TCFD ENTITY-LEVEL REPORT

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) REPORT

31 DECEMBER 2024

ARTEMIS

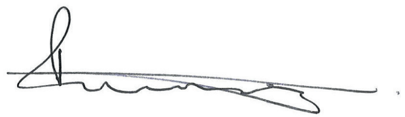
The PROFIT Hunter

Contents

Compliance statement

The disclosures contained in this report for Artemis Investment Management LLP and Artemis Fund Managers Limited (collectively "Artemis"), including any third-party disclosures cross-referenced herein, comply with the requirements for the disclosure of climate-related financial information set out in Chapter 2 of the Financial Conduct Authority's (FCA) Environmental, Social and Governance Sourcebook (ESG Sourcebook).

Signed



Ross Millar
Chief Risk Officer

27 June 2025

1. Introduction

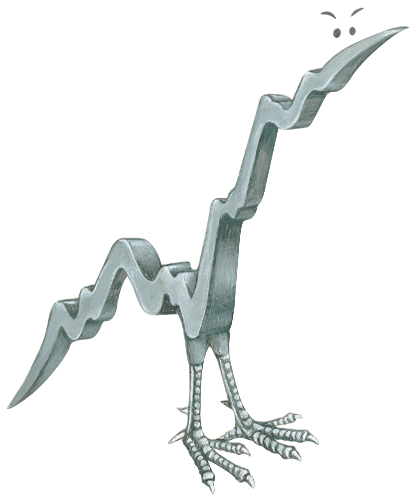
About Artemis

Independent and owner managed, Artemis' aim is to produce long-term investment returns for our clients whilst offering exemplary client service. As a dedicated active investment house, we specialise in investment management for both retail and institutional investors through our range of equity, fixed income and multi-asset strategies. Artemis was founded in 1997 and is headquartered in the UK with offices in London, Edinburgh, Munich and Zurich. Artemis employs 209 people and manages around £26.9 billion[1] across a range of funds and both pooled and segregated institutional portfolios.

Our TCFD Report

The Task Force on Climate-related Financial Disclosures (TCFD) sets out a global framework designed to provide consistent and transparent climate-related reporting for companies, investors and for global markets generally. This is Artemis' second year of TCFD reporting with the aim to provide our clients with transparency on climate-related information for our business operations and for the investments we manage. It outlines our firm-wide approach to climate-related risks and opportunities across TCFD's four pillars: governance, strategy, risk management, and metrics & targets. The report describes our approach both from the perspective of our own business operations and from that of our investment portfolios, in each case for the year ended 31 December 2024.

Artemis' fund-level TCFD disclosures for the year ended 31 December 2024 can be found here.



Artemis' approach to climate change

Climate change represents a unique challenge for the world. It is widely recognised that continued emissions of greenhouse gases at current rates will cause global warming to reach a level which could lead to irreversible economic and social consequences. This is a global issue which requires co-ordinated action from governments, companies, investors and the financial system as a whole. We acknowledge that there is an urgent need to accelerate the transition towards global net zero emissions and for asset managers to play our part to help deliver the goals of the Paris Agreement.[2]

As active investors, we are the stewards of our clients' assets tasked with delivering long-term investment returns consistent with our clients' investment objectives for each of our strategies. Climate change factors can have a material impact on the financial outcomes of our investments and have the potential to negatively impact long-term investment returns. It is therefore important that we integrate climate considerations into our investment processes in order to manage the financial risks posed by climate change, whilst recognising the diverse set of client objectives, time horizons and priorities across our investment products and solutions. As stewards of our clients' assets, we have an overriding responsibility to act with care, diligence and integrity in everything we do.

Similarly, we recognise the importance of considering climate-related risks and opportunities as they relate to our own business operations. Ensuring the long-term success of Artemis requires us to pay due regard to climate change factors in our strategic decision-making in order to secure our future success and protect our ability to continue to deliver superior investment returns for our clients over the long term.

The disclosures in this report are aligned with the TCFD recommendations. It should be noted that the assessment of climate-related risks and opportunities is a complex exercise and an area which continues to evolve at rapid pace. Since last year's TCFD report, we have made significant progress in developing our sustainability operating model with an aim to embed the consideration of sustainability risks, including climate risks, into our underlying processes and across our business. Details of these improvements are set out in this report.

Going forward, we will continue to seek to enhance our approach to climate-related risks and opportunities and we recognise this as a journey of continuous learning and improvement. We are committed to playing our part in helping the transition to a low-carbon economy, whilst always ensuring that we are acting in the best interests of our clients.

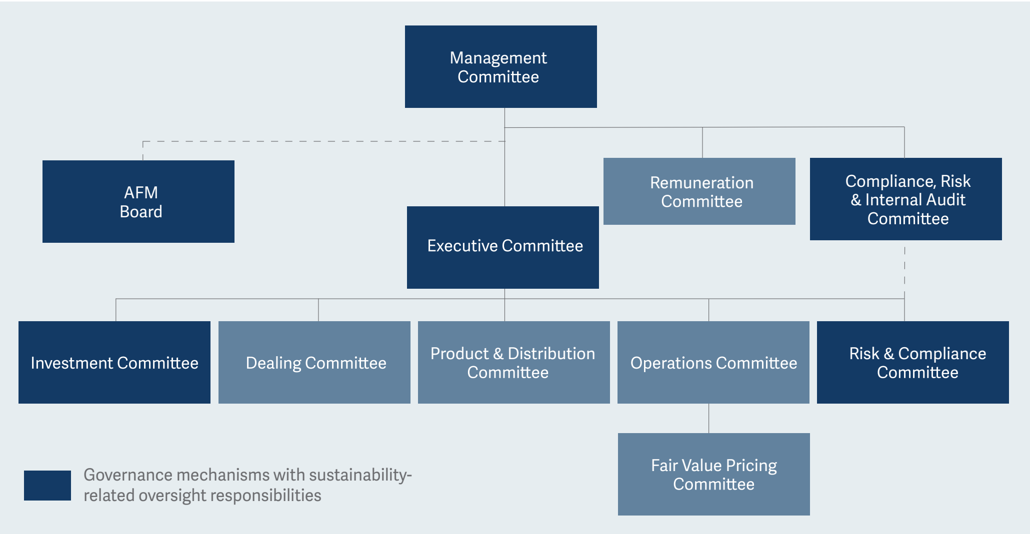
[1] As at 31 December 2024.
[2] The Paris Agreement is an international treaty adopted in 2015 with the goal of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

2. Governance

Our firm-wide governance structure is designed to ensure that we meet the needs of our clients whilst ensuring the ongoing success of the firm. Artemis' governance is underpinned by a partnership structure alongside formal and separate assessment of remuneration and performance. We recognise the importance of robust governance structures in order to effectively manage risks and ensure transparency and accountability, as well as to effectively execute our firm-level strategy. Sustainability is an important area of focus as it relates to Artemis' overall strategic priorities.

Governance structure

Artemis Fund Managers Limited (AFM Ltd) is a wholly-owned subsidiary of Artemis Investment Management LLP (AIM LLP). AFM Ltd is the authorised fund management company for our UK UCITS funds, and the alternative investment fund manager for our UK NURS funds. AIM LLP provides portfolio management services to segregated mandate clients, the funds managed by AFM Ltd and to Artemis Funds (Lux).



Oversight of climate-related risks and opportunities

The Management Committee of AIM LLP has ultimate responsibility for establishing the firm's strategy and the governance structure, whilst the Executive Committee is responsible for effective implementation of the firm's strategy, including our approach to sustainability and climate.

The Executive Committee has delegated responsibility for certain matters to various functional committees with a more focused mandate. Of these delegated committees, the ones which consider sustainability-related matters (including oversight of climate-related risks and opportunities) within their terms of reference or activities are shown in the structure diagram below.

The Management Committee, AFM Board and the Executive Committee receive regular updates on sustainability, including key climate metrics at fund-level and firm-level, on a quarterly basis.

Assessment and management of climate-related risks and opportunities

During 2024, Artemis commenced a programme of work to enhance our sustainability operating model to ensure that we are well positioned to continue to meet client and regulatory expectations in relation to sustainability, including climate matters. One of the aims of this work was to embed sustainability considerations across the functional areas of the business. As a result of this work, a significant amount of progress has been made on improving the firm's sustainability operating model during 2024 and early 2025, including improved governance of the firm's sustainability commitments and obligations, clearly defined roles and responsibilities relating to sustainability, improved ESG data dashboards and ESG data governance and delivery of sustainability-related regulatory change projects.

