

Sustainable Investment Policy

March 2026

This Sustainable Investment Policy (this “Policy”) sets forth how Ariel Investments, LLC (“Ariel”) integrates sustainability considerations, including its proprietary Business Resilience Risk Ratings, into its investment processes. Ariel has adopted this Policy in accordance with requirements of the UN-supported Principles for Responsible Investment (“PRI”), of which Ariel is a signatory.

1. Summary

Our tailored approach to investing recognizes sustainability risk factors can be material to business results. As such, we integrate these considerations within the investment process and collaborate with management teams to address sustainability-related factors with the goal of strengthening long-term financial performance.

The chief investment officer of each Ariel investment team is responsible for integrating and executing sustainable investment considerations within the respective investment processes. As part of our bottom-up fundamental research process, our Domestic investment team assigns a proprietary Business Resilience Risk Rating to each company indicating the perceived potential negative financial impact that sustainability-related factors may have on the company’s enterprise value. The Global and Emerging Markets Value (“EMV”) investment teams develop a proprietary view on sustainability by factoring in a company’s risks and opportunities, but do not assign ratings to companies. Across all teams, the relevance and materiality of sustainability-related risk factors varies by industry and geography and their impact on our investment thesis. All investment teams integrate their assessments into their financial valuations. Such financial modeling and valuation work can directly impact portfolio construction.

Ariel seeks to engage with management teams on material sustainability-related topics impacting the relevant company. As long-term investors we understand that many interactions do not fit neatly into short-term binary outcomes, but rather are part of a longer-term dialogue. In general, the investment teams seek to promote positive sustainability outcomes and avoid detrimental environmental and social impacts when relevant and financially material to the investment thesis.

Although Ariel does not employ exclusionary practices across its strategies, our investment teams will consider investment restrictions and/or exclusions of certain sectors or securities, for sustainability-related issues or other regulatory reasons, at client request.

Our compliance team conducts periodic reviews of our sustainable investment processes and disclosure practices to ensure compliance with applicable legal and regulatory requirements.

2. Integration

As part of our bottom-up fundamental research process, the Domestic investment team assigns a proprietary Business Resilience Risk Rating to each company indicating the perceived potential negative financial impact that sustainability-related factors may have on the company’s enterprise value. The Global and EMV investment teams develop a proprietary view on sustainability by factoring in a company’s risks and opportunities, but do not assign ratings to companies. Such assessments can be based on objective data or subjective judgment, including industry risk exposure, quality of disclosure, forward-looking assessments of management performance, as well as other factors.

Each team integrates their assessments into financial valuations. As a result, sustainability-related factors incorporated into our financial modeling and valuation work can directly impact portfolio construction. Sustainability-related issues are one of



many factors that may impact an investment decision. In addition, our portfolio-level dashboards monitor material sustainability-related factors across our strategies, which can help inform overall risk management, future research priorities and continued learning and engagement opportunities.

Our analysis is supported by decision-useful insights obtained from third party sources, such as Bloomberg, ISS, MSCI, Refinitiv and Visible Alpha, alongside data points from our proprietary research. Our proprietary research is also informed by company disclosures, such as company websites, sustainability reports and SEC filings, direct dialogue with management teams, and other sustainability-focused organizations, such as the International Sustainability Standards Board (ISSB).

Each investment team maintains a customized approach to structuring assessments as well as curating and integrating sustainable investment research into their respective investment processes. In general, we view individual data points on a case-by-case basis as part of a broader mosaic approach. There may be variation among the teams' sustainability risk assessments and data integration (even for similar or the same companies), as the investment teams create their own assessments and approach to integrating sustainability data into their investment decisions.

We integrate all material issues into our proxy voting decisions, including sustainability-related risk factors, consistent with our fiduciary obligation to clients. Ariel's proxy voting guidelines for its investment strategies are detailed in our Proxy Voting Guidelines which are made available upon request to ClientserviceIR@arielinvestments.com.

The primary objective of integrating sustainability-related issues into investment analysis and decisions is to manage potential risks and opportunities which may have a material financial impact on a holding's enterprise value and therefore, our clients' investment portfolios. This aligns with the overall investment objectives of the strategies that Ariel manages, as disclosed in the applicable governing documents of each portfolio, as well as our fiduciary duty to protect client assets and act in the best interest of investors.

