ARTISAN PARTNERS GROWTH TEAM

Annual Sustainability Report

2021

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

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A Message from Our Portfolio Managers

The consideration of environmental, social and governance factors gained further prominence within the investment management industry in 2021. Rarely did a day go by without noteworthy news on climate change, data privacy, workplace diversity and human rights risks in the global supply chain. Flows into funds with sustainability mandates hit a record high in just the first three quarters of the year. Political, social and investor pressure spurred debates which have resulted in new ESG-related regulation and cultural norms in the US and abroad.

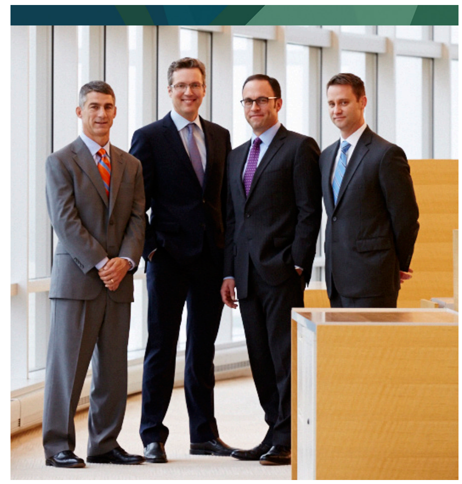
More recently, the enthusiasm has started to cool. Changing monetary policy and supply chain difficulties have led to meaningful share price declines for some renewable energy and battery electric vehicle companies while commodity prices and fossil fuel equities have soared. The US government's Build Back Better legislation—which includes tax cuts for electric vehicles and other climate incentives—has seemingly failed. Meanwhile, concerns are rising that corporate and investor greenwashing are eroding confidence in the private sector's commitment to stakeholder capitalism.

Our commitment to incorporate ESG considerations into our investment process is steadfast. We have never assumed corporate sensitivity to ESG is 100% genuine or sufficient without government policies and shareholder involvement to address our global society's challenges. Furthermore, our ESG framework does not require us to pursue speculative early-stage investments on the right side of ESG while ignoring attractive but "ESG complicated" businesses. We believe all companies have room for improvement in these areas. Studying ESG risks and opportunities helps us make better investment decisions, and evaluating a management team's ability to make forward progress on ESG issues is an excellent window into a company's overall ability to adapt to changing situations and new challenges.

2021 marked the third year of our ESG journey, and a key initiative was knowledge development. We conducted several education series focused on modern slavery, climate change and engagement techniques. Our time was well spent as we are more equipped to ask our management teams better questions to identify when these risks are present. We believe a deep familiarity with the material ESG-related risks to society and our global economy are key to avoiding permanent capital impairment and achieving desirable outcomes in our engagement activities.

Modern slavery, climate change and diversity, equity and inclusion (DEI) were three areas of risk and common engagement topics this year. These represent potential financial and human risks within the portfolios as well as areas of focus for our clients and society. Our holdings are in various stages of their ESG journeys, and engaging on these topics was a useful exercise to assess companies' ESG direction of travel, to learn more about corporate best practices and to share what we have learned across our team's many holdings.

Enclosed is our second annual sustainability report. We are proud of the accomplishments we have made over the past three years, and we believe our efforts this year have elevated our approach. We look forward to sharing updates throughout the year.



From left to right:
James Hamel, Craigh Cepukenas, Matthew Kamm, Jason White, Jay Warner (not pictured)

Sincerely,

Matthew H. Kamm
Lead Portfolio Manager
Mid Cap Growth

James D. Hamel
Lead Portfolio Manager
Global Opportunities

Craigh A. Cepukenas
Lead Portfolio Manager
Small Cap Growth

Jason L. White
Lead Portfolio Manager
Global Discovery

Jay C. Warner
Portfolio Manager

Our Approach to ESG

We are stewards of our clients' capital and our mandate is to compound that capital while limiting permanent impairment. The integration of environmental, social and governance (ESG) factors into our investment process plays an important role in fulfilling this obligation.

We believe a balanced perspective in managing varied stakeholder interests can enable companies to grow sustainably and avoid negative consequential outcomes—operational, reputational, regulatory, or otherwise. When we embarked on our ESG journey in 2019, we established a set of principles to guide our approach.

GUIDING PRINCIPLES

01 We believe integrating the evaluation of ESG exposures into our investment process provides a more holistic understanding of a company and **improves our risk/reward assessment** for each of our portfolio holdings.

02 We utilize a **structured and process-led approach** to align our ESG assessments with our investment process, which ensures consistency and repeatability.

03 ESG assessments are more relevant when **led by our analysts, who are sector specialists possessing deep, global knowledge of the industries they cover**. We believe our analysts and portfolio managers collectively are best positioned to contextualize ESG risks and opportunities within a company's profit cycle dynamic.

04 **Direction of travel** is a core tenet of our approach to ESG. We believe a company's ESG awareness, intent and action are just as important as where a company sits on the ESG spectrum at a given point in time.

05 We seek to be **long-term shareholders and active owners**, which requires proactive stewardship through engagement and proxy voting activities. Collaborative engagements, especially with companies early in their ESG journeys, provide significant opportunities to facilitate improvement over time.

Integration

Our two-stage ESG framework supports our investment process throughout the lifecycle of an investment campaign—from security selection to capital allocation—as we gain conviction in a company's profit cycle and clarify its ESG exposures.

