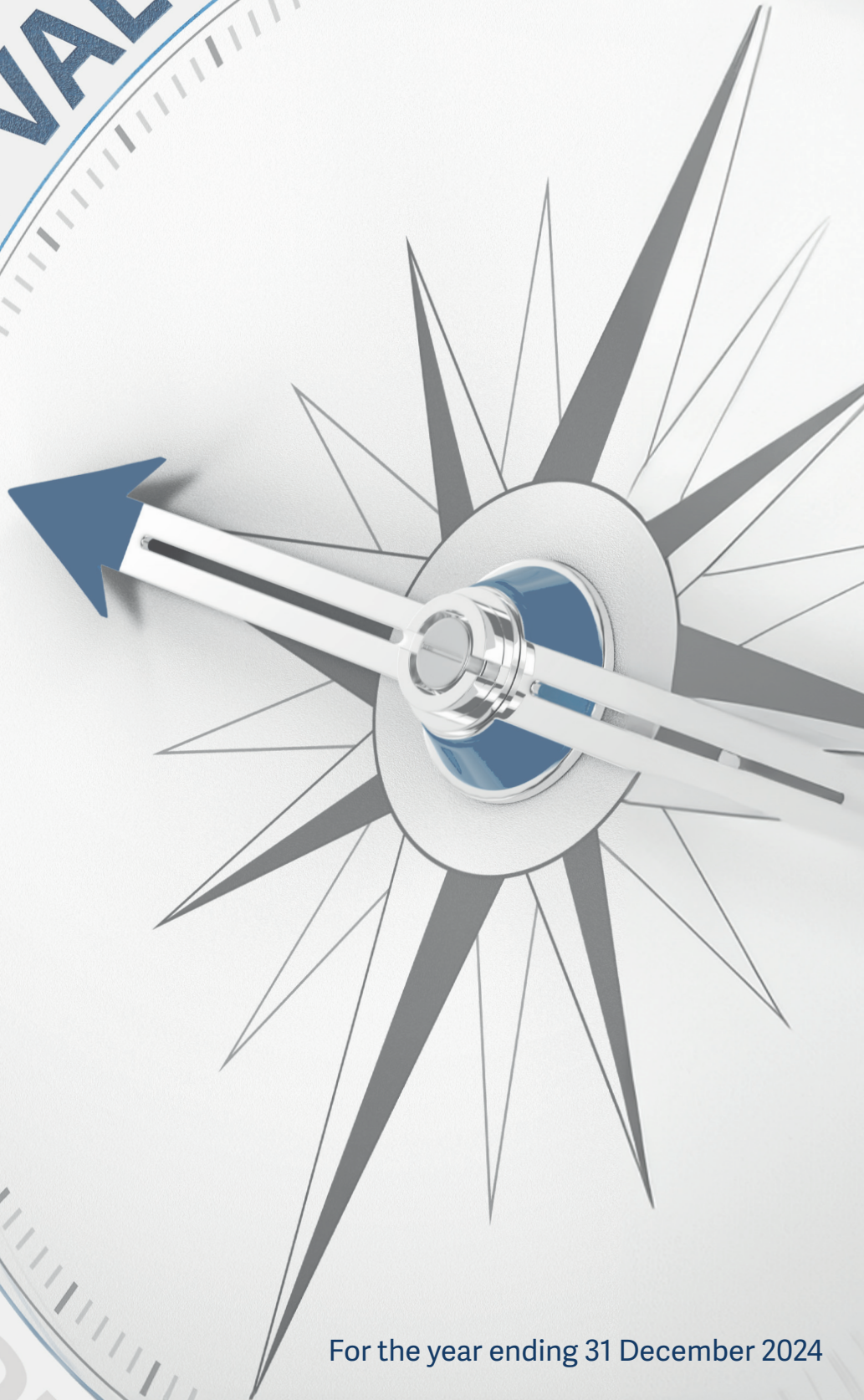


ASSESSMENT OF VALUE

ASSESS



For the year ending 31 December 2024

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Andrew Laing
Independent non-
executive Chair

CHAIRMAN'S STATEMENT

Welcome to Artemis' 2024 Assessment of Value report

It evaluates whether Artemis' funds have delivered value to you, our clients. The assessment of value process was overseen by Artemis Fund Managers' Board of Directors, which provided expertise, perspective and challenge throughout. The Board, which I chair, consists of senior managers drawn from across Artemis together with another independent non- executive director. You can read our biographies on page 40 of this report.

This year, we again reviewed each of Artemis' UK-authorized funds against the seven value criteria set out by the FCA. The results are based on data and information to 31 December 2024. The first part of this report provides a summary of our analysis. That is followed by an outline of the actions that are being taken in the small number of cases where we determined that improvements should be made. For readers seeking more detail, the second half of the report provides in-depth, fund-by-fund analysis and then explains how we are ensuring that Artemis delivers value against each of the value criteria.

Of the 22 UK-authorized funds covered by this report, 21 were assigned to one of the following three categories:

- **Green:** Delivered good value
- **Amber:** Delivered value overall (where recent changes have been made, or where further monitoring is needed)
- **Red:** Did not deliver value

The Board is pleased to report that 19 of the funds were judged to have delivered good value. Two of the funds, meanwhile, were found to have delivered value overall but changes have been made, or further monitoring is required.

One fund, the Artemis Positive Future Fund, has been analysed but not assigned an overall rating as it has not yet been in existence for its minimum recommended holding period of five years.

Grading the funds' performance

Although fund performance is only one component of the overall value assessment, it is an important one. This report looks at the performance of Artemis' funds over a period that included the global pandemic, a surge in inflation, war, and political upheaval.

Against this backdrop, we have seen increasing concentration in global equity markets, with a relatively small number of companies driving returns, particularly in the US. Associated with this, we have witnessed an ongoing debate about the potential of artificial intelligence – 'AI' – to deliver a step change in innovation, productivity and corporate profitability.

Over the course of this period of change, most of Artemis' equity funds outperformed their targets. That also holds true for our bond funds, all but one of which achieved their objectives over a period that saw one of the biggest corrections in the history of the bond market.

A reduction in fees

In 2023, Artemis appointed Northern Trust as the funds' new administrator and transfer agent. One of the aims of that change was to ensure that the administration fees which you pay remain as competitive as possible. Following this change – and as part of a wider review of fund administration fees – 2024 saw a reduction in the administration fees of a number of funds.

On 1 August, the base administration fees of the Artemis SmartGARP Global Emerging Markets Equity Fund, Artemis Global Income Fund, Artemis Global Select Fund, Artemis Positive Future Fund, Artemis SmartGARP Global Equity Fund, Artemis US Extended Alpha Fund, Artemis US Select Fund and Artemis US Smaller Companies Fund were reduced.

[A message of thanks](#)

At the end of 2024, Artemis' Executive Chairman, John Dodd, retired after almost 40 years in the investment industry. John was one of the founders of Artemis in 1997 and played a key role in its growth over the next 27 years. The Board would like to thank John for championing the client first approach to assessing value which is reflected in this report. As the results of this review indicate, his work has helped to build a company that delivers both investment performance and good service to its clients. We wish him a long and happy retirement.

In March 2025 we also announced that Artemis' senior partner, Mark Murray, who has been with the firm since shortly after its founding, is to retire at the end of June 2025. Mark has played a significant role in leading the firm through some of the challenges of the last decade, in particular Brexit and the Covid pandemic. The Board is pleased to be welcoming Teun Johnston who will take on the new role of Chief Executive Officer shortly after the report is published. Teun has over two decades of experience of leadership roles in the fund management industry and will carry forward the baton of ensuring the firm delivers value for all its investors.

[Looking ahead](#)

Although the findings of this report are pleasing, the Board is not complacent. Past performance, of course, offers no guarantee of future returns. And wherever we have identified changes that have the potential to deliver better outcomes for Artemis' clients, they are being made. Those improvements are described on page 11 and 12 of this report.

Thank you for taking the time to read this report. If you have any suggestions for improvement, please let us know.

Andrew Laing,
Independent non-executive Chair, Artemis Fund Managers Limited

OUR 2024 VALUE ASSESSMENT AT-A-GLANCE

We have assessed the value delivered by our UK-authorized funds across the seven criteria explained on page 36. This table summarises our conclusions. Individual assessments for each fund can be found on pages 13 to 35.

