

Risk Factors Comparison 2025-02-25 to 2024-02-22 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

Human Capital Risks The loss of key investment professionals or senior members of our distribution and management teams could have a material adverse effect on our business. Our success depends on our ability to attract, retain and motivate, including through competitive compensation packages, the portfolio managers who manage our investment strategies and have been primarily responsible for the historically strong investment performance we have achieved. The departure of a portfolio manager has in the past contributed to clients' decisions to withdraw funds from an investment strategy and could in the future cause clients to withdraw funds or terminate their relationship with us entirely. Such client cash outflows reduce our AUM, and therefore reduce our investment advisory fees and our net income. The departure of a portfolio manager has in the past and could in the future also cause consultants and intermediaries to stop recommending a strategy for a period of time, and clients to refrain from allocating additional funds to a strategy or delay such additional funds until a sufficient new track record has been established. Although we have not been materially impacted by the departure of a portfolio manager to date, we cannot guarantee that any future impacts from departures would not be material, particularly if the departing portfolio manager is responsible for managing a significant percentage of our AUM that ~~account~~ **accounts** for a high proportion of our revenues. **See "For example, the International Value team- Item , led by N. David Samra, was 1 — Business " in Part I of this report for a breakdown of AUM managed within each investment strategy and the portfolio manager (s) responsible for each strategy managing \$ 41. 0 billion, or 27 %, of our AUM as of December 31, 2023. The team generated \$ 302 million, or 31 % of our total revenues for the year ended December 31, 2023, representing the largest proportion of our AUM and revenue, managed by a single investment team.** In addition to our key investment professionals, we also depend on the contributions of our senior management team led by Eric R. Colson and Jason A. Gottlieb, and ~~certain our senior~~ **certa**n marketing and client service personnel who have direct contact with our institutional clients, consultants, intermediaries and other key individuals within each of our distribution channels. ~~The~~ **Despite our efforts to implement succession plans with respect to these key professionals, the** loss of any of these key professionals could limit our ability to successfully execute our business strategy or adversely affect our ability to retain existing and attract new client assets and related revenues. Competition for highly- skilled and motivated portfolio managers and other key professionals in the investment management industry is intense, and the market for qualified professionals in our industry is characterized by the frequent movement of ~~portfolio managers and other key~~ professionals among different firms. **Further, portfolio managers and other key professionals have an increasing number of employment options other than traditional asset management firms, including multi- manager platforms, alternative investment firms, family offices and insurance companies**. Any of our key professionals may resign at any time, retire, join our competitors or form a competing company. Although many of our portfolio managers and each of our named executive officers are subject to one- year post- employment non- compete obligations, these non- competition provisions are not enforceable in certain jurisdictions or may not be enforceable to their full extent. In addition, we have in the past and may again in the future agree to waive non- competition provisions or other restrictive covenants applicable to former key professionals in light of the circumstances surrounding their relationship with us. We do not carry " key person " insurance that would provide us with proceeds in the event of the death or disability of any of our key professionals. Changes to our investment environment or compensation structures could cause instability within our investment teams and / or have an adverse effect on the performance of our investment strategies, our financial results and our ability to grow. Attracting, developing and retaining talented investment professionals is an essential component of our business strategy. To do so, it is critical that we continue to foster an environment and provide opportunities, compensation and benefits that are attractive for existing and prospective investment professionals. If we are unsuccessful in maintaining such an environment or compensation levels or structures, **for example if the activities we undertake in pursuit of growing our alternatives- focused business impacts our ability to simultaneously maintain our traditional equity- focused investment teams and strategies,** our existing investment professionals may leave our firm or fail to produce their best work on a consistent, long- term basis and / or we may be unsuccessful in attracting talented new investment professionals, any of which could negatively impact the performance of our investment strategies, our financial results and our ability to grow. Over our firm' s history we have sought to successfully design and implement compensation structures that align our investment professionals' economic interests with those of our clients and stockholders. We believe such alignment is important to our long- term growth and that objective, predictable, and transparent compensation structures work best to incentivize investment professionals to perform over the long- term. With respect to asset- based revenues, ~~each we use a single revenue share arrangement across all of our investment teams , pursuant to which each team~~ **each** we use a single revenue share arrangement across all of our investment teams , pursuant to which each team shares a bonus pool consisting of 25 % of the asset- based revenues earned by the strategies managed by the respective team. The revenue share directly links the majority of the investment teams' cash compensation to long- term growth in revenues, which, over the long- term, we believe is primarily linked to investment performance. ~~The asset- based revenue share is objective, predictable, transparent, and the same for all teams.~~ Each team is also entitled to a share of the performance- based revenues earned by the strategies it manages. **We** ~~In addition to the revenue share arrangement, we~~ also provide supplemental incentive payments to investment professionals in support of new or subscale teams or strategies **or franchise development efforts**. The equity we award to our investment professionals consists of a mix of standard restricted shares which vest pro rata over the five years following the year of grant, and career or franchise shares that generally vest on, or 18 months after, a " qualified retirement " as defined in the applicable award agreement. Franchise shares are further subject to the franchise protection clause, which applies to current or former portfolio managers and founding investment team members. Pursuant to this clause, the number of shares

ultimately vesting may be reduced to the extent that cumulative net client cash outflows from the award recipient's investment team during a period beginning on the date of the recipient's retirement notice exceeds a set threshold. We also grant franchise capital awards to investment professionals to enhance the alignment between our investment professionals and clients, and to provide investment professionals with greater control over their long-term economic outcome. Franchise capital awards are cash awards that are subject to the same long-term vesting and forfeiture provisions as the restricted share-based awards described above. Prior to vesting, though, the franchise capital awards will generally be invested in one or more of the investment strategies managed by the award recipient's investment team. We regularly assess the effectiveness of our compensation arrangements and long-term incentive structures in aligning the long-term interests of our investment professionals with those of our clients and stockholders and **consider** whether different, or modified, arrangements or structures would enhance incentives for long-term growth and succession planning. The implementation of new or modified compensation arrangements or long-term incentive programs has in the past led to friction within our investment teams. Future modifications to compensation arrangements or long-term incentive programs, **or other decisions relating to resource allocation,** could cause instability within our investment teams if those modifications **or decisions** were perceived to negatively impact portfolio managers' economic outcomes or treated teams differently from one another. In addition, any new arrangements or structures could materially impact our financial performance and results (or expectations about our future financial performance and results), reduce the amount of cash available for dividends and distributions to our stockholders and partners, or result in dilution to other stockholders. Market and Investment Performance Risks Poor investment performance ~~over the long-term~~ leads to a loss of **AUM assets under management** which reduces our revenues and negatively impacts our financial condition. The performance of our investment strategies is critical in retaining existing client assets and in attracting new client assets. Poor performance causes financial intermediaries, advisors and consultants to remove our investment products from recommended lists and can result in lower Morningstar and Lipper ratings and rankings. During periods of long-term poor performance, our clients have in the past withdrawn funds from our investment strategies and, in some cases, have decided to end their relationship with us entirely. In addition, our ability to attract new client assets is adversely affected by prolonged periods of poor performance. A decrease in the value of our AUM as a result of poor performance has in the past, and would in the future, have an adverse impact on our revenues, as nearly all of the investment management fees we earn are based on a specified percentage of clients' average AUM. Poor performance also adversely affects the portion of our revenues attributed to performance-based fees. Our investment strategies can perform poorly for a number of reasons, including general market conditions; investor sentiment about market and economic conditions; investment styles and philosophies; investment decisions; the performance of the companies in which our investment strategies invest and the currencies in which those investments are made; the liquidity of securities or instruments in which our investment strategies invest; our inability to identify sufficient appropriate investment opportunities for existing and new client assets on a timely basis; and our inability to retain key investment professionals and other personnel. ~~In addition, while we seek to deliver long-term value to our clients, volatility may lead to underperformance in the near term, which could adversely affect our results of operations.~~ Moreover, when our strategies experience strong results relative to the market, clients' allocations to our strategies typically increase relative to their other investments and we sometimes experience withdrawals as our clients rebalance their investments to fit their asset allocation preferences despite our strong results. While clients do not have legal recourse against us solely on the basis of poor investment results, if our investment strategies perform poorly, we are more likely to become subject to litigation brought by dissatisfied clients. In addition, to the extent clients are successful in claiming that their losses resulted from fraud, negligence, willful misconduct, breach of contract or similar misconduct, these clients may have remedies against us, the mutual funds and other funds we advise and / or our investment professionals under various U. S. and non- U. S. laws. Difficult market conditions typically adversely affect our business in many ways, including by reducing our **AUM assets under management** and causing clients to withdraw funds, each of which reduces our revenues and impacts our financial condition. Financial markets have experienced, and may continue to experience, volatility and disruption amid continued concerns about elevated inflation, **uncertainty around the timing and extent of changes in** ~~interest rate rates increases,~~ effects of geopolitical tensions, conflicts ~~and wars,~~ and other global economic conditions. This continued volatility and uncertainty in global financial markets has impacted **, and may continue to impact,** the value of our AUM. Because the revenue we earn is based on the value of our AUM, fluctuations in our AUM result in corresponding fluctuations in our revenues and earnings. Difficult market conditions have in the past and may in the future cause investors in the mutual funds we advise to redeem their investments in those funds which they can do at any time and without prior notice. Our separate account clients have in the past and may in the future reduce the aggregate amount of AUM with us with minimal or no notice for any reason, including due to declining financial market conditions. In addition, the prices of the securities held in the portfolios we manage have in the past and may in the future decline for any number of reasons beyond our control, including, among others, a declining market, general economic downturn or recession, political uncertainty, inflation rates, natural disasters, war, acts of terrorism, or other unpredictable events. In connection with the severe market dislocations of 2008 and 2009, for example, the value of our AUM declined substantially. In the period from June 30, 2008 through March 31, 2009, our AUM decreased by approximately 43 %, primarily as a result of general market conditions. During the first quarter of 2020, AUM levels decreased by approximately 24 % from February 19, 2020 to March 31, 2020, as a result of sharp global equity market declines related to the COVID- 19 pandemic. More recently, over the course of 2022, our assets declined by approximately 27 %, as persistent inflation and efforts by central banks to combat that inflation through increasing interest rates, and the Russian invasion of Ukraine caused widespread turmoil in global financial markets. The fees we earn under our investment management agreements are typically based on the market value of our AUM, and to a much lesser extent based directly on investment performance. Difficult market conditions have in the past led, and may again lead, to a decline in our AUM, thereby resulting in a decline in our investment advisory fees. If our revenues decline without a commensurate reduction in our expenses, our net income will be reduced. Several of our investment

