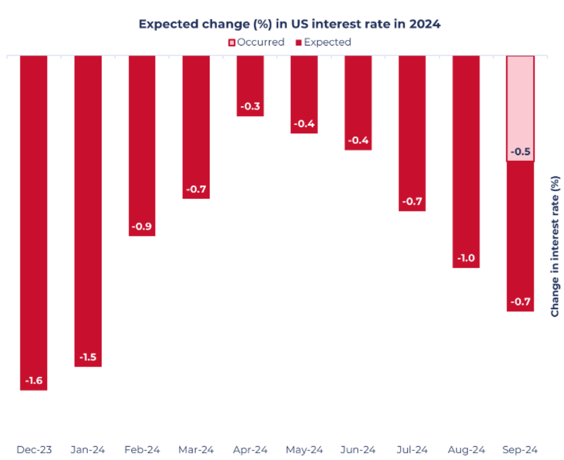


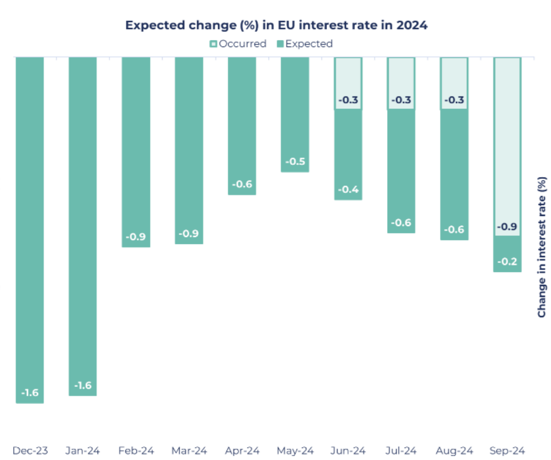
Source: Chicago Federal Reserve's National Financial Conditions Index. Data as of 30/09/2024

According to Bloomberg columnist John Authers, the last time the Fed cut this much when financial conditions were this fair was back in 1992. We have spoken in many previous commentaries about the importance of cutting from a position of strength as opposed to weakness, and the chart above would suggest just that. Powell was quick to flag that this cut was a "catch up", 25bps for this meeting and 25bps for the previous meeting (where surprisingly good inflation numbers were published shortly after they voted to keep rates flat). Given the lack of external market crises, Powell could clearly present this decision as wholly good news, given it was unforced by circumstances. Instead, the framing of a "pre-emptive" cut, intended to keep the US economy in good shape, may put investor jitters to rest.

Interest rate expectations

The Fed accompanied the large cut with a big shift downwards in its forward rate prediction. Their updated Dot Plot alludes to significant easing ahead with a projected year-end policy rate of 4.4% for 2024 (from 5.1%), 3.4% for 2025 (from 4.1%), and 2.9% for 2026 (from 3.1%). The latest market predictions show a striking level of unanimity with the Fed vis-a-vis the end terminal rate. The area of disagreement is the pace at which we get there. The chart below tracks the market implied number of rate cuts for 2024, with the current consensus for c.125bps, in other words implying a further c.70bps of cuts before year end. BlackRock CEO Larry Fink made his view clear: "the amount of easing that's in the forward curve is crazy!". In sum, there is consensus about the direction and the final destination, but the speed of travel is still up for debate.





