Artisan Global Equity Fund

QUARTERLY
Commentary

Investor Class: ARTHX | Advisor Class: APDHX | Institutional Class: APHHX

As of 30 September 2020

Investment Process

We seek to invest in companies, within our preferred themes, with sustainable growth characteristics at attractive valuations that do not fully reflect their long-term potential.

Themes

We identify long-term secular growth trends with the objective of investing in companies that have meaningful exposure to these trends. Our fundamental analysis focuses on those industry leaders with attractive growth and valuation characteristics that will be long-term beneficiaries of any structural change and/or trend.

Sustainable Growth

We apply a fundamental approach to identifying the long-term, sustainable growth characteristics of potential investments. We seek high-quality companies that typically have a sustainable competitive advantage, a superior business model and a high-quality management team.

Valuation

We use multiple valuation metrics to establish a target price range. We assess the relationship between our estimate of a company's sustainable growth prospects and its current valuation.

Team Overview

Our team approach combines the benefits of strong leadership with the creative ideas of a deep and highly experienced team of research analysts. We believe this approach allows us to leverage a broad set of perspectives into dynamic portfolios.

Portfolio Management

Mark L. Yockey, CFA
Portfolio Manager

Charles-Henri Hamker
Portfolio Manager

Andrew J. Euretig
Portfolio Manager

Investment Results (%)

As of 30 September 2020	QTD	YTD	Average Annual Total Returns 1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTHX	**9.25**	**13.45**	**21.90**	**14.89**	**14.05**	**13.20**	**12.76**
Advisor Class: APDHX	**9.30**	**13.50**	**21.95**	**14.90**	**14.06**	**13.20**	**12.77**
Institutional Class: APHHX	**9.27**	**13.61**	**22.17**	**15.16**	**14.33**	**13.33**	**12.89**
MSCI All Country World Index	8.13	1.37	10.44	7.12	10.30	8.55	8.18

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (29 March 2010); Advisor (5 August 2020); Institutional (15 October 2015). For the period prior to inception, each of Advisor Class and Institutional Class's performance is the Investor Class's return for that period ("Linked Performance"). Linked Performance has not been restated to reflect expenses of the Advisor or Institutional Class and each share's respective returns during that period would be different if such expenses were reflected.

Expense Ratios	ARTHX	APDHX	APHHX
Semi-Annual Report 31 Mar 2020[1]	1.27	—	1.06
Prospectus 30 Sep 2019[2,3]	1.28	—	1.07
Prospectus 4 Aug 2020[2,3,4]	—	1.20	—

[1]Unaudited, annualized for the six-month period. [2]Reflects a reduction in management fees, effective as of 15 Nov 2019. [3]See prospectus for further details. [4]Includes estimated expenses for the current fiscal year.

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.

Investing Environment

Following Q2's historic rebound, the recovery in global equities continued in Q3 as earnings results came in better than feared. Returns were led by the more economically sensitive industrials, materials and consumer discretionary sectors, reflecting optimism regarding recovering economic indicators and progress on a COVID-19 vaccine. Financials and energy stocks were the worst performers, finishing lower. Certainly, asset prices broadly have been buttressed by the notions that central banks have investors' backs if volatility were to reemerge and additional fiscal support is in the offing. Regionally, both developed and emerging markets turned in high single-digit returns in Q3. In the developed world, the US outperformed Japan and Europe. Emerging markets were paced by double-digits gains in China and India.

Currency movements were favorable for USD-based returns in Q3. The appreciation of all other G10 currencies versus the US dollar owed to markets' pricing a protracted period of low or negative US real interest rates amid record US budget deficits and a shift in Federal Reserve policy toward acceptance of higher inflation. The euro was also lifted by the European Union's agreement in July to a €750 billion joint stimulus plan representing a historic step toward greater fiscal integration among the 27-nation bloc as it seeks to bolster its economy and avoid another debt crisis.

Perhaps no topic among investors has received more interest over the past year than the extreme performance dispersion between growth and value stocks. Growth stocks have led for most of the current market cycle that began after the global financial crisis, but growth's dominance has intensified of late. The MSCI ACWI Growth Index gained 12% in Q3, beating the MSCI ACWI Value Index by more than 800bps, and year to date this margin is more than a staggering 3200bps. Over the past three and five years, the growth index has outperformed its value counterpart by more than 1600bps and 1000bps per annum, respectively. The dynamics favoring growth are well understood; investors are willing to pay up for growth in an environment where growth is scarce and interest rates are low or even negative.

