



Artisan Global Discovery Fund

QUARTERLY
Commentary

Investor Class: APFDX | Advisor Class: APDDX | Institutional Class: APHDX

As of 30 September 2022

Investment Process

We seek to invest in companies that possess franchise characteristics, are benefiting from an accelerating profit cycle and are trading at a discount to our estimate of private market value. Our investment process focuses on two distinct elements—security selection and capital allocation. We overlay our investment process with broad knowledge of the global economy.

Security Selection

We seek to identify companies that have franchise characteristics (e.g., low-cost production capability, possession of a proprietary asset, dominant market share or a defensible brand name), are benefiting from an accelerating profit cycle and are trading at a discount to our estimate of private market value. We also assess key environmental, social and governance (ESG) issues that could impact future stock returns. We look for companies that are well positioned for long-term growth, which is driven by demand for their products and services, at an early enough stage in their profit cycle to benefit from the increased cash flows produced by the emerging profit cycle.

Capital Allocation

Based on our fundamental analysis of a company's profit cycle, we divide the portfolio into three parts. GardenSM investments are small positions in the early part of their profit cycle that may warrant more sizeable allocations as their profit cycle accelerates. CropSM investments are positions that are being increased to a full weight because they are moving through the strongest part of their profit cycles. HarvestSM investments are positions that are being reduced as they near our estimates of full valuation or their profit cycles begin to decelerate.

Broad Knowledge

We overlay the security selection and capital allocation elements of our investment process with a desire to invest opportunistically across the entire global economy. We seek broad knowledge of the global economy in order to find growth wherever it occurs.

Team Overview

We believe deep industry expertise, broad investment knowledge, a highly collaborative decision-making process and individual accountability are a powerful combination. Since the inception of the team, we have been committed to building a team of growth investors that retains these attributes and is solely dedicated to our process and approach.

Portfolio Management



Jason L. White, CFA
Portfolio Manager (Lead)



James D. Hamel, CFA
Portfolio Manager



Matthew H. Kamm, CFA
Portfolio Manager



Craigh A. Cepukenas, CFA
Portfolio Manager



Jay C. Warner, CFA
Portfolio Manager

Investment Results (%)

As of 30 September 2022	Average Annual Total Returns						
	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFDX	-5.73	-35.48	-33.87	5.15	8.70	—	9.18
Advisor Class: APDDX	-5.72	-35.43	-33.79	5.22	8.75	—	9.22
Institutional Class: APHDX	-5.63	-35.34	-33.65	5.39	8.85	—	9.32
MSCI All Country World Index	-6.82	-25.63	-20.66	3.75	4.44	—	5.06

Source: Artisan Partners/MSCI. Returns for periods less than one year are not annualized. Class inception: Investor (21 August 2017); Advisor (3 February 2020); Institutional (3 February 2020). 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)	APFDX	APDDX	APHDX
Semi-Annual Report 31 Mar 2022 ^{1,2}	1.36/—	1.47/1.30 ^{3,4}	1.06/—
Prospectus 30 Sep 2021 ⁴	1.38/—	1.41/1.31 ³	1.09/—

¹Excludes Acquired Fund Fees and Expenses as described in the prospectus. ²Unaudited, annualized for the six-month period. ³Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2023. ⁴See 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

A deteriorating macroeconomic and geopolitical environment continued to weigh on equities in Q3. The MSCI AC World Index rallied >10% in the first half of the quarter as inflation peaked and earnings results and outlooks proved better than feared, though many outstanding economic and geopolitical risks made no progress toward resolution. The positive momentum quickly reversed course, and the index tumbled to new 2022 lows and ended the quarter down -7%. Unlike the other quarters of sharp drawdowns this year, growth stocks outperformed their value counterparts.

The Fed's hawkish approach to monetary policy persisted in Q3, and a more dovish pivot seems off the table. Fed Chair Powell is showing an unwavering commitment to bringing inflation closer to the Central Bank's 2% target (from >8%) and a willingness to tolerate "some pain to households and businesses" along the way. The fed funds rate was increased +150bps (to 3.00%-3.25%), and it seems the Federal Open Market Committee is anticipating another >100bps of increases before the end of the year. While the consumer price index peaked at 9.1% in June, lingering supply and demand imbalances related to the pandemic and higher food, energy, health care and housing costs have stood in the way of a more precipitous downward trajectory. The market now expects rates to rise to 4.25%-4.50% by the end of the year (versus a 3.25% expectation at the end of Q2 and the Fed's current 4.4% expectation).

