Guinness Global Equity Income

Investment Commentary – July 2026

RISK

This is a marketing communication. Please refer to the prospectus, supplement, KIDs and KIIDs for the Funds (available on our website), which contain detailed information on their characteristics and objectives and full information on the risks, 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 and the income from it can fall as well as rise as a result of market and currency movements, and you may not get back the amount originally invested.

Past performance does not predict future returns.

ABOUT THE STRATEGY

Launch	31.12.2010
Index	MSCI World
Sector	IA Global Equity Income
Managers	Dr Ian Mortimer, CFA Matthew Page, CFA
EU Domiciled	Guinness Global Equity Income Fund
UK Domiciled	WS Guinness Global Equity Income Fund

OBJECTIVE

The Guinness Global Equity Income Funds are designed to provide investors with global exposure to dividend-paying companies. The Funds are managed for income and capital growth and invest in profitable companies that have generated persistently high return on capital over the last decade, and that are well placed to pay a sustainable dividend into the future. The Funds are actively managed and use the MSCI World Index as a comparator benchmark only.

CONTENTS

COMMENTARY

In the second quarter of 2026, the Guinness Global Equity Income Fund returned 8.3% (in GBP), the MSCI World Index returned 13.0%, and the IA Global Equity Income sector average return was 10.0%. The Fund therefore underperformed the Index by 4.7 percentage points (pp) over Q2 and underperformed its peer group average by 1.7pp.

The first half of 2026 was defined by repeated shifts in market leadership as investors navigated a sequence of geopolitical shocks and evolving views on the AI capital spending cycle. Markets began the year rotating away from mega-cap technology and software towards value, defensives and ex-US equities, before the escalation of the Iran conflict triggered an energy shock and revived stagflation fears, sending yields sharply higher. A relief rally followed as the conflict stabilised, giving way to a phase dominated by AI infrastructure and semiconductor names, particularly memory, as capacity constraints drove a sharp re-rating across the value chain. By the second quarter, leadership had shifted again: the Magnificent Seven lagged amid growing scepticism over future returns on AI capital expenditure, while Financials, Industrials and Healthcare led a broadening in market performance.

In this commentary, we cover the key macro and market drivers of H1, including the Iran conflict, the Federal Reserve's evolving communication style under new Chair Kevin Warsh, and the growing divergence between hyperscalers and semiconductor suppliers amid a surge in AI-related capital raising in equity and debt markets. We also examine rising foundry and memory capex commitments as fabs respond to persistent supply constraints.

Guinness Global Equity Income

The Guinness Global Equity Income Fund underperformed the MSCI World Index over the second quarter. This can be attributed to the following:

- A rotation towards 'growth' and ‘cyclicals’ and away from 'defensives' and 'value' weighed on the Fund, though trends improved in June. Underperformance of the 'quality' factor, particularly in the first two months of the quarter, also hurt relative returns.

- Low exposure to the underperforming Software industry was offset by underweight positions to the two top-performing industries, Semiconductors and Tech Hardware, which acted as two of the largest detractors from relative Fund performance from an allocation perspective. This was in part offset by a strong stock selection effect within Tech Hardware, with Cisco (+52.2% USD) aiding performance. Semiconductor firm Texas Instruments (+54.3% USD) also had notably strong performance.

- Relative Fund performance was also negatively impacted by an overweight to Consumer Staples, which underperformed the broader benchmark. Within the sector, weakness from PepsiCo (-11.9% USD) – the Fund’s second bottom performer over the period – was more than offset by strength elsewhere, in particular from Nestlé (+9.2% USD) and Unilever (+9.1% USD).

- Communication Services provided both positive allocation and stock selection effects. The Fund has an underweight position to the sector, which underperformed the benchmark over the quarter, and strong outperformance from Publicis (+20.7% USD) supported relative returns.

- Stock selection within Financials acted as the largest detractor to relative Fund performance. Banks were one of the top-performing industries during the quarter – an area the Fund has no exposure to. Within Financial Services, CME Group (-24.9% USD) was the Fund’s weakest performer, contributing the majority of this weak stock selection effect.

- The Fund’s zero allocation to Utilities, Materials, Real Estate, and Energy in particular – four of the five bottom-performing sectors over the quarter – acted as a tailwind to relative Fund performance.

It is pleasing to see that the Fund has outperformed the IA Global Equity Income Sector average over 10 years, 15 years and since launch.

Past performance does not predict future returns.

Cumulative % total return in GBP to 30.06.2026	YTD	1 year	3 years	5 years	10 years	15 years	Launch*
Guinness Global Equity Income Fund Y GBP Dist	7.7	12.7	34.3	58.9	179.6	367.8	398.2
MSCI World Index	11.2	25.3	62.4	79.2	246.1	472.9	488.2
IA Global Equity Income (average)	9.8	20.0	45.3	60.1	153.0	276.8	287.3
IA Global Equity Income (ranking)	^	48/56	43/53	31/48	14/35	7/15	5/13
IA Global Equity Income (quartile)	^	4	4	3	2	2	2

Source: FE fundinfo, data as of 30 June 2026

**Fund launched on 31st December 2010. Performance prior to the launch date of the Class Y class (11.03.15) is a composite simulation for Class Y performance based on the actual performance of the Fund’s E class (1.24% OCF), which has existed since the Fund’s launch on 31.12.10. The Fund’s E class is denominated in USD, but the performance data above is calculated in GBP.*

^Ranking not shown in order to comply with European Securities & Markets Authority rules.

DIVIDEND UPDATE

So far in 2026, we have had dividend updates from 24 of our 35 holdings. All 24 companies announced increases for their 2026 dividend vs 2025. The average dividend growth of these companies was 8.3%.

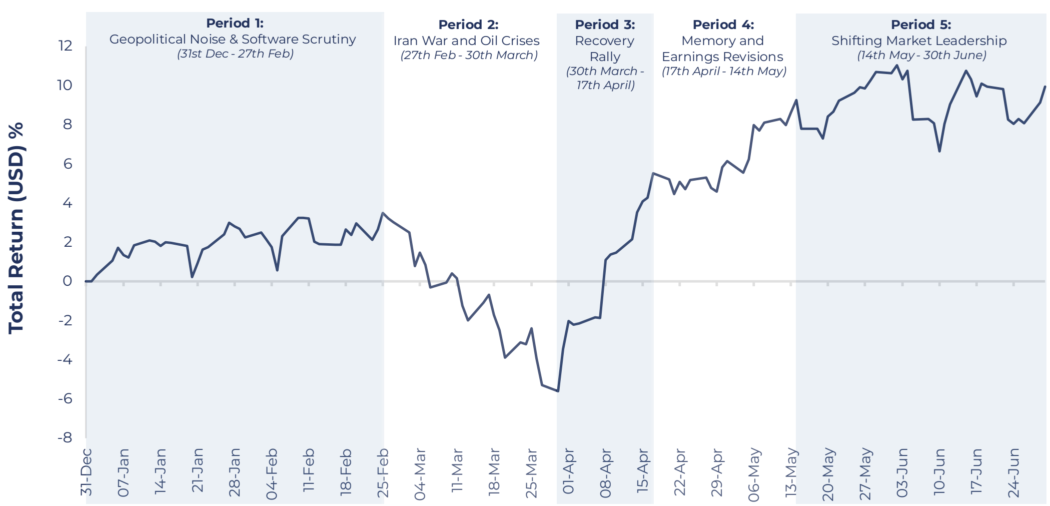
The Fund's dividend yield at the end of the quarter was 2.1% (net of withholding tax) vs the MSCI World Index's 1.5% (gross of withholding tax), representing a 40% yield premium. (Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.)

HALF YEAR IN REVIEW

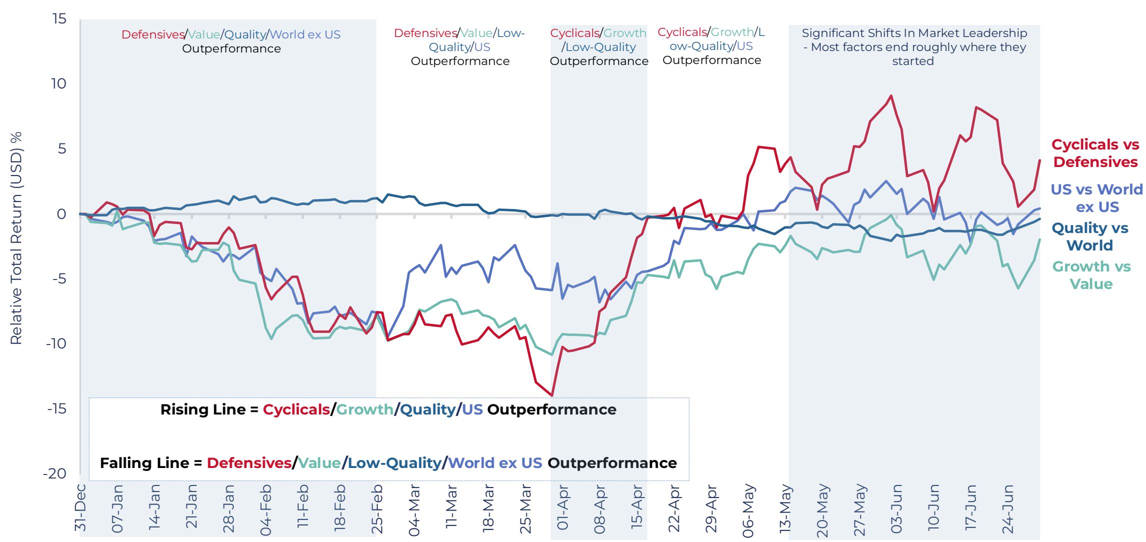
Over the first half of the year, we identify five periods which help us to frame market performance. Rather than defining these simply by broad bull and bear-market moves, we instead characterise them by the shifts in leadership among underlying market factors, such as value versus growth, and defensives versus cyclicals, that occurred beneath the surface.