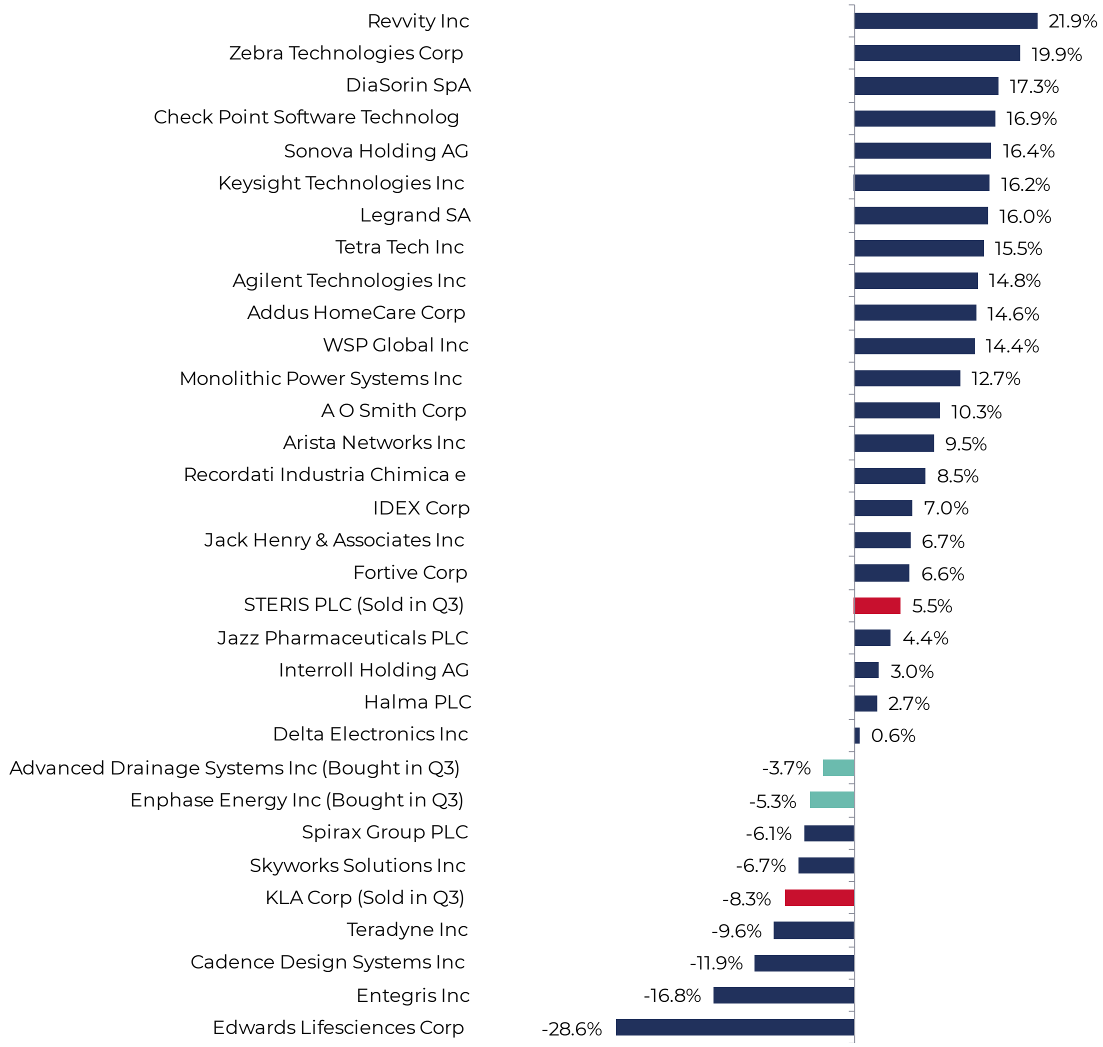
Source: Fed Funds Futures and OIS Swaps. Data as of 30/09/2024

It seems that the Fed heeded this parable in choosing to cut rates by 50bps. That said, Jerome Powell's accompanying policy speech also played an important role in shaping the narrative. Over the past couple of years, Powell's lexicon has been the subject of much attention. His initial mantra, that inflation was 'transitory', quickly moved on to 'data dependent' and now stands with 'recalibrate' as his term du jour. Recalibrate is an attempt to acknowledge that monetary policy needs to change to reflect the current conditions as the PCE (Personal Consumption Expenditures) Index, the Fed's preferred gauge, is "softening much faster than (they) thought". As ever, markets will continue to dissect what Powell says so here are a few excerpts from his latest policy speech:

- **On the Decision**: "Our policy rate had been at a two-decade high since the July 2023 meeting. It was time for a recalibration of our policy stance."
- **On the Pace of Future Cuts**: "We are not on any preset course…I do not think anyone should look at this and say, this is the new pace."
- **On the US Economy**: "it is in a good place and our decision today is designed to keep it there."
- **On Inflation Progress**: "Inflation is now much closer to our objective, and we have gained greater confidence that (it's) moving sustainably toward two percent."
- **On Remaining Data Dependent**: "Our patient approach over the past year has paid dividends."

PORTFOLIO HOLDINGS

The chart below shows the fund constituents' performances over Q3 2024 in USD.



Source: Guinness Global Investors, Bloomberg. Data as of 30.09.2024

Revvity (+21.9%, USD over the quarter) was the Fund's top-performing stock of the quarter. The provider of diagnostic and research solutions for the healthcare sector reported strong results at the end of July, driving the stock price higher through the quarter. The firm's renewed strategic focus following the divestment of its Applied, Food, and Enterprise Services business in early 2023 is progressing well. In the second quarter, Revvity delivered slightly better-than-expected revenue, and cost controls enabled the firm to significantly exceed bottom-line expectations. The firm's revenue for the quarter declined 1% year-over-year organically, as the life sciences business continued to retreat (6%) amid a reset period for the entire industry, characterised by weak instrument sales and reduced pharmaceutical spending. However, the diagnostic business performed somewhat better, with 3% organic growth driven by strong ImmunoDX results. Revvity achieved better-than-expected adjusted EPS (earnings per share) of $1.22, surpassing the FactSet consensus of $1.12. In light of these strong results, management has raised its full-year 2024 guidance. We expect underlying demand trends to improve in the second half of the year, especially with fewer headwinds from China due to easier comparisons and potential government stimulus in late 2024 or early 2025.

