

Driehaus International Small Cap Growth Strategy Summary

1ST QUARTER 2023

Performance Review

For the 1st quarter of 2023, the Driehaus International Small Cap Growth strategy returned 3.77%, net of fees versus the MSCI ACWI ex-US Small Cap Growth Index which returned 5.62%.¹ During the quarter, relative contributions to performance came from the consumer discretionary and real estate sectors. The largest relative detractors were energy and information technology. From a country standpoint, Germany and India were the largest contributors to performance. Canada and South Korea were the largest country detractors.

Market Overview

Despite tighter monetary policy, runs on two regional US banks (Silicon Valley Bank (SVB) and Signature Bank) as well as the forced sale of Credit Suisse to UBS, most global equity markets logged positive gains for the quarter. Global growth generally surprised positively, aided by lower energy prices along with the reopening of China.

Of the major benchmark countries, the best performing were South Korea and Taiwan, which benefitted from an improvement in sentiment for technology hardware related companies, and Brazil and South Africa were notable laggards. At the sector level information technology and materials led while utilities and energy had the largest declines.

From a style factor perspective within developed ex-US markets, market sensitivity (beta), size and earnings yield (a value proxy) were the best performers, while medium term momentum and profitability were the worst.

Market Outlook

Inflation is proving to be stubborn, but it is trending lower, and this likely puts most global central banks on less aggressive hiking paths, although in Europe and UK a near term reversal in rates seems unlikely.

In Europe, the outlook is improving on the back of a reacceleration of growth following China's reopening. Energy prices have moderated, and leading sentiment indicators point to a recovery in activity. The composite European purchasing managers' index hit the highest level since the second quarter of 2022, although that was driven by the service sector with the manufacturing index below 50. Germany (the strategy's largest country overweight) showed substantial quarterly improvements in business expectations.

¹The performance data represents the strategy's composite of international small 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.

Driehaus International Small Cap Growth Strategy

Similarly in the UK (the strategy is overweight), the economic outlook appears to be improving – shorter cycle indicators are trending positively, and expectations for economic contractions have moderated. The Bank of England recently indicated it still expects a recession later in 2023, however at a shallower level than previously thought. Consumer confidence has been trending positively since January.

Japan should benefit from China's reopening and from having looser monetary policy than other developed markets. However, quarterly earnings results announced during the quarter were mixed: exporters were detrimentally impacted by an increasing yen and domestic facing companies generated strong revenue numbers but suffered from input cost increases.

China is still facing challenges despite lifting COVID restrictions in late 2022. Soft exports, a weak property market and tighter global financial conditions remain headwinds to a recovery. We expect growth to gain more traction in the second quarter, supported by a rebound in consumption.

From a positioning perspective, the most notable changes were increasing information technology exposure, decreasing energy, and at the regional level increasing Germany, and decreasing Canada. Energy and Canada exposures were decreased over concerns of lower natural gas prices and plateauing activity levels. The increase to technology and Germany were driven by stock selection. Financials exposure was reduced slightly. The issues with US regional banks (held to maturity securities, high loan-to-deposit ratios, deposit betas) are much less worrisome internationally, and concerns about credit crunches appear excessive amid the strong liquidity and capital positions in Europe and the UK. However, increases to net interest margins may be smaller than previously anticipated and loan growth will likely be lower given recent events have created tighter credit conditions and more expensive capital.

More generally, discounted valuations compared to the US and a weakening dollar suggest that international equity outperformance could continue. The factors that led to a stronger dollar last year are now receding. After the Fed's aggressive tightening cycle caused interest rate differentials to widen last year, a likely Fed pause and continued international tightening cycle have led to a narrowing in interest rate spreads. Additionally, recovering growth in China and Europe and the increased probability of a US slowdown suggest further downwards pressure on the dollar.

Until next quarter,

Driehaus International Small Cap Growth Team

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 fund 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 April 17, 2023 and are subject to change at any time due to changes in market or economic conditions. The material has not been updated since April 17, 2023 and may not reflect recent market activity.

The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable and are not necessarily all inclusive. Driehaus does not guarantee the accuracy or completeness of this information. There is no guarantee that any forecasts made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.