strategies invest principally in the securities of non- U. S. companies, which involve foreign currency exchange, tax, political, social and economic uncertainties and risks. As of December 31, 2023-2024, approximately 57-54% of our AUM were invested in strategies that primarily invest in securities of non- U. S. companies. Some of our other strategies also invest on a more limited basis in securities of non- U. S. companies. Approximately 46-45% of our AUM were invested in securities denominated in currencies other than the U. S. dollar at December 31, 2023-2024. Fluctuations in foreign currency exchange rates could negatively affect the returns of our clients who are invested in these strategies. In addition, an increase in the value of the U. S. dollar relative to non- U. S. currencies is likely to result in a decrease in the U. S. dollar value of our AUM, which, in turn, would likely result in lower revenue and profits. See “ Qualitative and Quantitative Disclosures Regarding Market Risk- Exchange Rate Risk ” in Item 7A of this report for more information about exchange rate risk. Investments in non- U. S. issuers are affected by tax positions taken in countries or regions in which we are invested as well as political, social and economic uncertainty. Declining tax revenues have in the past and could in the future cause governments to assert their ability to tax the local gains and / or income of foreign investors, which has in the past and could in the future adversely affect clients’ interests in investing outside their home markets. Many financial markets are not as developed or as efficient as the U. S. financial markets and ~~as~~ **in some cases lack established regulations. As** a result, those markets typically have limited liquidity and higher price volatility ~~and in some cases lack established regulations~~. Liquidity may also be adversely affected by political or economic events, government policies, and social or civil unrest within a particular country. For example, in response to Russia’ s invasion of Ukraine, the U. S. and other countries imposed broad- ranging economic sanctions on Russia and certain Russian individuals, banking entities and corporations, which has impacted liquidity of Russian holdings. Our ability to dispose of an investment may be adversely affected if we increase the size of our holdings in smaller non- U. S. issuers. Non- U. S. legal and regulatory environments, including financial accounting standards and practices, may also be different, and there may be less publicly available information about such companies. These risks could adversely affect the performance of our strategies that are invested in securities of non- U. S. issuers and may be particularly acute in the emerging or less developed markets in which we invest. In addition to our Sustainable Emerging Markets and Developing World strategies, and the strategies managed by the EMsights Capital Group, which invest primarily in emerging markets, several of our other investment strategies are permitted to invest, and do invest, in emerging or less developed markets to a more limited extent. Competition and Distribution Risks We may not be able to maintain our current fee rates as a result of poor investment performance, competitive pressures, changes in global markets and asset classes, changes in our business mix or for other reasons, which could have a material adverse effect on our profit margins and results of operations. We may not be able to maintain our current fee rates for any number of reasons, including as a result of poor investment performance, competitive pressures, changes in global markets and asset classes, or as a result of changes in our business mix. Although our investment management fees vary by client, investment strategy and investment vehicle, we historically have been successful in maintaining an attractive overall rate of fee and profit margin due to the strength of our investment performance and our focus on high value- added investment strategies. ~~In recent years, however~~ **However**, there ~~the~~ **has been a** general trend toward lower fees in the investment management industry as a result of competition and regulatory and legal pressures **continues**. In order to maintain our fee structure in a competitive environment, we must retain the ability to decline additional assets to manage from potential clients who demand lower fees even though our revenues may be adversely affected in the short term. In addition, we must be able to continue to provide clients with investment returns and service that our clients believe justify our fees. From time to time, we offer lower fees in order to retain current, and attract additional, assets to manage. We also make fee concessions in certain circumstances, for example in order to attract early investors in a new strategy or increase marketing momentum in a strategy. Downward pressure on fees ~~may also result~~ **results** from **additional factors, including** the growth and evolution of the universe of potential investments in a market or asset class or by transformative pressures impacting the investment management industry, ~~including such as~~ the continued growth of allocations to passive and alternative investment options. Changes in how clients choose to access asset management services ~~may~~ also exert downward pressure on fees. Some investment consultants, for example, have implemented programs in which the consultant provides a range of services, including selection, in a fiduciary capacity, of asset managers to serve as sub- adviser at lower fee rates than the manager’ s otherwise applicable rates, with the expectation of a larger amount of AUM through that consultant. The expansion of those and similar programs could, over time, make it more difficult for us to maintain our fee rates. In addition, from time to time, plan sponsors of 401 (k) and other defined contribution assets that we manage choose to invest plan assets in vehicles with lower cost structures than mutual funds (such as a collective investment trust) or may choose to access our services through a separate account. We provide fewer services to collective investment trusts and separate accounts than we provide to Artisan Funds and we receive fees at lower rates. The investment management agreements pursuant to which we advise mutual funds are subject to an annual process of review and renewal by the funds’ boards. As part of that process, the fund board considers, among other things, the level of compensation that the fund has been paying us for our services. That process may result in the renegotiation of our fee structure or an increase in the cost of the performance of our obligations. Any fee reductions on existing or future new business would have an adverse effect on our profit margins and results of operations. We depend on third parties to market our investment strategies. Our ability to attract additional assets to manage is highly dependent on our access to third- party intermediaries. We gain access to investors primarily through consultants, 401 (k) platforms, mutual fund platforms, broker- dealers and financial advisors through which shares of the funds are sold. We have relationships with some third- party intermediaries through which we access clients in multiple distribution channels. Our two largest intermediary relationships across multiple distribution channels represented approximately 9 % and 8 % of our total AUM as of December 31, 2023-2024. **Certain of our Intermediaries intermediaries** through which we distribute our mutual funds ~~may~~ also sell their own funds and technology- enabled investment solutions. Investment products offered by intermediaries may have lower fees and be provided in more tax efficient wrappers, which could limit the distribution of our investment strategies that are offered through more traditional vehicles. Certain intermediaries have reduced the number of