Zebra Technologies (+19.9%) was the Fund's second best-performing stock of the quarter. The provider of automatic identification and data capture technology moderately raised its full-year guidance following better-than-expected second quarter results. Global channel inventory levels seem now mostly normalised after sales plunged in 2023 from overordering during the pandemic. Second-quarter sales of $1.22 billion were flat year-over-year and rose 4% sequentially, aligning with a gradually recovering end demand. Despite the modest number of large orders, these are expected to slowly return over the next quarters. Gross margins reached their highest since 1Q21 (48.6%), together with an improvement in free cash flow outlook could have helped drive the initial positive stock response. Moving forward, we expect Zebra's pivot into software will give it access to higher-growth markets, help expand gross margins, and create stickier overall solutions with customers.

Edwards Lifesciences (-28.6%) was the Fund's weakest performer of the quarter after falling over 30% on the day of earnings. Over the last year, investors have been resetting their expectations for Edward's future growth rate, having previously been growing at 20%+ to more recently forecasting c.10% growth. With the company only growing 6% during the quarter and forecasting a similar H2 2024, the latest earnings worried investors that the 10% forecast is also too high now. The miss was primarily due to Edward's TAVR market (its stronghold), with management attributing the TAVR Q2 miss and full-year guidance reduction (5-7% vs. 8-10% prior) to capacity constraints among TAVR centres ramping a number of recently approved transcatheter devices as opposed to fundamental changes in the demand and point out that the do see share loss during the period. Moreover, Edward's saw its TMTT segment beat expectations by 3% (an emerging but faster growing market) which allowed the company to maintain full year guidance at 8-10% growth for the company as a whole.

In all, whilst disappointing, we believe markets are trying to establish a new longer-term growth rate for the business which is why there was such a large reaction to the miss. We believe the market reaction was overdone, particularly when you look at the price movements of other equities after seemingly worse results during the quarter. According to management, the miss was related more to the ramping up of capacity as opposed to demand weakness which gives us comfort, whilst the fast-growing TMTT segment should continue to grow in importance for the business moving forward. The company now trades on c.21x 1yr fwd. P/E (price/earnings ratio) with profit margins of 23% and should return to sales growth of 8-10% per year in the medium-term.

Semiconductor stocks (Teradyne, Entegris, Cadence Design Systems)

Semiconductors was the weakest-performing industry over the quarter amid a period of high market volatility. The sector faced pressures from broader economic uncertainties as well as specific industry-related news. On Wednesday 17th July, semiconductor stocks fell sharply following former U.S. President Donald Trump's statement that Taiwan should finance its own defence. This was compounded by reports that the U.S. might impose stricter restrictions on chip trade with China, further unsettling the market.

Teradyne (-9.6%) dropped after earnings were released on the 24th of July. The supplier of automated test equipment for semiconductors posted better-than-expected revenue, as strength in the core Semiconductor Test business (+32% quarter-over-quarter) more than offset a 19% sequential decline in System Test revenue. Following the results, shares sold off as much as 15% due to the softer third-quarter guidance which implies a modest sequential sales decline. During the quarter, Chip testing drove growth, with Teradyne seeing good demand for its networking and memory chip testing equipment for AI applications. Teradyne has solid positions in custom accelerator vendors like Broadcom, and it also has good placement within networking chips and memory, which both stand to see greater penetration with AI investment. In memory, Teradyne is positioned in both high-bandwidth memory for AI servers, and DRAM testing for AI-enabled smartphone memory. Despite the market's negative reaction, we expect many of Teradyne's end markets to improve in 2025, following an anticipated soft 2024.

Cadence (-11.9%) reported solid second quarter results and raised its full-year revenue outlook to over 13% year over year, fuelled by strong demand for chip design software/EDA and revenue from its recent Beta CAE acquisition. The addition of Beta CAE to Cadence business provides expansion opportunities beyond silicon tools toward systems solutions, giving the company a deeper position in autos. After earnings release, the stock fell as the market reacted to the lower third quarter guidance, which appears to be a common theme across the semiconductor industry. Softer third quarter guidance can be explained by a more fourth quarter weighted H2 due to the timing of upfront revenues. We remain confident that the company's AI-enabled tools (Z3/X3 products) will generate strong market interest - evidenced by the higher-than-expected increase in bookings (+21% year-over-year) - and will eventually drive margin expansion. On the IP vertical, the business grew 25% year-over-year with memory as one of the key drivers.

