



Artisan Sustainable Emerging Markets Fund

MONTHLY
Commentary

Investor Class: ARTZX | Advisor Class: APDEX

As of 31 August 2022

Commentary

Our portfolio has been underperforming the MSCI Emerging Markets Index QTD, driven by significant weakness among a couple of our Chinese positions. Emerging markets have been facing headwinds, including inflation pressures, global economic growth concerns, tighter global financial conditions and currency weakness. India and Brazil have been the benchmark's top contributors QTD, while China has been the benchmark's primary detractor.

E Ink and MercadoLibre have been among our top relative contributors QTD. E Ink is a Taiwan-based producer of ePaper technology—used in e-readers such as Amazon's Kindle—and electronic shelf label (ESL) systems. We believe E Ink remains well positioned despite concerns that a weaker global economy could hurt consumer spending. E Ink recently introduced its next generation of Advanced Color ePaper, and global adoption of its ESL technology will likely remain strong given the multiple benefits for retailers.

Shares of MercadoLibre, Latin America's leading online commerce platform, have followed the general QTD improvement in technology stocks outside of China. While it faces some near-term headwinds—weaker economic growth, loan portfolio performance concerns and consumers returning to stores or spending more on services—we believe it is well positioned. The company's comprehensive ecosystem gives it a sustainable competitive advantage and should enable it to capture market share.

Among our leading relative detractors QTD have been Estun Automation and China Traditional Chinese Medicine. China Traditional Chinese Medicine is the largest manufacturer of traditional Chinese medicine (TCM) granules in China. The government is forcing TCM formula standardization for more than 700 granules—by selecting one manufacturer's standards to be adopted across the entire industry for each granule. Standardization has caused the TCM market to temporarily shrink and production costs to rise. While China Traditional Chinese Medicine's standards have been selected for half of the approximately 200 granules standardized so far, the selection of other manufacturers' standards has led the company to write down intellectual property values on some of its products. We believe the company will ultimately benefit as its standards will likely be selected for many more granules, and standardization will likely cause industry consolidation.

Estun Automation is a leading domestic Chinese robot producer. While Estun is still having challenges with improving its operating cash flow and margins, due in part to cost pressures and supply chain constraints, we believe those pressures should begin to ease. We also believe prior demand weakness will prove to be temporary with orders more likely to have been postponed than entirely lost.

Volatility is to be expected in emerging markets, and it can be extreme at times—a natural part of what we believe is a superior growth opportunity over longer periods. In this current bout of volatility, we are maintaining our disciplined process and closely monitoring positions—including engagement with management teams—to adjust valuations and position size as we believe appropriate.

Investment Results (%)

As of 31 August 2022	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTZX	-1.61	-0.91	-26.99	-30.74	-0.57	-0.62	2.60	-0.56
Advisor Class: APDEX	-1.54	-0.91	-26.99	-30.74	-0.57	-0.62	2.60	-0.56
MSCI Emerging Markets Index	0.42	0.17	-17.49	-21.80	2.74	0.59	2.92	1.06

As of 30 June 2022	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTZX	-6.14	-12.44	-26.32	-32.40	-1.83	0.99	2.72	-0.50
Advisor Class: APDEX	-6.14	-12.44	-26.32	-32.40	-1.83	0.99	2.72	-0.50
MSCI Emerging Markets Index	-6.64	-11.45	-17.63	-25.28	0.57	2.18	3.06	1.06

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (2 June 2008); Advisor (27 April 2022). For the period prior to inception, Advisor Class performance is the Investor Class's return for that period ("Linked Performance"). Linked Performance has not been restated to reflect expenses of the Advisor 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 800.344.1770 for current to most recent month-end performance. Performance may reflect agreements to limit a Fund's expenses, which would reduce performance if not in effect.

Portfolio Details

	ARTZX	APDEX
Net Asset Value (NAV)	\$14.09	\$14.09
Inception	2 Jun 2008	27 Apr 2022
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2022 ^{1,2,3}	1.58/1.32 ⁴	—/—
Prospectus 30 Sep 2021 ^{1,3,5}	1.60/1.15	—/—
Prospectus 27 Apr 2022 ^{1,3,6}	—/—	1.43/1.05

¹Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2024. ²Unaudited, annualized for the six-month period. ³See prospectus for further details. ⁴Expense limit was lowered during the period, effective 1 Mar 2022. ⁵Restated to reflect a reduction in management fees, effective as of 1 Mar 2022. ⁶Includes estimated expenses for the current fiscal year.

