

Artemis fund charges and costs

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Artemis fund charges and costs explained

The charges and costs you pay in relation to investing in funds can have a real impact on the returns that you get, so it is important you know what you will pay. This document explains the charges and costs applicable to Artemis funds.

One-off charges before you invest

Initial charge

Sometimes called the 'entry charge', this is an upfront charge paid when you invest money in a fund and is deducted from your investment before you invest. This covers the costs of setting up your investment, such as administration and marketing costs.

Artemis does not apply an initial charge on any of its funds.

Charges and costs taken from a fund over a year

Ongoing charge

These are the annual operating expenses of running the fund and are deducted from the net assets of the fund.

Different charging bases apply to different types of funds; these are explained in appendix 1.

Performance fee

A performance fee is a payment made to Artemis when a fund beats its stated performance target. Artemis charges a performance fee on two funds:

- Artemis US Extended Alpha Fund
- Artemis Funds (Lux) – US Extended Alpha

Transaction costs

These costs are incurred when buying and selling the fund's underlying investments, such as broker commissions and taxes.

In addition, there is a dealing spread between the prices at which the fund buys or sells the underlying investments. Some investments (such as bonds, money market instruments, derivatives etc) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the investment being bought or sold, the transaction value and market sentiment.

Comparing transaction costs for a range of funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs vary depending on the country and market in which investments are purchased and sold
- Transaction costs vary depending on the types of investment in which a fund invests

Transfer taxes

Transfer taxes are taxes levied by governments on the sale of stocks and shares.

Costs when you buy or sell

Dilution adjustment

Artemis operates a single pricing methodology for its funds and reserves the right to adjust the price to protect investors' investments from the cost of buying or selling investments that result from other investors joining or leaving the fund.

The amount of any such adjustment, known as a dilution adjustment, is calculated by reference to the estimated costs of dealing in the underlying investments, including any dealing spreads, broker commissions and taxes.

Artemis usually adjusts the price whenever significant net contributions (adjustment to offer price) or withdrawals (adjustment to bid price) take place, which helps protect investors' investments from the costs of the resultant transactions.

Please refer to a fund's prospectus for the typical range of dilution adjustments for each fund and class.

UK Stamp Duty Reserve Tax (SDRT)

SDRT is a tax that was previously chargeable in the UK on the value of surrenders and issues of fund units/shares in the UK.

Although the UK government abolished this tax with effect from 30 March 2014, there are some instances in which SDRT continues to be levied. If an investor redeems fund units or shares *in specie** and receives a non-pro rata share of the fund's underlying assets, SDRT will arise to the extent that those underlying assets include chargeable securities. SDRT might also continue to arise on sales of units or shares by one investor to another, where the holding remains registered in the same name.

Stamp duty reserve tax incurred is 0% for all funds and classes.

* *In specie* describes the transfer of an asset (in this case, fund units or shares) in its current form (ie a fund unit or share) rather than in the equivalent amount of cash.

Exit charge

This fee may be charged before the proceeds of your investment are paid out. Artemis does not charge an exit charge on any of its funds.

Further information

Further information can also be found in the relevant prospectus, Key Investor Information Document (KIID), Key Information Document (KID), fund factsheet or at www.artemisfunds.com.

Types of unit and share classes

As with most fund managers, Artemis offers different 'classes' of units or shares. Each has different investment minimums and charges.

In effect, larger investments can benefit from lower charges. Only the ongoing charge varies by class; the other charges and costs are the same for each class.

Minimum investments apply to investors investing directly with Artemis; if you are investing via an investment platform or a financial adviser, you may be able to invest in the classes with the lowest ongoing charges.

The classes available to investors in Artemis' funds vary by fund but primarily encompass:

- Class C: these have a low minimum investment (typically 1,000 in UK pounds sterling if investing direct with Artemis) but a higher ongoing charge.
- Class I: these have a higher minimum investment (typically 250,000 in the unit/share class currency if investing direct with Artemis) but a lower ongoing charge.
As noted above, you may be able to invest smaller amounts in class I units/shares by using the services of an investment platform or financial adviser.
- Class R: these have the highest ongoing charge. These have been largely superseded by class C units/shares and are not open to new investors. Existing investors who are currently invested in class R units should contact Artemis on 0800 092 2051 to explore if you may be able to switch your investments to a lower-charging class.

For investors in the Artemis Funds (Lux) range of funds, these further share classes are also available:

- Class A: these have a high minimum investment (typically 25,000 in the unit/share class currency if investing direct with Artemis) but a lower ongoing charge.
- Class B: these have a high minimum investment (typically 250,000 in the unit/share class currency if investing direct with Artemis) but a lower ongoing charge.