While we are growth investors, we are not growth "at any price" investors. A key facet of our approach is our valuation discipline. We seek to invest in companies with sustainable growth characteristics selling at attractive valuations. We are GARP (growth at a reasonable price) investors. So, while our growth orientation has aided our relative performance in recent years compared to broad global equity indices, our valuation discipline and unwillingness to chase growth at any price has made it tough to keep pace with growth-style indices. Rather than try to second-guess style rotations, we prefer to adhere to bottom-up, fundamental company analysis. Therefore, we will maintain our investment discipline and commitment to an investment approach that has been shown to perform well over varied market environments and add value over the long term.

Performance Discussion

Our portfolio outperformed the MSCI AC World Index, adding to its YTD lead. Among our top Q3 contributors were Immunomedics, Vertiv Holdings and Wuliangye Yibin. Immunomedics (IMMU), a stock we purchased in Q2, is a clinical-stage biopharmaceuticals company focused on the development of monoclonal antibody-based treatments for cancer. The stock shot higher when Gilead Sciences announced it was acquiring IMMU for approximately $21 billion—an 108% premium to the stock's prior closing price. Our investment case was IMMU's lead cancer drug Trodelvy™, which received FDA approval for metastatic triple-negative breast cancer in April, would beat consensus sales projections based on its robust efficacy profile and the lack of other effective treatments. We also believe Trodelvy™ has the potential to work across multiple cancers. After the stock shot higher on the deal announcement, we sold our position in favor of better opportunities.

Vertiv is a leading provider of power, thermal and infrastructure management equipment and solutions for the global data center market. Vertiv is a unique asset in the structurally growing data center industry. Formerly a private company and before that a part of Emerson, Vertiv was recently purchased by GS Acquisition Holdings. Given new management's strong track record as operators, we believe there is substantial margin-expansion potential. Profits have been resilient despite top-line weakness amid the global pandemic because management has done a tremendous job taking out costs, driving margins higher. In addition to margin improvement potential, we believe the company is well-positioned to benefit from the secular growth in data traffic and is attractively valued relative to its growth.

Wuliangye Yibin is China's second-largest spirits maker by market value and one of only two truly national baijiu brands. Shares sold off in late January when news of COVID-19 broke, offering an attractive entry point, with the stock selling for a ~25% discount to key competitor Kweichow Moutai. Despite the February lockdown, we believed the company could grow sales mid- to high-single digits, driven by a recent price hike and resilient consumer demand given its premium brand power. Sales and earnings growth have exceeded our expectations, with 1H20 revenue and net profit growth in the mid-teens.

Our biggest detractors included health care holdings ACADIA Pharmaceuticals, Idorsia and STAAR Surgical. ACADIA is a biopharmaceuticals company and maker of Nuplazid® (pimavanserin), the only approved treatment for Parkinson's disease psychosis. Its phase III trial for Nuplazid® for depression missed its primary endpoint. ACADIA does not plan to conduct another trial in this indication. Despite this outcome, we believe Nuplazid's label expansion to dementia psychosis—a large market opportunity that currently does not have any other approved drugs—remains likely.

Idorsia is a Swiss biotechnology company that was spun off from Actelion in 2017. The company has a broad clinical development pipeline, with several phase III proprietary programs in the areas of insomnia, resistant hypertension management and Fabry disease, among others. Shares fell on mixed results for its second phase III study for lead pipeline asset daridorexant for the treatment of insomnia, as statistical significance was not found at the lower dose. However, we still see a high probability of the combined phase III dataset supporting approval for the higher dose.

STAAR Surgical is a developer of vision correction products. Shares fell on a short seller's report alleging a material overstatement of revenue and profit in the company's China operations. After the report was published, we spoke with management straightaway regarding these allegations. We came away from that meeting without the necessary conviction to stay invested given the possibility of fraudulent reporting and sold our position in favor of better opportunities.

Positioning

Although the ongoing pandemic has changed the nature of our daily schedules as industry conferences and in-person meetings have been replaced with videoconferences, our discovery engine is working. We added several new holdings in Q3. Among the largest new positions were CM.com, Illumina and Johnson Controls. CM.com is a Netherlands-based provider of CPaaS (communication platform as a service), one of the world's fastest growing software categories. CM.com's software lets developers easily add mobile-based messaging and phone/voice functionality to their applications. We see revenue growth accelerating as the company pursues this large untapped market opportunity, utilizing its February 2020 IPO proceeds to triple its sales and marketing headcount by 2022 and accelerate its international expansion.