investment options they make available to their clients and / or are seeking to reduce the number of investment management firms with whom they work. Any failure to maintain strong business relationships with these intermediaries due to any of the above- described factors would impair our ability to sell our products, which in turn could have a negative effect on our AUM, revenues and net income. We compensate most of the intermediaries through which we gain access to investors in Artisan Funds by paying fees, most of which are a percentage of assets invested in Artisan Funds through that intermediary and with respect to which that intermediary provides shareholder and administrative services. The allocation of such fees between us and Artisan Funds is determined by the Artisan Funds' board, based on information and a recommendation from us, with the goal of allocating to us, at a minimum, all costs attributable to marketing and distribution of shares of Artisan Funds. In the future, our expenses in connection with those intermediary relationships could increase if the portion of those fees determined to be in connection with marketing and distribution, or otherwise allocated to us or payable by us, increased. We access institutional clients primarily through consultants upon whose referrals our institutional business is highly dependent. These consultants review and evaluate our products and our firm from time to time. As of December 31, 2023-2024, the investment consultant advising the largest portion of our AUM represented approximately 5-4 % of our total AUM. Poor reviews or evaluations of us or a particular strategy may result in client withdrawals or may impair our ability to attract new assets through these consultants. The investment management industry is intensely competitive **and experiencing transformative pressures. Failure to address these transformative pressures and remain competitive could negatively impact our business**. Competition within the investment management industry is based on a variety of factors, including investment performance, management fee rates, continuity of investment professionals and client relationships, the quality of client service, corporate positioning and business reputation, continuity of distribution arrangements with intermediaries and product mix and offerings . **In addition, the investment management industry is facing transformative pressures and trends from a variety of different sources including increased fee pressure; a continued shift away from actively managed equity and fixed income strategies towards alternative, passive and smart beta strategies; increased demands from clients and distributors for client engagement and services; a trend towards institutions developing fewer relationships and partners and reducing the number of investment managers they work with; increased regulatory activity and scrutiny of many aspects of the investment management industry; and advances in technology and digital wealth and distribution tools**. A number of factors, including the following, serve to increase our competitive risks: • Unlike some of our competitors, we do not currently engage in impact investing, offer passive investment strategies, exchange- traded funds or “ solutions ” products like target- date funds. • A number of our competitors have greater financial, technical, marketing and other resources, more comprehensive name recognition and more personnel than we do. • Potential competitors have a relatively low cost of entering the investment management industry. • Some investors may prefer to invest with an investment manager that is not publicly traded based on the perception that a publicly- traded asset manager may focus on the manager' s own growth to the detriment of investment performance. • Other industry participants may seek to recruit our investment professionals. • Many competitors charge lower fees for their investment management services than we do. • **We have less experience in the management and distribution of alternative products, toward which investor allocations are growing, as compared to active equity products.** For example, the trend in favor of low- fee passive products such as index and certain exchange- traded funds favors those of our competitors who provide passive investment strategies. That trend has presented, and likely will continue to present, a headwind to our business. **If we are unable to compete effectively, our earnings would be reduced and our business could be materially adversely affected. As a result of the trends and pressures discussed above, the asset management industry is facing an increased level of disruption. If we are unable to adapt our business strategy to adequately address these trends and pressures, we may be unable to meet client needs satisfactorily, our competitive position may weaken, and our business results and operations may be adversely affected.** Risks Related to our Business Our efforts to establish and develop new teams, strategies and vehicles , **or pursue other strategic transactions,** may face challenges or ultimately be unsuccessful, which could impact our results of operations, reputation and culture. We seek to recruit new investment teams that manage high value- added investment strategies and would allow us to grow strategically. We also look to develop new, differentiated strategies managed by our existing teams. We expect the costs associated with establishing a new investment team, strategy or vehicle to initially exceed the revenues generated, which will negatively impact our results of operations. New strategies or vehicles, whether managed by a new team or by an existing team, **may can and do** make investments or present operational, legal, regulatory, or distribution- related issues and risks that we have not yet encountered or with which we have less experience. The incorporation of new teams, strategies, vehicles and types of investments could strain our resources and increase the likelihood of an error or failure, a risk which is exacerbated by the increasingly specialized nature of newer investment teams and strategies. The establishment of new teams or strategies (in particular, alternative investment teams or strategies) may also cause us to depart from our traditional compensation and economic model, which could reduce our profitability and harm our firm' s culture. Historical returns of our existing investment strategies will not be indicative of the investment performance of any new strategy and new strategies may have higher performance expectations that are more difficult to meet. Poor performance of any new strategy could negatively impact our reputation and the reputation of our other investment strategies. We generally support the development of new strategies by making one or more seed investments **or capital commitments** using capital that would otherwise be available for our general corporate purposes. Making such ~~seed~~ investments exposes us to capital losses and reduces the amount of capital available for other purposes. In addition, the development of new investment teams and strategies requires the support of well- qualified investment, distribution and operational talent, the market for which has been and may continue to be tight. The inability to recruit or retain such personnel may negatively impact our ability to develop investment teams and strategies and may ultimately hinder our growth . **From time to time, we also consider other strategic opportunities, including potential acquisitions or similar transactions, which may impact our business. We cannot be certain that we will be able to identify, consummate and successfully complete such transactions, and no assurance can**

be given with respect to the timing, likelihood or business effect of any possible transaction. These initiatives typically involve a number of risks and present financial, managerial and operational challenges to ongoing business operations. Such risks include the required investment of capital and other resources; unanticipated problems regarding integration and oversight of a new business, additional or new regulatory requirements, operating facilities and technologies and new employees; distracting management and other key personnel from our existing businesses; and the existence of liabilities or contingencies not disclosed to or otherwise known by us prior to closing a transaction. There is no guarantee we will realize the anticipated benefits from any such transactions in a timely manner, if at all. We derive substantially all of our revenues from contracts and relationships that may be terminated upon short or no notice. We derive substantially all of our revenues from investment ~~management advisory and sub-advisory~~ agreements, all of which are terminable by clients upon short or no notice. Our investment management agreements with mutual funds, as required by law, are generally terminable by the funds' boards or a vote of a majority of the funds' outstanding voting securities on not more than 60 days' written notice. After an initial term, each fund' s investment management agreement must be renewed annually by that fund' s board, including by its independent members. In addition, all of our separate accounts and some of the mutual funds that we sub- advise have the ability to re- allocate all or any portion of the assets that we manage away from us at any time with little or no notice. The decrease in revenues that could result from the termination of a material client relationship or the re- allocation of assets away from us could have a material adverse effect on our business. Investors in many of the funds we advise can redeem their investments at any time without prior notice or with fairly limited notice, which would reduce our **AUM assets under management** and could adversely affect our earnings. Investors in the mutual funds, UCITS funds, and some other pooled investment vehicles that we advise may redeem their investments in those funds at any time without prior notice. Investors in certain other pooled vehicles may redeem their investments with fairly limited prior notice. ~~These investors~~ **Investors** may redeem for any number of reasons, including general financial market conditions, the absolute or relative investment performance we have achieved, or their own financial condition and requirements. In a declining stock market, the pace of redemptions could accelerate. ~~These redemptions~~ **Redemptions** would reduce our AUM and adversely affect our revenues. The majority of our **AUM assets under management** are managed in primarily long- only, equity investment strategies, which exposes us to greater risk than certain of our competitors who may manage more assets in diverse strategies. 19 of our 25 investment strategies, which accounted for over 90 % of our AUM as of December 31, ~~2023~~ **2024**, invest primarily in publicly-traded equity securities. Under market conditions in which there is a general decline in the value of equity securities, the AUM in each of these strategies is likely to decline. Although certain strategies have the ability to take short positions in equity securities, such investments have not typically been made in practice. In addition, there is no guarantee that such short positions would meaningfully offset the poor performance of our long- only equity strategies under such market conditions. Even if our investment performance remains strong during such market conditions relative to other long- only, equity strategies, investors may choose to withdraw assets from our management or allocate a larger portion of their assets to non- long- only or non- equity strategies. In addition, the prices of equity securities may fluctuate more widely than the prices of other types of securities, making the level of our AUM and related revenues more volatile. Our newest investment strategies and strategies we may establish in the future present certain investment, operational, distribution and other risks that are different in kind and / or degree from those presented by our earlier investment strategies and dealing with those risks **presents us with new challenges** ~~could place additional demands on our existing operational infrastructure and employees~~. Our newest investment strategies have the ability to make investments that present different risks and / or degrees of risk than our other strategies, which invest primarily in publicly traded equity securities. For example, several of our newest strategies invest in securities that are not publicly traded. We may be prohibited from selling these investments for a period of time and generally will be unable to sell these securities publicly unless their sale is registered under applicable securities law or unless an exemption from such registration is available. Illiquid securities are more difficult to value and dispose of when desired and, under certain circumstances, may make it more difficult to manage investors' redemption requests. ~~Our newer~~ **Several of our existing** strategies, and strategies we may offer in the future, ~~may also~~ **can and do** invest in certain instruments (such as derivative securities) and engage in activities (such as shorting and use of leverage) the complexity of which may place additional demands on our existing operational infrastructure and our existing employees, and increase the risk of operational errors. Any such errors could damage our reputation or result in regulatory scrutiny or legal liability. ~~And~~ **In addition**, any real or perceived problems could cause a disproportionate negative impact on our business and reputation. Several of our ~~newest~~ **newer** investment strategies are primarily offered through private funds, which present operational, regulatory and distribution- related risks that are different ~~than from~~ those associated with the mutual funds and traditional separate accounts through which we offer our earlier investment strategies. In the future, we expect to offer new investment strategies in new asset classes through different types of investment vehicles and fund structures which could present different types of operational, regulatory and distribution- related risks with which we have little to no experience. For example, our reputation as a long- only manager of traditional investment products has been an impediment to penetrating new channels and selling our newer alternative investment strategies. Although we continue to build out a team of distribution professionals with deep alternatives experience and strong fundraising networks, we cannot be sure that these changes will have a meaningful impact on selling our alternatives strategies. In general, the complexity of these newer strategies and vehicles could strain our resources and increase the likelihood of real or perceived problems, which could damage our reputation or result in regulatory scrutiny or legal liability. Several of our newer investment strategies and vehicles, and strategies and vehicles that we may establish in the future, have more limited capacity than our earlier large - capacity investment strategies. Despite the limited capacity, these newer strategies with broader degrees of freedom may require increased access to specialized technology, market data with advanced data analytic capabilities, and operational resources, including bespoke operational solutions and third- party service providers as well as operational, distribution and other personnel with specialized talent to align with the increasing complexity of the investment strategies. In

