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## Ares Investor Presentation

For Quarter Ended September 30<sup>th</sup>, 2023

# Disclaimer

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This presentation contains "forward looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, that are subject to risks and uncertainties. Forward-looking statements can be identified by the use of forward-looking words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates" or negative versions of those words, other comparable words or other statements that do not relate to historical or factual matters. Actual outcomes and results could differ materially from those suggested by this presentation due to the impact of many factors beyond the control of Ares, including but not limited to the impact of the COVID-19 pandemic and the pandemic's impact on the U.S. and global economy, as well as those described in the "Risk Factors" section of our filings with the Securities and Exchange Commission ("SEC"). These factors should not be construed as exhaustive and should be read in conjunction with other cautionary statements that are included in our periodic filings. Any such forward-looking statements are made pursuant to the safe harbor provisions available under applicable securities laws and speak only as of the date of this presentation. Ares assumes no obligation to update or revise any such forward-looking statements except as required by law.

An investment in Ares will be discrete from an investment in any funds or other investment programs managed by Ares and the results or performance of such other investment programs is not indicative of the results or performance that will be achieved by Ares or such investment programs. Moreover, neither the realized returns nor the unrealized values attributable to one Ares fund are directly applicable to an investment in any other Ares fund. An investment in Ares may be volatile and can suffer from adverse or unexpected market moves or other adverse events. Investors may suffer the loss of their entire investment.

Management uses certain non-GAAP financial performance measures to evaluate Ares' performance and that of its business segments. Management believes that these measures provide investors with a greater understanding of Ares' business and that investors should review the same supplemental non-GAAP financial measures that management uses to analyze Ares' performance. The measures described herein represent those non-GAAP measures used by management, in each case before giving effect to the consolidation of certain funds that Ares consolidates with its results in accordance with GAAP. These measures should be considered in addition to, and not in lieu of Ares' financial statements prepared in accordance with GAAP. Please refer to the Appendix for definitions and explanations of these non-GAAP measures and reconciliations to the most directly comparable GAAP measures. Amounts and percentages may reflect rounding adjustments and consequently totals may not appear to sum.

Some funds managed by Ares or its affiliates may be unregistered private investment partnerships, funds or pools that may invest and trade in many different markets, strategies and instruments and are not subject to the same regulatory requirements as mutual funds, including mutual fund requirements to provide certain periodic and standardized pricing and valuation information to investors. Fees vary and may potentially be high. In addition, in light of the various investment strategies of such other investment partnerships, funds and/or pools, it is noted that such other investment programs may have portfolio investments inconsistent with those of the strategy or investment vehicle proposed herein.

Certain historical amounts within this presentation were prepared to conform with our accounting policies that were implemented in each of the respective historical years. Therefore, historical amounts may be prepared under different accounting policies than currently implemented.

The statements contained in this presentation are made as of September 30, 2023, unless another time is specified in relation to them, and access to this presentation at any given time shall not give rise to any interpretation that there has been no change in the facts set forth in this presentation since that date.

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**Note: For Additional Important Disclosure Information, please refer to the Footnotes and Endnotes of each section of this presentation, as needed.**

REF: AM-02968



# Ares Management

» With approximately \$395 billion in assets under management, Ares Management Corporation is a global alternative investment manager operating an integrated platform across five business groups

Profile	
Founded	1997
AUM	\$395bn
Employees	~2,800
Investment Professionals	~975
Global Offices	35+
Direct Institutional Relationships	~2,090
Listing: NYSE – Market Capitalization	\$31.0bn <sup>1</sup>

## Global Footprint<sup>2</sup>



## The Ares Differentiators

Power of a broad and scaled platform enhancing investment capabilities	Deep management team with integrated and collaborative approach
20+ year track record of attractive risk adjusted returns through market cycles	A pioneer and leader in leveraged finance, private credit and secondaries

	Credit	Private Equity	Real Assets	Secondaries	Other Businesses
AUM	<b>\$268.9bn</b>	<b>\$34.3bn</b>	<b>\$63.9bn</b>	<b>\$23.3bn</b>	<b>\$4.6bn</b>
Strategies	Direct Lending	Corporate Private Equity	Real Estate Equity	Private Equity Secondaries	Ares Insurance Solutions <sup>4</sup>
	Liquid Credit	Special Opportunities	Real Estate Debt	Real Estate Secondaries	Ares Acquisition Corporation <sup>5</sup>
	Alternative Credit	APAC Private Equity <sup>3</sup>	Infrastructure Opportunities	Infrastructure Secondaries	
	APAC Special Situations		Infrastructure Debt	Credit Secondaries	

Note: As of September 30, 2023. AUM amounts include funds managed by Ivy Hill Asset Management, LP, a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser. Past performance is not indicative of future results.

1. As of October 26, 2023.

2. New Delhi office is operated by a third party with whom Ares Asia maintains an ongoing relationship relating to the sourcing, acquisition and/or management of investments.

3. APAC Private Equity not included in AUM amounts as of September 30, 2023 given the acquisition closed on October 2, 2023.

4. AUM managed by Ares Insurance Solutions excludes assets which are sub-advised by other Ares' investment groups or invested in Ares funds and investment vehicles.

5. AUM includes Ares Acquisition Corporation ("AAC") and Ares Acquisition Corporation II ("AACT").

# Ares is a Differentiated Investment Opportunity in the Alternative Sector

» Ares is a high growth financial services company that we believe is well-positioned to deliver attractive shareholder returns and create a lasting positive impact for all our stakeholders



## Leading Platform

- ✓ Global and scaled investing presence with differentiated origination capability
- ✓ Complementary businesses drive synergies
- ✓ Long track record of demonstrated investment performance
- ✓ Continuity of management and investment professionals
- ✓ Broad, supportive and growing investor base

## Stable and Diversified Model

- ✓ High-quality and diverse revenues primarily comprised of management fees
- ✓ Dividend supported by stable and growing fee related earnings
- ✓ Consistent management fee growth through market cycles
- ✓ Long-lived, locked-up capital
- ✓ Scalable model facilitates operating margin expansion

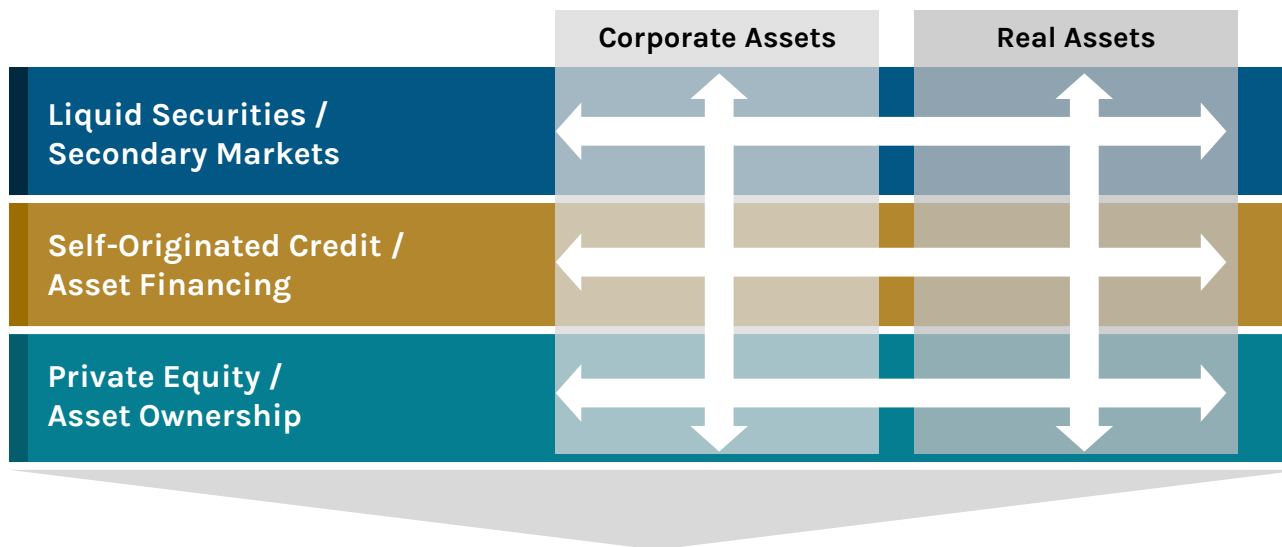
## Compelling Growth Story

- ✓ Attractive industry fundamentals
- ✓ New product initiatives and expansion of distribution channels
- ✓ Strong fundraising driven by product expansion and larger scale funds
- ✓ Path to shareholder value creation through growth in FRE and realized net performance income primarily driven by growing European waterfall funds
- ✓ Strategic growth through opportunistic M&A



# “Ecosystems” Drive Investing Differentiators

» We believe the breadth and scale of our activities drive value and investment performance



Sourcing Benefits	Evaluation Benefits	Execution Benefits
<p><b>Complete capital structure solutions drive originations</b></p> <ul style="list-style-type: none"> <li>Broad platform to help meet client needs</li> </ul> <p><b>Deep domain experience and networks</b></p> <ul style="list-style-type: none"> <li>Highly experienced teams and large market presence facilitate transaction flow</li> </ul> <p><b>Power of incumbency</b></p> <ul style="list-style-type: none"> <li>Large portfolio &amp; strong relationships provide attractive future opportunities</li> </ul>	<p><b>Information and research differentiators</b></p> <ul style="list-style-type: none"> <li>Differentiated information can enhance investment decisions</li> <li>Shared research across the platform</li> </ul> <p><b>Relative value lens</b></p> <ul style="list-style-type: none"> <li>Seek to identify attractive risk adjusted return opportunities across capital structures &amp; markets</li> </ul>	<p><b>Disciplined structuring and pricing</b></p> <ul style="list-style-type: none"> <li>Active investment role can help to control over outcomes</li> </ul> <p><b>Capital structure arbitrage</b></p> <ul style="list-style-type: none"> <li>Use flexible capital to identify and invest in attractive part of capital structures</li> </ul> <p><b>Liquid / illiquid market arbitrage</b></p> <ul style="list-style-type: none"> <li>Aim to exploit inefficiencies in primary &amp; secondary markets</li> </ul>

Note: We believe these to be examples of the potential benefits of the Ares platform. There is no guarantee every investment will reflect each of the benefits noted herein. All investments involve risk, including loss of principal.



# Improving Investing & Organizational Excellence Through ESG Integration

» We strive to achieve better investment outcomes and leave a lasting positive impact on our companies and communities

## Differentiated ESG Approach

### Our Beliefs

#### Broad Organizational Buy-In & Direct Reporting Line

Global Head of ESG reports to the CEO & President and partners with designated ESG Champions across Ares to co-author approach, drive implementation and monitor progress

#### Responsible Investment

We believe integrating ESG factors into the investment process across strategies helps enable us to seek to **generate attractive returns and opportunities to drive positive change** in our local communities and the world at large

#### Corporate Sustainability

Ares' own corporate sustainability initiatives on material topics such as **Inclusion & Diversity, Climate Change and Volunteerism & Philanthropy** reflect our view that they are **good for business**

## Industry Leadership



Chairing the Private Debt Advisory Committee



Founding partner<sup>1</sup>



Co-Founder, North America Chapter

We accept leadership opportunities where we feel we can make an impact

## Our Culture and Our Employees are Key to Our Long-Term Success



Ares was certified as a Great Place to Work by Great Place to Work US.

Ares was named to  
Exelon's 2020 Diversity &  
Inclusion Honor Roll



Ares is a founding signatory to  
the Institutional Limited  
Partners Association  
Diversity in Action Initiative



Ares was recognized by the Human Rights Campaign's Best Places to Work for LGBTQ Equality

Note: Awards are as of September 30, 2023, and not specific to a strategy or fund.

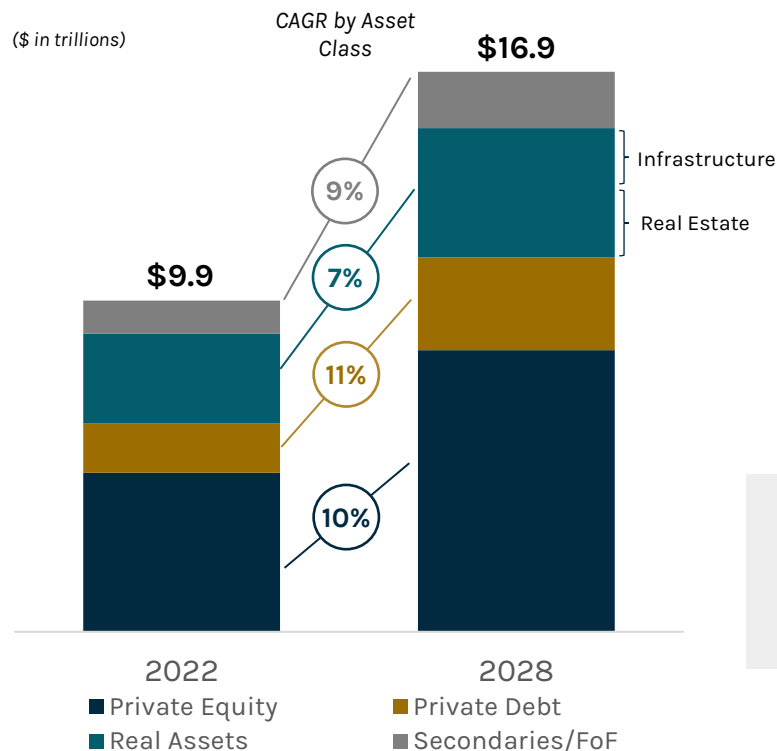
1. Ares Management LLC is the Ownership Works founding partner, with Corporate Private Equity targeting participation in recent portfolio company investments.



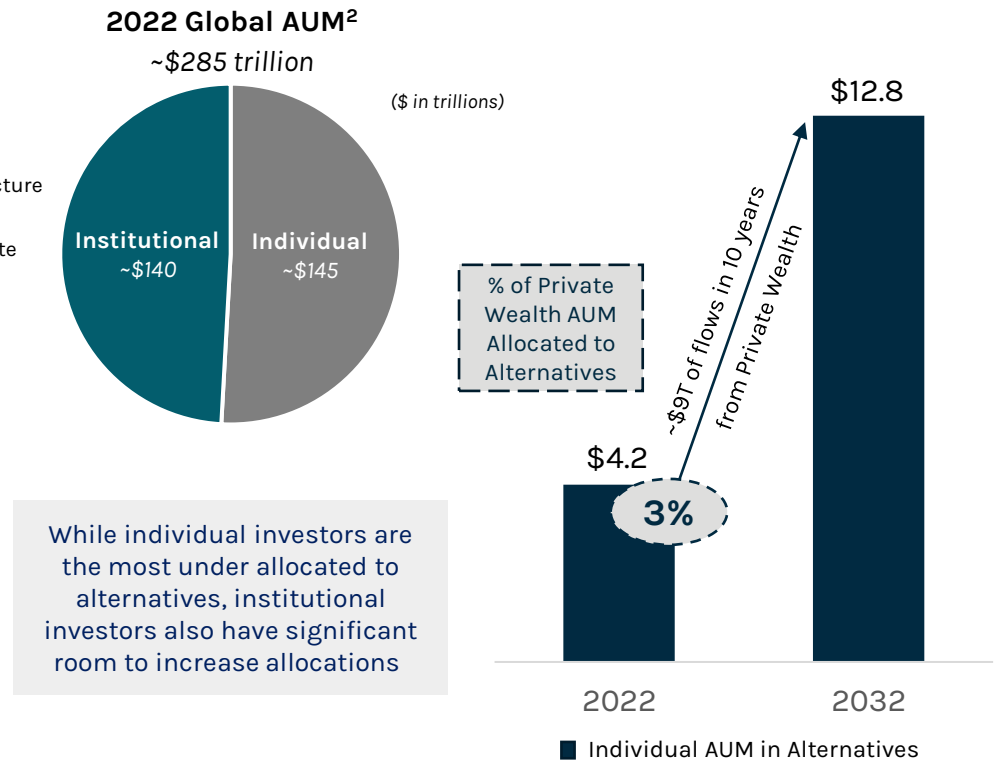
# Investors Remain Meaningfully Under Allocated to Alternatives

» With both individual and institutional investors under allocated to alternative investments, industry growth in alternative investments is projected to remain significant in the next five to ten years

Projected Industry Growth in Alternative Asset Classes that Ares Invests In<sup>1</sup>



Projected Growth in Individual AUM into Alternative Investments<sup>2</sup>



Note: Projections and forward-looking statements are not reliable indicators of future events and there is no guarantee that such activities will occur as expected or at all. There is no guarantee that any of these future commitments will occur as described or at all.

1. Source: Preqin's Future of Alternatives 2028, published in October of 2023. Venture Capital, Natural Resources and Hedge Funds are excluded. FoF stands for Fund of Funds.

2. Source: Bain and Company Global Private Equity Report, "Why Private Equity Is Targeting Individual Investors," published in February 2023.

# We Are Market Leaders as Investors in Large, Global Markets

» We believe we have meaningful opportunities for growth with fragmented competition

	Addressable Market (\$ in trillions)	Ares AUM (\$ in billions)	Ares Share of the Addressable Market
Credit	\$10.9 <sup>1</sup>	\$269	2.5%
Private Equity	\$5.2 <sup>2</sup>	\$34 <sup>7</sup>	0.7%
Infrastructure	\$7.9 <sup>3</sup>	\$15 <sup>7</sup>	0.2%
Real Estate	\$55 <sup>4</sup>	\$49	0.1%
Secondaries	\$6.9 <sup>5</sup>	\$23	0.3%
Insurance	\$38 <sup>6</sup>	\$11 <sup>8</sup>	<0.1%
Total Addressable Market	\$124 trillion	\$395 billion <sup>9</sup>	0.3%

Ares AUM information as of September 30, 2023. Ares AUM numbers may not add to \$395bn due to rounding, inclusion of sub-advised AUM (\$7.0bn) in the Ares Insurance AUM number, and the fact that \$1b from Ares Acquisition Corporation and Ares Acquisition Corporation II is not captured in the Credit, Private Equity, Infrastructure, Real Estate, Secondaries, or Insurance categories as displayed on the slide. Please refer to the endnotes for additional important information.





