

# Artisan Sustainable Emerging Markets Strategy

QUARTERLY  
Fact Sheet

As of 30 June 2020

For Institutional Investors Only — Not for Onward Distribution

## Portfolio Details

Composite Inception	1 July 2006
Total AUM (USD Millions)	\$477

## Portfolio Statistics

	Strategy	MSCI EM <sup>1</sup>
Median Market Cap (USD Billions)	\$8.3	\$5.6
Weighted Avg. Market Cap (USD Billions)	\$122.7	\$135.9
Weighted Avg. ROE	12.9%	15.4%
Weighted Harmonic Avg. P/E (FY1)	17.8X	15.0X
Weighted Avg. LT EPS Growth Rate (3-5 Yr)	16.5%	14.0%
Number of Securities	65	1,385
Off-Benchmark Exposure	28.5%	—
Small-Cap Exposure <sup>2</sup>	15.1%	1.4%
Portfolio Turnover Rate <sup>3</sup>	28.0%	—

Source: Artisan Partners/FactSet (MSCI). <sup>1</sup>MSCI Emerging Markets Index. <sup>2</sup>Market capitalization up to \$2 billion. <sup>3</sup>For the 12 months ended 31 Dec 2019.

## Investment Team and Highlights



Pictured (L to R): Maria Negrete-Gruson, Meagan Nace, Chen Gu, Nicolas Rodriguez-Brizuela, Gurpreet Pal, Jessica Lin

## Leadership, Diversity, Passion

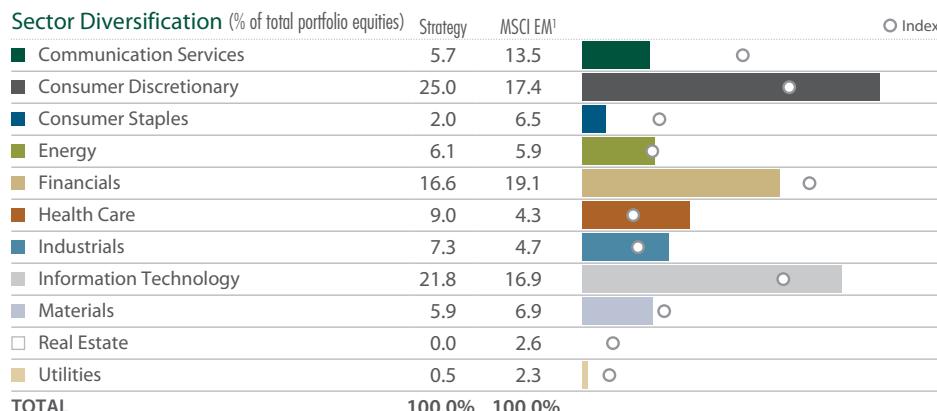
- Core of team has worked together for more than 20 years
- Five team members born, raised and/or educated in emerging countries
- Travel extensively overseas and meet with hundreds of companies per year

## Investment Process

- Seek companies with sustainable competitive advantages and unique access to growth
- Determine target prices utilizing financial, strategic, sustainability and country analysis
- Assess true emerging markets opportunity set including considerable off-benchmark exposure

## Sustainability

- Systematic and proprietary sustainability assessment utilizing quantitative incident based data from third-party vendor RepRisk and qualitative analyst ESG evaluations
- Sustainability assessments affect company target prices
- Actively engage with companies to drive ESG improvements



Source: Artisan Partners/GICS/MSCI. Cash and cash equivalents represented 3.6% of the total portfolio. <sup>1</sup>MSCI Emerging Markets Index.

## Investment Results (% USD)

	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Composite — Gross	<b>22.61</b>	<b>-9.31</b>	<b>-2.14</b>	<b>3.82</b>	<b>6.56</b>	<b>3.73</b>	<b>5.24</b>
Composite — Net	<b>22.32</b>	<b>-9.77</b>	<b>-3.12</b>	<b>2.79</b>	<b>5.48</b>	<b>2.67</b>	<b>4.15</b>
MSCI Emerging Markets Index	18.08	-9.78	-3.39	1.89	2.86	3.27	4.51

## Annual Returns (% USD) 12 months ended 30 June

	2016	2017	2018	2019	2020
Composite — Gross	<b>-3.38</b>	<b>27.10</b>	<b>10.14</b>	<b>3.82</b>	<b>-2.14</b>
Calendar Year Returns (% USD)	2010	2011	2012	2013	2014
Composite — Gross	<b>20.49</b>	<b>-26.99</b>	<b>17.67</b>	<b>-2.69</b>	<b>-2.80</b>
Composite — Net	<b>19.24</b>	<b>-27.77</b>	<b>16.45</b>	<b>-3.70</b>	<b>-3.81</b>
MSCI Emerging Markets Index	18.88	-18.42	18.22	-2.60	-2.19

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized.

