Artisan U.S. Small-Cap Growth Strategy

QUARTERLY
Commentary

As of 31 December 2023

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. Garden℠ investments are small positions in the early part of their profit cycle that may warrant more sizeable allocations as their profit cycle accelerates. Crop℠ investments are positions that are being increased to a full weight because they are moving through the strongest part of their profit cycles. Harvest℠ 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.

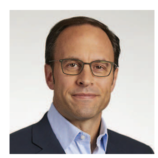
Portfolio Management


Craigh Cepukenas, CFA
Portfolio Manager (Co-Lead)


Jay Warner, CFA
Portfolio Manager (Co-Lead)


James Hamel, CFA
Portfolio Manager


Jason White, CFA
Portfolio Manager


Matthew Kamm, CFA
Portfolio Manager

Investment Results (% USD)

			Average Annual Total Returns				
As of 31 December 2023	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception[1]
Composite — Gross	**10.01**	**11.38**	**11.38**	**-9.84**	**11.12**	**9.40**	**10.40**
Composite — Net	**9.76**	**10.34**	**10.34**	**-10.74**	**10.03**	**8.32**	**9.33**
Russell 2000® Growth Index	12.75	18.66	18.66	-3.50	9.22	7.16	7.54
Russell 2000® Index	14.03	16.93	16.93	2.22	9.97	7.15	8.84

Annual Returns (% USD) Trailing 12 months ended 31 December

	2019	2020	2021	2022	2023
Composite — Net	**40.52**	**61.43**	**-8.70**	**-29.40**	**10.34**

Source: Artisan Partners/Russell. Returns for periods less than one year are not annualized. [1]Composite inception: 1 April 1995.

Past performance does not guarantee and is not a reliable indicator of future results. Current performance may be lower or higher than the performance shown. Composite performance has been presented in both gross and net of investment management fees.

Investment Risks: 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 near the back of this document, which should be read in conjunction with this material.

Investing Environment

The final quarter continued a trend we have witnessed throughout 2023, the gyration between recession fears and soft-landing optimism. Entering Q4, the market was comfortable that central banks had finished hiking but cautious about how long rates would remain at restrictive levels (i.e., higher for longer). However, a series of softer inflation prints in the US eased those fears, and investor expectations shifted toward a series of rate cuts in 2024. This view was compounded at the December Federal Open Market Committee meeting, where the latest Summary of Economic Projections suggested three cuts over 2024. Furthermore, Fed Chair Jerome Powell's messaging seemed to shift more dovish as he did not use the press conference to push back on the market's pricing in cuts next year. The 10-year Treasury yield started the quarter at 4.57%, reached a high of 4.99% on October 19 and then fell all the way to 3.88% by year end.

The shift in monetary policy expectations, combined with resilient economic data and better-than-expected corporate earnings results, led to a significant broad market rally in the quarter. US equities (measured by the Russell 1000® Index) delivered a 12.0% return, non-US developed markets (MSCI EAFE Index) delivered a local return of 5.0% and emerging markets (MSCI Emerging Markets Index) delivered a local return of 5.6%. The end of "higher for longer" rates fears boosted growth stocks, which delivered 14.2% (Russell 1000® Growth Index), but value stocks also delivered a respectable 9.5% (Russell 1000® Value Index). Small caps, which had struggled for most of the year, bounced back to deliver 14.0% (Russell 2000® Index).

Despite the grim outlook entering 2023, the Russell 1000® Index finished the year with a 26.5% gain as inflationary pressures faded while economic activity remained relatively unscathed. Perhaps one of the most significant surprises this year has been the US consumer, which has shown continued spending strength due to a healthy job market, rising wages and the benefit of long-term fixed rate debt. A resilient consumer has called into question how rate sensitive the economy is relative to history. With consumption making up about 70% of US economic activity, it is the foundation of economic strength.