# Private Credit Market Fundamentals

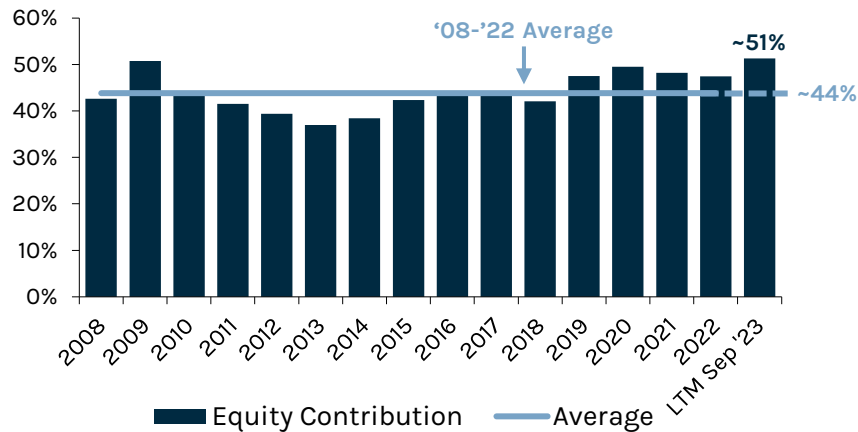
» Private debt growth is in line with other relevant assets and remains under allocated, while key risk/reward statistics are positive

## Growth of Relevant Asset Classes in the Last 10 Years<sup>1,2,3,4</sup>

AUM in \$ Trillions	CAGR
<b>Private Debt AUM</b>	<b>14.8%</b>
Private Equity AUM	14.7%
Real Assets AUM	13.2%
Syndicated Bank Loans	10.6%
US Public Equity Market Capitalization	9.3%

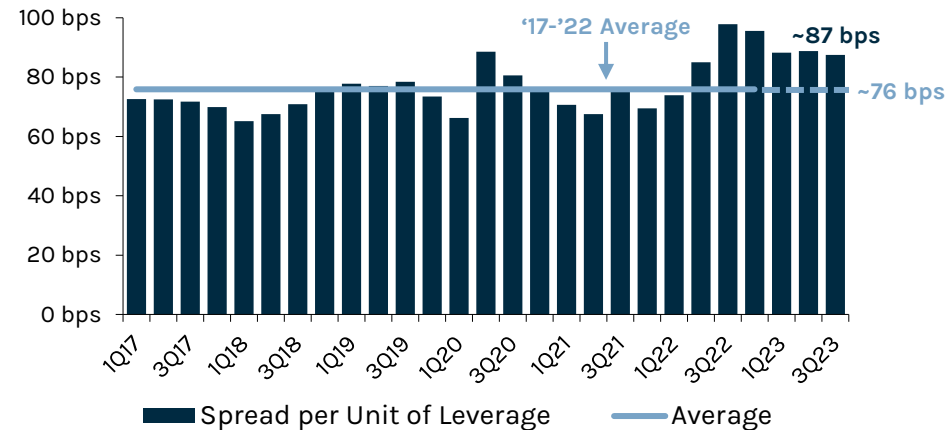
Private Debt AUM, which includes Dry Powder, has grown in-line with related markets

## Average Equity Contributions in US LBOs<sup>5</sup> (includes rollover equity)



## Total Spread per Unit of Leverage in LBOs<sup>5</sup>

(US issuers with EBITDA >\$50m)



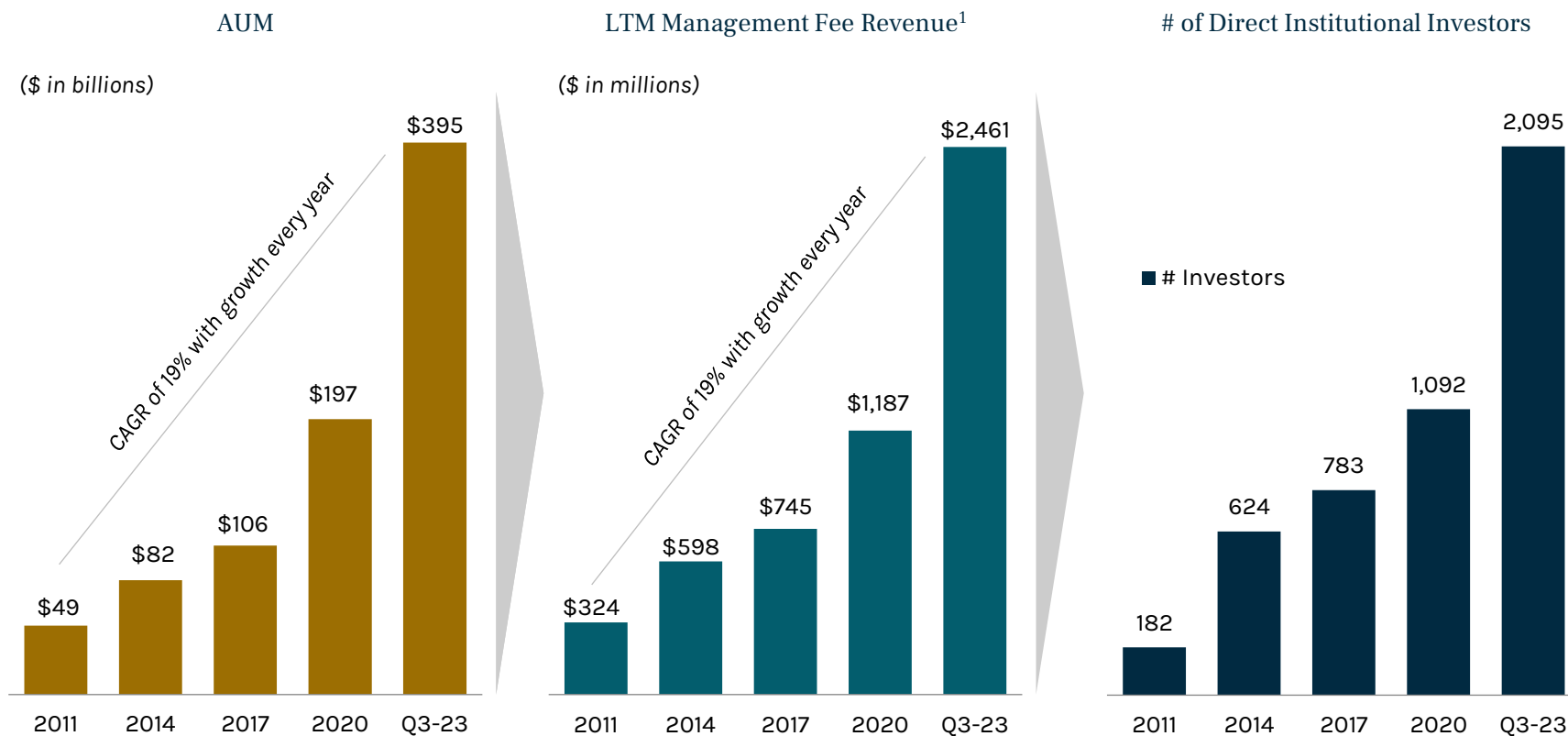
## Private Debt's Relative Under Allocation vs. Private Equity<sup>6</sup>

	Private Debt Allocation	Private Equity Allocation	Relative Under Allocation to Private Debt
Public Pension	4%	14%	10%
Private Pension	4%	6%	2%
Asset Manager	6%	21%	16%
Insurance	0%	1%	1%
Foundations	5%	16%	12%
Sovereign Wealth	4%	15%	11%
Average	3%	11%	8%

1. Data is measured for approximately 10 years.
2. Source: Preqin Pro AUM Data. Private Equity, Private Debt, and Real Assets (Real Estate and Infrastructure) AUM growth is measured from December 31, 2012, through December 31, 2022.
3. Source: JP Morgan North America Credit Research syndicated bank loan data.
4. Source: Bloomberg. US Public Equity Market Capitalization represented by Bloomberg U.S. Exchange Market Capitalization (WCAUUS) with CAGR from December 31, 2012, through December 31, 2022.
5. Source: PitchBook LCD Q3-23 Global Report - US/Europe.
6. Source: BofA Equity and credit outlook; Reading the credit tea leaves, August 9, 2023.

# Consistent Track Record of Strong Growth

» We have consistently generated strong annual growth in AUM and direct investors which have led to 19% annualized growth in management fee revenues over the past 10+ years



Note: As of September 30, 2023. There can be no guarantee that Ares can or will sustain such growth. AUM includes funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser.

1. Includes Part I Fees across all periods.



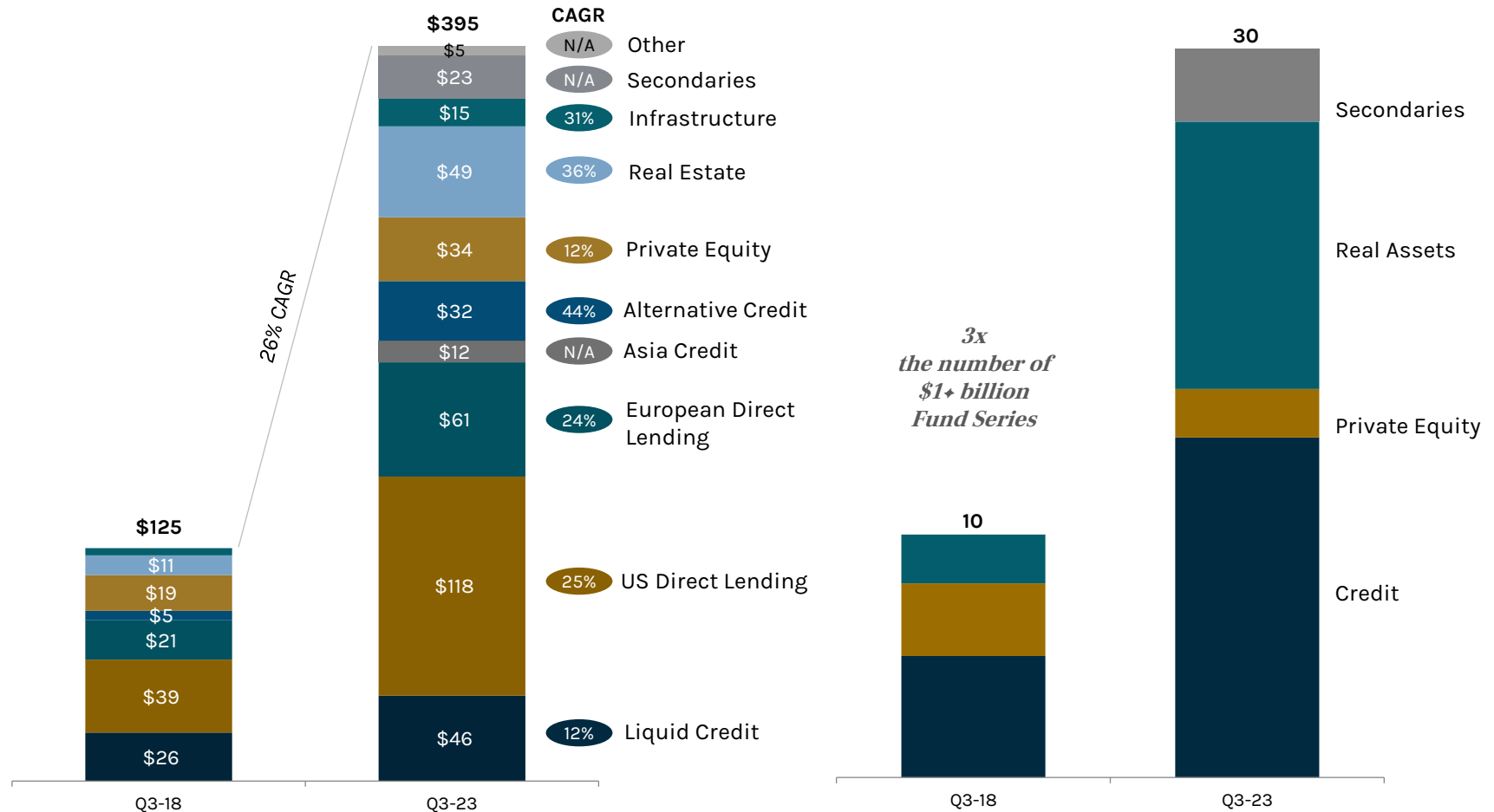
# Product Expansion Provides More Ways To Raise Capital

» We have materially expanded our strategies and the number of our large-scaled funds

## Assets Under Management

(\$ in billions)

## \$1+ Billion Fund Series<sup>1</sup>



Note: Other AUM includes Other – Credit and AUM managed by Ares Insurance Solutions and excludes assets which are sub-advised by other Ares investment groups or invested in Ares funds and investment vehicles. There can be no guarantee that Ares can or will sustain such growth. AUM includes funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser.

1. Commingled fund series where the most, or second most, recent fund vintage has \$1+ billion in total assets under management. Includes retail products and publicly traded vehicles. Excludes CLOs.

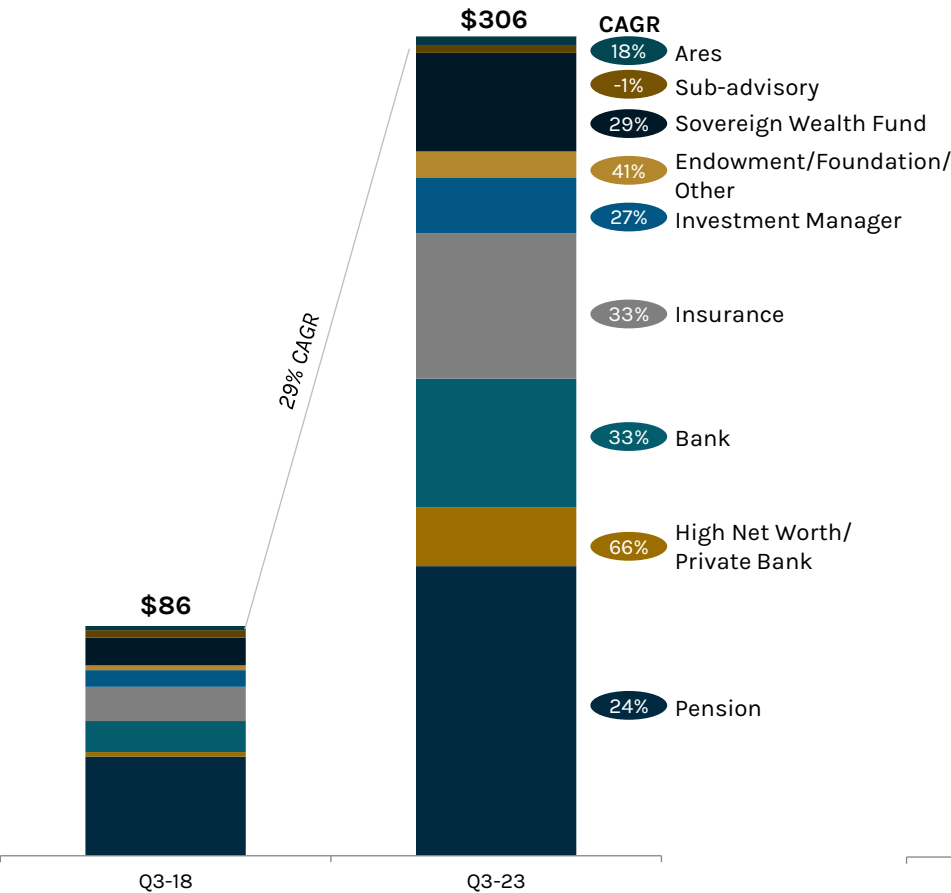


# Investors Have Deepened Their Relationships With Ares

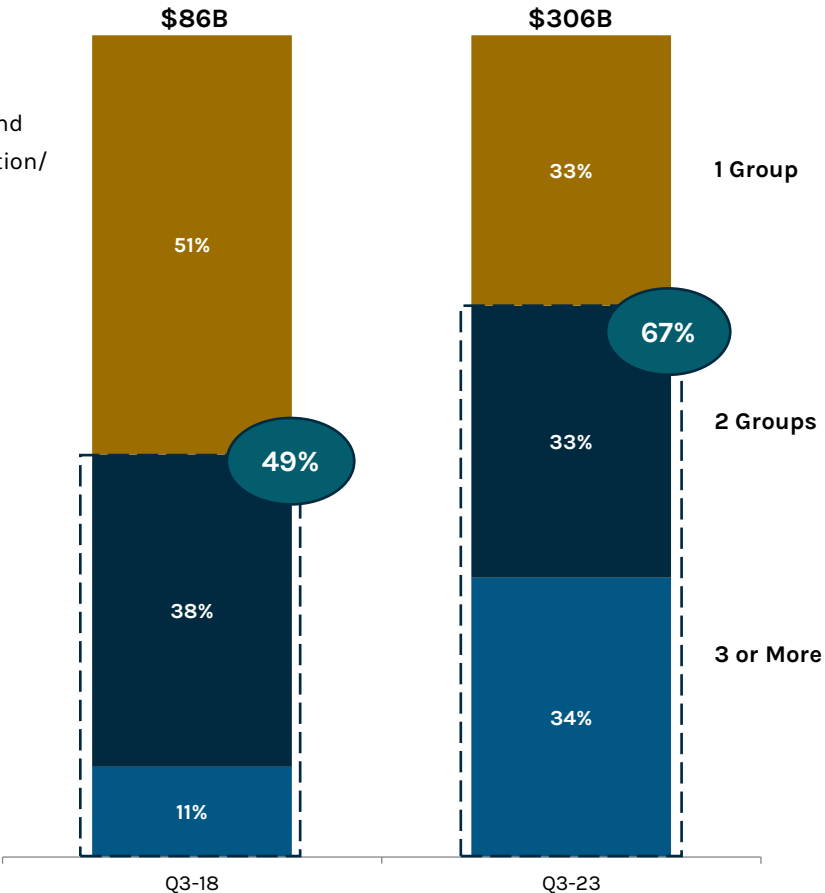
» Institutional direct AUM has increased nearly 30% annually since Q3-18 as we have broadened our investor base and expanded our wallet share with our clients

