DRIEHAUS
CAPITAL MANAGEMENT

Driehaus Emerging Markets Growth Strategy Summary

3RD QUARTER 2021

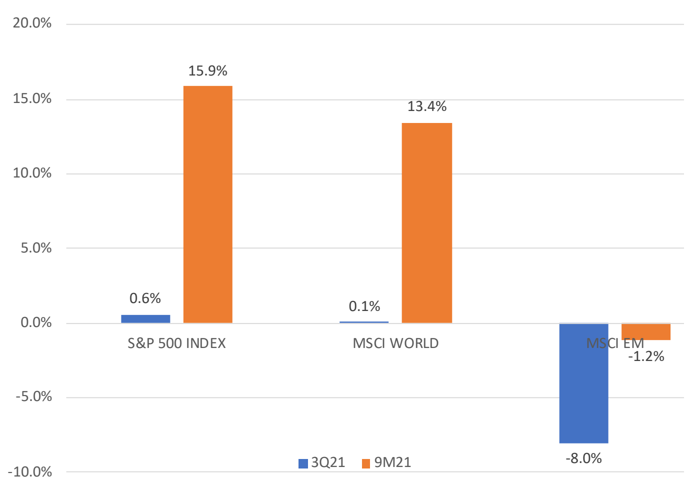
Emerging market (EM) equities declined in the third quarter, underperforming the S&P 500 and MSCI World Index. EM assets were troubled by problems in China and persistent disruptions in the global supply chain. Additionally, hawkish signals from the US Fed contributed to US Dollar appreciation against EM currencies. Markets also struggled with falling growth expectations and ongoing concerns over inflation.

China was the biggest drag on the MSCI EM Index, with MSCI China falling 19% during the quarter and accounting for roughly 80% of the broad index decline. Numerous issues weighed on Chinese assets. (See Exhibit 1)

First, the regulatory crackdown on the major internet companies continued as the government continued its push to reorient the economy to achieve its "common prosperity" goals.

Second, the clampdown on the property sector and the government's unwillingness to step-in with bailouts led a large property developer into default. While the government wants to reduce leverage and clean up risky practices, they cannot afford to let housing prices fall too much. Property is the largest contributor to consumer balance sheets and a key driver of the broader economy (also land sales to property developers are a key funding source for local governments and will be until comprehensive tax reform is passed).

Exhibit 1: Global Indices Total Return 2021



Source: Bloomberg

Finally, the quarter ended with forced power outages as China navigated a mismatch in energy supply and power demand. We discuss this in more detail below.

The view that global supply chains would normalize in 2021 has also proven to be wrong. Businesses have continued to struggle with goods shortages, extended lead times, and higher logistics costs. Continued Covid-19 outbreaks have reduced manufacturing output in a variety of industries. But even more so it has been extremely difficult to untangle the logistics bottlenecks that are hampering global trade.

After a relatively hawkish Federal Open Market Committee (FOMC) meeting in June, the Fed continued to move towards policy normalization by announcing that they may begin tapering bond purchases as soon as November. They also signaled that the tapering process could be completed by the middle of 2022, faster than many had expected, which implies interest rate hikes may also be closer than previously anticipated.

The Fed's move to normalize policy has not really been driven by an acceleration in growth. Several organizations lowered their 2021 growth forecasts for the world and the United States during the quarter and warned of an uneven recovery. Additionally, job creation in the US has been disappointing. Given this, the Fed's actions appear to be more driven by concerns that inflation may not be as transitory as expected earlier.

Relatedly, commodity prices continued to rise during the quarter. The prices of natural gas and coal in particular rose steeply during the quarter given:

- Wind and solar supply in Europe has been low given poor weather for power generation (plus Europe's nuclear power was mostly decommissioned after the Fukushima disaster)
- Droughts in Brazil and China have reduced the supply of hydropower
- Some supply of coal and gas has been decommissioned because of decarbonization initiatives. Meanwhile, new exploration and production (E&P) projects have slowed given higher capital costs and lack of shareholder desire to invest in new capacity
- Storms across the southern part of the US disrupted refining
- Industrial demand has risen as the global economy recovered

Exhibit 2: Bloomberg Commodity Index*

Source: Bloomberg

In line with these developments, US treasury rates bottomed out during the quarter and began to rise again. The US Dollar appreciated against most EM currencies. These trends could continue as the Fed begins to peel back its asset purchases.

