

Artisan Partners Launches Select Equity Strategy

Portfolio manager Dan O’Keefe and co-portfolio managers Justin Bandy and Michael McKinnon bring their extensive experience investing in global markets to a focused portfolio of US companies across a broad capitalization range.



At a Glance

Managed by
Artisan Partners Global Value Team

Portfolio Managers (L-R)
Justin Bandy, Dan O’Keefe, Michael McKinnon

Inception
1 March 2020

Investment Process Highlights

Artisan Partners Global Value Team seeks to invest in high-quality, undervalued companies with strong balance sheets and shareholder-oriented management teams.

- **Undervaluation**—Determining the intrinsic value of a business is the heart of the team’s research process. Intrinsic value represents the amount that a buyer would pay to own a company’s future cash flows. We seek to invest at a significant discount to our estimate of the intrinsic value of a business.
- **Business Quality**—The team seeks to invest in companies with histories of generating strong free cash flow, improving returns on capital and strong competitive positions in their industries.
- **Financial Strength**—The Global Value team believes investing in companies with strong balance sheets helps reduce the potential for capital risk and provides company management the ability to build value when attractive opportunities are available.
- **Shareholder-Oriented Management**—The team’s research process attempts to identify management teams with a history of building value for shareholders.

“The Select Equity Strategy is a natural extension of our team’s philosophy and process. We are excited to offer this focused, differentiated product that leverages our extensive, existing global research platform.”

– Dan O’Keefe

Top 10 Holdings¹ (% of total portfolio)

Cognizant Technology Solutions Corp (Information Technology)	5.7	Anthem Inc (Health Care)	5.3
DENTSPLY SIRONA Inc (Health Care)	5.7	Booking Holdings Inc (Consumer Discretionary)	5.0
FedEx Corp (Industrials)	5.6	Facebook Inc (Communication Services)	5.0
Berkshire Hathaway Inc (Financials)	5.6	Samsung Electronics Co Ltd (Information Technology)	4.9
Alphabet Inc (Communication Services)	5.5	American Express Co (Financials)	4.9
TOTAL			53.1%

Source: Artisan Partners/GICS. ¹As of 30 September 2020.

A R T I S A N



P A R T N E R S

Artisan Select Equity Strategy

Portfolio Construction

The Global Value team's approach to portfolio construction is simple: It aims to allocate the most capital to those companies with the highest degree of undervaluation and, therefore, the highest expected rate of return.

- Typically 20-30 holdings
- Maximum position size generally 10%*
- Maximum of 20% in non-US companies*
- Maximum of 25% in any one industry*
- No minimum market capitalization

Based on a model portfolio. *Limitations apply at the time of purchase.

Team Leadership

Daniel J. O'Keefe

Daniel J. O'Keefe is a managing director of Artisan Partners and founding partner of the Artisan Partners Global Value Team. He is lead portfolio manager of the Artisan Global Value and Artisan Select Equity Strategies, both of which he has managed since inception. Mr. O'Keefe also was co-portfolio manager for the Non-U.S. Value strategy from October 2006 through September 2018. Prior to becoming portfolio manager in 2006, Mr. O'Keefe was a research analyst for the Artisan Non-U.S. Value strategy.

During this time, the team was nominated six times for fund management (in 2008, consecutively from 2011-2014, and again in 2016) for Morningstar, Inc.'s International-Stock Fund Manager of the Year award in the US and won the award in 2008 (Non-U.S. Value) and in 2013 (Global Value and Non-U.S. Value).

Prior to joining Artisan Partners in May 2002, Mr. O'Keefe was an analyst in international equities at Harris Associates LP from July 1997 through May 2002. Preceding his days at Harris Associates, he was an associate in mergers and acquisitions at BancAmerica Securities, and was an analyst with Morningstar, Inc.

Mr. O'Keefe holds a bachelor's degree in philosophy from Northwestern University.

Justin V. Bandy, CFA

Justin V. Bandy, CFA, is a co-portfolio manager on the Artisan Partners Global Value Team. In this role, he oversees the research process and conducts fundamental research as a generalist.

Prior to joining Artisan Partners in October 2009, Mr. Bandy was an equity research associate for KeyBanc Capital Markets, where he conducted research on mid-market software companies. Earlier in his career, he was a retail banking research analyst with the Lafferty Group/VRL Knowledgebank. Mr. Bandy holds a bachelor's degree in history and a bachelor's degree in geology-biology from Brown University.

Michael J. McKinnon, CFA

Michael J. McKinnon, CFA, is a co-portfolio manager on the Artisan Partners Global Value Team. In this role, he oversees the research process and conducts fundamental research as a generalist.

Prior to joining Artisan Partners in February 2010, Mr. McKinnon was a securities analyst at Legg Mason Capital Management for all LMCM funds. Earlier in his career, he was a research analyst for Himalaya Capital, a long/short equity fund affiliated with Tiger Management, and a senior consultant at Arthur Andersen LLP. Mr. McKinnon holds a bachelor's degree in economics and Asian studies from Tufts University, a master's degree in public administration from Harvard Kennedy School and a master's degree in business administration from Columbia Business School.



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Investment Risk: Current and future portfolio holdings are subject to risk. 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. 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. Value or growth securities may underperform other asset types during a given period. 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 in Artisan Partners Form ADV, which is available upon request.

Securities of the same issuer are aggregated to determine a holding's weight in the portfolio. Securities referenced may not represent all of the securities in the portfolio. If certain information is unavailable for a particular security Artisan Partners may use data from a related security to calculate portfolio characteristics.

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.

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