Past performance does not guarantee and is not a reliable indicator of future results. Current performance may be lower or higher than the performance shown. Composite performance has been presented in both gross and net of investment management fees.

**Investment Risks:** Investments will rise and fall with market fluctuations and investor capital is at risk. Investors investing in strategies denominated in non-local currency should be aware of the risk of currency exchange fluctuations that may cause a loss of principal. These risks, among others, are further described on the next page, which should be read in conjunction with this material.

# Artisan Sustainable Emerging Markets Strategy

## Investment Team

	Years of Investment Experience
Portfolio Manager	28
Maria Negrete-Gruson, CFA	28
Analysts	
Meagan Nace, CFA	28
Chen Gu, CFA	32
Nicolas Rodriguez-Brizuela	20
Gurpreet Pal	16
Jessica Lin, CFA	15

## Region/Country Allocation (% of total portfolio equities)

REGION	Strategy	MSCI EMI
<b>EMERGING ASIA</b>	<b>66.1</b>	<b>79.2</b>
China	26.6	41.0
Taiwan	14.4	12.3
Korea	11.3	11.6
India	8.7	8.0
Indonesia	3.7	1.5
Malaysia	1.0	1.8
Thailand	0.5	2.3
<b>EUROPE, MIDDLE EAST AND AFRICA</b>	<b>14.2</b>	<b>12.8</b>
Russia	9.4	3.2
South Africa	1.9	3.8
Greece	1.7	0.1
Turkey	0.8	0.5
Saudi Arabia	0.4	2.7
<b>LATIN AMERICA</b>	<b>14.2</b>	<b>8.0</b>
Brazil	5.8	5.1
Argentina	4.3	0.1
Peru	1.1	0.2
Chile	1.0	0.6
Colombia	0.8	0.2
Panama	0.7	—
Mexico	0.6	1.7
<b>DEVELOPED MARKETS</b>	<b>5.5</b>	<b>—</b>
Netherlands	3.8	—
Hong Kong	1.8	—
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/MSCI. <sup>1</sup>MSCI Emerging Markets Index. Countries held in the index, but not held in the portfolio, are not listed. Portfolio country classifications are defined by the investment team and may differ substantially from MSCI classifications; index country classifications reflect MSCI methodology. Upon request, Artisan Partners will provide the portfolio's country breakdown according to MSCI methodology.

## Portfolio Construction

- Typically 60-80 holdings
- Maximum position size generally 5%<sup>1</sup>
- Minimum market capitalization generally \$400 million<sup>1</sup>
- Typically less than 5% cash

Based on a model portfolio. <sup>1</sup>Limitations apply at the time of purchase.

**Investment Risks:** 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. Such risks include new and rapidly changing political and economic structures, which may cause instability; underdeveloped securities markets; and higher likelihood of high levels of inflation, deflation or currency devaluations. 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. These risks, among others, are further described in Artisan Partners Form ADV, which is available upon request.

Unless otherwise indicated, the Artisan Strategy characteristics relate to that of an investment composite or a representative account managed within a composite. It is intended to provide a general illustration of the investment strategy and considerations used by Artisan Partners in managing that strategy. Individual accounts may differ, at times significantly, from the reference data shown due to varying account restrictions, fees and expenses, and since-inception time periods, among others. Where applicable, this information is supplemental to, and not to be construed with, a current or prospective client's investment account information.

Securities referenced may not be representative of all portfolio holdings. Securities of the same issuer are aggregated to determine a holding's portfolio weight. Portfolio statistics calculations exclude outlier data and may substitute information from a related security if unavailable for a particular security. This material is as of the date indicated and is subject to change without notice. Totals may not sum due to rounding.

Net-of-fees composite returns were calculated using the highest model investment advisory fees applicable to portfolios within the composite. Fees may be higher for certain pooled vehicles and the composite may include accounts with performance-based fees. All performance results are net of commissions and transaction costs, and have been presented gross and net of investment advisory fees. Dividend income is recorded net of foreign withholding taxes on ex-dividend date or as soon after the ex-dividend date as the information becomes available to Artisan Partners. Interest income is recorded on the accrual basis. Performance results for the Index include reinvested dividends and are presented net of foreign withholding taxes but, unlike the portfolio's returns, do not reflect the payment of sales commissions or other expenses incurred in the purchase or sale of the securities included in the indices.

MSCI Emerging Markets Index measures the performance of emerging markets. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

Sector exposure percentages reflect sector designations as currently classified by GICS.

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**Market Cap** is the aggregate value of all of a company's outstanding equity securities. **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 Equity (ROE)** is a profitability ratio that measures the amount of net income returned as a percentage of shareholders' equity. **Portfolio Turnover** is a measure of the trading activity in an investment portfolio — how often securities are bought and sold by a portfolio.

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