addition to the risk that our newer investment teams, strategies or vehicles may not experience the requisite growth to compensate for these increased operational support costs, requests for resources that are disproportionate to the size of the investment team may put pressure on our resource allocation model and cause friction and instability among the teams. Friction among investment teams may also occur if these newer strategies with broader degrees of freedom take action or make investments that ultimately impact the ability of our other investment teams to invest in a manner consistent with their philosophy and process. Friction and distraction within our investment teams may cause our existing investment professionals to leave our firm or fail to produce their best work on a consistent, long-term basis and / or we may be unsuccessful in attracting talented new investment professionals, any of which could negatively impact the performance of our investment strategies, our financial results and our ability to grow. If our techniques for managing risk are ineffective, we may be exposed to material unanticipated losses. In order to manage the significant risks inherent in our business, we must maintain effective policies, procedures and systems that enable us to identify, monitor and mitigate our exposure to operational, legal and reputational risks. Our risk management methods may prove to be ineffective due to their design or implementation, or as a result of a lack of adequate, accurate or timely information or otherwise. If our risk management efforts are ineffective, we could suffer losses that could have a material adverse effect on our operating results or financial condition. Additionally, we could be subject to litigation, particularly from our clients or investors, and sanctions or fines from regulators. We may, from time to time, strategically manage our exposure to market, interest or exchange rate risks on our own behalf or on behalf of our clients. However, because our clients invest in our investment strategies in order to gain exposure to the portfolio securities of the respective strategies, we have not adopted corporate-level risk management policies to manage market, interest rate, or exchange rate risks that would affect the value of our overall AUM. We provide a range of services to Artisan Funds, Artisan Global Funds, Artisan Private Funds and sub-advised funds which may expose us to liability. We provide a broad range of administrative services to Artisan Funds, including providing personnel to serve as directors and officers of Artisan Funds and to serve on the valuation and liquidity committee of Artisan Funds. We prepare or supervise the preparation of Artisan Funds' regulatory filings and financial statements, and manage compliance and regulatory matters. We provide shareholder services, accounting services including the supervision of the activities of Artisan Funds' accounting services provider in the calculation of the funds' net asset values, and tax services including calculation of dividend and distribution amounts. We also coordinate the audits of financial statements and supervise tax return preparation. Although less extensive than the range of services we provide to Artisan Funds, we provide a range of similar services to Artisan Global Funds and Artisan Private Funds. In addition, from time to time we provide information to other funds we advise (or to an entity providing services to such a fund) which may be used by those funds in their efforts to comply with various regulatory requirements. The services we provide to Artisan Funds, Artisan Global Funds, Artisan Private Funds, and other funds we advise may expose us to liability. For example, if we make a mistake in the provision of such services, a fund could incur costs for which we might be liable. If it were determined that a fund failed to comply with applicable regulatory requirements as a result of our action or our employees' failure to act, we could be responsible for losses suffered or penalties imposed. In addition, we could have penalties imposed on us, be required to pay fines or be subject to private litigation, any of which could decrease our future income or negatively affect our current business or our future growth prospects. Risks Related to Legal or Regulatory Factors and Taxation Failure to properly address conflicts of interest could harm our reputation or cause clients to withdraw funds, each of which could adversely affect our business and results of operations. The SEC and other regulators have continued to focus on potential conflicts of interest and our fiduciary duties as an adviser. We have implemented procedures and controls that we believe are reasonably designed to address these issues. However, appropriately dealing with conflicts of interest is complex and if we fail, or appear to fail, to deal appropriately with conflicts of interest, we could face reputational damage, litigation or regulatory proceedings or penalties, any of which may adversely affect our results of operations. As we expand the scope of our business and our client base, we must continue to monitor and address any conflicts between the interests of our stockholders and those of our clients. Our clients may withdraw funds if they perceive conflicts of interest between the investment decisions we make for strategies in which they have invested and our obligations to our stockholders. For example, we may limit the growth of assets in or close strategies when we believe it is in the best interests of our clients even though our AUM and investment advisory fees may be negatively impacted in the short term. Similarly, we may establish new investment teams or strategies or expand operations into ~~other~~ **new** geographic areas if we believe such actions are in the best interests of our clients, even though our profitability may be adversely affected in the short term. Although we believe such actions enable us to retain client assets and maintain our profitability, which benefits both our clients and stockholders, if clients perceive a change in our investment or operations decisions in favor of a strategy to maximize short-term results, they may withdraw funds, which could reduce our revenue and impact our financial condition. Offering private funds also poses risks associated with side-by-side management and the potential for real or perceived conflicts of interest, which, if not managed correctly, could cause reputational harm, regulatory scrutiny or litigation. **We** ~~Although we~~ have established policies and procedures to manage potential conflicts of interest **associated with side-by-side management. However**, we are unable to completely eliminate these ~~the risks~~ **potential for real or perceived conflicts of interest**. Our failure to comply with clients' investment guidelines and applicable legal limitations could result in damage awards against us and a loss of **AUM assets under management**, either of which could adversely affect our **reputation and financial condition**. When clients retain us to manage assets on their behalf, they generally specify certain investment guidelines that we are required to follow ~~in managing their portfolios~~. In addition, some of our clients are subject to laws that impose restrictions and limitations on the investment of their assets. For example, U. S. mutual fund assets that we manage must be invested in accordance with limitations under the 1940 Act and applicable provisions of the Internal Revenue Code of 1986, as amended. Our failure to comply with any of these guidelines and other limitations could result in losses to clients or fund investors which, depending on the circumstances, could result in our obligation to reimburse **such** clients or fund investors ~~for such losses~~. If we believed that the circumstances did not justify a reimbursement, or clients and investors believed the