STAGE 1

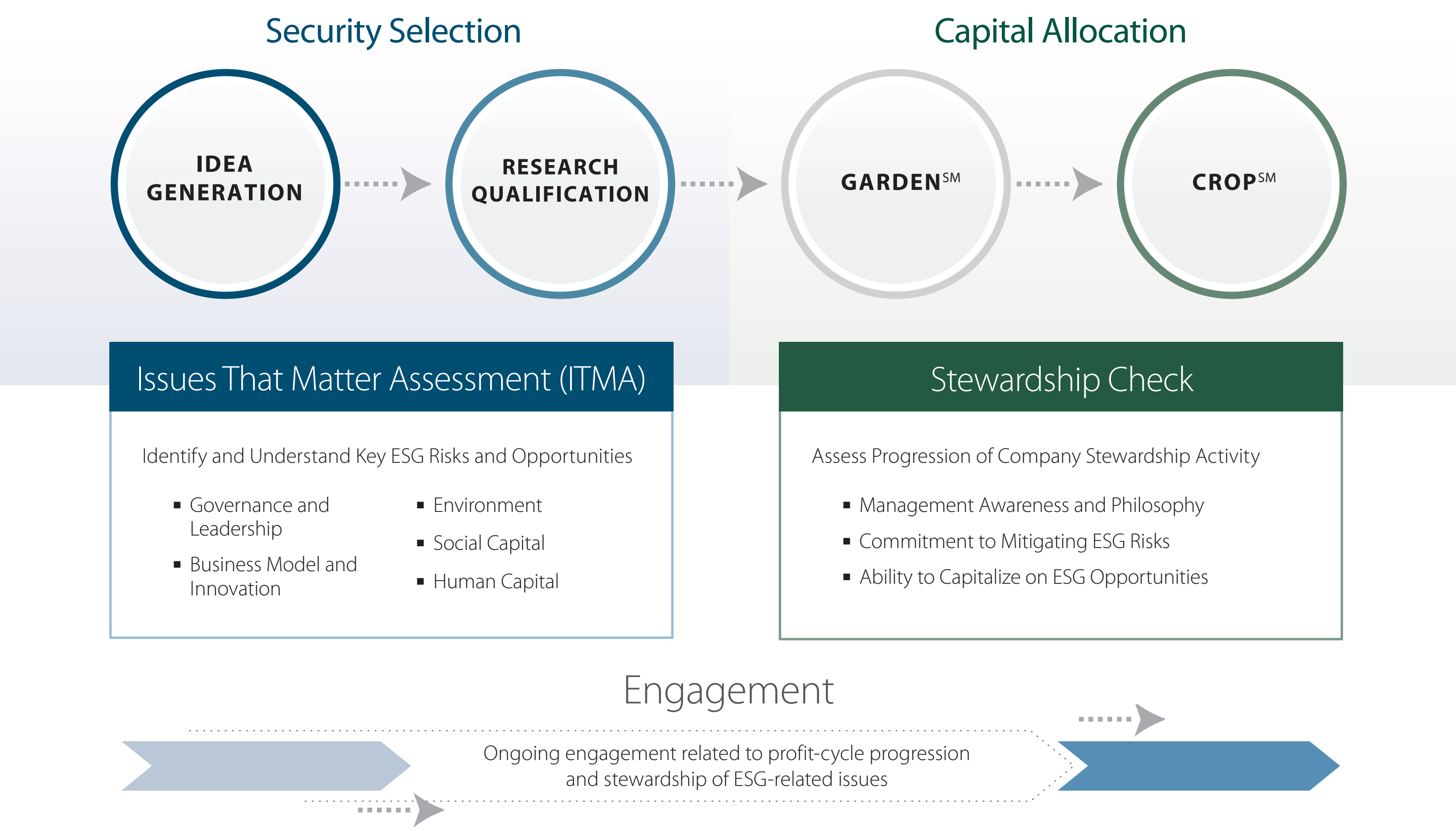
Issues That Matter Assessment (ITMA)

ITMAs explicitly identify key ESG risks and opportunities in the security selection portion of our investment process. These qualitative assessments help us identify any controversies or concerns that could prevent us from adding a stock to our portfolios, and ESG topics where engagement may be needed (Stage 2). Furthermore, they can impact our holdings' risk ratings—affecting our estimate of private market value (positively or negatively), which is used to help guide our valuation discipline. ITMAs are guided by SASB's Sustainable Industry Classification System® and the SASB Materiality Map®

STAGE 2

Stewardship Check

Paired with tracking a company's profit cycle progression, the Stewardship Check is an ongoing iterative evaluation used to help guide our capital allocation as we learn more about outstanding ESG issues over time. We are seeking to understand management's ESG awareness and intention, gain clarity on the risks and opportunities identified in our ITMAs, assess the company's direction of travel on ESG matters and provide feedback as appropriate. As our outlook on a company evolves, our risk ratings may be adjusted positively or negatively to account for any additional insights. This stage begins once an idea is research-qualified and becomes a Garden℠ position in one of our portfolios.



Source: Artisan Partners

Knowledge Development Efforts

In 2021, we focused on modern slavery within the global supply chain and climate change—two important areas of risk within our portfolios—and improved our engagement approach through several educational seminars.

ESG topics are broad, complex and dynamic, and our assessment approach starts with the fundamental industry expertise of our analysts. Most of these individuals have over a decade of investing experience and oftentimes, they have spent several years working in the industries they cover. While ESG is not new, awareness around these issues has increased meaningfully in recent years, prompting us to build our expertise. In 2021, we focused on modern slavery within the global supply chain and climate change—two important areas of risk within our portfolios—and improved our engagement approach through several educational seminars.

Climate Education Series

Our climate series included a climate scientist who focused on educating our team on the scientific evidence underpinning climate change and the associated physical and human risks. Subsequent sessions with other sustainability experts focused on assessing the potential financial impacts of transition and physical risks related to climate change. We also discussed engagement strategies to better evaluate and influence our portfolio holdings' direction of travel on climate risk management. We used these learnings to identify and engage with several companies in 2H21 (discussed further in the engagement section).

Modern Slavery Series

Our modern slavery series included sessions with third-party experts and an institutional client. Initial third-party sessions enhanced our general awareness of human rights issues throughout the global supply chain and strengthened our ability to identify potential modern slavery exposures and evaluate companies' risk mitigation efforts. Our collaboration with a client domiciled in Australia—where reporting on modern slavery risks and mitigation efforts is mandated by law—gave us perspective on how they assess and engage on the risks within their own portfolios and what expectations they have for us as fiduciaries of their capital. Following these sessions, we identified holdings across our team's four strategies whose supply chains could be at an elevated risk for modern slavery. We then conducted engagements to further evaluate companies' awareness, intent and capabilities to manage and mitigate their exposures (discussed further in the engagement section).

Engagement Technique Series

In addition to the two topical tracks, we held sessions covering engagement techniques. Conversations around human rights risks, climate change or diversity, equity and inclusion require their own unique question roadmaps and conversation management techniques. As such, we worked with a consultant to improve our approach. This time proved well spent as we have since experienced more productive and engaging conversations.

We plan to add data security and circularity to our education series in 2022.

Looking Ahead

Heading into 2022, we feel more equipped to identify and evaluate climate change and modern slavery risks among our portfolio holdings and ask better questions in our engagements—leading to richer discussions with our holdings and a better understanding of their sustainability intentions and capabilities. Knowledge development is continuous, and we look forward to learning as we prioritize additional areas for education and training. In 2022, we plan to add team education around topics such as data security and circularity.

Climate Change

We initiated an outreach effort to better understand how our holdings are managing climate change risks and opportunities.