Following a regular review of our governance committees, and in light of the progress made by the firm on improving our overall sustainability operating model, it was decided in February 2025 that the Sustainability Committee's responsibilities be absorbed by other committees, consistent with each committee's core activities. This reflects our broader approach to ensure that sustainability considerations are effectively integrated into relevant business activities rather than being treated as a separate or standalone activity. We believe that this integrated and embedded approach will lead to a more resilient business model and better outcomes for our clients.

2. Governance

Artemis' governance committees with sustainability-related responsibilities

The table below sets out the responsibilities of the key governance committees at Artemis which undertake sustainability-related oversight activities.

Governance forum	Membership and Frequency	Role and sustainability-related activities
Management Committee	Members include non-executive officers and Artemis senior management. The Management Committee generally meets on a quarterly basis.	The Management Committee has ultimate responsibility for overseeing the firm's long-term success, establishing the firm's strategy, culture, values and standards and ensuring that risk is managed effectively. Examples of sustainability-related activities for the Management Committee include oversight of regulatory reporting including climate reporting, monitoring key climate metrics for the firm and making sure the necessary resources are in place so that our objectives, including any in relation to sustainability, can be met.
AFM Board	Members include independent non-executive directors and Artemis senior management. The AFM Board generally meets on a quarterly basis.	The Board of AFM Ltd is responsible for the effective and prudent oversight of the management of the firm's collective investment funds, including ensuring that the firm and its funds meet their respective regulatory and legal responsibilities. Examples of sustainability-related activities for the AFM Board include oversight of regulatory reporting including climate reporting for our funds, monitoring key climate metrics for our funds and ensuring that our funds are meeting their respective regulatory and client commitments in relation to sustainability (where relevant).
Compliance, Risk and Internal Audit Committee (CRIAC)	Members and Chair of the CRIAC are independent non-executive officers. The CRIAC generally meets on a quarterly basis.	The CRIAC has been established by the Management Committee to monitor and oversee the effectiveness of the firm's systems of risk management and internal control, the firm's processes for its compliance with applicable and forthcoming law and regulation and the firm's internal audit process. Examples of sustainability-related activities for the CRIAC include oversight of the effectiveness of our risk management framework for sustainability risks and the governance processes around sustainability commitments, as well as monitoring of the profile of sustainability-related risks of the firm including for climate risk.
Executive Committee	Members are the senior management team of Artemis. The Executive Committee generally meets on a monthly basis.	The Executive Committee has responsibility for implementing Artemis' strategy and managing the day-to-day operations of the firm. Examples of sustainability-related activities for the Executive Committee include formulating and recommending the firm's overall approach to sustainability via its Sustainability Principles, overseeing delivery of sustainability-related regulatory reporting and monitoring key climate metrics at fund and firm level.
Investment Committee	Members include senior representatives from multiple functions. The Committee is chaired by our Chief Investment Officer. The Investment Committee generally meets on a monthly basis.	The Investment Committee is responsible for oversight of those sustainability matters which relate to our investment activities and our funds. Examples of sustainability-related activities for the Investment Committee include monitoring sustainability-related risks in our portfolios, monitoring our stewardship activities including voting and engagement relating to climate matters, and reviewing and approving sustainability policies which have a direct impact at fund or portfolio level.
Risk and Compliance Committee	Members include senior representatives from multiple functions. The Committee is chaired by our Chief Risk Officer. The Risk and Compliance Committee generally meets on a monthly basis.	The Risk and Compliance Committee is responsible for the oversight of the risk management policies and practices. Examples of sustainability-related activities for the Risk and Compliance Committee include monitoring of sustainability-related risks to the firm and oversight of effective operation of our risk management framework including for climate risk.

2. Governance

Training and upskilling

Consistent with our approach to ensure that sustainability considerations are embedded across the business, we continue to undertake ongoing sustainability-related upskilling and training for colleagues. During 2024, we delivered further climate training for our Executive team and our non-executive officers to ensure that our most senior decision-makers are kept abreast of key issues, industry developments and potential impacts for our business. During the year there were presentations by fund managers, analysts and the stewardship team on the climate transition, the Inflation Reduction Act and the energy and water consumption of data centres. We also undertook training sessions with our investment teams to demonstrate the additional climate data tools and analysis available to them for their portfolios as a result of the enhancements to the internal ESG data dashboards.

Environmental Working Group

Our Environmental Working Group (EWG) is a voluntary collective of Artemis staff, facilitated by the office management team, which aims to encourage activities and initiatives to reduce Artemis' corporate carbon footprint. The EWG focuses on changing behaviours on areas including travel and on-site office utilities to encourage those which are more sustainable. During 2024, the EWG undertook various actions including:

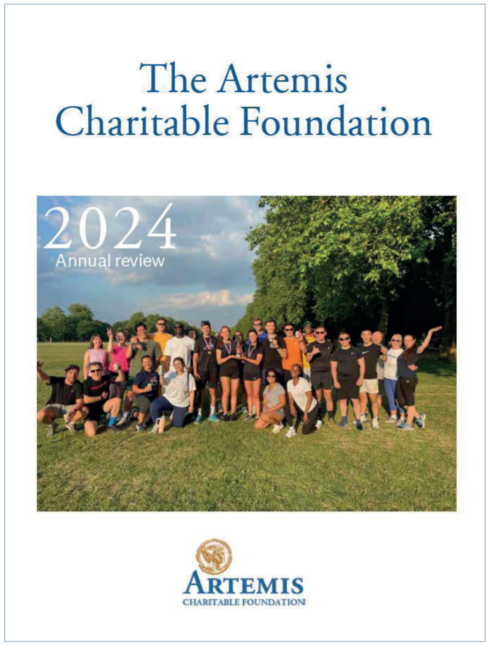
- Marked world environmental day, hosting a variety of activities both in-house and alongside local communities. These included:
  - staff litter pick with Fountainbridge Canalside Trust
  - hosting a webinar on sustainable aviation fuel
  - arranging an office clothing bank donating all proceeds to a local charity
  - providing content on the environmental benefits of a plant-based diet
  - hosting a Planet Mark webinar to further educate staff on how to reduce emissions year on year.
- Completed a bi-annual supplier review, identifying and swapping to alternative suppliers who operate more sustainably.
- Increased awareness on how to recycle, reduce and reuse, including updating content on educational posters around the office.
- Increased our use of sustainable products when planning events, for example by using reusable and compostable crockery for large scale events. Where possible, decorative and furniture items were reused, removing the need to hire in additional items.

The Artemis Charitable Foundation

The Artemis Charitable Foundation (the Foundation) is at the heart of our culture. Artemis gives a proportion of annual revenues to the Foundation, the Trustees of which manage our charitable activities. Since launch in 2007, the Foundation has donated over £14 million to help a wide range of charities both in the UK and internationally.

The Foundation aims to support a number of 'core' charities in the areas of health, education, poverty and the environment. In addition to providing financial donations, the Foundation works closely with these charities, many of which are small, lower-profile charities, usually on a multi-year basis to enable greater impact and a deeper understanding of their work. With staff engagement at the heart of the Foundation's work, colleagues across the firm are given the opportunity to take part in volunteering days, charity trips, fundraising events, and workshops with our partner charities throughout the year. Further information on the work of the Foundation can be found here.

As an example of our 2024 activities, Artemis colleagues regularly volunteered at City Harvest, a charity which takes surplus food that would otherwise end up in landfill and redistributes it to people facing food poverty.



Artemis
Charitable Foundation

3. Strategy

Our values

As dedicated active investors, our primary purpose is to deliver superior long term investment returns for our clients. Our overall strategy is driven by our clients' needs and everything we do is designed to deliver outstanding returns and service to our clients. All risks and opportunities are considered as part of the investment process by the fund managers in the context of enhancing the long-term value of our clients' investments.

Our three core values underpin our purpose and reinforce the client-focused, investment-led culture we foster throughout the business. They are also central to our mission of being a leading multi-strategy boutique asset manager.

