

ARTEMIS FUNDS (LUX)
Société d'investissement à capital variable
Registered office: 6H, route de Trèves
L - 2633 Senningerberg
Grand Duchy of Luxembourg
RCS Luxembourg B 223.116
(the "**Fund**")

NOTICE TO SHAREHOLDERS OF ARTEMIS FUNDS (LUX) – POSITIVE FUTURE (THE "SUB-FUND")

Luxembourg, 19 August 2022

Dear Shareholder,

We are writing to advise you that the Sub-Fund's details in Appendix III of the prospectus of the Fund (the "**Prospectus**") will be updated to reflect amendments to the negative screening (exclusions), part of the Sub-Fund's investment process.

What will be changing?

Following a recent review by the Investment Manager of the Sub-Fund's exclusions detailed in the Prospectus, it was felt appropriate to update the language and, in certain cases, reduce the revenue threshold for an exclusion to become effective. It is the view of the Investment Manager that lowering the revenue thresholds and widening the list of exclusions can be done comfortably without requiring any changes to the manner in which the Sub-Fund is managed.

The Sub-Fund's alcohol, tobacco and gambling exclusions will be amended so that companies which derive more than 5% revenue from each business activity are excluded, rather than 10% currently.

The Sub-Fund's nuclear power exclusion will be widened to include companies which mine uranium, generate nuclear power or which supply key nuclear-specific products and services.

The Sub-Fund's fossil fuel exclusion will be widened to include companies owning oil and gas reserves, engaging in conventional and unconventional oil and gas production and processing, owning thermal coal reserves, mining of thermal coal or generating thermal coal-based electricity.

Two new exclusions will be included:

- Biodiversity and land use: Companies that the Investment Manager determines to be implicated in severe controversies related to the company's use or management of natural resources; and
- Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption.

There will be no changes to the Sub-Fund's other exclusions.

The Appendix to this letter shows the updated investment policy section of the Sub-Fund.

Shareholders should note that companies involved in such business activities or implicated in such controversies would not be considered part of the Sub-Fund's investable universe since the launch of the Sub-Fund, given the requirement that investee companies must meet the Investment Manager's criteria for positive environmental

and social impact. Therefore, none of the Sub-Fund's portfolio holdings will need to be sold as a result, nor will there be any change in the Sub-Fund's investment strategy and the operation and/or manner in which the Sub-Fund is being managed following these changes. All other key features of the Sub-Fund will remain the same.

When will the changes take place?

The changes to the Prospectus will become effective on 20 September 2022.

How will investors be impacted by this notice?

If you deem that, as a result of the changes mentioned above, the Sub-Fund no longer meets your investment requirements, you may apply for redemption of your shares until 19 September 2022 at 1:00 p.m. (Luxembourg time). The changes mentioned above will take effect on 20 September 2022. The redemptions will be carried out in accordance with the terms of the Prospectus.

The changes exposed in this notice will be included in the next update of the Prospectus dated August 2022 and the KIIDs in relation to the Sub-Fund. Copies of these may be obtained from www.artemisfunds.com. If you are uncertain about the contents of this notice, 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 email at talux.funds.queries@jpmchase.com

German and Austrian investors: The Prospectus, together with the Supplements, the Key Investor Information Documents, the articles of incorporation of the Fund and the annual and semi-annual reports of the Fund, each in paper form, as well as the issue, repurchase and any exchange prices are available and may be obtained free of charge at the office of the Austrian Facility Service Provider: FE Fundinfo, 77 Rue du Fossé, 4123 Esch-sur-Alzette, Luxembourg and at the office of the German Facility Service Provider: FE Fundinfo, 77 Rue du Fossé, 4123 Esch-sur-Alzette, Luxembourg.

Swiss investors: In Switzerland, the Prospectus, the Key Investor Information Documents, the articles of incorporation, the annual and semi-annual reports of the Fund may be obtained free of charge from the Swiss Representative and Paying Agent, RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Bleicherweg 7, CH-8027 Zurich.