reimbursement we offered was insufficient, they could seek to recover damages from us or could withdraw assets from our management or terminate their investment management agreement with us. Any of these events could harm our reputation and adversely affect our business. Employee misconduct, or perceived misconduct, could expose us to significant legal liability and / or reputational harm. We are vulnerable to reputational harm because we operate in an industry in which integrity and the confidence of our clients are of critical importance. Our employees, or third parties with whom we are affiliated, could engage in misconduct, or perceived misconduct, that adversely affects our business. It is not always possible to deter employee misconduct and the precautions we take to prevent and detect this activity may not always be effective. Misconduct or perceived misconduct by our employees, or even unsubstantiated allegations of such conduct, could cause serious damage to our reputation, resulting in the loss of clients and an adverse effect on our revenues. Employee misconduct could also subject us to regulatory scrutiny and legal liability. The expansion of our business inside and outside of the United States raises tax and regulatory risks, may adversely affect our profit margins and places additional demands on our resources and employees. We continue to expand our distribution efforts into non- U. S. markets. The number of client relationships outside the U. S. has grown from 54-77 as of December 31, 2013-2014 to 216-228 as of December 31, 2023-2024. Costs related to our distribution efforts in non- U. S. markets have often been more expensive than comparable costs in the U. S. and our non- U. S. clients may be accustomed to certain practices that differ from and may conflict with practices that are customary in the U. S. For example, the use of soft dollars for research products and services are generally accepted in the U. S. However, other jurisdictions (for example, the European Union) have requirements that limit or prohibit the use of soft dollars for research products and services. Such conflicting practices add complexity, costs and risk to our non- U. S. client relationships. While a majority of our operations take place in the U. S., we do maintain offices in a number of other countries including the U. K., Ireland, Singapore, Australia and Hong Kong. Operating our business in non- U. S. markets is generally more expensive than in the U. S. Among other expenses, the effective tax rates applicable to our income allocated to some non- U. S. markets may be higher than the effective rates applicable to our income allocated to the U. S. To the extent that our revenues do not increase to the same degree our expenses increase in connection with our continuing expansion outside the U. S., our profitability could be adversely affected. Expanding our business into new markets may also place significant demands on our existing operational infrastructure and on our existing employees. Regulators in non- U. S. jurisdictions in which we currently operate could change their laws or regulations, or change the way they interpret existing laws and regulations, in a manner that might restrict or otherwise impede our ability to operate in their respective markets. Any such changes could increase the costs we incur in a specific jurisdiction without any corresponding increase in revenues and income from operating in the jurisdiction. For example, in response to Brexit, we established an Irish subsidiary regulated by the Central Bank of Ireland to carry out distribution efforts in the EU. Brexit added complexity to our global operations, imposed additional risks and resulted in additional legal and compliance costs, without an increase in revenues to offset those costs. Despite those increased costs, Brexit did not have a material impact on our business. Our employees routinely travel inside and outside the U. S. as a part of our investment research process, to market our services and to supervise and manage our business. Their activities in the jurisdictions they travel to on our behalf may raise both tax and regulatory issues. If and to the extent we are incorrect in our analysis of the applicability or impact of these tax or regulatory requirements, we could incur costs, penalties or be the subject of an enforcement or other action. Changes in tax laws or exposure to additional tax liabilities could have a material impact on our financial condition, results of operations and liquidity. We are subject to income taxes, as well as non- income based taxes, in both the U. S. and various certain foreign jurisdictions at various the federal, state and local levels of government. We cannot predict future changes in the tax laws, regulations, administrative guidance or judicial decisions to which we are subject or that could apply to our business. Any such changes could have a material impact on our tax liability, materially impact our effective tax rate, result in additional tax reporting obligations, or result in increased costs associated with our tax compliance efforts. From time to time, we are subject to income and non- income based tax audits in the jurisdictions in which we operate. The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax rules and regulations in a number of jurisdictions. From time to time, tax authorities have disagreed with certain positions we have taken which has resulted in additional taxes and, in certain cases interest payments. In the future, such instances may result in additional taxes, interest, fines and penalties becoming due. We evaluate whether to record tax liabilities for possible tax audit issues based on our estimate of whether, and the extent to which, additional income taxes will be due. We adjust these liabilities in light of changing facts and circumstances and consultations as well as consult with our outside tax advisors. However, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our estimates. We are subject to extensive, complex and sometimes overlapping laws, rules and regulations. The industry in which we operate is subject to extensive and complex laws, rules and regulations. We are subject to extensive regulation in the United States, primarily at the federal level, including regulation by the SEC, the U. S. Department of Labor, the Financial Industry Regulatory Authority, and the Commodity Futures Trading Commission and the National Futures Association. Our business is also subject to the laws and regulations of the various countries in which we conduct distribution or investment management activities. For a more extensive discussion of certain laws and regulations to which we are subject, see “ Item 1 — Business — Regulatory Environment and Compliance ” in Part I of this report. As a result of the extensive and complex regulatory environment in which we operate, we face risk of regulatory actions and litigation, which could consume substantial expenditures of time and capital. Our regulatory and compliance obligations impose significant operational and cost burdens on us and cover a broad range of topics including, investment advisory matters, securities and other financial instruments, financial reporting and other disclosure matters, sustainability, accounting, tax, data protection, and privacy. As our business expands into new geographic regions and introduces new investment products with expanded degrees of freedom, the regulatory requirements to which we are subject will increase in number. While we have focused significant attention and resources on the development and maintenance of compliance policies, procedures and practices, any inadvertent non- compliance with applicable laws, rules or regulations,

either in the U. S. or abroad, could result in various legal proceedings, including civil litigation and regulatory investigations and enforcement actions that could result in fines, suspensions of individual employees, or limitations on particular business activities, any of which could have an adverse impact on our reputation and business. We carry insurance in amounts and under terms that we believe are appropriate. Our insurance does not cover all liabilities and losses to which we may be exposed. Certain insurance coverage may not be available or may be prohibitively expensive in future periods. As our insurance policies come up for renewal, we may need to assume higher deductibles or pay higher premiums, which could have an adverse impact on our results of operations and financial condition. The regulatory environment in which we operate is subject to continual change, and regulatory developments may adversely affect our business. We operate in a legislative and regulatory environment that is subject to continual change, the nature of which we cannot predict. The laws and regulations applicable to our business generally involve restrictions and requirements in connection with a variety of technical, specialized, and expanding matters and concerns. We may be adversely affected as a result of new or revised legislation or regulations imposed by the SEC, other U. S. or non- U. S. regulatory authorities or self- regulatory organizations that supervise the financial markets. We also may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self- regulatory organizations, as well as by courts. It is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any such proposals will become law. ~~Further, new laws, regulations or interpretations of existing laws may result in enhanced disclosure and other obligations, including with respect to climate change or other environmental, social and governance (ESG) matters and cybersecurity.~~ Compliance with any new laws or regulations, or changes in the interpretation or enforcement of existing laws or regulations, could be difficult and expensive and affect the manner in which we conduct business. Non- compliance with applicable new laws, rules or regulations could result in litigation, governmental investigations and enforcement actions that could result in fines, penalties, suspensions of individual employees, or limitations on particular business activities, any of which could have an adverse impact on our reputation and business. The investment management industry faces substantial litigation risks which could materially adversely affect our business, financial condition or results of operations or cause significant reputational harm to us. We depend to a large extent on our network of relationships and on our reputation in order to attract and retain client assets. We make investment decisions on behalf of our clients that could result in substantial losses to them. If our clients suffer significant losses, or are otherwise dissatisfied with our services, we could be subject to legal liability or actions alleging negligence, breach of fiduciary duty, breach of contract, unjust enrichment and / or fraud. These risks are often difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time, even after an action has been commenced. We may incur significant legal expenses in defending against litigation whether or not we engaged in conduct as a result of which we might be subject to legal liability. **In addition, we may be obligated, and under our certificate of incorporation, bylaws and indemnification agreements we have entered are obligated under certain conditions, or may choose, to indemnify directors, officers or other personnel against liabilities and expenses they may incur in connection with such matters to the extent permitted under applicable law. These obligations may pose substantial risks to our financial condition, if we are not able to maintain insurance covering such losses or if claims are in excess of our coverage.** Substantial legal liability or significant regulatory action against us could materially adversely affect our business, financial condition or results of operations or cause significant reputational harm to us. A change of control could result in termination of our investment ~~advisory management~~ **advisory management** agreements with mutual funds and could trigger consent requirements in our other investment ~~advisory management~~ **advisory management** agreements. Under the 1940 Act, each of the investment ~~advisory management~~ **advisory management** agreements between SEC- registered mutual funds and our subsidiary, Artisan Partners Limited Partnership, will terminate automatically in the event of its assignment. Upon the occurrence of such an assignment, our subsidiary could continue to act as adviser to any such fund only if that fund' s board and shareholders approved a new investment ~~advisory management~~ **advisory management** agreement, except in the case of certain funds that we sub- advise for which only board approval would be necessary. In addition, as required by the Advisers Act, each of the investment ~~advisory management~~ **advisory management** agreements for the separate accounts we manage provides that it may not be assigned, as defined in the Advisers Act, without the consent of the client. An assignment occurs under the 1940 Act and the Advisers Act if, among other things, Artisan Partners Limited Partnership undergoes a change of control as recognized under the 1940 Act and the Advisers Act. If such an assignment were to occur, we cannot be certain that we would be able to obtain the necessary approvals from the boards and shareholders of the mutual funds we advise or the necessary consents from our separate account clients. ~~Operational and Cybersecurity Risks~~ **Operational risks** ~~We depend on information technology, and any failures of, damage to or unauthorized access to our information technology systems or infrastructure, or those of third parties with which we do business,~~ may disrupt our business, result in losses, damage our reputation or limit our growth. We are heavily dependent on the capacity and reliability of the communications and information technology systems supporting our operations, whether developed, owned and operated by us or by third parties. We also rely on manual workflows and a variety of manual user controls. As our clients, physical locations and investment teams and strategies increase in number and grow in complexity, and as our employees become increasingly mobile, developing and maintaining the systems supporting our operations becomes increasingly challenging. Moreover, the introduction of new technologies, such as artificial intelligence, presents new challenges and introduces operational and legal risks. Any changes or upgrades to our systems to support increased volumes or complexity of transactions or to otherwise support growth of the business may require significant expenditures and may increase the probability that we will experience operational errors. ~~Operational risks~~ **risks issues** or errors or interruption or failure of our financial, trading, compliance and other data processing systems, whether caused by human error, power or telecommunications failure, cyber- attack, ransomware or viruses, severe weather events, natural disaster, fire, act of terrorism or war, pandemics or other unpredictable events, could result in a disruption of our business, liability to clients, regulatory intervention or reputational damage, and thus adversely affect our business. In addition, since implementing broad remote- work measures during the pandemic, we have an increased dependency on remote equipment and connectivity infrastructure to access critical business