- Delivered good value
- Delivered value overall (where recent changes have been made, or where further monitoring is needed)
- Did not deliver value

	Overall	Quality of service	Performance	Authorised Fund Manager costs	Economies of scale	Comparable market rates ¹	Comparable services ²	Classes of units/shares
<u>Artemis Income Fund</u>	●	●	●	●	●	●	●	●
<u>Artemis Income (Exclusions) Fund</u>	●	●	●	●	●	●	●	●
<u>Artemis SmartGARP UK Equity Fund</u>	●	●	●	●	●	●	N/A	●
<u>Artemis UK Select Fund</u>	●	●	●	●	●	●	●	●
<u>Artemis UK Smaller Companies Fund</u>	●	●	●	●	●	●	N/A	●
<u>Artemis UK Special Situations Fund</u>	●	●	●	●	●	●	●	●
<u>Artemis European Select Fund</u>	●	●	●	●	●	●	N/A	●
<u>Artemis SmartGARP European Equity Fund</u>	●	●	●	●	●	●	N/A	●
<u>Artemis US Extended Alpha Fund</u>	●	●	●	●	●	●	●	●
<u>Artemis US Select Fund</u>	●	●	●	●	●	●	N/A	●
<u>Artemis US Smaller Companies Fund</u>	●	●	●	●	●	●	●	●

¹ Assessment conducted on all share and/ or unit classes, however RAG rating is based on Class I for each fund.

² Assessment only conducted on funds with a comparable mandate. For funds without a comparable mandate, no rating has been applied.

	Overall	Quality of service	Performance	Authorised Fund Manager costs	Economies of scale	Comparable market rates ¹	Comparable services ²	Classes of units/shares
Artemis SmartGARP Global Emerging Markets Equity Fund	●	●	●	●	●	●	N/A	●
Artemis Global Income Fund	●	●	●	●	●	●	N/A	●
Artemis Global Select Fund	●	●	●	●	●	●	●	●
Artemis SmartGARP Global Equity Fund	●	●	●	●	●	●	N/A	●
Artemis Positive Future Fund	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Artemis Corporate Bond Fund	●	●	●	●	●	●	N/A	●
Artemis High Income Fund	●	●	●	●	●	●	N/A	●
Artemis Strategic Bond Fund	●	●	●	●	●	●	N/A	●
Artemis Short-Duration Strategic Bond Fund³	●	●	●	●	●	●	N/A	●
Artemis Monthly Distribution Fund	●	●	●	●	●	●	N/A	●
Artemis Strategic Assets Fund	●	●	●	●	●	●	N/A	●

¹ Assessment conducted on all share and unit classes, however RAG rating is based on Class I for each fund.

² Assessment only conducted on funds with a comparable mandate. For funds without a comparable mandate, no rating has been applied.

³ The name of the fund was changed from the Artemis Target Return Bond Fund to the Artemis Short-Duration Strategic Bond Fund on 18 March 2024.

EXECUTIVE SUMMARY

The Board has concluded that of the 22 funds being reviewed: 19 consistently delivered good value; two funds delivered value overall but require further monitoring; and one fund had not reached its minimum assessment timeframe so was not assigned an overall rating. The funds universally received green ratings against four of the assessment criteria: Quality of Service, Authorised Fund Managers (AFM) Costs, Comparable Services and Classes of Shares/ Units. Here, we look at the three criteria – Performance, Economies of Scale and Comparable Market Rates – where the Board found Amber (or Red) ratings to be appropriate for some funds, and summarise the actions that have been taken in response.



Performance

The Artemis Strategic Assets Fund has not achieved its investment objective over five years and has also underperformed

its IA sector peer group. Action was taken with a new lead fund manager appointed in June 2023. A number of product changes were also approved that month, and were implemented over the remainder of 2023 and early 2024. As a result of the Board's ongoing monitoring of the fund's performance, it was concluded earlier this year that further refinements to the fund's investment policy were required. These are intended to allow the manager greater flexibility in seeking to achieve the fund's objective. The Board believes that they will ensure that the fund is well placed to capitalise on opportunities in all market conditions. The changes have been notified to investors and will become effective in May 2025.

Similarly, Artemis Global Select Fund has also underperformed its benchmark and peer group. A new investment team was appointed in October 2023 and, following a period of client engagement, changes to the investment policy were made, becoming effective in November 2024.

For both of these funds, the Board believes that more time is required to evaluate the impact of the changes made. Supported by internal Artemis governance bodies, the Board will continue to track progress.

The Artemis US Select Fund was rated Amber due to its underperformance of its benchmark and peers. The fund's absolute performance (a simple measure of its gain or loss without considering any benchmark) remains strong. We remain confident that the fund is performing in line with expectations. More commentary on the performance of all funds is contained on pages 13 to 35.



Artemis Positive Future Fund

Because three years of performance data is now available, we have included an individual fund page in the investor report. However, as the

fund has not been in existence for the minimum recommended holding period (five years), we have not rated each of the assessment pillars. More information on the fund can be found on page 28.



Economies of scale

The Economies of Scale evaluation identified one fund, the Artemis US Smaller

Companies Fund, where an Amber rating was applied. The review found that the fund has grown in size during the review period. Should that trend continue, the fund will cross the next size threshold at which its administration fee will be reduced. At that point, a further saving will be passed on to you via a reduction in the fund's ongoing charges.

Throughout the year, we were able to pass on savings due to economies of scale for 10 funds, by reducing their administration fees as assets under management (AUM) grew. As a result, we conclude that value has been delivered.



Comparable market rates

The assessment compares the ongoing charges figure for Artemis' funds against those of similar funds

in the relevant Investment Association (IA) sector. We conducted this assessment using representative I-class units or shares to identify instances where charges are high compared with the market average. This review is complementary to the Authorised Fund Manager and Economies of Scale reviews, which assess costs and charges on an absolute rather than relative basis.

All of the representative classes achieved a Green rating. However, the assessment highlighted that several C-class units (which are only offered to direct investors) were rated Amber. This was the same result as last year, following which the Board requested a more detailed review of whether the pricing of C-class units remained appropriate. When the additional services provided by both Artemis and Northern Trust to clients who hold C-class units were taken into account, we concluded that value was being delivered.

WHAT IS AN ASSESSMENT OF VALUE?

Our assessment considers seven criteria when determining whether a fund has delivered value. We group the criteria into three broad categories: Performance, Costs and Charges, and Services.



We conduct a two-stage assessment for each of these criteria. The first stage is quantitative, comparing actual data against the thresholds we have set for measuring whether value has been delivered. The second part is qualitative and considers any broader factors which should be taken into account. Each fund then receives a **red**, **amber**, or **green** rating for each of the seven criteria. Finally, the individual ratings are aggregated at the category level to produce an overall rating for each fund.

The overall ratings we use are as follows:

- **Green:** Delivered good value
- **Amber:** Delivered value overall (where recent changes have been made, or where further monitoring is needed)
- **Red:** Did not deliver value

While we complete an evaluation for every unit and share class, the fund-level analysis in this report is always based on each fund's I-class units or shares.

Improvements to our process

The format of last year's report, (April 2024), was revised to reflect feedback from the FCA's review of the industry's approach to assessing value as well as its Consumer Duty guidance.

While the format of this year's report is unchanged, we have refined our approach to assessing value for two of the pillars. After reviewing how we measure and score the Services category, we now give greater weighting to the factors which we believe have the greatest impact on the quality of service that Artemis' clients experience. Additionally, we have embedded a cost allocation model within our assessment of AFM Costs. This is intended to help the Board determine whether the costs of providing services to the funds represent good value.

What does this report show?

This report shows our assessment of whether the funds have delivered value over the five years to 31 December 2024, with the exceptions being:

- The Artemis Short-Duration Strategic Bond Fund and the Artemis Corporate Bond Fund, where the recommended minimum investment period is three rather than five years. These funds were therefore assessed over the three years to 31 December 2024.
- The Artemis Positive Future Fund, which was launched in April 2021 and therefore had fewer than five years' performance to analyse. Because this fund was launched more than three years ago, we believe it is appropriate to provide an individual fund report. We will not, however, provide a formal rating for this fund until a five-year performance record is available.

The Artemis European Select Fund merged with the Artemis SmartGARP European Equity Fund on 10 January 2025. Because the Artemis European Select Fund was still in existence on 31 December 2024, an assessment of value was carried out. We did not, however, conduct an assessment of value on the Artemis SmartGARP Paris-Aligned Global Equity Fund, which closed on 5 November 2024.

PRODUCT CHANGES

Product development activity since the 2024 Assessment of Value Report – and ongoing oversight

While the Assessment of Value report is only produced once a year, the process of ensuring that Artemis' product range is delivering value to you is continuous. In some cases, we might conclude that changes to a fund – including its discontinuation – are in its investors' best interests. In those instances, we take appropriate action.

