



Artemis SmartGARP
Paris-Aligned Global
Equity *Fund*

Half-Yearly Report (unaudited)
for the six months ended 30 June 2024

GENERAL INFORMATION

Company profile

Artemis is a leading UK-based fund manager, offering a range of funds which invest in the UK, Europe, the US and around the world.

As a dedicated, active investment house, we specialise in investment management for both retail and institutional investors across Europe.

Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management.

The firm now manages some £25.8 billion* across a range of funds, an investment trust and both pooled and segregated institutional portfolios.

Our managers invest in their own and their colleagues' funds. This has been a basic tenet of the Artemis approach since the firm started. It means that interests of our fund managers are directly aligned with those of our investors.

* Source: Artemis as at 31 July 2024

Fund status

Artemis SmartGARP Paris-Aligned Global Equity Fund was constituted by a Trust Deed dated 23 December 2004 and is an authorised unit trust scheme, belonging to the non-UCITS retail category, as defined in the Collective Investment Schemes Sourcebook ('COLL') of the Financial Conduct Authority ('FCA').

Buying and selling

Units may be bought and sold by contacting the manager by telephone, at the address on page 4 or via the website **artemisfunds.com**. Valuation of the fund takes place each dealing day at 12 noon on a forward pricing basis. The current list of non-dealing days impacting the fund is published on our website at www.artemisfunds.com/non-dealing-days. Investors are reminded that past performance is not a guarantee of performance in the future and that the price of units and the revenue from them can fall as well as rise.

Prospectus

Copies of the most recent Prospectus are available free of charge from the manager at the address on page 4.

Tax information reporting

UK tax legislation requires fund managers to provide information to HM Revenue & Customs ('HMRC') on certain investors who purchase units in unit trusts. Accordingly, the fund may have to provide information annually to HMRC on the tax residencies of those unitholders that are tax resident outwith the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Co-operation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new unitholders that invest in the fund must complete a certification form as part of the application form. Existing unitholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence. Failure to provide this information may result in the account being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders: gov.uk/government/publications/exchange-of-information-account-holders.

Value assessment

Artemis Fund Managers Limited (AFML) has conducted a detailed assessment on whether its funds are providing value to unitholders. AFML must publish publicly on an annual basis, a statement setting out a summary of the outcome of the process and whether or not AFML believes the payments out of the scheme property are justified in the context of the overall value delivered to unitholders. Composite reports on Assessment of Value have been published via the website artemisfunds.com.

Taskforce for Climate-Related Financial Disclosures ("TCFD")

In accordance with the FCA's requirements under the Environmental, Social and Governance Sourcebook, Artemis is required to publish disclosures consistent with the Taskforce on Climate-Related Financial Disclosures ("TCFD") for the period 1 January 2023 to 31 December 2023. The entity-level TCFD report contains information about how Artemis manages climate-related risks and opportunities in investment portfolios and across its business operations and the product-level TCFD report contains certain climate related metrics required to be published for Artemis SmartGARP Paris-Aligned Global Equity Fund. These TCFD reports, which were published on 30 June 2024, can be found here: www.artemisfunds.com/tcfd.