MSCI World Index - Total Return

31st Dec 2025 - 30th June 2026



MSCI World Indices - Relative Performance



Source: Bloomberg, Guinness Global Investors, as of 30th June 2026

Period 1: Geopolitical noise and software scrutiny (31st December – 27th February)

Markets navigated much geopolitical noise in January and February, from regime uncertainty in Venezuela following American forces' capture of President Maduro, to Trump's Greenland ambitions straining relations in NATO, mutual tariff threats across Europe and Canada, and spiking Japanese yields on fiscal stimulus concerns. Despite this, the MSCI World Index climbed to all-time highs, led by international (ex-US) stocks, while the US underperformed as investors rotated out of mega-caps and AI-exposed software. Global software stocks fell 21% over the two months amid a structural reassessment of software economics as affected by AI, with DIY build risk and disintermediation alongside the erosion of seat-based pricing. Markets instead looked to 'HALO' stocks (Heavy Assets, Low Obsolescence), prioritising companies perceived to possess a level of natural immunity to AI-driven technological disruption. Whilst equities reached all-time highs, this was anything but a broad-based rally. Instead, the period was defined by a sharp and deliberate rotation away from US growth, mega-caps and software and into more defensive areas of the market alongside value and international equities – and more AI-immune HALO stocks in particular.

Period 2: The Iran war and oil crisis (27th February – 30th March)

Sentiment shifted abruptly at the end of February when US and Israeli strikes on Iran escalated into a regional war, with Iranian retaliation hitting Saudi Arabia, the United Arab Emirates, and Qatar. An effective closure of the Strait of Hormuz – through which roughly a fifth of global oil and liquefied natural gas (LNG) supply flows – sent energy and freight markets into turmoil: Brent crude jumped from $72 to $118 a barrel, the WCI freight benchmark rose 20% quarter-on-quarter, and European gas prices climbed nearly 50% after the halt to the flow of Qatar's LNG. The energy shock revived stagflation fears, undermining confidence that inflation was contained just as weak US jobs data and falling business and consumer confidence pressured growth forecasts. Expectations of interest rate cuts reversed sharply from two US 25 basis-point cuts priced in at the beginning of the year to near zero by the end of the period, while Europe swung from a c.50% chance of one cut to pricing three hikes. With yields rising and gold failing to act as a safe haven, Bank of America's fund manager survey showed the fastest rush into cash since Covid. Defensives and value outperformed, while energy-importing markets, especially in Asia, sold off hardest.

Period 3: Market recovery rally (30th March – 17th April)

Markets recovered strongly from late March into mid-April as the absence of further escalation stabilised risk appetite, even though the Middle East conflict remained unresolved. Oil prices eased from March highs, yields stopped rising, and investors unwound defensive positioning. This was more of a relief rally than genuine macro improvement, with growth and cyclicals rebounding while defensives gave back relative gains. Information Technology and Communication Services led, buoyed by renewed interest in AI infrastructure, semiconductors and certain internet names. Software also recovered, although confidence stayed selective due to ongoing concerns over AI disruption, pricing models, and legacy platform durability.

Period 4: Memory, Lower-quality software and earnings revisions (17th April – 14th May)

The market rally initially reflected a broad recovery in risk appetite post-March, but by mid-April the next phase concentrated in areas seeing most aggressive earnings upgrades, particularly the semiconductor value chain linked to AI infrastructure. Semiconductor industry revenues grew +79% year-on-year in Q1 2026, led by memory, where DRAM and NAND sales surged +271% on soaring prices as AI hardware demand continued to outstrip supply. The AI supply shortage narrative broadened beyond memory and graphics processing units (GPUs) to encompass leading-edge wafer capacity, optical components, and power and cooling infrastructure, with markets rotating towards well-positioned AI infrastructure build-out names. Software had a partial recovery thanks to numerous strong Q1 reports that challenged the AI disintermediation narrative, but performance was heavily bifurcated: gains were largely confined to cash-generative platform software, non-seat-based consumption models and models with deep data repositories – those deemed to be least susceptible to AI disintermediation. Beyond these names, the broader software landscape remained a laggard; companies that missed guidance or expectations or failed to reassure markets over near-term AI risks suffered further double-digit sell-offs.

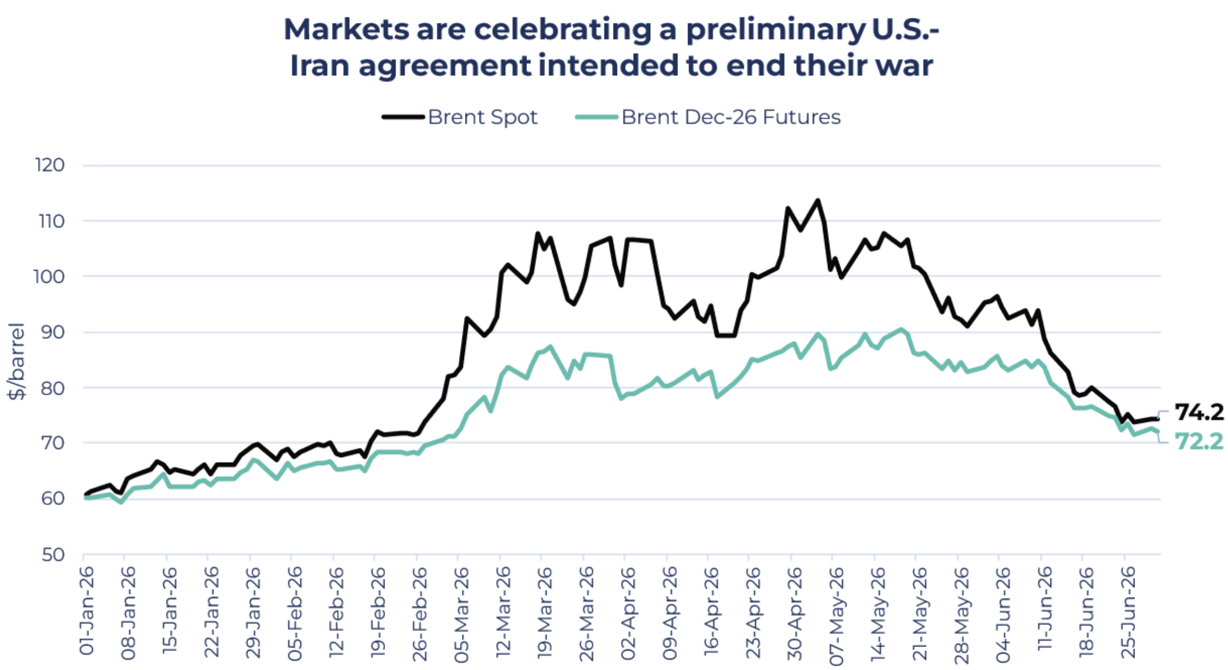
Period 5: Volatile markets with fast-shifting leadership (14th May – 30th June)

Macro conditions shifted dramatically in late May. US-Iran tensions unwound somewhat, reducing the conflict's risk premium, with a ceasefire and Memorandum of Understanding allowing for a partial reopening of the Strait of Hormuz. Brent crude prices were driven down to c.$70 per barrel, near pre-war levels. However, market relief was capped by persistent inflation, which reached a three-year high in May. This backdrop supported a perceivably more hawkish tone from new Federal Reserve Chair Kevin Warsh, whose comments focused strictly on price stability. This prompted markets to price in earlier rate hikes including one by the end of 2026. The Magnificent Seven materially underperformed the rest of the market, partly as investor scepticism grew over near-term AI monetisation. Instead, markets rotated towards the chipmakers and semiconductor equipment manufacturers which would benefit from their large capex plans regardless of the level of future AI monetisation. Investors also rotated into areas perceived as more insulated from AI disruption, with Financials, Industrials and Healthcare among the strongest contributors to performance over the period. This broadening of the market allowed the MSCI World Equally Weighted Index to outperform its more familiar counterpart, which is weighted by market capitalisation, from mid-May. Overall, while the market remains near all-time highs, this period was marked by multiple shifts in leadership as investors balanced secular AI growth enthusiasm and macro caution, rotating between defensives vs cyclicals and value vs growth although greater emphasis on quality has returned.

KEY MARKET THEMES OVER Q2

The war premium unwinds

Brent crude fell sharply over June from around $96 a barrel at the start of the month to the mid-$70s by its end, a decline of over 20%. The move reflects the unwinding of the geopolitical risk premium built into prices during the conflict earlier in the year. Progress toward de-escalation through the month, culminating in the signing of an interim US-Iran agreement on 17 June to reopen the Strait of Hormuz and extend the ceasefire, unwound the forces that had pushed Brent above $100 earlier in 2026. The signing of an interim agreement was also felt in oil futures markets, with Brent December 2026 futures trading at the end of June almost at par with spot prices, as depicted in the graph below, something not seen since before the war started. Although it represents a clear de-escalation, the deal is only preliminary. Key issues, notably Iran's nuclear programme, remain unresolved, and the broader oil market's return to balance is not yet a certainty. At the time of writing, the US and Iran were trading military strikes after the Islamic Republic had seemingly attacked ships in the Strait of Hormuz.

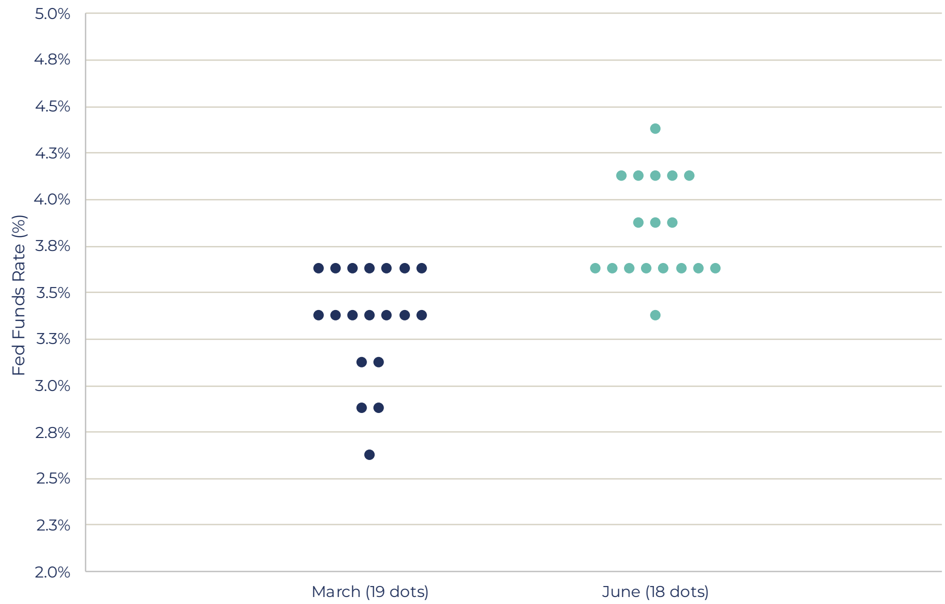


Source: Bloomberg, Guinness Global Investors, as of 30th June 2026

Warsh and the Federal Reserve

The inflationary uncertainty stemming from the war in Iran is being exacerbated by newfound confusion about how the Federal Reserve (Fed) is now thinking about such economic shocks. Earlier this year, President Trump nominated a new Chair, Kevin Warsh, to the Federal Open Market Committee (FOMC), which sets interest rates and releases statements on the macroeconomic outlook. Warsh has previously been vocal in criticising the communication methods of the FOMC and made clear he would enact change once in the role. In June, all forward guidance was removed from the committee's policy statements and Warsh refused to submit any forecasts of his own for the Summary of Economic Projections (SEP). This meant that the 'dot plot' – the chart showing FOMC members' estimates for where the federal funds rate will be in the future – had one less data point than last quarter.