Key Integration Efforts in 2021—Knowledge Development, Data Analysis and Engagement

Climate change is a priority for our ESG integration efforts, and we are focused on continuously improving our approach. In 2020 we rolled out a climate impact reporting solution (ISS) to provide a baseline understanding of our portfolios' carbon footprints. This report enabled us to identify outliers related to carbon emissions disclosures and reduction targets in accordance with international climate action goals.

In 2021, we focused on knowledge development, data analysis and engagement. We took several steps to improve our climate change acumen and assessment skillset (see knowledge development section). We also performed foundational work to deepen our climate change analyses. This included selecting an additional data platform, which will enable us to conduct more structured assessments of transitional and physical risks, including climate-related scenario and alignment analyses both at the individual holding and portfolio levels. Lastly, we initiated an outreach effort to better understand how our holdings are managing climate change risks and opportunities (additional details in the engagement section).

Looking Ahead—Putting Structure Around Our Approach

We plan to build upon this progress in 2022 with the objective of integrating a more structured approach to assessing climate change risks into our investment process. We are encouraged by our progress over the last three years, though acknowledge our commitment to affecting awareness and action against climate change and its impacts requires further knowledge development and ongoing dialogue with our portfolio holdings.

Portfolio Carbon Footprints Are Well-Below Their Benchmarks

Our growth-oriented investment process is guided by stock selection criteria that tends to lead us to investments in less asset- and carbon-intensive industries. However, this does not lessen our ambition nor our responsibility to ensure our holdings are managing the risks associated with climate change and taking action to affect the transition to a low-carbon economy.

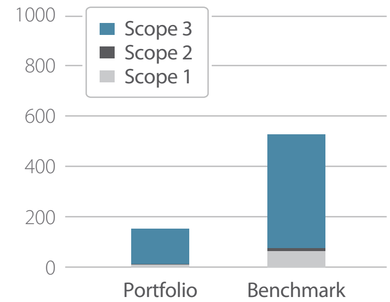
Our emissions exposures increased across all four portfolios in 2021, primarily due to methodology changes by ISS to more comprehensively model Scope 3 emissions. As more companies begin measuring and disclosing emission data—particularly Scope 3 data—we anticipate changes to our reported carbon footprint as the various data providers refine their methodologies to incorporate more reported data versus modeled estimates.

Carbon Footprints per $1 Million Invested

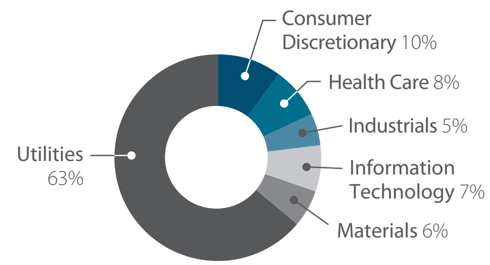
Artisan Partners Growth Team Strategies

GLOBAL OPPORTUNITIES

Emissions Exposure (tCO_2e)

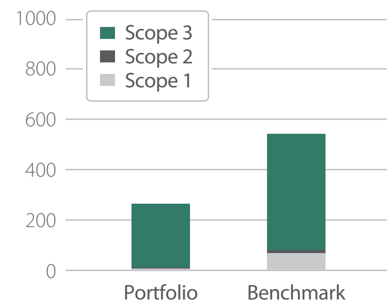


Sector Contributions to Emissions[1]

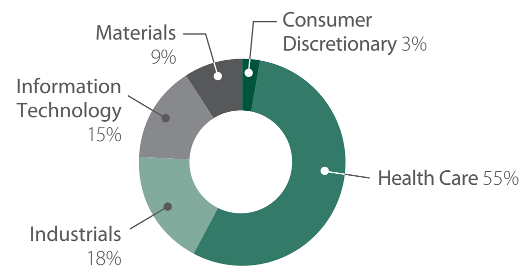


GLOBAL DISCOVERY

Emissions Exposure (tCO_2e)

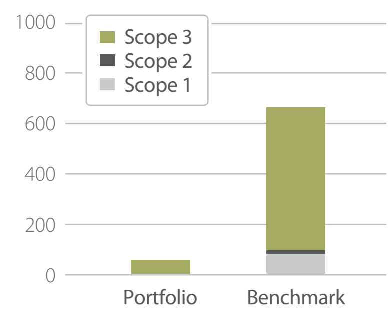


Sector Contributions to Emissions[1]

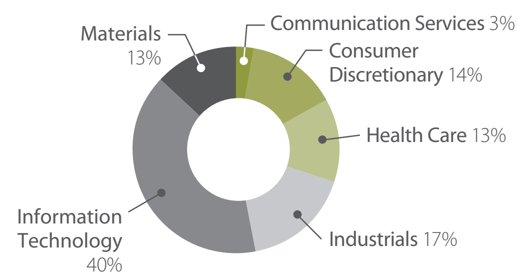


U.S. MID-CAP GROWTH

Emissions Exposure (tCO_2e)

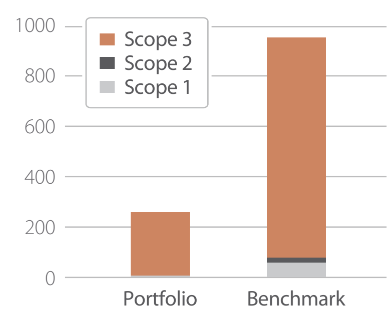


Sector Contributions to Emissions[1]

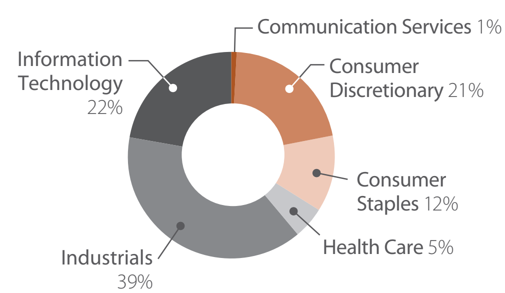


U.S. SMALL-CAP GROWTH

Emissions Exposure (tCO_2e)



Sector Contributions to Emissions[1]



Source: ISS Climate Impact Assessment reports. Data as of 12/31/21. Figures based on a representative account in the Strategy composites. Benchmarks for Global Discovery and Global Opportunities Strategies are the MSCI AC World Index. Benchmarks for U.S. Small-Cap Growth and U.S. Mid-Cap Growth Strategies are the Russell 2000® Index and Russell Mid Cap® Index. Emissions exposures are based on each $1 million invested and each benchmark assumes the same dollar investment (or AUM) as each portfolio. Company level emissions exposures are then determined by calculating an ownership ratio (dollar value of investment over the market cap) and multiplied by the company level emissions. If a portfolio owns 1% of company x, the portfolio owns 1% of company x's emissions. Scope 1 covers direct emissions from company owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased energy from a utility company, including electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company's value chain. [1]Emissions contributions for all other portfolio sectors is less than 1% for each sector.