Clients come first
Fairness, clear communications, openness and transparency

Collaboration
Collegiality, teamwork and collaboration

Integrity and accountability
Integrity, accountability, expertise and talent

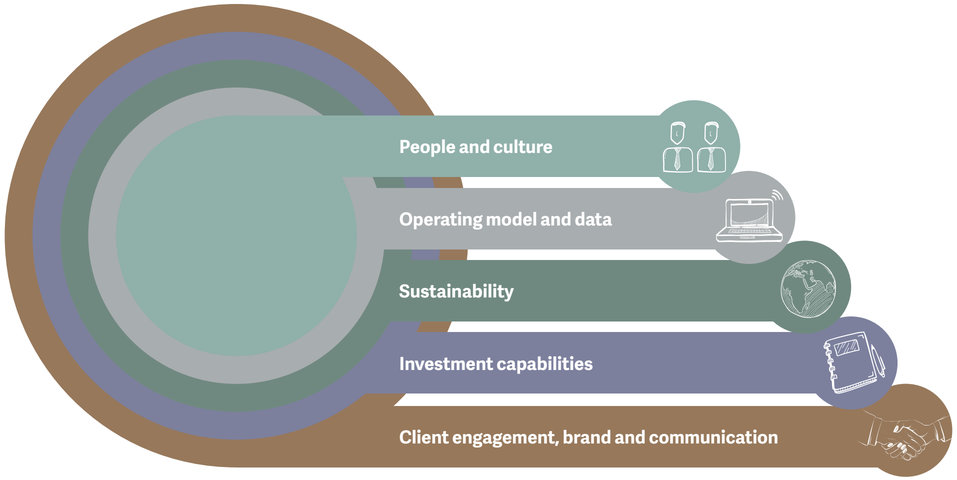
Our strategy

Our strategy is defined by our purpose and our mission. It is anchored on our values and our heritage and focused on ensuring we understand and respond to our clients' needs. Our strategy rests on five interconnected aims, as outlined below.

- **A strong service mindset**
- **A suite of high-quality investment capabilities aligned to client needs**
- **An effective and integrated operating environment**
- **A data-driven and digitally-enabled platform**
- **A compassionate, inclusive and creative culture**

Five areas of focus

To support our strategic aims as a business, we have identified certain areas of focus which we believe will help to drive the future performance of our firm. One of these areas of focus is sustainability, which we use as an overarching term to describe our approach from both an operational and investment perspective. This encompasses a focus on climate-related considerations both in our investments and in our business operations.



Our investments

As long-term investors, we recognise that climate change factors can have a material impact on the financial outcomes of our investments. Our investee companies may be exposed to climate-related risks which have the potential to negatively impact long-term investment returns, whilst certain companies we invest in may stand to benefit from climate-related opportunities which will arise from the transition to a lower-carbon economy. It is therefore important that we integrate climate considerations into our investment processes in order to manage the financial risks posed by climate change and benefit from potential climate-related opportunities, whilst recognising the diverse set of client objectives and priorities across our investment products and solutions. Our primary goal is to always invest in accordance with the client mandates we receive and the investment policies of our individual strategies.

Integration of climate-related factors

As active managers investing across a range of different strategies and asset classes, we take a bottom-up approach to how we consider climate-related risks and opportunities in our portfolios. This means that each investment team is responsible for considering climate-related factors in their investment process as we believe that they are best placed to assess the financially material climate risks and opportunities for their individual portfolios and holdings. Our investment teams are supported in their analysis by our Stewardship team and Investment Risk team.

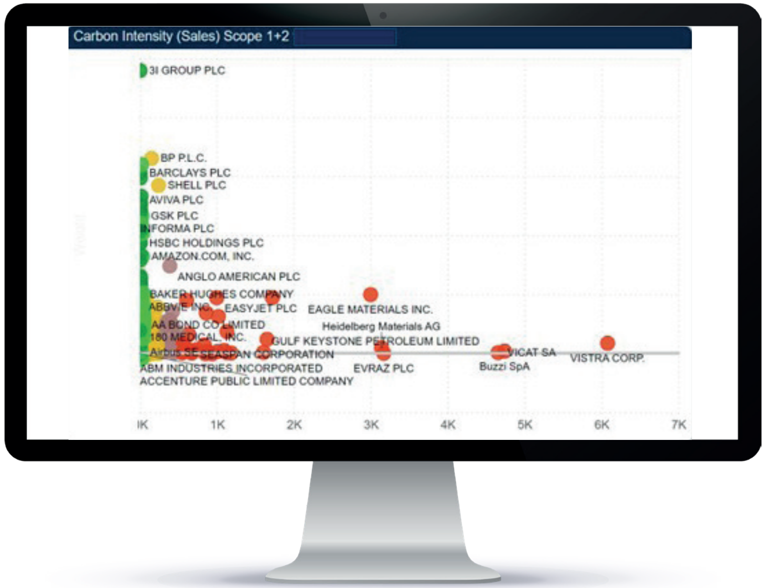
We expect our investee companies to integrate climate change considerations into their own strategic decision-making as may be appropriate depending on their respective industries, geographical exposures and investment time horizons. We encourage investee companies to manage their climate risks and adopt strategic and proactive measures to address them.

ESG data dashboard

During 2024 and early 2025, we have continued to develop and enhance our internal ESG data dashboards to significantly broaden the scope of ESG data which is available for our portfolios and investments. Sourcing data from our primary ESG data vendor, MSCI Inc, these dashboards now incorporate additional forward-looking climate metrics such as a company's alignment with the Net Zero Investment Framework, Implied Temperature Rise and whether companies have adopted SBTi targets for decarbonisation.

These dashboards have improved the availability, consistency and quality of climate data made available for our investment teams and stewardship team for portfolio-level analysis of climate metrics and data. These dashboards have also helped us to establish a systematic approach to regular oversight of climate-related risks and to enable a data-driven assessment of climate-related issues by the relevant governance committees.

Illustrative portfolio in our ESG data dashboard [3]



[3] The images used are for illustrative purposes only and do not represent the actual positions held by any Artemis Fund.

Net Zero Asset Managers initiative (NZAMi)

Artemis has been a signatory to the Net Zero Asset Managers initiative since 2021. This is an international group of asset managers committed to supporting the goal of net zero greenhouse gas (GHG) emissions by 2050 or sooner. We believe that a commitment to supporting the goal of net zero emissions by 2050 is consistent with our primary purpose to always act in the best interests of our clients. A successful transition will offer our clients a better opportunity for strong long-term investment returns, whilst a failed transition risks financially material negative impacts across the financial system.

Net Zero Asset Managers Initiative

NZAMi review

In January 2025, NZAMi announced that it will be undertaking a review of the initiative to ensure it remains fit for purpose in the new global context. Pending the outcome of this review, the initiative has suspended its tracking and reporting activities and has also removed the commitment statement from its website.

We welcome the NZAMi review as it provides an opportunity to learn from the experiences of signatories in operationalising the NZAMi commitment over the last few years and to focus on actions where asset managers can realistically contribute to the transition to a low carbon economy. We recognise that a successful transition is subject to many factors which are outside our control, such as government policy and the changing macro-economic environment. We note also that the policy landscape is very different from what it was in 2021 when we originally became signatories to NZAMi and that since that time, despite significant progress in some countries like the UK, many governments have not delivered on their own net zero commitments. Leading jurisdictions like the EU seem to be slowing down their green ambitions, with an accompanying sharp upsurge in national trade protectionism which may limit the uptake of green technologies. Against this backdrop, we think it is an appropriate time for the industry to reflect on the role of investors and the asset management industry in achieving the goals of the Paris Agreement.

We look forward to contributing our input to NZAMi during the review process, in particular around the challenges asset managers have faced in meeting the original commitment in a policy environment that is not always supportive of a carbon transition in the real economy. We will be awaiting the outcome of this review process to consider our future approach to net zero targets for our investments and will determine the appropriate action for Artemis once we understand the future expectations of the NZAMi initiative.