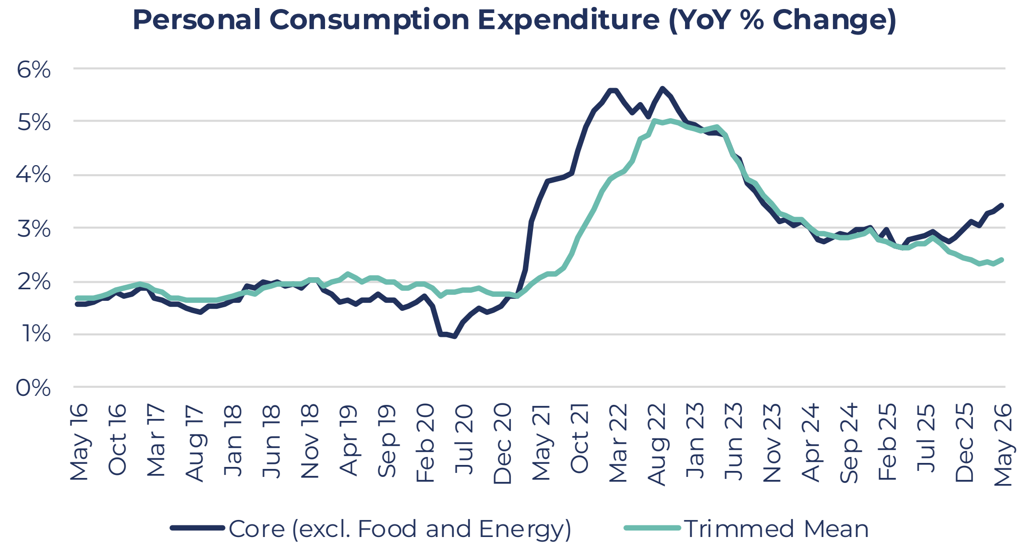
FOMC: YE26 Fed Funds Rate Projections



Source: Guinness Global Investors, Bloomberg, as of 30th June 2026

The chart also shows a hawkish shift from the committee, with the median expectation for the federal funds rate by year end increasing from 3.375% at the March meeting to 3.750% in June. This, paired with Warsh saying repeatedly at the press conference that inflation was still too high, caused markets to change their expectation from one rate rise in the next 12 months to two hikes.

On the other hand, Warsh was appointed by Trump, who has clearly stated his preference for lower rates. One way to justify delaying hikes would be to use a different measure of inflation; and Warsh has already expressed a preference for using trimmed mean inflation. This personal consumption expenditures (PCE) measure omits outlying components before taking an average of what remains. Conveniently for those who are more dovish, trimmed mean PCE has been falling recently while the core version (excluding food and energy) continues to rise. This is because the trim is asymmetric – it removes components where the price change is below the 24th percentile and above the 69th in the distribution. Of late, higher percentiles have seen price increases above or equal to lower ones, so taking more off the top has biased the measure downwards.



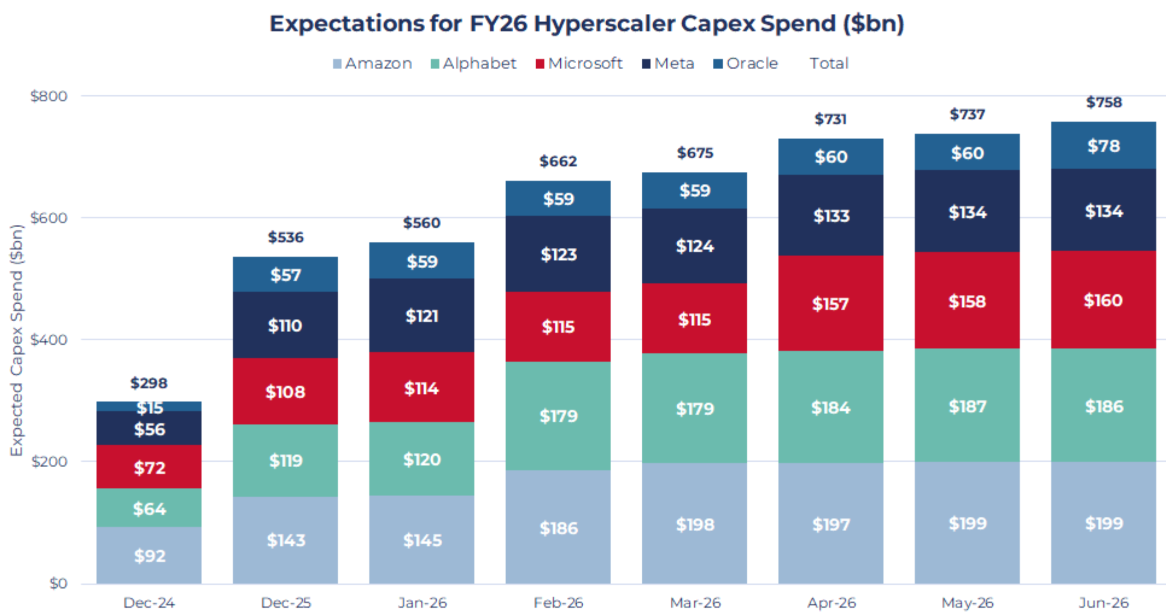
Source: Guinness Global Investors, Federal Reserve Bank of St. Louis, as of 30th June 2026

All of this contributes to growing uncertainty regarding the future path of interest rates. With or without forward guidance, markets will interpret new information in the context of how they believe the Fed will respond. Reducing communications risks making investors jumpier and affecting central bank credibility given the time lags present when implementing monetary policy. The potential for policy surprises is higher than it was before, which could cause borrowing costs to rise, regardless of what the Fed decides to do with interest rates.

That said, the lack of forward guidance could help to remove the 'Fed put', which is based on the market's belief the Fed will always step in to protect financial markets from major losses by either cutting rates or injecting liquidity. This presumption can artificially depress volatility, distort the cost of capital and create moral hazard. Removing this may give the Fed more flexibility to change course when presented with new information. Plus, trimmed means are less prone to revisions, which could reduce the noise the FOMC needs to cut through when making data-based decisions in the future. This has implications for individual companies which are making spending decisions predicated on their expected cost of capital.

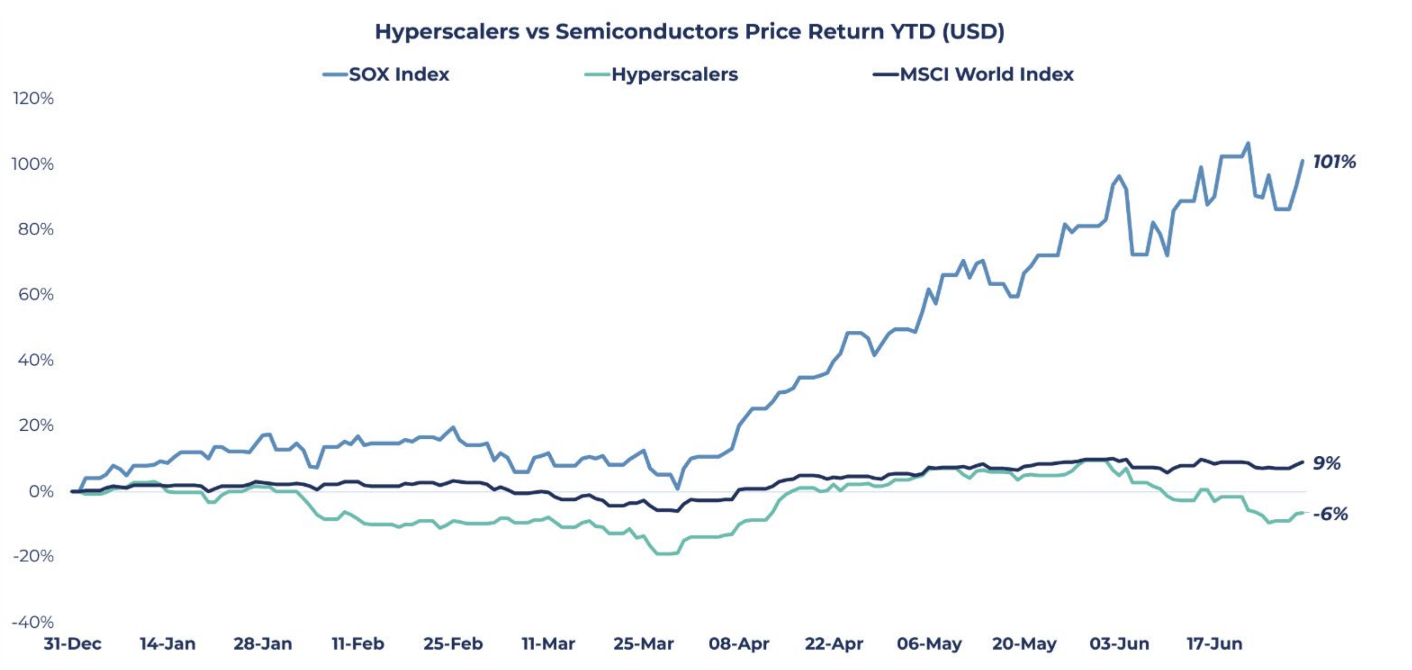
Hyperscaler capex

The current capex cycle is clearly intertwined with a sharp increase in semiconductor demand, and we believe continued hyperscaler spending is a key indicator that the AI infrastructure build-out is still underway. This spending is effectively funding the next phase of the data centre build-out. As hyperscalers scale both training and, increasingly, inference workloads, their willingness to keep lifting capex expectations supports the view that this semiconductor cycle could prove longer lasting and more structurally driven than previous upcycles. In each earnings cycle, the major hyperscalers have generally revised capex guidance higher and the direction of travel is striking. Expected FY26 hyperscaler capex has risen from around $298bn in December 2024 to $758bn by the end of the second quarter this year, more than doubling as Amazon, Alphabet, Microsoft, Meta and Oracle continue to commit capital to AI compute capacity.