Top 10 Holdings (% of total portfolio)

Taiwan Semiconductor Manufacturing Co Ltd (Taiwan)	9.6
Samsung Electronics Co Ltd (Korea)	6.7
E Ink Holdings Inc (Taiwan)	4.2
Alibaba Group Holding Ltd (China)	4.2
Zhuzhou CRRC Times Electric Co Ltd (China)	3.8
ICICI Bank Ltd (India)	3.6
Reliance Industries Ltd (India)	3.0
MediaTek Inc (Taiwan)	2.8
MercadoLibre Inc (Argentina)	2.4
Estun Automation Co Ltd (China)	2.4
TOTAL	42.7%

Source: Artisan Partners. Portfolio country classifications are defined by the investment team.

Sector Diversification (% of portfolio securities)

	Fund	MSCI EMI ¹
Consumer Goods	8.3	8.4
Extractives & Minerals Processing	6.1	10.7
Financials	18.0	21.5
Food & Beverage	3.5	5.5
Health Care	6.5	4.3
Infrastructure	4.5	5.8
Renewable Resources & Alternative Energy	0.4	1.0
Resource Transformation	8.8	5.4
Services	3.6	1.1
Technology & Communications	39.0	31.3
Transportation	1.0	5.2
TOTAL	100.0%	100.0%

Source: Artisan Partners/SASB/MSCI. Cash and cash equivalents represented 5.8% of the total portfolio. ¹MSCI Emerging Markets Index.

Region/Country Allocation (% of portfolio securities)

REGION	Fund	MSCI EM ¹
EMERGING ASIA	69.4	78.9
China	23.2	32.1
Taiwan	19.1	14.6
Korea	11.3	11.6
India	10.9	14.5
Indonesia	2.2	2.0
Malaysia	1.6	1.5
Thailand	0.7	2.0
Vietnam	0.5	—
LATIN AMERICA	17.1	8.2
Brazil	6.6	5.3
Argentina	5.5	—
Mexico	2.0	2.0
Chile	1.7	0.6
Peru	1.3	0.2
EUROPE, MIDDLE EAST AND AFRICA	7.7	12.8
Greece	3.0	0.3
South Africa	2.9	3.4
Kazakhstan	1.8	—
Russia	0.0	—
DEVELOPED MARKETS	5.7	—
Netherlands	2.5	—
Hong Kong	1.9	—
Portugal	0.8	—
Singapore	0.4	—
TOTAL	100.0%	100.0%

Source: Artisan Partners/MSCI. ¹MSCI 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. For the portfolio's country breakdown according to MSCI methodology, refer to the Fund's most recent portfolio holdings at www.sec.gov.

Investment Team (Pictured left to right)



Portfolio Manager	Years of Investment Experience
Maria Negrete-Gruson, CFA	31
Analysts	
Meagan Nace, CFA	30
Chen Gu, CFA	34
Nicolas Rodriguez-Brizuela	23
Gurpreet Pal	18
Jessica Lin, CFA	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 800.344.1770. Read carefully before investing.

Current and future portfolio holdings are subject to risk. The value of portfolio securities selected by the investment team may rise or fall in response to company, market, economic, political, regulatory or other news, at times greater than the market or benchmark index. Investments in which the team has determined to have sustainable growth characteristics may underperform other securities and may not achieve their sustainable growth potential. 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. 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.

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.

For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The discussion of portfolio holdings does not constitute a recommendation of any individual security. These holdings comprise the following percentages of the Fund's total net assets as of 31 Aug 2022: China Traditional Chinese Medicine Holdings Co Ltd 1.9%. As of 3 Mar 2022, Russian holdings are valued at zero. Securities named in the Commentary, but not listed as a Top Ten Holding or not listed here are not held in the Fund as of the date of this report. The portfolio managers' views and portfolio holdings are subject to change and the Fund disclaims any obligation to advise investors of such changes.

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. Totals may not sum due to rounding.

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

Operating cash flow is the amount of cash generated by the regular operating activities of a business within a specific time period.

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