



# Artisan Focus Fund

Formerly Artisan Thematic Fund

## QUARTERLY Fact Sheet

Institutional Class: APHTX

As of 31 March 2020

### Investment Process Highlights

The team's investment approach is based on thematic idea generation, a systematic framework for analyzing companies and proactive risk management. Utilizing this approach, the team seeks to construct a focused portfolio designed to maximize alpha while limiting downside risk over the long term.

### Thematic Idea Generation

- Identify inflections in multi-year trends caused by changes in supply/demand dynamics, societal behavior, market conditions, technology, laws/regulations and business models, among other variables—these can lead to powerful re-ratings of industries and companies
- Find areas where the team's views on industry fundamentals differ from consensus estimates—a key element in alpha generation

### Systematic Analytical Framework

- Apply a systematic framework for analyzing companies across sectors and themes, creating a repeatable and methodical decision-making process
- Focus on multi-year earnings power differentiation, expected outcome scenario analysis, return on invested capital and discounted cash flow valuations using the team's proprietary company models
- Utilize internally developed visual outputs to consistently evaluate positions across the portfolio

### Proactive Risk Management

- Incorporate risk management into all stages of the investment process
- Evaluate metrics including crowding, correlation, volatility, stress tests, liquidity, factor analysis and macro drivers, in order to inform portfolio construction and position sizing
- Where appropriate, use various instruments, such as options, in an effort to magnify alpha and minimize downside

### Sector Diversification\* (% of net assets)

|                        |              |                                   |
|------------------------|--------------|-----------------------------------|
| Communication Services | 13.9         | <div style="width: 13.9%;"></div> |
| Consumer Discretionary | 12.8         | <div style="width: 12.8%;"></div> |
| Consumer Staples       | 0.0          | <div style="width: 0%;"></div>    |
| Energy                 | 0.0          | <div style="width: 0%;"></div>    |
| Financials             | 25.9         | <div style="width: 25.9%;"></div> |
| Health Care            | 0.0          | <div style="width: 0%;"></div>    |
| Industrials            | 0.0          | <div style="width: 0%;"></div>    |
| Information Technology | 14.1         | <div style="width: 14.1%;"></div> |
| Materials              | 0.0          | <div style="width: 0%;"></div>    |
| Real Estate            | 6.2          | <div style="width: 6.2%;"></div>  |
| Utilities              | 0.0          | <div style="width: 0%;"></div>    |
| <b>TOTAL</b>           | <b>73.0%</b> |                                   |

Source: Artisan Partners. Portfolio sector classifications are defined by the investment team and may differ substantially from the GICS classifications. For the portfolio's sector breakdown according to GICS methodology, refer to the Fund's most recent portfolio holdings filed at [www.sec.gov](http://www.sec.gov).

### Investment Results (%)

| As of 31 March 2020        | Average Annual Total Returns |        |       |      |      |       |           |
|----------------------------|------------------------------|--------|-------|------|------|-------|-----------|
|                            | QTD                          | YTD    | 1 Yr  | 3 Yr | 5 Yr | 10 Yr | Inception |
| Institutional Class: APHTX | -14.21                       | -14.21 | 0.23  | —    | —    | —     | 18.41     |
| S&P 500® Index             | -19.60                       | -19.60 | -6.98 | —    | —    | —     | 5.01      |

Source: Artisan Partners/S&P. Returns for periods less than one year are not annualized. Class inception: Investor (24 April 2017); Institutional (3 February 2020). For the period prior to inception, Institutional Class performance is the Investor Class's return for that period ("Linked Performance"). Linked Performance has not been restated to reflect expenses of the Institutional Class and the share class's returns during that period would be different if such expenses were reflected.

Past performance does not guarantee and is not a reliable indicator of future results. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. Call 800.399.1770 for current to most recent month-end performance. Performance reflects agreements to limit the Fund's expenses, which would reduce performance if not in effect. The Fund's investments in initial public offerings (IPOs) made a material contribution to performance. IPO investments may contribute significantly to a small portfolio's return, an effect that will generally decrease as assets grow. IPO investments may be unavailable in the future.

\*% of net assets represents the portfolio's exposures based on the economic value of investments and options are delta-adjusted. Cash and cash equivalents represented 7.6% of net assets. Statistics shown exclude ETFs and ETF/Index options, which represented 0.0% and 8.4% of net assets, respectively.

### Portfolio Details

|                                       |                 |
|---------------------------------------|-----------------|
| Net Asset Value (NAV)                 | \$13.89         |
| Inception                             | 3 February 2020 |
| Expense Ratios                        |                 |
| Annual Report 30 Sep 2019             | —               |
| Prospectus 30 Sep 2019 <sup>1,2</sup> | 1.10%           |
| Total Net Assets (Millions)           | \$907           |

<sup>1</sup>Includes estimated expenses for the current fiscal year. <sup>2</sup>See prospectus for further details.