Within EM, commodity sensitive markets like Russia, Indonesia, Colombia, and Saudi Arabia had strong returns. However, the EM landscape is not universally positively correlated with higher commodities, as many countries are net importers of materials and energy products.

*Bloomberg Commodity Index (BCOM) is calculated on an excess return basis and reflects commodity futures price movements.The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

Performance Review

The Driehaus Emerging Markets Growth Strategy returned -6.69% in the third quarter, 1.40 percentage points better than the MSCI Emerging Markets Index which fell -8.09%.[1]

Consumer discretionary was the biggest positive sector contributor to attribution. The Strategy maintained its underweight to the sector especially amongst China internet stocks. While the regulatory crackdown on the internet industry does not seem to be getting materially worse at this point, the impact of the regulations on both the future earnings power and appropriate valuation of these stocks makes it hard to be outright positive.

Consumer staples was the biggest sector detractor from performance. The Strategy's holdings in Chinese staples were under pressure from the broad market sell-off. We expect these companies to be able to post steady growth even with a challenging macroeconomic backdrop. Furthermore, we do not think there is as much risk of adverse regulatory actions compared to other sectors.

China was the biggest positive country contributor, stemming from the Strategy's underweight in the market. The Strategy also benefitted from its holdings in companies with exposure to battery and grid investment. Of note, India was the second biggest contributor. India performed well during the quarter as the economy continued to recover from Covid-19.

Taiwan was the largest detractor from attribution. Two of the Strategy's holdings with exposure to the industrial automation space were affected by the slowdown in China's economy as well as component shortages.

Outlook and Positioning

First, to offer some context on what is happening with China's blackouts. The country still relies on thermal power for roughly 70% of their electricity needs. Shortages of coal and gas meant that power producers either couldn't operate at a high enough capacity or chose not to do so given higher input prices cause operating losses under the existing pricing system.

As a result, the government began rationing power. The restrictions were applied to both manufacturing and residential users and implemented across 20 provinces. In practicality, that meant factories cutting shifts, elevators being turned off, street lights not working, etc..

The nature of the restrictions varies by location and industry but analysts estimate that there could be 10-20% cuts to output. The most energy-intensive industries like steel, cement, and aluminum production may see the biggest impact. But production in industries beyond heavy materials are also being disrupted, for example in food, paper products, autos, and tech.

In the meantime, the government is aggressively pursuing all avenues to purchase more fuel and to ramp up existing production as much as possible. They have also quickly overhauled utility pricing to allow power generation companies to raise prices. But there are no quick fixes and we are likely to see continued outages at least through the winter.

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[1]The performance data represents the strategy's composite of emerging markets growth accounts managed by Driehaus Capital Management LLC (DCM) (the composite). These returns are estimated for the period as the underlying accounts' data is yet to be reconciled to the custodian bank. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings. The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

The first order impacts are predictable: less production and slower economic growth. China's manufacturing Purchasing Managers Index (PMI) has already dipped into contractionary territory. But the second and third-order impacts are very difficult to predict with certainty given how dynamic the situation is. The outages have been occurring at multiple industries in a country that accounts for nearly 1/3rd of global manufacturing. Some companies may not even know their supply has been disrupted until it is too late to do anything about it.

Regardless, thinking through some potential implications:

- China's trading partners (i.e. everyone) are likely to see weaker demand
- China's urgent purchasing of natural gas and coal could amplify emerging shortages in other energy importers like Europe and India. Aside from Malaysia and Indonesia, all EM Asian countries are net energy importers
- The Chinese government may adopt a more stimulative stance, but their options may be more limited without sufficient electricity to increase production
- Improved economic outlook and increased political influence for commodity exporters like Russia and Gulf Cooperation Councel (GCC) countries
- Inflation ends up being stickier than previously anticipated given reduced manufacturing capacity and higher energy input costs

How these issues interact and amplify each other is impossible to predict.