Stewardship

We seek to be long-term shareholders and active owners, which requires proactive engagement and proxy voting activities. With direction of travel core to our ESG philosophy, our engagement activities are conducted with the understanding that change is often gradual, and we encourage and expect our portfolio holdings to incrementally improve their management of ESG risks and opportunities over time.

Our engagements are collaborative—we aim to have a productive dialogue around material ESG issues, sharing our perspective and seeking to understand management's.

We interact with our portfolio companies quite frequently, with a primary focus on profit cycle, industry and competitive trends related to our investment theses. While ESG factors may be addressed during any of these interactions, we believe it is important to conduct standalone ESG engagements. Our initial ESG engagements seek to clarify and validate what we discover in our ITMAs. We also assess a company's "ESG IQ" (i.e., ESG-related awareness and intention), organizational culture and direction of travel on ESG issues—evaluations which are qualitative in nature and are often difficult to discern through a review of company disclosures or external third-party rating services alone. Our goal is to establish a collaborative dialogue and share our perspective on a company's material ESG exposures.

2021 Engagements

We conducted over 60 ESG-specific engagements in 2021 with a focus on modern slavery, DEI and climate change. We also had an opportunity to be a helpful resource to companies who are much earlier in their ESG journeys—advising on how to approach ESG materiality and ESG-related disclosures—several of which proactively reached out to us to understand our expectations as shareholders.

We conducted over 60 ESG-specific engagements in 2021 with a focus on modern slavery, DEI and climate change.

Modern Slavery Engagements

Modern slavery is a global issue existing largely in obscurity. The inherent power differential and often coercive nature of the relationship between employer and "employee," coupled with the lack of motivation or ability of local governments to prevent its occurrence, often means modern slavery is hidden in plain sight.

Today's contemporary form of enslavement is pervasive due to the seemingly never-ending pressure to squeeze costs out of the global supply chain paired with the exploitation of vulnerable populations to meet this demand. The Global Slavery Index states "an estimated 40.3 million men, women, and children were victims of modern slavery on any given day in 2016. Of these, 24.9 million people were in forced labor and 15.4 million people were living in a forced marriage. Women and girls are vastly over-represented, making up 71 percent of victims. Modern slavery is most prevalent in Africa, followed by the Asia and the Pacific region." This issue, however, is not isolated to developing countries. While the United States has a lower incident rate, it is estimated that over 400,000 people are subject to modern slavery.

Most of our companies are in the early stages of developing methods to detect, monitor and report on management practices of their supply chain partners, requiring continued discourse.

Our Approach

Modern slavery risk should not be evaluated through a lens of financial materiality alone. Thus, more progressive regulatory frameworks emphasize the human risks of modern slavery versus the financial ones. We take both into consideration when we assess our holdings.

In 2021, we prioritized engagement opportunities among our holdings in the apparel and technology hardware sectors—though we did engage with companies outside of these sectors where appropriate. The nature of our conversations varied across companies given their industries, sizes and/or geographic orientation. Modern slavery is misunderstood by many companies who tend to focus on the more extreme examples of forced labor. Thus, we evolved our approach to utilize language oriented around human rights risks, which naturally incorporated a broader interpretation of modern slavery. While a select few of our portfolio companies have comprehensive programs, most are in the early stages of developing methods to detect, monitor and report on the management practices of their supply chain partners—requiring continued discourse over time for us to track progress.

We had opportunities to be a helpful resource to companies who are much earlier in their ESG journeys, many of which reached out to us proactively.

Rising Awareness of Forced Labor and the Treatment of Uyghurs in Xinjiang

In 2020, The Australian Strategic Policy Institute (ASPI) published a report titled "Uyghurs for Sale." This linked some of our portfolio holdings to factories participating in labor transfer programs sending up to 80,000 Uyghurs out of Xinjiang to work in apparel and tech factories.

The ASPI's "Uyghurs for Sale" report prompted us to engage with several holdings to understand how they're managing modern slavery risks within their global supply chains.

While modern slavery encompasses a wide range of human rights violations, the allegations around the treatment of the Uyghur population are particularly severe and have been defined as genocide by several Non-Governmental Organizations (NGOs) and governments. In response, several countries and regions—EU, US, UK, Canada—imposed sanctions on China and Chinese companies in the clothing and tech supply chain over human rights violations. The issue further escalated in March 2021, when an online cohort of Chinese consumers called for boycotts of H&M and several other western brands who had previously made public statements condemning forced labor and other human rights abuses in the Xinjiang region.

At the time of the 2020 ASPI report, we were beginning to build out a more formal approach to assessing supply chain and modern slavery risks. We flagged the issue for follow up and began engaging with holdings in 2021.

China Based Apparel Retailer Engagements

We engaged over the course of several meetings. While western brands were distancing themselves from the Xinjiang region, this brand was committed to sourcing from Xinjiang. Our interactions with the company shed light on its increased efforts to identify and mitigate modern slavery risks within its supply chain, including a recently published corporate social responsibility manual outlining the relevant guidelines and objectives to achieve a responsible supply chain. In addition, new auditing and monitoring tools were recently implemented to increase its supplier oversight. When asked about the allegations within the ASPI report, the company denied utilizing the suppliers mentioned.

Over the course of our engagements, the company reiterated its commitment to source from Xinjiang and stated it had never identified instances of forced labor within its supply chain. This claim raised doubt on the company's detection mechanisms. Furthermore, management was reticent to discuss the broader allegations around treatment of the Uyghur population in China and the associated state-sponsored labor transfer programs.

We ultimately decided to exit our position as we did not believe we would receive the transparency needed to productively engage on issues specific to the Xinjiang region over time. In addition, the shares were approaching our estimate of private market value, heightening the potential downside risk should future allegations come to light.

European Domiciled Apparel Retailer Engagement

While this European-domiciled retailer is an industry leader in disclosure, we suggested it provide stakeholders with additional insight—the types, frequency and, where appropriate, the details of identified incidents as well as corresponding remediation statuses.

