Driehaus Small/Mid Cap Growth Strategy Summary

3RD QUARTER 2022

Market Overview

The September quarter was a rollercoaster for U.S. equities. Stocks rallied strongly to the mid-point of the quarter, then peaked, and then sold off sharply for the second half retesting the June lows. The first half rally was fueled by optimism that inflation was showing signs of easing, low valuations and better than expected earnings. The sharp retest was driven by inflation data easing more slowly than expected, the Fed's continued hawkish policy and the market's fear that the Fed will drive the economy into a hard landing or a pending crisis.

Growth outperformed value and small cap equities outperformed larger ones for the quarter. Still, market conditions remained challenging with heavy selling pressure and extremely poor investor sentiment. The bear market continues as investors weigh the pace of inflation and Fed rhetoric against the backdrop of slowing economic growth.

One key negative has been that U.S. economic growth, while slowing, has held up relatively well. This is a case of "good news is bad news". The good news - a still strong labor market and still (slightly) positive economic conditions - signals to the market that the Fed's monetary policy will have to remain aggressive, which is the bad news. The danger is the Fed will "overdo it". Interest rates have surged since the start of the year. The Fed Funds rate has gone from near zero to over 3% and is set to increase again in November. Mortgage rates have more than doubled from under 3% to over 6%. The US dollar is at its highest level since the 1980s. Quantitative tightening (QT) is progressing after a period of quantitative easing (QE). The goal, of course, is slower growth to drive inflation lower but the fear is the Fed's actions will create some sort of financial crisis, causing severe economic pain and an earnings recession.

Additionally, the risk from economic stress and turmoil in other key important parts of the world and the threat of a black swan event is growing. War, geopolitical risk, a looming energy crisis, currency stress, global recession and an interest-driven debt crisis (there typically is one when rates rise sharply) all are concerns. These risks are depressing sentiment and driving equity valuation multiples to their lowest levels in years.

Still, a couple major positives, we believe, could offset these concerns, and need to be emphasized. One is valuation. Consider these points:

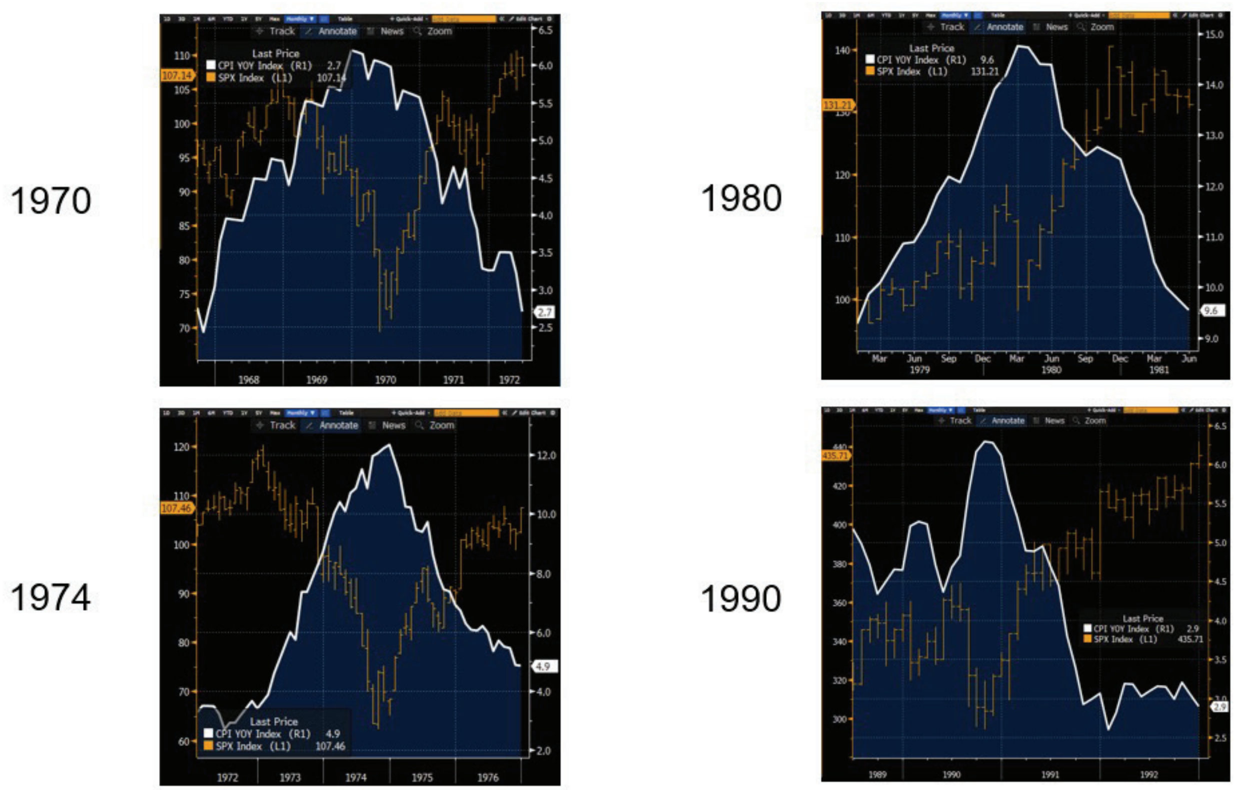
- Overall equity multiples have pulled back sharply, possibly discounting many of these concerns.
- Small caps trade at their second largest discount (25 to 30%) relative to large caps since the inception of the Russell 2000 Small Cap Index in 1980. Yet historically, small caps typically trade at a premium to large caps.
- Equities already trade at valuations below or near levels that are typically observed during past recessions.
- We currently hold many stocks within our portfolio that trade at a discount to where they have traded historically.

