



Client Services & Dealing Tel: 0800 0922051

Client Services Fax: 020 7399 6497

Dealing Fax: 0845 076 2290

e-mail: investorsupport@artemisfunds.com

www.artemisfunds.com

19 November 2018

Dear Shareholder

Changes to Artemis Investment Funds ICVC

We are writing to you about a change we will be making to the way in which the fees and expenses paid by sub-funds of Artemis Investment Funds ICVC are structured, and which affect one or more of the sub-funds you hold. The sub-funds will be moving from variable expenses to an administration fee.

There will be no change to the way in which the sub-funds' investments will be managed, and you do not have to take any action.

What will be changing?

This letter details the proposed change to an administration fee structure. The level of fees and expenses which the sub-funds pay (and which you, as an investor, therefore bear indirectly) will change as a result of the new structure. The amount paid by some sub-funds will increase, while the amount paid by some other sub-funds will stay the same or go down. You can see quickly what the changes will mean for each sub-fund by looking at the table at www.artemisfunds.com/fund-changes, but we recommend that you read this letter carefully as it gives you a full description of why this is happening.

Why are we making the changes?

We believe that all of these changes are in your interests. We understand that information about fund prices and costs can sometimes be complicated, making it difficult to appreciate the actual cost of your investment or to compare costs between funds. The changes will mean that we can describe our prices, fees and charges as simply as we can, to help you understand them more easily.

Artemis will meet the costs associated with making these changes.

When will this be happening?

We expect that the changes described in this letter will come into effect on 1 February 2019 (the 'Effective Date'), but we will let you know by placing a notice on our website at www.artemisfunds.com/fund-changes if there is any delay.

How can I find out more?

If you have any questions about the changes or require any further information, please contact our Client Services team on 0800 092 2051 between 8.00am and 6.00pm (Monday to Friday). If you are uncertain about the contents of this letter we recommend that you consult with a professional adviser.

All of the changes which will be made to the Prospectus, as well as a full list of share classes and the ISIN codes, can be seen in full at www.artemisfunds.com/fund-changes.

Administration fee

We describe the administration costs which are paid by a sub-fund (and therefore ultimately borne by you as an investor) by presenting an ongoing charges figure (“OCF”). The OCF can be found in the sub-funds’ factsheets and KIIDs. The OCF is calculated by adding together:

- the annual management charge (“AMC”) which is paid to us for managing each sub-fund; and
- other ongoing costs which are incurred in operating each sub-fund. The types of cost which the sub-funds pay are listed in the Prospectus. They include fees paid to the independent Depositary of the sub-funds, to the sub-funds’ administrator, and to other service providers such as custodians, lawyers and accountants.

The AMC is a fixed percentage which is set depending on the sub-fund and share class in which you invest. The AMC of each sub-fund and share class will not be changing. Other ongoing costs borne by the sub-funds currently vary over time, depending on the amount of these costs which are actually incurred by each sub-fund. That means in turn that the OCF varies over time and might go up or down, depending on changes in the costs which each sub-fund has to pay.

From the Effective Date, the sub-funds will pay an administration fee per annum in place of the variable ongoing costs. The new administration fee will be paid to Artemis, and from it we will then pay all of the other ongoing costs which are currently paid directly by the sub-funds.

We will calculate the administration fee by:

- taking each sub-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 sub-fund, and the minimum fee which can apply after the discount, has been set according to its overall investment strategy. Sub-funds which focus on investing in global markets, or which have a more specialist investment objective, usually incur higher costs.

You can see the effect this will have on each sub-fund by looking at the table at www.artemisfunds.com/fund-changes.

Table 1 – base and minimum administration fee

Funds	Category	Base administration fee	Minimum administration fee
Artemis US Equity Fund Artemis US Extended Alpha Fund Artemis US Select Fund Artemis US Smaller Companies	US equity funds	0.15%	0.075%
Artemis Pan-European Absolute Return Fund Artemis US Absolute Return Fund	Absolute return funds	0.15%	0.075%
Artemis Global Equity Income Fund	Global equity fund	0.15%	0.075%
Artemis Global Emerging Markets Fund	Special focus fund	0.20%	0.10%

Table 2 – sub-fund size discount

Sub-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	Minimum administration fee applies

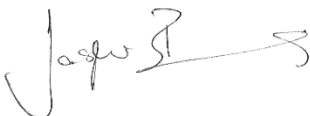
We believe that calculating the administration fee in this way will be easier for you to understand, as the fee is fixed in advance and (unless it is adjusted as described below) will not vary over time. So it should be easier for you to compare the costs of our funds with those of other funds. If the administration fee is not enough to pay all of the other ongoing costs of a sub-fund, we will be responsible for any shortfall from our own resources. On the other hand, if the administration fee is higher than the actual amount of the other ongoing costs we will retain any excess. The sub-fund size discount is intended to offset this, as costs tend to be proportionately lower for larger sub-funds due to economies of scale.

We will review the level of base and minimum administration fees and the sub-fund size discount levels and thresholds at least annually to make sure that they remain appropriate. We will not make any adjustments to the fees, discounts or threshold levels described above without notifying you in accordance with the FCA's rules.

In addition to the AMC and administration fee the sub-funds will continue, as they do now, to pay (i) the transaction costs (including commission and applicable taxes) associated with buying and selling their investments; (ii) the costs of foreign exchange transactions (including currency hedging); (iii) if applicable, any performance fees; and (iv) any tax on their activities. A list is set out in the updated Prospectuses. The sub-funds will also pay directly for any extraordinary expenses which are incurred outside of their normal day-to-day operation if the Depositary agrees with us that it is appropriate for them to do so.

If you have any questions about the changes or require any further information, please contact our Client Services team on 0800 092 2051 between 8.00am and 6.00pm (Monday to Friday). If you are uncertain about the contents of this letter we recommend that you consult with a professional adviser.

Yours faithfully,



Jasper Berens
Director
For and on behalf of **Artemis Fund Managers Limited**