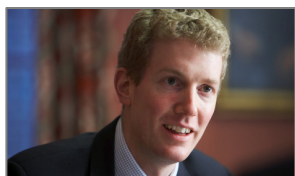


## Tim Guinness Lead Manager



**2002:** Founded Guinness Asset Management **1998:** Manager of Investec Global Energy Fund **1998:** Guinness Flight Hambro acquired by Investec **1985:** Founding portfolio manager of the Global Equity Fund; co-founder Guinness Flight Global Asset Management **1973:** MSc Sloan MIT, Management **1971:** MEng Cambridge, Engineering

## Tom Nelson



**2005:** Joined Guinness Asset Management **2002:** MA Oxford, Languages (French and German)

## Dr. Ian Mortimer



**2006:** Joined Guinness Asset Management **2006:** D.Phil Oxford, Physics **2003:** MSci UCL, Physics

## Will Riley



**2007:** Joined Guinness Asset Management **2000:** PricewaterhouseCoopers, valuation specialist; Chartered Accountant **1999:** MA Cambridge, Geography

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# Guinness Global Energy Fund

**Investment Strategy** The investment objective of the Fund is to provide investors with long-term capital appreciation by investing in public listed equities of companies engaged in the exploration, production or distribution of oil, gas and other energy sources.

**Strategy Overview** Rising energy costs are potentially signaling the end of cheap oil. Yet global energy consumption continues to surge. However rapidly renewable sources of energy are developed fossil fuels will remain the predominant world energy source for decades to come and depletion of supply will drive energy prices higher. This has created a favourable environment for companies with resource reserves and for those service providers and distributors.

The Guinness Global Energy Fund aims to give investors an opportunity to capitalise on the increasing value of energy companies arising from growing global demand for energy and the world's diminishing supply of hydrocarbon reserves.

- Concentrated portfolio: Under normal market conditions the Fund will invest in 30 equally weighted positions made up of approximately 40 stocks. These are mostly one stock per position with the exception of one 'research' or 'nursery' position which consists of a selection of smaller capitalisation stocks.

- The Fund invests in energy companies worldwide, both domiciled in developed economies such as the US, Europe and Asia and in emerging markets.

- The majority of companies held will have a market capitalisation exceeding \$1 billion.

- Energy includes oil, natural gas, coal, nuclear, utilities, and alternative energy. Activities include exploration, production and distribution.

The stock selection process is a combination of sector selection (deciding how much exposure to have to specific sectors such as oil services or exploration and production) and specific stock analysis. For the specific stock analysis we, inter alia, use a multi-factor research tool to prioritise research activity by identifying stocks which have high returns, low valuations, analyst earnings estimates momentum and price momentum. In plain English - good companies that are attractively valued where investor sentiment is improving and investor buying is occurring.

The investment team managed the Investec Global Energy Fund between November 1998 and February 2008 and continues to manage the Guinness Atkinson Global Energy Fund (a US mutual fund launched in 7.04). The Guinness Global Energy Fund and the Guinness Atkinson Global Energy Fund are managed in tandem.

**Simulated past performance** The Fund was launched on 31.3.08 and therefore no actual performance numbers are available prior to this date. The investment team has been running global energy funds in accordance with the same methodology continuously since 11.98 and therefore we believe the performance numbers quoted below are a fair reflection of what the performance of this Fund would have been. The returns are calculated using a composite of the Investec GSF Global Energy Fund class A to 29.2.08 (date the team ceased to manage the Fund); the Guinness Atkinson Global Energy Fund from 1.3.08 to 31.3.08 (launch date of this Fund) and the Guinness Global Energy Fund class B since launch.

**Past performance should not be taken as an indicator of future performance. Returns stated below are in US dollars; returns in other currencies may be higher or lower as a result of currency fluctuations.**

Year to date and annualised average returns to 31.08.10 *	Year to date	1 year	3 years annualised	5 years annualised
Fund	-12.1%	+1.1%	-4.1%	+2.4%
MSCI World Energy Index (TR)	-12.7%	-2.3%	-7.8%	+1.1%

Calendar year performance	2009	2008	2007	2006	2005	2004
Fund	+60.7%	-48.2%	+37.9%	+10.0%	+62.3%	+41.0%
MSCI World Energy Index (TR)	+26.9%	-37.9%	+30.9%	+18.5%	+29.5%	+28.9%

Source: Bloomberg, bid to bid, (inclusive of all annual management fees but excluding any initial charge or redemption fee), gross income reinvested, in US dollars; \*calculation Guinness Asset Management Limited. Performance would be lower if initial charge and/or redemption fee were included.

