

**Ariel Investments, LLC  
Verification and Ariel International (DM)  
Composite Performance Examination  
Report**

**December 31, 2023**



## Verification and Performance Examination Report

Ariel Investments, LLC

We have verified whether Ariel Investments, LLC (the “Firm”) has, for the periods from April 1, 1990 through December 31, 2023, established policies and procedures for complying with the Global Investment Performance Standards (GIPS®) related to composite and pooled fund maintenance and the calculation, presentation, and distribution of performance that are designed in compliance with the GIPS standards, as well as whether these policies and procedures have been implemented on a firm-wide basis. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. We have also examined the Firm’s Ariel International (DM) Composite for the periods from January 1, 2012 through December 31, 2023.

The Firm’s management is responsible for its claim of compliance with the GIPS standards, the design and implementation of its policies and procedures, and for the accompanying Ariel International (DM) Composite’s GIPS composite report. Our responsibilities are to be independent from the Firm and to express an opinion based on our verification and performance examination. We conducted this verification and performance examination in accordance with the required verification and performance examination procedures of the GIPS standards, which includes testing performed on a sample basis. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, for the periods from April 1, 1990 through December 31, 2023, the Firm’s policies and procedures for complying with the GIPS standards related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been, in all material respects:

- Designed in compliance with the GIPS standards, and
- Implemented on a firm-wide basis.



Also, in our opinion, the Firm has, in all material respects:

- Constructed the Ariel International (DM) Composite and calculated the Ariel International (DM) Composite's performance for the periods from January 1, 2012 through December 31, 2023 in compliance with the GIPS standards; and
- Prepared and presented the accompanying Ariel International (DM) Composite's GIPS composite report for the periods from January 1, 2014 through December 31, 2023 in compliance with the GIPS standards.

This report does not relate to or provide assurance on any specific performance report of the Firm other than the Firm's accompanying Ariel International (DM) Composite's GIPS composite report, or on the operating effectiveness of the Firm's controls or policies and procedures for complying with the GIPS standards.

*ACA Group*

ACA Group, Performance Services Division

April 22, 2024

Year End	Gross Annual Return	Net Annual Return	MSCI EAFE Net Index	3-Year Annualized Standard Deviation		Composite Dispersion	Number of Portfolios	Composite Assets (\$ Millions)	Total Firm Assets (\$ Millions)
				Composite	Benchmark				
2014	-1.38%	-2.17%	-4.90%	12.19%	13.03%	0.77	9	550.8	10,041.9
2015	4.43%	3.60%	-0.81%	10.87%	12.46%	0.33	10	745.2	10,133.2
2016	0.44%	-0.36%	1.00%	10.96%	12.47%	0.19	12	840.5	10,967.5
2017	17.52%	16.59%	25.03%	10.33%	11.83%	0.34	18	1,817.3	13,132.2
2018	-8.91%	-9.63%	-13.79%	10.22%	11.24%	0.30	19	1,665.3	11,565.9
2019	15.08%	14.16%	22.01%	9.66%	10.81%	0.25	13	1,290.2	13,217.1
2020	7.71%	6.85%	7.82%	13.18%	17.89%	0.16	17	2,204.9	14,582.7
2021	5.78%	4.94%	11.26%	12.59%	16.92%	0.35	16	2,089.2	17,426.7
2022	-10.69%	-11.40%	-14.45%	14.82%	19.96%	0.34	18	1,719.1	14,834.8
2023	11.56%	10.67%	18.24%	14.67%	16.61%	0.27	9	1,106.2	13,392.8

1. Ariel Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Ariel Investments has been independently verified for the period from April 1, 1990 through December 31, 2023. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Ariel International (DM) Composite has been examined for the periods January 1, 2012 through December 31, 2023. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. **Past performance is no guarantee of future results.**

2. Ariel Investments, LLC (Ariel) is a Delaware limited liability company registered as an investment adviser with the U.S. Securities and Exchange Commission. Headquartered in Chicago, Illinois, with offices in New York, San Francisco, and Sydney, Ariel offers investment strategies that seek long-term capital appreciation by investing primarily in equity securities. Ariel utilizes a bottom-up, fundamental analysis to select quality company stocks. Taking a long-term view and applying independent thinking to our investment decisions, Ariel spans the market cap spectrum from small to large and covers the globe with U.S., international, global, and emerging markets offerings.

