

Our Portfolio Characteristics

Ariel Appreciation Fund

As of September 30, 2023

| | Ariel Appreciation Fund | Russell Midcap® Value Index | Russell Midcap® Index | S&P 500® Index |
|---|-------------------------|-----------------------------|-----------------------|----------------|
| Market Cap Exposure (% of investments) | | | | |
| Large (\$143.28B & Above) | 0.00 | 0.00 | 0.00 | 56.46 |
| Medium/Large (\$39.98B - \$143.28B) | 12.82 | 9.87 | 10.84 | 27.03 |
| Medium (\$12.27B - \$39.98B) | 21.55 | 56.95 | 58.82 | 14.67 |
| Medium/Small (\$4.06B - \$12.27B) | 47.98 | 30.16 | 27.87 | 1.84 |
| Small (\$4.06B & Below) | 17.65 | 3.02 | 2.47 | 0.00 |
| <i>Dollar Weighted Average</i> | <i>17.97</i> | <i>20.44</i> | <i>21.57</i> | <i>630.80</i> |
| Valuation Metrics | | | | |
| Forward Price/Earnings | 13.57 | 13.46 | 15.03 | 17.98 |
| Trailing price/earning ¹ | 18.52 | 14.87 | 16.86 | 21.86 |
| Discount to Private Market Value (%) | -30.34 | -- | -- | -- |
| Fundamentals | | | | |
| Long-Term Earnings Growth (%) | 11.42 | 7.30 | 9.52 | 10.07 |
| Debt Rating | BBB | BBB- | BBB- | A |
| Interest Coverage Ratio | 4.87 | 4.47 | 4.49 | 7.54 |
| Return on Equity (%) | 14.10 | 17.99 | 21.76 | 27.73 |
| Portfolio Construction | | | | |
| Number of Holdings | 43 | 699 | 812 | 503 |
| Turnover (%) | 17.12 | -- | -- | -- |
| Benchmark Relative Statistics | | | | |
| Active Share (%) | 94.35 | -- | -- | -- |
| Beta vs. S&P 500 (5-year) | 1.16 | 1.10 | 1.10 | 1.00 |
| Current beta | 1.08 | 1.03 | 1.07 | 1.00 |

Portfolio Characteristics are sourced from FactSet, except Turnover, which is sourced from Northern Trust. Portfolio characteristics are for a representative portfolio. The representative account was selected because it has no client-imposed restrictions and it has minimal planned contributions and withdrawals. Client restrictions will cause variances. Please see disclosures page for definitions of the quantitative measures listed above.

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Ariel Appreciation Fund

For the Quarter Ended September 30, 2023

Industry Weightings¹ (% of net assets)

| | Ending Weight | Russell Midcap® Value Index | Russell Midcap® Index | S&P 500® Index |
|------------------------|---------------|-----------------------------|-----------------------|----------------|
| Consumer Discretionary | 26.05 | 13.15 | 14.38 | 14.13 |
| Financials | 24.09 | 15.22 | 13.56 | 9.92 |
| Industrials | 20.26 | 22.06 | 21.39 | 12.02 |
| Health Care | 10.58 | 7.16 | 10.27 | 12.75 |
| Energy | 5.37 | 6.11 | 5.80 | 4.83 |
| Consumer Staples | 4.33 | 4.06 | 4.00 | 5.47 |
| Real Estate | 3.75 | 10.10 | 7.62 | 2.37 |
| Short-Term Investments | 3.68 | 0.00 | 0.00 | 0.00 |
| Utilities | 2.14 | 8.02 | 5.78 | 2.65 |
| Basic Materials | 0.00 | 4.50 | 3.53 | 1.78 |
| Technology | 0.00 | 8.92 | 13.07 | 31.67 |
| Telecommunications | 0.00 | 0.70 | 0.60 | 2.40 |

Top 10 Positions² (% of net assets)

| | Ending Weight |
|--|---------------|
| 1 Mattel, Inc. | 3.90 |
| 2 Goldman Sachs Group, Inc. | 3.86 |
| 3 Northern Trust Corporation | 3.63 |
| 4 Laboratory Corporation of America Holdings | 3.38 |
| 5 Core Laboratories, Inc. | 3.28 |
| 6 Charles River Laboratories International, Inc. | 3.24 |
| 7 The Charles Schwab Corporation | 3.14 |
| 8 CarMax, Inc. | 3.09 |
| 9 Kennametal, Inc. | 2.94 |
| 10 Stanley Black & Decker, Inc. | 2.87 |
| Total | 33.33 |

Contributors and Detractors³ (%)

| | Average Weight | Total Return | Contribution to Return |
|--------------------------------------|----------------|--------------|------------------------|
| Top Five Contributors | | | |
| Mattel, Inc. | 3.85 | 12.74 | 0.46 |
| NOV, Inc. | 1.85 | 30.61 | 0.41 |
| Sphere Entertainment Company | 0.83 | 35.67 | 0.27 |
| KKR & Co, Inc. | 2.69 | 10.31 | 0.23 |
| Aflac, Inc. | 2.43 | 10.59 | 0.22 |
| Bottom Five Detractors | | | |
| Interpublic Group of Companies, Inc. | 2.69 | -25.01 | -0.71 |
| Generac Holdings Inc. | 2.40 | -26.94 | -0.65 |
| CarMax, Inc. | 3.39 | -15.50 | -0.56 |
| Zimmer Biomet Holdings, Inc. | 1.95 | -22.76 | -0.47 |
| Axalta Coating Systems Ltd. | 2.54 | -18.01 | -0.45 |

Source: FactSet. ¹Holdings are categorized according to the Russell Industry Classification Benchmark (ICB). Holdings not classified by ICB are categorized according to FactSet. ²The Top 10 Positions are ranked by issuer Ending Weight (% of total market value of the representative portfolio). ³Contributors 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.

Definitions

Forward Price/Earnings Ratio is a valuation measure that represents the price divided by the mean earnings per share (EPS) consensus estimate for the next twelve months as of the run date. Holdings are summarized at the portfolio level using weighted harmonic average and exclude negative earnings.

Trailing Price/Earnings Ratio is a valuation measure that represents the price divided by the earnings per share (EPS) for the trailing twelve months as of the run date. Holdings are summarized at the portfolio level using weighted harmonic average and exclude negative earnings.

Discount to Private Market Value is the percentage discount the portfolio trades at relative to Ariel Investments' internal estimate of the portfolio's private market value (PMV). There is no guarantee that companies we invest in will achieve our PMV or projected future earnings.

Long Term Estimated Earnings Growth, an income statement measure, is the percent growth rate of the median earnings per share (EPS) consensus estimate for the unreported current year, current year+1, current year+2, and current year+3 as of the run date. Holdings are summarized at the portfolio level using weighted average.

Debt Rating is sourced from S&P Global Ratings' long-term issuer 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 market value of the portfolio over the trailing one-year period and is sourced from Northern Trust.

Active Share measures the degree the portfolio deviates from the benchmark.

5-Year Beta is the measure of volatility of the portfolio over a 5-year period compared to the market as a whole during the same period (benchmarked against the S&P 500).

Current Beta is the current measure of volatility of the portfolio compared to the market as a whole (usually the S&P 500). Stocks with beta higher than 1.0 can be more volatile than the S&P 500. Current beta (1-year trailing) is based on daily security returns from FactSet.