Second is inflation, which is the main driver of this bear market. It is persistently high and the Consumer Price Index (CPI), the key inflation measure that peaked in June, has only come down slightly and has remained higher than the consensus has estimated. Still many soft or leading inflation indicators point to significant slowing in inflationary pressures, even as CPI (and Personal Consumption Expenditures (PCE)) have not yet reflected this.

Consider the following:

- M2, the most watched measure of the money supply and a key leading indicator of future inflation, has fallen sharply. M2 growth has plunged from its high of 27% to now just 2.8% year-over-year.
- Most commodities have fallen sharply, including food and energy prices (and gasoline prices) in the U.S.
- Average hourly earnings (AHE), have peaked and are falling. Labor demand is falling (Job Openings and Labor Turnover (JOLTs) data), and labor participation is improving.
- Institute for Supply Management (ISM) prices paid for manufacturing and services have peaked and are falling steadily. This is a clear sign that economic demand is falling as the Fed tightens and supply improves with supply chains recovering.
- Shipping rates have plunged as have other transportation costs as supply chains heal.
- Consumer inflation expectations (such as the University of Michigan Inflation Expectations Index) are well off their highs.
- Market based expectations like the various durations of the TIPS/Treasury Breakeven Rates have also come well off their highs suggesting inflation will as well.
- Historically, CPI topping out has coincided with equities bottoming out. This occurred in prior higher inflationary times, specifically in 1970, 1974, 1980 and 1990 (Exhibit 1).

Exhibit 1: During Periods of High Inflation, Market Bottoms Often Coincide with CPI Topping Out



Source: Bloomberg

So as the market enters the fourth quarter of 2022, equities have retested their June lows. Valuations have pulled back. The market is entering a more favorable seasonal time of the year. Investor expectations for the upcoming September quarter earnings season have been reduced. We do expect the aggregate earnings trend to generally weaken as the economy is slowing. Is that now largely priced in? Like it was three months ago for the June quarter earnings?

More broadly looking ahead to year-end and next year, the direction of equities and multiples will continue to depend on the trajectory of inflation and how the Fed reacts to the inflation data as well as economic conditions. As economic data weakens and the labor market softens, that "bad news" could become "good news" to the Fed as they see that tighter financial conditions are impacting demand and helping to ease inflation.

Performance Review

For the September quarter, the Driehaus Small/Mid Cap Growth Strategy outperformed its benchmark. The Strategy appreciated 1.27%, net of fees, while the Russell 2500 Growth Index lost 0.12%.[1] By comparison, the Russell 2000 was down 2.19% and the S&P 500 was down 4.88%.

