



Artemis Target Return Bond Fund

Class I accumulation shares, GBP

MARKETING COMMUNICATION

113.58p
price at 31 Dec 2023

0.400%
ongoing charge

January 2024 (data as of 31 December 2023)

OBJECTIVE AND INVESTMENT POLICY

Objective

To achieve a positive return of at least 2.5% above the Bank of England (BOE) base rate, after fees, on an annualised basis over rolling three-year periods.

Investment policy

What the fund invests in

- Bonds in any currency, directly or indirectly using derivatives, including:
 - Government bonds
 - Corporate bonds
 - Asset-backed securities
 - Mortgage-backed securities
- The fund may also invest in cash and near cash, other transferable securities, other funds (up to 10%) managed by Artemis and third party funds, and money market instruments.

Use of derivatives

The fund may use derivatives:

- for investment purposes to achieve the fund objective, including taking long and short positions in sovereign bonds, credit spreads (via credit default swaps on single issuers or indices), interest rates or inflation expectations
- to produce additional income or growth
- for efficient portfolio management purposes to reduce risk and manage the fund efficiently.

Where the fund invests

- Globally.
- No more than 40% net exposure (longs minus shorts) in emerging market debt securities.
- At least 90% of the sub-fund will be denominated in or hedged back to sterling.

Industries the fund invests in

- Any

Credit quality of bonds the fund invests in

- Investment grade, being:
 - BBB- or above by Standard & Poor's; or
 - BBB- or above by Fitch; or
 - Baa3 or above by Moody's
- No more than 40% net exposure (longs minus shorts) in below investment grade securities.
- Up to 10% in unrated bonds.
- The fund will not invest in bonds below B3 by Moody's, B- by S&P or B- by Fitch (the Minimum Bond Rating). Where the fund has exposure to an index the Minimum Bond Rating will apply to the average credit rating of bonds making up the index.

Other limitations specific to this fund

- The fund's portfolio duration will vary between -2 years and +4 years.
- No more than 40% net exposure (longs minus shorts) in aggregate in a combination of emerging market debt securities and below investment grade securities.
- Up to 5% exposure to any non-government issuer of investment grade securities.
- Up to 3% exposure to an individual issuer of below investment grade securities or an issuer listed, headquartered or having significant business in emerging markets. In this context, emerging market countries means countries included in the MSCI Emerging Markets Index and those included in the World Bank definition of developing economies or those countries which are, in the manager's opinion, developing countries.

Investment strategy

- The fund is actively managed.
- A combination of three strategies is used:
 - Carry strategy: a global portfolio of investment grade corporate and government bonds. This aims to generate predictable returns over the medium term.
 - Credit strategy: aims to generate returns through the manager's highest-conviction ideas on credit assets which are expected to rise or fall in value over a particular period. These ideas may be implemented through trades which are intended to exploit the relative prospects of two assets or indices, for example by taking a long position in one and a short position in the other.
 - Rates strategy: aims to exploit expected movements in inflation rates, interest rates globally and the value of global government bonds. The manager seeks to generate returns by using derivatives to take long and short positions in global government bonds, inflation rates or interest rates.

Benchmarks

- Bank of England (BOE) base rate +2.5%
BOE base rate is a measure of the interest rate at which the BOE, the UK's central bank, lends money to other banks. It is used as a way of estimating the amount of interest which could be earned on cash. It acts as a 'target benchmark' that the sub-fund aims to outperform by at least 2.5%, after fees, on an annualised basis over rolling three-year periods.

There is no guarantee that the fund will achieve a positive return over a rolling three-year period or any other time period and your capital is at risk.

For the latest fund and market

commentaries, visit

www.artemisfunds.com/insights,

and for any important changes

to y(our) funds, visit

www.artemisfunds.com/fund-changes.



