

ARTEMIS FUNDS (LUX) – SHORT-DATED GLOBAL HIGH YIELD BOND

PREVIOUS INVESTMENT POLICY	UPDATED INVESTMENT POLICY
<p>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).</p> <p>The Fund will invest at least 80% in short-dated high yield bonds, which:</p> <ul style="list-style-type: none"> - 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: (i) Ba1 or lower by Moody's; (ii) BB+ or lower by Standard & Poor's; (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. <p>In addition to purchasing short-dated high yield bonds, 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.</p> <p>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%.</p> <p>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.</p> <p>The Fund may invest up to 10% of its assets in:</p> <ul style="list-style-type: none"> - asset-backed securities and mortgage-backed securities; and/or - distressed/defaulted bonds. <p>The Fund may also hold money market instruments, cash and near cash subject to the limits set out in the Investment Restrictions.</p> <p>The Fund may invest up to 10% of its Net Asset Value in other collective investment schemes.</p>	<p>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).</p> <p>The Fund will invest at least 80% in short-dated high yield bonds, which:</p> <ul style="list-style-type: none"> - have a residual maturity of less than five and a half 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. <p>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.</p> <p>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.</p> <p>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%.</p> <p>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.</p> <p>The Fund may invest up to 10% of its assets in each of the following:</p> <ul style="list-style-type: none"> - asset-backed securities and mortgage-backed securities; - 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 &

	<p>Poor's and Fitch) or B3 (for Moody's) not qualifying as distressed/defaulted bonds at the time of purchase; and</p> <ul style="list-style-type: none">- other collective investment schemes. <p>The Fund may also hold money market instruments, cash and near cash subject to the limits set out in the Investment Restrictions.</p>
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