Exhibit 1: Index Returns

	Q4 2023	2023
Russell 1000® Index	12.0%	26.5%
Russell 1000® Growth Index	14.2%	42.7%
Russell 1000® Value Index	9.5%	11.5%
Russell Midcap® Index	12.8%	17.2%
Russell Midcap® Growth Index	14.5%	25.9%
Russell Midcap® Value Index	12.1%	12.7%
Russell 2000® Index	14.0%	16.9%
Russell 2000® Growth Index	12.7%	18.7%
Russell 2000® Value Index	15.3%	14.6%
MSCI EAFE Index	5.0%	16.8%
MSCI AC World Small Cap Index	10.4%	16.1%
MSCI EM Index	5.6%	10.3%
MSCI ACWI	9.5%	22.2%
Brent Crude Oil	-19.0%	-6.2%
US Dollar Index	-4.6%	-2.1%

Source: Artisan Partners/FactSet/MSCI/Russell. As of 31 Dec 2023. **Past performance does not guarantee and is not a reliable indicator of future results.** An investment cannot be made directly in an index.

Performance Discussion

When the Russell 2000® Index underperformed the S&P 500® Index in Q3, it marked the ninth time in the past 10 quarters. The Russell 2000® Index has only done this once before. Recent underperformance has made sense given the relatively riskier posture of smaller companies means they have been adversely impacted by the myriad of market uncertainties: inflation, rising interest rates, geopolitical conflicts, government shutdown risk, union strikes, oil production cuts, student loan repayments restarting and signs of broader consumer weakness. However, we felt the asset class was at peak pessimism and decided to outline some of our thoughts in a recent piece titled "The Case for Small-Cap Optimism."

Performance in Q4 reinforced our view. Small caps led the way as investor expectations for an economic soft landing was priced into markets. Specifically, between the Russell 2000® Index's recent low on

October 27 and the end of the year, it returned 24% versus 16% for the S&P 500® Index.

Our portfolio generated a positive absolute return in Q4 but underperformed the Russell 2000® Growth Index. Underperformance was driven by security selection, particularly within health care and information technology. Within health care, we were encouraged by Repligen's better quarterly results, which suggested a better outlook for the bioprocessing market after a frustrating period of COVID-19 driven inventory destocking. However, this was overshadowed by the underperformance of Argenx (and Halozyme as the company's subcutaneous enabler) after delivering a disappointing update in Q4. We will discuss this later.

Within information technology, Lattice Semiconductor drove sector underperformance as the company reported disappointing financial results due to cyclical end-market pressures. Our experience with the chip industry has taught us these cyclical corrections tend to be relatively short-lived (quarters rather than years), and we expect the secular trends driving growth for our businesses to easily overcome macro pressures over a reasonable time frame. We are remaining patient.

Underperformance within health care and information technology was partially offset by outperformance within consumer discretionary, where numerous holdings across restaurants (Wingstop), home improvement (Floor & Décor) and retail (Five Below and Etsy) performed well.

For the year, our portfolio underperformed the Russell 2000® Growth Index. Weakness was primarily within health care, and more specifically, biotechnology. Our three largest industry holdings, Argenx, Halozyme Therapeutics and Ascendis, detracted from relative results. Despite each company enjoying solid commercial sales progress in 2023, they faced R&D setbacks that led to performance weakness. In fact, the combined impact of these three names accounted for nearly 80% of the portfolio's 2023 underperformance.

Argenx's Vyvgart launch to treat myasthenia gravis continued to shine, with sales reaching north of $1 billion ahead of schedule. And the company reported compelling phase 3 clinical trial data in chronic inflammatory demyelinating polyradiculoneuropathy (CIDP), which we expect to be Vyvgart's second blockbuster indication. But in Q4, trials for two additional indications surprisingly failed, marring an otherwise stellar year. Argenx's Vyvgart has multibillion-dollar sales potential just in its myasthenia gravis and CIDP indications, and it is being studied in 11 additional diseases (with more on the drawing board). The company also has a second promising autoimmune disease drug in mid-stage clinical trials.