Entegris (-16.8%) was another semi name that reported revenue growth (-10% year over year) which came in slightly above consensus. However, the stock also dropped after earnings release as management trimmed its 2024 revenue outlook from $3.35 billion to $3.3 billion. The softer guidance can be attributed to weaker-than-expected wafer starts and capex, which has reduced the year-over-year growth guidance from 4% to 3%. Despite the marginal cut in the full-year revenue outlook, revenue guidance for the third quarter implies growth acceleration in the fourth quarter, reinforcing the view that the cyclical trough is behind the company. Entegris delivered strong gross margin performance amid FX headwinds, with management anticipating sequential gross margin expansion in the third quarter guidance. R&D spend for the full year is guided to be 15% higher than last year, which we view as positive, as these investments should enable Entegris to maintain, if not extend, their technological leadership across its key segments. Going forward, we expect Entegris to benefit from critical technology inflections across leading-edge Logic/Foundry and Memory, positioning the company to outgrow the broader semiconductor market.

CHANGES TO THE PORTFOLIO

Over the quarter, we sold two positions, KLA Corp and Steris, and initiated two new positions, Advanced Drainage Solutions and Enphase.

KLA Corporation

KLA Corporation is the leading manufacturer of semiconductor yield management and process control systems used to detect defects in the fabrication process. Bought at launch of the Fund, KLA has seen a total return of 214% (USD), with its market capitalisation breaching $100bn. The company has been a beneficiary of the recent AI enthusiasm and onshoring of semiconductor manufacturing away from Taiwan. Considering this, KLA's price-to-earnings (1-year forward) has risen from a 10Y average of 18x to now c.27x. Subsequently, we felt it was a good opportunity to exit the position at a high and rotate back into smaller-cap opportunities.

Steris

Steris offers a range of products for healthcare providers worldwide from infection prevention consumables and capital equipment as well as services to maintain that equipment, repair of re-usable procedural instruments, and outsourced instrument reprocessing services. Steris uses the razor blade business model, selling higher-cost capital equipment at a low margin, and greater profits are earned on the recurring consumables and service. After selling sterilizers and washers, customers are then locked in to using Steris for routine service and consumables through the life of the product. Whilst Steris is a steady business, we felt there were better ideas for the portfolio that had higher growth characteristics, particularly at a time when healthcare/pharmaceutical spending has been weak. As such we decided to exit this position.

Advanced Drainage Systems (ADS)

ADS is a manufacturer of high performance thermoplastic corrugated pipe providing storm water management and drainage solutions primarily in the US. Applications broadly span residential, non-residential, infrastructure, and agriculture. Whilst plastic is the company's primary material, ADS uses, and is increasingly using, recycled resin for its products and is now the largest plastic recycler in the US. Moreover, recycled plastic is less expensive, and the price is less volatile.

The growth opportunity for ADS can be split into two - industry growth and market share gains. We have seen underinvestment in water infrastructure over the last 10 years, coupled with increasing stormwater disasters in the US, necessitating increased spending in the coming years. Secondly, ADS has consistently outgrown end-markets, taking market share from legacy concrete players. With ADS's thermoplastic piping only making up 38% of the storm water market, there is still significant runway.

Enphase

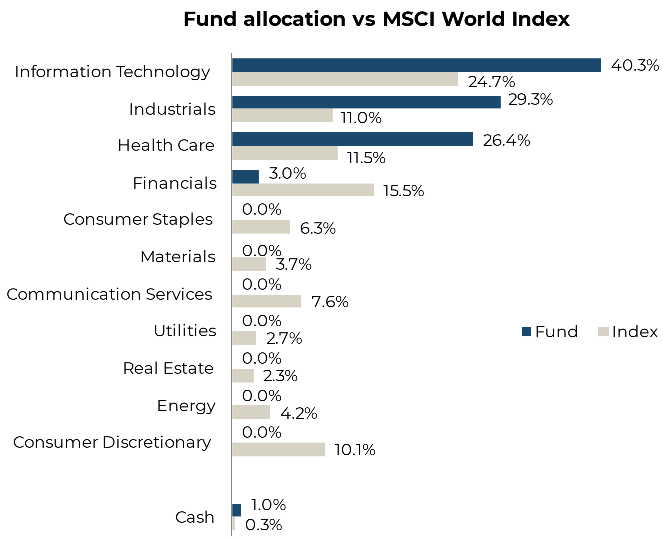
Enphase is the world leader in microinverter technology for distributed solar systems pioneering a semiconductor-based microinverter that converts energy at the individual solar module level and, combined with its proprietary networking and software technologies, provides advanced energy monitoring and control. The company was in financial difficulty in 2017 because of the prolonged downturn in solar installation. Badri Kothandaraman then joined the company in April 2017 and became CEO in September 2017. He has since streamlined operations and grown Enphase into a leading inverter company in the US residential market