Given this backdrop, it is reasonable to expect global rates to continue to move higher. As mentioned above, the US Fed has already indicated it's on the verge of starting to taper. Several EM central banks have already hiked policy rates, either to normalize the accommodation put into place during the worst of the pandemic or to combat inflation.

Brazil has already seen a sharp rise in inflation, reaching over 10% year over year in September. In turn, the Brazilian Central Bank has hiked rates by 425 basis points. That has started to cool the economy, especially consumption. (However, this has not helped the Brazilian Real, which saw a sharp depreciation during the quarter exacerbated by concerns over fiscal policy and political risks around the 2022 presidential election.)

Russia has also been hiking, but their economy is in much better shape given the positive leverage to oil and gas prices. The Ruble has unsurprisingly been one of the strongest currencies in EM this year and was second only to the Indonesian Rupiah in the third quarter in terms of appreciation against the USD.

On the positive side, the world is likely to finally be moving past the worst of Covid-19. Immunity levels continue to rise, either from vaccination or infection. And with improving treatments there has been rising acceptance that the world can manage with Covid-19 and avoid the most extreme negative consequences (overflowing hospitals and high mortality rates). That means moving past the strict lockdowns intended to completely eradicate the virus.

This is likely to result in both rising demand as well as some normalization of stressed supply chains (e.g. Malaysia, a back-end hub for the semiconductor production that plays a significant role in the auto supply chain, has started to ramp back up to full utilization as vaccination levels have risen).

Given the current backdrop, we think a few attributes are especially important in making investment decisions. First, at the country or sector level, whether an entity is a net energy importer and whether an industry is highly energy intensive. Interest rates also remain highly relevant. The Strategy increased its weight in Russia and the financials sector during the quarter. The Strategy reduced its North Asian countries and the Information Technology sector.

At the stock level, we think that pricing power is one of the most critical attributes so that margins can be protected. We have also been working on unique opportunities that benefit from the current backdrop. For example, stocks that are leveraged to grid investment and modernization should be well positioned given the need to better manage energy distribution. Batteries have gotten a lot of attention given they benefit from rapidly growing electric vehicle adoption. But they are also likely to see accelerating demand at the grid level to help balance the intermittent generation inherent to wind and solar.

The ramifications of Covid-19 are only starting to emerge. We expect the coming decade to be rife with industry disruption and societal changes. This will be challenging for markets and society at large but should also lead to attractive opportunities for active management. We thank you for the opportunity to manage your capital during this time and look forward to the work to come.

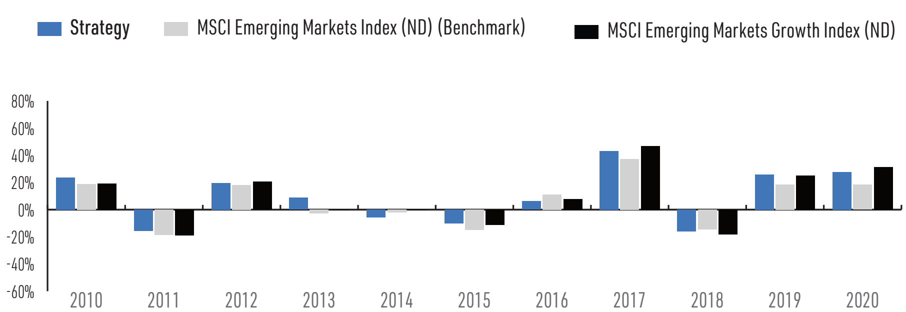
- Driehaus Emerging Markets Growth Team

Driehaus Emerging Markets Growth Strategy

% Month-End Performance (as of 9/30/21)

				Annualized				
	MTH	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Inception[2]
Driehaus Emerging Markets Growth Composite (Gross)	**-4.62**	**-6.51**	**0.17**	**18.61**	**14.99**	**13.41**	**10.01**	**13.05**
Driehaus Emerging Markets Growth Composite (Net)	**-4.67**	**-6.69**	**-0.37**	**17.75**	**14.08**	**12.41**	**8.76**	**11.38**
MSCI Emerging Markets Index (ND) (Benchmark)	-3.97	-8.09	-1.25	18.20	8.58	9.23	6.09	*
MSCI Emerging Markets Growth Index (ND)	-4.92	-10.95	-6.47	9.28	12.15	11.36	8.23	*

