Artisan Global Equity Fund

QUARTERLY
Commentary

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

As of 30 June 2022

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 June 2022	QTD	YTD	Average Annual Total Returns 1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: ARTHX	**-15.38**	**-27.83**	**-29.43**	**1.61**	**7.22**	**9.69**	**9.54**
Advisor Class: APDHX	**-15.38**	**-27.82**	**-29.39**	**1.62**	**7.23**	**9.70**	**9.55**
Institutional Class: APHHX	**-15.28**	**-27.70**	**-29.23**	**1.85**	**7.47**	**9.87**	**9.69**
MSCI All Country World Index	-15.66	-20.18	-15.75	6.21	7.00	8.76	7.69

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 (% Gross/Net)	ARTHX	APDHX	APHHX
Semi-Annual Report 31 Mar 2022[1]	1.28/—	1.50/1.25[2,3]	1.03/—
Prospectus 30 Sep 2021[3]	1.26/—	1.62/1.25[2]	1.05/—

[1]Unaudited, annualized for the six-month period. [2]Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2023. [3]See prospectus for further details.

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

Rising inflation and interest rates took a toll on equities in the second quarter as the selloff continued across almost every developed market. Prices rose higher, especially in critical areas such as food and fuel, while labor markets remained tight and input costs rose. Even though central banks stepped up their hawkish policies to tame inflation, there were few indications these efforts have yet begun to work, leaving investors mostly uncertain about the future of the economy. By the end of the quarter, many investors and most analysts braced for additional rate hikes, lower liquidity and a slowdown in business earnings, hoping that central bankers can cool inflation without causing a recession.

In Europe, inflation rates, influenced by rising energy prices, rose faster than many expected. Several countries there—those most affected by rising energy prices—even saw annual inflation rates reach double digits. While GDP growth, a generally backward-looking indicator, remained strong by historical measures, consumer confidence and consumer spending dropped as household savings fell and people began to moderate their shopping habits. Additionally, manufacturing data showed the slowest growth in factory activity since 2020. As intake and export orders declined, many EU companies focused on completing backlogged orders. The ECB reduced its growth outlook for the rest of the year and vowed to increase interest rates to help subdue rising inflation. Also significant was the announcement of an agreement among G7 countries to attempt to impose a price cap on Russian oil that would squeeze financial services and shipping companies involved in the trade. It is yet unclear if the price control could be effective in achieving the goal of reducing both the price and profitability of Russian oil for buyers.

In China, GDP growth declined further. The economic weakness was due primarily to successive months-long government-mandated shutdowns in reaction to the country's largest COVID-19 wave to date, affecting much of Shanghai and Beijing. Authorities in China reiterated their commitment to balancing economic growth with public health. By the end of the quarter, however, many factories began to reopen as restrictions were relaxed in most places. Dovish statements about the technology sector and Hong Kong made by officials during the quarter offered additional positive momentum to many beaten-down stocks. While it is anticipated that growth will pick up in the second half of the year, the full-year GDP growth rate is expected to show a sharp slowdown, even with large-scale government-supported stimulus measures consisting of policy rate cuts, tax rebates, extensive public spending, assistance for small and medium-sized businesses and help for its slumping housing market. On one hand, the government's stimulus is a positive sign for a turnaround in growth. On the other hand, the highly communicable omicron variant looms in the background, making future shutdowns and restrictions a distinct possibility.

Performance Discussion

The portfolio marginally outperformed its benchmark, the MSCI All Country World Index, although both lost ground during the quarter. While the dispersion of returns across region varied, all the major MSCI indices ended lower in US dollar terms. There were few places to hide, it seemed, from the pervasive negative sentiment that gripped global equity markets.

Stock selection and a lighter allocation in information technology added to relative performance. Our position in Ideagen, a compliance software developer, added the most value. Ideagen's share price soared after it agreed to a merger with Hg Capital, a leading software investor, which valued the company at a large premium. The purchase reflects the rapid consolidation in the environmental, health and safety (EHS) software segment as more organizations seek to digitize operations, increase efficiencies, better utilize data and reduce regulatory risk. Ideagen serves more than 5,000 companies globally, including seven of the top 10 UK accounting firms, offering clients flexible, traceable and scalable solutions for maintaining regulatory compliance, managing business risks and managing data required by ESG-focused investors. We believe the stock has likely reached full valuation, and therefore we exited the position. The portfolio's lower exposure to tech enhanced outperformance given that information technology was the worst-performing sector in the MSCI All Country World Index, dropping more than 20% during the quarter. This underweight position reflects the fact that our bottom-up process has led us to other, more compelling investment opportunities in other sectors such as energy and consumer discretionary.