A more pessimistic sentiment among the 12 FOMC committee members was evident in the September press release. GDP was revised downward, and inflation and unemployment rate expectations were revised upward for 2022 and each of the next two years. In addition, the expected fed funds rate by the end of 2022 was revised +100bps higher (to 4.4%) than what was forecasted in June.

The second consecutive quarter of negative GDP growth sparked recession debate in the court of public opinion. Despite a popular rule of thumb qualifying this economic environment as such, the National Bureau of Economic Research makes the official determination. This has historically taken ~8 months after the GDP data is announced. Several analysts on the Street are calling a recession a foregone conclusion.

Russia/NATO and China/US geopolitical tensions escalated in the quarter. The Russian owned Nord Stream natural gas pipeline—which recently supplied 18% of Europe's gas imports and is a critical supply line to Germany, who recently sourced ~40% of its gas from Russia (gas was ~25% of Germany's energy mix in 2021)—was shut down and later sabotaged by an unknown culprit. Around a thousand miles southeast, Ukraine gained ground with its Russian counteroffensive, though Russia responded by threatening the use of nuclear weapons. These conflicts continue to put upward pressure on inflation across several countries. Meanwhile, the US expanded its China semiconductor ban by preventing the sale of chips used in AI and

chipmaking tools, citing national security concerns that these critical technological components could end up with the Chinese military.

Corporate earnings reports during the quarter were better than feared, though they tend to be a lagging indicator. Several notable guidance cuts later in the quarter amplified previous concerns of an imminent earnings recession. FedEx fell short of earnings expectations for the quarter by 33% and suspended financial guidance for the fiscal year given its lack of visibility. The company's focus has shifted to cost savings as volumes deteriorate. Meanwhile, Ford lowered its Q3 adjusted EBIT guidance 58% below Street estimates, citing vehicle parts inflation and supply shortages. Surprisingly, full year guidance was maintained as the company expects to deliver new vehicles that were delayed in Q3, though questions remain whether they can truly bridge this large gap.

Performance Discussion

Among our top contributors were ON Semiconductor, Valmont Industries and Atlassian. While investors are concerned about short-term volatility in semiconductor sales entering an economic slowdown, ON's shares have outperformed as the new management team's progress in shifting the business toward more proprietary, higher margin products has become increasingly appreciated. While not immune to a macro slowdown, we believe management has raised the margin and cash flow profile of the business, which should benefit the company in good times and in bad. We are particularly optimistic about the company's leading position in designing and manufacturing silicon carbide (SiC) chips for use in battery electric vehicles (BEV). SiC chips consume 10% less power than silicon, which enables lighter and longer range electric vehicles and efficient, fast-charging stations. Range is a key competitive advantage for BEV automakers, and we expect ON's SiC chips to be in high demand as BEV volumes ramp. Meanwhile, shares trade at an attractive discount to our private market value (PMV) estimate, and we added to our position during the quarter.

Valmont reported thesis-confirming earnings results during Q3. Revenue grew 27% YoY, which was well ahead of expectations. The company is not only experiencing strong demand for its engineered metal products—its \$2 billion order backlog is up 25% from the end of 2021—but also raising its prices to offset inflation. The long-term growth runway remains compelling given several secular and cyclical tailwinds: accelerating spending for renewables, grid hardening and renewed irrigation investments in international markets to ensure more efficient water usage.

Atlassian is a leading provider of innovative, customizable team-collaboration software tools for over 200,000 customers. The company recently reported +36% revenue growth despite a deteriorating macroeconomic backdrop. We recognize a recession would likely have an impact on Atlassian via slowing growth metrics. However, we believe its low priced, mission critical cloud tools would prove

relatively resilient in this scenario. We expect free cash flow margin expansion and similar top-line growth in the periods ahead as the company continues to transition its customers to the cloud, increases prices, adds new products and expands adoption of its collaboration and workflow tools.

Among our bottom contributors were Veeva Systems, Catalent and CAE. Veeva shares fell after the company slightly trimmed its 2022 financial guidance (foreign exchange headwinds, macro driven uncertainty with smaller biotech companies). However, we believe the company's core growth driver—market share gains for its Vault enterprise software—remains healthy. In fact, we were impressed by the solid level of new business wins during the quarter. While elongated sales cycles and pressure from smaller customers could intensify as the economy slows, we believe the company's profit cycle will prove far more resilient than most. The pharmaceutical sector is less economically sensitive, and Veeva has high levels of recurring subscription revenues. Given our high level of conviction in the longer term profit cycle potential, we added to our position with shares trading at an attractive discount to our PMV estimate.