Focus on real economy emissions reduction

Artemis' approach is to prioritise the achievement of real economy emissions reductions. This means that we focus on actions which have a positive impact in the real economy, such as engagement[3] with investee companies, rather than simply divesting holdings which may have high GHG emissions. As long-term active managers, we see company engagement as a key element of our responsibilities and our ability to create value for our clients. Artemis has a strong reputation as a dedicated active investment manager recognised for our ability to build long-term relationships with the management teams of our investee companies. These relationships act as our primary lever to influence real-world decarbonisation by challenging companies on their transition strategies and encouraging companies towards aligning with net zero. We focus on urging the companies in which we invest to lower their emissions through adopting targets and implementing strategies which will better position them to navigate and, where relevant, facilitate a successful transition. In our assessment of a company's alignment, we take due account of sectoral and geographical factors which influence its emissions reduction trajectory. We also engage in collaborative action where appropriate through industry initiatives to help drive industry or policy change more widely. Details of these collaborative initiatives are provided on page 11.

Progress in 2024

During 2024, we have continued our approach to identify and monitor the highest carbon emitters across our portfolios which contribute the most to our firmwide carbon footprint and we have prioritised these companies for climate engagement. Our analysis of these high impact companies focuses on their climate disclosures, target setting and related transition plans. We continue to monitor the progress of our holdings in implementing their own net zero commitments and engage with management where appropriate in the event that progress falls behind expectations.

We have also made significant enhancements to our ESG data dashboard during 2024. We have enhanced our internal data architecture and data visualisation tools to provide issuer-level and portfolio-level data and analysis on additional climate metrics and net zero alignment data sourced from our primary ESG data vendor (MSCI). This data is refreshed on a monthly basis and these tools are available to our Stewardship team and our Investment teams to assist with assessing companies where climate-related risk is higher and financially material, as well as providing portfolio-level data about trends over time.

Examples of our 2024 climate engagement activity are provided on page 12 of this report. Further case studies can be found in our Stewardship Report available here.

[3] *Please note that our SmartGARP strategy implements a proprietary quantitative framework as an investment strategy. As this is primarily a quantitatively-driven approach, engaging with investee companies does not form part of the investment process for these funds or portfolios. The description of Artemis' activities relating to engagement with investee companies therefore does not apply to our SmartGARP funds or portfolios, although the strategy does participate in voting the shares held in these funds and portfolios.*

3. Strategy

Climate-related initiatives and collaborations

Artemis actively participates in various industry-wide initiatives and collaborative engagements, recognising that a collective approach can often make success more likely when seeking to instigate change.

Climate Action 100+
Global Investors Driving Business Transition

Artemis became a member of Climate Action 100+in 2019. Using collaborative corporate engagement, Climate Action 100+ aims to ensure the world's largest corporate GHG emitters take the necessary action on climate change. The members of the initiative are asking companies to implement a strong governance framework, take action to reduce GHG emissions across the value chain consistent with the Paris Agreement's climate goals, and to provide information on transition plans. The work is co-ordinated by five investor networks.

IIGCC
The Institutional Investors Group on Climate Change

In 2021, Artemis became a member of the Institutional Investors Group on Climate Change (IIGCC), which works with business, policy makers and fellow investors to help define the investment practices, policies and corporate behaviours required to address climate change.

In 2023, we also joined the Net Zero Engagement Initiative (NZEI) which is coordinated by the IIGCC and aims to scale and accelerate climate-related corporate engagement by expanding the universe of companies beyond the Climate Action 100+ focus list. The initiative encourages companies to develop a net zero transition plan which includes a comprehensive net zero commitment, aligned GHG targets, tracking of emissions performance and a credible decarbonisation strategy. See climate collaboration case study on page 12.

Transition Pathway Initiative

The Transition Pathway Initiative (TPI) provides valuable data and analysis which we use as part of our assessment of investee companies' management of climate-related risks and opportunities and their transition pathway to net zero. The ongoing research from the initiative into 'material' sectors for the purposes of climate change and the increasing company coverage continue to support our work in this area. Artemis became an official supporter of the TPI in 2023.

3. Strategy

Climate case studies

Climate transition

In 2024, we continued our work on airlines, engaging with easyJet, International Airlines Group (IAG) and Ryanair to discuss progress and challenges with their transition strategies, especially as relates to sustainable aviation fuel (SAF).

easyJet: We discussed key developments in the last 12 months regarding measures to reduce emissions, including fleet renewal, descent management and fuel optimisation. We sought to understand the company's preparedness for meeting the upcoming EU and UK SAF mandates, discussing supply challenges, the areas of focus (regions, fuel type), price expectations and potential fines for non-compliance. On carbon credits, we discussed the EU Emissions Trading Scheme, market dynamics, financial implications for the airline and the company's lobbying activities on the topic. easyJet is also investing in future technologies, such as hydrogen-powered aircraft.

IAG: The company has made significant progress on its climate-related transition plans since discussions back in 2019. Artemis has had regular meetings with management and board members, but the purpose of the meetings in 2023 and 2024 with the Head of Sustainability were to focus on the actions taken to meet interim targets for 2030 for the use of SAF and Scope 1 emissions reductions. Discussions centred around the work to embed the net zero commitment across the group, short and medium-term actions to build capacity in and supply SAF and operational efficiencies which are leading to reductions in carbon emissions such as route planning and fuel management, leveraging internal data from the last 15 years. We remain confident that the board looks at a range of material factors such as environmental commitments, employee relations and customer feedback which impact the success of the business.

Climate opportunities

Prysmian (Electrical Equipment) - We are investors in Prysmian S.p.A., a company which develops, designs, produces, supplies, and installs a wide range of cables for applications in the energy and telecommunications industries. The company offers submarine transmission, asset monitoring systems, network components, and optical fibres.

With the transition to more renewable capacity from unpredictable solar and wind energy, significant upgrades to electrical grids and networks will be required. The increase in demand from electrification and the digital transformation will see data centre growth boost demand of premium data cable solutions, which will also increase as 5G coverage grows and Internet of Things devices proliferate.

Demand for low, medium and high voltage cables is underpinned by a multi-year structural trend. There is a structural shortage of cable production capacity globally, especially for end uses such as offshore wind, where high voltage sub-sea cables are needed.

Climate collaboration

FirstGroup - FirstGroup Plc is a provider of public transport. We lead an engagement with FirstGroup as part of the Net Zero Engagement Initiative (NZEI) – a collaborative engagement initiative co-ordinated by IIGCC. The company has worked with a specialist consultancy to complete a full Scope 3 emissions assessment and identify all material Scope 3 emissions. In 2024 it published *The FirstGroup Environmental Performance report 2024 – Annex to the Annual report and Accounts* which included for the first time all material Scope 3 emissions.

FirstGroup has a SBTi near-term target for Scopes 1 & 2 and a near-term target for partial Scope 3 emissions reduction from fuel and energy-related activities with a commitment that 75% of suppliers by emissions, covering purchased goods and services and capital goods, will have science-based targets by FY 2028.

Engagement with the company in 2024 focused on its transition plan, and work on a Transition Plan report in line with Transition Plan Taskforce guidance is at an advanced stage. This has involved workshops across the key business functions and briefing to the Board. FirstGroup published its first Transition Plan report in March 2025.

3. Strategy

Our investment products and strategies

The transition to a lower emissions economy presents opportunities as well as risks. Our investment portfolios include holdings in companies which derive revenues from transition technologies, such as alternative energy and energy efficiency, and which are likely to play a vital role in facilitating a successful transition. We expect that the net zero ambitions and commitments of countries around the globe will help to drive policies and regulations which will encourage the massive reallocation of capital needed over the coming years to meet the Paris Agreement objectives, which should in turn continue to expand the range of opportunities for the companies we invest in.

Across our range of investment products and solutions, we have offerings for clients who may want specific climate-related characteristics for their investments. Examples of some of our product offerings are listed below. We regularly review our product offering to ensure that we are offering our clients appropriate options to participate in the opportunities presented by the climate transition, both within our existing investment strategies and in any new products and investment strategies that we may launch.

Artemis Income (Exclusions) Fund

The Artemis Income (Exclusions) Fund follows the same approach as our long-established Artemis Income Fund (a UK equities fund) but with an investment process that excludes stocks from certain sectors, including some companies in the fossil fuels sectors.

Artemis Positive Future Fund

The Artemis Positive Future Fund seeks to achieve capital growth by investing in companies which the manager believes have a positive environmental and/or social impact. The manager has developed a proprietary double materiality framework to assess a company's impact on all its stakeholders, such as customers, suppliers, workforce and shareholders. The analysis focuses on the impact delivered by products and services on the environment and/or society, as well as the impact of companies' conduct and footprint on people and planet.