Driehaus International Small Cap Growth Strategy

% Month-End Performance (as of 3/31/23)

	Annualized							
	MTH	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Inception ³
Driehaus International Small Cap Growth Composite (Gross)	0.98	3.95	3.95	-7.34	16.58	4.82	9.18	15.00
Driehaus International Small Cap Growth Composite (Net)	0.93	3.77	3.77	-8.00	15.65	3.96	8.13	13.94
MSCI AC World ex USA Small Cap Growth Index (ND)	1.23	5.62	5.62	-12.90	13.30	1.69	5.30	6.96

Top 5 Holdings⁶ (as of 2/28/23)

Company	Sector	Country	% of Strategy
Metso Outotec Oyj	Industrials	Finland	2.4
ISS A/S	Industrials	Denmark	2.2
Asics Corporation	Consumer Discretionary	Japan	2.1
Leonardo SpA	Industrials	Italy	1.9
Gerresheimer AG	Health Care	Germany	1.7

Sector Weights (%)

	Strategy	Benchmark	Active Weights
Comm Services	4.4	4.1	0.3
Consumer Discretionary	10.4	12.7	-2.3
Consumer Staples	10.5	7.4	3.0
Energy	3.5	3.0	0.4
Financials	6.0	5.4	0.6
Health Care	10.4	11.1	-0.7
Industrials	28.0	21.4	6.7
Information Technology	15.7	17.2	-1.5
Materials	5.7	10.6	-4.9
Real Estate	1.4	4.9	-3.4
Utilities	0.0	0.0	0.0
Cash	4.0	0.0	4.0

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance
Data as of 3/31/23.

The performance data represents the strategy's composite of international small 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.

¹Composite 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. ²The Driehaus International Small Cap Growth team manages multiple international small cap strategies/styles. ³7/1/2001. ⁴Portfolio characteristics represent the strategy's composite. ⁵Data is calculated monthly. ⁶Holdings subject to change.

Key Features

- Developed and emerging markets small cap exposure
- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

Facts

Inception Date	7/1/01
Composite Assets Under Management ¹	\$708M
Total International Small Cap Assets ²	\$1.9B
Firm Assets Under Management	\$13.4B
Investment Universe	Developed and emerging markets small cap equity
Investment Style	Growth Equity
Available Investment Vehicles:	Separately Managed Account Collective Investment Trust Mutual Fund

Portfolio Characteristics⁴

5-year period	STRATEGY	BENCHMARK
Information Ratio	0.50	n/a
Beta	0.96	1.00
Standard Deviation	19.75	20.08
Tracking Error	4.51	n/a
R-squared	0.95	1.00
Market Cap Breakout	STRATEGY	BENCHMARK
< \$5 billion	71.1%	91.5%
> \$5 billion	27.2%	8.4%
> \$15 billion	1.7%	0.0%
	STRATEGY	BENCHMARK
Number of Holdings	112	2,487
Weighted Avg. Market Cap (M)	\$4,413	\$2,454
Median Market Cap (M)	\$3,528	\$1,027
Est. 3-5 Year EPS Growth	16.1%	15.5%
Active Share (3-year avg.) ⁵	93.99	n/a

Portfolio Management

Daniel Burr, CFA, Portfolio Manager
22 years of industry experience

David Mouser, Portfolio Manager
24 years industry experience

Ryan Carpenter, Assistant Portfolio Manager
18 years industry experience

Andrew Srichandra, Assistant Portfolio Manager
24 years industry experience

Driehaus International Small Cap Growth Strategy

Country Weights (%)

	Strategy	Benchmark	Active Weights
Australia	0.8	6.6	-5.9
Austria	2.6	0.2	2.4
Belgium	0.8	1.0	-0.2
Bermuda	0.4	0.3	0.0
Brazil	1.5	1.3	0.2
Canada	5.8	6.9	-1.1
China	3.2	1.6	1.6
Denmark	4.1	1.9	2.2
Finland	2.4	0.7	1.7
France	5.2	2.1	3.1
Germany	12.3	3.0	9.3
Hong Kong	1.1	1.8	-0.7
India	1.1	5.7	-4.6
Indonesia	1.1	0.7	0.5
Ireland	1.9	0.5	1.4
Isle Of Man	0.6	0.9	-0.4
Israel	1.5	1.7	-0.2
Italy	3.1	1.7	1.4
Japan	20.3	20.3	0.0
Luxembourg	1.1	0.5	0.6
Mexico	1.3	0.6	0.7
Netherlands	2.5	1.1	1.4
Norway	1.4	1.1	0.3
South Korea	1.2	4.5	-3.4
Spain	1.6	0.8	0.8
Sweden	0.5	5.5	-5.0
Switzerland	3.5	4.1	-0.5
Taiwan	1.3	5.9	-4.7
United Arab Emirates	0.4	0.4	0.0
United Kingdom	11.4	7.9	3.4
Cash	4.1	0.0	4.1