Given this company's size and maturity, it provides more disclosure and has more detection mechanisms in place to manage the risk of modern slavery within its supply chain than the previous retailer. This includes a long-standing supplier code of conduct, a responsible purchasing policy and the disclosure of its Tier 1 supplier list. In its sustainability report, the company outlines social and environmental key performance indicators it tracks within its supplier base, multiple worker grievance mechanisms and an overview of audit results. The company also participates in numerous sector initiatives around human rights, fair income, product sourcing and environmental impact. Its supply chain is also quite consolidated, enabling it to develop closer partnerships with its suppliers on topics such as modern slavery and sustainability overall. Finally, the company emphasized the importance of industry collaboration on detection and reporting as many suppliers are shared across multiple retailers.

The company conducted its own investigations after ASPI's discoveries were published and did not find ties to the factories mentioned in the report. It also stated it had not sourced from the Xinjiang region in many years. However, the company acknowledged the prevalence of modern slavery in the industry overall and shared examples of issues it had detected over the years and its approach to remediation.

While the company is an industry leader in disclosure, we suggested it provide stakeholders with additional insight. This included the types, frequency and, where appropriate, the details of identified incidents. Furthermore, we suggested it provide the corresponding remediation statuses so stakeholders can gain insight into the frequency and severity of identified incidents and track improvements over time.

An effective culture is not just a tagline in a mission statement or a corporate policy, it is observable in actions and behaviors. If the mission statement is the why, culture is the how.

Diversity, Equity & Inclusion Engagements

We believe culture is a key determinant in the long-term sustainability of any organization. Every organization has a culture, but not every culture is effective. Moreover, the distinction is not always obvious. An effective culture is not just a tagline in a mission statement or a corporate policy, it is observable in actions and behaviors.

If the mission statement is the why, culture is the how. Culture determines the way a company walks through the world, reflecting the collective engagement and intention of an organization pursuing a common direction. A dysfunctional culture is unsustainable and often leads to operational missteps and reputational damage that can affect a company's ability to recruit and retain talent. Most successful organizations are managed by leaders who are intentional about prioritizing and cultivating culture. We believe a company's approach to diversity, equity and inclusion (DEI) can provide meaningful insight into how intentional and successful it can be in developing its organizational culture.

While the concept of DEI is certainly not new, it is receiving increased attention by companies and the financial markets. We believe this reflects a broader shift in societal focus and sensitivity following a prolonged period of high-profile incidents involving sexual harassment and racial and gender discrimination. In response to some of these events, many companies have put out statements supporting DEI only to hear their employees found them disingenuous. This led some to reflect on whether the culture of their organizations aligns with stated missions and values.

The pandemic complicated this backdrop as work from home and the near shutdown of broad swathes of the economy forced or prompted workers to change locations, careers or both. This labor force shift and change in worker preferences has increased the importance of DEI as companies need to provide an internal culture which enables them to recruit, retain and promote the right talent.

We believe a company's approach to diversity, equity and inclusion (DEI) can provide meaningful insight into how intentional and successful it can be in developing its organizational culture.

Our Approach

Our DEI engagements seek to understand not only recruitment and hiring processes, but also the work environment. We want companies to ensure their employees can be their best and most productive selves. We seek to understand how companies make decisions around internal leadership training and promotions and how they reflect on and internalize feedback received through employee engagement surveys and exit interviews.

Increasing diversity and building effective equity and inclusion programs across an entire organization requires intention and focus. While most companies we spoke with in 2021 have initiatives around DEI, we found notable differences in diversity statistics between executive-level management and mainline employees. Because meaningful improvement of organizational DEI takes time, it will remain a priority topic in our future engagement. Along these lines, we made DEI related updates to our proxy voting policy and encouraged our holdings to publicly disclose DEI data in 2021. Additional details on these efforts can be found in the proxy section of this report.

The pandemic-induced labor force shift and change in worker preferences has increased the importance of DEI as companies need to provide an internal culture which enables them to recruit, retain and promote the right talent.

Culture Case Study

HubSpot is a company we have owned for several years and is currently held within all four of our portfolios. The company has published an annual diversity, inclusion and belonging report since 2017. It also has a "culture code" linking the importance of diversity and inclusion to its culture. As external shareholders, we will never fully understand the inner workings of the company, but the following statements from their culture code along with multiple conversations over the years give us a better appreciation for the focus and intention they give to curating culture:

Compromising on culture is mortgaging the future. It's reasonable to want to hire for skills and experience when the need is painfully acute. It's reasonable. But it's also wrong. The interest rate on culture debt is crushingly high.

We aspire to build a company that reflects the diversity of our customers. FOUNDER'S CONFESSION: It's an aspiration we wish we had prioritized a long time ago. Like, when we first started the company. The best time to build with diversity: time t=0. The next best time: t=Now.

Board Diversity Engagement Update

In our 2020 sustainability report, we highlighted a semiconductor company engagement related to board composition and corporate governance. At the time, its board of directors was relatively small, and 83% of the directors had served more than 10 years. We identified board diversity as a primary concern as female representation had been absent since 2016. The company felt the current composition was effective and it did not want to replace directors, though we did not let this deter us from encouraging it to consider expanding the size to bring in new diverse candidates given well-documented benefits.

As we headed into the 2021 proxy season, we were encouraged to learn the company was actively searching for a new female director, but the search had been hampered by the pandemic and the position was unfilled. Fortunately, the company announced the appointment of a female director shortly before the annual meeting. While it's difficult to determine if our engagement alone drove this decision, we believe the outcome shows the potential to influence positive change over time.

Climate Change Engagements

If a company is not discussing or disclosing its carbon emissions, we question its level of climate change awareness. Beyond awareness, there's intent, which we gauge by looking at a company's long-term reduction targets.

We believe it is imperative to have conversations with our portfolio holdings to understand how they think about climate change and their intentions to address it. If a company is not discussing or disclosing its carbon emissions, we question its level of climate change awareness. Beyond awareness, there's intent, which we gauge by looking at a company's long-term reduction targets.

In 2021, we identified companies with large contributions to each of our portfolios' carbon footprints, and among them, prioritized engagements with those who lack comprehensive emissions data disclosures and/or ambitious reduction targets. Our engagements were focused on awareness, disclosure transparency and intentionality around climate action. They also included the following specific discussion topics:

- Governance over climate risk.
- Limitations in measuring and disclosing emissions data or setting reduction targets, and the steps being taken to overcome them.
- In instances where targets have been put into place, reviewing action plans and challenges associated with meeting them.
- Establishing science-based targets and reporting against the Task Force for Climate Related Financial Disclosure (TCFD) framework.

Our engagements were focused on awareness, disclosure transparency and intentionality around climate action.

