

Summary

OBJECTIVE	Long-term capital appreciation
INVESTMENT STYLE	Small/Mid Cap Value
INDEX	Russell 2500™ Value Index
INCEPTION DATE	December 31, 2000
TOTAL MARKET VALUE	\$1,411.0 million



John W. Rogers, Jr.
Lead Portfolio Manager



John P. Miller
Portfolio Manager

Firm Facts

- Founded in 1983 by John W. Rogers, Jr.
- Headquartered in Chicago, with offices in New York, San Francisco and Sydney
- \$17.1 billion in Assets Under Management*
- 95.2% owned by employees and board members

Our Patient Investment Philosophy

Active Patience

We take the long-term view.

Independent Thinking

We invest to our convictions, not to benchmarks.

Focused Expertise

We specialize in bottom-up, fundamental research.

Bold Teamwork

We work collaboratively with a shared commitment to excellence.

Our Value Approach

- Pioneer in small and mid-cap value investing, with one of the longest track records in the business.
- Fundamental, qualitative approach to investing.
- Concentrated yet diversified portfolios focused on our highest conviction ideas.
- In depth sector and industry expertise.

Performance¹ (%)

	Annualized						
	QTD	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
Gross of Fees	7.19	7.19	-7.97	24.27	7.14	10.11	9.18
Net of Fees	6.92	6.92	-8.88	23.04	6.08	9.02	8.10
Russell 2500™ Value Index ²	1.40	1.40	-10.53	21.82	5.61	7.72	8.57
Russell 2500™ Index ²	3.39	3.39	-10.39	19.43	6.65	9.07	8.44
S&P 500® Index ²	7.50	7.50	-7.73	18.62	11.19	12.24	7.29

Characteristics³

	Ariel Small/Mid Cap Value	Russell 2500™ Value Index
Number of Holdings	36.00	1,795.00
Forward Price/Earnings	13.31	12.12
Long-Term Earnings Growth (%)	7.40	7.74
Debt Rating	BBB-	BB
Interest Coverage Ratio	7.12	2.64
Return on Equity (%)	17.80	14.17
Discount to Private Market Value (%)	-32.88	-
Active Share (%)	96.58	-
Turnover (%)	17.22	-
Beta vs. S&P 500 (5-year)	1.23	1.15
Current beta	1.11	1.04

*Assets under management include \$1.48 billion for Ariel Alternatives, a subsidiary of Ariel Investments, which reflects aggregate commitments and excludes fund specific leverage. Total Market Value reflects the total assets invested in the strategy as of the report date.

¹Investing in small-cap companies is more risky and volatile than investing in mid- and large-cap companies. The intrinsic value of the stocks in which the portfolio invests may never be recognized by the broader market. The portfolio is often concentrated in fewer sectors than its benchmarks, and its performance may suffer if these sectors underperform the overall stock market. Investing in equity stocks is risky and subject to the volatility of the markets. **Past performance does not guarantee future results.** Current performance may be lower or higher than the performance data quoted. Performance results may be preliminary, are net of transaction costs and reflect the reinvestment of dividends and other earnings. Net performance has been reduced by the amount of the highest fee charged to any client in the Composite during the performance period. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Fee information is available upon request and may also be found in Ariel Investments LLC's Form ADV, Part 2.

²The Russell 2500™ Value Index measures the performance of the small to mid-cap value segment of the U.S. equity universe. It includes those Russell 2500 companies with relatively lower price-to-book ratios, lower forecasted growth values and lower sales per share historical growth. Inception of this benchmark is July 1, 1995. The Russell 2500™ Index measures the performance of the small to mid-cap segment of the U.S. equity universe, commonly referred to as "smid" cap. The Russell 2500 Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. Inception of this benchmark is June 1, 1990. The S&P 500® Index is widely regarded as the best gauge of large-cap U.S. equities. It includes 500 leading companies and covers approximately 80% of available U.S. market capitalization. Russell® is a trademark of London Stock Exchange Group, which is the source and owner of the Russell Indexes' trademarks, service marks and copyrights. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes or underlying data and no party may rely on any Russell Indexes and/or underlying data contained in this communication. No further distribution of Russell data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication.