Source: Bloomberg, Guinness Global Investors. Data as of 30th June 2026

Investor sentiment has increasingly diverged between the two sides of the AI infrastructure trade. While semiconductor stocks have continued to benefit from enthusiasm around the AI build-out, hyperscalers have come under pressure despite being central to the same theme. The scale of this ongoing hyperscaler capex is a cause for concern given the lack of visibility on its return on investment. Year-to-date, hyperscalers have significantly underperformed semiconductor stocks, as the market has been far more willing to reward the suppliers of AI infrastructure than the companies funding it. The chart below shows the SOX Semiconductor Index up around 101% year-to-date, dramatically outperforming both the MSCI World Index, up roughly 9%, and the hyperscalers (defined by a basket of the largest US-listed cloud infrastructure providers), down 6%. This divergence highlights a clear split within the technology sector: investors continue to reward chipmakers enabling the AI build-out, while hyperscalers have lagged as concerns grow around the scale, duration, and returns of their AI capital spending.

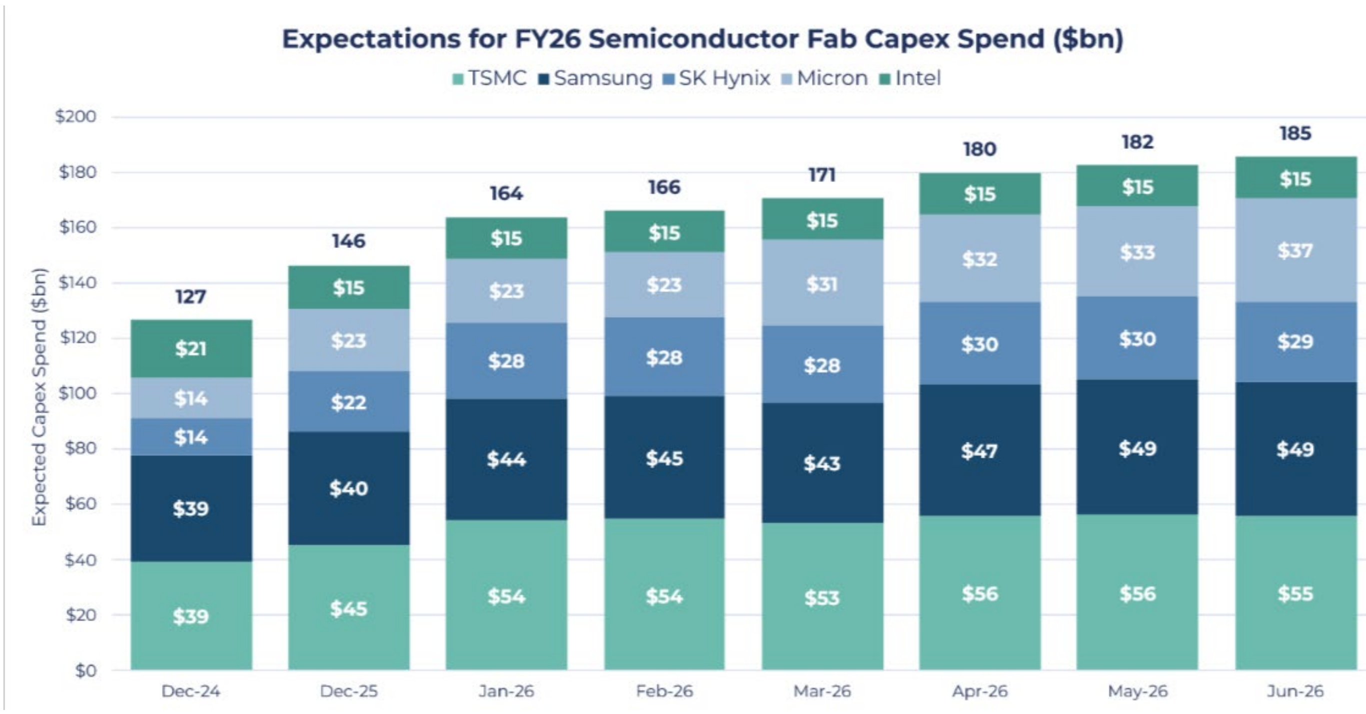


Source: Bloomberg, Guinness Global Investors, UBS 'Hyperscaler' basket. Data as of 30th June 2026

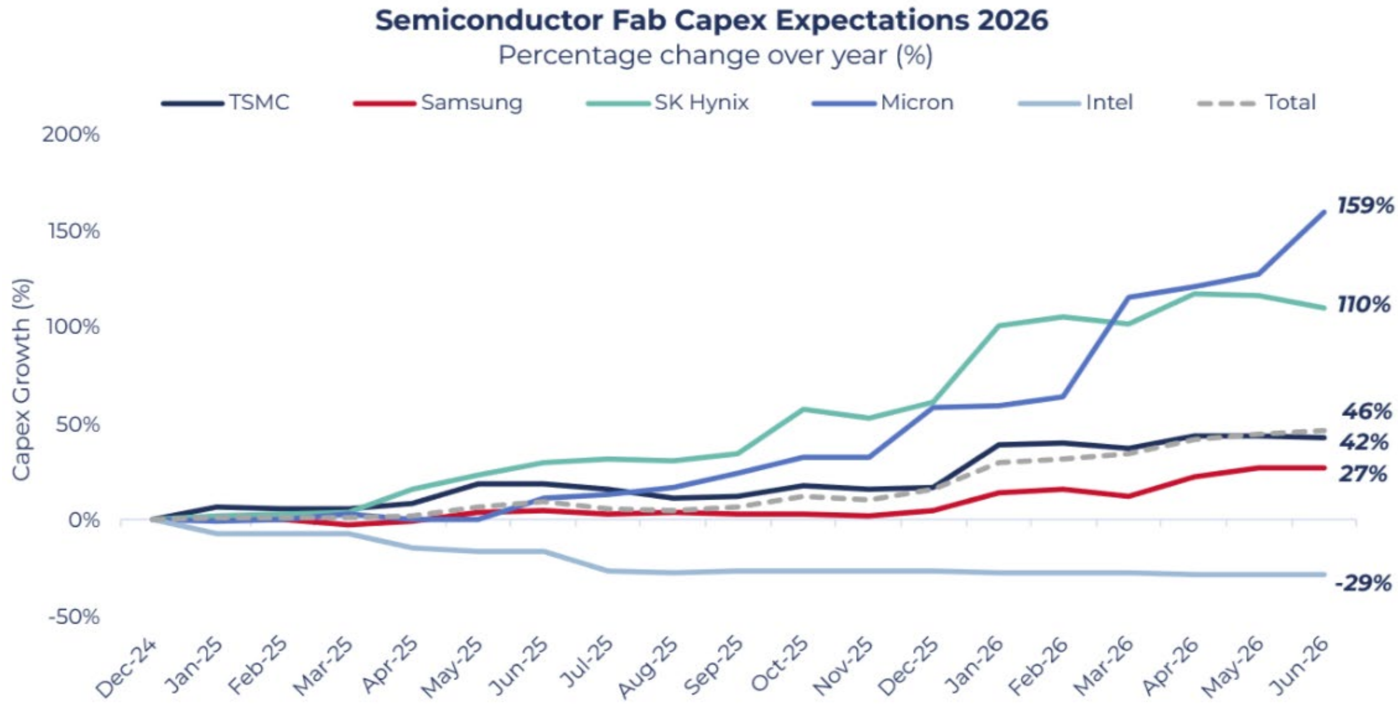
Foundry Capex

While hyperscaler capex is clearly a key focus area for markets, foundry and memory capex are becoming increasingly important in a semiconductor rally that is being driven by both supply constraints and huge AI-led demand due to the critical role of semiconductors in AI applications. The memory cycle remains highly cyclical and commoditised: when capacity is tight, pricing rises quickly; when new supply arrives too fast or demand weakens, pricing can fall just as quickly. This cycle is therefore being supported by AI-driven demand for high-bandwidth memory (HBM), DRAM and NAND, but also by the fact that supply cannot be added immediately. Memory player Micron has explicitly pointed to cleanroom constraints, long construction lead times and limited DRAM and NAND supply all constraining server demand.

There are now clear signals that both foundries and memory fabs (fabrication facilities) are preparing to increase spending to address these bottlenecks. As shown in the first chart below, expectations for FY26 capex on fabs have risen from $146bn in December last year to $185bn by June 2026, while the second chart shows that expected capex growth has also broadened, with total spending across the key fabs rising to 46% by October 2026. The strongest upward revisions are in memory: Micron is now expected to grow capex by 159% and SK Hynix by 110% compared to expectations before the cycle began in 2025. TSMC also stands out on the logic side, with expected capex growth rising to 42%, reflecting stronger demand for advanced foundry and packaging capacity. This fits the company-level signals: TSMC, historically more conservative on capacity, is now guiding FY26 capex toward the high end of its range, while Micron, SK Hynix and Samsung are planning large multi-year investments to ease tight AI memory supply. However, supply constraints may remain in place for some time, even as companies commit to higher spending, as new fab and memory capacity takes years to build.



Source: Bloomberg, Guinness Global Investors. Data as of 30th June 2026



Source: Bloomberg, Guinness Global Investors. Data as of 30th June 2026

What do capital markets tell us?