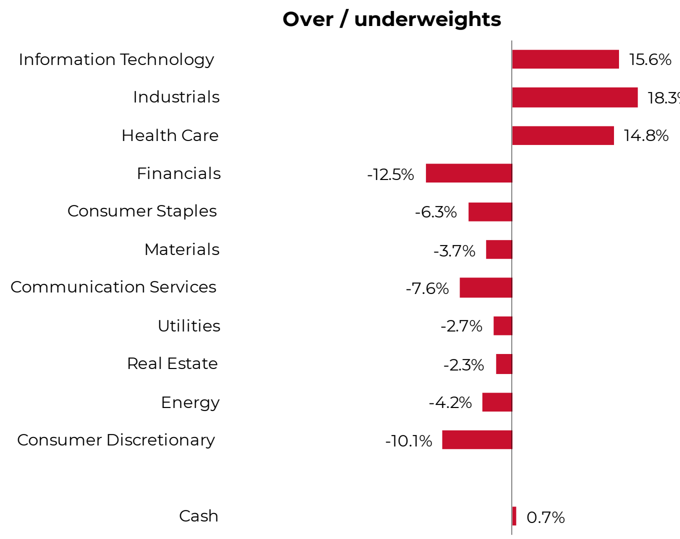
Enphase is currently in the midst of a transition from a microinverter company to selling home energy solutions, creating a one-stop shop for solar installers: microinverters, energy storage, electric vehicle charging, and digital services for installers and homeowners. Further, in contrast to peers, Enphase outsources manufacturing, enabling the business to remain flexible and concentrate on design and customer service. This has enabled Enphase's margins and return-profile to remain relatively robust during the recent downturn in the solar industry.

Whilst Enphase is more sensitive to regulations/incentive change, the long-term demand drivers for solar seem intact moving forward and this is a good opportunity to buy a solar enabler significantly cheaper vs its peak. Its outsourcing of manufacturing makes it nimbler than competitors and allows the company to focus on design, whilst it has multiple growth avenues not purely based on the recovery in solar – market share gains for its microinverters, expanding energy solutions products to gain a higher share of consumer's spend, and the expansion internationally.

PORTFOLIO POSITIONING

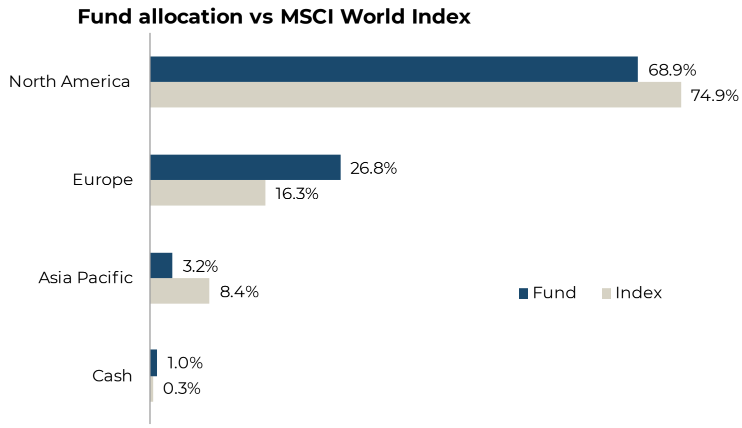
Looking at the Fund's exposure based on GICS sectors, the Fund continues to have no exposure to highly regulated and commoditised areas of Real Estate, Energy, Materials, and Utilities. We continue to hold the majority of Fund holdings within the IT (40.3%), Industrial (29.3%), Health Care (26.4%), and Financial (3.0%) sectors. This is not a conscience view of the select sectors' outlooks but rather a bottom-up consequence of 1) our focus on quality 2) our search for companies with sustainable products and services and 3) our emphasis on mid-cap growth businesses.

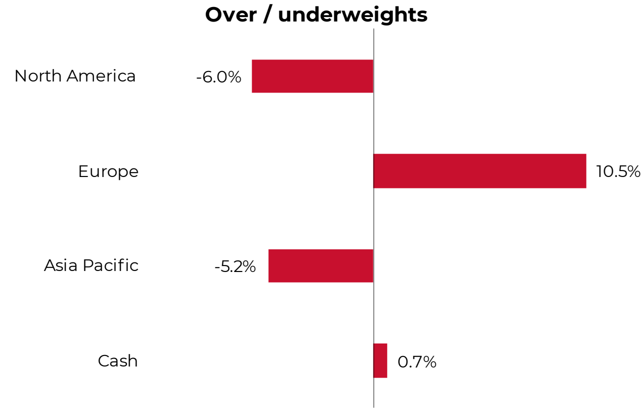




Source: Guinness Global Investors, Bloomberg. Data as of 30/092024

On a regional basis, North America continues to be the Fund's largest exposure (68.9%), followed by Europe (26.8%) and Asia Pacific (3.2%). The Fund has a modest underweight to North America and Asia-Pacific vs the MSCI World Index, which is offset by its overweight exposure to Europe.





