

**ARTEMIS FUNDS (LUX)**

Société d'investissement à capital variable  
Registered office: 6H, route de Trèves, L-2633 Senningerberg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg B 223.116  
(the "Fund")

**NOTICE TO THE SHAREHOLDERS  
OF ARTEMIS FUNDS (LUX) – SHORT DATED GLOBAL HIGH YIELD BOND**

Luxembourg, 26 March 2021

Dear Shareholder,

The board of directors of the Fund (the "**Board of Directors**") would like to inform you of a change relating to the Fund's sub-fund Artemis Funds (Lux) – Short Dated Global High Yield Bond (the "**Sub-Fund**").

**Terms not otherwise defined in this notice will have the same meaning as those defined in the Fund's current prospectus (the "Prospectus").**

As from 30 April 2021 (the "**Effective Date**"), the investment policy of the Sub-Fund will be amended in order to: (i) clarify that the Investment Manager shall target an average duration, across all of the bonds held by the Sub-Fund, between zero and two years in normal market circumstances; and (ii) reflect the additional restriction that the Sub-Fund may only invest up to 10% in high yield bonds carrying a credit rating from Moody's, Standard & Poor's or Fitch, that have been given ratings whereby none are at or above B- (for Standard & Poor's and Fitch) or B3 (for Moody's) not qualifying as distressed/defaulted bonds at the time of purchase.

With respect to the change mentioned under item (i) above, the average duration of the bonds will be monitored by an investment committee. Should the average duration exceed two years, the Investment Manager will take appropriate actions as soon as practicable taking into account the best interests of Shareholders.

As a consequence, as from the Effective date, the investment policy of the Sub-Fund shall be amended as further described in Appendix 1.

If you deem that, as a result of the change mentioned above, the Sub-Fund no longer meets your investment requirements, you may apply for redemption of your shares, free of charge, until 29 April, 2021 at 1:00 p.m. (Luxembourg time). The change mentioned above will take effect on 30 April, 2021.

The change exposed in this notice will be included in the next update of the Prospectus dated April 2021 and the KIIDs in relation to the Sub-Fund. Copies of these may be obtained from [www.artemisfunds.com](http://www.artemisfunds.com).

If you are uncertain about the contents of this letter, we recommend that you consult a professional adviser. If you have any questions about the changes or would like further information, please contact the Fund's administration agent by e-mail at [talux.funds.queries@jpmchase.com](mailto:talux.funds.queries@jpmchase.com).

Yours faithfully,

  
The Board of Directors  
Artemis Funds (Lux)

**Henry Kelly  
Director**

## **Appendix 1**

### **Changes that will be made to the Sub-Fund's investment policy as of 30 April 2021 (changes are underlined below)**

*"The Fund may invest in the bonds of any type of issuer (for example government or corporates) with no restriction on economic or geographic areas (including emerging markets).*

*The Fund will invest at least 80% in short-dated high yield bonds, which:*

- have a residual maturity of less than five and a half years;*
- ~~– have an average duration, across all of the bonds held by the Fund, between zero and two years; and~~*
- either (a) have been given a credit rating of either: (i) Ba1 or lower by Moody's; (ii) BB+ or lower by Standard & Poor's; or (iii) BB+ or lower by Fitch; or (b) have not been rated but which the Investment Manager believes would, if they were rated, be given a comparable credit rating.*

*~~In addition to purchasing short dated high yield bonds, the~~*

*The Investment Manager shall target an average duration, across all of the bonds held by the Fund, between zero and two years in normal market circumstances; however there may be times (for example in periods of high volatility or market disruption) when average duration will be above two years. In these circumstances, the Investment Manager shall endeavour to return the portfolio to an average duration between zero and two years as soon as practicable taking into account the best interests of Shareholders.*

*The Fund may use derivatives and other techniques for investment, hedging and for efficient portfolio management. The Fund's derivatives may include, but are not limited to, futures, forward currency contracts, credit default swaps (single name and indices) and interest rate swaps.*

*In particular, the Investment Manager intends to hedge the Fund's Base Currency against the currencies in which the underlying assets of the Fund are denominated. There may be certain currency exposures where it is impractical or not cost effective to apply the portfolio hedge, but the intention is that the Fund will operate a target hedge ratio of 100%.*

*In the event that any bonds held by the Fund are subject to a restructuring process, the Fund will be permitted to invest in new bonds or equity securities issued as part of the reorganisation process.*

*The Fund may invest up to 10% of its assets in each of the following:*

- asset-backed securities and mortgage-backed securities; ~~and/or~~*
- distressed/defaulted bonds;*
- = more speculative high yield bonds, where they carry a credit rating from Moody's, Standard & Poor's or Fitch, that have been given ratings whereby none are at or above B- (for Standard & Poor's and Fitch) or B3 (for Moody's) not qualifying as distressed/defaulted bonds at the time of purchase; and*
- = other collective investment schemes.*

*The Fund may also hold money market instruments, cash and near cash subject to the limits set out in the Investment Restrictions.*

*The Fund may invest up to 10% of its Net Asset Value in other collective investment schemes."*