Changes delivered

In March 2024, the Artemis Target Return Bond Fund was re-named the **Artemis Short-Duration Strategic Bond Fund**. Its investment objective, benchmark and Investment Association (IA) sector also changed, reflecting the investment team's view that the upward reset in interest rates seen in 2022-23 had made taking a purely 'absolute return' approach to the bond market significantly less attractive. While the fund's investment strategy has not changed, changing the fund's name and benchmark gives the managers greater flexibility to deliver the underlying outcomes that they believe clients are looking for: relatively low volatility but with the potential for better returns than in cash.

In previous Assessment of Value reports, the **Artemis Strategic Assets Fund** was flagged Red for performance due to its consistent underperformance relative to its target and peer group. As a result, a new lead fund manager, David Hollis, was appointed in June 2023 and the fund's investment strategy was revised. These changes became fully operational in March 2024. Over the past 12 months, we have continued to monitor the fund's progress against its investment objectives. To optimise the team's pursuit of the fund's objective, a further revision of the investment policy – amending a number of restrictions – will take effect on 30 May 2025.

In March 2024, Artemis announced that the four-member Impact equities team that formerly managed the **Artemis Positive Future Fund** had left the company. While the fund did not have a three-year performance record at that time (meaning a formal assessment of value was not due) it was not performing in line with expectations, so action was taken. Sacha El Khoury, Artemis' Head of Impact and Sustainable Equities, became the fund's lead manager and led a review of the fund's strategy. Following this review, the fund's investment policy, strategy and benchmark were changed; more information can be found on page 28.

The FCA introduced a package of measures during 2024 called the Sustainability Disclosure Requirements (SDR). These were implemented to help consumers navigate the market for sustainable investment products and to reduce greenwashing. They include voluntary labelling options if a fund meets certain criteria as well as Naming and Marketing rules dictating how funds should disclose their sustainable characteristics. The **Artemis Positive Future Fund** does not have an SDR label but does have sustainable characteristics. We have therefore made the required consumer-facing disclosures available on our website.

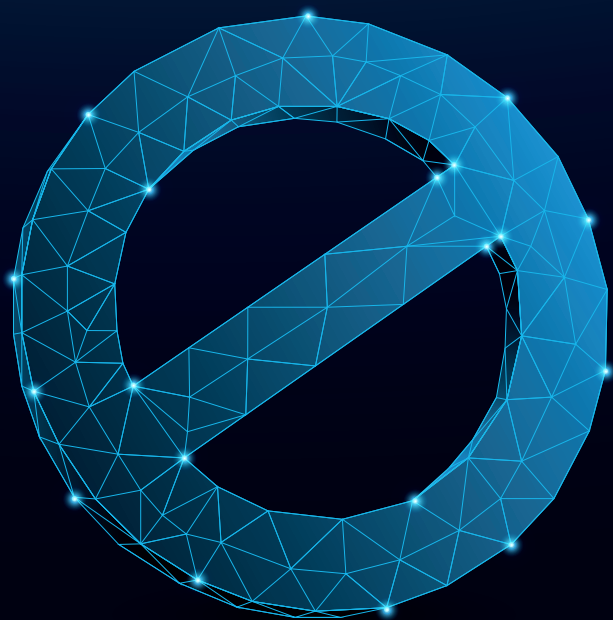
The **Artemis (Income) Exclusions Fund** does not have a label but has sustainable characteristics. The required consumer-facing disclosures for the fund are available on our website.

We also made changes to the exclusionary screens of **Artemis Global Select Fund**.

With the announcement that Kartik Kumar, the lead manager of the **Artemis European Select Fund** was leaving Artemis, a decision was taken to merge it with the **Artemis SmartGARP European Equity Fund**. The **Artemis European Select Fund** had undergone a period of underperformance prior to Kartik's appointment in December 2022 and, although its performance then improved, we believed that a merger was in the best interests of investors following his departure. The **Artemis SmartGARP European Equity Fund** is a well-established fund run by an experienced investment team with a good long-term performance record.

Shareholders approved the changes in December 2024 and the merger completed in January 2025.

In June 2024, the manager of the **Artemis SmartGARP Paris-Aligned Global Equity Fund** retired from the investment industry. Given the relatively small size of the fund and in view of the lack of a similar alternative vehicle into which it could be merged, the decision was taken to close it. The fund closure was successfully executed in November 2024.



ARTEMIS INCOME FUND

Investment Objective: To grow both income and capital over a five-year period.

Performance

With a total return of 37.4% over the five years to 31 December 2024, the fund met its objective of achieving long-term capital growth for clients. Over the same five-year period, meanwhile, the cumulative distribution (income) payments per unit were higher than they had been in the preceding five-year period.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the FTSE All-Share (total return) index, which returned 26.4%.
- The fund outperformed the average net return of 20.4% from its peer group, the Investment Association’s UK Equity Income sector.

The fund has provided capital growth and income growth while also outperforming its benchmark index and its peers. Therefore, the assessment concludes that the fund has delivered good performance to clients.

Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

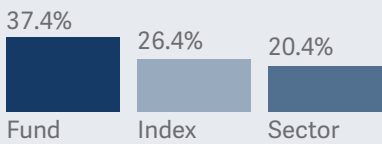
Overall assessment 

Criteria ratings

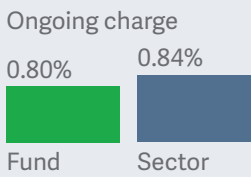
Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	
Classes of units	

Performance

Total return over five years to 31 December 2024



Costs



ARTEMIS INCOME (EXCLUSIONS)FUND

Investment Objective: To grow both income and capital over at least a five-year period. The fund also aims to provide investors with a total return in excess of the FTSE All-Share Index, after fees, on an annualised basis over rolling five-year periods.

Performance

With a total return of 35.7% over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The fund delivered an annualised return of 6.3% (after fees) versus 4.8% from the FTSE All-Share index.

Over the same five-year period, meanwhile, the fund's cumulative distribution (income) payments per unit were 4% lower than they had been in the preceding five-year period (2015-2019). This reflected the large dividend cuts made by UK companies at the height of the pandemic; UK dividends were 44% lower in 2020 than in 2019.

The following peer comparison was also used to evaluate the fund's relative performance. With a cumulative return of 35.7% over the five years to 31 December 2024, the fund outperformed the average net return of 20.4% from the Investment Association's UK Equity income sector. While this is not a formal comparator benchmark, the fund is a member of this sector.

The fund has provided capital growth while also outperforming its benchmark index and the IA sector. Therefore, while the dividend cuts seen in the pandemic meant that income growth was not delivered, the assessment concludes that the fund has delivered good performance to clients overall.

Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment

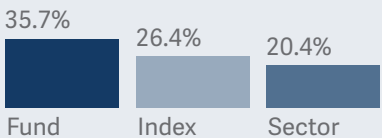


Criteria ratings

Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	
Classes of units	

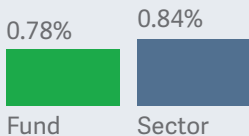
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS SMARTGARP UK EQUITY FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a total return of 66.5% over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the FTSE All-Share (total return) index, which returned 26.4%.
- The fund outperformed the average net return of 15.2% from its peer group, the Investment Association’s UK All Companies sector.

The fund has delivered capital growth, outperformed its benchmark and outperformed its peers. The assessment therefore concludes that the fund has delivered good performance to clients.

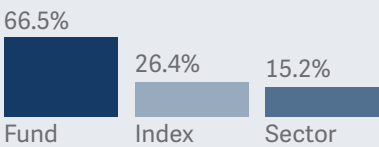
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	N/A
Classes of units	●

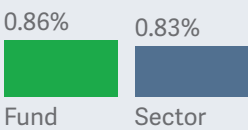
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS UK SELECT FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a total return of 69.3% over the five years to 31 December 2024, the fund met its objective of achieving long term capital growth for clients.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the FTSE All-Share (total return) index, which returned 26.4%.
- The fund outperformed the average net return of 15.2% from its peer group, the Investment Association’s UK All Companies sector.

The fund has delivered capital growth, outperformed its benchmark and outperformed its peers. The assessment therefore concludes that the fund has delivered good performance to clients.

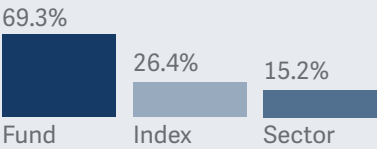
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	●
Classes of units	●

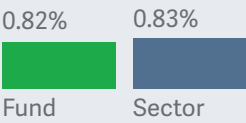
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS UK SMALLER COMPANIES FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a 14.0% return over the five years to 31 December 2024, the fund met its objective of delivering capital growth.





The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund underperformed the Deutsche Numis UK Smaller Companies (excluding Investment Trusts) total return index, which returned 15.5%.
- The fund outperformed the average net return of 4.0% from its peer group, the Investment Association’s UK Smaller Companies sector.