% Calendar Year Return, Net of Fees (10 years)



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	23.71	-15.46	19.54	8.73	-5.85	-10.16	6.16	43.10	-15.93	25.96	27.78
	18.88	-18.42	18.22	-2.60	-2.19	-14.92	11.19	37.28	-14.58	18.42	18.31
	19.33	-18.97	20.56	-0.18	-0.35	-11.34	7.87	46.80	-18.26	25.10	31.33

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance Data as of 9/30/21.

*The inception of the strategy predates the inception of the index.

The performance data represents the strategy's composite of emerging markets growth accounts managed by Driehaus Capital Management LLC (DCM). These returns are estimated for the period as the underlying accounts' data is yet to be reconciled to the custodian bank. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings. The performance data shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted.

[1]Composite assets include those accounts that meet the composite objectives and eligibility requirements. Please see the notes at the end of this document for additional information.[2]1/1/1997. [3]Portfolio characteristics represent the strategy's composite. [4]Data is calculated monthly.

Key Features

- All cap global emerging markets exposure
- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

Facts

Inception Date	1/1/97
Composite Assets Under Management[1]	$5,812 million
Firm Assets Under Management	$14.2 billion
Investment Universe	EM all cap equity
Investment Style	Growth equity
Investment Vehicles :	Separately managed account
	Institutional commingled
	Mutual fund

Portfolio Characteristics[3]

5-year period	**Strategy**	**Benchmark**
Annualized Alpha	4.41	n/a
Sharpe Ratio	0.77	0.49
Information Ratio	1.07	n/a
Beta	0.93	1.00
Standard Deviation	16.01	16.66
Tracking Error	3.88	0.00
R-squared	0.95	1.00

Market Cap Breakout	**Strategy**	**Benchmark**
<$5 billion	3.1%	7.2%
$5- $15 billion	15.1%	22.3%
> $15 billion	81.8%	70.5%

	Strategy	**Benchmark**
Number of Holdings	102	1,418
Weighted Avg. Market Cap (M)	$165,126	$133,664
Median Market Cap (M)	$30629	$7,659
Est. 3-5 Year EPS Growth	21.1%	18.8%
Active Share (3-year avg.)[4]	75.40	n/a

Portfolio Management

Howard Schwab, Lead Portfolio Manager
21 years of industry experience

Chad Cleaver, CFA, Portfolio Manager
19 years industry experience

Richard Thies, Portfolio Manager
14 years of industry experience

Driehaus Emerging Markets Growth Strategy

Sector Weights (%)

	Comm. Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities	Cash
Strategy	10.8	9.3	4.9	4.8	20.3	4.1	6.6	24.3	7.1	NA	1.2	6.6
Benchmark	10.4	14.7	5.9	5.9	19.5	4.9	4.9	20.9	8.7	NA	2.3	0.0
Active Weights	*0.4*	*-5.3*	*-1.0*	*-1.1*	*0.8*	*-0.8*	*1.7*	*3.4*	*-1.5*	*NA*	*-1.1*	*6.6*

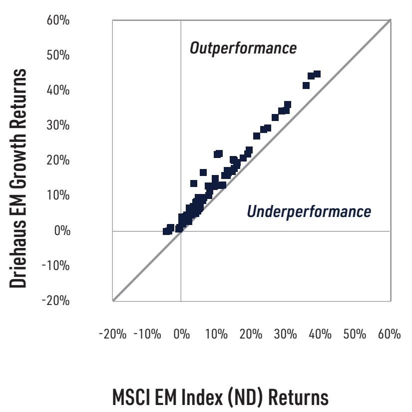
Country Weights (%)