OBJECTIVE AND INVESTMENT POLICY

Objective	To generate capital growth in excess of that of the MSCI ACWI Climate Paris-Aligned Index, after fees, on an annualised basis over rolling five-year periods, from a diversified portfolio of shares in companies that meet the Manager's criteria for transitioning to a low-carbon economy. The portfolio will have a weighted average implied temperature rise that is lower than 2 degrees Celsius. Further information about how the Manager determines the implied temperature rise is contained in a methodology statement available on the Artemis website at www.artemisfunds.com/methodology-statement .	
Investment policy	What the fund invests in	<ul style="list-style-type: none"> • 80% to 100% in company shares. • Up to 20% in bonds, cash and near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, money market instruments, and derivatives.
	Use of derivatives	<p>The fund may use derivatives for efficient portfolio management purposes to:</p> <ul style="list-style-type: none"> • reduce risk • manage the fund efficiently
	Where the fund invests	<ul style="list-style-type: none"> • Globally (including in emerging markets).
	Industries the fund invests in	<ul style="list-style-type: none"> • Any, except for those excluded at the sub-industry level below.
	Other limitations specific to this fund	<p>Shares in the following types of companies (held either directly or indirectly via derivatives) are automatically excluded:</p> <ul style="list-style-type: none"> • Coal: companies which derive more than 1% revenue from mining or sale of thermal coal; • Weapons: companies involved in making or making components of controversial weapons (including cluster munitions, landmines, biological and chemical weapons); • Companies that the manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption; • Tobacco: companies which derive more than 10% revenue from tobacco. The manager receives data on companies' fossil fuel exposure from a third party.
Investment strategy	<ul style="list-style-type: none"> • The fund will be actively managed and is not constrained by the benchmark. • A number of companies are removed from the investment universe at the outset of the investment process using the criteria set out in the investment policy above. • The fund uses a proprietary stock screening tool called 'SmartGARP' to help identify attractive investment opportunities. 'SmartGARP' screens companies globally for a variety of characteristics including their valuations, growth prospects, economic exposures and Environmental, Social and Governance (ESG) characteristics. The manager selects investments with a view to building a diversified portfolio of companies that in aggregate is positively exposed towards each component of 'SmartGARP' including the dedicated ESG component of which companies' implied temperature rise is a subcomponent. The quantitative nature of the strategy dictates a rigorous sell discipline which prompts the manager to sell holdings that no longer satisfy the financial or environmental criteria which led to the initial investment. A consequence of this is that the make-up of the portfolio can and frequently does change materially in response to changing data inputs. • Beyond taking into consideration how companies score on the 'SmartGARP' ESG factor generally, the manager pays particular attention to companies' current and expected carbon footprint. Companies with meaningful greenhouse gas emission reduction targets and/or rising future green revenues are considered for selection in the portfolio. The manager believes that allocating capital to these companies will reduce their cost of capital, thus helping them contribute to a low-carbon economy. • The manager will report, on at least a quarterly basis, on the fund's aggregate implied temperature rise in accordance with the current methodology statement. • The quantitative screening process excludes companies with particular levels of revenue exposure to thermal coal. However, carbon intensive companies from other industries or sectors will remain within the possible investment universe. This is because the climate transition will require significant structural changes in these sectors. The manager believes that selectively allocating capital to companies engaged in making the requisite changes will facilitate climate transition more effectively than simply disinvesting. To avoid the over-representation of sectors with a marginal impact on climate change, the fund will therefore have some exposure to companies in such highly exposed sectors. Accordingly, while the portfolio of the fund as a whole will maintain an implied temperature rise of below 2 degrees Celsius on a weighted average basis, the implied temperature rise of individual holdings may exceed this figure. • Further information about the Paris-alignment criteria applied, highly exposed sectors and classification of green revenues is available on the Artemis website. 	
Benchmark	<ul style="list-style-type: none"> • MSCI ACWI Climate Paris-Aligned NR GBP <p>A broad global equity market index designed to help investors who seek to mitigate climate transition and physical risks, capture novel investment opportunities and allocate capital in a way that supports the decarbonisation of the economy while being compatible with the Paris Agreement. The index aims to represent the performance of an investment strategy that reweights or excludes securities based on the risks and opportunities associated with the climate transition, and follows a decarbonisation trajectory in order to align with the goals of the Paris Agreement, while seeking to minimize exclusions from the MSCI All Country World Index. It acts as a 'target benchmark' that the fund aims to outperform. Management of the fund is not restricted by this benchmark.</p>	

Manager and Alternative Investment Fund Manager ('AIFM')

Artemis Fund Managers Limited *
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*Authorised and regulated by the Financial Conduct Authority.

†Authorised by the Prudential Regulation Authority ('PRA'),
20 Moorgate, London EC2R 6DA and regulated by the PRA and the FCA.

Report of the manager

We hereby approve the Manager's Report and Financial Statements of the Artemis SmartGARP Paris-Aligned Global Equity Fund for the six months ended 30 June 2024 on behalf of Artemis Fund Managers Limited in accordance with the requirements of COLL and FUND as issued and amended by the FCA.

M J Murray
Director
Artemis Fund Managers Limited
London
28 August 2024

S Dougall
Director

INVESTMENT REVIEW

Market Summary

The first half of 2024 saw a notable upswing in global equity markets. Economic growth data indicated a recovery, primarily driven by consumer spending and improving manufacturing output. While the pace of disinflation was slower than expected, the general market conditions continued to be favourable for equities. Global stocks rose approximately 12% (in sterling terms), with US and emerging market stocks leading the gains. Technology and communication services outperformed, while defensive sectors lagged behind. Political risks associated with upcoming elections posed potential challenges but did not significantly dampen market optimism.