Shares of Catalent underperformed during Q3 as management issued 2023 guidance below expectations given a sharper-than-expected decline in COVID-19 vaccine sales, which are expected to fall as much as two-thirds. Still, total sales are likely to grow this year, which implies the trends in the rest of the business (gene therapy, gummi vitamins, sterile packaging) are accelerating. It could take several quarters to prove the company can achieve its targets, and investors seem to be taking a wait-and-see approach.

Despite 2023 being a transition year after the bolus of vaccine sales during the pandemic, our confidence in Catalent's long-term profit cycle remains high. The increasing use and complexity of biologics and the growing proportion of small companies taking products to market are driving outsourcing to companies like Catalent to reduce cost. Catalent's investments to increase its capabilities in cell and gene therapies and gummi vitamins give us further confidence. Lastly, we are increasingly optimistic the FDA will approve a key customer's gene therapy product next year, which could serve as a catalyst for Catalent's viral vector manufacturing business. We used Q3's share weakness to add to our position.

CAE is a global flight simulation and outsourced training company for civil and military aviation. Shares were weaker during Q3 as a couple of one-time issues within two of the company's defense segment contracts weighed on profitability. Despite this, the company's civil business, which is 70% of its operating profit and core to our investment thesis, remained strong. We continue to believe the company is well-positioned to benefit from a global wave of civil pilot retirements (and thus, shortages) and growing military budgets. Longer term, increasing outsourcing of civil and military pilot training is a steady trend as airlines and militaries seek to reduce hourly training costs and avoid large, fixed investments. We used the share weakness in the quarter to add to our position.

Portfolio Activity

During the quarter, we began new GardenSM campaigns in Silergy and Smiths. Silergy is a fabless semiconductor company focused on a broad range of analog microchips, especially power management globally, and in particular China (50% of revenues). We believe the company will benefit from both China attempting to localize its semiconductor industry and global customers looking to diversify their chip providers as the US supplier base has gotten more concentrated (due to consolidation). Silergy has had several new product introductions into a diverse set of end markets (datacenter, 5G infrastructure, automotive including BEVs, industrial IoT) which are more defensive with long product life cycles. The company's path to becoming a top analog chip maker globally is being sped up by today's geopolitical environment, prudent investments by this management team, growing demand for power management chips and share gains.

Smiths Group is a leader in industrial seals and airport security. A new executive team is working to restore greater growth and improve profitability. It has pruned the disparate portfolio, increased R&D spending, and established new margin initiatives and ROIC targets. The efforts are aimed at strengthening the company's market leading positions, accessing new adjacencies, accelerating growth rates and advancing its technology leadership. The company's industrial seals segment is well-positioned to leverage the global energy transition. The industry's efforts to decarbonize fuels and facilities will require Smiths' emission-free technology and extreme temperature performance. The ultimate move to green hydrogen as a fuel is a significant opportunity as well. Indeed, the company recently won an exclusive hydrogen award in the Middle East. Smiths' airport security segment is well-positioned to benefit during the next equipment upgrade cycle. New regulations require more powerful and intelligent systems to detect a wider range of substances and dangerous items. Smith's cutting-edge baggage handling security equipment offers the flexibility and scalability to meet the needs of small airports and multi-terminal and multi-airport operations.

We ended our Banco Bilbao Vizcaya Argentaria and Burlington Stores investment campaigns during Q3. Banco Bilbao Vizcaya Argentaria engages in retail banking, asset management, private banking and wholesale banking in Mexico, Spain, South America, the United States, Turkey and other parts of Eurasia. A new CEO is leading several new initiatives—exiting the US market and using the proceeds to repurchase stock, refocusing the company on higher growth emerging markets, utilizing technology to right size the workforce and driving an increasing amount of business through its digital channel (mobile banking, direct deposits, etc.). The company has made progress toward these internal initiatives, though its exposure to credit issues via its high emerging markets exposure (Mexico, Turkey and South America were >60% of revenue in 2021) could outweigh these profit cycle tailwinds in the periods ahead as elevated inflation and a waning global economy weigh on consumers' savings

in these markets. Given our inability to determine when these macro headwinds could abate, we harvested our position.