These classes are available for subscription only via certain distributors, intermediaries and/or other professional investors who have separate fee arrangements with their clients.

Further information

Further information can also be found in the relevant prospectus, Key Investor Information Document (KIID), Key Information Document (KID), fund factsheet or at www.artemisfunds.com.

Appendix 1: Calculation basis for ongoing charge

For unit trust funds and Open-Ended Investment Company (OEIC) sub-funds

Unit trust funds and OEIC sub-funds are registered in the UK and generally available to UK investors; see appendix 2 for a list of funds and classes in this category.

Ongoing charges are calculated by adding together:

- the **annual management charge** (AMC) which is paid to Artemis for managing each fund. It is a fixed percentage which is set depending on the fund and class in which you invest. The fee is calculated daily, based on the value of the fund's net assets and is reflected in the daily value of the fund's assets. Different charges are applied for different classes of units/shares.
- an **administration fee** which covers other costs incurred in operating each fund, such as fees paid to the independent Trustee of the funds, to the funds' administrator, and to other service providers such as custodians, lawyers and accountants. The administration fee is paid to Artemis and from it Artemis then pays all of the costs described. It excludes transaction costs (see below). The administration fee is calculated by:
 - taking each fund's base administration fee, as set out in table 1 below; and
 - applying a discount based on the size of the fund as set out in table 2 below.

The base administration fee for each fund, and the minimum fee which can apply after the discount, is set according to each fund's overall investment strategy. Funds which focus on investing in markets other than the UK, or which have a more specialist investment objective, usually incur higher costs.

Further explanation of the administration fee can be found below.

Administration fee

Table 1 – base and minimum administration fee

The administration fees are reviewed annually; the latest fees were set as at 17 April 2024.

Fund	Category	Base administration fee	Minimum administration fee
Artemis Strategic Bond Fund	Bond fund	0.12%	0.05%
Artemis Corporate Bond Fund Artemis Short-Duration Strategic Bond Fund	Bond fund	0.12%	0.075%

Fund	Category	Base administration fee	Minimum administration fee
Artemis Income Fund Artemis SmartGARP UK Equity Fund Artemis UK Select Fund Artemis UK Smaller Companies Fund Artemis UK Special Situations Fund	UK equity fund	0.12%	0.05%
Artemis European Select Fund Artemis SmartGARP European Equity Fund	European equity fund	0.12%	0.065%
Artemis US Extended Alpha Fund Artemis US Select Fund Artemis US Smaller Companies	US equity fund	0.15%	0.075%
Artemis Global Income Fund Artemis Global Select Fund Artemis SmartGARP Global Equity Fund	Global equity fund	0.15%	0.075%
Artemis Positive Future Fund	Global equity fund	0.15%	0.075%
Artemis High Income Fund Artemis Monthly Distribution Fund	Equity and bond fund	0.12%	0.065%
Artemis Strategic Assets Fund	Multi-asset fund	0.125%	0.075%
Artemis SmartGARP Global Emerging Markets Equity Fund	Special focus fund	0.20%	0.075%

Table 2 – fund size discount

Fund's net asset value (NAV)	Discount to be applied to the base administration fee to arrive at the administration fee
Up to £250m	Nil
Between £250m and £750m	0.01%
Between £750m and £1.5 billion	0.03%
Between £1.5 billion and £3 billion	0.05%
Above £3 billion	Once a fund's NAV reaches this threshold, a minimum administration fee will apply rather than a discount. See the relevant fund's prospectus for further details.

Each fund's net asset value is reviewed on the first business day of every calendar month. The discount rate set out above is then applied to the administration fee until the next monthly review date. If the administration fee is not enough to pay all of the other ongoing costs of a fund, Artemis is responsible for any shortfall from its own resources. On the other hand, if the administration fee is higher than the actual amount of the other ongoing costs, Artemis retains any excess. The fund size discount is intended to offset this, as costs tend to be proportionately lower for larger funds due to economies of scale.

Artemis reviews the level of base and minimum administration fees and the fund size discount levels and thresholds at least annually to make sure that they remain appropriate. Artemis will not make any adjustments to the fees, discounts or threshold levels described above without notifying existing investors in accordance with the UK Financial Conduct Authority's rules.

For investment trusts

Investment trusts are publicly listed companies, registered in the UK; see appendix 2 for a list of funds and classes in this category.