ARTEMIS
The PROFIT Hunter

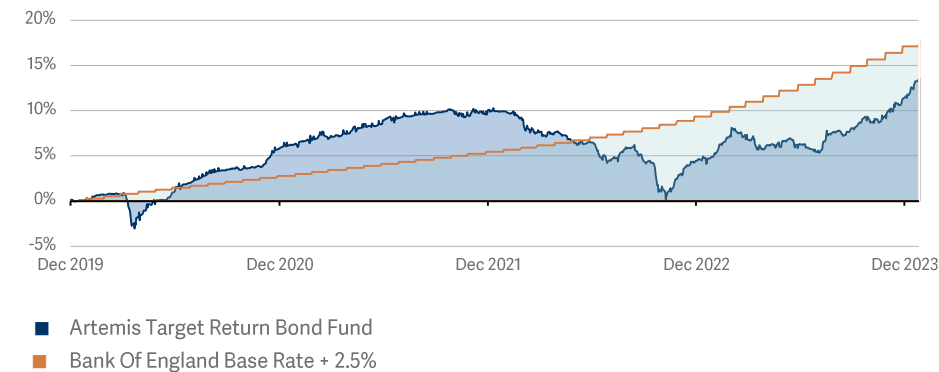
PERFORMANCE

Past performance is not a guide to the future

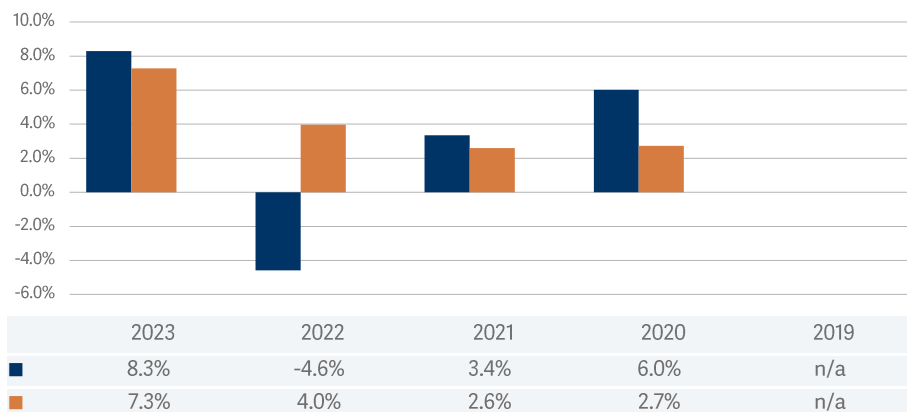
CUMULATIVE PERFORMANCE

	Since launch	3 yrs	1 yr	6 mo	3 mo	1 mo
Artemis Target Return Bond Fund	13.6%	6.8%	8.3%	7.7%	3.9%	2.0%
Bank Of England Base Rate + 2.5%	17.9%	14.4%	7.3%	3.8%	1.9%	0.6%

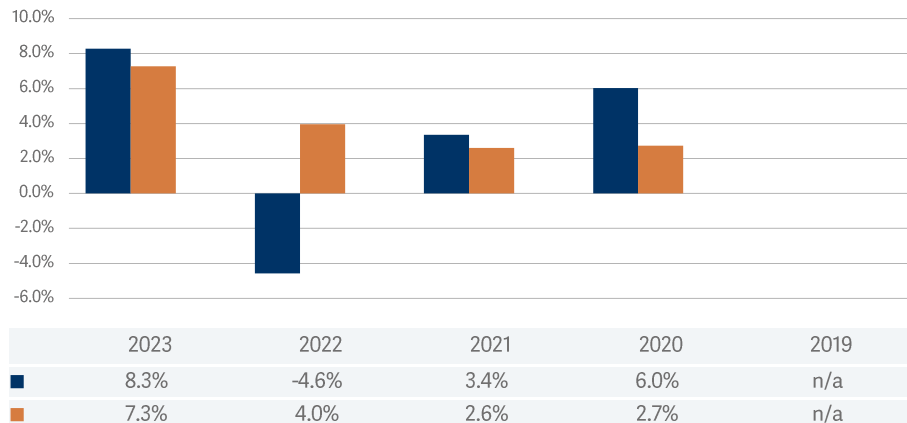
PERCENTAGE GROWTH



12 MONTHS TO 31 DECEMBER



12 MONTHS TO 31 DECEMBER



Source: Lipper Limited from 3 December 2019 to 31 December 2023. All figures show total returns with dividends and/or income reinvested, net of all charges. Performance does not take account of any costs incurred when investors buy or sell the fund. Returns may vary as a result of currency fluctuations if the investor's currency is different to that of the class.

COMPOSITION

TOP 10 LONG HOLDINGS

Santander UK	2.92%	2.1%
Natwest	3.622% 14/08/2030	2.1%
Barclays Plc	3.75% 11/22/30	2.1%
Blackstone PP	2% 20/10/2025	2.0%
Vattenfall	6.875% 17/08/2083	2.0%
BP Capital Markets Plc		2.0%
TSY INFL IX N/B	0.875%	2.0%
Heathrow Funding	2.625%	2.0%
Rothsay Life	5.5% 17/09/2029	2.0%
Legal & General Group	5.375%	2.0%

Source: Artemis as at 31 December 2023. Physical long holdings

MARKET SECTOR SPLIT

Financials	44.1%
Industrials	8.6%
Utilities	8.5%
Whole Business Securitized	7.6%
Consumer Services	6.0%
Government Bonds	5.4%
Health Care	4.3%
Consumer Goods	4.0%
Oil & Gas	3.4%
Telecommunications	1.4%
Agencies	1.4%
Housing Associations	1.3%
Technology	0.8%
Basic Materials	0.7%
MBS	0.2%

Source: Artemis as at 31 December 2023. Physical long holdings only. Figures may not add up to 100% due to rounding and cash and derivative holdings.