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

Data as of 3/31/23. Benchmark: MSCI AC World ex USA Small Cap Growth Index (ND)

Driehaus International Small Cap Growth Strategy

Sector Attribution 1st Quarter – 12/31/22 to 3/31/23

	Driehaus International Small Cap Growth Strategy (Port) (%)			MSCI AC World ex USA Small Cap Growth Index 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	4.94	0.49	0.01	4.06	7.00	0.26	-0.31
Consumer Discretionary	10.11	12.34	1.18	12.71	4.56	0.60	0.77
Consumer Staples	9.57	-0.38	0.05	7.46	2.30	0.18	-0.23
Energy	6.71	-13.19	-0.73	3.17	-3.85	-0.13	-0.90
Financials	7.40	-4.39	-0.39	5.72	-1.82	-0.11	-0.33
Health Care	10.10	1.83	0.23	11.41	0.06	0.03	0.28
Industrials	27.97	7.05	1.79	21.65	7.91	1.66	-0.14
Information Technology	12.39	10.96	1.47	16.32	13.99	2.15	-0.57
Materials	6.04	4.44	0.20	10.21	9.45	1.00	-0.46
Real Estate	1.03	13.18	0.09	4.97	0.62	0.03	0.29
Utilities	0.00	0.00	0.00	2.32	-2.55	-0.06	0.20
Cash	3.73	-0.03	-0.02	0.00	0.00	0.00	-0.35
Other ³	0.00	-0.27	-0.27	0.01	-11.26	0.00	-0.27
Total	100.00	3.60	3.60	100.00	5.62	5.62	-2.01

Data as of 3/31/23

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

¹The definition of the index can be found on page 1. ²Total Effect - The Total Effect for each MSCI/GICS Sector is equal to the sum of the individual Attribution Effects for that MSCI/GICS Sector. ³Other 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.

Copyright MSCI 2021. All Rights Reserved. Without prior written permission of MSCI, this information and any other MSCI intellectual property may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI, each of its affiliates nor any third party involved in or related to the computing, compiling or creating of any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages relating to any use of this information.

Driehaus International Small Cap Growth Strategy

Country Performance Attribution 1st Quarter – 12/31/22 to 3/31/23

MSCI Country	Driehaus International Small Cap Growth Strategy (Port) (%)			MSCI AC World ex USA Small Cap Growth Index 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
Australia	0.80	6.44	0.05	6.92	-0.66	-0.01	0.43
Austria	2.69	8.56	0.17	0.21	9.53	0.02	0.06
Belgium	1.08	3.50	-0.02	0.96	4.79	0.05	-0.09
Bermuda	0.19	-1.27	-0.01	0.31	16.96	0.05	-0.03
Brazil	1.82	-1.65	-0.05	1.41	-2.84	-0.04	-0.02
Canada	8.10	-5.87	-0.51	7.02	6.47	0.48	-1.12
Cayman Islands	0.00	0.00	0.00	0.22	1.26	0.00	0.01
Chile	0.00	0.00	0.00	0.22	9.29	0.02	-0.01
China	1.11	-1.50	-0.01	1.72	-2.09	-0.02	0.06
Colombia	0.00	0.00	0.00	0.03	-18.84	-0.01	0.01
Cyprus	0.00	0.00	0.00	0.02	6.22	0.00	0.00
Czech Republic	0.00	0.00	0.00	0.02	10.41	0.00	0.00
Denmark	3.30	1.15	0.01	1.85	3.72	0.07	-0.10
Egypt	0.00	0.00	0.00	0.06	-18.13	-0.01	0.02
Finland	2.81	5.99	0.15	0.92	11.74	0.11	-0.07
France	5.48	4.14	0.24	2.03	7.68	0.15	-0.14
Germany	10.09	23.73	2.01	2.93	13.34	0.37	1.40
Greece	0.00	0.00	0.00	0.15	10.32	0.02	-0.01
Hong Kong	0.84	-6.71	-0.11	2.08	-1.87	-0.03	0.00
Hungary	0.00	0.00	0.00	0.01	26.62	0.00	0.00
India	0.68	1.52	0.02	5.71	-3.64	-0.22	0.53
Indonesia	1.04	15.46	0.13	0.68	0.68	0.00	0.13
Ireland	1.45	18.45	0.29	0.54	-3.03	-0.02	0.27
Isle Of Man	0.60	0.76	0.00	0.95	2.80	0.03	0.00
Israel	1.34	18.94	0.22	1.81	-5.91	-0.10	0.38
Italy	2.59	17.94	0.34	1.69	11.76	0.19	0.14
Japan	20.19	1.11	0.19	20.32	3.26	0.64	-0.40
Jersey	0.00	0.00	0.00	0.06	-3.39	0.00	0.01
Kuwait	0.00	0.00	0.00	0.28	-4.78	-0.02	0.03
Luxembourg	0.73	-3.03	-0.08	0.56	7.52	0.04	-0.12
Macau	0.00	0.00	0.00	0.10	-2.04	0.00	0.01