## Growing Investor Base Across Nearly All Client Types

*Institutional Direct AUM (\$ in billions)*



## Direct AUM by # of Groups

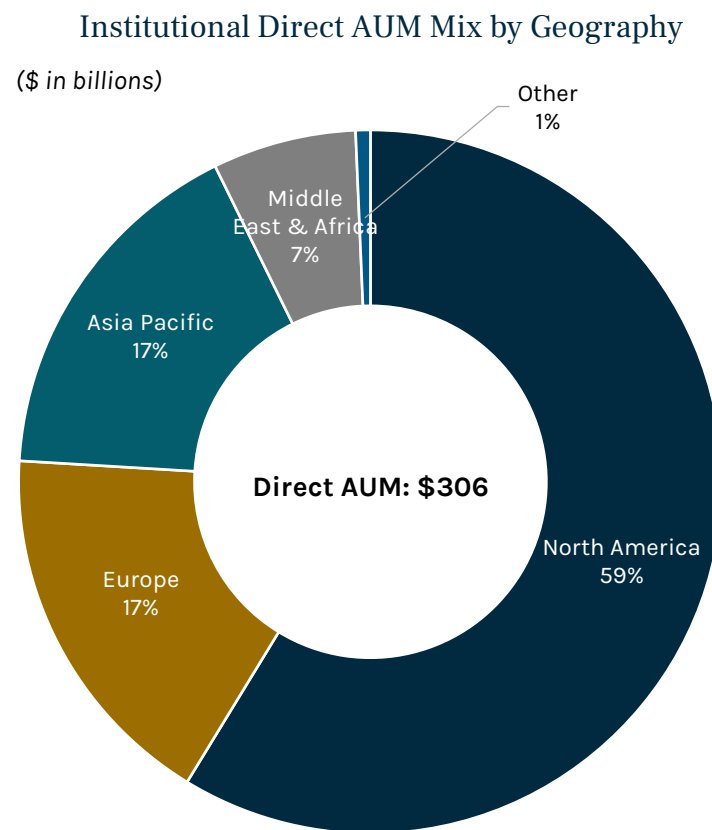
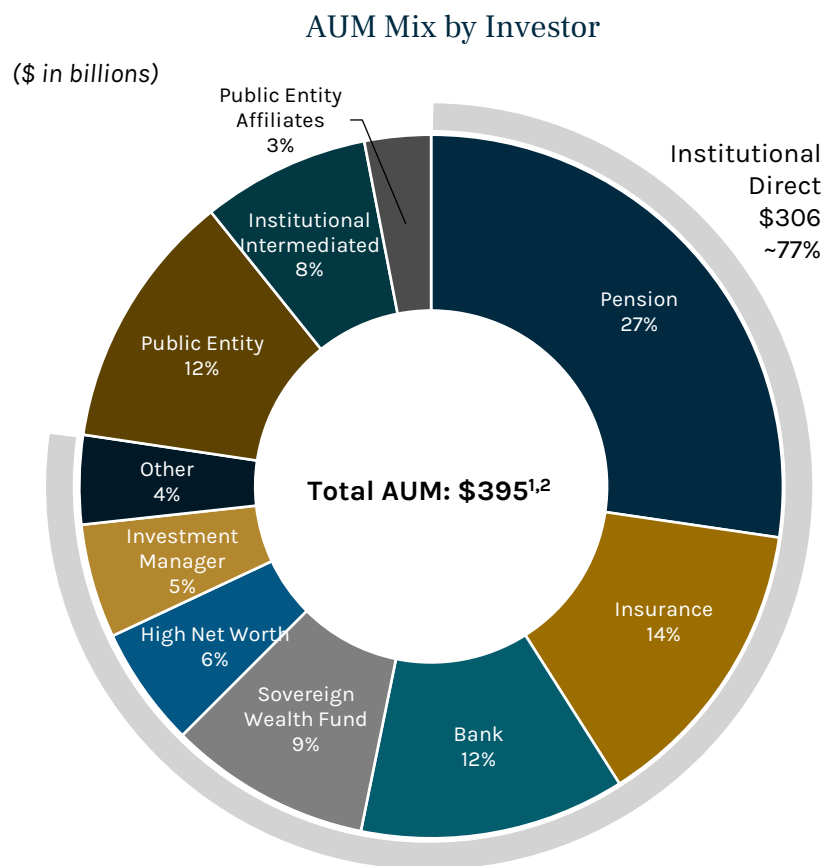


Note: There can be no guarantee that Ares can or will sustain such growth. Totals may not sum due to rounding. All amounts shown are Institutional Direct AUM (\$ in billions).



# Diversified Investor Base By Type and Geography

» We believe our deep and expanding investor relationships can be attributed to our performance



Note: percentages may not add to 100% due to rounding.

1. As of September 30, 2023. Includes funds managed or co-managed by Ares. Also includes funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser.

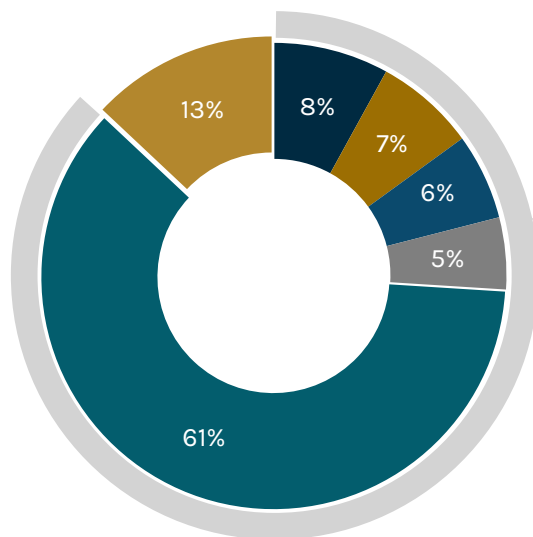
2. Retail Channel AUM represented by Public Entity, High Net Worth and approximately 25% of Investment Manager.



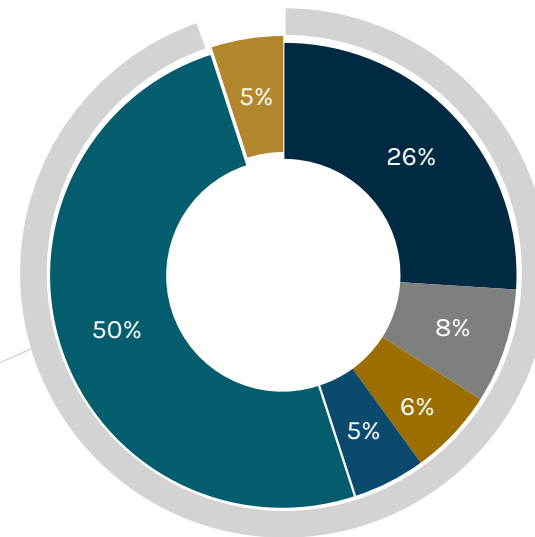
# AUM and Management Fees by Type

» 87% of AUM and 95% of management fees were from perpetual capital or long-dated funds

## AUM by Type<sup>1</sup>



## Management Fees by Type



87% of AUM is from perpetual capital or long-dated funds

95% of management fees are from perpetual capital or long-dated funds

- Perpetual Capital – Publicly-Traded Vehicles<sup>1</sup>
- Perpetual Capital – Managed Accounts<sup>1</sup>
- Perpetual Capital – Private Commingled Vehicles<sup>1</sup>
- Perpetual Capital – Non-Traded Vehicles<sup>1</sup>
- Long-Dated Funds<sup>2</sup>
- Other<sup>3</sup>

The long-term nature of our AUM and management fees enhance earnings stability through periods of volatility and provides a stable base to generate asset and management fee growth

1. See Endnotes for definition of Perpetual Capital – Commingled Funds and Perpetual Capital – Managed Accounts

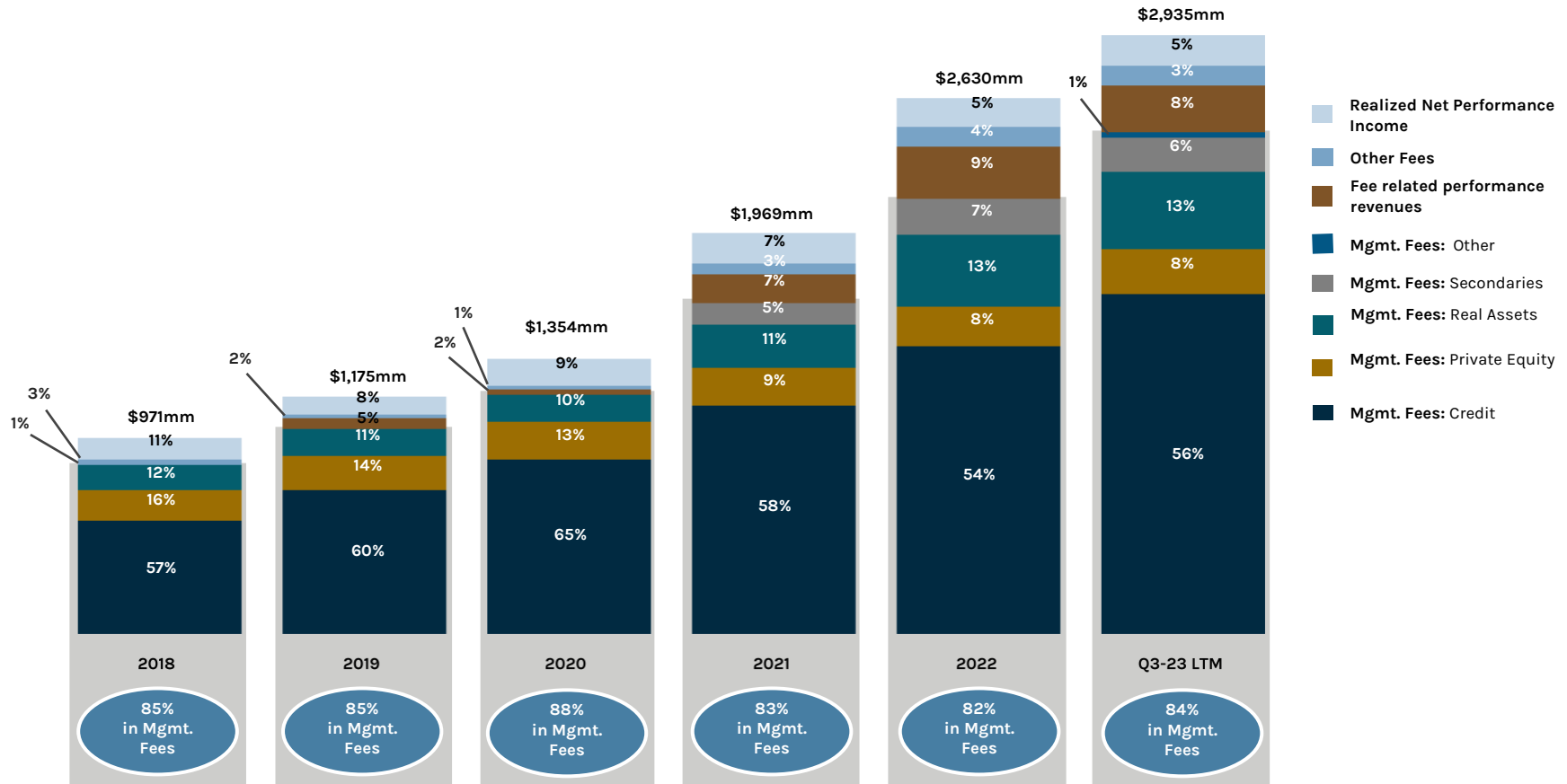
2. Long-dated funds generally have a contractual life of five years or more at inception.

3. Other primarily represents managed accounts or co-investment vehicles that (i) are not considered long-dated and (ii) do not meet the criteria of perpetual capital.

# Stable and Diversified Management Fee Driven Business Model

» Consistent 80%+ Fee Revenue from Stable, Cross-Platform Management Fees

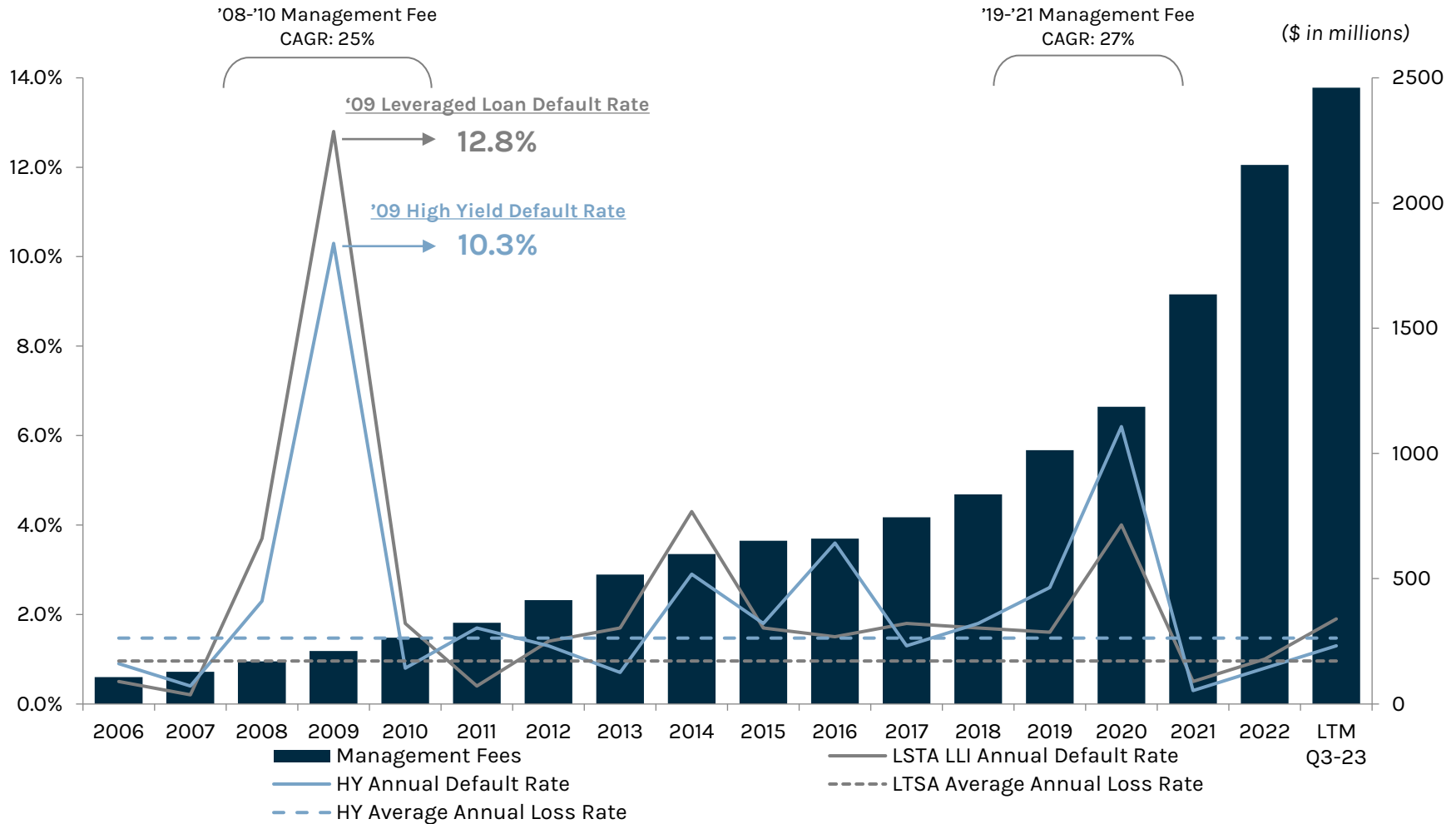
Total Unconsolidated Fee Revenue Composition<sup>(1)</sup>



1. Total fee revenue refers to the total of segment management fees, other fees, fee related performance revenues and realized net performance income. Percentage of management fees includes the following amounts attributable to Part I Fees: 13% for 2018, 14% in 2019, 14% in 2020, 12% in 2021, 10% in 2022 and 12% in Q3-23 LTM.

# Stable Management Fee Growth Through Market & Credit Cycles

» Ares has experienced consistent management fee growth even in times of increased credit defaults



1. Source: JPM Markets. LSTA Morning Star Leveraged Loan 100 Index.
2. Source: JPM Markets. Bloomberg High Yield Index.





# Fee Related Earnings Growth is Driven by AUM and Margin Expansion

» Fee Related Earnings have increased 33% annually over the last five and three-quarter years due to AUM growth and operational scale

LTM Fee Related Earnings (FRE) & Margin Trends



## FRE Growth & LTM FRE Margin Expansion

### Fee Related Earnings

- Strong growth driven by continued investments in resources to broaden product offering and drive top line growth

### FRE Margin Drivers

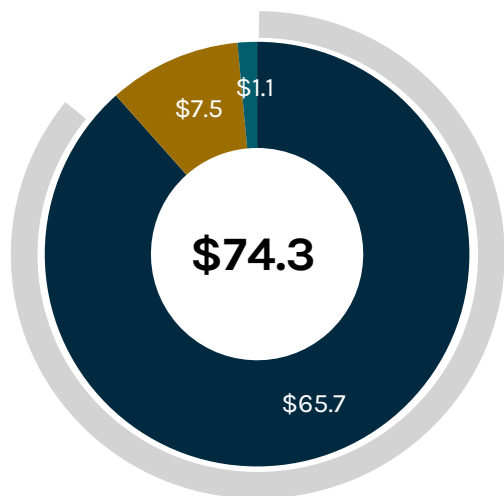
- Growth accomplished from meaningful economies of scale, including improvements in both our G&A Expense ratio and our Compensation ratio

Note: There can be no guarantee that Ares can or will sustain such growth.