The assessment concludes that, while the fund has lagged its benchmark index, it has delivered capital appreciation and outperformed its peers, therefore delivering value to clients during the reporting period.

Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	
Criteria ratings	
Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	N/A
Classes of units	

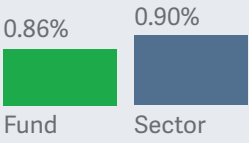
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS UK SPECIAL SITUATIONS FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a 33.0% return over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the FTSE All-Share (total return) index, which returned 26.4%.
- The fund outperformed the average net return of 15.2% from its peer group, the Investment Association’s UK All Companies sector.

The fund has delivered capital growth, outperformed its benchmark and outperformed its peers. The assessment therefore concludes that the fund has delivered good performance to clients.

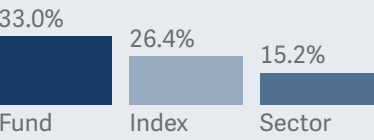
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	●
Classes of units	●

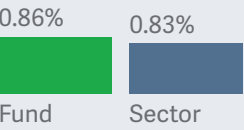
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS EUROPEAN SELECT FUND

Investment Objective: To grow capital over a five-year period.

The fund merged with the Artemis SmartGARP European Equity Fund on 10 January 2025. As the fund was in existence at the end of the assessment period, the Board has carried out an assessment of value for the fund.

Performance

With a 33.9% return over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund underperformed the FTSE World Europe ex-UK (total return) index, which returned 41.3%.
- The fund performed in line with the average net return of 33.9% from its peer group, the Investment Association’s Europe excluding UK sector.

The assessment concludes that, while the fund has lagged its benchmark index, it has delivered capital appreciation and performed in line with its peers, therefore delivering value to clients during the reporting period.

Our overall assessment

Because the fund achieved a green rating on the applicable assessment criteria, the Board concluded that it delivered good value.

Overall assessment

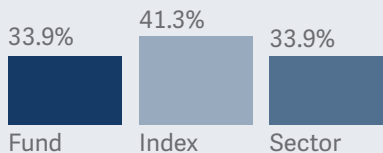


Criteria ratings

Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	N/A
Classes of units	

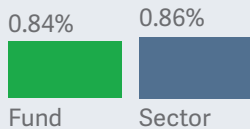
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS SMARTGARP EUROPEAN EQUITY FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a total return of 54.1% over the five years to 31 December 2024, the fund met its objective of delivering capital growth.


The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the FTSE World Europe Ex-UK (total return) index, which returned 41.3%.
- The fund outperformed the average net return of 33.9% from its peer group, the Investment Association’s Europe excluding UK sector.

The fund has provided capital appreciation, outperformed its benchmark and its peers, therefore the assessment concludes that the fund has delivered good performance to clients.

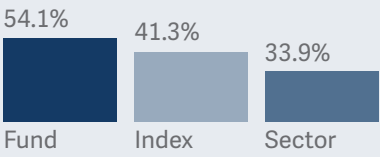
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	
Criteria ratings	
Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	N/A
Classes of units	

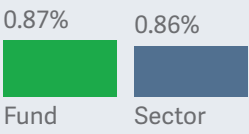
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS US EXTENDED ALPHA FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a total return of 97.6% over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund underperformed the S&P 500 (total return) index, which returned 108.4%.
- The fund outperformed the average net return of 89.9% from its peer group, the Investment Association’s North America sector.

The fund’s underperformance against its benchmark index over the five-year review period reflected stock market conditions that were shaped by the unprecedented degree of monetary stimulus (when central banks increase the supply of money to boost economic growth) introduced in response to the pandemic. In particular, the powerful rally from late March 2020 to December 2021 did not favour the managers’ approach of adding absolute alpha (the return delivered above that of a benchmark index) through short positions (profiting when shares fall in value).

In response to this period of underperformance, Artemis implemented a number of changes to the fund’s investment process and management team. In September 2022, Adrian Brass and James Dudgeon joined, becoming co-managers of the fund with William Warren. Turnover within the portfolio was also reduced, lowering transaction costs.

Since implementing these changes, the fund has delivered a return of 42.8%, only marginally behind the 43.3% return from the S&P 500 index, in an environment when having short positions has hindered overall performance.

The assessment concludes that, while the fund has lagged its benchmark, it has delivered capital appreciation and outperformed its peers, therefore delivering value to clients during the reporting period.

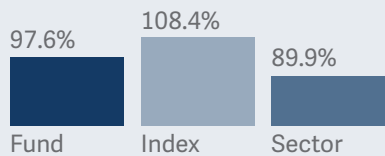
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	●
Classes of shares	●

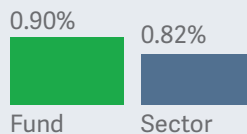
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS US SELECT FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a return of 89.8% over the five years to 31 December 2024, the fund met its objective of delivering capital growth. The following comparator benchmarks were used to evaluate its relative performance. Over the five years to 31 December 2024:

- The fund underperformed the composite S&P 500 (net return) index, which returned 108.3%*.
- The fund slightly underperformed the average net return of 89.9% from its peer group, the Investment Association's North America sector.

The majority of the fund's underperformance relative to the S&P 500 index was concentrated in 2021 and 2022; it outperformed the index in 2020, 2023 and 2024.

The fund began to underperform the index in 2021 as inflation took hold. At this time, the fund's managers believed that rising prices would prove to be transitory. It subsequently became clear that inflation would, in fact, be more persistent than initially expected, as the spike in commodity prices which resulted from Russia's invasion of Ukraine overlapped with a period of tightness in the US jobs market. This forced the Federal Reserve to raise interest rates aggressively. In the market, one result was a violent rotation away from 'growth' stocks and towards their 'value' counterparts. The Artemis US Select Fund seeks to provide investors with a balanced exposure to the US market; it is neither a 'growth' nor a 'value' fund. This made it difficult to keep pace with the index in the growth-dominated market of early 2021 and in 2022, when value stocks were in favour.

From a sector perspective, the largest detractor from returns was the fund's underweight to technology stocks, particularly its underweight to technology hardware & equipment. Reflecting this, the fund's underweight in Apple was the single biggest detractor on a stock level. Another source of underperformance was the banking sector. The collapse of Silicon Valley Bank in March 2023 prompted investors to sell their holdings in other regional banks with a similar customer base or where uninsured deposits represented a high proportion of their total deposits. This impacted the fund's holdings in Signature Bank and First Republic.

Although 2021 and 2022 were difficult years for the fund's relative returns, it outperformed the S&P 500 in 2020, 2023 and 2024. During these years, stock selection was the main driver of performance, underpinned by the managers' longstanding process of granular analysis focused on company fundamentals.

Given that the fund delivered capital growth over the five-year review period but underperformed its benchmark index and was in line with its peer group, we believe an amber rating for performance is justified.

Our overall conclusion

While this fund received an amber rating for performance, it has delivered against its objective and, given that it achieved a green rating on the other six assessment criteria, the Board concluded that it has delivered good value.

**Prior to 31 October 2024, fund performance was measured against the S&P 500 Total Return Index. From 31 October 2024 onwards, it has been measured against the S&P 500 NT (net of 15% withholding tax) Index.*

Overall assessment



Criteria ratings

Quality of service



Performance



AFM Costs



Economies of scale



Comparable market rates



Comparable services

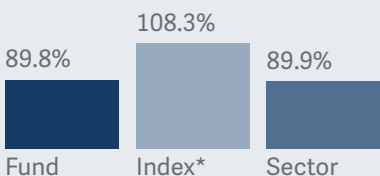
N/A

Classes of shares



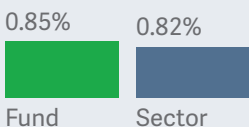
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS US SMALLER COMPANIES FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a 66.6% return over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the composite Russell 2000 (net return) index, which returned 51.1%*.
- The fund outperformed the average net return of 60.9% from its peer group, the Investment Association's North American Smaller Companies sector.

The assessment concludes that the fund has delivered capital appreciation, outperformed its benchmark index and outperformed the average return from its peer group. It has therefore delivered value to clients during the reporting period.

Economies of scale

Our main mechanism for passing on savings from economies of scale is via the administration fee discount mechanism. The administration fee for each fund is based on the investment strategy of the fund. As a fund grows, a discount is applied to reduce the administration fee as the fund passes through various assets under management (AuM) thresholds. These thresholds are set out in the fund's prospectus. The fund has grown during the review period and, should that trend continue, it will cross the next AuM threshold at which its administration fee will be reduced. At that point, a further saving will be passed on to you via a reduction in the fund's ongoing charges.