3. The Ariel International (DM) Composite, includes all discretionary, fee-paying, commission-paying, portfolios that are invested in the international (DM) strategy. This strategy seeks long-term capital appreciation as a primary objective. The strategy's secondary objectives are to seek long-term capital preservation, to generate attractive absolute and risk-adjusted returns, and to attain higher relative returns compared to its benchmark over a full market cycle. The strategy invests primarily in equity securities of foreign (non-U.S.) companies in developed international markets. The strategy will invest in foreign securities by purchasing equity securities directly or through instruments that provide exposure to foreign companies. The strategy is permitted to invest in companies of any size, but typically will not invest in companies with market capitalizations below \$1 billion. The strategy also may invest a portion of its assets in equity securities (or other instruments) of companies based in the U.S. or emerging markets. The Ariel International (DM) Composite differs from its benchmark, the MSCI EAFE Index, because: (i) the Composite has fewer holdings than the benchmark, (ii) the Composite will invest in Canada, and (iii) the Composite will at times invest a portion of its assets in the U.S. and emerging markets. Henry Mallari-D'Auria became the Lead Portfolio Manager, and Mrunal (Micky) Jagirdar became a Portfolio Manager, for the Ariel International DM Composite in September 2023. Previously, the Composite's sole portfolio manager was Rupal Bhansali.

The strategy uses various techniques to hedge currency exposure, or to invest significant cash inflows in the market (i.e., reducing "cash drag"), including derivatives, exchange-traded funds ("ETFs"), and other hedges. The strategy will buy and sell currency on a spot basis and enter into foreign currency forward contracts. Ariel uses these techniques primarily in an attempt to reduce unintended tracking error versus its benchmark, decrease the strategy's exposure to changing security prices or foreign currency risk, or address other factors that affect security values. The strategy will at times include the holding of cash or cash equivalents for defensive purposes. Effective January 1, 2020, the Ariel International (DM) Composite was redefined to no longer exclude pooled funds in accordance with GIPS® 2020. A list of composite and limited distribution pooled fund descriptions, a list of broad distribution pooled funds, and policies for valuing investments, calculating performance, and preparing GIPS® Reports are available upon request. The composite was created in January 2012. The composite's inception date is December 31, 2011.

4. The 3-year annualized ex-post standard deviation measures the variability of the Composite's gross returns and the benchmark over the preceding 36-month period.

5. Performance results are reported in U.S. dollars, net of transaction costs and reflect the reinvestment of dividends and other earnings. Net returns reflect the deduction of the maximum advisory fee in effect for the respective period, which is currently 0.80% per annum, applied on a monthly basis. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size.

6. The standard fee schedule currently in effect is: 0.80% on the first \$25 million; 0.75% on the next \$25 million; 0.65% on the next \$50 million; 0.55% on the next \$100 million; and 0.50% over \$200 million.

7. The dispersion of annual returns is measured by the standard deviation of asset-weighted gross portfolio returns represented within the composite for the full year. For those periods with one or fewer portfolios included for the entire year, dispersion is not presented.

8. The MSCI EAFE® Index is an equity index of large and mid-cap representation across 21 Developed Markets (DM) countries around the world, excluding the U.S. and Canada. Its inception date is May 31, 1986. All MSCI Index net returns reflect the reinvestment of income and other earnings, including the dividends net of the maximum withholding tax applicable to non-resident institutional investors that do not benefit from double taxation treaties. MSCI uses the maximum tax rate applicable to institutional investors, as determined by the companies country of incorporation. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used to create indices or financial products. This report is not approved or produced by MSCI.