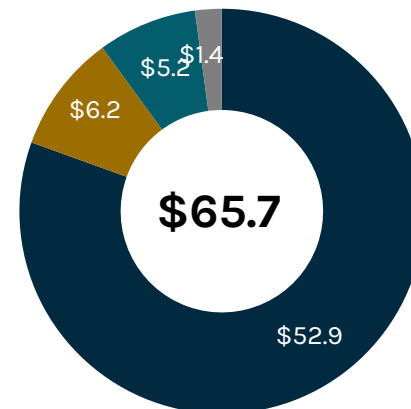
# AUM Not Yet Paying Fees

- » We have good visibility on FPAUM and management fee growth based on funds raised that earn fees upon deployment

AUM Not Yet Paying Fees: \$74.3 billion



AUM Not Yet Paying Fees Available for Future Deployment: \$65.7 billion



\$65.7 billion of AUM Not Yet Paying Fees was available for future deployment

- Capital Available For Future Deployment
- Capital Available for Deployment for Follow-on Investments<sup>1</sup>
- Funds in Or Expected to be in Wind down

- Credit
- Real Assets
- Private Equity
- Secondaries

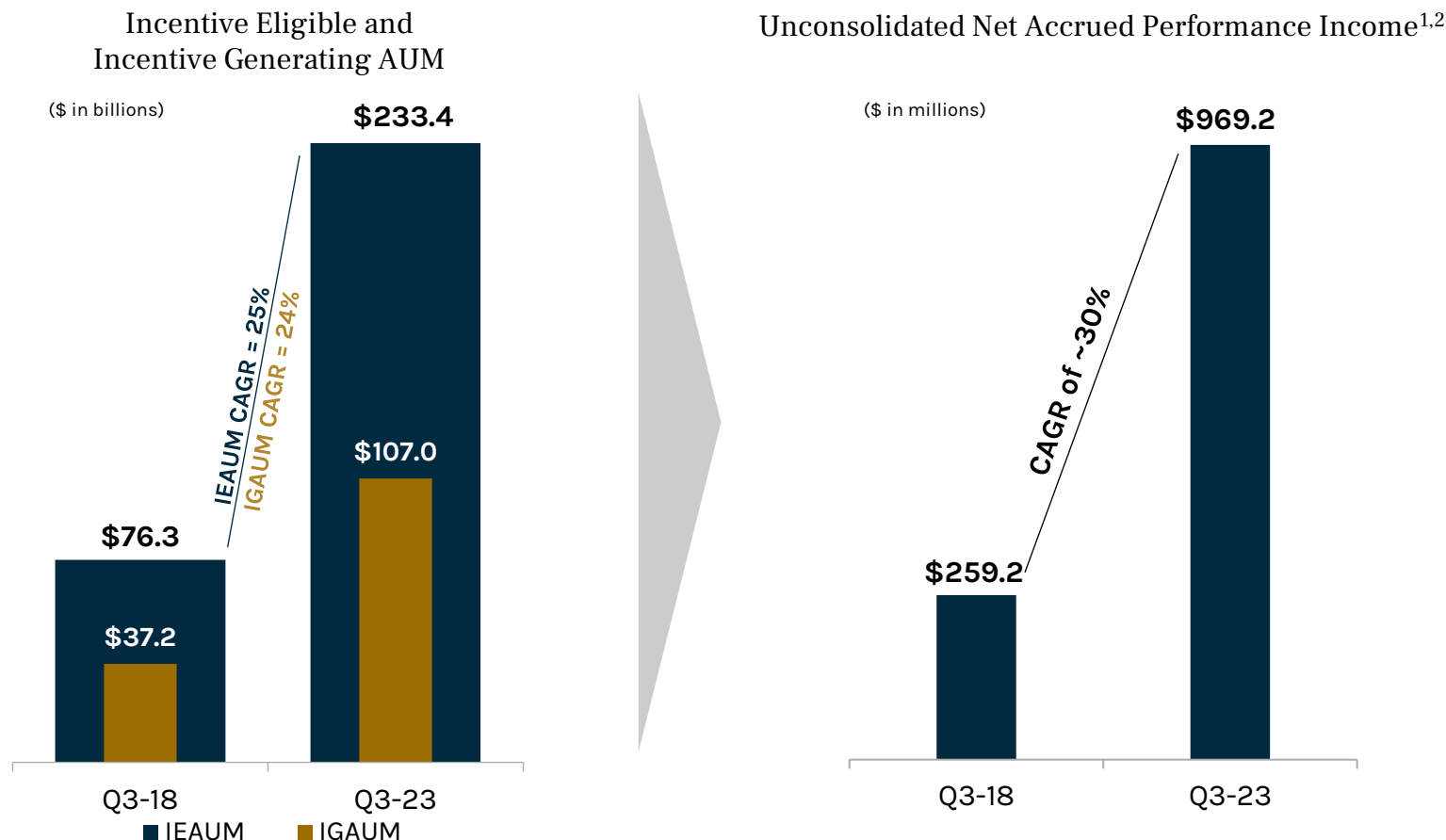
As of September 30, 2023, AUM Not Yet Paying Fees includes \$65.7 billion of AUM available for future deployment that could generate approximately \$647.4 million in potential incremental annual management fees<sup>2</sup>

1. Capital available for deployment for follow-on investments represents capital committed to funds that are past their investment periods but have capital available to be called for follow-on investments in existing portfolio companies. As of September 30, 2023, capital available for deployment for follow-on investments could generate approximately \$82.6 million in additional potential annual management fees. There is no assurance such capital will be invested.
2. No assurance can be made that such results will be achieved or capital will be deployed. Assumes the AUM Not Yet Paying Fees as of September 30, 2023 is invested and such fees are paid on an annual basis. Does not reflect any associated reductions in management fees from certain existing funds, some of which may be material. Reference to the \$647.4 million includes approximately \$24.9 million in potential incremental management fees from deploying cash and a portion of undrawn/available credit facilities at ARCC in excess of its leverage at September 30, 2023. Note that no potential Part I Fees are reflected in any of the amounts above.



# Strong IEAUM Growth Underpins Future Performance Fees

» We have consistently generated strong annual growth in Incentive Eligible and Incentive Generating AUM



- Net accrued performance income has **increased at an ~30% CAGR since Q3-18**
- **\$79 billion** of IEAUM is uninvested

There can be no guarantee that Ares can or will sustain such growth.

1. Net accrued performance income on an unconsolidated basis as of September 30, 2023, includes \$16.8 million of accrued performance income related to our insurance platform that has been eliminated upon consolidation for GAAP. GAAP net accrued performance income for September 30, 2023 is \$952.4 million. For September 30, 2018, net accrued performance income was the same on a GAAP and unconsolidated basis.
2. Net accrued performance income excludes net performance income—realized that has not been received by the Company as of the reporting date. For both periods presented, accrued performance income represents the accrued carried interest allocation.



# Growth in Key Financial Metrics

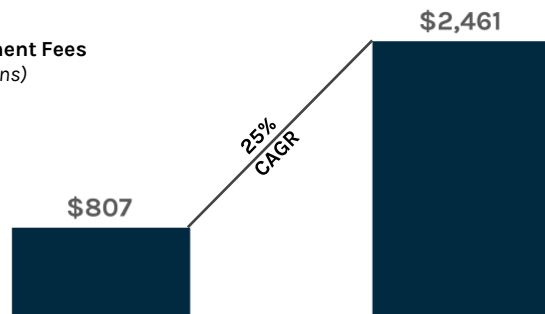
» Well Positioned for Future Opportunities

## History of Increased Performance

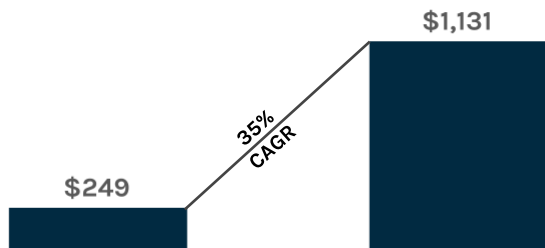
Q3-18 LTM

Q3-23 LTM

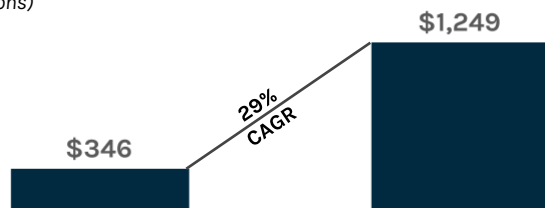
Management Fees  
(\$ in millions)



Fee Related Earnings  
(\$ in millions)



Realized Income  
(\$ in millions)



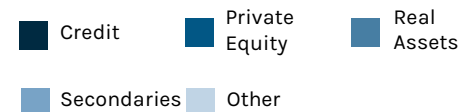
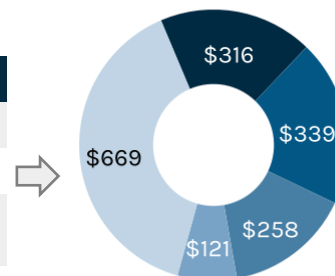
## Strong Balance Sheet Positions Company for Future Growth Opportunity

### Balance Sheet Investments by Strategy

(\$ in millions)

#### Assets

Cash	\$312
Investments	\$1,703
Net Accrued Performance Income	\$969



(\$ in millions)

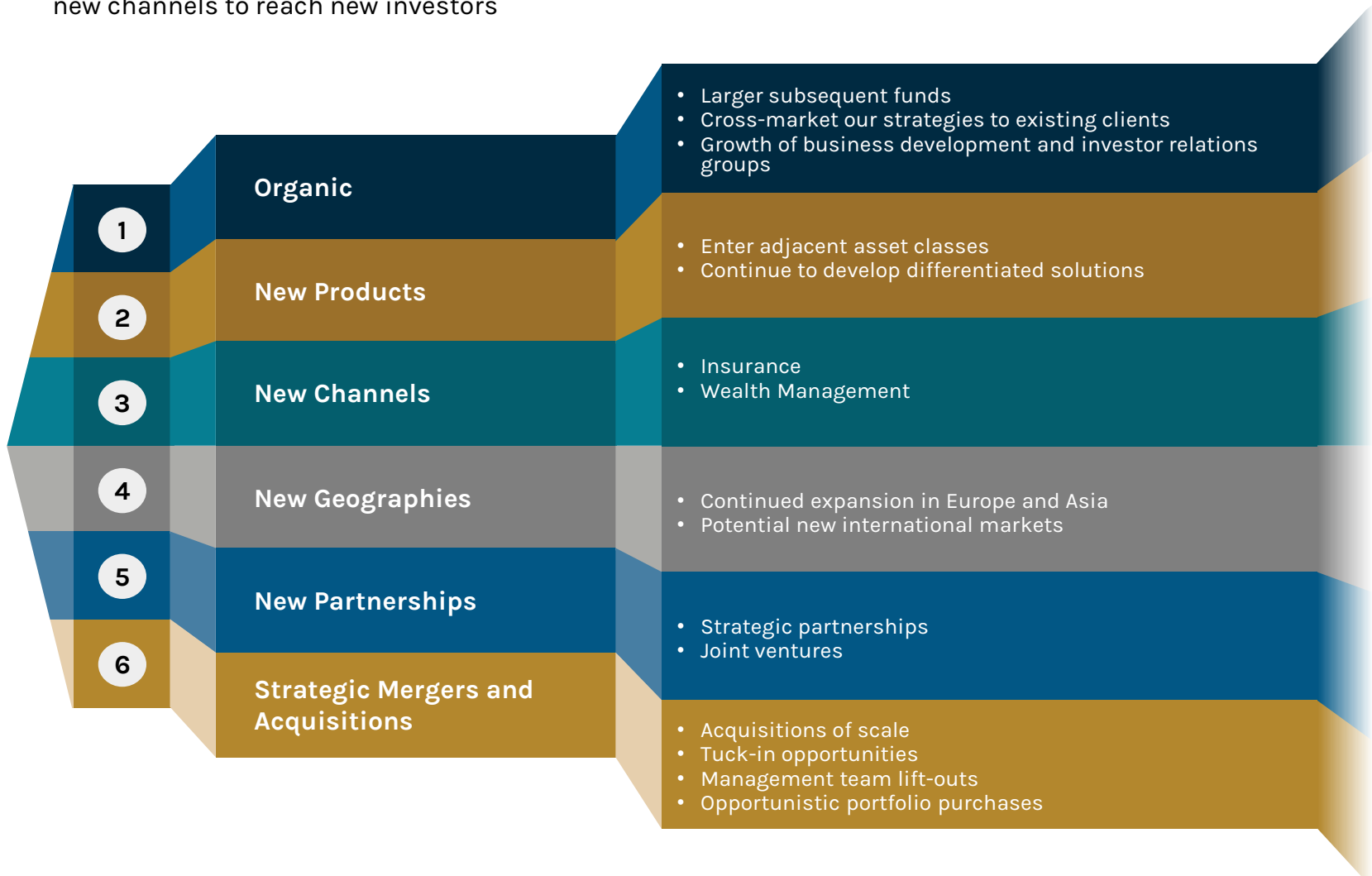
Debt Capitalization	Maturity	Outstanding
Credit Facility (\$1,325)	2027	\$ 765
Senior Notes	2024, 2030, and 2052	1,130
Subordinated Notes	2051	445
<b>Total Debt Obligations</b>		<b>\$ 2,340</b>

As of 9/30/2023, total liquidity of nearly \$0.9 billion from available cash and undrawn commitments on Credit Facility

Note: Past performance is not indicative of future results. There can be no guarantee that Ares can or will sustain such growth.

# Multiple Avenues for Growth

» Ares is making substantial investments in strategies to develop more client solutions and is expanding into new channels to reach new investors



# Path to Shareholder Value Creation

- » Shareholder value driven by diversity and composition of our AUM and growth in our fee related earnings plus growth in our realized net performance income

## Fee Related Earnings

- Significant level of deployable AUM not yet paying fees provides visibility on FRE growth
- Increase sizes of successor funds to drive earnings growth
- Launch adjacent fund strategies to raise new AUM and earnings
- Scale efficiencies to drive margin expansion



## Realized Net Performance Income and Realized Net Investment Income

- Realize accrued net performance income from American-style PE and Real Estate funds
- Realize a growing balance of European-style accrued net performance income across credit, real asset, private equity and secondaries funds
- Continued growth of incentive eligible AUM
- Increase performance income potential by deploying significant level of un-invested incentive eligible AUM
- Realize income from balance sheet investments



# Appendix

# Ares Credit Group

» Integrated scaled global platform combines direct origination, deep fundamental credit research and broad perspective of relative value

**\$268.9 Billion AUM<sup>1</sup>**

**~75 Partners averaging 25 years of experience**

**455+ dedicated investment professionals**

**90%+ senior debt of total corporate debt assets<sup>2</sup>**

## Origination, Research & Investment Management

- 16 portfolio managers
- 85 industry research and alternative credit professionals
- 180+ direct origination professionals

## Syndication, Trading & Servicing

- 7 trading professionals in the U.S. and Europe<sup>3</sup>
- 6 dedicated capital markets professionals
- 65 professionals focused on asset management, including 18 with restructuring experience<sup>4</sup>

## Investor Relations & Business Operations

- Established investor relations and client service teams across the Americas, Europe, Asia, Australia and the Middle East

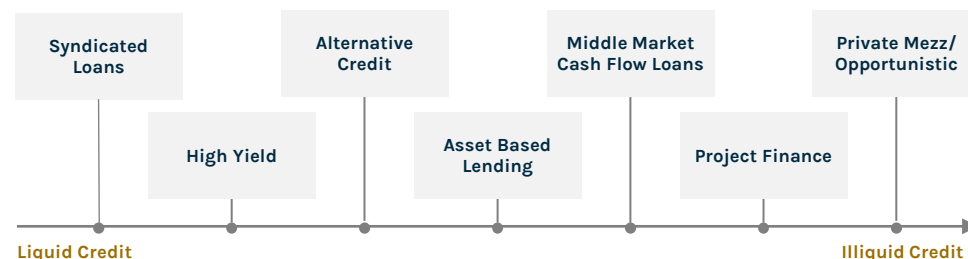
## Differentiators

Deep Investment Opportunity Set

Access to Differentiated Information to Inform Credit Decisions

Ability to Express Relative Value

A Leading Global Platform of Liquid Credit, Alternative Credit & Direct Lending Strategies



## Accolades<sup>5</sup>



ARCC Received Most Honored Designation & Highest Rankings for Best Investor Relations Program 2021



Top Quartile Rankings for Several Funds 4Q'22



Lender of the Year (North America) 2022



Global Fund Manager of the Year 2022; Senior Lender of the Year (Europe) 2022; Senior Lender of the Year (Americas) 2022



Infrastructure Debt Investor of the Year Asia-Pacific



Best Private Debt Manager 2022 (2<sup>nd</sup> year running)

**We have experienced teams across the platform that we believe are positioned for excellence in investing and client service**

Note: As of September 30, 2023, unless otherwise noted. Please see the Notes at the end of this presentation. (1) AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and a registered investment adviser. (2) More than 90% of corporate credit assets are in senior debt, with less than 10% being in either second lien or subordinated debt. (3) Of the seven trading professionals, one individual has additional responsibilities as a Portfolio Manager and is counted in both categories. (4) Of the 60+ asset management professionals, three are part of the industry research and alternative credit professionals and are counted in both categories. The remaining asset management professionals are in the direct lending group. (5) The performance, awards/ratings noted herein relate only to selected funds/strategies and may not be representative of any given client's experience and should not be viewed as indicative of Ares' past performance or its funds' future performance. Ares has not provided any compensation in connection with obtaining these awards but may have paid to use the award logo. All investments involve risk, including loss of principal.





# Ares Private Equity Group

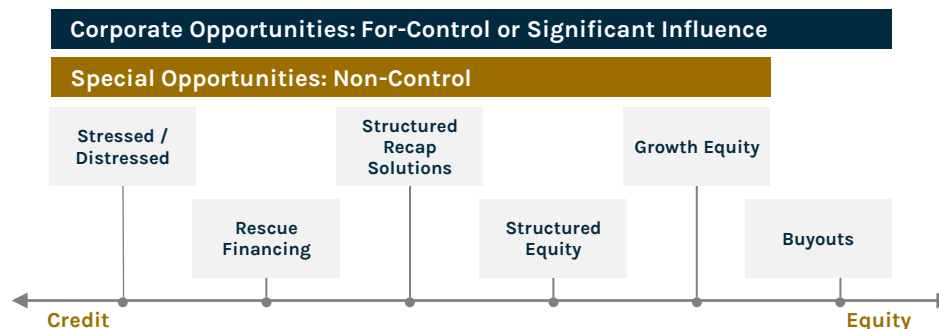
» We seek to deliver consistent investment performance in our differentiated private equity fund families across various market environments

**\$34.3 Billion AUM**

- 21 Partners averaging ~22 years of experience
- ~100 dedicated investment professionals

**Industries, Complementary Disciplines & Geographies:**

Healthcare	Services
Industrials	Consumer
Special Opportunities	Europe
Energy	China



## Key Attributes of the Private Equity Group

**Leveraging the Power of the Ares Platform**

**Integrated Team with Growth Buyout and Distressed Capabilities**

**Seek Consistent Deployment Through Cycles**

**Serve as a Partner of Choice**

**Seek to be a Catalyst for Good**

**Group Built to Scale**

## Accolades<sup>1</sup>



**Corporate Private Equity**  
Top 20 Private Equity  
Performance Rankings –  
Year 2020

**Private Equity  
International**  
AWARDS 2022

Top-3 Distressed Debt  
Investor of the Year in  
North America

Note: As of September 30, 2023, unless otherwise noted.

Does not include APAC Private Equity given the acquisition closed on October 2, 2023. Please see the Notes at the end of this presentation.

1. The performance, awards/ratings noted herein relate only to selected funds/strategies and may not be representative of any given client's experience and should not be viewed as indicative of Ares' past performance or its funds' future performance. Ares has not provided any compensation in connection with obtaining these awards but may have paid to use the award logo. All investments involve risk, including loss of principal.