	Strategy	Benchmark	Active Weights
Argentina	2.1	0.2	1.9
Brazil	3.2	4.4	-1.3
China/Hong Kong	24.2	33.9	-9.7
Greece	0.4	0.2	0.2
Hungary	1.4	0.3	1.2
India	16.3	12.2	4.2
Indonesia	1.9	1.4	0.5
Mexico	2.4	1.9	0.5
Phillipines	0.2	0.6	-0.4
Russia	4.9	3.4	1.5
Saudi Arabia	0.5	3.3	-2.8
South Africa	0.7	3.1	-2.4
South Korea	8.0	12.6	-4.6
Taiwan	9.9	14.7	-4.9
Turkey	0.4	0.3	0.2
Uruguay	0.7	0.0	0.7
Vietnam	0.4	0.0	0.4
Other	15.9	0.6	15.3
Cash	6.6	0.0	6.6

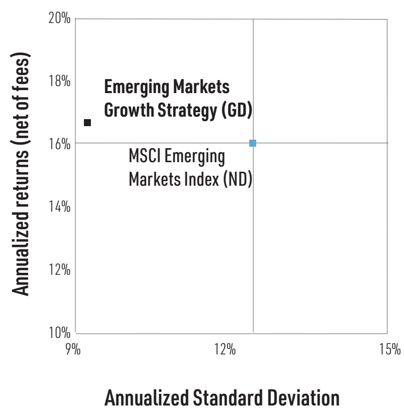
Top 5 Holdings[1] (as of 8/31/21)

Company	Sector	Country	% of Strategy
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	Information Technology	Taiwan	6.1
Samsung Electronics Co., Ltd.	Information Technology	South Korea	5.2
Tencent Holdings Ltd.	Communication Services	China	5.0
ICICI Bank Limited Sponsored ADR	Financials	India	2.6
China Merchants Bank Co., Ltd. Class H	Financials	China	1.8

Rolling Five-Year Returns, Net of Fees[3]



Risk vs. Return (Five-Years)



Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance
Data as of 9/30/21. Benchmark: MSCI Emerging Markets Index (ND)
[1]Holdings subject to change.
[2]Represents companies domiciled in developed countries that have significant emerging markets exposures.
[3]Net of fee returns. Returns are calculated from quarterly returns and shown for every one-quarter interval since the inception of the index (January 1999). The inception of the strategy predates the inception of the index. Data as of September 31, 2021.

Driehaus Emerging Markets Growth Strategy

Sector Attribution 3rd Quarter – 6/30/21 to 9/30/21

	Driehaus Emerging Markets Growth Strategy (Port) (%)			MSCI Emerging Markets Index (ND)[1] (Bench) (%)			Attribution Analysis (%)
	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg. Weight	Bench Total Return	Bench Contrib To Return	Total Effect[2]
Communication Services	10.32	-16.11	-1.74	10.61	-15.11	-1.68	-0.10
Consumer Discretionary	10.30	-19.67	-2.22	15.90	-22.93	-4.11	1.36
Consumer Staples	4.33	-15.11	-0.64	5.74	-4.43	-0.24	-0.51
Energy	3.92	6.01	0.21	5.24	9.10	0.49	-0.37
Financials	19.71	1.48	0.30	18.74	0.97	0.21	0.17
Health Care	3.77	-5.11	-0.19	4.90	-13.03	-0.66	0.38
Industrials	5.30	-4.79	-0.20	4.98	-6.34	-0.31	0.14
Information Technology	26.13	-5.58	-1.40	21.09	-5.92	-1.21	0.18
Materials	8.07	-3.72	-0.27	8.85	-4.83	-0.44	-0.01
Real Estate	0.18	-11.39	-0.04	1.86	-14.35	-0.29	0.10
Utilities	1.25	-9.66	-0.11	2.09	7.43	0.16	-0.33
Cash	6.73	-0.10	-0.01	0.00	0.00	0.00	0.80
Other[3]	0.00	-105.39	-0.43	0.00	0.00	0.00	-0.43
Total	100.00	-6.72	-6.72	100.00	-8.10	-8.10	1.38

Data as of 9/30/21.
Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance

[1]The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market capitalization-weighted index designed to measure equity market performance in global emerging markets. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment. [2]**Total Effect** - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector. [3]Other refers to securities not recognized by FactSet.

Per FactSet Research Systems Inc., the attribution report provides an in-depth analysis of relative performance. With this report one can research whether or not a portfolio outperformed a benchmark, and how each group contributed to performance. The performance data shown above is estimated and represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The information presented is intended for informational purposes only.