The outperformance of the Driehaus Small/Mid Cap Growth Strategy was led by strong earnings resulting in positive absolute return performance. By month, the strategy had relative outperformance versus the benchmark in August and September and underperformance in July. The strategy had strong absolute returns for July and August as the market rallied and negative absolute returns for the final month as the market retested its second quarter lows.

By sector, performance is summarized as follows:

Technology

Technology outperformed by 10 basis points as our holdings strongly outperformed the benchmark's tech holdings. Our tech holdings gained 3.9% while the benchmark's tech holdings were down 2.0%. Strong earnings, individual product cycles and other idiosyncratic factors were positive drivers. We maintained a sector underweight as multiple macro and industry headwinds remained in play.

By sub-industry, telco equipment was a standout. Strong earnings were led by multiple product cycles and robust rural broadband equipment spending. The other key sub-industries in technology, IT services, semiconductors and software also drove positive relative returns, helped by strong earnings and attractive valuations.

Materials

Materials outperformed by 49 basis points on a relative basis. A global specialty chemicals company with a leading position In lithium and a global producer of high performance materials for the aerospace and defense markets drove outperformance in this sector. Macroeconomic concerns caused the benchmark's materials stocks to decline.

Consumer Staples

Staples outperformed by 26 basis points as the sector was mixed. Our holdings were up 4.8% for the quarter outperforming the benchmark's staples components which were down over 3%. Outperformance was primarily attributable to an energy drink company that signed a major new distribution agreement.

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[1]The performance data represents the strategy's composite of small/mid cap 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.

Real Estate

Real estate outperformed by 29 basis points. The sector declined 13.6%, suffering from higher rates and a decline in relatively defensive stocks with our underweight position driving positive relative contribution. We remain underweight the real estate sector as REITs and other sub-industries will be challenged by a higher interest rate environment.

Industrials

Industrials underperformed by 36 basis points. A number of services companies and other consistent-growth industrials saw continued strong fundamental performance but sold off as economic growth concerns weighed on the sector. We did slightly increase our exposure to the sector overall during the quarter.

Energy

Energy overall underperformed by 24 basis points on a relative basis as crude oil pulled back given global demand concerns which put pressure on exploration & production (E&Ps) and oil service stocks. Given the demand pressure and weaker commodity prices we did reduce our exposure during the quarter and currently maintain a slight underweight.

Outlook & Positioning

Market conditions remain challenging. Macro factors continue to dominate over bottom-up and industry trends. But as the broader indices have pulled back, retesting their second quarter lows, we believe valuations may now reflect or discount a considerable part of the macro overhang. August and September were once again difficult on a seasonal basis, but the market is now entering a positive seasonal period. Of course, seasonality can be fickle and is simply a tendency. More important are the positive signs we see on inflation as detailed above. The market fears the Fed will remain firm in its current hawkish policy stance until a hard landing occurs or some crisis emerges. Also possible, and optimistically, the Fed will respond and adjust as economic conditions, such as the labor market, show real weakness and/or as inflation shows sustained easing in the form of consecutive favorable monthly inflation results.

Positively, valuations have declined for our portfolio as we see many holdings trading at discounts versus their own history. Smaller cap stocks in general continue to trade at a deep discount versus large caps, the second largest discount in 40 years. Importantly, current small cap valuations are at levels similar to past recessions. While the odds of a recession have increased materially, current economic conditions remain mixed suggesting flattish economic growth in the near-term.

In terms of portfolio positioning, we have an attractive mix of secular and cyclical growth holdings. By sector industrials remains our largest absolute weight, followed by health care and technology. Relative to the benchmark, the strategy is overweight industrials, communications services and consumer staples. The strategy is underweight technology, real estate and financials.

Overall, we still see many dynamic investment opportunities which have attractive valuations. These holdings nicely fit our investment philosophy of companies exhibiting growth inflections, differentiation, market share gains, strong revenues and expanding profitability.

This update is not intended to provide investment advice. Nothing herein should be construed as a solicitation, recommendation or an offer to buy, sell or hold any securities, other investments or to adopt any investment strategy or strategies. You should assess your own investment needs based on your individual financial circumstances and investment objectives.