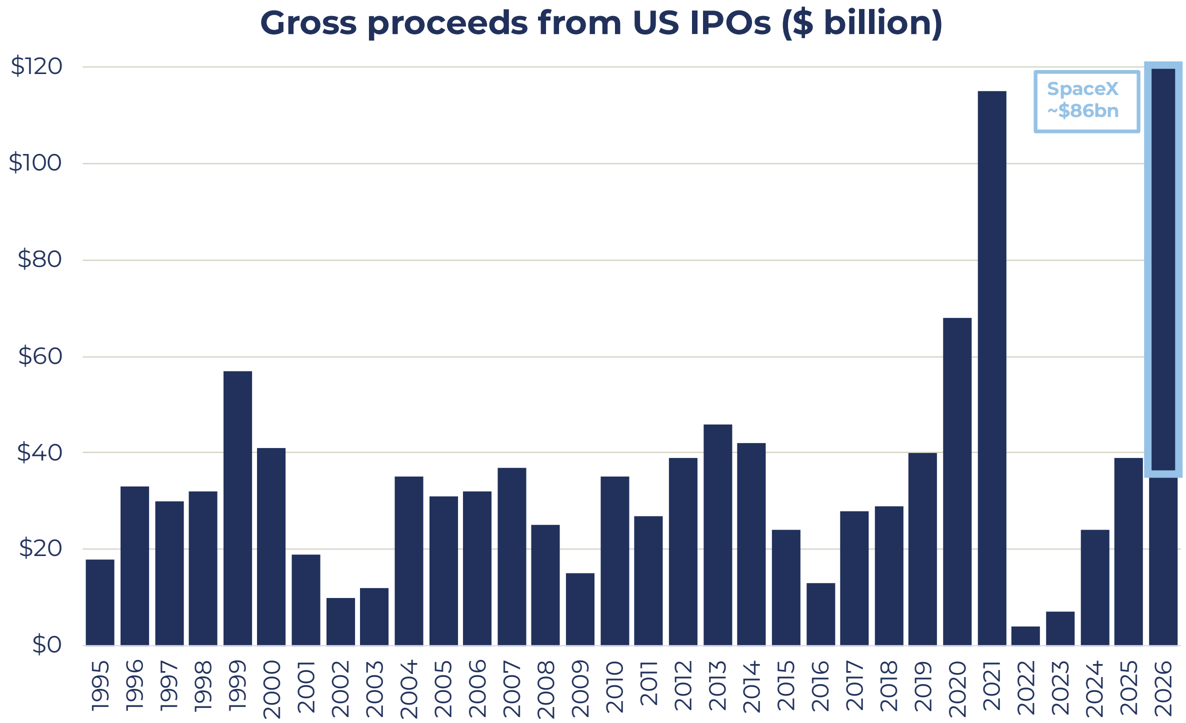
Although every market cycle is different, elevated capital raises are a recognisable feature of late cycle stages. Companies raise funds to invest in growth and pursue attractive returns, and management has a clear incentive to do so when valuations are elevated, since equity and debt are effectively cheaper to issue. Companies know this, which is why a broad pick-up in capital raises is often a sign that valuations have become stretched relative to underlying fundamentals. Furthermore, executives sometimes overestimate the scale of future demand, leading to a mismatch between supply and demand when supply eventually comes online later in the cycle.

Recent months have offered a live illustration of this dynamic in the AI space. SpaceX completed the largest initial public offering (IPO) on record in June, raising roughly $86 billion at a valuation of $1.77 trillion. Anthropic and OpenAI have each since filed confidentially with the SEC for listings later this year, at valuations of roughly $965 billion and up to $1 trillion respectively.

Alphabet has also taken advantage of this strong investor sentiment. In June, the company priced close to $85bn in equity, including a private placement with Berkshire Hathaway, only weeks after raising nearly $32bn in bonds in February, both to help fund its AI infrastructure build-out. Alphabet generated $174bn of operating cash flow over the past year and had not raised meaningful equity since 2006. Its tapping both equity and debt markets within weeks indicates the scale of the AI infrastructure build-out.

A spike in capital raised is not, on its own, a reason to call a market top, but it is a useful compass as we navigate the AI capital cycle. The signal needs to be weighed against other factors: above all, the scale of future demand, especially where an emerging technology offers the prospect of attractive returns on capital. Additionally, some of the hyperscalers, such as Meta and Alphabet, have been able to improve their legacy businesses via AI investments, effectively consuming part of the supply they have brought online.

Even though we are only half-way through 2026, gross proceeds from US IPOs are already at $120bn (with SpaceX accounting for c.$86bn), above the record 2021 year. However, a key difference between 2026 and previous market peaks lies in the number of deals rather than their size. The market has averaged roughly 100 IPOs a year over the past 25 years, and 2026 is tracking close to that level, compared with more than 250 in 2021 and nearly 400 in 1999.

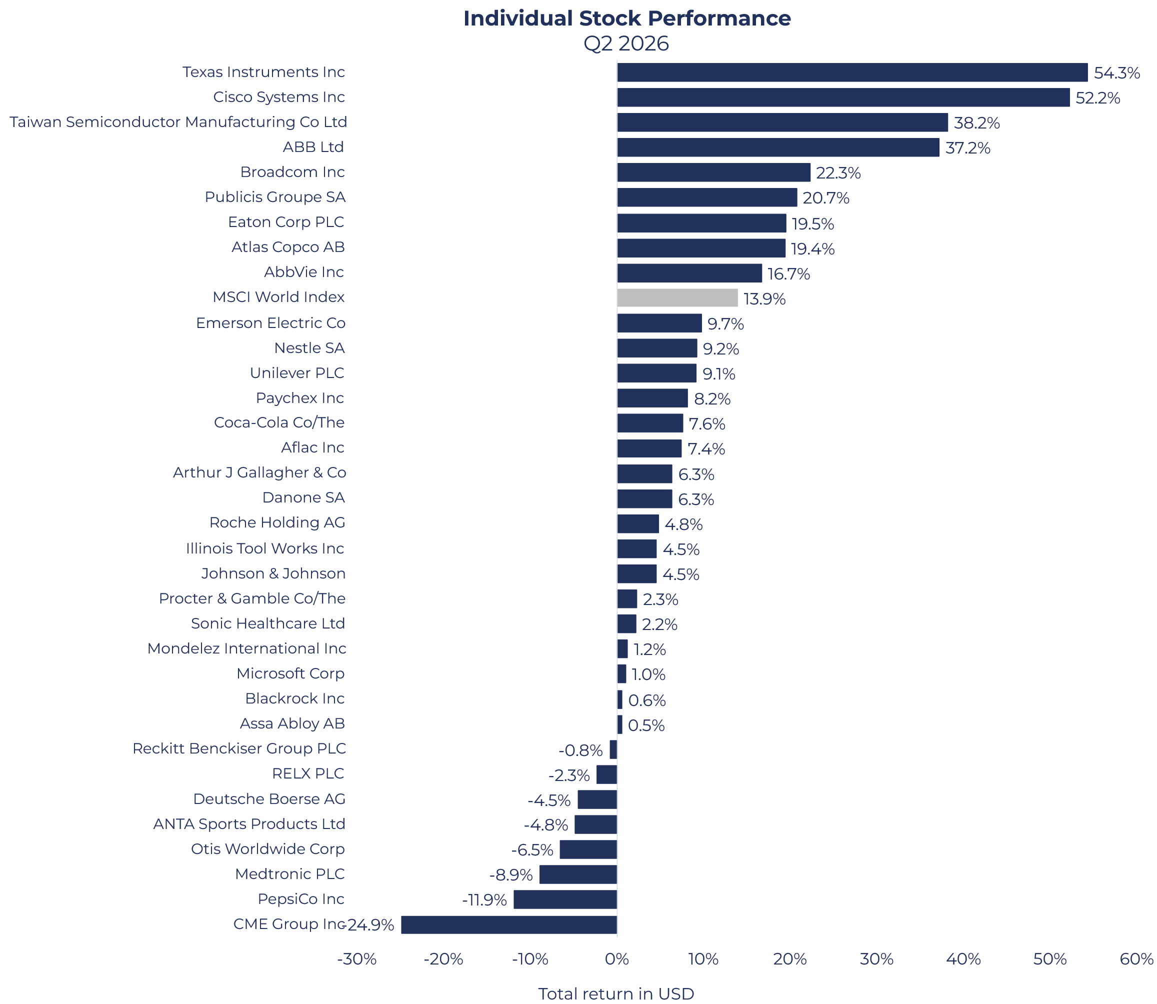


Source: FactSet, Goldman Sachs Research, Guinness Global Investors; US IPOs greater than $25m in value. Data as of 23rd June 2026.

On the debt side, a similar pattern has emerged. Companies like Meta, Alphabet, and Oracle, none of which had issued much debt in recent years, have all turned to bond markets to help fund AI capital expenditure. Meta priced a $30 billion bond deal in October, its largest in years, while Oracle has been the most aggressive borrower of the group, raising $43 billion in debt over the past year and planning more. Together, the five major hyperscalers issued roughly $121 billion in bonds in 2025, more than four times their average in previous years, and 2026 issuance is expected to be even higher as AI spending across the group approaches $760 billion at the end of June.

As ever, we will continue to monitor the progress of these factors over the rest of the year.

STOCK PERFORMANCE OVER THE QUARTER



Individual stock performance over holding period during Q2 (TR in USD). Source: Bloomberg. As of 30th June 2026

Texas Instruments (+54.3% USD)

For the second quarter running, Texas Instruments was one of the Fund's top-performing stocks. The stock was helped by strong sector-wide sentiment towards semiconductors, but the stand-out driver was a very strong earnings print which pushed shares up 19.4% on the day of results. Sentiment had already been improving, supported by commentary at the company's recent Investor Day, where management highlighted stabilising demand trends, improving factory utilisation (supporting margins) and a clearer path to a free cash flow recovery following several years of elevated counter-cyclical capital expenditure. Broader semiconductor sentiment improved during the month as investors became increasingly optimistic that the industrial semiconductor cycle was bottoming, with peers also pointing to improving orders and inventory normalisation. Against this backdrop, Texas Instruments benefited from growing confidence that its long-awaited cyclical recovery was beginning to materialise, particularly across its industrial business, which remains the company's largest and most important end-market.

The earnings release itself significantly exceeded expectations and drove the stock's strongest intra-day reaction since 2001. Q1 revenue grew 19% year-on-year and 9% quarter-on-quarter, materially ahead of consensus and well above normal seasonal trends. Industrial was the stand-out end-market, accelerating more than 20% sequentially and over 30% year-on-year, while Data Centre continued to emerge as a structurally significant growth driver, expanding c. 90% year-on-year as demand for power semiconductors used in AI infrastructure remained robust. The strength in revenues alongside improved factory utilisation and favourable mix drove gross margins to 58.0%, up more than 200 basis points sequentially. Management also guided second-quarter revenues, margins and earnings per share materially above consensus while highlighting improving order momentum, broad-based demand trends, stable pricing and declining inventories, with no evidence of meaningful "panic buying" or pull-forward activity. All in, the combination of an accelerating industrial recovery, emerging structural AI-related growth and a return to positive cash flow trends reinforced investor confidence that the business is entering a stronger phase of the cycle.