Driehaus Emerging Markets Growth Strategy

Country Performance Attribution 3rd Quarter – 6/30/21 to 9/30/21

	Driehaus Emerging Markets Growth Strategy (Port) (%)			MSCI Emerging Markets Index (ND)[1] (Bench) (%)			Attribution Analysis (%)
MSCI Country	Port Avg. Weight	Port Total Return	Port Contrib To Return	Bench Avg.Weight	Bench Total Return	Bench Contrib To Return	Total Effect[2]
Argentina	1.83	16.02	0.27	0.15	25.46	0.03	0.32
Australia	0.54	10.51	0.04	0.02	-4.03	0.00	0.08
Brazil	5.07	-26.09	-1.27	5.03	-20.19	-1.05	-0.24
Canada	0.63	3.15	0.02	0.00	0.00	0.00	0.06
Chile	0.00	0.00	0.00	0.44	-7.83	-0.03	0.00
China	21.33	-19.33	-4.54	31.98	-19.06	-6.67	1.24
Colombia	0.00	0.00	0.00	0.16	10.21	0.02	-0.03
Cyprus	0.14	-14.42	-0.05	0.19	-1.31	0.00	-0.04
Czech Republic	0.00	0.00	0.00	0.11	14.22	0.02	-0.02
Denmark	0.15	-5.33	-0.02	0.00	0.00	0.00	-0.01
Egypt	0.00	0.00	0.00	0.07	4.25	0.00	-0.01
France	1.28	-7.83	-0.07	0.00	0.00	0.00	0.03
Germany	0.20	1.92	0.01	0.00	0.00	0.00	0.00
Greece	0.34	7.03	0.02	0.17	2.04	0.00	0.03
Hong Kong	3.82	-16.98	-0.63	2.86	-7.85	-0.23	-0.31
Hungary	1.33	8.39	0.12	0.25	7.69	0.02	0.17
India	15.00	10.55	1.47	11.14	12.57	1.28	0.45
Indonesia	1.46	9.80	0.14	1.21	9.42	0.11	0.03
Japan	0.32	-16.64	-0.06	0.00	0.00	0.00	-0.01
Kuwait	0.00	0.00	0.00	0.56	8.98	0.05	-0.09
Luxembourg	0.00	0.00	0.00	0.11	-11.71	-0.01	0.00
Malaysia	0.00	0.00	0.00	1.29	0.24	0.01	-0.11
Mexico	1.97	-8.35	-0.18	1.88	1.41	0.03	-0.19
Netherlands	3.27	5.19	0.20	0.32	9.24	0.03	0.37
Pakistan	0.00	0.00	0.00	0.02	-17.48	0.00	0.00
Peru	0.00	0.00	0.00	0.11	-10.81	-0.01	0.00
Philippines	0.11	9.34	0.01	0.62	-3.57	-0.02	-0.01
Poland	0.00	0.00	0.00	0.67	3.17	0.02	-0.07
Qatar	0.00	0.00	0.00	0.69	7.29	0.05	-0.10
Romania	0.00	0.00	0.00	0.04	0.94	0.00	0.00
Russia	4.16	3.50	0.17	2.96	11.24	0.32	-0.07
Saudi Arabia	0.46	3.51	0.02	3.08	8.25	0.24	-0.43
Singapore	1.25	16.07	0.17	0.02	0.60	0.00	0.27
South Africa	0.70	2.24	0.00	3.32	-5.85	-0.19	-0.03
South Korea	8.56	-15.50	-1.37	13.10	-13.23	-1.79	0.03
Suriname	0.00	0.00	0.00	0.03	0.44	0.00	0.00
Switzerland	0.06	-18.89	-0.03	0.00	0.00	0.00	-0.02
Taiwan	11.82	-5.27	-0.63	14.60	-2.06	-0.29	-0.48
Thailand	0.00	0.00	0.00	1.62	-3.57	-0.04	-0.08
Turkey	0.19	31.94	0.08	0.27	1.94	0.01	0.07
United Arab Emirates	0.00	0.00	0.00	0.76	6.37	0.05	-0.10
United Kingdom	0.00	0.00	0.00	0.09	-19.62	-0.02	0.01
United States	6.90	-1.08	-0.07	0.08	-11.30	-0.01	0.36
Uruguay	0.13	-16.00	-0.13	0.00	0.00	0.00	-0.11
Vietnam	0.25	13.51	0.03	0.00	0.00	0.00	0.04
Cash	6.73	-0.10	-0.01	0.00	0.00	0.00	0.80
Other[3]	0.00	-105.39	-0.43	0.00	0.00	0.00	-0.43
Total	100.00	-6.72	-6.72	100.00	-8.10	-8.10	1.38