This material is not intended to be relied upon as a forecast or research. The opinions expressed are those of Driehaus Capital Management LLC ("Driehaus") as of October 13, 2022 and are subject to change at any time due to changes in market or economic conditions. The material has not been updated since October 13, 2022 and may not reflect recent market activity.

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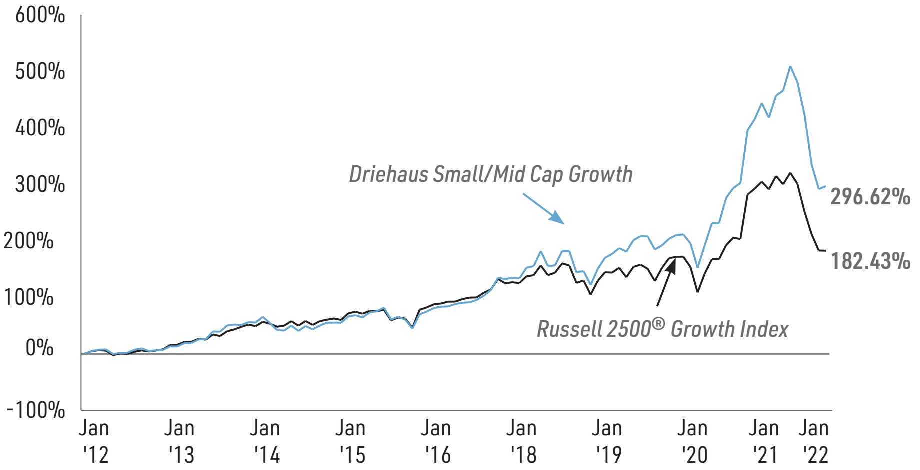
Driehaus Small/Mid Cap Growth Strategy

% Month-End Performance (as of 9/30/22)

				Annualized				
	MTH	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Inception[1]
Driehaus Small/Mid Cap Growth Composite (Gross)	**-7.58**	**1.34**	**-31.58**	**-29.71**	**12.31**	**15.03**	**14.44**	**14.50**
Driehaus Small/Mid Cap Growth Composite (Net)	**-7.60**	**1.27**	**-31.73**	**-29.93**	**11.69**	**14.37**	**13.73**	**13.79**
Russell 2500® Growth Index (Benchmark)	-8.61	-0.12	-29.54	-29.39	4.76	6.30	10.30	10.22

Cumulative Return Since Inception Net of Fees[1] (as of 9/30/22)



Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance Data as of 9/30/22.

The performance data represents the strategy's composite of small/mid cap 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]2/1/2012. [2]Portfolio characteristics represent the strategy's composite. [3]Data is calculated monthly.

Key Features

- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

Facts

Inception Date	2/1/12
Strategy Assets Under Management	$1,128M
Firm Assets Under Management	$11.3B
Investment Style	Growth Equity
Available Investment Vehicles:	Separately Managed Account Mutual Fund

Portfolio Characteristics[2]

5-year period	STRATEGY	BENCHMARK
Annualized Alpha	8.50	n/a
Sharpe Ratio	0.60	0.23
Information Ratio	1.39	n/a
Beta	0.99	1.00
Standard Deviation	22.31	22.73
Tracking Error	6.27	n/a
R-squared	0.93	1.00

Market Cap Breakout	STRATEGY	BENCHMARK
< $2.5 billion	4.5%	28.3%
$2.5 - $15 billion	76.5%	68.9%
> $15 billion	19.0%	2.9%

	STRATEGY	BENCHMARK
Number of Holdings	99	1,355
Weighted Avg. Market Cap (M)	$9,989	$5,382
Median Market Cap (M)	$6,597	$1,458
Active Share (3-year avg.)[3]	82.82	n/a

Portfolio Management

Jeff James, Portfolio Manager
31 years of industry experience

Michael Buck, Portfolio Manager
21 years industry experience

Prakash Vijayan, Assistant Portfolio Manager
16 years industry experience

Driehaus Small/Mid Cap Growth Strategy

Top 5 Holdings[1] (as of 8/31/22)