Ongoing charges are calculated by adding together:

- the **annual management charge** (AMC) which is paid to Artemis for managing each fund. It is a fixed percentage which is set depending on the fund and class in which you invest. The fee is calculated daily, based on the value of the fund's net assets and is reflected in the daily value of the fund's assets.
- the **other fund charges**, which encompass costs incurred in operating each fund, such as fees paid to the independent depositary of the funds, to the funds' administrator and to other service providers such as custodians, lawyers and accountants. The other fund charges are variable and change from time to time.

For Non-UCITS Retail Scheme (NURS) funds

NURS funds are registered in the UK and available to pension funds and other institutional investors, distributors, intermediaries and other professional investors in the UK; see appendix 2 for a list of funds and classes in this category.

Ongoing charges are calculated by adding together:

- the **annual management charge** (AMC) which is paid to Artemis for managing each fund. It is a fixed percentage which is set depending on the fund and class in which you invest. The fee is calculated daily, based on the value of the fund's net assets and is reflected in the daily value of the fund's assets.
- the **other fund charges**, which encompass costs incurred in operating each fund, such as fees paid to the independent trustee of the funds, to the funds' administrator and to other service providers such as custodians, lawyers and accountants. The other fund charges are variable and change from time to time.

For SICAV funds

SICAV funds (in French 'Société d'Investissement à Capital Variable') encompass the Artemis Funds (Lux) range of funds. These are registered in Luxembourg and available to investors in the UK and certain European countries depending on the local registration of each fund and share class; see appendix 2 for a list of funds and classes in this category.

Ongoing charges are calculated by adding together:

- the **fund management fee** (FMF) which is paid to Artemis for managing each fund. It is a fixed percentage which is set depending on the fund and class. The fee is accrued daily at each valuation point and paid on a monthly basis in arrears. Different charges are applied for different classes of shares.
If the administration fee is not enough to pay all of the other ongoing costs of a fund, Artemis is responsible for any shortfall from its own resources.
To pass on economies of scales achieved by those funds reaching certain levels of assets, a discount will be applied to the FMF depending on the total net asset value of the relevant fund. See the table below for the discounts and thresholds.
- the **subscription tax** which is paid to the Luxembourg regulator, the Commission de Surveillance du Secteur Financier (CSSF). It is a fixed percentage which is determined by the share class invested in and whether the investor is a retail or institutional investor. The tax is calculated daily, based on the value of the fund's net assets and is reflected in the daily value of the fund's assets. Different charges are applied for different classes of shares.

Fund size discount

Fund's net asset value (NAV) in EUR	Discount to be applied to the base Fund Management Fee to arrive at the Fund Management Fee
Below 1,000,000,000	Nil
1,000,000,000	0.01%
2,000,000,000	0.02%
3,000,000,000	0.03%
4,000,000,000	0.04%
5,000,000,000	0.05%
6,000,000,000	0.06%

Where a fund's net asset value is greater than a threshold set out above, the corresponding discount will be applied, on a daily basis, to the base Fund Management Fee applicable to all share classes of that fund.

The directors of Artemis Funds (Lux) will review the base Fund Management Fee, the discount and the items which are included in and/or excluded from the Fund Management Fee, at least annually.

Following the review, the directors may decide to change: (i) the level of the base Fund Management Fee applicable to each share class; (ii) the thresholds at which a particular level of discount will apply, and/or the level of discount applicable at a particular threshold; and/or (iii) the items which are included in and/or excluded from the Fund Management Fee. Shareholders will be notified as required by law prior to any such change taking effect.

Appendix 2: fund charges and costs

As at 17 April 2024

Fund	Class	Ongoing charge (1)	Performance fee (2)	Transaction costs and transfer taxes (3)
Unit trust funds				
Artemis European Select Fund	Class I	0.870%	-	0.190%
Artemis Global Income Fund	Class C	1.320%	-	0.770%
	Class I	0.870%	-	0.770%
	Class R	1.620%	-	0.770%
Artemis Global Select Fund	Class C	1.340%	-	0.580%
	Class I	0.890%	-	0.580%
	Class R	1.640%	-	0.580%
Artemis High Income Fund	Class C	1.165%	-	0.150%
	Class I	0.715%	-	0.150%
	Class R	1.340%	-	0.150%
Artemis Income Fund	Class C	1.250%	-	0.120%
	Class I	0.800%	-	0.120%
	Class R	1.550%	-	0.120%
Artemis Monthly Distribution Fund	Class C	1.310%	-	0.540%
	Class I	0.860%	-	0.540%
	Class R	1.610%	-	0.540%
Artemis SmartGARP European Equity Fund	Class C	1.320%	-	0.380%
	Class I	0.870%	-	0.380%
	Class R	1.620%	-	0.380%
Artemis SmartGARP Global Equity Fund	Class C	1.340%	-	0.770%
	Class I	0.890%	-	0.770%
	Class R	1.640%	-	0.770%
Artemis SmartGARP UK Equity Fund	Class C	1.310%	-	0.480%
	Class I	0.860%	-	0.480%
	Class R	1.610%	-	0.480%
Artemis Strategic Assets Fund	Class C	1.175%	-	0.190%
	Class I	0.725%	-	0.190%
	Class R	1.475%	-	0.190%
Artemis Strategic Bond Fund	Class C	1.040%	-	0.280%
	Class I	0.590%	-	0.280%
	Class R	1.090%	-	0.280%