As the fund is in between thresholds, it has been rated amber on this metric. But given the way in which the early discount mechanism operates, the Board is satisfied that no immediate action is required.

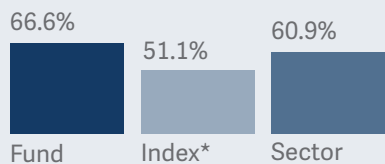
Our overall assessment

While this fund received an amber rating for economies of scale, it has delivered against its objective and, given that it achieved a green rating on the other six assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	●
Classes of shares	●

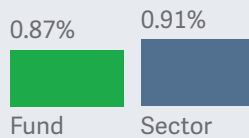
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



**Prior to 31 October 2024, fund performance was measured against the Russell 2000 total return index. From 31 October 2024 onwards, it has been measured against the Russell 2000 NR (net of 15% withholding tax) index.*

ARTEMIS SMARTGARP GLOBAL EMERGING MARKETS EQUITY FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a 40.6% return over the five years to 31 December 2024, the fund met its objective of achieving long-term capital growth for clients.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the MSCI Emerging Markets (net return) index, which returned 15.0%.
- The fund outperformed the average net return of 15.0% from its peer group, the Investment Association's Global Emerging Markets sector.

The fund has delivered capital growth, outperformed its benchmark and outperformed its peers. The assessment therefore concludes that the fund has delivered good performance to clients.

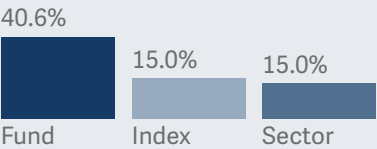
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	N/A
Classes of shares	●

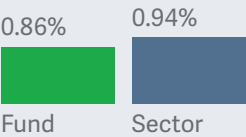
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS GLOBAL INCOME FUND

Investment Objective: To grow both income and capital over a five-year period.

Performance

With a total return of 72.1% over the five years to 31 December 2024, the fund met its objective of delivering capital growth. Over the same five-year period, meanwhile, the cumulative distribution (income) payments per unit were 20% higher than they had been in the preceding five-year period.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund outperformed the MSCI AC World (net return) index, which returned 70.8%.
- The fund outperformed the average net return of 49.2% from its peer group, the Investment Association's Global Equity Income sector.

The fund has provided capital growth and income growth while also outperforming its benchmark index and its peers. Therefore, the assessment concludes that the fund has delivered good performance to clients.

Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment

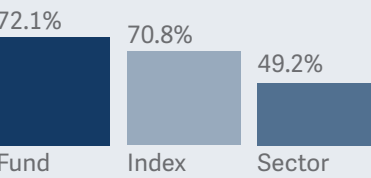


Criteria ratings

Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	N/A
Classes of units	

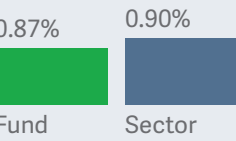
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS GLOBAL SELECT FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a 47.2% return over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The following comparator benchmarks were also used to evaluate its relative performance. Over the five years to 31 December 2024:

- The fund underperformed the MSCI AC World (net return) index, which returned 70.8%.
- The fund also underperformed the average net return of 53.4% from its peer group, the Investment Association's Global sector.

While the fund's performance was in line with the benchmark and ahead of the peer group over the first three years of the review period, the last two years have been more challenging. The fund's underperformance has been due to a combination of regional allocation and stock selection.

On a regional level, the fund's low weighting to US equities and its offsetting overweight to Europe detracted from its performance in 2024, a year in which US stocks significantly outperformed the wider global market.

On a stock level, meanwhile, the portfolio's relative returns were held back by its lack of exposure to US mega cap stocks Tesla and Broadcom which did not meet the managers' investment criteria. Returns from Tesla have not been driven by growth in the company's earnings but by a re-rating of its shares to what the fund's managers believe is an excessive valuation multiple. Although the managers are constructive on the outlook for AI beneficiaries such as Broadcom, they preferred to gain exposure to this area by investing in Nvidia and TSMC. These stocks performed well, as did the fund's holdings in Amazon.com and Uber.

In addition, there have been a number of holdings where the managers' investment thesis did not play out and which were promptly sold, such as Estee Lauder. And there have been a handful of investments, which have yet to deliver the returns the fund's managers anticipate but in which the managers retain their conviction such as Campari and Ryanair. The shares of these companies have subsequently started to outperform.

A new investment team took over the management of the fund in October 2023 since when the strategy has evolved. Changes were made in November 2024 to broaden the fund's investment universe with the aim of delivering the best possible investment outcomes for clients.

While acknowledging that the fund's relative performance has been disappointing, particularly in 2024, the managers remain confident in the outlook for returns. They invest in high-quality businesses with diversified growth drivers whose shares trade at what they regard as attractive valuations. Top-down analysis reveals a collection of companies with higher prospective earnings growth, higher returns on equity, wider profit margins and less debt than the global market average.

Given that the fund delivered capital growth over the five-year review period but underperformed its benchmark index and its peer group, further monitoring is required. The assessment concludes that an amber rating for performance is appropriate.

Our overall assessment

While this fund received an amber rating for performance, it has delivered against its objective. Given that it achieved a green rating on the other six assessment criteria, the Board concluded that it has delivered value overall, but further monitoring is required.

Overall assessment

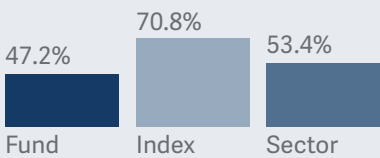


Criteria ratings

Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	
Classes of units	

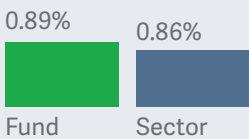
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS SMARTGARP GLOBAL EQUITY FUND

Investment Objective: To grow capital over a five-year period.

Performance

With a 55.2% return over the five years to 31 December 2024, the fund met its objective of delivering capital growth.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the five years to 31 December 2024:

- The fund underperformed the MSCI AC World (net return) index, which returned 70.8%.
- The fund outperformed the average net return of 53.4% from its peer group, the Investment Association’s Global sector.


The underperformance of the fund relative to the MSCI AC World Index over the review period was principally due to two related factors. First, its emphasis on investing in companies with below-average valuation multiples (‘value stocks’). Over the period, value stocks typically performed less well than ‘growth’ companies. The second factor was stock selection in the US, where the fund had a low level of exposure to mega-cap technology companies. These performed well and, because of their size, made a significant contribution to returns from the benchmark index.

Although the fund has lagged its benchmark it outperformed its peers over the five-year review period. It also outperformed both its benchmark and its peers in 2021, 2022 and 2024. During this period, markets shifted away from their extreme bias towards growth stocks and returns became more broadly based. While this trend went into reverse in the US during 2023, it has remained in evidence in other regions and the fund’s valuation-conscious approach has delivered positive relative returns in Europe, Asia, Japan and emerging markets.

The assessment concluded that, while the fund lagged its benchmark, it has delivered capital appreciation and outperformed its peers, therefore delivering value to clients during the reporting period.

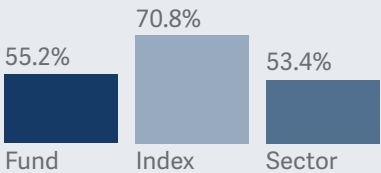
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	
Criteria ratings	
Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	N/A
Classes of units	

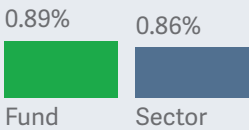
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



ARTEMIS POSITIVE FUTURE FUND

Investment Objective: To grow capital over a five-year period by investing in companies which meet the manager’s criteria for positive environmental and/or social impact.

Performance

The fund was launched on 6 April 2021 and, as such, does not yet have a five-year performance record. However, with a -33.3% return over the three years to 31 December 2024, at this point the fund has not met its objective of delivering capital growth.

The following comparator benchmarks were used to evaluate its relative performance. Over the three years to 31 December 2024:

- The fund underperformed the MSCI AC World (net return) index, which returned 26.7%.
- The fund also underperformed the average net return of 12.7% from its peer group, the Investment Association’s Global sector.

So, although the fund does not have a five-year performance record, we feel it is important to address the reasons for its underperformance and outline the steps Artemis has taken to address them.

At the time of the fund’s launch in April 2021, its focus was on ‘disruptive’, early-stage growth companies. And, although these companies’ earnings were typically projected to grow rapidly, a number of them were not yet profitable. Shortly after the fund’s launch, financial markets responded to a surge in inflation by anticipating a significant rise in interest rates. That, in turn, pushed up bond yields, sent borrowing costs higher and caused many of the fund’s holdings to materially underperform.