systems that may be subject to failure, disruption, or unavailability that could negatively impact our business operations. The potential for some types of operational risks, including trading errors, may increase in periods of increased volatility, which can magnify the cost of an error. We have back- up systems and a business continuity plan in place, however, these arrangements may not be adequate in the event of a significant interruption or failure of the systems or operations that are critical to our business, however caused. Although we have not suffered material operational errors, including material trading errors, in the past, we may experience such errors in the future, the losses related to which we would absorb. Insurance and other safeguards might not be available or might only partially reimburse us for our losses. We rely on a number of key vendors for trading, middle- and back- office functions, various fund administration, accounting, custody and transfer agent roles and other operational needs. These key vendors may themselves rely on third party service providers to support their own operations. The failure of any key vendor, or of any service provider to a key vendor, to fulfill its obligations could cause operational issues that could lead to legal liability, regulatory issues, reputational harm and financial losses, **the likelihood of which increases as we increase reliance on third- party service providers**. Some of the key service providers and vendors upon which we rely operate in a remote or hybrid environment, which subjects both us and third- party service providers and key vendors to risk of operational issues and interruptions as well as to a heightened risk of cyberattacks or other privacy or data security incidents. We and our service providers are also subject to the risk that employees or contractors, or other third parties, may deliberately seek to circumvent established controls to commit fraud or act in ways that are inconsistent with our or their controls, policies, and procedures, and which may be harder to monitor in remote working environments. The financial and reputational impact of control failures can be significant. Moreover, as we grow our operations in new geographic regions, the potential for particular types of political, economic or infrastructure instabilities, information, technology or security limitations or breaches, or other country- or region- specific business continuity risks increases. Any significant limitation, failure or breach of the information security infrastructure, software applications, or other systems that are critical to our operations could disrupt our business, damage our reputation, and result in regulatory penalties or other additional costs to us. We are heavily reliant upon internal and third party technology systems, networks and applications to view, process, transmit and store information, including sensitive client and proprietary information, and to conduct many of our business activities and transactions with our clients, vendors and other third parties. In addition, in recent years we have increased our use of and reliance on mobile, remote work and cloud technologies. Maintaining the integrity of these systems, networks and technologies is critical to the success of our business operations. We rely on our (and our vendors') information security and cybersecurity infrastructure, policies, procedures and capabilities to protect these systems, networks and applications and the data that reside on or are transmitted through them. To date, we have not experienced any known material breaches of or interference with our systems, networks or applications, nor to our knowledge have we been materially impacted by a breach of our vendors' systems, networks or applications. However, we routinely encounter and address such threats, and the number and frequency of potential threats or security incidents experienced by us **directly, or indirectly via** our vendors, **has increased in recent years due to, among other factors, an increase in the number of security vulnerabilities, more sophisticated and automated attacks, proliferation of cloud- based solutions, our increased operations in China and Hong Kong and the increase in remote work.** Our experiences with **and preparation for** cybersecurity and other technology threats have included phishing scams, introductions of malware, attempts at electronic break- ins, brand infringements or impersonations, ransomware and unauthorized payment requests. Despite the measures we have taken and may in the future take to address and mitigate cybersecurity and other technology risks, **which are discussed further in " Item 1C — Cybersecurity " in Part I of this report,** we cannot guarantee that our systems, networks and applications, and those of third parties on whom we rely, will not be subject to disruptions, system failures or outages, unauthorized access, ransomware, breaches or other interference. In addition, our third- party service providers and other intermediaries with which we conduct business and transmit data have in the past been, and may in the future be, subject to successful cyberattacks or other data security events, and, despite our service provider oversight processes and practices, we cannot ensure that such third parties, **or the service providers to such third parties,** have appropriate controls in place to protect the confidentiality of data in the custody of **such party** ~~those third parties~~ or to allow them to continue their business operations, including **the provision of** their services to us, ~~in a timely manner~~. Cybersecurity and information security events may result in operational disruptions as well as unauthorized access to or the disclosure, corruption or loss of our proprietary information or our clients' or employees' information. Any such events may result in legal claims, regulatory scrutiny and liability, reputational damage, the incurrence of costs to eliminate or mitigate further exposure, the loss of clients or other damage to our business. Ultimately, such an event may have a material adverse impact on our business, financial condition or results of operations. In addition, required public notification of such incidents could exacerbate the harm to our business, financial condition or results of operations. Even if our and our service providers' technology infrastructure and the confidentiality of sensitive data are successfully protected, we may incur significant expense in connection with our response to any such attacks and the adoption and maintenance of additional security measures. We cannot be certain that future advances in criminal capabilities, the discovery of new vulnerabilities or other developments will not compromise or breach the security measures protecting the networks, systems and applications we use.

Indebtedness Risks Our indebtedness may expose us to material risks. We have indebtedness outstanding in the amount of \$ 200 million in unsecured notes, which exposes us to risks associated with the use of leverage. In addition, we maintain a \$ 100 million revolving credit agreement, though no amounts are outstanding as of the date of this filing. Our indebtedness may make it more difficult for us to withstand or respond to adverse or changing business, regulatory and economic conditions or to take advantage of new business opportunities or make necessary capital expenditures. To the extent we service our debt from our cash flow, such cash will not be available for our operations or other purposes. Because our debt service obligations are fixed, the portion of our cash flow used to service those obligations could become substantial if our revenues decline significantly, whether because of market declines or other reasons. Our Series D, Series E and Series F notes bear interest at a rate equal to 4. 29 %, 4. 53 %, and 3. 10 % per annum, respectively. The interest

rate on each of the notes is subject to a 100 basis point increase in the event Holdings receives a below- investment grade rating. Each series requires a balloon payment at maturity. Any substantial decrease in net operating cash flows or substantial increase in expenses could make it difficult for us to meet our debt service requirements or force us to modify our operations. Our ability to repay the principal amount of our notes or any outstanding loans under our revolving credit agreement, to refinance our debt or to obtain additional financing through debt or the sale of additional equity securities will depend on our performance, as well as financial, business and other general economic factors affecting the credit and equity markets generally or our business in particular, many of which are beyond our control. Any such alternatives may not be available to us on satisfactory terms or at all. Our note purchase agreements and revolving credit agreement contain, and our future indebtedness may contain, various covenants that may limit our business activities. Our note purchase agreements and revolving credit agreement contain financial and operating covenants that limit our business activities, including restrictions on our ability to incur additional indebtedness and pay dividends to our stockholders. The agreements also restrict Holdings from making distributions to its partners (including us), other than tax distributions or distributions to fund our ordinary expenses, if a default (as defined in the respective agreements) has occurred and is continuing or would result from such a distribution. In addition, if our average AUM for a fiscal quarter falls below \$ 45 billion, Holdings will generally be required to offer to pre- pay the unsecured notes. Failure to comply with any of these restrictions could result in an event of default, giving our lenders the ability to accelerate repayment of our obligations. As of December 31, 2023-2024, we believe we are in compliance with all of the covenants set forth in the agreements. Risks Related to Our Structure Control by our stockholders committee of approximately 11-10% of the combined voting power of our capital stock and the rights of holders of limited partnership units of Artisan Partners Holdings may give rise to conflicts of interest. As **Certain shares of common stock held by current** February 19, 2024, our employees **are subject to whom we have granted equity (including our employee-partners) held approximately 11% of the combined voting power of our capital stock. These employees have entered into a stockholders agreement, pursuant to which they a stockholders committee has been granted an irrevocable voting proxy with respect to all such shares of our common stock they have acquired from us and any shares they may acquire from us in the future to a stockholders committee. Any additional shares of our common stock that we issue to our employees will be subject to the stockholders agreement so long as the agreement has not been terminated.** Shares held by an employee cease to be subject to the stockholders agreement upon termination of employment **or if the stockholders agreement is terminated**. The stockholders committee currently consists of Eric R. Colson (Chief Executive Officer), Charles J. Daley, Jr. (Chief Financial Officer) and Gregory K. Ramirez (Executive Vice President). All shares subject to the stockholders agreement are voted in accordance with the majority decision of those three members providing the committee with approximately 11-10% of the aggregate voting power **as of February 21, 2025**. The consent of the holders of our Class A common units, voting as a single and separate class, is required for Holdings to engage in certain material corporate transactions, including a merger, consolidation, dissolution or sale of greater than 25% of the fair market value of Holdings' assets. These voting and class approval rights may enable the holders of Class A common units to prevent the consummation of transactions that may be in the best interests of the holders of our Class A common stock. In addition, because the majority of our pre- IPO owners (, including certain members of our **APAM's** board of directors **(the "Board ")** , hold or held a portion of their ownership interests in our business through Holdings, rather than through Artisan Partners Asset Management, these pre- IPO owners may have conflicting interests with holders of our Class A common stock. For example, our pre- IPO owners may have different tax positions from us which could influence their decisions regarding whether and when we should dispose of assets, whether and when we should incur new or refinance existing indebtedness, especially in light of the existence of the tax receivable agreements, and whether and when Artisan Partners Asset Management should terminate the tax receivable agreements and accelerate its obligations thereunder. In addition, the structuring of future transactions may take into consideration these pre- IPO owners' tax or other considerations even where no similar benefit would accrue to us. Our ability to pay regular dividends to our stockholders is subject to the discretion of our **board Board of directors** and may be limited by our structure and applicable provisions of Delaware law. We intend to pay dividends to holders of our Class A common stock as described in " Dividend Policy ". Our **board Board of directors** may, in its sole discretion, change the amount or frequency of dividends or discontinue the payment of dividends entirely. In addition, as a holding company, we are dependent upon the ability of our subsidiaries to generate earnings and cash flows and distribute them to us so that we may pay dividends to our stockholders. We expect to cause Holdings, a Delaware limited partnership, to make distributions to its partners, including us, in an amount sufficient for us to pay dividends. However, its ability to make such distributions will be subject to its and its subsidiaries' operating results, cash requirements and financial condition, the applicable provisions of Delaware law, its compliance with covenants related to existing or future indebtedness, its other agreements with third parties, as well as its obligation to make tax distributions under its partnership agreement (which distributions would reduce the cash available for distributions by Holdings to us). As a result of these limitations and restrictions, we may not be able to pay, or may have to reduce, the dividends on our Class A common stock. Any change in the level of our dividends or the suspension of the payment thereof could adversely affect the market price of our Class A common stock. Our ability to pay taxes and expenses, including payments under the tax receivable agreements (" TRAs "), may be limited by our holding company structure. As a holding company, our assets principally consist of our ownership of partnership units of Holdings, deferred tax assets and cash and we have no independent means of generating revenue. Holdings is a partnership for U. S. federal income tax purposes and, as such, is not subject to U. S. federal income tax. Instead, Holdings' taxable income is allocated to holders of its partnership units, including us. Accordingly, we incur income taxes on our proportionate share of Holdings' taxable income and also may incur expenses related to our operations. Under the terms of its amended and restated limited partnership agreement, Holdings is obligated to make tax distributions to holders of its partnership units, including us. In addition to tax expenses, we are also required to make payments under the TRAs, which will be significant, and we incur other expenses related to the TRAs and our operations. We intend to fund the payment of amounts due under the TRAs out of the reduced tax payments that APAM realizes