Halozyme provides a unique technology platform that allows for the conversion of biologics and small molecule drugs administered intravenously into a subcutaneous formulation. The company generates predictable and durable royalties from licensing its technology to pharmaceutical companies looking to optimize their therapies. Underperformance was partially related to Argenx, along with headwinds due to Inflation Reduction Act-related US drug price regulation and a lack of new partnership announcements. Regarding Argenx, Halozyme scored an important long-term growth opportunity in Q3 when the FDA approved Argenx's subcutaneous version of Vyvgart, called Vyvgart Hytrulo. However, its shares declined following Vyvgart's two failed indications in Q4 (discussed earlier). Despite this setback, we continue to expect expanding commercial opportunities for Vyvgart and Vyvgart Hytrulo, along with a solid pipeline of other new products in the coming years. Halozyme recently released updated guidance and forecasted 2023 royalty revenue of $445 million–$450 million and $1 billion in royalty revenue by 2027. While Halozyme was the top detractor in 2023, it was the top contributor in 2022, has been one of our most successful campaigns since its early 2017 purchase and remains the second-largest position in our portfolio.

We had been focused on the anticipated 2023 FDA approval of Ascendis' TransCon PTH to treat hyperparathyroidism. It would have provided another tailwind to the company's profit cycle. However, in Q2 the FDA said it was not ready to approve the product due to questions about manufacturing controls. While clinical trial data and our conversations with experts leave us highly confident in the drug's safety and efficacy profile, it can be hard to anticipate FDA questions or concerns about manufacturing. Fortunately, the company believes it can provide data to address the FDA's questions in short order, and we are optimistic that approval won't take too much longer. In addition, our channel checks suggest strong physician interest in prescribing TransCon PTH once approved. In the meantime, Skytrofa, the company's first approved drug—used to treat pediatric growth hormone deficiency—has seen accelerating market uptake.

Importantly, both Argenx and Ascendis market their products to rare disease populations and specialist physicians, resulting in modest sales and marketing expense requirements that we expect to result in very attractive profit margins as sales grow.

In fact, somewhat counterintuitively, we think 2023 supports our longstanding approach to biotech investing. We focus on companies that possess de-risked assets, in other words, a drug that is already FDA approved or we have confidence it will be approved (Vyvgart for Argenx, Skytrofa for Ascendis and five approved royalty-producing products for Halozyme) with strong long-term profit potential. After establishing the franchise value base, we look for evidence of diversified R&D pipeline opportunities that leverage proven intellectual property (for Argenx, Vyvgart's foundational mechanistic impact on circulating autoantibody levels; for Ascendis, the TransCon extended-release delivery platform; and for Halozyme, the ENHANZE® drug delivery technology). With exciting biotech innovation comes risk, as 2023 illustrated. But our selective approach leads us toward companies where setbacks do not represent existential risk and where we have been able to sustain long-term investment campaigns through volatility. We are optimistic that 2024 will bring better news for these holdings. We also believe a recent wave of biotech M&A by big pharma is evidence of strong private market demand for innovative growth companies that can help sustain the finances of the industry's largest players.

Security selection within industrials was also a key area of underperformance, and it was concentrated in a single holding, Valmont (we will discuss this later). This overshadowed several successful campaigns—composite decking manufacturer Trex and less-than-truckload shipping provider Saia.

On a positive note, security selection within information technology aided performance, driven by holdings within semiconductors (despite the pressure late in the year) and software. We entered 2023 believing that software valuations were attractive relative to resilient subscription-based business models. At the same time, management teams were increasing their focus on margin expansion following the pandemic-era tech boom. While software revenue growth rates are still being held back by macro pressures, our holdings have continued to gain market share, and, as we expected, margins have started to improve as companies have refocused on profitability.

