

**Ariel Investments, LLC  
Verification and Ariel Emerging Markets  
Value ex-China 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 Emerging Markets Value ex-China Composite for the periods from June 1, 2023 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 Emerging Markets Value ex-China 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 Emerging Markets Value ex-China Composite and calculated the Ariel Emerging Markets Value ex-China Composite's performance for the periods from June 1, 2023 through December 31, 2023 in compliance with the GIPS standards; and
- Prepared and presented the accompanying Ariel Emerging Markets Value ex-China Composite's GIPS composite report for the periods from June 1, 2023 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 Emerging Markets Value ex-China 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

January 30, 2025

For the Period From 06/01/23 (Inception) – 12/31/23

Year End	Gross Annual Return	Net Annual Return	MSCI EM ex-China Net Index	3-Year Annualized Standard Deviation		Composite Dispersion	Number of Portfolios	Composite Assets (\$ Millions)	Total Firm Assets (\$ Millions)
				Composite	Benchmark				
2023	18.03%	17.32%	13.33%	n/a	n/a	n/a	1	5.9	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 Emerging Markets Value ex-China Composite has been examined for the periods June 1, 2023 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 Emerging Markets Value ex-China Composite includes all discretionary, fee-paying, commission-paying, portfolios that are invested in the emerging markets value ex-China 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 returns and to attain higher absolute and relative returns compared to its benchmark over a full market cycle. The strategy invests primarily in equity securities of non-U.S. companies in emerging markets, excluding mainland China. The strategy will invest in non-U.S. securities by purchasing equity securities directly or through instruments that provide exposure to non-U.S. companies. The strategy is permitted to invest in companies of any size. The Ariel Emerging Markets Value ex-China Composite differs from its benchmark, the MSCI EM (Emerging Markets) ex-China Index because the Composite has fewer holdings than the benchmark.

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 ensure that stock selection is the primary driver of relative returns. 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 June 2023. The composite’s inception date is May 31, 2023.

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 of Fees returns are calculated by deducting the actual monthly advisory fee (on an asset-weighted basis) applicable to all accounts in the composite, using the fee rates in place as of the most recent calendar quarter-end. 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: 1.05% on the first \$25 million; 0.90% on the next \$25 million; and 0.80% on the balance over \$50 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 Emerging Markets ex-China Index captures large and mid cap representation across 23 of the 24 Emerging Markets (EM) countries excluding China. Its inception date is March 9, 2017. 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.