At the same time, returns from the fund’s benchmark, the MSCI AC World index, were increasingly being dominated by a small number of mega-cap technology companies. Although these companies performed strongly in share-price terms, they were not allowable under the fund’s investment approach.

While the team initially appointed to manage the fund responded by making some changes to their approach – such as increasing the portfolio’s exposure to profitable companies – this proved insufficient to turn its performance around. As a result, in the first quarter of 2024, Artemis changed the fund’s management team, appointing Sacha El Khoury, Artemis’ Head of Impact Equities, to be its new lead manager. She immediately reviewed the portfolio and began to implement a new investment approach.

That new approach adopts a broader, more holistic definition of environmental and social impact, specifically by considering the impact of a company’s operations alongside the impact of its products and services. The portfolio now blends holdings in best-in-class companies with holdings in companies where the managers believe their engagement as shareholders can help to deliver an improvement in ‘real world’ outcomes. This has broadened the fund’s investment universe and reduced its previous bias to early-stage growth companies.

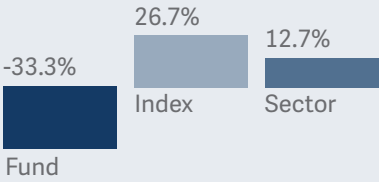
Overall assessment

Criteria ratings

Quality of service	N/A
Performance	N/A
AFM Costs	N/A
Economies of scale	N/A
Comparable market rates	N/A
Comparable services	N/A
Classes of shares	N/A

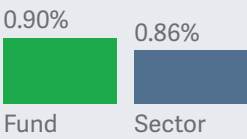
Performance

Total return over three years to 31 December 2024



Costs

Ongoing charge



On 1 February 2025, Artemis received approval to make a number of changes to the fund's investment policy. A detailed description of these changes can be found on the Artemis website. These changes will further expand the fund's investable universe; the fund's managers also believe they will improve the outcomes the fund delivers in both financial and non-financial terms. At the same time, the fund's benchmark was amended, becoming the MSCI ACWI Mid Cap index, which the managers believe better reflects its investment universe.

Our overall assessment

As the fund does not have a full five-year performance track record it will not yet be assigned an Assessment of Value rating using the same metrics that are applied to the other funds. However, the firm continues to actively monitor the fund to assess whether it is providing value to investors. The changes which were made to the fund's management team and the investment process are a direct result of that active monitoring and are intended to improve investor outcomes over the five-year performance period.



ARTEMIS CORPORATE BOND FUND

Investment Objective: To generate a return that exceeds the iBoxx £ Collateralized & Corporates Index, after fees, over rolling three-year periods, through a combination of income and capital growth.

Performance

Over the three-year period to 31 December 2024, the fund returned -3.9%.

The following comparator benchmarks were also used to evaluate its relative performance. And, over the three years to 31 December 2024:

- The fund outperformed the iBoxx Sterling Corporate and Collateralised Index (total return), which fell by 9.8%.
- The fund outperformed the average net return of -6.1% from its peer group, the Investment Association's £ Corporate Bond sector.

While the fund met its objective and outperformed its peer group, it did not deliver a positive absolute return over the three-year period. While that is disappointing, the fund's performance should be considered in the context of a very difficult environment for bonds during 2022 and 2023, when the UK corporate bond index suffered its largest fall since it was created in 1997. Against this backdrop, the fund's managers were able to protect investors from the worst of the market falls.

The assessment concludes that the fund has met its objective and delivered good performance to clients.

Our overall assessment

Because the fund has achieved a green rating on applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	N/A
Classes of shares	●

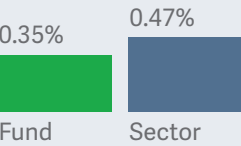
Performance

Total return over three years to 31 December 2024



Costs

Ongoing charge



ARTEMIS HIGH INCOME FUND

Objective: To provide a combination of a high level of income and capital growth, before fees, over a rolling five-year period. The manager defines a high level of income as equal to, or in excess of, the average yield of the funds in its Investment Association sector, the Strategic Bond sector.

Performance

The fund delivered a total return (a combination of income and capital growth) of 18.2% over the five years to 31 December 2024.

Over the same five-year period, the average net return from the Investment Association £ Strategic Bond sector was 6.3%.

As at 31 December, the fund's distribution yield was 5.77% versus an average distribution yield of 4.75% from its peer group, the Investment Association £ Strategic Bond sector.

The assessment therefore concludes that the fund has delivered a high level of income and capital growth and so delivered good performance to clients.

Comparable market rates

Our initial review of comparable market rates found that the fund's ongoing charges figure was high enough to be rated as amber when compared to other funds in the IA sector. On further investigation we found (as in previous years) that the fund's peer group is mostly made up of funds which invest only in bonds, rather than a mix of bonds and equities. Bond funds typically have a lower management fee – and therefore lower ongoing charges – than equity or mixed equity/bond funds. That means that the average ongoing charges for funds in this IA sector are lower than would be expected for mixed equity/bond funds. When we reviewed a smaller group of more directly comparable funds (specifically, those funds within that IA sector, which invest in both bonds and equities in a similar way to the fund) we found that the fund's ongoing charges achieved a green rating.

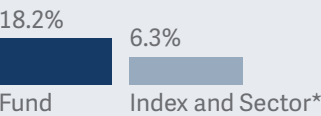
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria (other than for Comparable market rates, which we have explained further above) the Board concluded that it has delivered good value.

Overall assessment	
Criteria ratings	
Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	N/A
Classes of units	

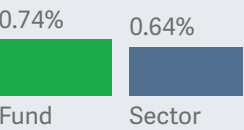
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



*for this fund, the index and the sector are the same



ARTEMIS STRATEGIC BOND FUND

Investment Objective: To provide a combination of income and capital growth over a five-year period.

Performance

Over the five years to 31 December 2024, the fund delivered a total return (a combination of income and capital growth) of 8.4%.

It thereby outperformed the average net return of 6.3% from its peer group, the Investment Association's £ Strategic Bond sector.

Therefore, the assessment concludes that the fund has delivered good performance to clients.

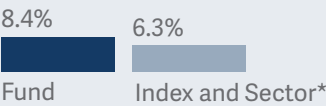
Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	N/A
Classes of units	●

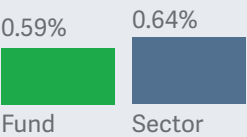
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



*for this fund, the index and the sector are the same



ARTEMIS SHORT-DURATION STRATEGIC BOND FUND

Investment Objective: To generate a return that exceeds the Markit iBoxx 1-5 year £ Collateralised & Corporates index, after fees, over rolling three-year periods, through a combination of income and capital growth, by investing in a portfolio of global debt and debt-related securities whilst maintaining an aggregate portfolio duration of below four years (duration is a measure of the sensitivity of the prices of bonds to changes in interest rates).

Recent changes to the fund

When the period covered by this report began, the fund was called the Artemis Target Return Bond Fund. Its objective was: “To achieve a positive return of at least 2.5% above the Bank of England (BOE) base rate, after fees, on an annualised basis over rolling three-year periods.”

In March 2024, Artemis wrote to the fund’s investors and asked for their approval to change its investment objective, benchmark and name. They overwhelmingly voted in favour of these proposals.

These changes were a response to the significant shift that had taken place in the economic environment since the fund’s launch in 2019. In the view of the fund’s managers, that made targeting a positive absolute return irrespective of market conditions less desirable, for two broad reasons:

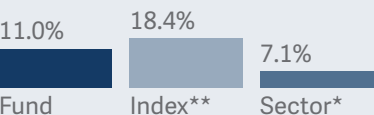
- First, the rise in interest rates made taking ‘short’ positions (profiting when an asset falls in value) significantly more expensive.
- Second, as 2024 began, UK interest rates sat at 5.25%. Achieving the fund’s original objective would have meant targeting an annualised return of at least 7.75%. That, in turn, would have meant taking on more risk and delivering more volatility than the managers believed their clients were seeking.

In a world where interest rates have normalised, the fund’s managers believe they can still deliver an attractive return combined with relatively low beta (how closely the fund’s performance follows that of its benchmark) and low volatility by moving away from the previous absolute return target.

Overall assessment	●
Criteria ratings	
Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	N/A
Classes of shares	●

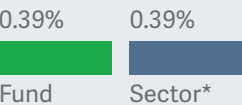
Performance

Total return over three years to 31 December 2024



Costs

Ongoing charge



Performance

For the three years to 31 December 2024, the fund delivered a positive return of 11.0%. Until March 2024, its objective was to produce a positive return of at least 2.5% above the Bank of England's base rate, after fees, on an annualised basis (over rolling three-year periods). On 18 March, the fund's objective changed to generating a return that exceeds the Markit iBoxx 1-5 year £ Collateralised & Corporates index.