Along with Argenx, our top detractors in Q4 were Lattice Semiconductor and Valmont. Lattice Semiconductor is a fabless vendor of field programmable gate array (FPGA) chips that customers can program and configure to their specifications. Shares underperformed after management lowered its forward guidance, mainly driven by its industrial business in Asia and Europe. Our investment thesis is driven by market share gains enabled by the company's reinvigorated product line. It is targeting high-growth markets (such as data centers, artificial intelligence (AI), factory automation and automotive technology) with products offering a leading balance of performance, cost and power. Despite the cyclical market correction underway, there remains solid evidence that Lattice continues to gain market share. Importantly, the company is just now launching a new medium-power Avant line of chips, which should be another catalyst to drive market share gains coming out of this downturn. Given our view that semiconductor downcycles tend to be short-lived, we are comfortable being patient for a reaccelerating profit cycle in 2024.

Valmont is a leading designer and manufacturer of engineered metal products. There remains a lot to like about the company. It has exposure to several secular tailwinds (accelerating spending for renewables, grid hardening and renewed irrigation investments to ensure more efficient water usage), a solid balance sheet, strong free cash flow generation and an attractive valuation. However, the company abruptly changed CEOs in July and reported a goodwill impairment in its most recent earnings release. The goodwill impairment was on Prospera, an AI company focused on agriculture that Valmont acquired in 2021, due to significantly slower growth than originally projected. Given the operational missteps and new management team, we have started to harvest the position after giving back most of the strong gains generated in 2021 and 2022.

Among our top contributors in Q4 were Wingstop, Monolithic Power Systems and Ascendis. Wingstop is a quick-service restaurant franchisor specializing in fresh, cooked-to-order chicken products, including wings, sandwiches and side orders. The company is in the early stages of growing its store count domestically and internationally, which we believe is supported by attractive economics for franchisees and growing brand awareness. We continue to be impressed by the company's earnings results, which are benefiting from strong same-store sales momentum driven by menu innovation, national branding efforts, integration of a second delivery provider (Uber Eats) and an ongoing value-based bundling strategy. After a strong performance in 2023, especially Q4, we trimmed the position based on our valuation discipline.

Monolithic Power Systems designs analog power-management chips for a wide variety of industrial and consumer devices. The company is executing well, as its customers convert their analog, digital and power semiconductor chips into the company's single-chip design, which is energy efficient and priced lower than peers. While we acknowledge certain areas of the business may be a source of weakness in the near term, recent earnings results indicated that the data center and automotive areas of the business continue to deliver solid results. We trimmed the position due to market cap. We first purchased Monolithic Power at the beginning of 2018 when it was a $4.8 billion company. After a successful multiyear campaign, the company has grown to a market cap in excess of $30 billion and is outgrowing our small-cap mandate.

We already referenced the 2023 challenges for Acendis. However, shares rallied in Q4, as Ascendis resubmitted its FDA application for TransCon PTH (expected approval in mid-2024) and the drug has earned approval by the European Commission.

Portfolio Activity

We initiated new Garden℠ positions in IPG Photonics, MYR Group and elf Beauty during the quarter. IPG Photonics is a leader in industrial fiber lasers used primarily in material processing applications, including cutting, welding, cleaning and additive manufacturing. IPG is vertically integrated, manufacturing most components used in its products. In-house component production gives IPG a distinctive advantage by enabling it to be a first mover in many applications, control its production costs, reduce product form factors and foster innovation. The cutting segment, its primary market due to technological leadership in high- and ultra-high-power lasers, is facing near-term price competition from Chinese competitors and macro headwinds. However, we are constructive on its welding segment, where IPG has a defensible technological moat in electric vehicle welding applications.