Source: Guinness Global Investors, Bloomberg. Data as of 30/092024

Finally, the table below illustrates the four key tenets of our approach: quality, sustainability, growth/value, and conviction. We follow these metrics at the portfolio level to make sure we are providing what we say we will. At the quarter end, we are pleased to report that the portfolio continues to deliver on all four of these measures relative to the MSCI World Index benchmark:

		Fund	MSCI World	MSCI World Midcap
Quality	**Return-on-capital**	▲13.7%	5.6%	4.3%
	Debt/Equity	▼48.6%	133.5%	149.0%
	Profit Margin	▲16.5%	9.4%	6.4%
Sustainability	**Health & Wellbeing (% NAV)**	38%	-	-
	Productivity & Connectivity (% NAV)	40%	-	-
	Resource Efficiency (% NAV)	17%	-	-
Growth	**Trailing 5-year sales growth (annualised)**	▲10.6%	4.3%	5.7%
	Trailing 5-year EPS growth (annualised)	▲10.4%	5.5%	4.9%
	Estimated 1-year Forward EPS Growth	▲26.1%	10.8%	15.5%
	PE (2024e)	▲25.8x	20.9x	18.5x
Conviction	**Number of stocks**	30	1550	850
	Active share		99%	98%

Source: Guinness Global Investors, Bloomberg. Data as of 30/092024

Thank you for your support of the Fund.

Portfolio Managers

Sagar Thanki
Joseph Stephens

GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - FUND FACTS

Fund size	$15.8m
Fund launch	15.12.2020
OCF	0.89%
Benchmark	MSCI World TR

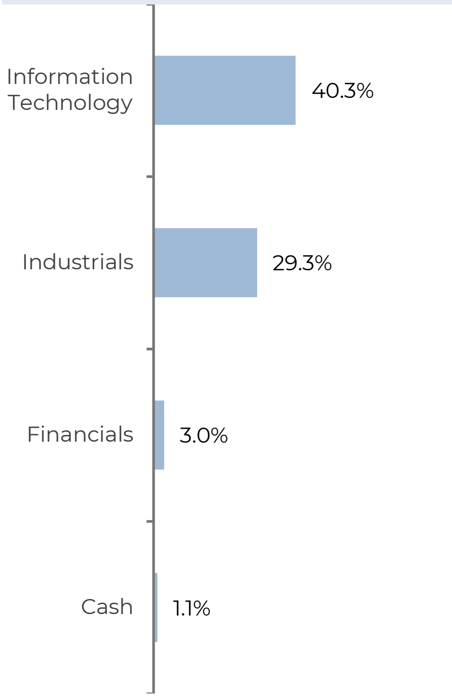
GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - PORTFOLIO

Top 10 holdings

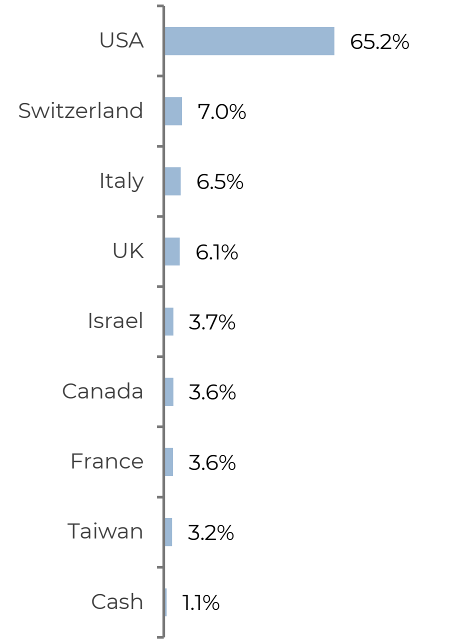
Addus HomeCare	3.7%
Teradyne	3.7%
Tetra Tech Inc	3.7%
Sonova	3.7%
Zebra Technologies Corp	3.7%
Monolithic Power Systems	3.7%
Arista Networks	3.7%
Check Point Software	3.7%
WSP Global	3.6%
Halma	3.6%

Top 10 holdings	36.8%
Number of holdings	30

Sector



Country



Past performance does not predict future returns.