Performance

The Artemis SmartGARP Paris-Aligned Global Equity Fund posted a robust performance in the first half of the year, returning 16.5% versus the MSCI ACWI Paris-Aligned Index's 10.9%¹. The fund's performance was driven by strong contributions from various sectors and regions. Top contributors included CGN Power (Chinese nuclear energy), Dell Technologies (computing), and Plus500 (online trading). Underweights in Nvidia and Eli Lilly detracted from overall performance. The fund benefited significantly from its exposure to emerging markets, particularly China, and Europe, with the UK standing out within the region. Top sector contributions came from industrials and financials, while the energy sector detracted from performance.

Portfolio changes

We made significant adjustments to the portfolio during the first half of the year to align with changing conditions in emerging markets and diverging sector performance. We reduced our insurance exposure by selling PICC, Hartford Financial Services, Chubb and MetLife. In addition, we sold out of JP Morgan Chase and reduced our holding in Meta. On the purchases side, we added to Amazon, QinetiQ Group and Pfizer, to name a few.

Despite these changes, the high-level characteristics of the fund remained consistent. The fund maintained a significant valuation discount to the market while preserving attractive growth and income characteristics. The fund continued to be heavily overweight in Europe and emerging markets, with substantial underweights in the US. Sector-wise, the fund remains overweight in insurance, banks, and utilities, while underweight in technology, real estate and consumer discretionary.

ESG

This year MSCI released a revision to their methodology for calculating a company's Implied Temperature Rise (ITR). This revision factors in the credibility of companies' emission reduction targets (among other enhancements). We welcomed this change given it captures what we feel are important components that previously were omitted. We continue to be invested in businesses that in aggregate fall well below the strict 2° emissions budget of the fund, and at the same time are trading at extremely attractive valuations and are showing robust fundamental performance.

Outlook

There has been significant dispersion in returns across markets, both at a regional and sector level. The same is true of valuation, with the US looking expensive relative to its history and areas within emerging markets and Europe trading at more attractive valuations. This presents us with opportunities, which are reflected in the positioning we have outlined above. Emerging markets (a sizeable overweight in the fund) are benefiting from attractive monetary policy conditions as well as signs of improved conditions in China, which should bolster investor sentiment towards the region. In Europe (another overweight region) and in particular the UK, we are seeing attractive valuations as well as a more optimistic tone around the growth of the UK economy and a more benign outcome to the recent general election.

Our focus on fundamentals continues

We continue to focus on the fundamental performance of businesses and try to identify companies where the fundamentals are not yet fully reflected in the share price. This creates a portfolio that looks quite different to the index against which it is benchmarked.

Raheel Altaf
Fund manager

Past performance is not a guide to the future.

¹ Source: Lipper Limited/Artemis, accumulation units, in sterling to 30 June 2024. All figures show total returns based on close of business prices with dividends and/or income reinvested, gross of charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class. Benchmark is MSCI ACWI Climate Paris-Aligned NR GBP.

INVESTMENT INFORMATION

Ten largest purchases and sales for the six months ended 30 June 2024

Purchases	Cost £'000	Sales	Proceeds £'000
NVIDIA	468	JPMorgan Chase	424
Amazon.com	460	Meta Platforms	335
Alphabet 'A'	324	Cencora	334
Pfizer	292	Novartis	331
QinetiQ Group	288	Cardinal Health	324
Johnson & Johnson	271	PLCC Property & Casualty 'H'	321
JB Financial Group	262	Hartford Financial Services Group	317
Enel	244	BAE Systems	288
National Bank of Canada	243	Chubb	273
Veidekke	236	MetLife	270

Portfolio statement as at 30 June 2024

	Holding	Valuation £'000	% of net assets
Equities 100.15% (98.07%)			
Austria 0.00% (0.83%)			
Brazil 2.92% (2.81%)			
Banco do Brasil	46,300	177	0.90
Cia Energetica de Minas Gerais	158,620	229	1.16
TIM	74,141	169	0.86
		575	2.92
Canada 2.76% (0.00%)			
Centerra Gold	39,840	209	1.06
National Bank of Canada	3,512	221	1.12
Power of Canada	5,088	114	0.58
		544	2.76
China 10.59% (9.10%)			
Bank of China 'H'	206,000	80	0.40
Bank of Communications 'H'	286,000	177	0.90
BOC Hong Kong Holdings	58,312	142	0.72
CGN Power	1,151,269	400	2.03
China CITIC Bank	498,000	252	1.28
China Construction Bank 'H'	169,649	99	0.50
China Mobile	12,018	94	0.48
China Yangtze Power 'A'	68,000	214	1.09
Jiangxi Copper	92,000	145	0.73
Shenzhen SC New Energy Technology	9,300	55	0.28
Sinotrans 'H'	892,645	342	1.74
Zhejiang Expressway 'H'	160,366	86	0.44
		2,086	10.59
Denmark 0.93% (1.19%)			
Novo Nordisk	1,609	183	0.93
		183	0.93
Finland 1.87% (0.00%)			
Cargotec	2,944	189	0.96
Konecranes	3,959	179	0.91
		368	1.87
France 4.15% (7.18%)			
AXA	5,919	153	0.78
Gaztransport Et Technigaz	2,035	213	1.08