MYR Group is a regional leader in specialty contracting for electrical power and electrical construction. The company's work spans the electrical infrastructure, from power generation to the grid to complicated electrical projects. Furthermore, while utility work ends outside, MYR continues inside buildings, including high and medium voltage, along with complicated low voltage work. We believe MYR Group is a high-quality business serving markets in the early innings of multiyear growth cycles driven by reshoring, the energy transition and grid modernization.

elf Beauty is a cosmetics company focusing on a low price strategy, sizeable social media presence and rapid speed to market. In the core business, it aims to replicate existing prestige products at a lower price along with recognizing new and emerging trends. It currently has around 10% market share of US cosmetic market across its key brands. We believe the company will continue to grow market share in the US and leverage social media to expand into new markets, such as Western Europe as well as India and Latin America. Furthermore, we believe the company has growth potential within its skincare business, where its recent acquisition of Naturium will benefit from elf's innovative distribution model.

We ended our investment campaigns in BlackLine, Shoals Technologies and Freshpet during the quarter. BlackLine offers cloud-based software that automates and manages complex, manual and repetitive accounting processes. We still believe its solutions can lead to cost savings, enhance real-time visibility and improve data integrity. However, recent financial results have been uninspiring, as subscription revenue growth decelerated, and the company indicated that it expected demand to remain muted for the remainder of 2023. We struggled to see a clear path to revenue reacceleration and exited the position to redeploy capital into more attractive opportunities.

Shoals offers prefabricated electrical components used for utility-scale solar projects. The products reduce solar project installation costs by reducing labor and raw materials, driving an immediate return on investment to its customers. We believe Shoals operates within a market that is in the early innings of a long-term penetration story for renewables and growing demand for electricity. However, while the core business has been experiencing strong bookings and shipments, a problem with defective wires has created warranty issues and called into question its quality control practices. Given this uncertainty, we decided to move on.

Freshpet sells refrigerated, fresh pet food. Our thesis is predicated on the company sitting at the intersection of two significant, long-duration trends: health and wellness, and the humanization of pets. It also has a sticky customer base, high barriers to entry and a unique distribution model. However, given a challenging backdrop of consumers trading down and increased promotional activity, we decided to move on as the stock approached our estimate of private market value.

Notable adds in the quarter included CCC Intelligent Solutions, Procore Technologies and Smartsheet. CCC Intelligent Solutions is the largest software as a service (SaaS) provider to both the accident claims process for US insurance companies and the US auto repair facilities market. We believe the company's scale and longevity (founded in 1980) give it knowledge advantages in areas such as expected repair costs, parts availability and repair workflows. Furthermore, as a low-cost provider, the company benefits from insurers' efforts to drive down repair costs and rental car times. We believe the company will drive growth by continuing to cross-sell and up-sell to its legacy customer base, expand its market share and monetize transactions over its platform. The company reported earnings results that were thesis affirming, and we took advantage of a secondary offering to build this Garden℠ position.

Procore Technologies is a construction management software company with several products used for project management, quality and safety, and project financials. Its customers include building owners, general contractors and sub-contractors. Our conviction grew at a recent analyst day event where we spoke with customers and test drove its software applications. Construction is a cyclical industry. However, over time we believe a few factors will help make the company's profit cycle more stable than its end market, including an ongoing digitalization trend within the construction industry, a diverse client base, large backlogs, high customer retention and the ability to cross-sell products that improve efficiency and margins. Furthermore, the company has access to a lot of data and is exploring AI as a way to help customers become more efficient, potentially enhancing its value proposition and pricing power. Recent earnings results highlighted some macro headwinds; however, we used it as an opportunity to build the position given our longer term conviction.

Smartsheet is a highly customizable cloud-based workflow management tool enabling automation and increased productivity across several organizational functions, including information technology, human resources, sales, marketing, operations and finance. Smartsheet replaces traditional workflow management tools and can integrate with Microsoft Teams, Tableau, Slack and other third-party software applications. The company has several notable large enterprises on its platform that are lightly penetrated, and we believe this creates a meaningful runway for adding new users and selling product enhancements. Smartsheet is introducing AI-driven features, which aim to drive enhanced customer productivity. They will also allow the company to capture value through increased revenue per user. After reporting strong earnings results that were thesis affirming, we added to the position.