### Portfolio Statistics\*

|   |         |
|---|---------|
| Number of Companies                       | 23      |
| Top 5 Issuers (% of net assets)           | 24.5%   |
| Non-US Companies (% of net assets)        | 8.8%    |
| Weighted Avg. Market Cap (Billions)       | \$169.0 |
| Weighted Avg. ROE                         | 15.5%   |
| Weighted Avg. LT EPS Growth Rate (3-5 Yr) | 17.2%   |
| Weighted Avg. P/E (FY2) <sup>1</sup>      | 20.0X   |
| Active Share <sup>2</sup>                 | 86.3%   |

Source: Artisan Partners/FactSet. <sup>1</sup>Harmonic. <sup>2</sup>Not delta-adjusted and includes cash, cash equivalents, ETFs and ETF/Index options.

### Top 5 Issuers\* (% of net assets)

|   |              |
|---|--------------|
| Tencent Holdings Ltd (Digitization of Commerce)                       | 5.8          |
| Fidelity National Information Services Inc (Digitization of Commerce) | 5.1          |
| BlackRock Inc (Data Monetization)                                     | 4.8          |
| T-Mobile US Inc (Network Modernization)                               | 4.7          |
| NVIDIA Corp (Network Modernization)                                   | 4.1          |
| <b>TOTAL</b>  | <b>24.5%</b> |

Source: Artisan Partners.

### Portfolio Exposure By Theme\* (% of net assets)

|                            |              |
|----------------------------|--------------|
| Network Modernization      | 25.4         |
| Data Monetization          | 23.9         |
| Digitization of Commerce   | 16.6         |
| Sustainable Retail Formats | 7.0          |
| <b>TOTAL</b>               | <b>73.0%</b> |

Source: Artisan Partners. Theme categorizations are at the sole discretion of the team. Themes and constituents are as of the date indicated and subject to change.

Market Cap Distribution\* (% of net assets)

| \$ in billions |              |
|----------------|--------------|
| 75.0+          | 20.4         |
| 25.0–75.0      | 45.7         |
| 5.0–25.0       | 6.9          |
| 0.0–5.0        | 0.0          |
| <b>TOTAL</b>   | <b>73.0%</b> |

Source: Artisan Partners.

Portfolio Construction

- Typically hold 20-40 names across 5-8 themes
- Maximum position size generally 15%<sup>1</sup>
- Maximum of 25% in any one industry<sup>1</sup>
- Primarily US with ability to invest globally

<sup>1</sup>Limitations apply at the time of purchase. See prospectus for more details.

Team Leadership



| Portfolio Manager | Years of Investment Experience |
|-------------------|--------------------------------|
| Christopher Smith | 17                             |

Carefully consider the Fund’s investment objective, risks and charges and expenses. This and other important information is contained in the Fund’s prospectus and summary prospectus, which can be obtained by calling 800.399.1770. Read carefully before investing.

A non-diversified portfolio may invest a larger portion of assets in securities of a smaller number of issuers and performance of a single issuer may affect overall portfolio performance greater than in a diversified portfolio. The portfolio’s use of derivative instruments may create additional leverage and involve risks different from, or greater than, the risks associated with investing in more traditional investments. High portfolio turnover may adversely affect returns due to increased transaction costs and creation of additional tax consequences. Securities of small- and medium-sized companies tend to have a shorter history of operations, be more volatile and less liquid and may have underperformed securities of large companies during some periods. International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging markets.

S&P 500<sup>®</sup> Index measures the performance of 500 US companies focused on the large-cap sector of the market. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

Unless otherwise indicated, all information in this report includes all classes of shares, except performance and expense ratio information, and is as of the date shown in the upper right hand corner. Portfolio statistics calculations exclude outlier data and may substitute information from a related security if unavailable for a particular security. Totals may not sum due to rounding.

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All options positions are displayed on a delta-adjusted basis. Delta adjustment is necessary to properly account for the sensitivity of options to changes in price of the underlying security, as well as for making exposure comparisons to the underlying security (options exposure measured as premium will understate economic exposure and risk, while exposure measured as notional value will overstate the economic exposure). Delta-adjusted exposure estimates the approximate exposure to the equity market created by the options and is subject to change over time as a function of the size and composition of the options positions.

This material is provided for informational purposes without regard to your particular investment needs. This material shall not be construed as investment or tax advice on which you may rely for your investment decisions. Investors should consult their financial and tax adviser before making investments in order to determine the appropriateness of any investment product discussed herein. **Market Cap** is the aggregate value of all of a company’s outstanding equity securities. **Weighted Average** is the average of values weighted to the data set’s composition. **Weighted Harmonic Average** is a calculation of weighted average commonly used for rates or ratios. **Price-to-Earnings Ratio (P/E Ratio)** measures how expensive a stock is. Earnings figures used for FY1 and FY2 are estimates for the current and next unreported fiscal years. **LT EPS Growth Rate** is the average of the 3-5 year forecasted EPS growth rate of a company. **Return on Invested Capital (ROIC)** is a measure of how well a company generates cash flow relative to capital invested in the business. **Return on Equity (ROE)** is a profitability ratio that measures the amount of net income returned as a percentage of shareholders’ equity. **Active Share** is defined as the percentage of a portfolio that differs from its benchmark index. Active Share can range from 0% for an index fund that perfectly mirrors its benchmark to 100% for a portfolio with no overlap with an index.

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