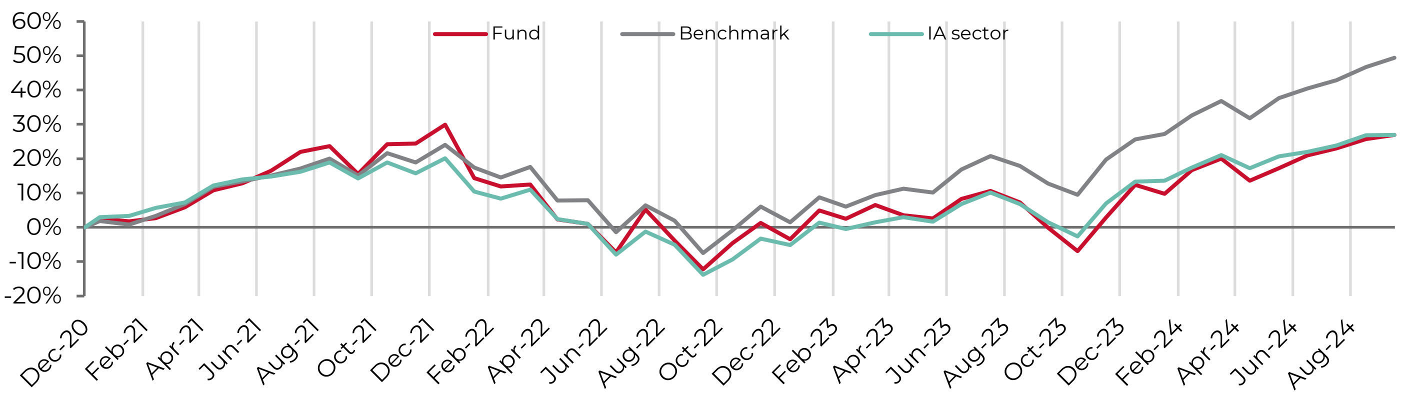
GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-1.1%	+7.3%	+15.6%	+10.4%	-	-
MSCI World TR	-0.2%	+13.0%	+20.5%	+30.5%	-	-
IA Global TR	+0.1%	+8.8%	+16.2%	+14.1%	-	-
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+0.9%	+12.9%	+27.1%	+9.8%	-	-
MSCI World TR	+1.8%	+18.9%	+32.4%	+29.8%	-	-
IA Global TR	+2.2%	+14.4%	+27.7%	+13.5%	-	-
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+0.1%	+11.8%	+20.5%	+14.1%	-	-
MSCI World TR	+1.0%	+17.6%	+25.6%	+34.8%	-	-
IA Global TR	+1.4%	+13.3%	+21.1%	+17.9%	-	-

GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - ANNUAL PERFORMANCE

(GBP)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	+9.8%	-16.3%	+27.9%	-	-	-	-	-	-	-
MSCI World TR	+16.8%	-7.8%	+22.9%	-	-	-	-	-	-	-
IA Global TR	+12.7%	-11.1%	+17.7%	-	-	-	-	-	-	-
(USD)	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Fund	+16.4%	-25.7%	+26.7%	-	-	-	-	-	-	-
MSCI World TR	+23.8%	-18.1%	+21.8%	-	-	-	-	-	-	-
IA Global TR	+19.4%	-21.0%	+16.6%	-	-	-	-	-	-	-
(EUR)	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Fund	+12.4%	-20.8%	+36.4%	-	-	-	-	-	-	-
MSCI World TR	+19.6%	-12.8%	+31.1%	-	-	-	-	-	-	-
IA Global TR	+15.4%	-15.8%	+25.5%	-	-	-	-	-	-	-

GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - PERFORMANCE SINCE LAUNCH (USD)



Source: FE fundinfo to 30.09.24. 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 current OCF for the share class used for the fund performance returns is 0.89%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return. Graph data is in USD.

WS GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - FUND FACTS

Fund size	£0.6m
Fund launch	30.12.2022
OCF	0.89%
Benchmark	MSCI World TR

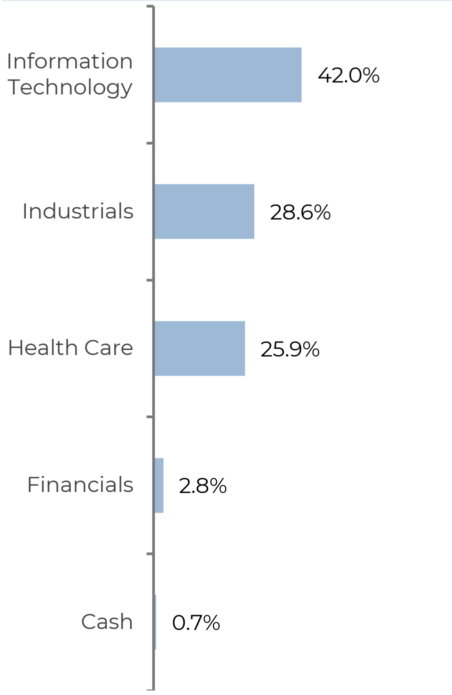
WS GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - PORTFOLIO