Financials was another area where our stock choices added to outperformance. In particular, our investments in large, globally-focused European financial services companies, benefiting from rising interest rates and high volatility, proved valuable. We find the current risk/reward profiles of these holdings appealing given the support that rising rates can provide for net interest margins, a key indicator of profits for banks. These margins reflect the difference between the interest collected on loans and the interest paid on deposits. We believe current market valuations have been overly cautious given the current financial health of households and businesses in developed countries. Financially sound consumers and businesses have led to lower loan loss provisions, an amount set aside to cover non-performing loans for banks. In addition, lower costs and higher returns on invested capital have increased economic values. ING Groep, a Netherlands-based company that provides retail and wholesale banking services, is one such holding. Despite its cautious guidance, we like the company's focus on return on equity (ROE), its strong market position in retail banking and its highly profitable fee business which helps diversify its revenues. Barclays is another European bank holding that performed well relative to peers. Its stock price peaked

and then settled at a higher range after reporting relatively strong first quarter earnings, share buybacks and expanding margins in the UK.

Within biotechnology, an industry in which we have been selective given the risk-off market environment, our out-of-benchmark position in Argenx produced large gains this quarter. Its stock price spiked after the successful launch of its neuromuscular disorder treatment, Vyvgart, exceeding expectations in Japan and the EU. The Belgian-based company develops antibody-based therapies for the treatment of severe autoimmune diseases and cancer. We have conviction in the company's ability to use its intellectual property to create effective treatments in an area of medicine that needs treatments that are safe, effective and targeted.

Finally, an attribute that has shined through all of the outperforming stocks mentioned thus far is geography. Our European holdings produced strong relative returns this quarter, beating those in the US by more than a factor of four. The UK and Belgium were countries where our stock choices especially stood out, across businesses as varied as biotech, cloud software, green energy and consumer and commercial banking. It is perhaps a good reminder to investors that highly valuable, sustainable growing companies can be found in many places around the globe, and that having a geographically diversified portfolio is an important way to access these opportunities.

Alternatively, our stock selection and underweight position in consumer staples reduced relative returns the most this quarter. One of our positions, Darling Ingredients, fell after it closed on a private offering of unsecured senior notes, perhaps a concern for some investors given the current rising rate environment. With 250 plants in 17 countries, Darling Ingredients is the largest publicly traded company turning food waste into sustainable products. Its main business is collecting animal by-products and converting them into food ingredients, animal feed and biofuels. In our opinion, its most valuable assets are those associated with its Diamond Green Diesel joint venture with Valero Energy in which it turns used cooking oil into diesel fuel. We like the strong earnings growth we've seen from this company along with its industry-leading ROE and reasonable valuation.

Losing more than a third of its value, Amazon.com was our lowest-performing stock in the portfolio this quarter, with our overweight position weighing on relative performance. Amazon.com guided for a slowdown in revenues in its core e-commerce business while it also experienced a significant drop in quarterly operating income. The miss reflects the growing softness in consumer sales along with the massive investment the company made to scale up its warehousing and shipping infrastructure over the past two years. To keep up with rising demand during the height of the pandemic, Amazon doubled its fulfillment and distribution network and nearly doubled its workforce to close to 1.6 million employees. Recently, the company admitted that it overbuilt its warehouse capacity, and it now is searching for tenants to sublease up to 10 million square feet of space. Ultimately, this overinvestment led to the company reporting its first net profit loss after a string of years of extraordinary growth in both revenues and net income. Few have doubts, however, that the company will grow into its current capacity over time.

Positioning

This quarter proved to be another challenging period for sustainable growth investors. The market was focused on selling riskier, more expensive stocks and those most affected by rising inflation. Our large universe, flexible approach and valuation discipline helped the strategy perform well against peers. Our bottom-up investment process led us to reduce our footprint in technology in favor of sustainable energy companies, banks and financial exchanges that we believe have growing, durable earnings, cash flows and wide moats. As always, we look for companies with strong balance sheets, an important consideration as interest rates continue to rise in the near term.