	Total Holdings	% Reporting Emissions	% Setting Targets	% Setting SBTi Targets
Global Opportunities	46	78%	67%	37%
Global Discovery	63	49%	37%	19%
U.S. Mid-Cap Growth	64	41%	27%	14%
U.S. Small-Cap Growth	66	15%	2%	0%

Source: ISS. As of 31 December 2021. Figures based on a representative account in the Strategy composites.

Our conversations varied. Some companies were skeptical about the applicability of science-based targets given their industry, business model or maturation stage (i.e., early-stage grower). We highlighted how the Science-Based Targets Initiative (SBTI) framework might assist them in understanding how the target-setting process could be applied. Our discussions with companies that had established carbon reduction targets focused on the short- and long-term steps necessary to meet those targets and the associated challenges. In addition, many companies referenced their limited near-term ability to address Scope 2 emissions given global operational footprints, though indicated they were exploring partnerships to source renewable power in challenging geographies. Most companies were neither measuring nor disclosing their Scope 3 emissions, which we have flagged for further follow up.

Engagement with a Large-Cap Health Care Company

We are tracking the company's progress toward setting science-based targets and creating short- and long-term action plans to meet them.

This company was a priority engagement for us given its limited disclosures around emissions and targets. While it already had an intensity-based reduction target in place, we wanted to encourage it to consider an absolute science-based reduction target.

During the engagement we learned there was a delay to develop an absolute target due to the company's global footprint. With over 1,000 properties spanning 60+ countries, it took a few years to get reliable Scope 1 and Scope 2 measurement data for all facilities. In addition, the company has an acquisition driven model and realized it would need time to determine the right path for absolute targets. However, even without the full data, the company had set an intensity reduction target the prior year to kickstart internal efforts towards reductions. We were pleased to learn it is currently working with an outside consultant to explore setting science-based targets, and it has developed internal tools to help its underlying companies find both operating and energy efficiencies to reduce its carbon emissions. However, the long-term challenge beyond these near-to-intermediate term emissions reduction goals is identifying additional efficiencies while ensuring the cost outlay yields adequate emissions reductions.

As we monitor the company's progress over time, we will be focused on their progress toward setting science-based targets and creating a short-term and long-term action plan outlining the steps needed to meet those targets (beyond the low-hanging fruit they're currently working on). We believe establishing a challenging longer-term target is necessary and will require ingenuity, tough decisions and prioritization to attain it.

Engagement with an Aluminum Can Manufacturer

Commercializing the sustainability of its aluminum cans is an important part of its strategy, and we believe it will play an important role in the company achieving a faster revenue growth rate than in the past.

This company became an engagement target for several reasons. Our profit cycle thesis is based on the secular trend of beverage makers transitioning away from plastic and toward aluminum cans. Commercializing the sustainability of its aluminum cans is an important part of its strategy, and we believe it will play an important role in the company achieving a faster revenue growth rate than in the past. We wanted to understand in detail how this strategy was working and use any learnings to help encourage other companies to marry sustainability-related initiatives with their business strategies. Meanwhile, the company's carbon emissions are among the highest in our mid cap portfolio. While an SBTi approved absolute reduction target was in place, we felt it was important to discuss its initiatives to reduce its Scope 1-3 emissions.

In contrast to what we were hearing in our other engagements—growing a business often leads to higher carbon emissions, making it difficult to establish an absolute reduction target—this company was committed to setting science-based targets. The company felt it was critical to align targets given its strategy. Although the growth profile adds complexity and there is a technology gap that needs to be bridged in the second half of the decade, it is taking steps to improve energy efficiency within its manufacturing facilities and intends to convert its power source to 100% renewables over time.

Scope 3 reductions present additional challenges. The broader industry is working to increase aluminum recycling rates—resulting in about 95% less energy consumption than creating aluminum from virgin materials—and the company indicated it is strategically partnering with its suppliers to deliver lower embedded carbon aluminum (more recycled content). However, these efforts are not enough to make the needed impact on Scope 3 (supplier) emissions to achieve net-zero. The suppliers of virgin aluminum need to make capital outlays on new technologies to reduce the emissions impact of their manufacturing processes. Fortunately, the net zero line of sight beyond 2030 is increasingly pressuring these suppliers to evaluate these projects alongside their broader capital expenditure plans.

In addition to the company's carbon emissions reduction efforts, it is also focusing on the physical risks related to climate change. It has established a water task force steering committee to incorporate water risks and operational efficiencies into its prospective investments in existing and future plants.

Proxy Voting Record and Policy Updates

Artisan Partners

When making voting decisions, Artisan Partners Limited Partnership (APLP) follows the process and guidelines set forth in its Proxy Voting Policy, which is available at www.artisanpartners.com.

Except in the case of a vote posing a potential conflict of interest, ultimate voting discretion always rests with the Artisan Partners investment team whose portfolio holds the shares because each autonomous investment team is closest to, and most knowledgeable about, the company whose shares APLP are voting. Investment teams exercise their discretion in different ways, with some teams retaining all responsibility for voting and other teams delegating the responsibility to vote on most matters to the firm's proxy voting committee. For companies held by more than one investment team, this may result in Artisan Partners casting different votes on the same proposal at the same meeting.

In all cases, the proxy voting process is overseen by the proxy voting committee, which consists of senior members of APLP's legal and operations teams.

We are elevating the diversity standard used in our board voting criteria to reflect our increased focus on diversity, equity and inclusion.

Artisan Partners Growth Team

The team views proxy voting as one of the most important and visible tools at shareholders' disposal to influence a company's direction of travel. While our process is designed around the importance of engagement, proxy voting provides another channel to express our views in a transparent manner on board leadership, executive compensation and the proposals put forth by other shareholders.

We review each proxy and pair these reviews with selective engagements to better understand the company's views and provide feedback when necessary. We then cast our vote based on the merits of the specific proposal as written, the company's responsiveness to our concerns as well as its historical and expected direction of travel on the topic at hand and shareholder concerns in general.

	Supported Management		Opposed Management		Total
All Management Proposal	1,548	95.6%	71	4.4%	**1,619**
Board-Related[1]	883	95.3%	44	4.7%	**927**
Compensation-Related[2]	203	94.4%	12	5.6%	**215**
Shareholder Proposals	28	66.7%	14	33.3%	**42**

2021 VOTING RECORD

Voted at

164

Meetings across all four portfolios

Voted on

1,661

Separate agenda items

Opposed management on 1 or more resolutions at

40

Meetings[3]

Source: ISS. Based on proxy voting totals for Artisan Global Opportunities Strategy, Artisan Global Discovery Strategy, Artisan U.S. Mid-Cap Growth Strategy and Artisan U.S. Small-Cap Growth Strategy for the calendar year ended 31 Dec 2021.