Fund sector breakdown %		Fund geographic allocation %		Fund top 10 holdings %	
Integrated oil & gas	45.0	US	54.0	Noble Energy Inc	3.6
Oil & gas exploration & production	38.2	Canada	11.0	Chesapeake Energy Corp	3.5
Oil & gas drilling	6.6	UK	9.0	Halliburton Co	3.4
Oil & gas equipment & services	6.1	Hong Kong	3.8	Apache Corp	3.4
Oil & gas refining & marketing	3.2	Spain	3.4	ENI Spa	3.4
Construction and engineering	0.4	Italy	3.4	Canadian Natural Resources Ltd	3.4
Cash	0.5	Netherlands	3.4	Petrochina Co Ltd	3.4
		Austria	3.3	Repsol; YPF SA	3.4
		France	3.3	Royal Dutch Shell Plc	3.4
		Norway	3.2	Chevron Corp	3.4
		Russia	1.7		
		Cash	0.5		

# Guinness Global Energy Fund

**IMPORTANT INFORMATION**

This document is provided for general information only; it is not an invitation to make an investment nor does it constitute an offer for sale. It also does not constitute an advertisement for a fund in a country where that fund is not registered for sale. All the information in the document is believed to be reliable but may be incorrect or incomplete. Any opinions contained in this document are honestly held but are not guarantees and should not be relied on.

The full Fund documentation contains more complete and detailed information of risk, fees, charges and expenses that are to be borne by an investor. The documentation should be read carefully before investing. The full documentation needed to make an investment, including the Prospectus, the Simplified Prospectus and the Application Form are available, free of charge, from the Manager: Capita Financial Managers (Ireland) Limited, 1 Adelaide Court, Adelaide Road, Dublin 2 Ireland or the Promoter and Investment Manager: Guinness Asset Management Ltd, 14 Queen Anne's Gate, London SW1H 9AA.

**Documentation is also available from the website [www.guinnessfunds.com](http://www.guinnessfunds.com)**

This document should not be distributed to Retail Clients who are resident 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 Guinness Global Energy 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 Irish Financial Services Regulatory Authority. The Fund has been approved by the Financial Services Authority for sale in the UK. The Company and the Fund have been recognised in the UK by the FSA pursuant to section 264 of the FSMA. Guinness Asset Management Ltd is authorised and regulated by the Financial Services Authority.

**THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS**

**RISK FACTORS**

The Guinness Global Energy Fund is an equity fund. Investors should be willing and able to assume the risks of equity investing. The value of the Fund's portfolio changes daily and can be affected by changes in currencies, interest rates, general market conditions and other political, social and economic developments, as well as specific matters relating to the companies in whose securities the fund invests. In addition the investment universe of the fund is relatively narrow and the volatility of the Fund may therefore be higher than it would be for a more broadly invested equity fund.

The stocks of energy and energy-related companies are especially affected by variations in the price of oil and natural gas, which, in turn, are impacted by many variables, including, but not limited to: the actions of The Organization of Petroleum Exporting Countries ("OPEC"); war and terrorism; weather; tax regimes; and the price of oil itself, which influences the marginal return of producing oil and natural gas. Factors influencing demand include: economic growth around the world; the relative growth of less developed countries versus developed economies; the weather and the price of the commodity itself. Energy stocks tend to be influenced on a day-to-day basis by the future prices for the commodities that are traded on various exchanges.

***The value of this investment and any income generated by it, may fall as well as rise as a result of the market and currency fluctuations and an investor may not get back the amount they invest.***

Guinness Global Energy Fund at 31.08.10					
General Fund Information					
AUM in strategy	\$197 million		Manager	Capita Financial Managers Ltd	
AUM in fund	\$111 million		Domicile	Ireland	
Valuation	Daily		Structure	OEIC	
Benchmark	MSCI World Energy		Framework	UCITS III	
Redemption fee	2% within 30 days of purchase		Risk factors	see above	
Class-specific information					
Shareclass	class A	class B	class C	class D	class E
Currency	USD	USD	GBP	EUR	USD
Min. investment	\$200,000	\$20,000	£5,000	EUR 100,000	\$10,000,000
AMC	1%	1.50%	1.50%	1.00%	0.75%
Initial charge	0%	2%	5%	0%	0%
Launch date	31.03.08	31.03.08	02.09.08	02.09.08	02.09.08
Launch price	\$10	\$10	£10	€ 10	\$10
latest dividend	0.0495	0.0070	N/A	0.0052	0.0130
Total Expense Ratio	1.42%	1.92%	1.92%	1.42%	1.17%
Fund codes					
ISIN	IE00B2Q91T05	IE00B2Q91V27	IE00B3CCJ963	IE00B3CCJB88	IE00B3CCJC95
SEDOL	B2Q91T0	B2Q91V2	B3CCJ96	B3CCJB8	B3CCJC9
Bloomberg	GUINGEA ID	GUINGEB ID	GUINGEC ID	GUINGED ID	GUINGEE ID

Data source: Guinness Asset Management Limited.