	Holding	Valuation £'000	% of net assets
Equities 100.15% (98.07%) (continued)			
France 4.15% (7.18%) (continued)			
Publicis Groupe	2,081	177	0.90
Sopra Steria Group	679	106	0.54
Technip Energies	4,596	82	0.41
TotalEnergies	1,651	87	0.44
		818	4.15
Germany 3.27% (2.60%)			
E.ON	30,265	318	1.61
Muenchener Rueckversicherungs-Gesellschaft	820	327	1.66
		645	3.27
Greece 0.00% (0.52%)			
Hong Kong 0.67% (0.53%)			
China Metal Recycling Holdings ^	718,000	–	–
United Laboratories International	158,000	132	0.67
		132	0.67
Hungary 0.86% (0.83%)			
OTP Bank	4,306	169	0.86
		169	0.86
Ireland 1.00% (1.20%)			
AIB Group	47,054	197	1.00
		197	1.00
Israel 1.50% (2.05%)			
Plus500	12,990	295	1.50
		295	1.50
Italy 4.89% (2.65%)			
Enel	43,100	238	1.21
Generali	6,642	132	0.67
Hera	64,620	177	0.90
Intesa Sanpaolo	69,353	206	1.04
Poste Italiane	20,854	211	1.07
		964	4.89
Japan 0.66% (3.54%)			
Mitsubishi UFJ Financial Group	15,300	130	0.66
		130	0.66
Netherlands 0.00% (0.43%)			
Norway 2.06% (0.34%)			
Aker Solutions	53,863	179	0.91
Veidekke	26,444	226	1.15
		405	2.06
Portugal 1.13% (0.75%)			
CTT-Correios de Portugal	62,381	223	1.13
		223	1.13
Puerto Rico 0.47% (0.00%)			
Popular	1,353	92	0.47
		92	0.47
South Korea 3.00% (1.02%)			
Hankook Tire & Technology	1,767	46	0.23
Hyundai Motor	776	131	0.66
JB Financial Group	31,301	263	1.34
Samsung Electronics	3,238	151	0.77
		591	3.00

	Holding	Valuation £'000	% of net assets
Equities 100.15% (98.07%) (continued)			
Spain 5.62% (5.30%)			
Atresmedia de Medios de Comunicacion	48,643	182	0.92
Banco Bilbao Vizcaya Argentaria	27,951	221	1.12
Iberdrola	8,566	88	0.45
Indra Sistemas	22,263	366	1.86
Mapfre	136,214	250	1.27
		1,107	5.62
Switzerland 0.65% (1.77%)			
Novartis	1,509	128	0.65
		128	0.65
Taiwan 1.29% (0.91%)			
Taiwan Semiconductor Manufacturing	1,854	254	1.29
		254	1.29
Thailand 0.28% (0.49%)			
TMBThanachart Bank	1,510,300	56	0.28
		56	0.28
United Arab Emirates 0.36% (0.40%)			
Emirates NBD Bank	20,265	72	0.36
		72	0.36
United Kingdom 12.35% (10.12%)			
Aviva	46,455	224	1.14
Babcock International Group	21,364	113	0.57
Britvic	13,923	166	0.84
Coca-Cola	3,649	99	0.50
ITV	130,242	106	0.54
Just Group	229,554	244	1.24
Kier Group	114,396	155	0.79
Man Group	92,715	227	1.15
Mears Group	43,766	160	0.81
Mitie Group	230,046	270	1.37
Morgan Sindall Group	13,072	334	1.70
QinetiQ Group	74,831	334	1.70
		2,432	12.35
United States of America 36.87% (41.51%)			
AbbVie	1,503	201	1.02
Alphabet 'A'	4,818	704	3.57
Amazon.com	2,863	449	2.28
Bank OZK	2,534	80	0.41
Broadcom	159	200	1.02
Comfort Systems USA	389	97	0.49
Dell Technologies 'C'	616	68	0.35
Equitable Holdings	3,076	99	0.50
GMS	424	27	0.14
GSK	15,371	235	1.19
Kimberly-Clark	887	98	0.50
Leidos Holdings	1,225	143	0.73
Matson	1,509	155	0.79
McKesson	505	237	1.20
Merck	3,751	387	1.96
Meta Platforms	669	276	1.40
Microsoft	2,515	903	4.58
NetApp	2,066	211	1.07
NVIDIA	4,165	410	2.08