Notable trims in the quarter included Wingstop, Valmont and Monolithic Power Systems, each of which were discussed earlier.

Stewardship Update

We view robust corporate governance practices as essential to the mitigation of unwarranted risk taking and the fulfillment of sustainable business strategies. However, establishing the parameters of good governance in practice can become a check-the-box exercise that is overly dependent upon board structure and governance statistics.

In 2023, we began incorporating a more structured and detailed assessment of board composition, skills matrices and effectiveness reviews into our engagement activities with portfolio companies. To get beyond the metrics, our conversations focus on the process a board employs to assess the alignment of director skillsets with long-term strategic objectives—specifically, how it determines both when and which new skills or background experiences will be required to ensure the board is able to oversee the next phase of the company's growth.

We are also keenly interested in understanding how a board assesses its own culture and organizational effectiveness as a strategic oversight body. While companies often highlight annual evaluations in their governance documents or proxy filings, disclosure around the underlying components of the process is typically limited. In our engagements with portfolio companies, we endeavor to gain clarity and to better understand the approach and comprehensiveness of the evaluation process, as well as how a board responds to the concerns raised by its directors.

The cumulative set of responses we have received over the last year has greatly enhanced our ability to effectively assess the quality of board-level leadership, strategic oversight and organizational alignment. We have become more adept at discerning whether boards are equipped to deploy thoughtful and robust governance practices that align with a company's long-term strategic objectives.

Perspective

The market continues to be dominated by macroeconomic narratives. The soft versus hard landing debate (and what that means for the interest rate cycle) drove market trading patterns for much of 2023. As we entered Q4, investors were concerned about a higher-for-longer interest rate stance from the Fed, but those fears quickly dissipated as falling inflation and resilient economic data suggested the Fed may be orchestrating a soft landing. This led to a major fall in yields and a rally in equities, which may have pulled forward some expected market returns from 2024.

It is reasonable to assume macro-driven volatility will continue this year, especially given the looming US presidential election. However, our investment process points us toward high-quality franchises with growth drivers that extend beyond short-term market cycles. These powerful trends were clearly on display within the portfolio's information technology holdings in 2023. Specifically, productivity-enhancing software applications continue to see solid growth (albeit at a less torrid pace than during the pandemic) as businesses transform their operations. While software developers are rapidly exploring the power of new generative AI tools, we believe the opportunity for software vendors to expand the power of their solutions via integrated AI is in the early innings. Within semiconductors, despite the cyclical headwinds late in the year, we have high confidence that the secular drivers—data centers, AI, vehicle electrification and industrial automation—will drive solid growth over medium- and long-term horizons.

Health care, as discussed earlier, was an area where our confidence in innovation and secular trends did not translate into strong stock performance in 2023. We think there are several reasons why the sector has been out of favor, including concerns about early-stage biotechnology funding in a higher rate environment, a pullback in China life sciences spending and IRA-related US drug price regulation. However, along with the broader industry headwinds, we also experienced some idiosyncratic disappointments in our health care portfolio, including Argenx, Halozyme and Ascendis.

Any time we experience noticeable underperformance in an economic sector, we work hard to retest our assumptions and challenge ourselves to be open-minded to the possibility that our investment thesis is off target. In some cases, this has led us to reduce positions where new evidence suggested the profit cycle dynamics had deteriorated. But, in most cases, we remain very optimistic about the mid- and long-term profit growth potential of our key health care holdings. For example, we opportunistically added to Exact Sciences after an earnings-related selloff in Q4, maintained our position in Ascendis following the FDA's request for additional manufacturing data in Q2 and added to our position in Repligen in Q3 on the belief that the COVID-19 vaccine overhang would fade. These actions began to bear fruit as the year went on, and we believe our patience with these stocks, along with Halozyme, Shockwave, Argenx and iRhythm, leave our portfolio's health care exposure well positioned entering 2024.

