



# Artisan Value Equity Strategy

## QUARTERLY Fact Sheet

As of 30 June 2024

For Institutional Investors – Not for Onward Distribution

### Investment Process Highlights

The investment team seeks to invest in companies that are undervalued, in solid financial condition and have attractive business economics. The team believes that companies with these characteristics are less likely to experience eroding values over the long term.

#### Attractive Valuation

- Distinct discount to intrinsic value
- Low expectations
- Favorable risk/reward

#### Sound Financial Condition

- Focus on financial flexibility and liquidity
- Seek to protect capital in difficult environments
- Allows management to pursue value-enhancing initiatives

#### Attractive Business Economics

- Focus on free cash flow and return on capital capabilities
- Ability to grow underlying business value
- Avoid “value traps”

Sector Diversification (% of portfolio securities)	Strategy	R1V <sup>1</sup>	Index
Communication Services	15.5	4.5	
Consumer Discretionary	6.5	4.7	
Consumer Staples	14.9	7.9	
Energy	5.4	8.0	
Financials	27.4	22.9	
Health Care	14.0	13.9	
Industrials	10.0	14.3	
Information Technology	6.2	9.5	
Materials	0.0	4.7	
Real Estate	0.0	4.6	
Utilities	0.0	5.0	
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	

Source: Artisan Partners/GICS/Russell. Cash and cash equivalents represented 4.2% of the total portfolio. <sup>1</sup>Russell 1000® Value Index.

### Investment Results (% USD)

As of 30 June 2024	Average Annual Total Returns						
	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Composite — Gross	-1.93	6.78	15.20	8.46	13.47	9.96	9.54
Composite — Net	-2.09	6.42	14.42	7.73	12.70	9.21	8.72
Russell 1000® Value Index	-2.17	6.62	13.06	5.52	9.00	8.22	7.82
Russell 1000® Index	3.57	14.24	23.88	8.73	14.59	12.50	10.45

### Annual Returns (% USD) Trailing 12 months ended 30 June

	2020	2021	2022	2023	2024
Composite — Net	-6.18	55.10	-10.94	22.71	14.42

### Calendar Year Returns (% USD)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Composite — Gross	5.90	-8.30	30.22	16.99	-13.73	31.39	10.86	24.43	-8.21	25.54
Composite — Net	5.17	-8.94	29.33	16.20	-14.34	30.51	10.10	23.60	-8.84	24.70
Russell 1000® Value Index	13.45	-3.83	17.34	13.66	-8.27	26.54	2.80	25.16	-7.54	11.46
Russell 1000® Index	13.24	0.92	12.05	21.69	-4.78	31.43	20.96	26.45	-19.13	26.53

Source: Artisan Partners/Russell. Returns for periods less than one year are not annualized.

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 on the next page, which should be read in conjunction with this material.

### Portfolio Details

Composite Inception	1 July 2005
Total AUM (USD Millions)	\$4,555

### Portfolio Statistics

	Strategy	R1V <sup>1</sup>
Median Market Cap (USD Billions)	\$76.0	\$12.7
Weighted Avg. Market Cap (USD Billions)	\$264.6	\$158.3
Weighted Harmonic Avg. P/E (FY1)	15.7X	16.3X
Weighted Harmonic Avg. P/E (FY2)	14.0X	14.5X
Median Price/Book Value	2.6X	2.5X
Median ROE	15.8%	11.2%
Median Fixed Charge Coverage Ratio	7.9X	4.5X
Active Share	86.8%	—
Annual Turnover <sup>2</sup>	26.5%	—
Number of Securities	42	846

Source: Artisan Partners/FactSet/Russell. <sup>1</sup>Russell 1000® Value Index. <sup>2</sup>For the 12 months ended 31 Dec 2023.

### Top 10 Holdings (% of total portfolio)

Alphabet Inc (Communication Services)	4.1
Meta Platforms Inc (Communication Services)	3.9
The Goldman Sachs Group Inc (Financials)	3.2
Humana Inc (Health Care)	3.0
Arch Capital Group Ltd (Financials)	3.0
Diageo PLC (Consumer Staples)	2.9
EOG Resources Inc (Energy)	2.8
Comcast Corp (Communication Services)	2.8
Kerry Group PLC (Consumer Staples)	2.7
Heineken Holding NV (Consumer Staples)	2.7
<b>TOTAL</b>	<b>31.0%</b>

Source: Artisan Partners/GICS.

# Artisan Value Equity Strategy

## Team Leadership

Portfolio Managers	Years of Investment Experience
Thomas A. Reynolds IV	25
Daniel L. Kane, CFA	26
Craig Inman, CFA	25

## Market Cap Distribution (% of portfolio securities)

\$ USD in billions	Strategy	R1V <sup>1</sup>
204.0+	18.6	22.5
114.0–204.0	20.8	21.0
50.0–114.0	38.5	19.6
21.0–50.0	16.9	18.0
0.0–21.0	5.2	18.9
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Artisan Partners/Russell. <sup>1</sup>Russell 1000® Value Index.

## Portfolio Construction

- Typically 30–40 holdings
- Maximum position size generally 5%<sup>1</sup>
- Position sizes determined in part by how well a company meets the team's margin of safety criteria
- Attention to economic exposure
- Typically less than 15% cash

Based on a model portfolio. <sup>1</sup>Limitations apply at the time of purchase. **Margin of Safety**, a concept developed by Benjamin Graham, is the difference between the market price and the estimated intrinsic value of a business. A large margin of safety may help guard against permanent capital loss and improve the probability of capital appreciation. Margin of safety does not prevent market loss—all investments contain risk and may lose value.

**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. Value 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.

The Artisan Strategy characteristics relate to that of a representative account managed within an investment composite. It is intended to provide a general illustration of the investment strategy and considerations used by Artisan Partners in managing that strategy, unless otherwise indicated. 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.

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.

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 1000® Value Index measures the performance of US large-cap companies with lower price/book ratios and forecasted growth values. Russell 1000® Index measures the performance of roughly 1,000 US large-cap companies. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

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Sector exposure percentages reflect sector designations as currently classified by GICS.

**Price-to-Earnings Ratio (P/E Ratio)** measures how expensive a stock is. Earnings figures used for FY1 and FY2 are estimates for the current and next unreported fiscal years. **Price-to-Book Ratio (P/B Ratio)** measures a company's stock price in relation to its book value (the total amount a company would be worth if it liquidated its assets and paid back all its liabilities). **Fixed Charge Coverage Ratio** indicates a firm's ability to satisfy fixed financing expenses, such as interest and leases. **Active Share** is the percentage of a portfolio that differs from its benchmark. Active Share can range from 0% for an index fund to 100% for a portfolio with no overlap with an index. **Annual Turnover** is a measure of the trading activity in an investment portfolio—how often securities are bought and sold by a portfolio.

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