	Holding	Valuation £'000	% of net assets
Equities 100.15% (98.07%) (continued)			
United States of America 36.87% (41.51%) (continued)			
Pfizer	11,723	259	1.31
Procter & Gamble	1,679	221	1.12
Qualcomm	2,693	417	2.12
Reinsurance Group of America	1,799	293	1.49
Stride	4,104	224	1.14
Tenet Healthcare	624	68	0.35
Unum	7,650	307	1.56
Visa	1,041	221	1.12
Walmart	3,986	215	1.09
Weatherford International	593	58	0.29
		7,263	36.87
Equities total		19,729	100.15
Warrants 0.00% (0.00%)			
Thailand 0.00% (0.00%)			
Kiatnakin Phatra Bank 31/12/2026	6,012	–	–
		–	–
Warrants total		–	–
Investment assets		19,729	100.15
Net other liabilities		(30)	(0.15)
Net assets attributable to unitholders		19,699	100.00

The comparative percentage figures in brackets are as at 31 December 2023.

^ Unlisted, suspended or delisted security.

FINANCIAL STATEMENTS

Statement of total return for the six months ended 30 June 2024

	30 June 2024		30 June 2023	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		2,838		(291)
Revenue	436		461	
Expenses	(74)		(63)	
Interest payable and similar charges	–		(1)	
Net revenue before taxation	362		397	
Taxation	(40)		(68)	
Net revenue after taxation		322		329
Total return before distributions		3,160		38
Distributions		(28)		10
Change in net assets attributable to unitholders from investment activities		3,132		48

Statement of change in net assets attributable to unitholders for the six months ended 30 June 2024

	30 June 2024		30 June 2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		20,522		13,635
Amounts receivable on issue of units	2,839		9,161	
Amounts payable on cancellation of units	(6,798)		(773)	
		(3,959)		8,388
Dilution adjustment		4		4
Change in net assets attributable to unitholders from investment activities		3,132		48
Closing net assets attributable to unitholders		19,699		22,075

Balance Sheet as at 30 June 2024

	30 June 2024	31 December 2023
	£'000	£'000
Assets		
Fixed assets		
Investments	19,729	20,125
Current assets		
Debtors	266	151
Cash and cash equivalents	228	350
Total current assets	494	501
Total assets	20,223	20,626
Liabilities		
Creditors		
Distribution payable	–	2
Other creditors	524	102
Total creditors	524	104
Total liabilities	524	104
Net assets attributable to unitholders	19,699	20,522

1. Basis of preparation

The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2023 as set out therein.

2. Post balance sheet event

There were no significant post balance sheet events subsequent to the period end.

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
31 December 2021	26,283,847		
Accumulation		213.38	12,317,716
31 December 2022	13,635,484		
Accumulation		208.81	6,530,104
31 December 2023	20,521,935		
Distribution *		104.72	80,575
Accumulation		220.69	9,260,895
30 June 2024	19,698,978		
Distribution		122.04	110,305
Accumulation		257.18	7,607,410

* Launched on 31 May 2023.

Ongoing charges

Class	30 June 2024
Distribution	0.800%
Accumulation	0.800%

Ongoing charges shows the annual operating expenses of each unit class as a percentage of the average net assets of that class for the preceding 12 months.

Class accumulation performance

	Since launch *	10 years	5 years	3 years	1 year	6 months
Artemis SmartGARP Paris-Aligned Global Equity Fund (gross of fees)	896.9	190.4	59.1	274	21.5	16.5
Artemis SmartGARP Paris-Aligned Global Equity Fund (net of fees)	739.2	189.1	57.8	26.0	20.8	16.0
MSCI ACWI Climate Paris-Aligned Index (gross of fees)	515.8	204.0	63.4	24.7	18.3	10.9

Past performance is not a guide to the future.

* Data from 31 July 2006. Source: Lipper Limited/Artemis, accumulation units, in sterling to 30 June 2024. All figures show total returns based on close of business prices with dividends and/or income reinvested. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class.

Prior to 27 February 2022, the benchmark was MSCI AC World Index and prior to 1 January 2011 it was the MSCI World Index.

Artemis Fund Managers Limited

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