While information technology and health care are the two largest sector exposures in the portfolio, and our conviction in these holdings is high, we always look for growth wherever it's occurring. In 2023, we were very encouraged by our team's ability to find a number of interesting Garden℠ investments within the Internet, consumer and industrial sectors. Some of these recent opportunities have been driven by emerging secular trends, like renewable energy within industrials (MYR Group), and others by taking advantage of depressed valuations in consumer Internet companies coming out of the 2022 growth stock selloff. We have also uncovered idiosyncratic opportunities in a diverse set of high-quality franchises—businesses such as Saia, Duolingo, Crocs and Cava that we believe are early in their profit cycles. Overall, we believe we enter 2024 with attractive opportunities across the sector landscape.

Much uncertainty about the economy's direction remains, but we continue to follow our process to find high-quality franchises with positive profit cycle outlooks. With valuations for growth equities still at reasonable levels, we believe these investments can yield attractive returns for longer term investors across most macroeconomic scenarios.

For more information: Visit www.artisanpartners.com

Investment Risks: 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 and less developed markets, including frontier 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. These risks, among others, are further described in Artisan Partners Form ADV, which is available upon request.

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. References to individual security performance relate to a representative account in the composite. Individual holding periods may differ.

For the purpose of determining the portfolio's holdings, securities of the same issuer are aggregated to determine the weight in the Strategy. The holdings mentioned above comprised the following percentages of a representative account within the Artisan U.S. Small-Cap Growth Strategy Composite's total net assets as of 31 Dec 2023: Lattice Semiconductor Corp 5.9%, Halozyme Therapeutics Inc 5.1%, Ascendis Pharma A/S 4.4%, Argenx SE 4.3%, Monolithic Power Systems Inc 4.0%, Wingstop Inc 3.9%, Shockwave Medical Inc 3.2%, Trex Co Inc 2.4%, Saia Inc 2.1%, Repligen Corp 2.1%, Exact Sciences Corp 2.0%, Valmont Industries Inc 1.9%, Floor & Decor Holdings Inc 1.5%, iRhythm Technologies Inc 1.5%, Procore Technologies Inc 1.4%, Duolingo Inc 1.3%, Five Below Inc 1.3%, CCC Intelligent Solutions Holdings Inc 1.0%, Etsy Inc 0.9%, Smartsheet Inc 0.8%, Crocs Inc 0.7%, IPG Photonics Corp 0.5%, MYR Group Inc 0.5%, Cava Group Inc 0.3%, elf Beauty Inc 0.3%. Securities named in the Commentary, but not listed here are not held in the portfolio as of the date of this report.

Securities referenced may not be representative of all portfolio holdings. Securities of the same issuer are aggregated to determine a holding's portfolio weight. Portfolio statistics calculations exclude outlier data and certain securities which lack applicable attributes, such as private securities. Artisan Partners may substitute information from a related security if unavailable for a particular security. This material is as of the date indicated and is subject to change without notice. Totals may not sum due to rounding.

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.

Net-of-fees composite returns were calculated using the highest model investment advisory fees applicable to portfolios within the composite. Fees may be higher for certain pooled vehicles and the composite may include accounts with performance-based fees. All performance results are net of commissions and transaction costs, and have been presented gross and net of investment advisory fees. Dividend income is recorded net of foreign withholding taxes on ex-dividend date or as soon after the ex-dividend date as the information becomes available to Artisan Partners. Interest income is recorded on the accrual basis. Performance results for the Index include reinvested dividends and are presented net of foreign withholding taxes but, unlike the portfolio's returns, do not reflect the payment of sales commissions or other expenses incurred in the purchase or sale of the securities included in the indices.