Illumina is a leader in next-generation sequencing with an estimated 70% market share, positioning it well for the rapid growth of sequencing within the clinical setting. In September 2020, the company announced the acquisition of GRAIL, a pioneering developer of new technologies for early cancer detection. GRAIL's Galleri™ test has potential to disrupt the oncology market. Using a simple blood draw, this test can detect multiple cancers before patients are symptomatic and their cancer has metastasized—helping to diagnose patients in earlier stages with the highest probability of successful treatment and survival. This is a large market opportunity that we estimate is over $30 billion in the US alone.

Johnson Controls is an operator in the building services market, providing building controls, HVAC systems, fire and safety, and power solutions. In a post-pandemic world, we believe new air quality standards and demand for touchless technologies will drive a new investment cycle in renovating existing commercial office buildings. In addition, Johnson Controls' solutions for enhancing buildings' energy efficiency and sustainability should see greater demand as government regulations and stimulus plans increasingly address the sources of climate change.

Besides our previously mentioned sales of Immunomedics and STAAR Surgical, we also sold La Francaise des Jeux, France's national lottery operator, and Varonis Systems, a data security and analytics software provider, as shares approached our target valuations.

Outlook

The current investment environment is unique in our experience in that economic and financial conditions are being driven by a public health crisis, rather than endogenous financial system forces. This started as a global health issue, and we believe it will continue to play out as one. Amid the pandemic, a global economy reliant on unprecedented levels of fiscal and monetary stimulus and potential geopolitical shifts due to the US election, Brexit and an emerging deglobalization trend, the world and financial markets are littered with uncertainty. Although equities have staged a swift comeback following one of the greatest selloffs in history, we believe the effects of COVID-19 will be felt for some time due to the "abundance of caution" many people will exhibit while progress continues on a vaccine. Hence, we expect the recovery will take longer than what we perceive is priced by markets and believe companies will need staying power to survive this period and come out stronger on the other side. We believe the winners that emerge will be companies that 1) provide essential goods and services, 2) possess unique assets, 3) offer value-added capabilities and 4) benefit from changing behavior.

Business Update

Ian Chua, an analyst on the team, is no longer employed by Artisan Partners effective September 18, 2020. Ian conducted multi-sector research, primarily focusing on disruptive business models in the Asia Pacific region. We wish him well in his future endeavors and thank him for his contributions. Coverage of existing holdings has been assumed by other team members.

In September, the team added Joe Del Gaudio as a multi-sector analyst. Prior to joining Artisan Partners, Mr. Del Gaudio was an equity research analyst at Neuberger Berman where he was a generalist on the global equities team covering the industrials, technology and consumer sectors. Earlier in his career, he was an equity analyst focusing on technology at Sanford C. Bernstein and a management consultant focusing on technology, industrials and transportation at Booz & Company.

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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. 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. 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. Growth securities may underperform other asset types during a given period.

MSCI All Country World Index measures the performance of developed and emerging markets. MSCI All Country World Growth Index measures the performance of companies in developed and emerging markets with higher forecasted and historical growth rates. MSCI All Country World Value Index measures the performance of companies in developed and emerging markets with lower price/book and forward price/earnings ratios. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

This summary represents the views of the portfolio managers as of 30 Sep 2020. Those views may change, and the Fund disclaims any obligation to advise investors of such changes. For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The holdings mentioned above comprise the following percentages of the Fund's total net assets as of 30 Sep 2020: Vertiv Holdings Co 3.4%; Wuliangye Yibin Co Ltd 1.1%; ACADIA Pharmaceuticals Inc 1.6%; Idorsia Ltd 0.7%; CM.com NV 0.6%; Illumina Inc 1.9%; Johnson Controls International PLC 1.5%. Securities named in the Commentary, but not listed here are not held in the Fund as of the date of this report. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities. All information in this report, unless otherwise indicated, includes all classes of shares (except performance and expense ratio information) and is as of the date shown in the upper right hand corner. This material does not constitute investment advice.

Attribution is used to evaluate the investment management decisions which affected the portfolio's performance when compared to a benchmark index. Attribution is not exact, but should be considered an approximation of the relative contribution of each of the factors considered.

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