Burlington is a leading off-price retailer offering an assortment of products across the apparel, footwear, home, beauty and toys categories. We began our investment campaign when a new management team laid out a plan to accelerate top-line growth and close the margin and store-productivity gaps to off-price peers Ross and TJ Maxx. Unfortunately, the company has faced several setbacks as it works through macro-related headwinds—supply chain constraints and inflation shrinking the consumer wallet for low-end consumers—and management has not demonstrated an ability to close the gap to its peers. These issues are meaningfully pressuring cash flows, and we harvested our position with our thesis stalled.

We pared our exposures to Generac and Azenta. Generac is a provider of residential backup generators in the US with a dominant market position. Our GardenSM thesis has been based on climate change causing more frequent and severe storms and power grid failures, both of which should bolster demand for Generac's generators. In addition, the company's residential solar backup battery business—which benefits from Generac's scale, distribution network and differentiated go-to-market strategy—could also enhance its overall profit cycle potential over time. That said, we believe generator demand may be entering a cyclical downturn as homeowners face inflation and rising interest rates. While our longer term thesis remains intact, we began harvesting our position in favor of more compelling near-to-intermediate term opportunities.

Our Azenta GardenSM thesis has not taken hold as we had anticipated. The company's top-line growth has slowed meaningfully, and our expectation for margin expansion is behind. While we believe there is a solid runway for the company's storage systems and consumables—benefiting from the rapid rise in blood, tissue and cell samples being collected, analyzed and stored by pharmaceutical, diagnostic, medical centers and academic researchers—we began harvesting our position in favor of companies with more visible profit cycle opportunities.

ESG Journey

Over the past four years, we have hit several important milestones in our ESG journey. Among them are developing and operationalizing a two-stage framework into our existing investment process, instituting a more systematic approach to proxy voting and developing a deeper knowledge in various topical areas (climate change, modern slavery, diversity, equity & inclusion). In our view, a process-led approach is the most effective way to integrate ESG factors into our bottom-up fundamental stock analyses. Stage 1, referred to as an Issues That Matter Assessment, is a qualitative analysis premised on the idea that there are key ESG risks that can affect a company's risk profile. These need to be identified, monitored and potentially discussed with management over the course of an investment campaign. Stage 2, known as our Stewardship Check, is where the bulk of our work occurs. This takes various forms such as discussions with management

about items on proxy ballots, understanding how our management teams think about and manage the risks identified in our ITMAs and deep dives into topical areas (modern slavery, climate risks, etc.). We have also been able to provide counsel to our companies early in their journeys and gain perspective from our forward-thinking holdings around best practices for managing a business through a multistakeholder lens.

We recently engaged with Workiva, which is a leading provider of cloud software for financial reporting with approximately 70% of its business tied to SEC reporting through its core Wdesk offering. As a provider of financial reporting and compliance tools, the company obtains and has access to sensitive data on some of the largest companies in the world, including >75% of the Fortune 500. Thus, data security is an area of risk we flagged in our ITMA as the company's business makes it a target for cyberattacks.

We walked away from our engagement with a belief management is demonstrating appropriate levels of awareness and ambition in these areas and taking appropriate actions to drive improvement. The company has pursued FedRamp Moderate status—a compliance program established by the US government that sets a baseline for cloud products and services regarding their approach to authorization, security assessment and continuous monitoring—given its high security standards. In addition, it has various other protocols to protect its customers' data such as extensive employee testing and training, regular board updates, various internal restrictions around access to customer data, etc. Meanwhile, we had the opportunity to gauge the company's awareness and ambition around diversity. The company recently started disclosing diversity stats, and it also noted 40% of its employees are now remote, which has opened the door to more diverse talent than before (several of the company's large offices are in cities without a diverse local talent pool). We believe the disclosure demonstrates awareness and implies ambition to improve. We look forward to seeing that progress over time.

Paired with the company's strong profit cycle momentum and the stock's attractive valuation, the engagement furthered our confidence in the management team's oversight in these key risk areas. Thus, we subsequently increased its position within our portfolio.

Perspective

Q3 marked another tough quarter in public equity markets, though we walked away feeling encouraged about the relative path forward for our portfolio. The sharp growth stock multiple contraction we saw in the first half of this year found a relative bottom as we had expected. Earnings results for our CropSM holdings—the punching power of our portfolio—were in most cases better than feared. The profit cycle drivers we seek are proving more resilient in this challenging environment. New product pipelines and introductions are ramping in-line with or better than expectations, several of the core secular growth trends powering our holdings' earnings are intact

(biologics, cloud software) and many of our companies are finding ways, often through pricing power, to offset input cost inflation.