In this context, we added Devon Energy to the portfolio, a leading independent US energy company focused primarily on exploration, development and production of oil and gas in the United States. We appreciate Devon's strong balance sheet, high payout and focus on ESG considerations. The company recently rapidly scaled up its dividend and share buyback programs, helping it generate more than $1.3 billion in free cash flow. It has also greatly reduced its Scope 1 and 2 greenhouse gas emissions (GHG) over the last three years which has the goal of achieving net zero GHG by 2050. The stock price, like most others in the energy sector, benefited from high oil prices in the first half of the year. Supply constraints and labor shortages, stemming from a recent period of low demand and reduced investment, suddenly became critical as the pandemic lockdowns faded, demand increased and the Russian oil embargo further reduced supply.

Also new to the portfolio is Intercontinental Exchange (ICE), a stock we've held in the past. ICE operates one of the largest commodity and financial products exchanges globally. We value its high margin, high free cash flow business model and its large and growing financial data business. The latter helps ICE diversify its revenue sources, moving the company away from relying solely on transaction fees by adding recurring revenue sources to its mix. With that, its derivatives business accounts for almost 47% of revenues, one that ICE dominates and one that currently enjoys growing trade volume, especially in energy markets. We believe elevated volatility and pricing power provide ICE with strong upside possibilities in the current macro environment.

In addition to closing out our position in Ideagen as mentioned in the performance discussion above, we trimmed our underweight position in Microsoft given some concerns we have about the headwinds that it faces as evidenced by its most recent results. While we like the company's long-term prospects in cloud computing and gaming, the tech giant was negatively affected by slowing economic growth and a strong US dollar. Those factors cut into its revenues and profits,

especially in its core productivity and business process segment, causing the company to lower guidance more than it expected.

Finally, also in information technology, we exited Taiwan Semiconductor Manufacturing to reallocate capital to other, potentially better opportunities. The semiconductor industry is highly cyclical, and while demand is still strong, most data suggest that chip inventories may begin to rise in the coming months as supply chain problems ease.

Outlook

While the economy may eventually begin to decelerate and potentially fall into recession in some countries, we firmly believe that there are still many great investment opportunities available to patient investors. Stock valuations, while still somewhat high compared to pre-pandemic levels, have come down considerably over the last year, opening new entry points for accessing sustainable growers at reasonable prices—well-managed companies benefiting from secular growth trends that can consistently grow earnings for many years to come. Nevertheless, our optimistic expectations are tempered by the elevated market volatility we have experienced over the past six months that has caused weakness across equity markets. Since late last year, we have witnessed rising inflation and interest rates that have caused investors to disengage with fundamentals and valuation, which has led to indiscriminate selling in our view. Adding to investor gloom, many believe that valuations, while substantially lower, have yet to fully reflect the decrease in earnings that will likely occur in the second half of the year, as higher interest rates do their job to slow spending and inflation, reducing corporate earnings as well. This near-term pain, however, could set the stage for a healthier, more sustainable economy in the long run.

Looking ahead, we will continue to keep our eye on macro events as they unfold. New developments in the battle against COVID-19, the Ukraine war, food and energy security in Europe and other events have the possibility to change the trajectory of economic conditions. However, we remain excited about the opportunities we currently see in areas such as banking, financial exchanges, energy, biotechnology, electric vehicles and even luxury goods. For those with the ability and experience to conduct deep fundamental research on the companies and themes they may benefit from, our current market environment offers many possibilities.

For more information: Visit www.artisanpartners.com | Call 800.344.1770

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. 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. 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 Jun 2022. 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 Jun 2022: ING Groep NV 2.4%; Barclays PLC 1.6%; Argenx SE 3.8%; Darling Ingredients Inc 2.0%; Amazon.com Inc 3.2%; Devon Energy Corp 1.1%; Intercontinental Exchange Inc 1.3%; Microsoft Corp 2.6%. As of 3 Mar 2022, Russian holdings are valued at zero. 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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Return on Equity (ROE) is a profitability ratio that measures the amount of net income returned as a percentage of shareholders' equity. **Return on Invested Capital (ROIC)** is a measure of how well a company generates cash flow relative to capital invested in the business. **Relative Return/Relative Performance** is the return an asset achieves over a period of time compared to a benchmark. The relative return (or performance) is the difference between the asset's return and the return of the benchmark. **Dividend Payout Ratio** is the percentage of earnings paid to shareholders in dividends. **Free Cash Flow** is a measure of financial performance calculated as operating cash flow minus capital expenditures.

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