Our Luxembourg Fund Range

Our Artemis Funds (Lux) sub-funds include a selection of funds which fall under Article 8 of the Sustainable Finance Disclosures Regulation (SFDR) as they promote environmental or social characteristics, as defined in the SFDR Regulation.

Investing in a fund involves taking risk and the value of your investment may go down as well as up. This means your investment is not guaranteed and you may not get back as much as you put in.

3. Strategy

Our operations

We recognise the importance of considering climate-related risks and opportunities as they relate to our own business operations. Ensuring the long-term success of Artemis requires us to pay due regard to climate change factors in our strategic decision-making in order to secure our future success and protect our ability to continue to deliver for our clients over the long term.

The table below sets out the climate-related risks and opportunities we have identified which may impact our business.

Climate-related risks

Type of risk	Description	Potential financial impact	Timeframe[4]
Physical risks - risks associated with the physical impacts due to climate change			
Acute	• Increased severity of extreme weather events such as floods	• Reduced revenue or increased costs due to disruptions to our facilities, systems, supply chains or workforce. • Increased capital expenditure costs (e.g. for repairing damaged facilities or systems). • Inability to obtain insurance or higher insurance premium costs. • Increased energy costs due to extreme weather patterns.	Medium to long term
Chronic	• Extreme variations in weather patterns • Rising average temperatures • Rising sea levels		Long term
Transition risks – risks associated with the transition to a low-carbon economy			
Policy and legal	• Increasing volume of regulatory reporting obligations relating to climate and/or divergent regulations across geographies. • Risk of actual or perceived greenwashing in our marketing materials or public statements relating to climate. • Risk of mis-selling products in jurisdictions in breach of local sustainability labelling/disclosure requirements. • Exposure to litigation.	• Financial penalties as a result of regulatory breaches. • Increased operating costs from increasing regulatory reporting obligations. • Financial damages as a result of litigation. • Reduced revenue as a result of asset outflows due to regulatory sanction or reputational damage. • Increased capital expenditure costs to build regulatory reporting solutions and/or data and IT solutions.	Short, medium and long term
Technology and data	• Risk of inaccurate climate data being used in investment decision-making, investment risk monitoring and/or regulatory reporting. • Increased reliance on external ESG data providers to comply with regulatory reporting. • Costs to transition facilities or equipment to lower emissions options.	• Increased costs for external ESG data providers and/or data and IT solutions. • Financial damages as a result of potential litigation from clients' reliance on inaccurate ESG data. • Increased capital expenditure costs for transition to lower emissions equipment or facilities.	Short, medium and long term

[4] Short, medium and long term horizons are not expressly defined in terms of number of years, but an implicit assessment of time horizon of the relevant risk is factored into the risk assessment (RCSA). The RCSA process is described on page 17.

3. Strategy

Type of risk	Description	Potential financial impact	Timeframe
Market	• Negative performance of our investment portfolios due to climate-related risks in underlying holdings (e.g. for investee companies in carbon intensive sectors). • Reduced demand from clients for our products due to failure to provide suitable sustainable product offerings.	• Reduced revenues due to poor fund performance. • Reduced revenues due to client redemptions or reduced demand for our products.	Medium to long term
Reputation	• Increased scrutiny from clients or regulators as a result of our investment holdings in carbon-intensive sectors or companies. • Risk of actual or perceived greenwashing as a result of our public statements relating to sustainability and climate. • Failing to meet any net zero commitments or interim targets. • Stigmatisation of the investment management industry for its perceived role in contributing to, or failing to address, climate change. • Inability to recruit or retain employees due to reputational damage.	• Reduced revenues due to client redemptions or reduced demand for our products. • Increased costs to invest in marketing efforts to protect our brand image. • Increased recruitment or retention costs due to difficulty in attracting suitable candidates for business-critical roles or vacancies.	Short, medium and long term

Climate-related opportunities

Type of opportunity	Description	Potential financial impact	Timeframe
Resource Efficiency	• More energy efficient offices and facilities. • Reduced water usage and reduced waste due to better employee practices and firmwide policies.	• Lower operating costs. • Better staff retention (and lower recruitment costs) due to increased employee satisfaction scores as a result of better corporate sustainability practices.	Short, medium and long term
Energy Source	• Lower energy costs due to less reliance on fossil fuel energy sources and increased use of cheaper renewable sources.		
Products and Services	• Development of new investment products to meet increased client demand for climate-related or sustainable products and strategies. • Ability to diversify our product offering. • Stronger competitive position through sustainable product offering.	• Increased revenues from new products which meet changing client preferences. • Less fluctuation in revenues as a result of a more diversified product range. • Increased revenues from new client segments or markets, or increased market share of existing client segments.	Short, medium and long term
Resilience	• Higher long-term investment returns as a result of efficient climate-risk integration into investment processes. • Stability of AuM as a result of meeting client expectations for product offering and long-term investment returns. • Stronger brand reputation as a result of our sustainable product offering and/or climate risk integration into investment processes.	• Increased revenues from strong investment returns. • Stable future revenues due to resilience of AuM.	Medium to long term

4. Risk Management

Artemis recognises the importance of effective risk management processes and structures. We have a risk management framework in place to ensure that we are effectively managing known or expected risks in our operations and in our investment portfolios.

Climate-related risks have the potential to impact the firm, its clients and/or the markets in which Artemis operates. Below is a summary of how climate-related risks are incorporated into our existing risk management processes.

Artemis operates a 'three lines of defence' model that assigns specific responsibilities for risk management to staff in the First Line, to the Risk & Compliance Function in the Second Line, and to the Internal Audit function in the Third Line.

1

The **First Line of Defence** is responsible for the day-to-day management of risk, including climate-related risks. This means that Artemis' business managers have primary responsibility for identifying and managing the risks which originate within the business areas for which they are responsible. All staff members must adhere to Artemis' Enterprise-wide Risk Management Framework (ERMF) and its supporting policies, procedures and standards and everyone should be aware of the risks that are present in their specific activities.

2

In the **Second Line of Defence**, Artemis' Risk & Compliance Function is responsible for providing advice and support on the design and implementation of risk management systems and controls. In addition, the Risk & Compliance function provides oversight and independent assurance that Artemis' policies and procedures are operating effectively and efficiently in accordance with the risk appetite set by the Management Committee, and that the firm meets the requirements of applicable laws and regulations, industry standards, good business practices and internal standards, including Artemis' cultural principles.

3

In the **Third Line of Defence** the Internal Audit service function, which is separate and independent from the other business functions and activities of the firm, is responsible for examining and evaluating the adequacy and effectiveness of the firm's systems, internal control mechanisms and arrangements.

Our operations

Artemis has implemented an ERMF which encompasses a range of processes and methodologies used for the identification, assessment and management of risks and harms. Our ERMF risk taxonomy includes sustainability risk as a cross-cutting risk type:

Sustainability Risk Definition

The risk that an environmental, social or governance event, impact or condition - including climate change - causes actual or potential material negative impact to Artemis, the firm's clients and/or the markets in which the firm operates.

Artemis' definition of sustainability risk was amended during 2024 to specifically include climate-related risks. At firm level, this requires us to have appropriate processes and methodologies in place to ensure that sustainability risks are effectively identified, assessed, managed, monitored (overseen) and reported upon. This includes, for example, the physical and transition risks presented by climate change.

Key risk identification and assessment processes that form part of the ERMF include the Top-Down Risk Assessment, Risk & Control Self-Assessments and the Emerging Risk Assessment. Further details on how climate-related risks are integrated within the firm's ERMF and our overall approach to risk management are provided below.

4. Risk Management

Risk & Control Self-Assessment

Each business function at Artemis is required to complete a Risk & Control-Self Assessment (RCSA) on at least an annual basis. Artemis also completes annual cross-cutting or thematic RCSAs on specific risk themes that can have an impact across multiple business functions. RCSAs provide a 'bottom-up' and systematic approach for the identification and assessment of risks including risks to the firm, clients and/or markets, and the appraisal of the controls in place to mitigate these risks.