Cisco (+52.2% USD)

Cisco, the largest maker of networking equipment, also performed very strongly during the quarter. The stock rallied 17% in one day, its best day in more than 14 years, after the company reported strong sales growth and a better-than-anticipated sales forecast on accelerating data centre orders. Growth was broad-based, with enterprise networking refresh activity accelerating alongside AI infrastructure demand, and revenue is now on track for double-digit annual growth for the first time since fiscal 2023. Additionally, the firm announced plans to reduce its workforce and reallocate resources towards AI, silicon and optics. Chief executive Chuck Robbins described the current environment as a "networking supercycle". The results supported that framing, as Cisco, long regarded by the market as a legacy networking name lagging the AI trade, showed clear signs of repositioning around AI infrastructure demand. Product orders rose 35% year-on-year, while hyperscaler AI infrastructure orders more than doubled, leading management to raise its full-year AI order guidance from $5 billion to $9 billion and its AI revenue outlook to $4 billion for the year, with visibility to at least $6 billion in fiscal 2027.

CME (-24.9% USD)

CME was the Fund's weakest performer during the quarter despite reporting strong results in April and solid volume growth in May. On 29 May, the US Commodity Futures Trading Commission approved trading platform Kalshi's application to list the first regulated Bitcoin perpetual futures contract onshore in the US. Before that day, no regulated onshore US platform offered perpetual futures, and crypto-native traders wanting to trade them had to use offshore venues such as Binance. Although crypto futures remain a modest part of CME's overall revenue mix, the market appears to be extrapolating this new source of competition to the more traditional asset classes that make up the bulk of CME's business. Negative sentiment on the stock was further compounded by the planned departure of CEO Terry Duffy and by the preliminary US-Iran agreement to end the war, which would reduce hedging activity and associated revenues for CME.

We believe the market reaction has been overdone, for three reasons. First, CME is playing 'offence' rather than 'defence': it had already launched 24/7 crypto futures trading ahead of the Kalshi approval, and volumes there continue to grow strongly. It is now extending that same 24/7 model into other asset classes, having recently announced round-the-clock trading for WTI crude oil and gold, directly closing the weekend and after-hours access gap that has been central to the appeal of crypto-native perpetual platforms. The market's assumption that perpetual futures competition will spread into traditional asset classes also looks premature. Institutional hedging in rates, FX, and other core CME markets tends to be duration-matched and size-driven, requiring the deep liquidity pools needed to execute large trades without excessive slippage, a poor structural fit for a product designed around continuous, high-leverage speculative trading such as perpetual futures. Second, the CEO transition has been well planned and telegraphed in advance. Duffy will remain involved in the business as Executive Chairman, and his successor, current President and CFO Lynne Fitzpatrick, is a 20-year company veteran who joined CME in 2006 and has held a series of senior finance roles since, including CFO, providing continuity rather than a break with the current strategy when she takes over as CEO on 1 March 2027. Third, even if the war draws to a close, CME's product breadth still leaves it well placed to capture hedging demand across markets unrelated to the conflict. It also continues to innovate: in May, it partnered with Silicon Data to launch the world's first futures market for computing power, letting AI developers and cloud providers hedge GPU rental costs, with launch expected later this year pending regulatory approval.

PepsiCo (-11.9% USD)

PepsiCo was the Fund's second-weakest performer over the quarter despite delivering a broad-based beat on both revenue and earnings at its Q1 2026 results in April. Earnings per share grew 8.8%, comfortably ahead of the 4.5% expected, and organic sales growth was 2.6% v 2.4% expected. Encouragingly, the North American snacks business (Frito-Lay, accounting for c.33% of sales) posted its first positive volume inflection in 14 quarters, as "surgical" affordability investments and “brand restaging” began to take hold with price-sensitive consumers. international also continued its long run of strength, delivering a 20th consecutive quarter of at least mid-single-digit organic growth, led by particularly strong prints in EMEA and Asia Pacific. Despite this positive print that supported a more favourable outlook for the firm, sentiment towards PepsiCo soured over the remainder of the quarter, despite limited stock-specific news flow. Firmer-than-expected inflation data during the quarter raised the risk of a more prolonged period of elevated input costs, and PepsiCo's more capital-intensive model – it manufactures and bottles far more of its own product than the likes of Coca-Cola – left it disproportionately exposed relative to more asset-light peers, compounding concerns already flagged at the print around gross margin pressure and rising costs into 2027 as commodity hedges roll off.

Overall, we see the sell-off as unwarranted and retain conviction in the investment case for PepsiCo. While the stock has been challenged in North America for a couple of years, the recent volume inflection in North American snacks is a key swing factor, and this quarter provided the first genuine evidence that management's strategy is translating into results, rather than remaining a ‘show-me’ story indefinitely. This is complemented by an international business that continues to compound at pace and is now margin-accretive, an increasingly important offset to domestic softness. With the stock trading at a significant discount to both peers and its own history, and a dividend yield above 4% backed by 54 consecutive years of increases, we believe that current valuation has already fully priced in a long-term structural decline, ignoring the strength of the international business and the prospect of an improving environment in the US. While we recognise that the turnaround will not be straightforward and that the company faces challenges, in our view, the risk/reward profile is skewed to the upside, and the bull case for the firm remains strong.

Changes to the Portfolio

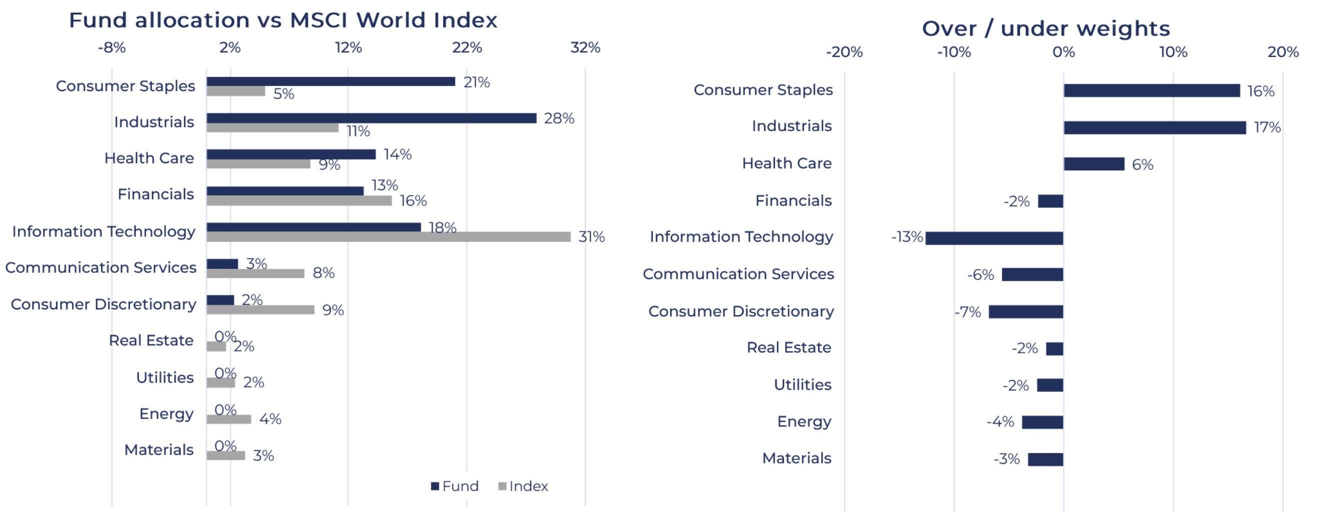
We made no changes to the portfolio during the quarter.

PORTFOLIO POSITIONING

We continue to maintain a balance between quality defensive and quality cyclical/growth companies. We have approximately 40% in quality defensive companies (e.g., Consumer Staples and Healthcare companies) and around 60% in quality cyclical or growth-oriented companies (e.g., Industrials, Financials, Information Technology).

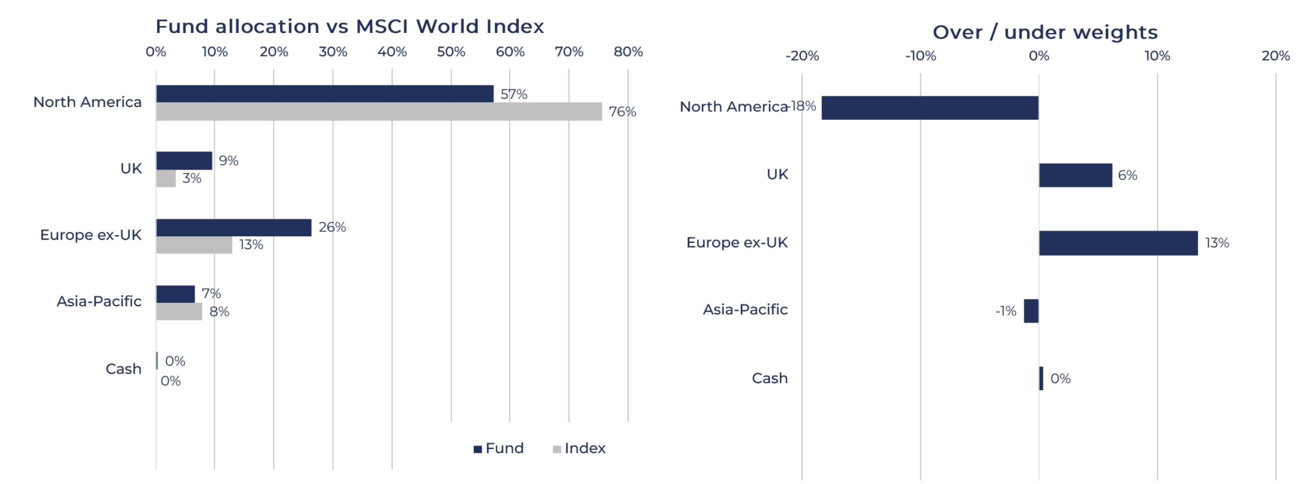
Whilst the defensive names tend to have lower beta and hold up better when markets are falling, the cyclical holdings allow the Fund to maintain performance when markets are rebounding and rising. We believe that within these more cyclical sectors we are owning the 'quality' businesses. All the companies we seek to invest in have strong balance sheets and a history of performing well in difficult market environments. Within Financials, for example, whilst we do not own any banks, which helps to dampen the cyclicality of our Financials, we do own exchange groups such as CME and Deutsche Boerse (which do well in periods of market volatility as volumes tend to increase, resulting in higher revenues).