Over the reporting period, meeting the objective would have meant generating a return of 24.9%. So, although the fund generated a positive absolute return and outperformed cash, it did not meet its performance objective.

These headline return figures, however, must be seen in context: this is a bond fund and, in 2022 and 2023, the asset class it invests in experienced the worst conditions seen in decades. In November 2021, interest rates in the UK were just 0.5%. The Bank of England then began raising interest rates to help bring inflation down. By the time 2023 ended, they stood at 5.25%. Higher interest rates reduce the capital value of bonds. Over the course of 2022:

- The UK corporate bond index suffered its largest fall since it was created in 1997
- Short-dated sterling corporate bonds fell by 8.0%.
- Short-dated UK gilts fell by 25.1%.

So, while the fund failed to meet its performance objective, it delivered a positive return through one of the most challenging periods for bond markets in history.

*The fund does not have a peer group IA sector as an official benchmark as no sector currently exists that would offer a direct comparison. However, in order to give investors some peer group comparison information, we have created a composite index made up of a smaller number of funds from both the IA Corporate Bond and IA Strategic Bond sectors. Those funds that explicitly indicate a shortened investment horizon profile in their legal name have been included in the composite. Thematic or sustainable funds have been excluded. This composite index is only used for the purposes of providing a peer group comparison for this Assessment of Value report. It is not used in any other reporting for the fund and should not be regarded as an official benchmark.

Our overall conclusion

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

*** Benchmark data prior to 18 March 2024 reflects the Bank Of England Base Rate + 2.5% index as opposed to the Markit iBoxx 1-5 years £ Collateralised & Corporates Index.*



ARTEMIS MONTHLY DISTRIBUTION FUND

Investment Objective: To generate monthly income, combined with some capital growth over a five-year period.

Performance

The fund delivered a total return (a combination of income and capital growth) of 34.3% over the five years to 31 December 2024. It also delivered regular monthly income payments.

Over the same five-year period, the average net return from the Investment Association Mixed Investment 20-60% Shares sector was 13.8%.

The assessment therefore concludes that, having delivered a monthly income and capital growth while also outperforming its peer-group average, the fund has delivered good performance to clients.

Our overall assessment

Because the fund has achieved a green rating on all applicable assessment criteria, the Board concluded that it has delivered good value.

Overall assessment

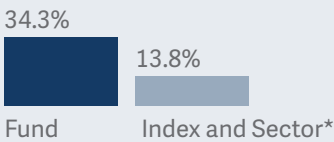


Criteria ratings

Quality of service	
Performance	
AFM Costs	
Economies of scale	
Comparable market rates	
Comparable services	N/A
Classes of units	

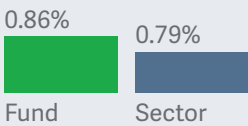
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge



*for this fund, the index and the sector are the same



ARTEMIS STRATEGIC ASSETS FUND

Investment Objective: To grow the value of your investment by greater than 3% above the Consumer Price Index (CPI) per annum after fees over a minimum five-year period, by strategically allocating the fund's assets within a diversified range of asset classes in markets around the world.

Performance

Over the five years to 31 December 2024, the fund delivered a positive return of 8.3%. As such, it failed to meet its target of delivering a return of 3% above CPI per annum. Over the five years assessed in this report, hitting that target would have meant generating a return of 43.9%.

Over the five-year review period, the fund's short positions in bonds – where investors benefit from bonds falling in value – made a positive contribution to its absolute performance, particularly in 2022, when bond prices fell sharply. Its positions in equities also made a positive contribution, albeit one that was insufficient to meet its performance target. The fund's currency positions made a small negative contribution.

In light of the fund's disappointing performance and the Board's previous value assessments, Artemis made a number of changes to the strategy in 2023, including the appointment of a new fund manager. The new manager implemented an approach which Artemis believes is well-suited to a market environment that is likely to be characterised by higher volatility, structurally higher inflation and higher correlations between asset classes.

The fund's new investment approach combines quantitative macroeconomic inputs with technical analysis (evaluating statistical trends in price movements and trading volumes) to identify investment opportunities across multiple asset classes worldwide. The manager then applies his experience and judgement to build conviction in those opportunities. The aim is to deliver positive returns but with a performance profile that is quite different to that of a 'traditional' multi-asset fund. It aims to reduce volatility and the impact of market corrections. As such, we expect the fund to offer diversification relative to other assets that many investors will typically hold in their portfolios.

The fund's new investment approach was fully implemented by the end of the first quarter of 2024. More recently, we wrote to investors informing them of upcoming changes to the fund's investment policy. These changes are intended to provide the manager with greater flexibility to allocate the fund's assets across the range of asset types and instruments to pursue the fund's investment objectives. By increasing the fund's overall exposure limits and relaxing the existing restrictions on non-GBP currency positions, we believe that the fund will be better placed to capitalise on opportunities in all market conditions. The changes will come into effect on 30 May 2025.

Artemis is closely monitoring the evolution of the strategy and its performance.

Our overall conclusion

While the fund's performance fell short of its target over the five years to the end of 2024, given that it achieved a green rating on the other applicable assessment criteria, and, noting the recent changes to the fund and the time needed until the full effects are reflected in the fund's performance, the Board concluded that it has delivered value overall.

Overall assessment

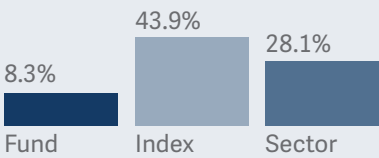


Criteria ratings

Quality of service	●
Performance	●
AFM Costs	●
Economies of scale	●
Comparable market rates	●
Comparable services	N/A
Classes of units	●

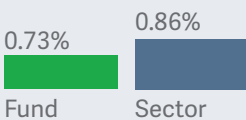
Performance

Total return over five years to 31 December 2024



Costs

Ongoing charge





THE SEVEN ASSESSMENT CRITERIA

Assessment criteria	How we assess value?	2024 rating	Commentary
<p>Performance</p> 	<p>We considered each fund's performance (after the deduction of costs) against its investment objective and specific comparators. We used independent industry benchmarks (whether acting as a target, or as a reference against which fund performance can be compared) and/or the relevant Investment Association sector (peer groups of similar funds).</p> <p>The funds' performance against their objectives was measured over a period of either three or five years, depending on the investment horizon of the fund. As Artemis is an active investment manager, there will be periods in which the funds' performance diverges meaningfully from those of their benchmark indices and peers.</p> <p>In deciding whether a fund delivered value, we have considered the wider market context. Each fund manager or management team will have their own investment style, philosophy and process. Over time, certain market or economic conditions may arise that are unfavourable for these styles, philosophies or processes. In practice, this can mean that a fund might underperform its objective, industry benchmark or peer group, even when the manager is investing in accordance with the fund's investment policy.</p> <p>Therefore, there may be instances where it is concluded that a fund has delivered value overall, even if there has been a period of underperformance. This could be the case where, for example, a fund has met its investment objective but is not currently aligned with the market cycle, providing that the Board believes that there is a realistic prospect of it outperforming in the future.</p>	<p>See individual fund pages for specific performance ratings.</p>	<p>Our performance assessment concluded that 18 out of 22 funds merit a green rating for performance.</p> <p>Two funds, the Artemis Global Select Fund and Artemis US Select Fund, delivered on some but not all of their performance metrics. They therefore received an amber rating for performance.</p> <p>One fund, the Artemis Strategic Assets Fund, did not meet its investment objective over the review period and therefore received a red rating for performance.</p> <p>These funds will be subject to further monitoring. The Artemis Positive Future Fund has not yet reached the recommended minimum holding period of five years so has not been formally rated. It does, however, have a three-year performance history; the available data has been analysed.</p> <p>For more detailed performance analysis, please see the individual fund pages.</p>