Terms not defined in this notice have the same meaning in the Prospectus.

Yours faithfully,



Henry Kelly,
Director
On behalf of the board of directors of Artemis Funds (Lux)

Appendix

ARTEMIS FUNDS (LUX) – POSITIVE FUTURE

PREVIOUS INVESTMENT POLICY	UPDATED INVESTMENT POLICY
<p>The Fund invests principally (at least 80% of its net assets) in equities of companies selected on a global basis with no restriction on economic or geographic areas (including emerging markets).</p> <p>Shares in the following types of companies are automatically excluded:</p> <ul style="list-style-type: none"> • Alcohol: companies which derive more than 10% revenue from alcohol; • Tobacco: companies which derive more than 10% revenue from tobacco; • Weapons: companies which produce or sell civilian firearms and/or manufacture or sell armaments, nuclear weapons or associated strategic products; • Nuclear power: companies which own a nuclear power facility; • Gambling: companies which derive more than 10% of revenue from gambling; • Animal testing: companies that engage in the production and sale of animal tested cosmetics; • Adult entertainment: companies which own an adult entertainment company or produce adult entertainment; • Genetic modification: companies involved in the uncontrolled release of genetically-engineered organisms into the environment; and • Fossil fuels: companies which engage in oil, gas or coal extraction. <p>The Fund is actively managed and will be concentrated, typically investing in 35-45 companies at any time. A research-driven stock selection process is used to identify innovative companies whose products and services the Investment Manager believes are disrupting established industries by offering a positive environmental and/or social impact.</p> <p>The Investment Manager believes that companies which have a combination of disruptive positive impact, favourable strategic positioning, an emerging competitive advantage and improving operational quality are more likely to deliver significant economic returns for their shareholders. These companies are also typically growing faster than the market.</p> <p>Assessment and measurement of a company's ability to deliver positive environmental and/or social impact and generate financial returns will be conducted at a company level. When considering the positive impact of and environmental, social and governance (ESG) risks of each company, the Investment Manager analyses the impact of:</p> <ul style="list-style-type: none"> • the products and services it provides; 	<p>The Fund invests principally (at least 80% of its net assets) in equities of companies selected on a global basis with no restriction on economic or geographic areas (including emerging markets).</p> <p>Shares in the following types of companies are automatically excluded:</p> <ul style="list-style-type: none"> • Alcohol: companies which derive more than 5% revenue from alcohol; • Tobacco: companies which derive more than 5% revenue from tobacco; • Weapons: companies which produce or sell civilian firearms and/or manufacture or sell armaments, nuclear weapons or associated strategic products; • Nuclear power: companies which mine uranium, own or operate nuclear power stations, generate nuclear power, or which supply key nuclear-specific products and services; • Gambling: companies which derive more than 5% of revenue from gambling; • Animal testing: companies that engage in the production and sale of animal tested cosmetics; • Adult entertainment: companies which own an adult entertainment company or produce adult entertainment; • Genetic modification: companies involved in the uncontrolled release of genetically-engineered organisms into the environment; • Fossil fuels: companies which: <ul style="list-style-type: none"> ○ own oil and gas reserves; or ○ engage in conventional or unconventional oil and gas production and processing; or ○ own thermal coal reserves, mine thermal coal or derive more than 10% revenue from thermal coal-based electricity generation. • Biodiversity and land use: Companies that the Investment Manager determines to be implicated in severe controversies related to the company's use or management of natural resources; and • Companies that the Investment Manager determines to be in breach of the United Nations Global Compact principles on human rights, labour rights, the environment and anti-corruption. <p>The Fund is actively managed and will be concentrated, typically investing in 35-45 companies at any time. A research-driven stock selection process is used to identify innovative companies whose products and services the Investment Manager believes are disrupting established industries by offering a positive environmental and/or social impact.</p>

- its operational practices and standards; and
- its future positive impact or capacity for improvement.

The Investment Manager is driven predominantly by a qualitative approach to research and stock selection but also utilises quantitative screening and third-party research, including ESG screens.