Fund	Class	Ongoing charge (1)	Performance fee (2)	Transaction costs and transfer taxes (3)
Artemis UK Select Fund	Class C	1.270%	-	0.090%
	Class I	0.820%	-	0.090%
	Class R	1.570%	-	0.090%
Artemis UK Smaller Companies Fund	Class C	1.310%	-	0.100%
	Class I	0.860%	-	0.100%
	Class R	1.610%	-	0.100%
Artemis UK Special Situations Fund	Class C	1.310%	-	0.260%
	Class I	0.860%	-	0.260%
	Class R	1.610%	-	0.260%
OEIC funds				
Artemis Corporate Bond Fund	Class I	0.370%	-	0.400%
Artemis Positive Future Fund	Class I	0.900%	-	0.180%
Artemis SmartGARP Global Emerging Markets Equity Fund	Class I	0.920%	-	0.240%
Artemis Short-Duration Strategic Bond Fund	Class I	0.390%	-	0.030%
Artemis US Extended Alpha Fund	Class I	0.900%	0.000%	1.580%
Artemis US Select Fund	Class I	0.850%	-	0.680%
Artemis US Smaller Companies Fund	Class I	0.870%	-	0.060%
Investment trusts				
Artemis Alpha Trust plc	Ordinary	1.090%	-	0.090%
NURS funds				
Artemis Income (Exclusions) Fund	Accumulation	0.780%	-	0.180%
Artemis SmartGARP Paris-Aligned Global Equity Fund	Accumulation	0.800%	-	0.880%
SICAV funds				
Artemis Funds (Lux) – Global High Yield Bond	Class B	0.550%	-	0.360%
	Class I	0.510%	-	0.340%
Artemis Funds (Lux) – Global Select	Class I	0.910%	-	0.600%
Artemis Funds (Lux) – Positive Future	Class A	1.700%	-	0.160%
	Class B	0.950%	-	0.160%
	Class I	0.910%	-	0.160%
Artemis Funds (Lux) – Short-Dated Global High Yield Bond	Class B	0.450%	-	0.080%
	Class I	0.410%	-	0.060%

Fund	Class	Ongoing charge (1)	Performance fee (2)	Transaction costs and transfer taxes (3)
Artemis Funds (Lux) – SmartGARP Global Emerging Markets Equity	Class B	1.000%	-	0.140%
	Class I	0.960%	-	0.140%
Artemis Funds (Lux) – US Extended Alpha	Class A	1.700%	0.000%	1.610%
	Class B	0.950%	0.000%	1.610%
	Class I	0.910%	0.000%	1.610%
Artemis Funds (Lux) – US Select	Class A	1.700%	-	0.660%
	Class B	0.950%	-	0.660%
	Class I	0.910%	-	0.660%
Artemis Funds (Lux) – US Smaller Companies	Class A	1.700%	-	0.000%
	Class B	0.950%	-	0.000%
	Class I	0.910%	-	0.000%

(1) Ongoing charges are for the 12 months to the date shown in the latest KIID

(2) Performance fees: Artemis charges a performance fee on two funds; these are payable when a fund beats its stated performance target. The figures shown above are the actual performance fees charged in the fund's last financial year; the calculation basis for each fund is:

- Artemis US Extended Alpha Fund: 20% of the share class outperformance against the S&P 500 TR (Hedged to GBP) benchmark
- Artemis Funds (Lux) – US Extended Alpha: 20% of the share class outperformance against the S&P 500 TR benchmark in the currency of the share class

(3) Figures shown are based on data for the last three years of transaction history. Note that funds' costs may be paid in a different currency to the currency where investors are resident. Changes in currency exchange rates can therefore cause costs to increase or decrease.

This document is designed to provide you with information about the costs and charges of Artemis funds and products. It is not a marketing communication and should not be used to make investment decisions. You should always refer to the relevant fund prospectus and KIID/KID before making any final investment decisions.

Artemis does not provide investment advice on the advantages or suitability of its products and no information provided should be viewed in this way. Should you be unsure about the suitability of an investment, you should consult a suitably qualified professional adviser.

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