³Definitions for the metrics below are detailed on page 2 under the section entitled Quantitative Measures



Industry Weightings¹ (%)

	Ending Weight	Russell 2500™ Value Index
Consumer Discretionary	37.25	15.48
Financials	22.77	19.48
Industrials	22.24	19.10
Health Care	7.21	8.40
Real Estate	4.96	11.24
Consumer Staples	2.16	2.86
Utilities	1.74	4.63
Cash	1.66	0.00
Basic Materials	0.00	5.21
Energy	0.00	4.99
Technology	0.00	7.16
Telecommunications	0.00	1.44

Top 10 Positions² (%)

	Russell ICB Industry	Ending Weight
1 Madison Square Garden Entertainment Corporation	Consumer Discretionary	5.59
2 Boyd Gaming Corporation	Consumer Discretionary	5.36
3 Affiliated Managers Group, Inc.	Financials	4.60
4 Paramount Global, Class B	Consumer Discretionary	4.52
5 Royal Caribbean Cruises, Ltd.	Consumer Discretionary	4.45
6 Axalta Coating Systems, Ltd.	Industrials	4.07
7 Lazard, Ltd., Class A	Financials	3.97
8 Gentex Corporation	Consumer Discretionary	3.50
9 Interpublic Group of Companies, Inc.	Consumer Discretionary	3.32
10 Mattel, Inc.	Consumer Discretionary	3.32
Total		42.69

Market Cap Exposure (% of investments)

	Ariel Small/Mid Cap Value	Russell 2500™ Value Index		Ariel Small/Mid Cap Value	Russell 2500™ Value Index
Large (\$145.41B & Above)	0.00	0.00	Weighted Average (\$M)	\$8,447	\$6,370
Medium/Large (\$41.31B - \$145.41B)	0.00	0.00	Smallest (\$M)	\$327	\$3
Medium (\$12.22B - \$41.31B)	27.25	9.23	Largest (\$M)	\$22,645	\$23,818
Medium/Small (\$4.17B - \$12.22B)	50.24	54.30			
Small (\$4.17B & Below)	22.51	36.47			

Contributors and Detractors² (%)

Top Five Contributors	Russell ICB Industry	Average Weight	Total Return	Contribution to Return
Paramount Global, Class B	Consumer Discretionary	4.35	33.78	1.28
Madison Square Garden Entertainment Corporation	Consumer Discretionary	5.01	31.35	1.23
Royal Caribbean Cruises, Ltd.	Consumer Discretionary	4.31	32.11	1.01
Boyd Gaming Corporation	Consumer Discretionary	5.08	17.90	0.79
Zebra Technologies Corporation, Class A	Industrials	2.99	24.02	0.74
Bottom Five Detractors				
BOK Financial Corporation	Financials	3.25	-18.25	-0.68
Affiliated Managers Group, Inc.	Financials	5.15	-10.10	-0.45
Jones Lang LaSalle, Inc.	Real Estate	3.33	-8.71	-0.25
Stericycle, Inc.	Utilities	1.96	-12.59	-0.23
CBRE Group, Inc.	Real Estate	2.09	-5.39	-0.11