Engagement forms an important part of the Investment Manager's investment process. The Investment Manager expects that investee companies should set ambitious goals and seek to continuously improve. Engagement allows the Investment Manager to identify and monitor the progressive management philosophy they seek at investee companies. If it is the Investment Manager's opinion that an investee company no longer meets the required investment criteria or is not making sufficient progress on improving its operational performance, the Fund will not make any further investments in the company and will seek to realise its investment in an orderly fashion.

The Investment Manager will report, on at least an annual basis, on the environmental and/or social impact of the companies in which the Fund invests, consistent with the stated strategy, using both qualitative and quantitative assessments. The report will also provide details of the Investment Manager's stewardship activities.

The Investment Manager is not constrained by the results of the qualitative approach to research and stock selection or quantitative screening.

Further information about the ESG criteria applied is available on the following website: www.artemisfunds.com

At times the Fund may invest in ADRs, GDRs and participatory notes. Participatory notes would be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes shall not exceed 10% of the Fund's Net Asset Value.

The Fund may invest up to 10% of its Net Asset Value in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.

The Fund may use derivatives and other techniques for hedging and for efficient portfolio management. The Fund's derivatives may include, but are not limited to, futures and forward currency contracts.

The Fund may also hold up to 20% of its Net Asset Value in money market instruments, cash and near cash, subject to the limits set out in the Investment Restrictions. Higher levels of cash may be held in periods of elevated equity market valuations to reduce risk.

The Fund may invest up to 10% of its Net Asset Value in UCITS and/or other UCIs

The Investment Manager believes that companies which have a combination of disruptive positive impact, favourable strategic positioning, an emerging competitive advantage and improving operational quality are more likely to deliver significant economic returns for their shareholders. These companies are also typically growing faster than the market.

Assessment and measurement of a company's ability to deliver positive environmental and/or social impact and generate financial returns will be conducted at a company level. When considering the positive impact of and environmental, social and governance (ESG) risks of each company, the Investment Manager analyses the impact of:

- the products and services it provides;
- its operational practices and standards; and
- its future positive impact or capacity for improvement.

The Investment Manager is driven predominantly by a qualitative approach to research and stock selection but also utilises quantitative screening and third-party research, including ESG screens.

Engagement forms an important part of the Investment Manager's investment process. The Investment Manager expects that investee companies should set ambitious goals and seek to continuously improve. Engagement allows the Investment Manager to identify and monitor the progressive management philosophy they seek at investee companies. If it is the Investment Manager's opinion that an investee company no longer meets the required investment criteria or is not making sufficient progress on improving its operational performance, the Fund will not make any further investments in the company and will seek to realise its investment in an orderly fashion.

The Investment Manager will report, on at least an annual basis, on the environmental and/or social impact of the companies in which the Fund invests, consistent with the stated strategy, using both qualitative and quantitative assessments. The report will also provide details of the Investment Manager's stewardship activities.

The Investment Manager is not constrained by the results of the qualitative approach to research and stock selection or quantitative screening.

Further information about the ESG criteria applied is available on the following website: www.artemisfunds.com

At times the Fund may invest in ADRs, GDRs and participatory notes. Participatory notes would be used to access markets where direct access to purchase equities may be difficult. Their use is not intended to create leverage. Investments in participatory notes shall not exceed 10% of the Fund's Net Asset Value.

	<p>The Fund may invest up to 10% of its Net Asset Value in China A-Shares through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect.</p> <p>The Fund may use derivatives and other techniques for hedging and for efficient portfolio management. The Fund's derivatives may include, but are not limited to, futures and forward currency contracts.</p> <p>Subject to the limits set out in the Investment Restrictions, the Fund may also hold liquid assets (cash, deposits, money market instruments and money market funds) on an ancillary basis in order to achieve its investment goals, for treasury purposes and in case of unfavourable market conditions. Higher levels of cash may be held in periods of elevated equity market valuations to reduce risk.</p> <p>The Fund may invest up to 10% of its Net Asset Value in UCITS and/or other UCIs.</p>
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