Company	Sector	% of Strategy
Quanta Services, Inc.	Industrials	2.4
Chart Industries, Inc.	Industrials	2.2
Carlisle Companies Incorporated	Industrials	2.1
Paylocity Holding Corp.	Information Technology	2.0
Kinsale Capital Group, Inc.	Financials	2.0

Sector Weights (%)

Month-End Absolute Weights (%)

	Comm. Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities	Cash
Strategy	**4.6**	**11.9**	**4.7**	**5.3**	**5.2**	**19.8**	**21.4**	**16.9**	**4.6**	**0.5**	**0.9**	**4.1**
Benchmark	1.9	12.0	3.7	5.5	7.1	20.6	17.9	22.8	4.8	2.5	1.3	0.0
Active Weights	*2.7*	*0.0*	*1.0*	*-0.2*	*-1.9*	*-0.7*	*3.6*	*-5.8*	*-0.2*	*-2.0*	*-0.4*	*4.1*

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance
Data as of 9/30/22. Benchmark: Russell 2500® Growth Index
[1]Holdings subject to change.

Driehaus Small/Mid Cap Growth Strategy

Sector Performance Attribution 3rd Quarter – 6/30/22 to 9/30/22

	Driehaus Small/Mid Cap Growth Composite (Port) (%)		Russell 2500 Growth Index[1] (Bench) (%)		Attribution Analysis (%)		
GICS Sector	Port Avg. Weight	Port Contrib To Return	Bench Avg.Weight	Bench Contrib To Return	Allocation Effect	Selection + Interaction	Total Effect
Communication Services	5.22	0.01	1.91	-0.14	-0.31	0.24	-0.07
Consumer Discretionary	12.68	-0.09	12.29	-0.01	0.01	-0.11	-0.10
Consumer Staples	4.80	0.15	3.75	-0.11	-0.05	0.35	0.30
Energy	5.01	-0.14	5.37	0.11	-0.15	-0.07	-0.22
Financials	5.56	0.15	6.98	-0.02	-0.04	0.09	0.05
Health Care	19.13	0.82	19.74	0.89	-0.07	-0.26	-0.33
Industrials	19.32	-0.20	17.79	0.16	0.00	-0.24	-0.24
Information Technology	18.53	0.74	23.13	-0.26	-0.01	1.21	1.20
Materials	4.80	0.13	4.99	-0.35	-0.03	0.57	0.54
Real Estate	1.07	-0.07	2.71	-0.36	0.29	-0.01	0.28
Utilities	0.37	-0.14	1.32	-0.08	0.02	0.00	0.03
Cash	3.51	0.00	0.00	0.00	0.10	0.00	0.10
Other[2]	0.00	-0.10	0.00	0.00	-0.11	0.00	-0.11
Total	100.00	1.27	100.00	-0.18	-0.33	1.78	1.45

Data as of 9/30/22

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance

[1]The Russell 2500® Growth Index measures the performance of those Russell 2500® Index companies with higher price-to-book ratios and higher forecasted growth values. The performance data includes reinvested dividends. [2]Other refers to securities not recognized by Factset.

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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.

ATTRIBUTION ANALYSIS CATEGORIES ARE DEFINED AS:

Allocation Effect - Measures the impact of the decision to allocate assets differently than those in the benchmark.

Security Selection Effect - Measures the effect of choosing securities, which may or may not outperform those of the benchmark.

Interaction Effect - Jointly measures the effect of allocation and selection decisions.

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.

Notes // Driehaus Small/Mid Cap 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 Small/Mid Cap Growth Composite was created in February 2012. An account is considered to be a small/mid cap growth account if it primarily invests in U.S equity securities of high growth companies with market capitalization ranges at the time of purchase as those included in the Russell 2500® Growth Index between $500 million and $15 billion. However, there is no requirement to be exclusively invested in small cap and mid cap stocks, and the accounts have invested, to a lesser extent, in stocks with a smaller or larger capitalization from time to time.

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.

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

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

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.

INDICES
The Russell 2500® Growth Index measures the performance of the small to midcap growth segment of the U.S equity universe. It measures the performance of those Russell 2500® Index companies with higher growth earning potential as defined by FTSE Russell's leading style methodology. Data includes reinvested dividends.

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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.

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