# Ares Real Assets Group: Real Estate

- » Global real estate investment manager with vertically integrated operating platform that seeks to generate compelling risk-adjusted performance through a combination of our knowledge of markets and sectors, diligent asset selection and skilled execution

## \$48.8 Billion AUM

- 25 Partners averaging 26 years of experience
- ~255 real estate investment professionals
- In-house, vertically integrated industrial operating platform
- PERE Top 10 Real Estate Manager by 2018-2023 Equity Raised<sup>1</sup>
- Rated Special Servicing Platform 2016-2023 by FitchRatings<sup>1</sup>
- PERE 2021 Top 2 Logistics Investor of the Year, North America<sup>1</sup>
- PERE 2021 Top 2 Residential Investor of the Year, Europe<sup>1</sup>

## Full Suite of Complementary Real Estate Debt & Equity Strategies

	Debt	U.S. Equity	European Equity
AUM	\$11.0bn	\$29.0bn	\$8.8bn
Strategies	Opportunistic	Opportunistic	Opportunistic
	Value-Add	Value-Add	Value-Add
	Core/Core-Plus	Core/Core-Plus	

## Global Real Estate Portfolio Diversified by Property Sectors and Markets

### Experience Across Property Sectors

Industrial	Multifamily	Office
Hospitality	Retail	Life Sciences
Self-Storage	Single Family Rental	Mixed-Use

### Global Market Coverage with Local Presence



Note: As of September 30, 2023, unless otherwise noted. References to "risk-adjusted performance" are not guarantees against loss of investment capital or value. **Please see endnotes at the end of this presentation.**

1. The performance, awards/ratings noted herein relate only to selected funds/strategies and may not be representative of any given client's experience and should not be viewed as indicative of Ares' past performance or its funds' future performance. Ares has not provided any compensation in connection with obtaining these awards but may have paid to use the award logo. All investments involve risk, including loss of principal.
2. Includes Ares Management Corporation ("ARES") principal and originating offices where real estate activities take place.
3. In Madrid and Frankfurt, Ares Real Estate Group does not maintain a physical office but has an investment professional located in this market.
4. Non-Ares location providing administrative and support functions to the Ares Real Estate Group.



# Ares Real Assets Group: Infrastructure

- » Long-tenured global team utilizing deep local sourcing capabilities and extensive sector experience to seek to originate and manage diverse, high-quality investments in private infrastructure assets across the globe

**\$15.1 Billion AUM**

- 50+ infrastructure investment professionals located across 5 offices in the U.S., Europe, Asia, and Australia
- 10 Partners averaging 20+ years of experience
- Specialized experience across the capital structure in a rapidly evolving asset class

Climate

Digital

Energy

Transport

Utilities

## Infrastructure Opportunities

**\$5.7bn**

**Assets / Projects**

**Platforms / Companies**

**Structured Solutions**

## Infrastructure Debt

**\$9.4bn**

**Mezzanine Debt**

**Senior Debt**

## Key Asset Attributes

**High Barriers  
to Entry**

**Provides Essential  
Services**

**Low Correlation  
to Public Markets**

**Low  
Volatility**

**Inflation  
Protected Assets**

**Long Term  
Contracted Cash Flows**

## Accolades<sup>1</sup>



**Private Equity Sponsor  
and Credit Fund Manager  
of the Year  
2020**

**Infrastructure  
Investor**

**AWARDS 2022**

**Energy Transition Investor of the Year  
(North America)**

Note: As of September 30, 2023, unless otherwise noted. Please see endnotes at the end of this presentation.

1. The performance, awards/ratings noted herein relate only to selected funds/strategies and may not be representative of any given client's experience and should not be viewed as indicative of Ares' past performance or its funds' future performance. Ares has not provided any compensation in connection with obtaining these awards but may have paid to use the award logo. All investments involve risk, including loss of principal.



# Ares Secondaries

» A pioneer and innovator within the secondaries market across three decades and across a range of alternative asset classes, including private equity, real estate, infrastructure and credit

**\$23.3 Billion AUM<sup>1</sup>**

- 30+ year track record of secondaries investing
- 16 Partners with 18-year average tenure<sup>2</sup>
- 85+ dedicated investment and research professionals

## Platform Differentiators

**Demonstrated and Customized Structuring Capabilities**

**Access to Differentiated Information via QRG**

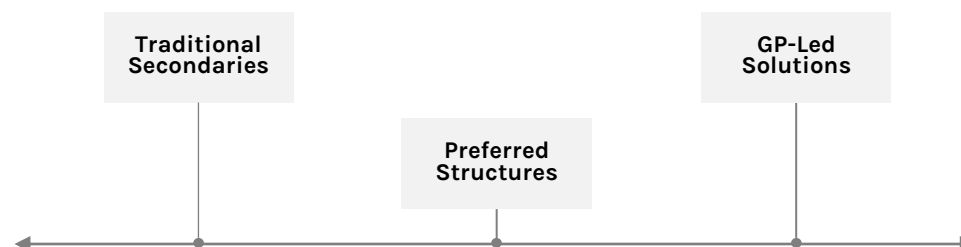
**“Thought Partner” Approach to Investing**

**Deep relationships with institutional investors, fund sponsors and market advisors**

## Secondaries Investment Capabilities Across Four Private Markets Strategies

	Private Equity Secondaries	Real Estate Secondaries	Infrastructure Secondaries	Credit Secondaries	Total
	<b>\$12.8bn</b>	<b>\$7.7bn</b>	<b>\$1.9bn</b>	<b>\$0.9bn</b>	<b>\$23.3bn<sup>1</sup></b>
Transaction Count <sup>3</sup>	495+	210	40	--	<b>745+</b>
Sponsor Coverage <sup>3</sup>	635+	205+	35+	--	<b>880+</b>
Partnerships Interests <sup>3</sup>	1,755+	780+	50+	--	<b>2,590+</b>

## Ares' Flexible Range of Secondary Structuring Solutions



Note: As of September 30, 2023, unless otherwise noted.

1. Includes \$25 million of Strategic Partnership Secondaries

2. As of July 2023. Includes tenure with Landmark Partners. In 2021, Landmark Partners was acquired by Ares Management, and in 2022 Landmark was fully rebranded as Ares Secondaries.

3. As of June 30, 2023. Includes both secondary deals and primary investments made within Ares' secondary funds.



# Other Businesses<sup>1</sup>

» Ares' other businesses include Ares Insurance Solutions, our dedicated, in-house team that provides solutions to insurance clients and AACT<sup>2</sup> a special purpose acquisition company

## Ares Insurance Solutions (AIS)

**\$3.6 Billion AUM<sup>3</sup>**

~20 professionals with significant insurance experience  
Dedicated team leveraging Ares' ~2,800 global professionals managing \$54.1bn<sup>4</sup> of investments across Credit, Private Equity, Real Assets and Secondaries

### Key Functions

<b>Asset Management</b>	Aim to enhance return on capital through oversight and active management of portfolio investment plans
<b>Capital Solutions</b>	Seek to optimize required capital through asset, capital and liability management
<b>Corporate Development</b>	Drive growth and manage risk through reinsurance and M&A origination and advisory

### AIS Provides Strategic Support to Aspida<sup>5</sup>



- Created to execute on AIS' plans to issue insurance and reinsurance products for individuals and institutions seeking to fund long-term capital needs
- Aspida seeks to be a trusted partner focused on customers' financial security and success

**AIS delivers the Ares platform to our insurance partners**

Note: All data is as of September 30, 2023, unless otherwise noted.

1. Other businesses also includes \$0.5bn of AUM from Ares Acquisition Corporation.

2. Ares Acquisition Corporation II ("AACT").

3. AUM managed by Ares Insurance Solutions excludes \$7.0 billion of assets which are sub-advised by other Ares investment groups or invested in Ares funds and investment vehicles.

4. \$54.1 billion in AUM represents investments by insurance companies in various Ares' funds, SMAs and co-investments versus one discrete insurance platform.

5. Aspida is an indirectly-owned subsidiary of Ares Management Corporation.

## Ares Acquisition Corporation II (AACT)

**\$0.5 Billion SPAC**

Public acquisition vehicle seeking to partner with a high-quality, growth-oriented business where Ares' capital and sponsorship can unlock value

### AACT Organizational Strengths

<b>Deep Value Creation Capabilities</b>	<b>Global and Scaled Platform with Collaborative Culture</b>	<b>Robust Sourcing and Underwriting Capabilities</b>
<b>Strong Public Markets Experience</b>	<b>Capital Structure Optimization</b>	<b>Extensive Market Knowledge</b>

### AACT Acquisition Criteria

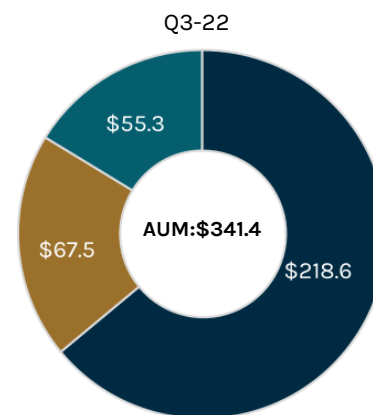
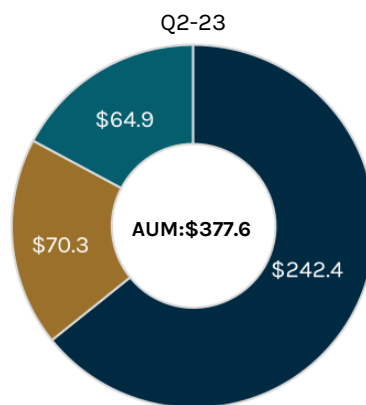
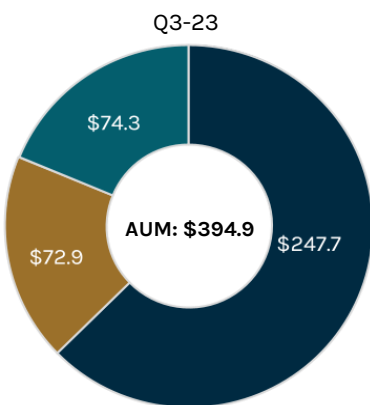
<b>Ares Angle</b>	<ul style="list-style-type: none"> <li>• Ability to leverage Ares' relationships and deep value creation capabilities</li> <li>• Relevant expertise from network of advisors, research and pre-existing relationships</li> </ul>
<b>Strong Business Fundamentals</b>	<ul style="list-style-type: none"> <li>• Differentiated, sustainable business with a defensible market position</li> <li>• Strong people, processes, culture and customer base</li> </ul>
<b>Growth End Markets</b>	<ul style="list-style-type: none"> <li>• Attractive growth prospects</li> <li>• Ability to capitalize on positive secular tailwinds</li> </ul>
<b>Public Market Ready via SPAC</b>	<ul style="list-style-type: none"> <li>• Sufficient scale and resources to achieve a successful transition into the public market</li> <li>• Seeks to benefit from having a public currency to enhance its ability to grow organically or through M&amp;A</li> </ul>



# AUM and FPAUM Fee Basis Analysis

## Components of AUM

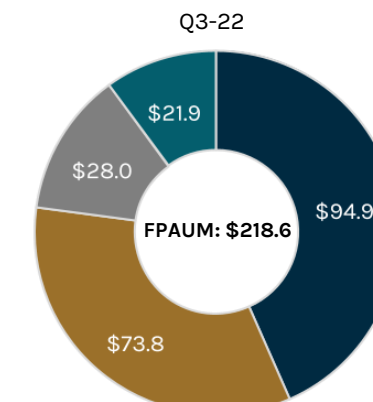
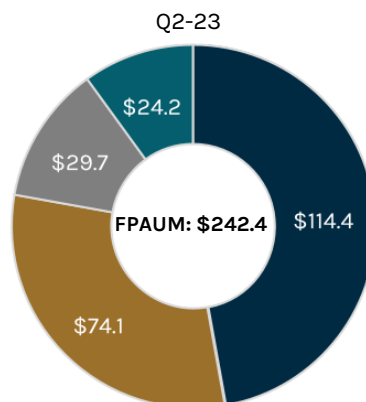
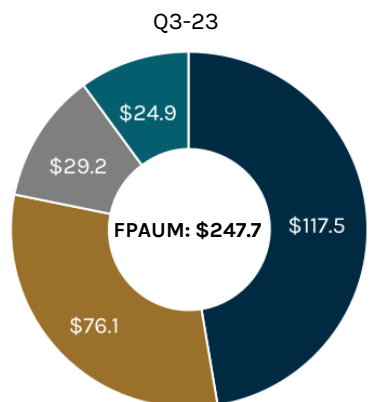
(\$ in billions)



FPAUM
  Non-free paying<sup>(1)(2)</sup>
 AUM not yet paying fees

## FPAUM by Fee Basis

(\$ in billions)



Invested capital/other<sup>(3)</sup>
 Market value<sup>(4)</sup>
 Collateral balances (at par)
  Capital commitments

1. Includes \$15.2 billion, \$14.9 billion, and \$14.0 billion of AUM of funds from which we indirectly earn management fees as of September 30, 2023, June 30, 2023 and September 30, 2022, respectively.
2. Includes \$3.6 billion, \$3.6 billion and \$3.4 billion of non-free paying AUM based on our general partner commitment as of September 30, 2023, June 30, 2023 and September 30, 2022, respectively.
3. Other consists of ACRE's FPAUM, which is based on ACRE's stockholders' equity.
4. Includes \$56.8 billion, \$56.2 billion and \$54.9 billion from funds that primarily invest in illiquid strategies as of September 30, 2023, June 30, 2023 and September 30, 2022, respectively. The underlying investments held in these funds are generally subject to less market volatility than investments held in liquid strategies.

# GAAP Statements of Operations

\$ in thousands, except share data	Year Ended December 31,					
	Q3-23 LTM	2022	2021	2020	2019	2018
<b>Revenues</b>						
Management fees	\$2,443,387	\$2,136,433	\$1,611,047	\$1,150,608	\$979,417	\$802,502
Carried interest allocation	582,061	458,012	2,073,551	505,608	621,872	42,410
Incentive fees	304,535	301,187	332,876	37,902	69,197	63,380
Principal investment income (loss)	35,743	12,279	99,433	28,552	56,555	(1,455)
Administrative, transaction and other fees	149,901	147,532	95,184	41,376	38,397	51,624
<b>Total revenues</b>	<b>3,515,627</b>	<b>3,055,443</b>	<b>4,212,091</b>	<b>1,764,046</b>	<b>1,765,438</b>	<b>958,461</b>
<b>Expenses</b>						
Compensation and benefits	1,439,392	1,498,590	1,162,633	767,252	653,352	570,380
Performance related compensation	604,001	518,829	1,740,786	404,116	497,181	30,254
General, administrative and other expenses	634,155	695,256	444,178	258,999	270,219	215,964
Expenses of Consolidated Funds	36,217	36,410	62,486	20,119	42,045	53,764
<b>Total expenses</b>	<b>2,713,765</b>	<b>2,749,085</b>	<b>3,410,083</b>	<b>1,450,486</b>	<b>1,462,797</b>	<b>870,362</b>
<b>Other income (expense)</b>						
Net realized and unrealized gains (losses) on investments	(807)	4,732	19,102	(9,008)	9,554	(1,884)
Interest and dividend income	15,616	9,399	9,865	8,071	7,506	7,028
Interest expense	(96,982)	(71,356)	(36,760)	(24,908)	(19,671)	(21,448)
Other income (expense), net	1,857	13,119	14,402	11,291	(7,840)	(851)
Net realized and unrealized gains (losses) on investments of Consolidated Funds	254,072	73,386	77,303	(96,864)	15,136	(1,583)
Interest and other income of Consolidated Funds	903,441	586,529	437,818	463,652	395,599	337,875
Interest expense of Consolidated Funds	(686,287)	(411,361)	(258,048)	(286,316)	(277,745)	(222,895)
<b>Total other income, net</b>	<b>390,910</b>	<b>204,448</b>	<b>263,682</b>	<b>65,918</b>	<b>122,539</b>	<b>96,242</b>
Income before taxes	1,192,772	510,806	1,065,690	379,478	425,180	184,341
Income tax expense	163,037	71,891	147,385	54,993	52,376	32,202
<b>Net income</b>	<b>1,029,735</b>	<b>438,915</b>	<b>918,305</b>	<b>324,485</b>	<b>372,804</b>	<b>152,139</b>
Less: Net income attributable to non-controlling interests in Consolidated Funds	245,296	119,333	120,369	28,085	39,704	20,512
<b>Net income attributable to Ares Operating Group entities</b>	<b>784,439</b>	<b>319,582</b>	<b>797,936</b>	<b>296,400</b>	<b>333,100</b>	<b>131,627</b>
Less: Net loss attributable to redeemable interest in Ares Operating Group entities	(1,218)	(851)	(1,341)	(976)	—	—
Less: Net income attributable to non-controlling interests in Ares Operating Group entities	367,788	152,892	390,440	145,234	184,216	74,607
<b>Net income attributable to Ares Management Corporation</b>	<b>417,869</b>	<b>167,541</b>	<b>408,837</b>	<b>152,142</b>	<b>148,884</b>	<b>57,020</b>
Less: Series A Preferred Stock dividends paid	—	—	10,850	21,700	21,700	21,700
Less: Series A Preferred Stock redemption premium	—	—	11,239	—	—	—
<b>Net income attributable to Ares Management Corporation Class A and non-voting common stockholders</b>	<b>\$417,869</b>	<b>\$167,541</b>	<b>\$386,748</b>	<b>\$130,442</b>	<b>\$127,184</b>	<b>\$35,320</b>
<b>Net income per share of Class A and non-voting common stock:</b>						
Basic	\$2.18	\$0.87	\$2.24	\$0.89	\$1.11	\$0.30
Diluted	\$2.18	\$0.87	\$2.15	\$0.87	\$1.06	\$0.30
<b>Weighted-average shares of Class A and non-voting common stock:</b>						
Basic	N/A	175,510,798	163,703,626	135,065,436	107,914,953	96,023,147
Diluted	N/A	175,510,798	180,112,271	149,508,498	119,877,429	96,023,147
Dividend declared and paid per share of Class A and non-voting common stock	\$2.92	\$2.44	\$1.88	\$1.60	\$1.28	\$1.33



# RI and Other Measures Financial Summary

\$ in thousands, except share data (and as otherwise noted)	Year Ended December 31,					
	Q3-23 LTM	2022	2021	2020	2019	2018
Management fees <sup>(1)</sup>	\$2,460,978	\$2,152,528	\$1,635,277	\$1,186,565	\$1,012,530	\$836,744
Fee related performance revenues	231,321	239,425	137,879	22,987	54,307	6,961
Other fees	95,104	94,562	49,771	19,948	18,078	24,288
Compensation and benefits expenses <sup>(2)</sup>	(1,273,790)	(1,172,504)	(894,842)	(626,172)	(560,234)	(460,160)
General, administrative and other expenses	(382,855)	(319,661)	(215,777)	(172,097)	(178,742)	(149,465)
<b>Fee Related Earnings</b>	<b>1,130,758</b>	<b>994,350</b>	<b>712,308</b>	<b>431,231</b>	<b>345,939</b>	<b>258,368</b>
Realized net performance income	147,121	143,480	145,844	124,767	89,856	102,554
Realized net investment income (loss)	(28,601)	(6,803)	24,785	25,958	67,691	34,474
<b>Realized Income</b>	<b>1,249,278</b>	<b>1,131,027</b>	<b>882,937</b>	<b>581,956</b>	<b>503,486</b>	<b>395,396</b>
<b>After-tax Realized Income<sup>(3)</sup></b>	<b>\$1,174,072</b>	<b>\$1,061,747</b>	<b>\$803,719</b>	<b>\$519,028</b>	<b>\$436,666</b>	<b>\$345,926</b>
<b>After-tax Realized Income per share of Class A and non-voting common stock<sup>(4)</sup></b>	<b>\$3.65</b>	<b>\$3.35</b>	<b>\$2.57</b>	<b>\$1.86</b>	<b>\$1.67</b>	<b>\$1.42</b>
<b>Other Data</b>						
<b>Fee Related Earnings margin<sup>(5)</sup></b>	<b>40.6%</b>	<b>40.0%</b>	<b>39.1%</b>	<b>35.1%</b>	<b>31.9%</b>	<b>29.8%</b>
<b>Effective management fee rate<sup>(6)</sup></b>	<b>N/A</b>	<b>0.99%</b>	<b>1.06%</b>	<b>1.09%</b>	<b>1.10%</b>	<b>1.07%</b>

Note: All historical filings can be found on the SEC's website.