in respect of the tax attributes to which the TRAs relate. We also intend to cause Holdings to make distributions in an amount sufficient to allow us to pay our taxes and pay any additional operating expenses. However, its ability to make such distributions will be subject to various limitations and restrictions as set forth in the preceding risk factor. If, as a consequence of these various limitations and restrictions, we do not have sufficient funds to pay tax or other liabilities or to fund our operations, we may have to borrow funds and thus our liquidity and financial condition could be materially adversely affected. To the extent that we are unable to make payments when due under the TRAs, such payments will be deferred and will accrue interest from the due date (without extension) until such payments are made. We will be required to pay the TRA beneficiaries for certain tax benefits we claim, and we expect that the payments we will be required to make will be substantial. We are party to two TRAs. The first TRA generally provides for the payment by APAM to the assignees of the Pre- H & F Corp Merger Shareholder of 85 % of the applicable cash savings, if any, of U. S. federal, state and local income taxes that APAM actually realizes (or is deemed to realize in certain circumstances) as a result of (i) the tax attributes of the preferred units APAM acquired in the merger of a wholly- owned subsidiary of the Pre- H & F Corp Merger Shareholder into APAM in March 2013 and (ii) tax benefits related to imputed interest. The second TRA generally provides for the payment by APAM to current or former limited partners of Holdings or their assignees of 85 % of the applicable cash savings, if any, of U. S. federal, state and local income taxes that APAM actually realizes (or is deemed to realize in certain circumstances) as a result of (i) certain tax attributes of their partnership units sold to us or exchanged (for shares of Class A common stock, convertible preferred stock or other consideration) and that are created as a result of such sales or exchanges and payments under the TRAs and (ii) tax benefits related to imputed interest. The payment obligation under the TRAs is an obligation of APAM, not Holdings, and we expect that the payments we will be required to make under the TRAs will be substantial. Assuming no material changes in the relevant tax law and that APAM earns sufficient taxable income to realize all tax benefits that are subject to the TRAs, we expect that the reduction in tax payments for us associated with (i) the merger described above; (ii) the purchase or exchange of partnership units from March 2013 through December 31, 2023-2024; and (iii) projected future purchases or exchanges of partnership units would aggregate to approximately \$ 553-501 million over generally a minimum of 15 years, assuming the future purchases or exchanges described in clause (iii) occurred at a price of \$ 44-43 . 18-05 per share of our Class A common stock, the closing price of our Class A common stock on December 31, 2023-2024. Under such scenario we would be required to pay the other parties to the TRAs 85 % of such amount, or approximately \$ 507-466 million, over generally a minimum of 15 years. The actual amounts may materially differ from these hypothetical amounts, as potential future reductions in tax payments for us and TRA payments by us will be calculated using the market value of our Class A common stock at the time of purchase or exchange and the prevailing tax rates applicable to us over the life of the TRAs and will be dependent on us generating sufficient future taxable income to realize the benefit. As of December 31, 2023-2024, we recorded a \$ 364-341 million liability, representing amounts payable under the TRAs equal to 85 % of the tax benefit we expected to realize from the H & F Corp merger described above, our purchase of partnership units from limited partners of Holdings and the exchange of partnership units from March 2013 through December 31, 2023-2024, assuming no material changes in the related tax law and that APAM earns sufficient taxable income to realize all tax benefits subject to the TRAs. The liability will increase upon future purchases or exchanges of limited partnership units with the increase representing amounts payable under the TRAs equal to 85 % of the estimated future tax benefits, if any, resulting from such purchases or exchanges. Payments under the TRAs are not conditioned on the counterparties' continued ownership of us. The actual increase in tax basis, as well as the amount and timing of any payments under these agreements, will vary depending upon a number of factors, including the timing of sales or exchanges by the holders of limited partnership units, the price of the Class A common stock at the time of such sales or exchanges, whether such sales or exchanges are taxable, the amount and timing of the taxable income APAM generates in the future and the tax rate then applicable and the portion of APAM' s payments under the TRAs constituting imputed interest or depreciable basis or amortizable basis. Payments under the TRAs are expected to give rise to certain additional tax benefits attributable to either further increases in basis or in the form of deductions for imputed interest, depending on the TRA and the circumstances. Any such benefits are covered by the TRAs and will increase the amounts due thereunder. In addition, the TRAs provide for interest to be accrued from for the period starting with the due date (without extensions) of the corresponding APAM tax return to until the actual date of the TRA payment date, provided that the actual payment date is on or before the payment due date, as specified in the TRAs. In addition, to the extent that we are unable to make payments when due under the TRAs, such payments will be deferred and will accrue interest at a rate specified under the TRAs. Payments under the TRAs will be based on the tax reporting positions that we determine. Although we are not aware of any issue that would cause the IRS or other taxing authority to challenge a tax basis increase or other tax attributes subject to the TRAs, we will not be reimbursed for any payments previously made under the TRAs if such basis increases or other benefits are subsequently disallowed (however, any such additional payments may be netted against future payments (if any) that are made under the TRAs). As a result, in certain circumstances, payments could be made under the TRAs in excess of the benefits that we actually realize in respect of the attributes to which the TRAs relate. In certain cases, payments under the TRAs may be accelerated and / or significantly exceed the actual benefits we realize in respect of the tax attributes subject to the TRAs. The TRAs provide that (i) upon certain mergers, asset sales, other forms of business combinations or other changes of control, (ii) in the event that we materially breach any of our material obligations under the agreements, or (iii) if, at any time, we elect an early termination of the agreements, our (or our successor' s) obligations under the agreements (with respect to all units, whether or not units have been exchanged or acquired before or after such transaction) would be based on certain assumptions. In the case of a material breach or if we elect early termination, those assumptions include that we would have sufficient taxable income to fully utilize the deductions arising from the increased tax deductions and tax basis and other benefits related to entering into the TRAs. In the case of a change of control, the assumptions include that in each taxable year ending on or after the closing date of the change of control, our taxable income (prior to the application of the tax deductions and tax basis and other benefits related to entering into the TRAs) will