3. Engagement

Our approach to engagement with portfolio company leadership teams is grounded in principles of inclusion and improvement via dialogue. Our primary stewardship objective is to maximize overall value to our clients over the long term. Ariel seeks dialogue with management teams to encourage improvement on disclosure and performance across financially material issues, including sustainability-related risks. In general, as part of our engagement, we seek to focus our discussions on key improvements that will drive the greatest financial impact and/or where our efforts can have a higher probability of success, such as instances in which we are large and/or long-standing investors. We track our interactions with portfolio companies.

Our investment teams employ a variety of methods in engagements. For example, direct engagement typically includes conversations and other interactions with management teams, board members, and key business unit or organizational leaders on specific issues, letters on thematic topics, company-tailored recommendations for board members, and other forms of direct dialogue. Individual investment teams may also engage in dialogue with subject matter experts, regulators, suppliers and third party vendors. The engagement method and frequency of interaction varies depending on the individual context for a given portfolio company.

While our approach to engagement typically focuses on supporting or partnering with management teams on their efforts to strengthen disclosure and management of material and relevant issues, we may employ escalation tactics on a case-by-case basis when we believe material issues are not being adequately addressed by management teams. We do not employ a formulaic approach to escalation; approaches will vary depending on the relationship and history with management, the industry or business model and/or the nature and materiality of the issue. We may identify and engage with key business unit or organizational leaders with responsibility for a given topic; articulate or send a letter to management outlining our concern; vote against management on a proxy voting proposal; and/or consider selling all or some of a position.

On occasion, we may consider collaborative initiatives, such as joint letters, in partnership with other investors or third parties. Such opportunities are evaluated on a case-by-case basis and executed in a manner consistent with applicable laws and regulations.



4. Sustainability Factors

The relevance and materiality of sustainability-related risk factors that are considered as part of Integration and/or Engagement varies by industry and geography and their impact on our investment thesis. We therefore do not have a “one-size-fits-all” approach but a case-by-case assessment of materiality and relevance, as determined by the investment teams. As patient investors who invest with a long-term investment horizon, we consider the materiality of sustainability-related risk exposures from both a short- and long-term point of view. Such assessments help us better understand a company's risk exposure, risk management, quality of disclosure, performance and potential for improvement. Our investment teams incorporate sustainability-related risk factors into their analysis and/or direct company engagement when deemed relevant and material for the specific company. Below are examples of sustainability-related factors that may, but do not have to be, considered:

- Climate Event Impact (i.e. wildfires and hurricanes)
- Energy Management
- Greenhouse Gas (GHG) Emissions
- Waste and Hazardous Materials Management
- Human Rights
- Customer Privacy
- Data Security
- Diversity, Equity and Inclusion Practices
- Community Relations
- Materials Sourcing and Efficiency
- Product Quality and Safety
- Supply Chain Management
- Business Model Resilience
- Critical Incident Risk Management
- Systemic Risk Management
- Air Quality
- Ecological Impacts
- Transition Risks of Climate Change
- Water and Wastewater Management
- Access and Affordability
- Customer Welfare
- Employee Engagement
- Employee Health and Safety
- Labor Practices
- Product Design and Lifecycle Management
- Selling Practices and Product Labeling
- Business Ethics
- Competitive Behavior
- Management of Legal/Regulatory Environment

5. Oversight and Compliance

The Sustainable Investment Committee (the “Committee”) is responsible for reviewing this Policy annually. The Committee is chaired by the Director of Sustainable Investment Research and is comprised of senior investment professionals from the Domestic, Global and EMV research teams. The Committee also includes senior leaders from Client Relations, Consultant Relations and Legal and Compliance. In addition, the Committee is responsible for reviewing the sustainable investment policies of Ariel Investments’ affiliate, Ariel Alternatives, and includes a representative from Ariel Alternatives.

The Committee facilitates reporting and communication among its members and the broader Ariel Investments and Ariel Alternatives community regarding ongoing sustainability-related topics, third party research, training opportunities, trends in the marketplace, and the regulatory landscape. The Committee’s other responsibilities include:

- Coordinating disclosure practices;
- Assessing firm-wide current and prospective commitments including but not limited to PRI, affiliations, and policy/advocacy statements relevant to sustainable investing; and
- Reviewing recommendations identified from third party or internal compliance reviews.

In addition, Ariel has adopted a Code of Ethics and other compliance policies and procedures, inclusive of conflicts of interest and proxy voting policies and procedures, to preserve the independence of its investment advice to its clients. Ariel’s proxy voting policy addresses how Ariel manages and mitigates conflicts of interest with respect to voting its clients proxies.



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