1. Includes Part I Fees of \$352.0 million and \$266.2 million for Q3-23 LTM and 2022, respectively.

2. Includes fee related performance compensation of \$142.8 million and \$149.5 million for Q3-23 LTM and 2022, respectively.

3. For Q3-23 LTM and 2022, after-tax Realized Income includes current income tax related to: (i) entity level taxes of \$23.7 million and \$17.2 million, respectively, and (ii) corporate level tax expense of \$51.5 million and \$52.0 million, respectively.

4. Calculation of after-tax Realized Income per share of Class A and non-voting common stock uses total average shares of Class A common stock outstanding and proportional dilutive effects of the Ares' equity-based awards.

5. Fee related earnings margin represents the quotient of fee related earnings and the total of segment management fees, fee related performance revenues and other fees.

6. Effective management fee rate represents the quotient of management fees and the aggregate fee bases for the periods presented. The effective rate shown excludes the effect of one-time catch-up fees.





# GAAP to Non-GAAP Reconciliation – Unconsolidated Reporting Basis

\$ in thousands	Year Ended December 31,					
	Q3-23 LTM	2022	2021	2020	2019	2018
<b>Realized Income and Fee Related Earnings:</b>						
<b>Income before taxes</b>	<b>\$1,192,772</b>	<b>\$510,806</b>	<b>\$1,065,690</b>	<b>\$379,478</b>	<b>\$425,180</b>	<b>\$184,341</b>
<b>Adjustments:</b>						
Amortization of intangibles <sup>(1)</sup>	201,041	308,215	84,185	21,195	23,460	9,032
Depreciation expense	30,421	26,868	22,520	19,467	17,142	16,055
Equity compensation expenses <sup>(2)</sup>	241,235	198,948	237,191	122,986	97,691	89,724
Acquisition-related compensation expense <sup>(3)</sup>	3,894	206,252	66,893	—	—	—
Acquisition related incentive fees <sup>(4)</sup>	—	—	(47,873)	—	—	—
Acquisition and merger-related expenses	13,277	15,197	21,162	11,194	16,266	2,936
Placement fees adjustment	(11,555)	2,088	78,883	19,329	24,306	20,343
Offering costs	—	—	—	—	—	3
Other (income) expense, net	1,529	1,874	(19,886)	10,207	(460)	13,486
(Income) loss before taxes of non-controlling interests in consolidated subsidiaries	(666)	(357)	(23,397)	3,817	2,951	3,343
(Income) loss before taxes of non-controlling interests in Consolidated Funds, net of eliminations	(250,129)	(119,664)	(120,457)	(28,203)	(39,174)	(20,643)
Total performance (income) loss—unrealized	(211,221)	(106,978)	(1,744,056)	7,554	(303,142)	247,212
Total performance related compensation—unrealized	143,383	88,502	1,316,205	(11,552)	206,799	(221,343)
Total net investment (income) loss—unrealized	(104,703)	(724)	(54,123)	26,484	32,467	50,907
<b>Realized Income</b>	<b>1,249,278</b>	<b>1,131,027</b>	<b>882,937</b>	<b>581,956</b>	<b>503,486</b>	<b>395,396</b>
Total performance income—realized	(463,643)	(418,021)	(474,427)	(524,229)	(348,211)	(350,246)
Total performance related compensation—realized	316,522	274,541	328,583	399,462	258,355	247,692
Unconsolidated investment (income) loss—realized	28,601	6,803	(24,785)	(25,958)	(67,691)	(34,474)
<b>Fee Related Earnings</b>	<b>\$1,130,758</b>	<b>\$994,350</b>	<b>\$712,308</b>	<b>\$431,231</b>	<b>\$345,939</b>	<b>\$258,368</b>

Note: This table is a reconciliation of income before provision for income taxes on a GAAP basis to RI and FRE on an unconsolidated basis, which reflects the results of the reportable segments on a combined basis together with the Operations Management Group ("OMG"). The OMG's revenues and expenses are not allocated to our reportable segments but management considers the cost structure of the OMG when evaluating our financial performance. Management uses this information to assess the performance of our reportable segments and OMG and believes that this information enhances the ability of shareholders to analyze our performance.

- For Q3-23 LTM, amortization of intangibles includes non-cash impairment charges of: (i) \$65.9 million recognized in Q3-23, primarily related to the fair value of certain client relationships from Landmark in connection with lower expected FPAUM in a certain private equity secondaries fund from existing investors; (ii) \$5.1 million recognized in Q2-23, related to the fair value of management contracts of certain funds in connection with lower than expected future fee revenue generated from these funds; and (iii) \$7.8 million recognized in Q1-23, related to the rebranding of Ares SSG to Ares Asia and discontinued the ongoing use of the SSG trade name. For 2022, amortization of intangibles includes non-cash impairment charges of \$181.6 million recognized in Q3-22, related to rebranding of our secondaries group as Ares Secondaries and discontinued the ongoing use of the Landmark trade name, and fair value of management contracts in connection with lower than expected FPAUM.
- For Q3-23 LTM and 2022, equity compensation expense was attributable to the following: (i) IPO awards and other non-recurring awards of \$58.5 million and \$50.8 million, respectively; (ii) annual bonus awards of \$69.9 million and \$55.7 million, respectively; and (iii) annual discretionary awards of \$114.1 million and \$93.9 million, respectively.
- Represents contingent obligations (earnouts) recorded in connection with the acquisition of Landmark, Black Creek and Infrastructure Debt that are recorded as compensation expense.
- Represents a component of the purchase price from realized performance income associated with one-time contingent consideration recorded in connection with the Black Creek acquisition. 100% of the realized performance income earned in 2021 is presented in incentive fees reported in accordance with GAAP, of which 50% is included on an unconsolidated basis.

# GAAP to Non-GAAP Reconciliation – Unconsolidated Reporting Basis (cont'd)

\$ in thousands	Year Ended December 31,					
	Q3-23 LTM	2022	2021	2020	2019	2018
<b>Performance income and net investment income reconciliation:</b>						
Carried interest allocation	\$582,061	\$458,012	\$2,073,551	\$505,608	\$621,872	\$42,410
Incentive fees	304,535	301,187	332,876	37,902	69,197	63,380
<b>Carried interest allocation and incentive fees</b>	<b>886,596</b>	<b>759,199</b>	<b>2,406,427</b>	<b>543,510</b>	<b>691,069</b>	<b>105,790</b>
Performance income—realized from Consolidated Funds	4,084	3,980	5,458	141	13,851	4,000
Fee related performance revenues	(231,321)	(239,425)	(137,879)	(22,987)	(54,307)	(6,961)
Acquisition-related incentive fees <sup>(1)</sup>	—	—	(47,873)	—	—	—
Total performance (income) loss—unrealized	(194,445)	(99,429)	(1,744,056)	7,554	(303,142)	247,212
Performance income of non-controlling interests in consolidated subsidiaries	(1,271)	(6,304)	(7,650)	(3,989)	740	205
<b>Performance income realized</b>	<b>\$463,643</b>	<b>\$418,021</b>	<b>\$474,427</b>	<b>\$524,229</b>	<b>\$348,211</b>	<b>\$350,246</b>
<b>Total consolidated other income</b>						
<b>Total consolidated other income</b>	<b>\$390,910</b>	<b>\$204,448</b>	<b>\$263,682</b>	<b>\$65,918</b>	<b>\$122,539</b>	<b>\$96,242</b>
Net investment income from Consolidated Funds	(471,155)	(266,628)	(259,243)	(85,047)	(130,396)	(115,151)
Principal investment income	141,481	48,223	120,896	4,044	44,320	1,047
Change in value of contingent consideration	—	1,438	23,114	70	—	—
Other expense (income), net	1,528	435	(43,000)	10,207	(460)	1,650
Offering costs	—	—	—	—	—	3
Other expense (income) of non-controlling interests in consolidated subsidiaries	13,338	6,005	(26,541)	4,282	(779)	(224)
Investment loss (income)—unrealized	(101,396)	14,557	(58,694)	40,405	24,542	50,809
Interest and other investment loss (income)—unrealized	(3,307)	(15,281)	4,571	(13,921)	7,925	98
<b>Total realized net investment income</b>	<b>\$(28,601)</b>	<b>\$(6,803)</b>	<b>\$24,785</b>	<b>\$25,958</b>	<b>\$67,691</b>	<b>\$34,474</b>

Note: These tables reconcile consolidated carried interest allocation and incentive fees reported in accordance with GAAP to unconsolidated realized performance income and consolidated GAAP other income to unconsolidated realized net investment income. These reconciliations show the results of the reportable segments on a combined basis together with the OMG. The OMG's revenues and expenses are not allocated to our reportable segments but management considers the cost structure of the OMG when evaluating our financial performance. Management uses this information to assess the performance of our reportable segments and OMG and believes that this information enhances the ability of shareholders to analyze our performance.

1. Represents a component of the purchase price from realized performance income associated with one-time contingent consideration recorded in connection with the Black Creek acquisition. 100% of the realized performance income earned in 2021 is presented in incentive fees reported in accordance with GAAP, of which 50% is included on an unconsolidated basis.



# Significant Fund Performance Metrics

The following table presents the performance data for the significant funds that are not drawdown funds:

(\$ in millions)	Year of Inception	AUM	As of September 30, 2023						Primary Investment Strategy
			Returns(%)						
			Quarter-to-Date		Year-to-Date		Since Inception <sup>(1)</sup>		
			Gross	Net	Gross	Net	Gross	Net	
Credit									
ARCC <sup>(2)</sup>	2004	\$27,291	N/A	4.8	N/A	11.4	N/A	12.0	U.S. Direct Lending
CADC <sup>(3)</sup>	2017	4,719	N/A	3.9	N/A	9.7	N/A	6.0	U.S. Direct Lending
Real Assets									
AREIT <sup>(2)</sup>	2012	5,239	N/A	(0.8)	N/A	(3.6)	N/A	7.0	U.S. Real Estate Equity
AIREIT <sup>(3)</sup>	2017	7,887	N/A	(3.9)	N/A	(7.5)	N/A	10.8	U.S. Real Estate Equity
Open-ended industrial real estate fund <sup>(4)</sup>	2017	5,185	(1.8)	(1.7)	(6.2)	(5.8)	21.3	17.4	U.S. Real Estate Equity

Note: Past performance is not indicative of future results. AUM and net returns are as of September 30, 2023 unless otherwise noted. The above table includes fund performance metrics for significant funds which includes commingled funds that contributed at least 1% of total management fees or comprised 1% or more of Ares' total FPAUM for the past two consecutive quarters. Please refer to significant fund performance endnotes at the end of this presentation for additional information. Return information presented may not reflect actual returns earned by investors in the applicable fund. ARCC is a publicly traded vehicle.

# Significant Fund Performance Metrics (cont'd)

The following table presents the performance data for our significant drawdown funds:

As of September 30, 2023												
(\$ in millions)	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value <sup>(4)</sup>	Unrealized Value <sup>(5)</sup>	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross <sup>(6)</sup>	Net <sup>(7)</sup>	Gross <sup>(8)</sup>	Net <sup>(9)</sup>	
Credit												
Fund Harvesting Investment												
SDL I Unlevered	2018	\$5,082	\$922	\$872	\$272	\$762	\$1,034	1.3x	1.2x	8.9	6.7	U.S. Direct Lending
SDL I Levered			2,045	2,022	840	1,773	2,613	1.4x	1.3x	15.2	11.2	
ACE IV Unlevered <sup>(10)</sup>	2018	9,908	2,851	2,214	634	2,096	2,730	1.3x	1.2x	8.2	5.9	European Direct Lending
ACE IV Levered <sup>(10)</sup>			4,819	3,775	1,384	3,680	5,064	1.4x	1.3x	11.8	8.6	
Funds Deploying Capital												
ACE V Unlevered <sup>(11)</sup>	2020	16,633	7,026	4,983	408	5,214	5,622	1.2x	1.1x	11.4	8.4	European Direct Lending
ACE V Levered <sup>(11)</sup>			6,376	4,525	551	4,842	5,393	1.3x	1.2x	17.7	12.6	
PCS II	2020	5,553	5,114	3,348	186	3,453	3,639	1.1x	1.1x	8.7	6.4	U.S. Direct Lending
Pathfinder I	2020	4,280	3,683	2,496	169	2,926	3,095	1.3x	1.2x	20.2	14.6	Alternative Credit
SDL II Unlevered	2021	15,570	1,989	1,117	98	1,135	1,233	1.1x	1.1x	11.8	9.1	U.S. Direct Lending
SDL II Levered			6,047	3,375	469	3,451	3,920	1.2x	1.2x	19.9	14.9	
Open-ended core alternative credit fund <sup>(12)</sup>	2021	4,605	4,229	2,465	206	2,478	2,684	1.1x	1.1x	10.3	7.3	Alternative Credit

Note: Past performance is not indicative of future results. Fund performance metrics for significant funds may be marked as "NM" as they may not be considered meaningful due to the limited time since the initial investment and/or early stage of capital deployment. AUM and net returns are as of September 30, 2023 unless otherwise noted. The above table includes fund performance metrics for significant funds which includes commingled funds that contributed at least 1% of total management fees or comprised 1% or more of Ares' total FPAUM for the past two consecutive quarters. Please refer to significant fund performance endnotes at the end of this presentation for additional information. Return information presented may not reflect actual returns earned by investors in the applicable fund.



# Significant Fund Performance Metrics (cont'd)

The following table presents the performance data for our significant drawdown funds (cont'd):

As of September 30, 2023												
(\$ in millions)	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value <sup>(1)</sup>	Unrealized Value <sup>(2)</sup>	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross <sup>(3)</sup>	Net <sup>(4)</sup>	Gross <sup>(5)</sup>	Net <sup>(6)</sup>	
<b>Private Equity</b>												
<b>Fund Harvesting Investments</b>												
ACOF V	2017	\$8,946	\$7,850	\$7,473	\$3,491	\$8,303	\$11,794	1.6x	1.4x	12.6	8.5	Corporate Private Equity
<b>Funds Deploying Capital</b>												
ASOF I	2019	5,739	3,518	5,477	4,225	3,827	8,052	1.8x	1.6x	26.6	20.6	Special Opportunities
ACOF VI	2020	7,089	5,743	4,718	393	6,115	6,508	1.3x	1.2x	24.0	17.5	Corporate Private Equity
ASOF II	2021	7,240	7,128	5,124	1,037	4,380	5,417	1.1x	1.0x	6.9	4.3	Special Opportunities
(\$ in millions)	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value <sup>(5)</sup>	Unrealized Value <sup>(6)</sup>	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross <sup>(7)</sup>	Net <sup>(8)</sup>	Gross <sup>(9)</sup>	Net <sup>(10)</sup>	
<b>Real Assets</b>												
<b>Fund Harvesting Investments</b>												
IDF IV <sup>(11)</sup>	2018	\$3,315	\$4,012	\$4,417	\$2,005	\$3,005	\$5,010	1.2x	1.2x	7.8	5.7	Infrastructure Debt
(\$ in millions)	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value <sup>(1)</sup>	Unrealized Value <sup>(2)</sup>	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross <sup>(3)</sup>	Net <sup>(4)</sup>	Gross <sup>(5)</sup>	Net <sup>(6)</sup>	
<b>Secondaries</b>												
<b>Funds Harvesting Investments</b>												
LEP XVI <sup>(7)</sup>	2016	\$4,841	\$4,896	\$3,571	\$1,990	\$3,020	\$5,010	1.5x	1.4x	29.8	20.2	Private Equity Secondaries
LREP VIII <sup>(7)</sup>	2016	3,258	3,300	2,306	1,403	1,714	3,117	1.5x	1.4x	22.7	15.5	Real Estate Secondaries

Note: Past performance is not indicative of future results. Fund performance metrics for significant funds may be marked as “NM” as they may not be considered meaningful due to the limited time since the initial investment and/or early stage of capital deployment. AUM and net returns are as of September 30, 2023 unless otherwise noted. The above table includes fund performance metrics for significant funds which includes commingled funds that contributed at least 1% of total management fees or comprised 1% or more of Ares' total FPAUM for the past two consecutive quarters. Please refer to significant fund performance endnotes at the end of this presentation for additional information. Return information presented may not reflect actual returns earned by investors in the applicable fund.

For all funds within the Secondaries Group, returns are calculated from results of the underlying portfolio that are generally reported on a three month lag and may not include the impact of economic and market activities occurring in the current reporting period.