ASSET ALLOCATION BY COUNTRY

United Kingdom	46.8%
United States	12.9%
Jersey	9.2%
Other	5.5%
Netherlands	4.4%
Germany	3.5%
Luxembourg	2.9%
Canada	2.5%
Sweden	2.4%
Australia	2.4%
New Zealand	1.7%
Spain	1.7%
South Africa	1.6%

Source: Artemis as at 31 December 2023. Physical long holdings only. Figures may not add up to 100% due to rounding and cash holdings.

BOND RATING ALLOCATION

AAA	3.5%
AA	5.1%
A	10.2%
BBB	58.4%
BB	16.0%
B	3.9%
Not Rated	0.6%

Source: Artemis as at 31 December 2023. Figures may not add up to 100% due to rounding, cash, equity and derivative holdings.

CURRENCY EXPOSURE

	Pre hedge	Post hedge
British pound	80.6%	99.8%
US dollar	9.8%	0.0%
Euro	7.1%	0.0%
New Zealand dollar	1.7%	0.0%
Australian dollar	0.5%	0.1%
Canadian dollar	0.0%	0.0%
Japanese yen	0.0%	0.0%
Swedish krona	0.0%	0.0%
Total	99.6%	100.0%

Source: Artemis as at 31 December 2023. Figures may not add up to 100% due to rounding and cash holdings. The aim is that once hedged the currency exposure will be close to 100% GBP.

ASSET CLASS ALLOCATION

	Physical	Long	Short
Corporate investment grade	71.7%		
Corporate non-investment grade	20.5%		
Government bond	5.4%		
Government bond future		34.6%	-20.6%
Interest rate swap		10.6%	-13.7%
Credit default swap		3.8%	-8.0%
Inflation swap		0.2%	-1.0%

Source: Artemis as at 31 December 2023.

RISK CONSIDERATIONS

To ensure you understand whether this fund is suitable for you, please read the Key Investor Information which is available, along with the fund's Prospectus, from www.artemisfunds.com or www.fundinfo.com.

The fund is exposed to the following risks:

Market volatility risk	The value of the fund and any income from it can fall or rise because of movements in stockmarkets, currencies and interest rates, each of which can move irrationally and be affected unpredictably by diverse factors, including political and economic events.
Currency risk	The fund's assets may be priced in currencies other than the fund base currency. Changes in currency exchange rates can therefore affect the fund's value.
Bond liquidity risk	The fund holds bonds which could prove difficult to sell. As a result, the fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.
Higher-yielding bonds risk	The fund may invest in higher-yielding bonds, which may increase the risk to capital. Investing in these types of assets (which are also known as sub-investment grade bonds) can produce a higher yield but also brings an increased risk of default, which would affect the capital value of the fund.
Credit risk	Investments in bonds are affected by interest rates, inflation and credit ratings. It is possible that bond issuers will not pay interest or return the capital. All of these events can reduce the value of bonds held by the fund.
Derivatives risk	The fund may invest extensively in derivatives with the aim of profiting from falling ('shorting') as well as rising prices. Should the asset's value vary in an unexpected way, the fund value will reduce. Refer to the investment policy in fund's prospectus for further details on how derivatives may be used.
Charges from capital risk	Where charges are taken wholly or partly out of a fund's capital, distributable income may be increased at the expense of capital, which may constrain or erode capital growth.
Emerging markets risk	Compared to more established economies, investments in emerging markets may be subject to greater volatility due to differences in generally accepted accounting principles, less governed standards or from economic or political instability. Under certain market conditions assets may be difficult to sell.
Counterparty risk	Investments such as derivatives are made using financial contracts with third parties. Those third parties may fail to meet their obligations to the fund due to events beyond the fund's control. The fund's value could fall because of loss of monies owed by the counterparty and/or the cost of replacement financial contracts.
Mortgage- or asset-backed securities risk	Mortgage- or asset-backed securities may not receive in full the amounts owed to them by underlying borrowers.
Leverage risk	The fund may operate with a significant amount of leverage. Leverage occurs when the economic exposure created by the use of derivatives is greater than the amount invested. A leveraged portfolio may result in large fluctuations in its value and therefore entails a high degree of risk including the risk that losses may be substantial.
Target return risk	The fund is not guaranteed to produce a positive return over a rolling three year period or any other time period and capital is at risk.