Russell 2000® Growth Index measures the performance of US small-cap companies with higher price/book ratios and forecasted growth values. Russell 2000® Index measures the performance of roughly 2,000 US small-cap companies. Russell 1000® Index measures the performance of roughly 1,000 US large-cap companies. Russell 1000® Growth Index measures the performance of US large-cap companies with higher price/book ratios and forecasted growth values. Russell 1000® Value Index measures the performance of US large-cap companies with lower price/book ratios and forecasted growth values. MSCI All Country World Index measures the performance of developed and emerging markets. MSCI All Country World Small Cap Index measures the performance of small-cap companies in developed and emerging markets. MSCI EAFE Index measures the performance of developed markets, excluding the US and Canada. MSCI Emerging Markets Index measures the performance of emerging markets. Russell 2000® Value Index measures the performance of US small-cap companies with lower price/book ratios and forecasted growth values. Russell Midcap® Index measures the performance of roughly 800 US mid-cap companies. Russell Midcap® Growth Index measures the performance of US mid-cap companies with higher price/book ratios and forecasted growth values. Russell Midcap® Value Index measures the performance of US mid-cap companies with lower price/book ratios and forecasted growth values. 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 manager as of 31 Dec 2023. Those views and portfolio holdings are subject to change and Artisan Partners disclaims any obligation to advise investors of such changes. The discussion of portfolio holdings does not constitute a recommendation of any individual 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.

Our capital allocation process is designed to build position size according to our conviction. Portfolio holdings develop through three stages: Garden℠, Crop℠ and Harvest℠. Garden℠ 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. Crop℠ investments are holdings where we have gained conviction in the company's profit cycle, so positions are larger. Harvest℠ investments are holdings that have exceeded our estimate of intrinsic value or holdings where there is a deceleration in the company's profit cycle. Harvest℠ investments are generally being reduced or sold from the portfolios.

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.

Artisan Partners Limited Partnership (APLP) is an investment adviser registered with the U.S. Securities and Exchange Commission (SEC). Artisan Partners UK LLP (APUK) is authorized and regulated by the Financial Conduct Authority and is a registered investment adviser with the SEC. APEL Financial Distribution Services Limited (AP Europe) is regulated by the Central Bank of Ireland. APLP, APUK and AP Europe are collectively, with their parent company and affiliates, referred to as Artisan Partners herein. Artisan Partners is not registered, authorised or eligible for an exemption from registration in all jurisdictions. Therefore, services described herein may not be available in certain jurisdictions. This material does not constitute an offer or solicitation where such actions are not authorised or lawful, and in some cases may only be provided at the initiative of the prospect. Further limitations on the availability of products or services described herein may be imposed.

This material is only intended for investors which meet qualifications as institutional investors as defined in the applicable jurisdiction where this material is received, which includes only *Professional Clients* or *Eligible Counterparties* as defined by the Markets in Financial Instruments Directive (MiFID) where this material is issued by APUK or AP Europe. This material is not for use by retail investors and may not be reproduced or distributed without Artisan Partners' permission.

In the United Kingdom, issued by APUK, 25 St. James's St., Floor 3, London SW1A 1HA, registered in England and Wales (LLP No. OC351201). Registered office: Reading Bridge House, Floor 4, George St., Reading, Berkshire RG1 8LS. In Ireland, issued by AP Europe, Fitzwilliam Hall, Fitzwilliam Pl, Ste. 202, Dublin 2, D02 T292. Registered office: 70 Sir John Rogerson's Quay, Dublin 2, D02 R296 (Company No. 637966).

Australia: This material is directed at wholesale clients only and is not intended for, or to be relied upon by, private individuals or retail investors. Artisan Partners Australia Pty Ltd is a representative of APLP (ARBN 153 777 292) and APUK (ARBN 603 522 649). APLP and APUK are respectively regulated under US and UK laws which differ from Australian laws and are exempt from the requirement to hold an Australian financial services license under the Australian Corporations Act 2001 in respect to financial services provided in Australia.

A R T I S A N P A R T N E R S