During 2024, we completed a detailed sustainability risk assessment using the firm's standard RCSA methodology, covering both fund-level and firm-level climate risks. This was treated as a cross-cutting risk and was part of the programme of work on our sustainability operating model designed to embed the required processes and controls across the firm's activities. Our progress during 2024 reflects our efforts to ensure that sustainability considerations are effectively integrated into relevant business functions rather than being treated as a separate or standalone activity. We believe that this integrated and embedded approach will lead a more resilient business model and better outcomes for our clients.

Emerging Risk Assessment

Emerging risks are risks which may develop or already exist and are continuously evolving. They are characterised by a high degree of uncertainty in terms of impact and likelihood but can have the potential to impact Artemis and its clients. By their very nature, emerging risks are inherently difficult to quantify and cannot be assessed using other methods such as the Top-Down Risk Assessment or the RCSA.

On a six-monthly basis, Artemis completes an Emerging Risk Assessment and report the results to the CRIAC for discussion. Emerging risks are classified according to their potential impact (e.g. very high, high, medium or low) and the time horizon in which they may have an impact. The emerging risks component of the ERMF has been capturing climate-related risks, particularly the risk of physical catastrophe events, for several years.

Our investments

The identification and assessment of climate-related risks in our investment portfolios is primarily the responsibility of each Artemis investment team. As active managers investing across a range of different strategies and asset classes, we believe that our investment teams are best placed to assess the financially material climate risks for their individual portfolios and holdings. Furthermore, climate data and metrics can be complex and fast-evolving, with many data-sets still in their infancy, incomplete or estimated by our data providers. The use of these metrics requires caution and judgment, which our investment teams are best placed to apply given their deep understanding of their portfolios and their holdings.

Climate risks may be identified and assessed at various stages of the investment process, for example through investment research, sector analysis, stock selection, peer analysis or through engagement with management teams. The extent to which climate risk is relevant to any investment will depend on a wide range of factors, such as the materiality of the climate risk to the individual investment case, the importance of climate risk in the overall investment objective or investment policy for the strategy, or the time horizon for the investment. Our investment teams undertake thorough due diligence as part of their investment research processes to assess all relevant economic and financial factors, including relevant climate-related factors, to make investment decisions aligned with the overall objective of the portfolios they manage.

Our investment teams are supported in their analysis by the Investment Risk team who undertake regular investment risk review meetings with each investment strategy. The investment team also have access to our ESG data dashboard which provides enhanced climate data sourced from MSCI at both a portfolio level and at investee company level.

Scenario analysis

During 2024, we have been further developing our climate risk management framework for our investment portfolios by building a data dashboard for climate scenario analysis. Our Investment Risk team have implemented a 'CVaR Dashboard' which incorporates MSCI's Climate Value-at-Risk (CVaR) metrics, which is climate data from MSCI which uses forward-looking, return-based valuations for measuring climate-related risks and opportunities in an investment portfolio in different climate scenarios.

MSCI's CVaR metrics look at both the physical impact of climate change and the impact of the transition to a low carbon economy. The data aims to provide insight into the potential climate-stressed market valuation of investment portfolios and downside risks. During 2024, our Investment Risk team have focused on building the CVaR dashboard which provides portfolio-level scenario analysis for three climate scenarios (using NGFS scenarios): orderly transition (below 2 degrees Celsius scenario), disorderly transition (delayed transition scenario) and hot house world (nationally determined contributions scenario). Further explanations of these scenarios are provided in our TCFD Product Report. The CVaR outputs at portfolio level are shared with our investment teams through the quarterly investment risk review process.

It is important to note that the CVaR dataset relies on complex modelling tools which try to quantify the myriad of real-world impacts of climate change over the long-term. We recognise that metrics and models such as MSCI's CVaR remain at a very early stage of development and their outputs should be considered with caution due to their inherent limitations. Importantly, they are not intended as a forecasting tool. We use this dataset as a tool to understand the potential sensitivity of investments in different climate scenarios, whilst recognising the inherent limitations of any forward-looking climate risk assessment tool. We are continuing to work on increasing our own understanding and assessment of these metrics to improve our climate risk oversight processes going forward.

5. Metrics and Targets

In accordance with the TCFD recommendations, this section sets out our climate metrics for our investment portfolios and our business operations. The climate metrics in this report will be updated on an annual basis and are likely to evolve over time in line with data improvements and industry developments. Climate metrics can be rather technical in nature and we have sought to provide high-level explanations for the key metrics we have disclosed in this report to help you to better understand the terminology.

Greenhouse Gases (GHG) Emissions

Greenhouse gases are gases that trap heat in the earth's atmosphere, leading to global warming and climate change. The main greenhouse gases are carbon dioxide, methane and nitrous oxide. Measuring GHG emissions is the primary tool used to assess the impact of a company's activities on climate change. The common unit of measurement for GHG emissions is tonnes of carbon dioxide equivalent (tCO_2e), which allows us to compare the impact of different greenhouse gases in a consistent manner.

Scope 1, 2 and 3 are ways of categorising the different kinds of GHG emissions and form the basis for how companies report their emissions using the Greenhouse Gas Protocol, the most widely recognised accounting standard for GHG emissions.

Scope 1 Emissions

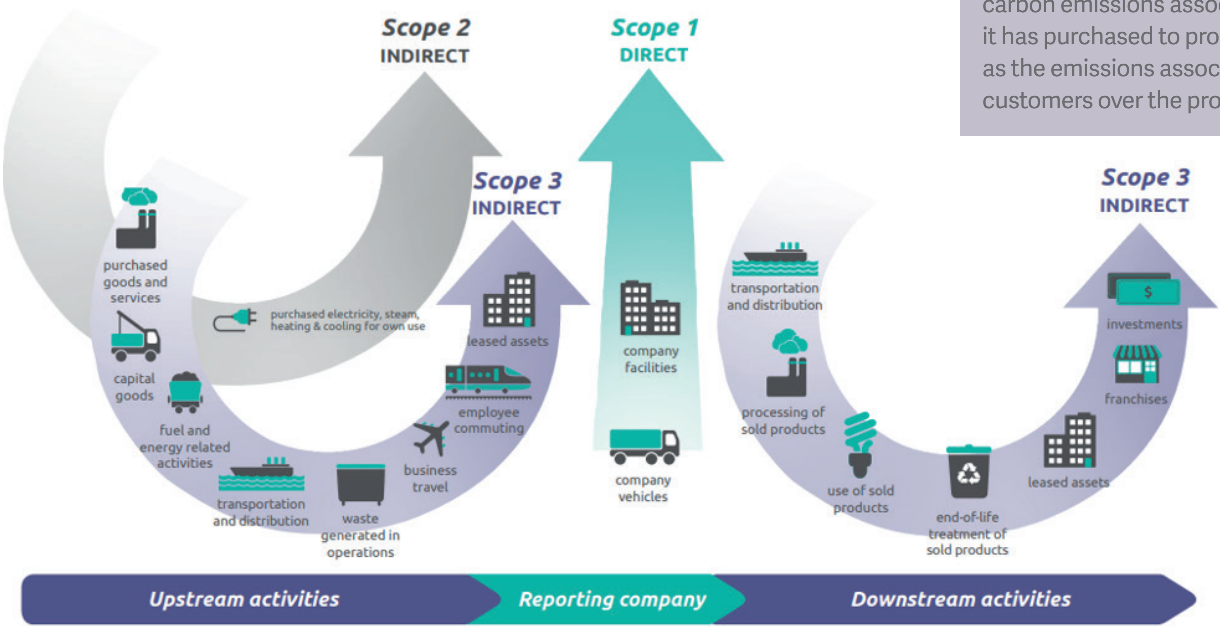
These are the ***direct*** GHG emissions that are generated from sources that are directly owned or controlled by a company. For example, a parcel delivery company would report its emissions from its delivery vehicles, depots and offices.

Scope 2 Emissions

These are a company's ***indirect*** GHG emissions from the generation of purchased energy. For example, a law firm would report the emissions associated with the electricity purchased by the business across all of their locations.

Scope 3 Emissions

Scope 3 emissions are all ***indirect*** GHG emissions (not included in Scope 2) that occur in a company's value chain, including both upstream and downstream emissions. There are 15 subcategories of Scope 3 emissions. Emissions along the value chain often represent a company's largest GHG emissions. For example, a car manufacturer would report the carbon emissions associated with the raw materials which it has purchased to produce its cars (such as steel) as well as the emissions associated with the use of those cars by customers over the product's lifecycle.