[1]Board-Related includes all items categorized by ISS as Director Election, Committee Election and Board-Related.

[2]Compensation-Related includes all items categorized by ISS as Compensation.

[3]Includes management and shareholder proposals.

Studies have shown board diversity can meaningfully impact how companies make decisions, deploy capital and ensure management's actions align with the interests of all stakeholders.

New 2022 and 2023 Board Diversity Requirements

In the US, corporate boardrooms and leadership teams do not always align with the gender and ethnic makeup of the broader workforce, which has evolved significantly over the past several decades. For example, today's US civilian labor force consists of approximately 50% women (vs. 29% in 1950) and 20% ethnic minorities (vs. 12% in 1980). Meanwhile, according to a 2021 review of 45,643 director roles by Institutional Shareholder Services, only 21% of board members were female and 14% were non-white. While progress has been made in recent decades, it has been slow, and we believe it is important for companies to remain focused on closing this gap.

As such, we are elevating the diversity standard used in our board voting criteria to reflect our increased focus on diversity, equity and inclusion. During the 2021 proxy season, we voted against nominating and governance committee members when the board did not include at least one female director. Starting in 2022, the team's standard will increase this minimum acceptable threshold to at least two female directors and a minimum of 20% female representation. If a company does not have a nominating and governance committee, we plan to vote against the most appropriate senior member(s) up for re-election. In addition, starting in 2023, we plan to vote against all directors up for re-election in cases where there is not at least one female director. Over time, we expect to update our proxy policy to reflect additional expectations for overall board diversity beyond gender.

2021	2022	2023
MINIMUM STANDARD: At least one female director	**MINIMUM STANDARD:** At least two female directors and a minimum of 20% female representation	**MINIMUM STANDARD:** At least two female directors and a minimum of 20% female representation
ACTIONS: Voted against the Nominating & Governance Committee or appropriate senior member(s) up for re-election	**ACTIONS:** Will vote against the Nominating & Governance Committee or appropriate senior member(s) up for re-election	**ACTIONS:** Vote against the Nominating & Governance Committee or appropriate senior member(s) up for re-election For boards that do not include at least one female director, will vote against all directors up for re-election

Source: Artisan Partners

Our decision to incorporate these new standards into our proxy voting going forward is supported by the several qualitative and quantitative benefits accompanying gender and ethnic diversity. Studies have shown board diversity can meaningfully impact how companies make decisions, deploy capital and ensure management's actions align with the interests of all stakeholders. Additional benefits include increased creativity and innovation, a reduced potential for groupthink and entrenchment, and more openness to a wider variety of value creation strategies such as R&D and/or risk management.

For more information: Visit www.artisanpartners.com

Current and future portfolio holdings are subject to risk. 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. Investments will rise and fall with market fluctuations and investor capital is at risk. Investors investing in strategies denominated in nonlocal 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.

This summary represents the views of the investment team as of 31 Dec 2021 and is subject to change without notice. While the information contained herein is believed to be reliable, there is no guarantee as to the accuracy or completeness of any statement in the discussion. Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation.