# Supplemental Performance Metrics

The following table presents the performance data for a non-drawdown fund that was previously reported as a significant fund:

As of September 30, 2023									
(\$ in millions)	Year of Inception	AUM	Returns(%)						Primary Investment Strategy
			Quarter-to-Date		Year-to-Date		Since Inception <sup>(1)</sup>		
			Gross	Net	Gross	Net	Gross	Net	
Credit									
Open-ended secured finance fund <sup>(2)</sup>	2018	\$835	3.5	3.3	6.7	6.2	3.5	2.9	Alternative Credit

The following table presents the performance data for commingled funds that were previously reported as significant funds:

(\$ in millions)	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	As of September 30, 2023							Primary Investment Strategy
					Realized Value <sup>(3)</sup>	Unrealized Value <sup>(4)</sup>	Total Value	MoIC		IRR(%)		
								Gross <sup>(5)</sup>	Net <sup>(6)</sup>	Gross <sup>(7)</sup>	Net <sup>(8)</sup>	
Credit												
Fund Harvesting Investments												
ACE III <sup>(9)</sup>	2015	\$3,402	\$2,822	\$2,327	\$1,367	\$2,234	\$3,601	1.6x	1.4x	10.5	7.4	European Direct Lending
SSG Fund IV	2016	969	1,181	1,520	1,330	462	1,792	1.3x	1.2x	13.2	8.0	Asia Credit
PCS I	2017	3,460	3,365	2,645	1,798	1,861	3,659	1.4x	1.3x	11.9	8.5	U.S. Direct Lending
Fund Deploying Capital												
SSG Fund V	2018	2,167	1,878	1,905	1,797	386	2,183	1.2x	1.1x	26.0	14.9	Asia Credit

Note: Past performance is not indicative of future results. AUM and net returns are as of September 30, 2023 unless otherwise noted. Please refer to supplemental performance metric endnotes at the end of this presentation for additional information. Return information presented may not reflect actual returns earned by investors in the applicable fund.

# Supplemental Performance Metrics (cont'd)

The following table presents the performance data for commingled funds that were previously reported as significant funds:

As of September 30, 2023												
(\$ in millions)	Year of Inception	AUM	Original Capital Commitments	Capital Invested to Date	Realized Value <sup>(1)</sup>	Unrealized Value <sup>(2)</sup>	Total Value	MoIC		IRR(%)		Primary Investment Strategy
								Gross <sup>(3)</sup>	Net <sup>(4)</sup>	Gross <sup>(5)</sup>	Net <sup>(6)</sup>	
<b>Private Equity</b>												
<b>Funds Harvesting Investments</b>												
ACOF III	2008	\$74	\$3,510	\$3,922	\$10,293	\$19	\$10,312	2.6x	2.1x	27.5	20.2	Corporate Private Equity
ACOF IV	2012	1,485	4,700	4,251	8,785	1,298	10,083	2.3x	1.9x	19.3	14.0	Corporate Private Equity
SSF IV	2015	1,291	1,515	3,636	3,445	1,202	4,647	1.7x	1.5x	10.4	8.3	Special Opportunities
<b>Fund Deploying Capital</b>												
AEOF	2018	654	1,120	977	106	555	661	0.6x	0.6x	(10.9)	(13.5)	Corporate Private Equity
<b>Real Assets</b>												
<b>Funds Harvesting Investments</b>												
US VIII	2013	219	824	842	1,468	176	1,644	2.0x	1.7x	21.0	17.1	U.S. Real Estate Equity
US IX	2017	692	1,040	945	1,048	605	1,653	1.8x	1.5x	20.0	16.9	U.S. Real Estate Equity
EF IV <sup>(7)</sup>	2014	371	1,299	1,140	1,490	311	1,801	1.6x	1.4x	14.9	10.2	European Real Estate Equity
EPEP II <sup>(8)</sup>	2015	233	747	632	649	214	863	1.4x	1.2x	13.3	9.7	European Real Estate Equity
EF V <sup>(9)</sup>	2018	1,812	1,968	1,587	502	1,437	1,939	1.3x	1.1x	11.1	5.4	European Real Estate Equity
USPF IV	2010	640	1,688	2,121	2,026	636	2,662	1.3x	1.1x	4.9	1.5	Infrastructure Opportunities
EIF V	2015	674	801	1,431	1,487	589	2,076	1.5x	1.5x	18.0	12.7	Infrastructure Opportunities
<b>Fund Deploying Capital</b>												
AREOF III	2019	1,624	1,697	1,320	550	1,092	1,642	1.2x	1.1x	18.7	8.8	U.S. Real Estate Equity
<b>Secondaries</b>												
<b>Fund Harvesting Investments</b>												
LEP XV <sup>(7)</sup>	2013	1,297	3,250	2,634	3,023	690	3,713	1.6x	1.4x	17.1	11.9	Private Equity Secondaries

Note: Past performance is not indicative of future results. AUM and net returns are as of September 30, 2023 unless otherwise noted. Please refer to supplemental performance metric endnotes at the end of this presentation for additional information. Return information presented may not reflect actual returns earned by investors in the applicable fund.

For all funds within the Secondaries Group, returns are calculated from results of the underlying portfolio that are generally reported on a three month lag and may not include the impact of economic and market activities occurring in the current reporting period.



# Alternative Assets Continue to Take Share

1. Source: PwC, Asset and Wealth Management Revolution: The Power to Shape the Future.
2. Source: Preqin, The Future of Alternatives 2025 report.
3. Source: PwC, Asset and Wealth Management Revolution: The Power to Shape the Future. Global AUM is \$64 trillion, \$111 trillion and \$145 trillion as of 2012, 2020E and 2025E, respectively.

## We Are Market Leaders in Large, Global Markets

1. Includes sum of US Direct Lending, EU Direct Lending, Alternative Credit, Liquid Credit, and Ares Asia's (fka Ares SSG) TAMs as assessed by Ares. US Direct Lending Based on Ares' own data calculations using information from Refinitiv, S&P Global Market Intelligence and Ares' own observations. Addressable market based on the Q1-22 LTM deal volume and a 2.5 year life assumption. EU Direct Lending based on Ares' own data calculations using information from Deloitte, S&P Global Market Intelligence, Preqin and Ares' own observations. The addressable market is based on two approaches, which use a 3-year life assumption. Alternative Credit based on Ares' own calculations using information from Bain and Company, Market Watch, WSJ, Houlihan Lokey, Coral Capital Solutions, Equipment Leasing & Finance Foundation, Real Capital Analytics, Commercial Finance Association, JP Morgan, AIMA, S&P Capital IQ, Credit Suisse, Bloomberg, SIFMA, Cambridge Centre for Alternative Finance and Ares' observations. Includes certain real estate debt held within CMBS structures. As of June 30, 2022. Liquid Credit Source: CSLLI, WELLI (USD Hedged) and HW00 Global HY Index (USD Hedged). Reflects the market value. Certain broadly syndicated loans are held within CLO structures which are part of the investable universe for alternative credit. As of September 30, 2022. Assumes a 0.9830 EUR/USD exchange rate. Asia segment based on Ares Asia's (fka Ares SSG) view of the market as of September 30, 2022.
2. Source Preqin. Reflect private equity assets under management as of March 2022. Includes Balanced, Buyout, Co-investment, Co-Investment Multi-Manager, Distressed Debt, Growth, Special Situations and Turnaround funds.
3. Source: IJ Global. Addressable market estimated based on Ares' analysis of annual infrastructure transaction volume over in OECD countries the last 10 years.
4. Source: January 2022 KBW Report; Shadow Banking Has Clear Winners, but It's Not All Bad for the Banks. KBW sources CoStar and SIFMA.
5. Source: Preqin. Reflects private equity, real estate, secondaries and infrastructure assets under management, as of March 2022.
6. Source: PwC, "Asset and wealth management revolution: The power to shape the future," 2020. Reflects estimated assets under management at insurance companies in 2020.
7. On January 1, 2022, Ares changed its segment composition and established the Real Assets Group. The Real Assets Group consists of the activities of the former Real Estate Group and the infrastructure and power strategy, now referred to as infrastructure opportunities, which was formerly included within the Private Equity Group. On February 10, 2022, Ares completed the acquisition of AMP Capital's Infrastructure Debt platform ("Infrastructure Debt"), one of the largest infrastructure debt investment platforms globally, increasing AUM by \$8.2 billion. The Infrastructure Debt activities are presented within the Real Assets Group. Real Estate and Infrastructure activities are not grouped into Real Assets for the purposes of this slide.
8. Aspida Insurance has \$10.6 billion of AUM as of September 30, 2023, of which approximately \$7.0 billion is sub-advised by Ares vehicles and also included within other strategies.
9. AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and registered investment adviser. Total AUM also includes \$1 billion AUM from Ares Acquisition Corporation and Ares Acquisition Corporation II.

## AUM and Management Fees by Type

1. Perpetual Capital refers to the AUM of (i) ARCC, Ares Commercial Real Estate Corporation (NYSE: ACRE) ("ACRE"), Ares Dynamic Credit Allocation Fund, Inc. (NYSE: ARDC) ("ARDC") and CADDC, (ii) our non-traded REITs, (iii) Aspida Holdings Ltd. (together with its subsidiaries, "Aspida") and (iv) certain other commingled funds and managed accounts that have an indefinite term, are not in liquidation, and for which there is no immediate requirement to return invested capital to investors upon the realization of investments. Perpetual Capital - Commingled Funds refers to commingled funds that meet the Perpetual Capital criteria. Perpetual Capital - Managed Accounts refers to managed accounts for single investors primarily in illiquid strategies that meet the Perpetual Capital criteria. Perpetual Capital may be withdrawn by investors under certain conditions, including through an election to redeem an investor's fund investment or to terminate the investment management agreement, which in certain cases may be terminated on 30 days' prior written notice. In addition, the investment management or advisory agreements of certain of our publicly-traded and non-traded vehicles have one year terms, which are subject to annual renewal by such vehicles.





# Ares Credit Group Slide

- ARCC received the 2021 All-America Executive Team Most Honored designation alongside 136 other companies. Various Ares personnel received first place awards as part of the “Brokers, Asset Managers & Exchanges” category for: Investor Relations, CEO, CFO, Investor Day and Communication of Strategy and Risk Management Amid COVID-19. Six other institutions also received a first-, second-, or third-place ranking in this category. Institutional Investor based these awards on the opinions of 3,029 portfolio managers and buy-side analysts, and 497 sell-side analysts who participated in this survey.
- Institutional Investor logo from Institutional Investor, ©2021 Institutional Investor, LLC. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this Content without express written permission is prohibited.
- Lipper Rankings reported in Lipper Marketplace Best Money Managers, December 31, 2022. Lipper Marketplace is the source of the long-only and multi-strategy credit rankings. Lipper’s Best Money Managers rankings consider only those funds that meet the following qualification: performance must be calculated “net” of all fees and commissions; must include cash; performance must be calculated in U.S. dollars; asset base must be at least \$10 million in size for “traditional” U.S. asset classes (equity, fixed income, and balanced accounts); and the classification of the product must fall into one of the categories which they rank. Lipper defines Short Duration as 1-5 years. Lipper’s Active Duration definition does not specify a time period but rather refers to an Active rather than Passive strategy. Ares Institutional Loan Fund was ranked 8 out of 43 for the 40 quarters ended December 31, 2022. Composites for Ares U.S. Bank Loan Aggregate and Ares U.S. High Yield additionally received rankings of 5 of 43 and 5 of 34, respectively, for the 40 quarters ended December 31, 2022.
- Private Equity International selected Ares Management as Lender of the Year in North America – 2022. Awards based on an industry wide global survey across 77 categories conducted by Private Equity International. Survey participants voted independently. In addition, survey participants could nominate another firm not listed in the category.
- Private Debt Investor selected Ares Management for 2022 Global Fund Manager of the Year, Senior Lender of the year in Europe, Senior Lender of the Year in Americas, and selected Ares Asia (formerly SSG Capital Management) for Infrastructure Debt Investor of the Year in Asia-Pacific. Awards based on an industry wide global survey across 51 categories conducted by Private Debt Investor. Survey participants voted independently. In addition, survey participants could nominate another firm not listed in the category.
- In its 2021 and 2022 annual Asset Management Awards, AsianInvestor selected Ares Asia as Best Private Debt Manager of the year in the Asia region. Judging panels for the Asset Management Awards were a mixture of senior investment executives, service provider professionals, and consultants. Ares Asia (formerly SSG Capital Management) have not compensated AsianInvestor entities including firm-wide subscriptions.

# Ares Private Equity Group Slide

- HEC-DowJones (HDJ): The following outlines how HDJ evaluated private equity firms to be selected. – Report as of February 8, 2023. The 2022 HDJ Private Equity Performance Ranking are based on the aggregate performance of all buyout funds, as evaluated by HDJ raised between 2009 and 2018. This implies the analysis only includes ACOF IV and ACOF V and excludes ACOF I, ACOF II, ACOF III and ACOF VI. The ranking draws on a comprehensive set of data on private equity fund performance provided by Preqin and information directly from private equity firms and uses a unique methodology to calculate the aggregate performance of a private equity firm based on different performance measures for all the funds managed by this firm. The method is created by, proprietary to and calculated by HDJ. HDJ gathered data, as of December 2022, on the universe of private equity firms worldwide on which Preqin provides performance data or which provided data directly to HDJ for the purpose of the performance rankings. This results in a sample size of 563 private equity firms, covering 2021 funds raised between 2009 and 2018 with an aggregate equity volume of \$1.51 trillion. From this starting sample, they selected all those private equity firms that met the following objective criteria:
  - At least 2 funds which raised over the 2009 to 2018 period for which full performance information is available;
  - Performance data available on all of these the funds;
  - At least \$3000m raised during this time;
  - Investments in US, EU or global; and
  - At least 10 observation years (i.e. the sum of the 'age' of all funds as of today).
- HDJ does not consider funds raised 2019 or later, as their belief is performance is still too unreliable to be judged at this point. The basis for this assessment is the performance of each fund, measured in terms of three complementary performance measures: IRR, DPI (cash-only return multiple) and TVPI (a return multiple that considers accounting values of ongoing investments). HDJ assesses performance in each measure both as absolute values and measured against the corresponding performance benchmark, leading to 2\*3=6 performance indicators, which are then weighted based on a proprietary statistical method. Analysis Limitations: The confidential nature of the private equity industry makes it impossible to compose a 100% accurate database on private equity and cannot exclude the possibility of biases in results due to missing or inaccurate information. However, HDJ relies on the same data sources typically used to compose industry-standard statistics of private equity activity. Additional information about the analysis will be provided upon request. ACOF Note: ACOF is a flexible capital strategy combining investments in traditional buyout and distressed securities sub strategies. The historical vintage allocation (or composition) to traditional and distressed have varied from vintage to vintage. Only those vintages that correspond to the time period of analysis by HDJ were included. Please note the performance shown for the ACOF vintages is as of December 31, 2022 and reflects realized and unrealized investments. This time period may differ than the end performance date used in the analysis. Past performance is not indicative of future results.
- Private Equity International (PEI) selected Ares Private Equity Group as the third Distressed Debt Investor of the Year in North America - 2022. In its 2022 annual awards, Private Equity International selected Ares Private Equity Group as one of the top 3 distressed debt investors of the year, North America. Awards are based on an industry wide survey across 74 categories, with multiple potential managers being eligible to receive votes, conducted by Private Equity International. Survey participants voted independently. In addition, survey participants could nominate another firm not listed in the category. At the time of the award, Ares Private Equity Group did not include the APAC Private Equity business.

# Ares Real Assets Group: Real Estate

- PERE 100: Ares ranked 6th out of 100. Ranking applies to the Ares Real Estate Group related to selected funds managed therein. The PERE 100 measures equity raised between January 1, 2018 and March 31, 2023 for direct real estate investment through closed-ended, commingled real estate funds and co-investment vehicles that invest alongside these funds. The vehicles must give the general partner discretion over capital and investment decisions and excludes club funds, separate accounts and joint ventures where the general partner does not have discretion over capital and investments. Also excluded are funds with strategies other than real estate value-added and opportunistic (such as core and core-plus), funds not directly investing in real estate (such as fund of funds and debt funds) and funds where the primary strategy is not real estate-focused (such as general private equity funds). Ares did not pay a participation or licensing fee in order to be considered for the PERE 100 ranking.
- Fitch Ratings assigned a commercial real estate loan level special servicer rating of 'CLSS2-' to Ares Commercial Real Estate Servicer LLC ("ACRES") as of Q2 2023. To be considered for a Fitch rating, Ares paid Fitch a standard, contracted fee for initial and ongoing evaluation. The rating assigned by Fitch Ratings was solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Fitch Ratings assigns ratings to commercial mortgage special servicers on a scale ranging from Level 1 through Level 5, each of which are described below:
  - Level 1 Servicer Rating: Servicers demonstrating the highest standards in overall servicing ability.
  - Level 2 Servicer Rating: Servicers demonstrating high performance in overall servicing ability.
  - Level 3 Servicer Rating: Servicers demonstrating proficiency in overall servicing ability.
  - Level 4 Servicer Rating: Servicers lacking proficiency due to a weakness in one or more areas of servicing ability.
  - Level 5 Servicer Rating: Servicers demonstrating limited or no proficiency in servicing ability

# Ares Real Assets Group: Infrastructure

- Power Finance & Risk (PFR) selected Ares Infrastructure and Power for Private Equity Sponsor of the Year and Credit Fund Manager of the Year for the year 2020. Ares received the awards represented by survey participants that voted independently. PFR provides news, analysis, proprietary data and perspectives on financing and M&A in the power and utilities industries and alternative energy firms, covering the Americas. Ares was selected as the winner of the aforementioned awards through a selection process by unprecedented judging panel comprising 45 senior market participants from across project development, banking, law and investing. The PFR editorial team combined the feedback obtained in these interviews with PFR's own reporting and data to determine the final winners. Ares did submit for categories but did not pay a fee to participate in the selection process. The selection of Ares Infrastructure and Power to receive these awards was based in part on subjective criteria and a potentially limited universe of competitors.
- Infrastructure Investors selected Ares Infrastructure and Power Energy Transition Investor of the Year – North America for the year 2022. Ares received the award represented by survey participants that voted independently. In addition, survey participants could nominate another firm not listed in the category. Infrastructure Investors is a publication that covers the flow of private capital into infrastructure projects around the world, as published by PEI, which is a group focused exclusively on private equity, private debt, private real estate and infrastructure and agri-investing. Ares was selected as the winner of the aforementioned award through a selection process by those persons choosing to vote in each category, which may include firms that submitted for awards, but which are not allowed to vote for themselves. Ares did submit for this category but did not pay a fee to participate in the selection process. The selection of Ares Infrastructure and Power Group to receive this award was based in part on subjective criteria and a potentially limited universe of competitors.