Source: Greenhouse Gas Protocol, Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

5. Metrics and Targets

Metrics for our investments

As an asset manager, Artemis' largest emissions by far are our Scope 3 emissions which relate to our investment portfolios (Scope 3 emissions under category 15 (investments) or 'financed emissions'). We use the following metrics to report our financed emissions: Financed Scope 1, 2 and 3 GHG emissions, Carbon Footprint and Weighted Average Carbon Intensity. Please note that each of our investment strategies is managed in accordance with its own investment objective. Metrics for each fund are published in our TCFD Fund-Level Reports which can be found here.

Key Climate metrics as at 31 December 2024

AIM LLP	Description	2024 value	2023 value
Total AuM	**Assets under Management**	£26.9 billion	£23.3 billion
Financed GHG Emissions	**Scope 1 and Scope 2** (tCO2e)	1,801,402	1,730,394
	Scope 3 (tCO2e)	14,397,238	12,967,852
Carbon Footprint	**Scope 1 and Scope 2** (tCO2e per $1 million invested)	53.1	58.5
	Scope 3 (tCO2e per $1 million invested)	428.1	438.1
Weighted Average Carbon Intensity (WACI)	**Scope 1 and Scope 2** (tCO2e per $1 million revenue)	98.5	104.6
	Scope 3 (tCO2e per $1 million revenue))	673.8	634.2

It should be noted that there are various factors which may impact the year-on-year changes to an entity's carbon metrics which may not be directly related to underlying investee company-level progress on climate. These include, but are not limited to, changes to asset-mix, total AuM, market valuation and inflation, sector exposure, geographic exposure, portfolio composition, portfolio turnover, as well as increases or reductions in greenhouse gas emissions of investee companies. These various factors which can influence entity-level climate metrics can mean that the annual metrics may not be directly comparable on a like-for-like basis.

AFM Ltd	Description	2024 value	2023 value
Total AuM	**Assets under Management**	£21.8 billion	£17.7 billion
Financed GHG Emissions	**Scope 1 and Scope 2** (tCO2e)	1,525,946	1,378,886
	Scope 3 (tCO2e)	12,171,558	10,429,213
Carbon Footprint	**Scope 1 and Scope 2** (tCO2e per $1 million invested)	55.9	61.5
	Scope 3 (tCO2e per $1 million invested)	445.6	465.2
Weighted Average Carbon Intensity (WACI)	**Scope 1 and Scope 2** (tCO2e per $1 million revenue)	101.6	106.8
	Scope 3 (tCO2e per $1 million revenue))	706.8	661.7

AIM LLP is the parent entity of AFM Ltd. The table below sets out the climate metrics for the subsidiary entity AFM Ltd, but please note that the climate metrics for AIM LLP in the table above include 100% of the AuM managed by AFM Ltd. The two sets of metrics should therefore not be interpreted as cumulative, but rather the AFM Ltd metrics represent a sub-set of the AIM LLP metrics.

Further explanations of each of these metrics can be found in our TCFD Fund-Level Reports here. Certain asset classes are excluded from our TCFD climate metrics because they either do not have a carbon profile or because there are currently no generally accepted methodologies for calculating a carbon profile for them. Artemis is treating the following asset classes as in-scope (or eligible) for our TCFD reporting: publicly-listed equities; corporate bonds, and sovereign bonds. All other asset classes are excluded, including cash, money market instruments and derivatives.

5. Metrics and Targets

Calculation methodologies

Metric	Description	Calculation formula
Financed GHG emissions	This is an ownership-based metric. It is the sum of all the Scope 1 and 2 (and the sum of Scope 3) GHG emissions associated with our investments. This is an absolute metric which cannot be used for comparative purposes as it will flucuate with AuM changes.	$\sum\left(\frac{\text{current value of investment}}{\text{investee company's EVIC}} \text{ x investee company's GHG emissions}\right)$
Carbon footprint	This is an ownership-based metric. It is measuring the GHG emissions associated with $1 million invested. This is a relative metric which can be used for comparative purposes.	$\frac{\sum\left(\frac{\text{current value of investment}}{\text{investee company's EVIC}} \text{ x investee company's GHG emissions}\right)}{\text{current value of all investments (\$M)}}$
Weighted Average Carbon Intensity (WACI)	WACI measures exposure to carbon intensive companies. It is a calculation of the tonnes of CO2e emitted per US$1 million of company revenue. This metric is based on portfolio weightings rather than ownership of GHG emissions. This is a relative metric which can be used for comparative purposes.	$\sum\left(\frac{\text{current value of investment}}{\text{current value of all investments (\$M)}} \text{ x } \frac{\text{investee company's GHG emissions}}{\text{investee company's \$M revenue}}\right)$

Net zero targets and NZAMi

Artemis is a signatory to NZAMi, which announced in January 2025 that it will be undertaking a review of the initiative to ensure it remains fit for purpose in the new global context. We welcome the NZAMi review and will be engaging with the initiative, as well as other industry groups, during 2025 to understand the role that asset managers can play in achieving real economy decarbonisation. In light of the ongoing NZAMi review, we will be awaiting the conclusion of this process to consider our future approach to net zero targets for our investments. We remain committed to net zero and continue to support the goals of the Paris Agreement, in particular through climate engagement with the companies in which we invest. See page 10 for further details of our approach to net zero.

5. Metrics and Targets

Data limitations

Data quality

Despite continuing improvements in general climate data availability, there are ongoing challenges with the quality and availability of climate data for TCFD metrics. This data availability and quality issue is especially acute for fixed income issuers (which are often private companies), for smaller companies and for companies in emerging markets. There are also broader challenges around the use of Scope 3 climate data, as explained further below.

We expect data coverage levels to improve as more companies disclose their climate metrics over time which we hope will in turn improve the quality of our TCFD disclosures in future years. Whilst every effort has been made to check the data we are publishing in our TCFD Reports, we recognise that there may remain potential sources of error in our disclosures, for example due to poor quality or inconsistent data, incorrect data from our data providers, errors in aggregation methodologies or due to IT system errors.

Data sources and data provider

Artemis uses MSCI data as the single source of all climate-related data for our TCFD Reports which helps to ensure consistency of data and methodologies across our disclosures.

Climate data used for our TCFD metrics may be either company-reported data or estimated by our data provider (MSCI). For Scope 1 and Scope 2 emissions, we have used company reported data (sourced from MSCI) where available. Where reported Scope 1 and Scope 2 emissions data is not available from companies, MSCI uses an estimation methodology. We have used MSCI's estimated (rather than company-reported) Scope 3 data for all Scope 3 metrics because the availability and consistency of Scope 3 emissions data reported by companies remains very limited and the quality of disclosures is unreliable at this time.

Lagged climate data

One of the challenges with reporting climate metrics is the issue of mismatched dates for carbon emissions data and holdings data for our investments. Companies will typically report their emissions data for a given year some time after their financial year-end, which means that the carbon emissions data for our portfolio holdings as at 31 December 2024 will not be contemporaneous with that date. There is also a further time-lag impact due to the time needed by our data provider to incorporate company-reported emissions into their own data-sets.

We have sought to mitigate the impact of lagged emissions data by using the latest emissions data available to us at the time we were preparing our TCFD reports. This means that whilst the AuM data in our TCFD Reports is as of 31 December 2024, the MSCI climate data we have used is as of 31 March 2025. This provides more up-to-date emissions data than was available at 31 December 2024 but does not fully mitigate the impact of lagged emissions data.

A note on Scope 3 emissions data

The quality of Scope 3 emissions data reported by companies remains very low at this time due to significant gaps and variability in corporate disclosures. As Scope 3 emissions are a company's indirect emissions, they can be harder for companies to monitor, measure or control. Despite these quality issues, the FCA's climate disclosure rules now require us to include Scope 3 metrics in our TCFD Fund-Level reporting. In order to mitigate the challenges of inconsistency of reported data, we therefore use MSCI's estimated Scope 3 dataset in our TCFD Reports to ensure consistency of methodologies across sectors.