Top 10 holdings

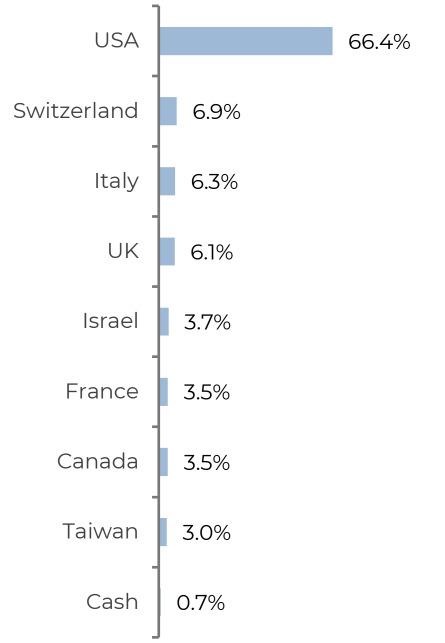
Arista Networks Inc	4.5%
Monolithic Power Systems	4.4%
Addus HomeCare	4.0%
Teradyne Inc	3.8%
Sonova	3.8%
Check Point Software	3.7%
Halma PLC	3.7%
Tetra Tech Inc	3.7%
A O Smith Corp	3.6%
Zebra Technologies Corp	3.5%

Top 10 holdings	38.9%
Number of holdings	30

Sector



Country



Past performance does not predict future returns.

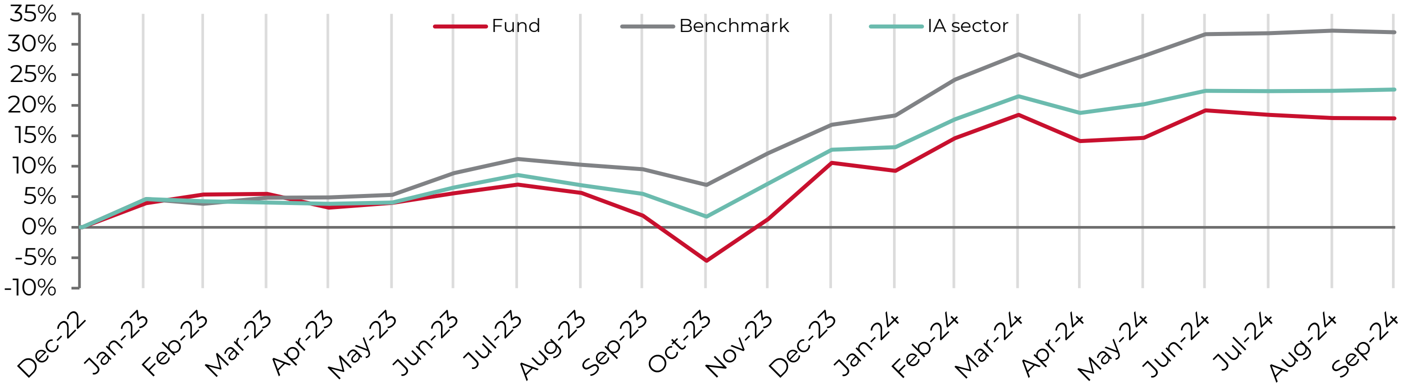
WS GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	-0.1%	+6.6%	+15.6%	-	-	-
MSCI World TR	-0.2%	+13.0%	+20.5%	-	-	-
IA Global TR	+0.1%	+8.8%	+16.2%	-	-	-

WS GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - ANNUAL PERFORMANCE

(GBP)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	+10.6%	-	-	-	-	-	-	-	-	-
MSCI World TR	+16.8%	-	-	-	-	-	-	-	-	-
IA Global TR	+12.7%	-	-	-	-	-	-	-	-	-

WS GUINNESS SUSTAINABLE GLOBAL EQUITY FUND - PERFORMANCE SINCE LAUNCH (GBP)



Source: FE fundinfo to 30.09.24. 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 current OCF for the share class used for the fund performance returns is 0.89%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

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 the Guinness Sustainable Global Equity Fund and the WS Guinness Sustainable Global Equity Fund. It may provide information about the Funds' 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. OCFs for all share classes are available on www.guinnessgi.com.

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.

GUINNESS SUSTAINABLE GLOBAL EQUITY FUND

Documentation

The documentation needed to make an investment, including the Prospectus, Supplement, 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: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin D04 A4E0, Ireland, or
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager 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/waystone-policies/

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

WS GUINNESS SUSTAINABLE GLOBAL EQUITY FUND

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.fundsolutions.net/uk/guinness-global-investors/ or free of charge from:-

Waystone Management (UK) Limited
PO Box 389
Darlington
DL1 9UF
General Enquiries: 0345 922 0044
E-Mail: investorservices@linkgroup.co.uk

Waystone Management (UK) Limited is authorised and regulated by the Financial Conduct Authority.

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.

Structure & regulation

The Fund is a sub-fund of WS Guinness Investment Funds, an investment company with variable capital incorporated with limited liability and registered by the Financial Conduct Authority.

Telephone calls will be recorded and monitored.