Source: FactSet. ¹Holdings are categorized according to the Russell Industry Classification Benchmark (ICB). Holdings not classified by ICB are categorized according to FactSet. ²Holdings of the same issuer are aggregated and if held as depository receipts it is not so specified. The portfolio's Top 10 Positions are ranked by issuer Ending Weight. Contributors and Detractors are ranked by issuer Contribution to Return (%). Contribution to Return (%) is the Ending Weight (%) times the Total Return (%) linked daily for the period. Average Weight is the average value of the holding relative to the portfolio's total assets over the period. The holdings shown do not represent all of the securities purchased, sold or recommended for investors. **Quantitative Measures:** **Forward Price/Earnings Ratio** is a valuation measure that represents the price at quarter end divided by the mean earnings per share (EPS) consensus estimate for the next twelve months as of the run date. The holdings are summarized at the portfolio level using weighted average. **Debt Rating** is sourced from S&P issuers long term credit ratings for common stocks. **Interest Coverage Ratio** is a liquidity measure that represents the ratio of earnings before interest and taxes (EBIT) relative to the interest expense for the period. Holdings categorized as Financials by the Russell Industry Classification Benchmark (ICB) are excluded from the portfolio summary statistic. The holdings are summarized at the portfolio level using median. **Return on Equity** is a profitability measure that represents the consensus estimate for the next fiscal year net income divided by total equity over the period. Holdings are summarized at the portfolio level using weighted average. **Turnover**, a measure of portfolio change, is the lesser of purchases or sales divided by the average value of strategy assets over the trailing one-year period and is sourced from Ariel's portfolio accounting system Eagle. **Active Share** measures the degree the portfolio deviates from the benchmark. **5-Year beta** is benchmarked against S&P 500. 5-year beta is calculated by Assette and sourced from portfolio returns in Eagle. **Current beta** is benchmarked against S&P 500. Current beta (1-year trailing) is based on daily security returns from FactSet.

Our Performance Attribution

For the Quarter Ended March 31, 2023

Russell ICB Industry	Ariel Small/Mid Cap Value (%)			Russell 2500™ Value Index (%)			Attribution (%)		
	Average Weight	Total Return	Contribution to Return	Average Weight	Total Return	Contribution to Return	Allocation Effect	Selection + Interaction	Total Effect
Consumer Discretionary	36.27	16.23	5.40	15.10	9.46	1.31	1.68	2.35	4.03
Financials	24.14	-2.90	-0.52	20.98	-9.40	-2.02	-0.35	1.72	1.36
Industrials	21.48	11.13	2.38	18.54	6.80	1.10	0.14	0.89	1.03
Health Care	7.10	7.32	0.53	8.56	-2.26	-0.12	0.07	0.69	0.76
Energy	0.00	0.00	0.00	4.91	-2.60	-0.12	0.20	0.00	0.20
Cash	1.58	1.15	0.02	0.00	0.00	0.00	0.05	0.00	0.05
Consumer Staples	2.06	0.01	0.02	2.75	0.37	0.03	0.00	-0.01	-0.01
Telecommunications	0.00	0.00	0.00	1.40	2.50	0.04	-0.02	0.00	-0.02
Utilities	1.96	-12.59	-0.23	4.50	0.29	0.04	0.02	-0.26	-0.24
Basic Materials	0.00	0.00	0.00	5.07	9.71	0.45	-0.41	0.00	-0.41
Real Estate	5.43	-7.43	-0.37	11.30	0.87	0.15	0.04	-0.47	-0.44
Technology	0.00	0.00	0.00	6.89	8.42	0.55	-0.49	0.00	-0.49
Total	100.00	7.24	7.24	100.00	1.40	1.40	0.93	4.90	5.84

Source: FactSet. Total Return (%) does not represent the performance of the Composite for the period. The portfolio holdings are of a representative account and not reflective of the portfolio holdings of the Composite, of clients as a whole, or of the strategy. The representative account was selected because it has no client-imposed restrictions and minimal planned contributions and withdrawals. The portfolio holdings would differ from those of another client account if different client-imposed restrictions were applied, and also may vary from other differences such as cash flow. Holdings are categorized according to the Russell Industry Classification Benchmark (ICB). Holdings not classified by ICB are categorized according to FactSet. The portfolio return for each category reflects the percentage returns of the stocks in each category.

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