equal the greater of (i) the actual taxable income (prior to the application of the tax deductions and tax basis and other benefits related to entering into the TRAs) for the taxable year and (ii) the highest taxable income (calculated without taking into account extraordinary items of income or deduction and prior to the application of the tax deductions and tax basis and other benefits related to entering into the TRAs) in any of the four fiscal quarters ended prior to the closing date of the change of control, annualized and increased by 10 % for each taxable year beginning with the second taxable year following the closing date of the change of control. In the event we elect to terminate the agreements early or we materially breach a material obligation, our obligations under the agreements will accelerate. As a result, (i) we could be required to make payments under the TRAs that are greater than or less than the specified percentage of the actual benefits we realize in respect of the tax attributes subject to the agreements and (ii) if we materially breach a material obligation under the agreements or if we elect to terminate the agreements early, we would be required to make an immediate payment equal to the present value of the anticipated future tax benefits, which payment may be made significantly in advance of the actual realization of such future benefits. In these situations, our obligations under the TRAs could have a substantial negative impact on our liquidity and could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control. There can be no assurance that we will be able to finance our obligations under the TRAs. If we were to elect to terminate the TRAs associated with (i) the merger described above; (ii) the purchase or exchange of partnership units from March 2013 through December 31, 2023-2024; and (iii) projected future purchases or exchanges of partnership units, as of December 31, 2023-2024, based on a share price of \$ 44-43, 18-05 per share of Class A common stock and certain other assumptions, we estimate that we would be required to pay approximately \$ 349-340 million in the aggregate under the TRAs. If we were deemed an investment company under the 1940 Act as a result of our ownership of Artisan Partners Holdings, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business. We do not believe that we are an “ investment company ,” as such term is defined in Sections 3 (a) (1) (A) and (C) of the 1940 Act. As its sole general partner, we control and operate Holdings. However, if we were to cease participation in the management of Holdings, our interest in Holdings could be deemed an “ investment security ” and we ultimately could be deemed an “ investment company. ” We and Holdings intend to continue to conduct our operations so that we will not be deemed an investment company. However, if we were to be deemed an investment company, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business. Risks Related to Our Class A Common Stock Equity markets and the price of our Class A common stock have been, and will may continue to be, volatile, which could result in rapid and substantial losses for our stockholders. The market price of our Class A common stock is significantly impacted by fluctuations in the broader equity markets and, as a result, has experienced and may continue to experience volatility in price and volume. In addition, a relatively concentrated number of institutional stockholders own our Class A common stock. If our larger stockholders decide to reduce or liquidate their positions, the trading volume of our Class A common stock may fluctuate and cause significant price variations to occur. If the market price of our Class A common stock declines significantly, investors may be unable to sell shares of Class A common stock at or above their purchase price, if at all. The market price of our Class A common stock may fluctuate or decline significantly in the future. Future sales of our Class A common stock in the public market could lower our stock price, and any future sale of equity or convertible securities may dilute existing stockholders’ ownership in us. The market price of our Class A common stock could decline as a result of future sales of a large number of shares of our Class A common stock, or the perception that such sales could occur. These sales, or the possibility that such sales may occur, may make it more difficult for us to raise capital by selling equity securities in the future, at a time and price that we deem appropriate. We are party to a resale and registration rights agreement pursuant to which the shares of our Class A common stock issued upon exchange of limited partnership units, on a one- for- one basis, are eligible for resale. Such shares of Class A common stock may be transferred in accordance with the terms and conditions of the resale and registration rights agreement, which our board Board of directors may waive or modify at any time. There is no limit on the number of shares of our Class A common stock that our Class A limited partners or AIC are permitted to sell upon exchange of their limited partnership units. As of February 19-21, 2024-2025, our Class A limited partners in the aggregate owned approximately 4. 4 million Class A common units and AIC owned approximately 3. 5 million Class D common units. Our board Board of directors has modified the limitations on the number of shares of our Class A common stock that our employee- partners are permitted to sell upon exchange of their limited partnership units. As of February 19-21, 2024-2025, our employee- partners owned 2-1, 2-6 million Class B common units, generally all of which are now eligible for sale. In addition, approximately 0. 8-9 million Class E common units are eligible for exchange and sale by former employee- partners in 2024-2025. We may also purchase limited partnerships units of Holdings at any time and may issue and sell additional shares of our Class A common stock to fund such purchases. We cannot predict the size of future issuances of our Class A common stock or the effect, if any, that such future issuances and sales may have on the market price of our Class A common stock. Sales or distributions of substantial amounts of our Class A common stock (including shares issued in connection with an acquisition), or the perception that such sales could occur, may cause the market price of our Class A common stock to decline. As Including the grant approved by the Board in January 2025, as of February 19-21, 2024-2025, there were 5, 052-473, 404-547 outstanding unvested restricted share- based awards granted pursuant to the 2013 Omnibus Incentive Compensation Plan, as amended and 250-316, 876-953 outstanding restricted stock units granted pursuant to the 2013 Non-our compensation plans for employees and non- Employee-employee Director Plan. In addition, in January 2024 our board of directors approved 531, respectively 814 restricted share- based awards pursuant to the 2023 Omnibus Incentive Compensation Plan and the 2023 Non- Employee Director Plan. Awards granted under these plans, which consist of a mix of restricted stock units, performance share units and restricted shares of Class A common stock, remain in effect until they have vested or been forfeited in accordance with the terms of the applicable plan and award agreement. Once shares issued pursuant

to these plans have vested, they will be able to be sold in the public market. Provisions in our organizational documents, equity award agreements and Delaware law could discourage a change of control that stockholders may favor, which could negatively affect the market price of our Class A common stock. Provisions in our restated certificate of incorporation, amended and restated bylaws and in the Delaware General Corporation Law, as well as the terms of our equity awards, may make it more difficult and expensive for a third party to acquire control of us even if a change of control would be beneficial to the interests of our stockholders. Those provisions include:

- The right of ~~the~~ certain classes of our capital stock to vote, as separate classes, on certain amendments to our restated certificate of incorporation and certain fundamental transactions.
- The ability of our ~~board~~ **Board of directors** to determine to issue shares of preferred stock.
- Advance notice procedures that stockholders must comply with in order to nominate candidates to our ~~board~~ **Board of directors** or to propose matters to be acted upon at a stockholders' meeting.
- A limitation that, generally, stockholder action may only be taken at an annual or special meeting or by unanimous written consent.
- A requirement that a special meeting of stockholders may be called only by our ~~board~~ **Board of directors**, the Chair of the ~~board~~ **Board** or the Chief Executive Officer.
- The ability of our ~~board~~ **Board of directors** to adopt, amend and repeal our amended and restated bylaws by majority vote, while such action by stockholders would require a super majority vote.
- Except with respect to awards held by our named executive officers which are double trigger, single trigger vesting upon a change in control for unvested employee equity awards. Prior to February 2019, our awards generally included double trigger vesting upon a change in control. The market price of our Class A common stock could be adversely affected to the extent that the above factors discourage or delay potential takeover attempts that our stockholders may favor. Our restated certificate of incorporation contains a forum selection clause, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents. Our restated certificate of incorporation provides that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders. Any person acquiring any interest in any shares of our capital stock shall be deemed to have notice of and to have consented to this provision of our restated certificate of incorporation. This choice of forum provision may limit our stockholders' ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage lawsuits against such parties. Alternatively, if a court were to find the forum selection clause inapplicable to, or unenforceable in respect of, one or more actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Our ~~indemnification obligations may pose substantial risks to our financial condition. Pursuant to our restated certificate of incorporation, we will indemnify our directors and officers to the fullest extent permitted by Delaware law against all liability and expense incurred by them in their capacities as directors or officers of us, and we are obligated to pay their expenses in connection with the defense of claims. Our bylaws provide for similar indemnification of, and advancement of expenses to, our directors, officers, employees and agents and members of our stockholders committee. We have also entered into indemnification agreements with our directors and executive officers and each member of our stockholders committee, pursuant to which we will indemnify them to the fullest extent permitted by Delaware law in connection with their service in such capacities. Holdings will also indemnify and advance expenses to AIC (its former general partner), former members of its pre-IPO advisory committee, members of our stockholders committee, our directors and officers, and its officers and employees against any liability and expenses incurred by them as a result of the capacities in which they serve or served Holdings. We have obtained liability insurance insuring our directors, officers, members of our stockholders committee and our associates against liability for acts or omissions in their capacities as such, subject to certain exclusions. These obligations may pose substantial risks to our financial condition, if we are not able to maintain our insurance or, even if we are able to maintain our insurance, claims in excess of our coverage could be material. In addition, indemnification obligations and other provisions of our restated certificate of incorporation and the amended and restated partnership agreement of Holdings, may have the effect of reducing the likelihood of derivative litigation against indemnified persons, and may discourage or deter stockholders or management from bringing a lawsuit against such persons, even though such an action, if successful, might otherwise have benefited us and our stockholders. Our restated certificate of incorporation provides that certain of our investors do not have an obligation to offer us business opportunities. Our restated certificate of incorporation provides that, to the fullest extent permitted by applicable law, certain of our investors and their respective affiliates (including affiliates who serve on our ~~board~~ **Board of directors**) have no obligation to offer us an opportunity to participate in the business opportunities presented to them, even if the opportunity is one that we might reasonably have pursued. Therefore, they may be free to compete with us in the same or a similar business. Furthermore, we renounce and waive and agree not to assert any claim for breach of any duty relating to any such opportunity against those investors and their affiliates by reason of any such activities unless, in the case of any person who is our director or officer, such opportunity is expressly offered to such person in writing solely in his or her capacity as an officer or director of us. This may create actual and potential conflicts of interest between us and certain of our investors and their affiliates (including certain of our directors).~~