For the purpose of determining the portfolio holdings, securities of the same issuer are aggregated to determine the weight in the portfolios. Portfolio holdings are subject to change without notice and are not intended as recommendations of individual securities. The following is a complete list of holdings as a percentage of total net assets for a representative account within each respective strategy composite as of 31 Dec 2021: Artisan U.S. Mid-Cap Growth Strategy— HubSpot Inc 4.4%, Atlassian Corp PLC 3.5%, Veeva Systems Inc 3%, Ascendis Pharma A/S 2.7%, Ingersoll Rand Inc 2.7%, Catalent Inc 2.6%, SVB Financial Group 2.5%, Global Payments Inc 2.5%, Datadog Inc 2.4%, MSCI Inc 2.3%, Lattice Semiconductor Corp 2.3%, Zscaler Inc 2.2%, Tradeweb Markets Inc 2.1%, Burlington Stores Inc 2.1%, Argenx SE 2.1%, Aptiv PLC 2.1%, Chipotle Mexican Grill Inc 2.1%, West Pharmaceutical Services Inc 2.1%, Nasdaq Inc 2%, Arista Networks Inc 2%, Match Group Inc 2%, Ceridian HCM Holding Inc 1.9%, Synopsys Inc 1.9%, Zynga Inc 1.9%, Fortive Corp 1.8%, TransUnion 1.8%, Generac Holdings Inc 1.8%, Dexcom Inc 1.7%, First Republic Bank 1.6%, Teledyne Technologies Inc 1.6%, Genmab A/S 1.6%, Trimble Inc 1.5%, Entegris Inc 1.5%, ZoomInfo Technologies Inc 1.5%, Agilent Technologies Inc 1.5%, The New York Times Co 1.3%, Ball Corp 1.3%, Roku Inc 1.3%, Tyler Technologies Inc 1.2%, LPL Financial Holdings Inc 1.2%, ON Semiconductor Corp 1.1%, Lyft Inc 1.1%, Bill.com Holdings Inc 1%, Azenta Inc 1%, YETI Holdings Inc 1%, Advanced Drainage Systems Inc 1%, lululemon athletica inc 1%, Global-e Online Ltd 0.8%, Trex Co Inc 0.8%, Evotec SE 0.8%, Cognex Corp 0.8%, BigCommerce Holdings Inc 0.7%, NeoGenomics Inc 0.6%, BioNTech SE 0.6%, Monolithic Power Systems Inc 0.6%, SoFi Technologies Inc 0.6%, Spotify Technology SA 0.5%, Exact Sciences Corp 0.5%, Wayfair Inc 0.5%, Toast Inc 0.4%, Chegg Inc 0.3%, DraftKings Inc 0.3%, Marqeta Inc 0.2%; Artisan U.S. Small-Cap Growth Strategy— Lattice Semiconductor Corp 5.5%, Halozyme Therapeutics Inc 5.1%, Blackline Inc 3.9%, Monolithic Power Systems Inc 3.7%, Ascendis Pharma A/S 3.5%, Argenx SE 3.4%, Veracyte Inc 3.3%, Novanta Inc 3.2%, Ingersoll Rand Inc 3%, Q2 Holdings Inc 2.9%, Valmont Industries Inc 2.8%, NeoGenomics Inc 2.8%, Guidewire Software Inc 2.4%, Zynga Inc 2.4%, Tyler Technologies Inc 2.3%, Shockwave Medical Inc 2.3%, Wingstop Inc 2.3%, Workiva Inc 2.1%, HubSpot Inc 2.1%, Floor & Decor Holdings Inc 2%, Papa John's International Inc 1.9%, LivePerson Inc 1.9%, Chegg Inc 1.8%, YETI Holdings Inc 1.8%, Advanced Drainage Systems Inc 1.8%, Morningstar Inc 1.7%, Avalara Inc 1.7%, Azenta Inc 1.4%, Allegro MicroSystems Inc 1.3%, Wolfspeed Inc 1.3%, Silvergate Capital Corp 1.2%, BigCommerce Holdings Inc 1.1%, Bright Horizons Family Solutions Inc 1.1%, Bentley Systems Inc 1%, Casey's General Stores Inc 1%, Trex Co Inc 1%, Iovance Biotherapeutics Inc 0.9%, OptimizeRx Corp 0.9%, Eventbrite Inc 0.8%, ThredUp Inc 0.8%, Freshworks Inc 0.8%, Repligen Corp 0.8%, Vapotherm Inc 0.7%, Shoals Technologies Group Inc 0.7%, Option Care Health Inc 0.7%, Avid Bioservices Inc 0.6%, Ambarella Inc 0.5%, Paycor HCM Inc 0.5%, Leslie's Inc 0.5%, DoubleVerify Holdings Inc 0.5%, Freshpet Inc 0.5%, Olo Inc 0.5%, Y-mAbs Therapeutics Inc 0.5%, Array Technologies Inc 0.5%, Bandwidth Inc 0.4%, Denali Therapeutics Inc 0.4%, Traeger Inc 0.4%, Compass Inc 0.4%, BTRS Holdings Inc 0.4%, Genius Sports Ltd 0.4%, iRhythm Technologies Inc 0.3%, Installed Building Products Inc 0.3%, Live Oak Bancshares Inc 0.3%, Seer Inc 0.3%, 2U Inc 0.2%, Orchard Therapeutics PLC 0.2%; Artisan Global Opportunities Strategy— Advanced Micro Devices Inc 5.8%, Techtronic Industries Co Ltd 5.4%, Lonza Group AG 3.9%, Danaher Corp 3.6%, Veeva Systems Inc 3.6%, NextEra Energy Inc 3.5%, Boston Scientific Corp 3.1%, Aptiv PLC 3%, Alphabet Inc 3%, UBS Group AG 2.9%, IHS Markit Ltd 2.8%, Atlassian Corp PLC 2.8%, Lowe's Cos Inc 2.6%, Koninklijke DSM NV 2.5%, Telefonaktiebolaget LM Ericsson 2.5%, Shopify Inc 2.3%, Microsoft Corp 2.3%, Ingersoll Rand Inc 2.2%, The Charles Schwab Corp 2.1%, Netflix Inc 2%, Hexagon AB 1.9%, CNH Industrial NV 1.8%, Fortive Corp 1.8%, Fidelity National Information Services Inc 1.7%, Keyence Corp 1.7%, AstraZeneca PLC 1.7%, Hoya Corp 1.7%, Banco Bilbao Vizcaya Argentaria SA 1.6%, Genmab A/S 1.6%, HubSpot Inc 1.6%, Airbnb Inc 1.6%, Arista Networks Inc 1.5%, lululemon athletica inc 1.5%, Burlington Stores Inc 1.5%, AIA Group Ltd 1.4%, Cie Financiere Richemont SA 1.3%, Volkswagen AG 1.3%, London Stock Exchange Group PLC 1.3%, Uber Technologies Inc 1.2%, Dexcom Inc 1%, Vestas Wind Systems A/S 0.9%, S&P Global Inc 0.9%, ON Semiconductor Corp 0.8%, NU Holdings Ltd/Cayman Islands 0.6%, Magazine Luiza SA 0.5%, Spotify Technology SA 0.5%; Artisan Global Discovery Strategy—Advanced Micro Devices Inc 3.8%, Veeva Systems Inc 3.2%, Atlassian Corp PLC 3.2%, Techtronic Industries Co Ltd 3.1%, Ingersoll Rand Inc 2.9%, Ascendis Pharma A/S 2.7%, First Republic Bank 2.7%, Koninklijke DSM NV 2.5%, Valmont Industries Inc 2.4%, Teledyne Technologies Inc 2.4%, Gerresheimer AG 2.4%, Fortive Corp 2.4%, HubSpot Inc 2.1%, Lattice Semiconductor Corp 2.1%, Morningstar Inc 2.1%, Burlington Stores Inc 2%, Puma SE 1.9%, Ceridian HCM Holding Inc 1.9%, Obic Co Ltd 1.9%, Global Payments Inc 1.9%, Nasdaq Inc 1.9%, Tradeweb Markets Inc 1.9%, Eurofins Scientific SE 1.7%, Zynga Inc 1.6%, Arista Networks Inc 1.6%, IHS Markit Ltd 1.5%, Boston Scientific Corp 1.5%, Novanta Inc 1.5%, CNH Industrial NV 1.5%, Datadog Inc 1.5%, SVB Financial Group 1.4%, Altus Group Ltd 1.4%, Genmab A/S 1.4%, London Stock Exchange Group PLC 1.4%, Blackline Inc 1.3%, Banco Bilbao Vizcaya Argentaria SA 1.3%, Bentley Systems Inc 1.3%, CTS Eventim AG & Co KGaA 1.3%, Lonza Group AG 1.2%, Harmonic Drive Systems Inc 1.2%, Zscaler Inc 1.2%, Nordic Semiconductor ASA 1%, Argenx SE 1%, Vestas Wind Systems A/S 1%, Notre Dame Intermedica Participacoes SA 1%, Wolfspeed Inc 0.9%, Workiva Inc 0.9%, Allegro MicroSystems Inc 0.9%, Metso Outotec Oyj 0.9%, Dexcom Inc 0.8%, Veracyte Inc 0.8%, Evotec SE 0.8%, ON Semiconductor Corp 0.7%, Hoya Corp 0.7%, Cognex Corp 0.7%, Lyft Inc 0.6%, SoFi Technologies Inc 0.6%, Chervon Holdings Ltd 0.5%, Azenta Inc 0.5%, Chegg Inc 0.5%, Magazine Luiza SA 0.4%, Traeger Inc 0.4%, Angelalign Technology Inc 0.3%.

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.

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. This material 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.

Private Market Value is an estimate of the value of a company if divisions were each independent and established their own market stock prices.

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