# Significant Fund Performance Metrics Endnotes

## Credit

1. Since inception returns are annualized.
2. Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. Net returns are calculated using the fund's NAV and assume dividends are reinvested at the closest quarter-end NAV to the relevant quarterly ex-dividend dates. Additional information related to ARCC can be found in its filings with the SEC, which are not part of this report.
3. Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. Returns are shown for institutional share class. Shares of other classes may have lower returns due to higher selling commissions and fees. Net returns are calculated using the fund's NAV and assume distributions are reinvested at the NAV on the date of distribution. Additional information related to CADC can be found in its filings with the SEC, which are not part of this report.
4. Realized value represents the sum of all cash distributions to all partners and if applicable, exclude tax and incentive distributions made to the general partner.
5. Unrealized value represents the fund's NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
6. The gross multiple of invested capital ("MoIC") is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest and other expenses, as applicable, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
7. The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes those interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees and carried interest, other expenses and credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
8. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRR reflects returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest and other expenses, as applicable, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Gross fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
9. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and, if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and carried interest, other expenses and credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
10. ACE IV is made up of four parallel funds, two denominated in Euros and two denominated in pound sterling: ACE IV (E) Unlevered, ACE IV (G) Unlevered, ACE IV (E) Levered and ACE IV (G) Levered. The gross and net IRR and MoIC presented in the table are for ACE IV (E) Unlevered and ACE IV (E) Levered. Metrics for ACE IV (E) Levered are inclusive of a U.S. dollar denominated feeder fund, which has not been presented separately. The gross and net IRR for ACE IV (G) Unlevered are 9.7% and 7.1%, respectively. The gross and net MoIC for ACE IV (G) Unlevered are 1.4x and 1.3x, respectively. The gross and net IRR for ACE IV (G) Levered are 13.1% and 9.4%, respectively. The gross and net MoIC for ACE IV (G) Levered are 1.5x and 1.4x, respectively. Original capital commitments are converted to U.S. dollars at the prevailing exchange rate at the time of the fund's closing. All other values for ACE IV Unlevered and ACE IV Levered are for the combined levered and unlevered parallel funds and are converted to U.S. dollars at the prevailing quarter-end exchange rate.
11. ACE V is made up of four parallel funds, two denominated in Euros and two denominated in pound sterling: ACE V (E) Unlevered, ACE V (G) Unlevered, ACE V (E) Levered, and ACE V (G) Levered, and two feeder funds: ACE V (D) Levered and ACE V (Y) Unlevered. ACE V (E) Levered includes the ACE V (D) Levered feeder fund and ACE V (E) Unlevered includes the ACE V (Y) Unlevered feeder fund. The gross and net IRR and gross and net MoIC presented in the table are for ACE V (E) Unlevered and ACE V (E) Levered. Metrics for ACE V (E) Levered exclude the ACE V (D) Levered feeder fund and metrics for ACE V (E) Unlevered exclude the ACE V (Y) Unlevered feeder fund. The gross and net IRR for ACE V (G) Unlevered are 13.3% and 9.9%, respectively. The gross and net MoIC for ACE V (G) Unlevered are 1.2x and 1.1x, respectively. The gross and net IRR for ACE V (G) Levered are 18.6% and 13.5%, respectively. The gross and net MoIC for ACE V (G) Levered are 1.3x and 1.2x, respectively. The gross and net IRR for ACE V (D) Levered are 16.4% and 12.0%, respectively. The gross and net MoIC for ACE V (D) Levered are 1.2x and 1.2x, respectively. The gross and net IRR for ACE V (Y) Unlevered are 11.4% and 8.2%, respectively. The gross and net MoIC for ACE V (Y) Unlevered are 1.2x and 1.1x, respectively. Original capital commitments are converted to U.S. dollars at the prevailing exchange rate at the time of the fund's closing. All other values for ACE V Unlevered and ACE V Levered are for the combined levered and unlevered parallel funds and are converted to U.S. dollars at the prevailing quarter-end exchange rate.
12. Performance for the open-ended core alternative credit fund, a perpetual capital vehicle, is presented as a drawdown fund as investor commitments to the fund are drawn sequentially in order of closing date, typically over a period of approximately 12 to 18 months. The fund is made up of a Class M ("Main Class") and a Class C ("Constrained Class"). The Main Class includes investors electing to participate in all investments and the Constrained Class includes investors electing to be excluded from exposure to liquid investments. The gross and net IRR and gross and net MoIC presented in the table are for the Main Class. The gross and net IRRs for the Constrained Class are 10.2% and 7.3%, respectively. The gross and net MoIC for the Constrained Class are 1.1x and 1.1x, respectively.

# Significant Fund Performance Metrics Endnotes (cont'd)

## Private Equity

1. Realized value represents the sum of all cash dividends, interest income, other fees and cash proceeds from realizations of interests in portfolio investments. Realized value excludes any proceeds related to bridge financings.
2. Unrealized value represents the fair market value of remaining investments. Unrealized value does not take into account any bridge financings. There can be no assurance that unrealized investments will be realized at the valuations indicated.
3. The gross MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The gross MoICs are also calculated before giving effect to any bridge financings. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
4. The net MoIC is calculated at the fund-level. The net MoIC is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or performance fees. The net MoIC is after giving effect to management fees, carried interest, as applicable, and other expenses. The net MoICs are also calculated before giving effect to any bridge financings. Inclusive of bridge financings, the net MoIC would be 1.3x for ACOF V and 1.2x for ACOF VI. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
5. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRRs reflect returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The gross IRRs are also calculated before giving effect to any bridge financings. The funds may utilize a credit facility during the investment period and for general cash management purposes. Gross fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
6. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the net IRR calculation are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees, carried interest as applicable, and other expenses and exclude commitments by the general partner and Schedule I investors who do not pay either management fees or carried interest. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility. The net IRRs are also calculated before giving effect to any bridge financings. Inclusive of bridge financings, the net IRRs would be 8.6% for ACOF V and 16.1% for ACOF VI.

# Significant Fund Performance Metrics Endnotes (cont'd)

## Real Assets

1. Since inception returns are annualized.
2. Performance is measured by total return, which includes income and appreciation and reinvestment of all distributions for the respective time period. Returns are shown for institutional share class. Shares of other classes may have lower returns due to higher selling commissions and fees. Actual individual stockholder returns will vary. Net returns are calculated using the fund's NAV and assume distributions are reinvested at the NAV on the date of distribution. The inception date used in the calculation of the since inception return is the date in which the first shares of common stock were sold after converting to a NAV-based REIT. Additional information related to AREIT can be found in its filings with the SEC, which are not part of this report.
3. Performance is measured by total return, which includes income and appreciation and reinvestment of all distributions for the respective time period. Returns are shown for institutional share class. Shares of other classes may have lower returns due to higher selling commissions and fees. Actual individual stockholder returns will vary. Net returns are calculated using the fund's NAV and assume distributions are reinvested at the NAV on the date of distribution. Additional information related to AIREIT can be found in its filings with the SEC, which are not part of this report.
4. Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. Gross returns do not reflect the deduction of management fees, incentive fees, as applicable, or other expenses. Net returns are calculated by subtracting the applicable management fees, incentive fees, as applicable and other expenses from the gross returns on a quarterly basis.
5. Realized value includes distributions of operating income, sales and financing proceeds received.
6. Unrealized value represents the fund's NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
7. The gross MoIC is calculated at the fund level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
8. The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and, if applicable, excludes interests attributable to the non fee-paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees, carried interest, as applicable, credit facility interest expense, as applicable, and other expenses. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
9. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRR reflects returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Gross fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
10. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and, if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and carried interest, other expenses and credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
11. IDF IV is made up of U.S. Dollar hedged, U.S. Dollar unhedged, Euro unhedged, Yen hedged parallel funds and a single investor U.S. Dollar parallel fund. The gross and net IRR and MoIC presented in the table are for the U.S. Dollar hedged parallel fund. The gross and net IRR for the U.S. Dollar unhedged parallel fund are 6.9% and 4.8%, respectively. The gross and net MoIC for the U.S. Dollar unhedged parallel fund are 1.2x and 1.1x, respectively. The gross and net IRR for the Euro unhedged parallel fund are 7.9% and 5.7%, respectively. The gross and net MoIC for the Euro unhedged parallel fund are 1.2x and 1.1x, respectively. The gross and net IRR for the Yen hedged parallel fund are 5.8% and 3.8%, respectively. The gross and net MoIC for the Yen hedged parallel fund are 1.2x and 1.1x, respectively. The gross and net IRR for the single investor U.S. Dollar parallel fund are 5.9% and 4.4%, respectively. The gross and net MoIC for the single investor U.S. Dollar parallel fund are 1.1x and 1.1x, respectively. Original capital commitments are converted to U.S. Dollars at the prevailing exchange rate at the time of fund's closing. All other values for IDF IV are for the combined fund and are converted to U.S. Dollars at the prevailing quarter-end exchange rate.

# Significant Fund Performance Metrics Endnotes (cont'd)

## Secondaries

1. Realized value represents the sum of all cash distributions to all limited partners and if applicable, exclude tax and incentive distributions made to the general partner.
2. Unrealized value represents the limited partners' share of fund's NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
3. The gross MoIC is calculated at the fund-level and is based on the interests of all partners. If applicable, limiting the gross MoIC to exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest would have no material impact on the result. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documentation. The gross fund-level MoIC would have generally been lower had such fund called capital from its partners instead of utilizing the credit facility.
4. The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes those interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees and other expenses, carried interest and credit facility interest expense, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documentation. The net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
5. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRR reflects returns to all partners. If applicable, limiting the gross IRR to exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest would have no material impact on the result. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documents. The gross fund-level IRR would generally have been lower had such fund called capital from its partners instead of utilizing the credit facility.
6. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and, if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and other expenses, carried interest and credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documents. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
7. The results of each fund is presented on a combined basis with the affiliated parallel funds or accounts, given that the investments are substantially the same.



# Supplemental Performance Metrics Endnotes

## Credit

1. Since inception returns are annualized.
2. Returns are time-weighted rates of return and include the reinvestment of income and other earnings from securities or other investments and reflect the deduction of all trading expenses. Gross returns do not reflect the deduction of management fees or other expenses. Net returns are calculated by subtracting the applicable management fees and other expenses from the gross returns on a monthly basis. This fund is a master/feeder structure and its AUM and returns include activity from its' investment in an affiliated Ares fund. Returns presented in the table are expressed in U.S. Dollars and are for the master fund, excluding the share class hedges. The current quarter, year-to-date, and since inception returns (gross / net) for the pound sterling hedged Cayman feeder, the fund's sole feeder, are as follows: 4.4% / 4.2%, 7.1% / 6.6%, and 2.7% / 2.1%.
3. Realized value represents the sum of all cash distributions to all partners and if applicable, exclude tax and incentive distributions made to the general partner.
4. Unrealized value represents the fund's NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
5. The gross MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
6. The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes those interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees and other expenses, carried interest and credit facility interest expense, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
7. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRR reflects returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. The gross fund-level IRR would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
8. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and other expenses, carried interest and credit facility interest expenses, as applicable. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
9. ACE III is made up of two feeder funds, one denominated in U.S. dollars and one denominated in Euros. The gross and net IRR and MoIC presented in the table are for the Euro denominated feeder fund. The gross and net IRR for the U.S. dollar denominated feeder fund are 11.2% and 8.1%, respectively. The gross and net MoIC for the U.S. dollar denominated feeder fund are 1.7x and 1.5x, respectively. Original capital commitments are converted to U.S. dollars at the prevailing exchange rate at the time of the fund's closing. All other values for ACE III are for the combined fund and are converted to U.S. dollars at the prevailing quarter-end exchange rate.

## Private Equity

1. Realized proceeds represent the sum of all cash dividends, interest income, other fees and cash proceeds from realizations of interests in portfolio investments. Realized proceeds excludes any proceeds related to bridge financings.
2. Unrealized value represents the fair market value of remaining investments. Unrealized value does not take into account any bridge financings. There can be no assurance that unrealized investments will be realized at the valuations indicated.
3. The gross MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The gross MoICs are also calculated before giving effect to any bridge financings. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the gross fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
4. The net MoIC is calculated at the fund-level. The net MoIC is based on the interests of the fee-paying limited partners and if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or performance fees. The net MoIC is after giving effect to management fees, carried interest, as applicable, and other expenses. The net MoICs for the corporate private equity and special opportunities funds are also calculated before giving effect to any bridge financings. Inclusive of bridge financings, the net MoIC would be 2.1x for ACOF III, 1.8x for ACOF IV and 0.6x for AEOF. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.

# Supplemental Performance Metrics Endnotes (cont'd)

## Private Equity (cont'd)

5. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRRs reflect returns to the fee-paying limited partners and, if applicable, excludes interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The gross IRRs are also calculated before giving effect to any bridge financings. The funds may utilize a credit facility during the investment period and for general cash management purposes. Gross fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
6. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest. The cash flow dates used in the net IRR calculation are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees, carried interest as applicable, and other expenses and exclude commitments by the general partner and Schedule I investors who do not pay either management fees or carried interest. The net IRRs are also calculated before giving effect to any bridge financings. Inclusive of bridge financings, the net IRRs would be 20.2% for ACOF III, 14.1% for ACOF IV and (13.5)% for AEOF. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would have generally been lower had such fund called capital from its limited partners instead of utilizing the credit facility.

## Real Assets

1. For the infrastructure opportunities funds, realized proceeds represent the sum of all cash dividends, interest income, other fees and cash proceeds from realizations of interests in portfolio investments. Realized proceeds excludes any proceeds related to bridge financings. For the real estate funds, realized proceeds include distributions of operating income, sales and financing proceeds received.
2. Unrealized value represents the fund's NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
3. For the infrastructure opportunities funds, the gross MoIC is calculated at the investment-level and is based on the interests of all partners. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses. For the real estate funds, the gross MoIC is calculated at the investment level and is based on the interests of all partners. The gross MoIC for all funds is before giving effect to management fees, carried interest, as applicable, and other expenses.
4. The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying partners and, if applicable, excludes interests attributable to the non fee-paying partners and/or the general partner who does not pay management fees or carried interest or has such fees rebated outside of the fund. The net MoIC is after giving effect to management fees, carried interest, as applicable, and other expenses. The funds may utilize a credit facility during the investment period and for general cash management purposes. Early in the life of a fund, the net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
5. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from investments and the residual value of the investments at the end of the measurement period. Gross IRRs reflect returns to all partners. For the real estate funds, cash flows used in the gross IRR calculation are assumed to occur at quarter-end. For the infrastructure opportunities funds, cash flows used in the gross IRR calculation are assumed to occur at month-end. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses.
6. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying partners and, if applicable, excludes interests attributable to the non fee-paying partners and/or the general partner who does not pay management fees or carried interest or has such fees rebated outside of the fund. The cash flow dates used in the net IRR calculation are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees, carried interest, as applicable, and other expenses. The funds may utilize a credit facility during the investment period and for general cash management purposes. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
7. EF IV is made up of two parallel funds, one denominated in U.S. Dollars and one denominated in Euros. The gross and net MoIC presented in the table are for the Euro denominated parallel fund. The gross and net MoIC for the U.S. Dollar denominated parallel fund are 1.6x and 1.4x, respectively. The gross and net IRR for the U.S. Dollar denominated parallel fund are 14.6% and 10.7%, respectively. Original capital commitments are converted to U.S. Dollars at the prevailing exchange rate at the time of fund's closing. All other values for EF IV are for the combined fund and are converted to U.S. Dollars at the prevailing quarter-end exchange rate.
8. EPEP II is made up of dual currency investors and Euro currency investors. The gross and net MoIC and gross and net IRR presented in the table are for dual currency investors as dual currency investors represent the largest group of investors in the fund. Multiples exclude foreign currency gains and losses since dual currency investors fund capital contributions and receive distributions in local deal currency (GBP or EUR) and therefore, do not realize foreign currency gains or losses. The gross and net IRRs for the euro currency investors, which include foreign currency gains and losses, are 13.4% and 10.2%, respectively. The gross and net MoIC for the euro currency investors are 1.4x and 1.2x, respectively. Original capital commitments are converted to U.S. Dollars at the prevailing exchange rate at the time of fund's closing. All other values for EPEP II are for the combined fund and are converted to U.S. Dollars at the prevailing quarter-end exchange rate.
9. EF V is made up of two parallel funds, one denominated in U.S. dollars and one denominated in Euros. The gross and net IRR and MoIC presented in the table are for the Euro denominated parallel fund. The gross and net MoIC for the U.S. Dollar denominated parallel fund are 1.2x and 1.2x, respectively. The gross and net IRR for the U.S. Dollar denominated parallel fund are 10.7% and 7.0%, respectively. Original capital commitments are converted to U.S. dollars at the prevailing exchange rate at the time of fund's closing. All other values for EF V are for the combined fund and are converted to U.S. dollars at the prevailing quarter-end exchange rate.

# Supplemental Performance Metrics Endnotes (cont'd)

## Secondaries

1. Realized value represents the sum of all cash distributions to all limited partners and if applicable, exclude tax and incentive distributions made to the general partner.
2. Unrealized value represents the limited partners' share of fund's NAV reduced by the accrued incentive allocation, if applicable. There can be no assurance that unrealized values will be realized at the valuations indicated.
3. The gross MoIC is calculated at the fund-level and is based on the interests of all partners. If applicable, limiting the gross MoIC to exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest would have no material impact on the result. The gross MoIC is before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documentation. The gross fund-level MoIC would generally have been lower had such fund called capital from its partners instead of utilizing the credit facility.
4. The net MoIC is calculated at the fund-level and is based on the interests of the fee-paying limited partners and if applicable, excludes those interests attributable to the non-fee paying limited partners and/or the general partner which does not pay management fees or carried interest. The net MoIC is after giving effect to management fees and other expenses, carried interest and credit facility interest expense, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documentation. The net fund-level MoICs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
5. The gross IRR is an annualized since inception gross internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Gross IRR reflects returns to all partners. If applicable, limiting the gross IRR to exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest would have no material impact on the result. The cash flow dates used in the gross IRR calculation are based on the actual dates of the cash flows. The gross IRRs are calculated before giving effect to management fees, carried interest, as applicable, and other expenses, but after giving effect to credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documents. The gross fund-level IRR would generally have been lower had such fund called capital from its partners instead of utilizing the credit facility.
6. The net IRR is an annualized since inception net internal rate of return of cash flows to and from the fund and the fund's residual value at the end of the measurement period. Net IRRs reflect returns to the fee-paying limited partners and, if applicable, exclude interests attributable to the non-fee paying limited partners and/or the general partner who does not pay management fees or carried interest. The cash flow dates used in the net IRR calculations are based on the actual dates of the cash flows. The net IRRs are calculated after giving effect to management fees and other expenses, carried interest and credit facility interest expenses, as applicable. The funds may utilize a short-term credit facility for general cash management purposes, as well as a long-term credit facility as permitted by the respective fund's governing documents. Net fund-level IRRs would generally have been lower had such fund called capital from its limited partners instead of utilizing the credit facility.
7. The results of each fund is presented on a combined basis with the affiliated parallel funds or accounts, given that the investments are substantially the same.