We continue to believe central banks tightening around the world, combined with inflationary pressures on consumer and corporate budgets, makes a recession scenario probable. Reassuringly, the more hawkish monetary policy actions seem to be bringing aggregate demand back into balance with supply. GDP growth is slowing, the Purchasing Managers Index is tumbling, and there have been sharp declines in various commodity prices. While corporate earnings results tend to be a lagging indicator, there have been several high-profile downward revisions. Good proxies for the US consumer (Walmart, Target, Nike) have slashed guidance and/or reported bloated inventories—a sign that consumer demand could be waning. The potential silver lining of a sharp global recession is that it would likely ease inflationary pressures and point the way toward healthier markets ahead.

While corporate earnings could be the next shoe to drop over the coming quarters, finding franchises with the best earnings growth potential has historically been an effort the market has rewarded us for. We don't expect our holdings to be immune from a recession, but we do believe their growth drivers should prove more resilient than most. Our team reinforced this belief by spending a significant amount of time on the road meeting with our management teams and attending industry conferences during Q3.

The absolute direction of markets and stock prices is more difficult to call, and we're always hesitant to try. The path of interest rates and companies' earnings growth will likely drive returns in the periods ahead. We cannot control for the former, but we can ensure our franchises have good cash flow characteristics with relatively better earnings trends and strong balance sheets to offer some downside risk mitigation. Our holdings' solid competitive positions, strong secular growth trends and valuations that look quite attractive given our profit cycle outlooks for the next three years, leave us comfortable with how our portfolio is positioned today.

ARTISAN CANVAS

Timely insights and updates from our investment teams and firm leadership

Visit www.artisancanvas.com

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. A portfolio's environmental, social and governance ("ESG") considerations may limit the investment opportunities available and, as a result, the portfolio may forgo certain investment opportunities and underperform portfolios that do not consider ESG factors. 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 Sep 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 Artisan Global Discovery Fund's total net assets as of 30 Sep 2022: Veeva Systems Inc 5.2%, Catalent Inc 3.2%, ON Semiconductor Corp 3.1%, Valmont Industries Inc 3%, Atlassian Corp 2.9%, CAE Inc 1.1%, Silergy Corp 0.7%, Smiths Group PLC 0.6%, Azenta Inc 0.5%, Generac Holdings Inc 0.3%, Workiva Inc 1.7%. 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.

ESG assessments represent one of many pieces of research available and the degree to which it impacts holdings may vary based on manager discretion.

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.

The Global Industry Classification Standard (GICS[®]) is the exclusive intellectual property of MSCI Inc. (MSCI) and Standard & Poor's Financial Services, LLC (S&P). Neither MSCI, S&P, their affiliates, nor any of their third party providers ("GICS Parties") makes any representations or warranties, express or implied, with respect to GICS or the results to be obtained by the use thereof, and expressly disclaim all warranties, including warranties of accuracy, completeness, merchantability and fitness for a particular purpose. The GICS Parties shall not have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of such damages.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.

This material is provided for informational purposes without regard to your particular investment needs and 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.

Portfolio statistics are obtained from various data sources and intended to provide a general view of the portfolio, or Index, at a point in time. Artisan Partners excludes outliers when calculating portfolio characteristics and may use data from a related security to calculate statistics if information is unavailable for a particular security. **Private Market Value** is an estimate of the value of a company if divisions were each independent and established their own market stock prices. **Earnings Before Interest & Tax (EBIT)** is an indicator of a company's profitability, calculated as revenue minus expenses, excluding tax and interest. **Free Cash Flow** is a measure of financial performance calculated as operating cash flow minus capital expenditures.

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: GardenSM, CropSM and HarvestSM. GardenSM investments are situations where we believe we are right, but there is not clear evidence that the profit cycle has taken hold, so positions are small. CropSM investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. HarvestSM investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. HarvestSM investments are generally being reduced or sold from the portfolios.

Artisan Partners Funds offered through Artisan Partners Distributors LLC (APDLLC), member FINRA. APDLLC is a wholly owned broker/dealer subsidiary of Artisan Partners Holdings LP. Artisan Partners Limited Partnership, an investment advisory firm and adviser to Artisan Partners Funds, is wholly owned by Artisan Partners Holdings LP.

© 2022 Artisan Partners. All rights reserved.