It is important to note also that the GHG Protocol's Corporate Value Chain (Scope 3) Standard was designed to enable comparisons of a company's GHG emissions over time. It was not designed to support comparisons between companies and was not necessarily designed with portfolio aggregation in mind. Although Scope 3 emissions data (reported or estimated) can provide useful insights for our climate analysis, we do not think it is appropriate to aggregate Scope 3 emissions with Scope 1 and Scope 2 emissions within Carbon Footprint and WACI metrics and have reported these metrics separately in our TCFD Reports.

We also recognise the issue of double counting when using Scope 3 emissions data. Double counting of emissions can occur when a single portfolio holds multiple companies from the same supply chain, because all indirect emissions (Scope 3) are ultimately the direct emissions (Scope 1) from other companies. Scope 3 emissions can also be double counted if two companies operate within the same value chain and are both indirectly responsible for the same emissions. It is impossible to accurately assess the extent of double counted emissions in a portfolio and the issue is widely acknowledged as an inherent challenge in using Scope 3 metrics.

5. Metrics and Targets

Metrics for our operations

We measure and report our Scope 1, Scope 2 and material Scope 3 emissions for our operations in line with the TCFD recommendations as well as our reporting requirements under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. The table below sets out our operational emissions metrics for 2024. As Artemis is a 'people' business, we publish 'emissions per employee' as our intensity metric as we deem this to be the most appropriate intensity metric for our business.

Managing our operational emissions

Artemis is committed to reducing our environmental impact within our business operations. However, we recognise that Artemis is a relatively small business in terms of employee count and physical operations and that our operational emissions make up a very small proportion of our overall climate impact as an asset manager, whereas our financed emissions through our investments (Scope 3) make up the vast majority of our carbon footprint.

Over recent years, we have made significant progress in driving energy efficiency at our offices. Since 2022, 100% of the electricity supply that Artemis has purchased came from a renewable provider and, where possible, the landlords of our offices are on green or renewable tariffs. We have also implemented energy efficiency measures over recent years including: adapting technology to eco-friendly systems, adjusting air conditioning systems to reduce usage at quieter times, and installing motion sensors to reduce electricity consumption for lighting. The office premises that we occupy are leased premises, which means that we are somewhat constrained in our ability to implement certain changes which could further reduce our operational emissions associated with the buildings we occupy.

Our Scope 3 emissions for business travel are a significant component of our overall operational operations. We have implemented a travel policy which requires staff to consider their carbon footprint whenever travelling and choose public transport over private and train over air travel whenever feasible. Whilst we continue to encourage more climate-friendly practices and behaviours with regard to business travel, we recognise that the total volume of international travel, particularly long-haul travel, is an output of strategic decisions relating to our broader business strategy or may increase or fluctuate as a result of the geographical focus of our products and strategies, as well as the location of our clients and growth of the business. As such, we focus on encouraging more environmentally friendly travel practices where possible whilst acknowledging that our overall Scope 3 emissions from business travel may fluctuate in line with changing business needs from year to year.

Over the last six years, Artemis have partnered with Planet Mark (a third-party corporate sustainability adviser) and participated in their certification process, which recognises continuous improvement, encourages action and is actively involved in the development and implementation of internationally recognised net zero standards. Planet Mark supports us in measuring our annual carbon footprint and we have achieved certification status annually over this period.

PlanetMark

Our approach to operational emissions targets

In recognition of the fact that our operational emissions in aggregate are low and make up a very small component of our overall carbon footprint as an asset manager, as well as the fact that we are tenants in our business premises with limited levers of control for further energy efficiency measures in our buildings, we have not set any specific emissions reductions targets for our operations. We will continue to look for opportunities to further reduce our operational carbon footprint whenever we can in the future.

We offset our annual operational emissions (as calculated by Planet Mark) through our partnership with Gold Standard. All carbon credits purchased are Gold Standard-verified and the retirements are available on their public registry. Carbon credits purchased through the Gold Standard marketplace benefit project developers directly, enabling them to maintain and expand their project activity and deliver more climate and sustainable development impact.

Emissions source	Description and unit of measurement	2024	2023
Buildings[1]**:**			
Electricity[2] (location-based)	Scope 2 emissions (tCO2e)	136.2	136.2
Natural gas	Scope 1 emissions (tCO2e)	100.1	97.5
Transmission/ distribution losses	Scope 3 emissions (tCO2e)	12.0	11.8
Water	Scope 3 emissions (tCO2e)	0.9	1.3
Waste	Scope 3 emissions (tCO2e)	0.0	0.3
Paper	Scope 3 emissions (tCO2e)	1.5	0.8
Business Travel	Scope 3 emissions (tCO2e)	211.9	196.6
Total Scope 1 and 2 emissions	(tCO2e)	236.3	233.7
Total Scope 1, 2 and 3 emissions	(tCO2e)	462.6	444.5
Emissions per employee	Average employee count	213	227
	Scope 1 and 2 emissions per employee (tCO2e/employee)	1.11	1.03
	Scope 1, 2 and 3 emissions per employee (tCO2e/employee)	2.17	1.96

[1] The reporting boundary for our operational emissions is our London and Edinburgh offices, which represent the vast majority of our physical operations. Our operational emissions metrics do not include emissions relating to our offices in Munich and Zurich, which we have deemed to be immaterial in light of the very low number of employees currently based at these locations.

[2] We have used a location-based method for Scope 2 emissions which reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). Our Scope 2 emissions under the market-based method would be zero as this method reflects emissions from electricity that companies have purposefully chosen.

Glossary

Term	Explanation
AuM	Assets under management.
Carbon Footprint	Carbon footprint represents the total GHG emissions associated with $1 million invested in the fund.
Carbon intensive sector	Carbon intensive (or high impact) sectors are those industrial sectors, such energy or transportation, which have a significant impact on global carbon emissions. These sectors are determined based on global industrial sector codes which are used to classify companies.
CO_2e (Carbon dioxide equivalent)	An aggregation of the greenhouse gases into their equivalent as carbon dioxide (CO_2), which allows us to compare the impact of different greenhouse gases in a consistent manner.
CVaR	MSCI's Climate Value-at-Risk metrics which provide an assessment of the financial impact of various climate scenarios on individual companies.
Emissions scopes (Scope 1, Scope 2 and Scope 3 GHG emissions)	The GHG Protocol Corporate Accounting and Reporting Standard classifies a company's GHG emissions into three scopes. ▪ Scope 1: direct emissions from owned or controlled sources. ▪ Scope 2: indirect emissions from generation of purchased energy. ▪ Scope 3: all indirect emissions (not included in scope 2) that occur upstream and downstream the organisation value chain. There are 15 subcategories of scope 3 emissions.
Enterprise value including cash (EVIC)	Enterprise value including cash means the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalent.
ESG	Environmental, Social Governance.
GHG	Greenhouse gases. The seven gases included in the United Nations Framework Convention on Climate Change (UNFCC) as drivers of climate change. These are: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).
GHG Protocol	The Greenhouse Gas Protocol is an initiative that serves to determine a universal standardized measurement by which companies and organizations can be evaluated on their output of GHG emissions.
Implied Temperature Rise	Implied Temperature Rise aims to quantify the expected global temperature rise if the portfolio or company was representative of the whole economy.
NAV	Net asset value is the total value of a company or fund, measured by taking the total value of its assets, less its liabilities.
NGFS	Network for Greening the Financial System, an industry-wide reference framework developed to facilitate a shared understanding of how climate change affects the economy.
NZAMi	Net Zero Asset Managers initiative.
NZIF	The Net Zero Investment Framework, a global reference framework used by investors to develop their net zero strategies and transition plans.
Paris Agreement	The Paris Agreement is an international treaty adopted in 2015 with the goal of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.
SBTi	The Science Based Targets initiative (SBTi) is the world's main certification body for corporate net zero targets.
SmartGARP®	This is Artemis' in-house software tool which screens the stock markets to help our fund managers identify companies with the most attractive financial characteristics.
TCFD	Task Force on Climate-related Financial Disclosures. Created by the Financial Stability Board to develop recommendations on how companies should disclose information to support stakeholders appropriately asses and price climate-related risks.
WACI	Weighted average carbon intensity. It is a calculation of the tonnes of CO_2e emitted per US$1million of company revenue.

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