The Fund also has zero weighting to Energy, Utilities, Materials, and Real Estate. The largest overweight is to Industrials.



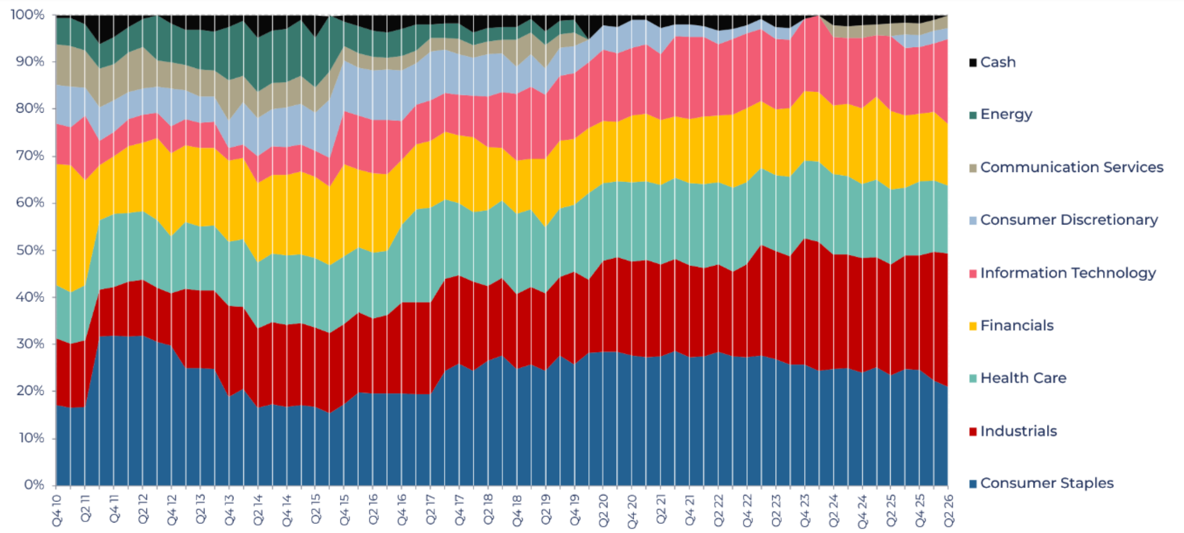
Sector breakdown of the Fund versus MSCI World Index.; Source: Guinness Global Investors, Bloomberg. Data as of 30th June 2026

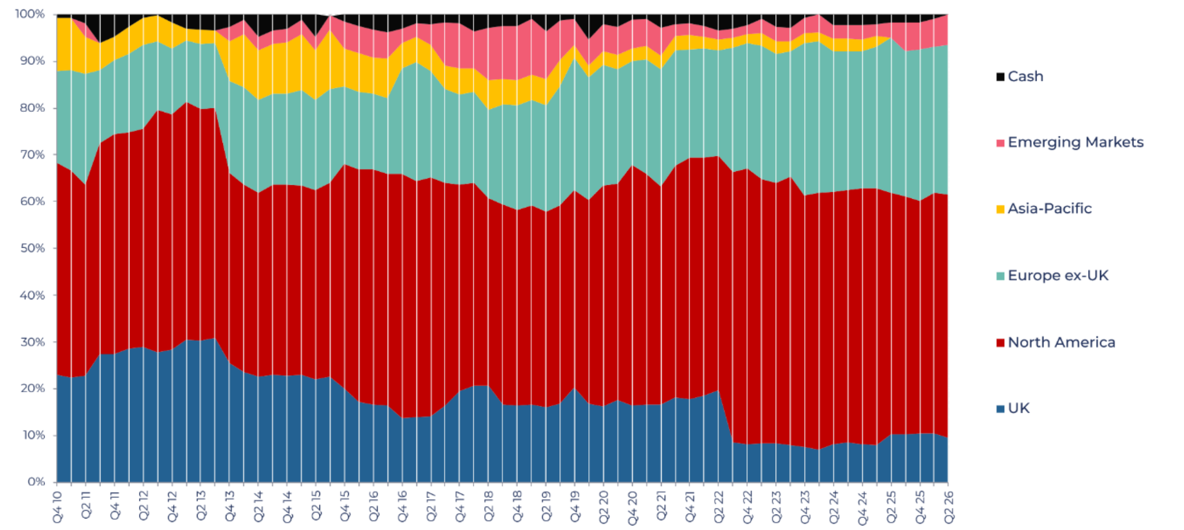
In terms of geographic exposure (shown below), the largest difference between the Fund and the benchmark is our exposure to the US (as measured by country of domicile). The Fund at quarter end had a c.57% weighting to North America (consisting of US stocks only), which compares to the index at c.76%. The largest geographic overweight remains Europe ex-UK and the UK, although we are diversified around the world with 57% in the US, 35% in Europe and 7% in Asia Pacific. Within Asia Pacific we have one company listed in Taiwan (Taiwan Semiconductor Manufacturing) and one company listed in Hong Kong (Anta Sports).



Regional breakdown of the Fund versus MSCI World Index; Source: Guinness Global Investors, Bloomberg. Data as of 30th June 2026

The two charts below show how the exposure of the Fund has evolved since we launched the strategy in 2010.





Source: Guinness Global Investors. Data as of 30th June 2026

OUTLOOK

The four key tenets to our approach are quality, value, dividend, and conviction. We follow metrics at the portfolio level to make sure we are adhering to them. At quarter end, we are pleased to report that the portfolio continues to deliver on all four, relative to the MSCI World Index.

		Fund	MSCI World Index
Quality	Median return on capital	22.4%	9.6%
	Median net debt / equity	48.8%	39.4%
Value	Price-Earnings ratio (2026e)	20.1	20.4
	Free cash flow yield (LTM)	4.4%	3.1%
Dividend	Dividend Yield (LTM)	2.1% (net)	1.5% (gross)
	Weighted average payout ratio	50%	41%
Conviction	Number of stocks	35	1283
	Active share	90%	-

Portfolio metrics versus index. As of 30th June 2026; Source: Guinness Global Investors, Bloomberg

Our high-conviction Fund has companies which are on average far better quality, have a higher dividend yield, and are trading at a small discount to the index on a forward price-earnings basis and a large discount on a free cash flow yield basis.

The Fund continues to offer a portfolio of consistently highly profitable companies with robust balance sheets and strong returns on capital. The current macroeconomic environment is marked by significant uncertainty, driven by shifting trade policies, tariff escalations, geopolitical risks, concerns over economic growth, and the potential resurgence of inflationary shocks. With these risks on the horizon, we are confident that the companies in the portfolio are well placed to deal with whatever challenges lie ahead. Our unchanging approach of focusing on quality compounders and dividend growers should continue to stand us in good stead in our search for rising income streams and long-term capital growth.

We thank you for your continued support.

Portfolio Managers
Matthew Page, CFA
Dr Ian Mortimer, CFA

Investment Analysts
Sagar Thanki, CFA
Joseph Stephens, CFA
William van der Weyden
Loshini Subendran
Eric Santa Menargues, CFA
Laura Neill, CFA

GUINNESS GLOBAL EQUITY INCOME FUND - FUND FACTS

Fund size	$6519.7m
Fund launch	31.12.2010
OCF	0.77%
Benchmark	MSCI World TR
Historic yield	1.8% (Y GBP Dist)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

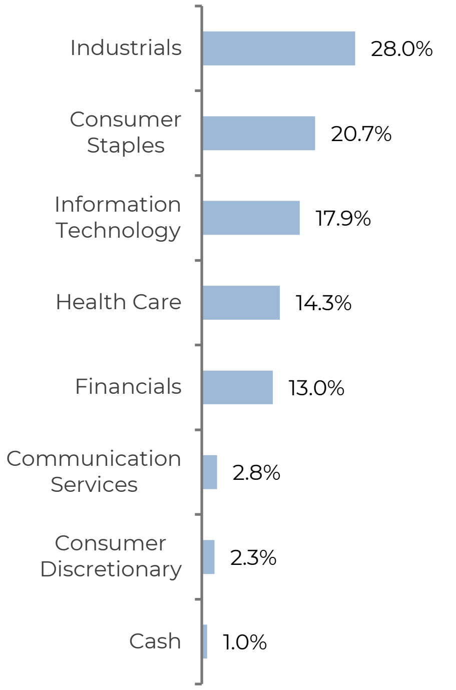
GUINNESS GLOBAL EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

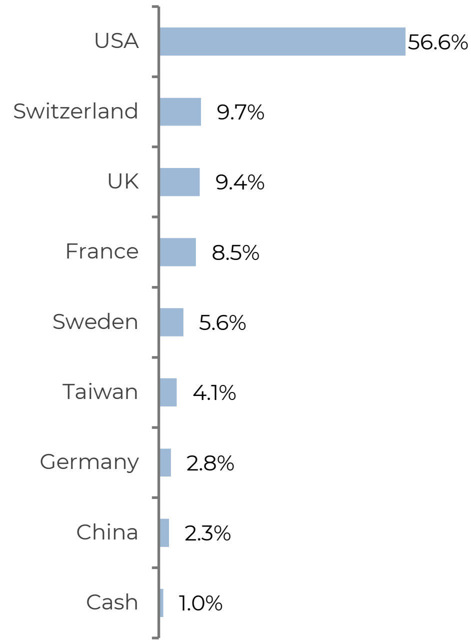
Texas Instruments Inc	4.3%
Cisco Systems	4.2%
Taiwan Semiconductor	4.1%
ABB	3.7%
Abbvie	3.5%
Johnson & Johnson	3.4%
Emerson Electric Co	3.1%
Aflac	3.1%
Roche Holding AG	3.1%
Broadcom	3.1%

Top 10 holdings	35.4%
Number of holdings	35

Sector



Country



Past performance does not predict future returns.