Assessment criteria	How we assess value?	2024 rating	Commentary
<p>Authorised Fund Manager Costs</p> 	<p>As we outlined in last year's report, we have been developing a Cost Allocation Model whereby costs incurred across the firm can be more accurately attributed at both a firm and fund level.</p> <p>We now have three years' worth of data to develop a trend analysis of the total cost of running each fund. This helps the Board to determine whether the costs of providing services to the funds represent value to clients.</p>		The Board believes that the total cost of running each fund is fair and that costs are reasonable and being managed appropriately.
<p>Economies of Scale</p> 	<p>We assessed whether the benefits obtained from economies of scale are being passed on to clients.</p> <p>There are two main ways that clients can benefit from economies of scale. First, Artemis aims to leverage the sum total of all of the assets that it manages to obtain better rates from its suppliers.</p> <p>Second, the administration fee for each fund is based on the investment strategy of the fund. This can fall when a fund grows. As a fund grows, a discount is applied to reduce the administration fee.</p>		<p>The Board confirmed that the services that Artemis obtains on the funds' behalf are reviewed regularly to ensure that costs remain competitive. The discount mechanism has been working as intended and the funds have been benefiting from economies of scale commensurate to their size.</p> <p>One fund, the Artemis US Smaller Companies Fund, was rated amber. Further detail is provided on that fund's page. All other funds were rated green.</p>
<p>Comparable Market Rates</p> 	<p>We assessed whether the charges applied to the funds compare favourably with the charges for investing in similar funds from other providers.</p> <p>We measured the management fees and operating costs against those charged by the funds' relevant Investment Association sector peer groups.</p> <p>In making this comparison, we considered the funds' Ongoing Charges Figures (OCFs). The OCF is a fund's Annual Management Charge plus the administration fee and covers the annual operating costs of running it.</p>		<p>The Ongoing Charges Figures for most of the funds representative share (or unit) class was in line with – or lower than – the median charges of its peer group.</p> <p>One fund, the Artemis High Income Fund, was rated amber. Further detail is provided on that fund's page. All other funds were rated green.</p> <p>The review concluded that the fund costs are reasonable and competitive.</p>

Assessment criteria	How we assess value?	2024 rating	Commentary
Comparable Services 	<p>In addition to the investment management services it provides to the funds included in this report, Artemis provides similar services to other parties.</p> <p>We assessed whether the charges the funds pay for investment services are comparable with the charges Artemis' other clients pay for similar services. Where applicable, we took into account differences in how the services are provided, the relative sizes of the underlying portfolios and their different fee structures.</p>		<p>The Board concluded that the costs the funds pay for investment management services are comparable and justified.</p>
Classes of Units and/or Shares 	<p>To meet the needs of different groups of investors, the funds offer different classes of shares (or units). We assessed whether these classes are appropriate to investors' needs.</p> <p>We also assess whether Artemis has processes in place to move investors to different share (or unit) classes if they are no longer invested in the most appropriate class.</p>		<p>The Board's assessment is that appropriate share (or unit) classes are available to meet differing investor needs and that Artemis moves investors into lower-cost share (or unit) classes where appropriate.</p> <p>Where clients hold C-class or R-class units, Artemis encourages them to contact their financial advisers (or other agents) directly to confirm whether there is a more economical way to invest in their chosen fund.</p> <p>Our assessment is that the funds have met the assessment threshold for a green rating.</p>

Assessment criteria	How we assess value?	2024 rating	Commentary
<p>Quality of Service</p> 	<p>We assessed the range and quality of services provided to the funds and their investors. This included an evaluation of 1) the direct services being provided to clients 2) Artemis' communication and engagement with clients and 3) the day-to-day maintenance and investment services provided to the funds. In addition, we assessed the quality of the proposition that the Artemis brand represents, including its charitable activities and corporate and social responsibilities.</p> <p>This assessment also studied the results of Artemis' annual client survey, through which clients and customers provided feedback on the quality of service they receive.</p>		<p>Overall, our assessment is that the funds have met the threshold for a green rating.</p> <p>Ongoing reviews of the services Artemis provides to its clients have found that they consistently rate them positively. Artemis continues to seek the views of its customers proactively, through client surveys and by soliciting feedback.</p> <p>12 of Artemis' funds have been shortlisted in the annual 'Fund Manager of the Year Awards' organised by Investment Week magazine. These nominations are based on the consistency of those funds' performance over the three years to the end of January 2025.</p> <p>The nominated funds are:</p> <ul style="list-style-type: none"> ■ Artemis SmartGARP UK Equity Fund ■ Artemis UK Special Situations Fund ■ Artemis UK Select Fund ■ Artemis US Select Fund ■ Artemis Global Income Fund ■ Artemis Income Fund ■ Artemis UK Smaller Companies Fund ■ Artemis SmartGARP Global Emerging Markets Equity Fund ■ Artemis SmartGARP European Equities Fund ■ Artemis High Income Fund ■ Artemis Short-Duration Strategic Bond Fund ■ Artemis Monthly Distribution Fund <p>In addition, Artemis has also been nominated in the 'Group of the Year' category. The Group of the Year nomination is open only to groups that have several shortlisted funds in major asset classes.</p>

YOUR BOARD

The Board of Artemis Fund Managers Limited plays a critical role in the governance and oversight of the company's activities. Our directors help to ensure that the focus of the whole business is 'clients first'.



Andrew Laing - Independent non-executive Chair

After six years as a commercial lawyer, Andrew spent eight years in private equity. He joined Aberdeen Asset Managers in 1986, retiring in 2019. In that time, his roles included that of COO and Deputy CEO before, in August 2017, he became Head of Integration and a member of the Group Executive Committee at Aberdeen Standard. Andrew has also been active in the wider industry and was a Director of the Investment Association from 2012 until 2019. He joined the board of Artemis Fund Managers Limited on 30 August 2019.



Mark Murray - Senior Partner And Executive Director

After graduating with an LLB from Edinburgh University, Mark worked as a corporate lawyer with Shepherd & Wedderburn in Edinburgh for five years. He joined Artemis in 1997 as company secretary and became COO in March 2001. Mark took on the role of Artemis' Senior Partner in January 2016. He is a partner in Artemis Investment Management LLP, chairs its Executive Committee and is a member of the Management Committee.



Claire Finn - Independent Non-Executive Director

Claire holds a BA Hons in Modern Languages and an MSc in Finance, as well as a number of post-graduate qualifications, including the Investment Management Certificate. After four years as a Product Manager at Henderson Global Investors, Claire joined BlackRock in 2005. By the time she left in 2018, she had fulfilled a number of senior roles in distribution, concluding with her promotion to Managing Director, Head of DC, Unit-Linked and Platforms. She joined the board of Artemis Fund Managers Limited on 30 August 2019.



Paras Anand - Chief Investment Officer And Executive Director

Paras held a number of fund management roles in London and New York before becoming Head of European Equities at F&C Investments. He then joined Fidelity in 2012 as CIO for European equities; before moving to Singapore in 2018 to become CIO for all asset classes and functions across the Asia-Pacific region. He was also a member of Fidelity International's Global Operating Committee. He led the group's strategy on sustainability and was global sponsor for cultural diversity. Paras joined Artemis as CIO in 2022. He is a partner in Artemis Investment Management LLP and a member of Artemis' Executive Committee.



Greg Jones - Head Of Distribution And Executive Director

Greg started his career in 1985 as a portfolio manager for part of Sedgwick Group, before moving into sales and management with Schroders, Morgan Grenfell and Aviva. Greg joined Artemis in 2020 after a decade at Janus Henderson, where latterly he was Head of Distribution for EMEA, APAC and Latin America. He had joined Henderson in 2009 through its acquisition of New Star, where he was a founder of the company's UK investment funds business and managing director of New Star International Investment Funds. Greg is a partner in Artemis Investment Management LLP and a member of Artemis' Executive Committee.



Jonathan Loukes - Chief Financial Officer And Executive Director

Jonathan graduated from Glasgow University with an LLB. He went on to take an LLM before completing an MBA at Manchester Business School. He then qualified as an accountant with Arthur Andersen before joining Deloitte, where he spent seven years. He moved to Aberdeen Asset Management plc in January 2010 as Deputy Group Finance Director and then joined Artemis in September 2017. A member of the Institute of Chartered Accountants of Scotland, Jonathan is a partner in Artemis Investment Management LLP and a member of the firm's Executive Committee.



Sheenagh Dougall - Chief Operating Officer And Executive Director

Sheenagh joined Artemis in 2021 and is responsible for operational and administrative functions relating to Artemis' fund ranges and segregated clients and for the technology infrastructure across the firm. She began her career at Deloitte in 2004 where she qualified as a chartered accountant and was part of the Audit & Assurance practice focused on asset management. In 2010 she moved to Santander Asset Management where she held a number of senior roles in the UK business including Head of Operations and Head of Transformation and PMO. She holds a BA Hons in Economics and is a member of the Institute of Chartered Accountants of Scotland and the Institute of Directors. Sheenagh is a partner in Artemis Investment Management LLP, a member of Artemis' Executive Committee and a director of Artemis Funds (Lux) SICAV.

DISCLAIMER

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Artemis Fund Managers Limited does not offer investment advice.

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Source for performance data: Lipper. Source for charges data: Fitz Partners and Artemis. All data is correct as at 31 December 2024. All performance figures show total returns with dividends and/or income reinvested, net of all charges and (where relevant) performance fees. Performance does not take account of any costs incurred when investors buy or sell the fund.