OTHER INFORMATION

This is a marketing communication. Before making any final investment decisions, refer to the fund prospectus, available in English, and KIID/KID, available in English and in your local language depending on local country registration, from www.artemisfunds.com or www.fundinfo.com.

Investment in the fund concerns the acquisition of shares in the fund and not in the underlying assets of the fund.

The fund is a sub-fund of Artemis Investment Funds ICVC (an "OEIC"). For further information, visit www.artemisfunds.com/oEIC.

Visit www.artemisfunds.com/glossary for an explanation of investment terms.

Third parties (including FTSE and Morningstar) whose data may be included in this document do not accept any liability for errors or omissions. For information, visit www.artemisfunds.com/third-party-data.

Artemis has obtained any research and analysis in this communication for its own use. Although this communication is based on sources of information that Artemis believes to be reliable, no guarantee is given as to its accuracy or completeness.

Any forward-looking statements are based on Artemis' current expectations and projections and are subject to change without notice.

Issued by Artemis Fund Managers Ltd which is authorised and regulated by the Financial Conduct Authority.

FUND DATA

INVESTMENT TEAM



Stephen Snowden
Fund manager, since launch



Jack Holmes
Fund manager, since November 2023



Liam O'Donnell
Fund manager, since November 2023

KEY FACTS

Fund type	OEIC
Asset class	Bond
Focus	Capital growth
Regional focus	Global
SEDOL	BJXPPH6
ISIN	GB00BJXPPH66
Fund launch date	3 December 2019
Class launch date	3 December 2019
Class launch price	100.00p
Class currency	GBP
Valuation point	12:00
Year end	28th February
Accumulation date	30 April, 31 July, 31 October, 31 January
Modified duration	1.5
Fund size	£228.4m

Source: Artemis as at 31 December 2023.

PRICE AND YIELD(S)

Price	113.58p
Distribution yield	4.93%
Underlying yield	4.93%

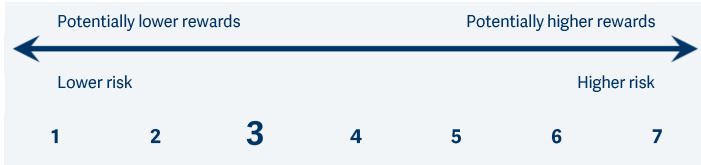
Source: Artemis as at 31 December 2023
The distribution yield reflects the amount that may be expected to be distributed over the next twelve months as a percentage of the mid-market unit price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any preliminary charge and investors may be subject to tax on distributions. The underlying yield is calculated in the same way as the distribution yield but is net of charges and therefore lower than the distribution yield. These yields are not indicators of the future performance of the fund.

CHARGES

Initial charge	0%
Ongoing charge	0.400%

The ongoing charge covers the annual operating expenses of running the fund and is shown as at the date of the Key Investor Information Document, where further information about the fund's charges can be found. Additional costs may be incurred, such as portfolio transaction costs and transfer taxes, which may reduce performance. For further information, visit www.artemisfunds.com/charges.

RISK AND REWARD PROFILE



The fund is in the category shown due to historic volatility (how much and how quickly the value of shares in the fund may have risen and fallen in the past due to movements in markets, currencies and interest rates). It may not be a reliable indication of the future risk profile of the fund.

RATINGS AND AWARDS

Morningstar Medalist Silver

Source: Morningstar, as at 31 December 2023. Morningstar category™: Global Flexible Bond - GBP Hedged. For more information visit www.artemisfunds.com/endorsements. Third party endorsements are not a recommendation to buy.

DISTRIBUTION HISTORY

Record date	Ex-dividend date	Payment date	Distribution
28 Feb 2023	01 Mar 2023	28 Apr 2023	1.2410p
30 Nov 2022	01 Dec 2022	31 Jan 2023	1.0847p
31 Aug 2022	01 Sep 2022	31 Oct 2022	0.8446p
31 May 2022	01 Jun 2022	29 Jul 2022	0.8262p
28 Feb 2022	01 Mar 2022	29 Apr 2022	0.7457p
30 Nov 2021	01 Dec 2021	31 Jan 2022	0.6043p
31 Aug 2021	01 Sep 2021	29 Oct 2021	0.6090p
31 May 2021	01 Jun 2021	30 Jul 2021	0.5877p
28 Feb 2021	01 Mar 2021	30 Apr 2021	0.5975p
30 Nov 2020	01 Dec 2020	29 Jan 2021	0.6365p

Source: Artemis. Distribution is per unit/share. For accumulation classes, distributions are reinvested and reflected in the price. Maximum last 10 distributions shown.