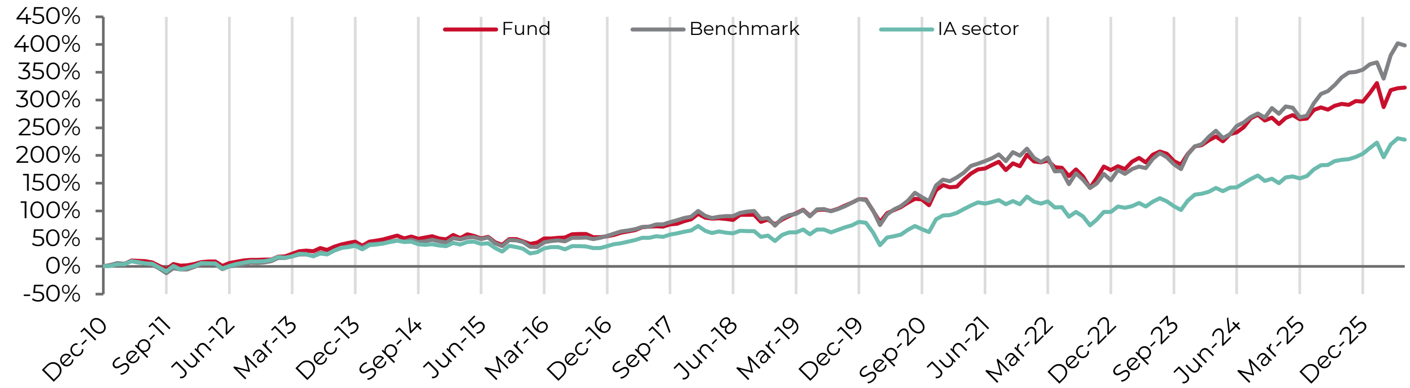
GUINNESS GLOBAL EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.8%	+7.7%	+12.7%	+34.3%	+58.9%	+179.5%
MSCI World TR	+0.8%	+11.2%	+25.3%	+62.4%	+79.2%	+246.1%
IA Global Equity Income TR	+0.8%	+9.8%	+20.0%	+45.3%	+60.1%	+153.0%
(USD)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+0.2%	+6.3%	+9.2%	+40.2%	+52.6%	+177.5%
MSCI World TR	-0.7%	+9.7%	+21.3%	+69.5%	+72.1%	+243.6%
IA Global Equity Income TR	-0.8%	+8.4%	+16.3%	+51.7%	+53.9%	+151.2%
(EUR)	**1 Month**	**YTD**	**1 yr**	**3 yr**	**5 yr**	**10 yr**
Fund	+2.3%	+9.2%	+12.1%	+33.8%	+58.3%	+169.6%
MSCI World TR	+1.3%	+12.7%	+24.6%	+61.8%	+78.5%	+233.9%
IA Global Equity Income TR	+1.3%	+11.3%	+19.4%	+44.8%	+59.6%	+144.1%

GUINNESS GLOBAL EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+3.7%	+14.6%	+9.2%	+2.1%	+23.3%	+8.1%	+21.2%	+0.7%	+9.6%	+26.9%
MSCI World TR	+12.8%	+20.8%	+16.8%	-7.8%	+22.9%	+12.3%	+22.7%	-3.0%	+11.8%	+28.2%
IA Global Equity Income TR	+12.8%	+11.0%	+9.2%	-1.2%	+18.7%	+3.3%	+18.6%	-5.8%	+10.4%	+23.2%
(USD)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	+11.4%	+12.6%	+15.8%	-9.3%	+22.2%	+11.5%	+26.0%	-5.2%	+20.0%	+6.4%
MSCI World TR	+21.1%	+18.7%	+23.8%	-18.1%	+21.8%	+15.9%	+27.7%	-8.7%	+22.4%	+7.5%
IA Global Equity Income TR	+21.1%	+9.1%	+15.7%	-12.3%	+17.6%	+6.5%	+23.4%	-11.3%	+20.8%	+3.3%
(EUR)	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**
Fund	-1.8%	+20.1%	+11.9%	-3.4%	+31.5%	+2.3%	+28.3%	-0.4%	+5.4%	+9.6%
MSCI World TR	+6.8%	+26.6%	+19.6%	-12.8%	+31.1%	+6.3%	+30.0%	-4.1%	+7.5%	+10.7%
IA Global Equity Income TR	+6.8%	+16.4%	+11.8%	-6.5%	+26.5%	-2.3%	+25.7%	-6.9%	+6.1%	+6.4%

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



Simulated past performance in since launch numbers. Performance prior to the launch date of the Y class (11.03.15) uses a higher charging share class in line with standard methodology. Source: FE fundinfo net of fees to 30.06.26. 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 OCF. The current OCF is 0.77%. 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.

WS GUINNESS GLOBAL EQUITY INCOME FUND - FUND FACTS

Fund size	£201.4m
Fund launch	09.11.2020
OCF	0.77%
Benchmark	MSCI World TR
Historic yield	2.0% (Y GBP Inc)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

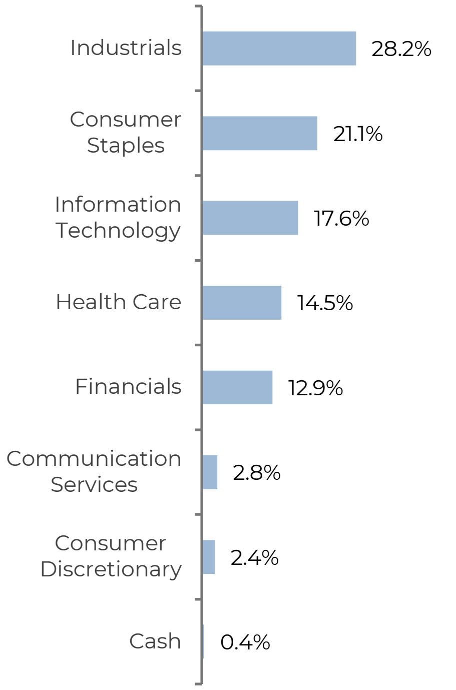
WS GUINNESS GLOBAL EQUITY INCOME FUND - PORTFOLIO

Top 10 holdings

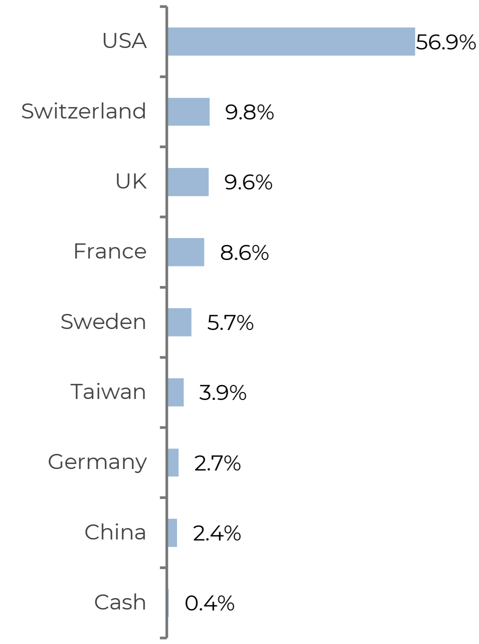
Cisco Systems	4.2%
Texas Instruments Inc	4.2%
Taiwan Semiconductor	3.9%
ABB	3.7%
Johnson & Johnson	3.5%
Abbvie	3.4%
Roche Holding AG	3.1%
Aflac	3.1%
Emerson Electric Co	3.1%
Broadcom	3.0%

Top 10 holdings	35.3%
Number of holdings	35

Sector



Country



Past performance does not predict future returns.

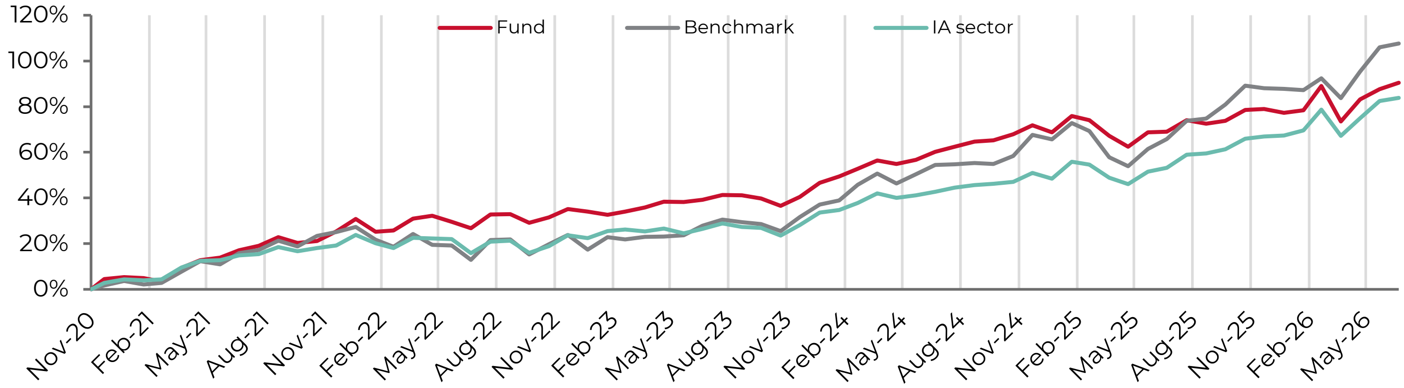
WS GUINNESS GLOBAL EQUITY INCOME FUND - CUMULATIVE PERFORMANCE

(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.5%	+7.4%	+13.3%	+36.8%	+62.6%	-
MSCI World TR	+0.8%	+11.2%	+25.3%	+62.4%	+79.2%	-
IA Global Equity Income TR	+0.8%	+9.8%	+20.0%	+45.3%	+60.1%	-

WS GUINNESS GLOBAL EQUITY INCOME FUND - ANNUAL PERFORMANCE

(GBP)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fund	+5.1%	+15.1%	+9.5%	+2.4%	+24.2%	-	-	-	-	-
MSCI World TR	+12.8%	+20.8%	+16.8%	-7.8%	+22.9%	-	-	-	-	-
IA Global Equity Income TR	+12.8%	+11.0%	+9.2%	-1.2%	+18.7%	-	-	-	-	-

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



Source: FE fundinfo net of fees to 30.06.26. 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 is 0.77%. 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 and registered with the Securities and Exchange Commission ("SEC"). SEC registration does not imply a certain level of skill or training..

This report is primarily designed to inform you about the Guinness Global Equity Income Fund and the WS Guinness Global Equity Income 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. If you decide to invest, you will be buying shares in the Fund and will not be investing directly in the underlying assets of the Fund.

GUINNESS GLOBAL EQUITY INCOME 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, including collective redress mechanisms, 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 GLOBAL EQUITY INCOME 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: wtas-investorservices@waystone.com
Dealing: ordergroup@waystone.com

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

Residency

This Fund is registered for distribution to the public in the UK but not in any other jurisdiction. In other countries or in 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.

Glossary of Terms: A glossary explaining key investment terms used in our marketing materials is available here: https://www.guinnessgi.com/glossary

Telephone calls will be recorded and monitored.