Sources: FactSet Research Systems Inc. and Driehaus Capital Management. Per FactSet Research Systems Inc., the Attribution Report provides an in-depth analysis of relative performance. With this report one can research whether a portfolio outperformed a benchmark, and how each group contributed to performance. The performance data shown above is estimated and represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. The information presented is intended for informational purposes only. [1]A definition of this index can be found on page 8. [2]Total Effect - The Total Effect for each MSCI Country is equal to the sum of the individual Attribution Effects for that MSCI Country. [3]Other refers to securities not recognized by FactSet.

Notes // Driehaus Emerging Markets Growth Strategy

FIRM DEFINITION
Driehaus Capital Management LLC (DCM) is a registered investment adviser with the United States Securities and Exchange Commission (SEC). DCM provides investment advisory services using growth equity and credit strategies to individuals, organizations, and institutions. The firm consists of all accounts managed by DCM (the Company).

DCM claims compliance with the Global Investment Performance Standards (GIPS®).

COMPOSITE DESCRIPTION
The Emerging Markets Growth Composite (the Composite) was created in January 1997. An account is considered to be an emerging markets growth account if it seeks capital appreciation by investing primarily in equity securities of rapidly growing companies in emerging markets countries around the world. This strategy may invest substantially all (no less than 80%) of its assets in emerging markets companies.

PERFORMANCE RESULTS
Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and custodian fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts and reflect the reinvestment of income and other earnings.

Past performance is not indicative of future results. All investments have risks and you could lose money.

Valuations and returns are computed and stated in U.S. dollars. Returns are presented on a pretax basis .

Additional information regarding policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request. A list of composite descriptions and a list of broad distribution pooled funds are available upon request. Please contact our sales, marketing and relationship management department at 312-932-8621.

TAX EFFECT
Income tax may be withheld on income depending on the tax laws of each country and its treaty, if any, with the U.S. Such withholding taxes are reflected in the performance of accounts.

INDICES
The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market capitalization-weighted index designed to measure equity market performance in global emerging markets. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

The Morgan Stanley Capital International Emerging Markets Growth Index (MSCI Emerging Markets Growth Index) is a subset of the MSCI Emerging Markets Index and includes only the MSCI Emerging Markets Index stocks which are categorized as growth stocks. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

The most recent annual GIPS Report is available here.

TERMS
Active share represents the share of portfolio holdings that differ from the benchmark index holdings. **Alpha** is the measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund’s alpha. **Beta** is a measure of a portfolio’s volatility. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. **Information Ratio (IR)** measures a portfolio manager’s ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the investor. This ratio will identify if a manager has beaten the benchmark by a lot in a few months or a little every month. The higher the IR the more consistent a manager is and consistency is an ideal trait. **R-Squared** is a statistical measure that represents the percentage of a fund or security’s movements that can be explained by movements in a benchmark index. For fixed-income securities, the benchmark is the T-bill. For equities, the benchmark is the S&P 500. **Sharpe Ratio** is calculated by finding the portfolio’s excess return and then dividing by the portfolio’s standard deviation. **Standard Deviation** is a measure of the average deviations of a return series from its mean; often used as a measure of portfolio volatility. A large standard deviation implies that there have been large swings or volatility in the manager’s return series. **Tracking Error** is a divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark. This is often in the context of a hedge or mutual fund that did not work as effectively as intended, creating an unexpected profit or loss instead.

For more information about Driehaus Capital Management LLC, please contact us at 312.932.8621.