Continues on next page

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. ¹A definition of this index can be found on page 1. ²Total Effect - The Total Effect for each MSCI Country is equal to the sum of the individual Attribution Effects for that MSCI Country.

Driehaus International Small Cap Growth Strategy

Country Performance Attribution 1st Quarter – 12/31/22 to 3/31/23

MSCI Country	Driehaus International Small Cap Growth Strategy (Port) (%)			MSCI AC World ex USA Small Cap Growth Index 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
Malaysia	0.00	0.00	0.00	0.77	1.96	0.01	0.03
Malta	0.00	0.00	0.00	0.03	-1.77	0.00	0.00
Mexico	1.53	16.56	0.24	0.61	19.53	0.11	0.07
Netherlands	2.68	1.03	0.04	1.07	19.36	0.19	-0.25
New Zealand	0.00	0.00	0.00	0.80	-2.95	-0.02	0.07
Norway	1.75	-8.88	-0.13	1.12	-0.66	0.00	-0.15
Philippines	0.00	0.00	0.00	0.30	1.64	0.01	0.01
Poland	0.00	0.00	0.00	0.28	10.81	0.03	-0.01
Portugal	0.00	0.00	0.00	0.06	5.38	0.00	0.00
Qatar	0.00	0.00	0.00	0.27	2.71	0.01	0.01
Saudi Arabia	0.00	0.00	0.00	0.83	15.69	0.13	-0.08
Singapore	0.00	0.00	0.00	1.42	8.01	0.12	-0.03
South Africa	0.00	0.00	0.00	1.00	-6.86	-0.07	0.14
South Korea	1.76	-14.51	-0.27	3.95	25.65	0.93	-1.13
Spain	1.16	15.53	0.20	0.79	9.76	0.07	0.10
Sweden	1.33	-3.65	-0.16	5.21	12.67	0.62	-0.73
Switzerland	4.02	6.58	0.25	3.94	12.22	0.46	-0.23
Taiwan	1.22	-3.70	-0.08	5.50	18.44	0.92	-0.76
Thailand	0.00	0.00	0.00	1.04	-7.23	-0.07	0.14
Turkey	0.00	0.00	0.00	0.49	-16.68	-0.10	0.12
United Arab Emirates	0.44	-15.52	-0.08	0.39	-1.80	-0.01	-0.07
United Kingdom	11.79	4.38	0.55	7.92	6.02	0.48	-0.15
United States	1.66	17.30	0.29	0.39	9.90	0.04	0.17
Cash	3.73	-0.03	-0.02	0.00	0.00	0.00	-0.35
Other	0.00	-0.27	-0.27	0.00	0.00	0.00	-0.28
Total	100.00	3.60	3.60	100.00	5.62	5.62	-2.01

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. ¹A definition of this index can be found on page 1. ²Total Effect - The Total Effect for each MSCI Country is equal to the sum of the individual Attribution Effects for that MSCI Country.

Notes // Driehaus International Small 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 International Small Cap Growth Composite was created in July 2001. An account is considered to be an international small cap growth account if it seeks to maximize capital appreciation through active investment primarily in equity securities of smaller capitalization, non-U.S. companies exhibiting strong growth characteristics. Under normal market conditions, the style invests at least 80% of total net assets in the equity securities of non-U.S. small capitalization 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.

Valuations and returns are computed and stated in U.S. dollars. Returns are presented on a pre-tax 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.

RISKS

All investments have risks. The strategy invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the strategy has benefited from unusually strong market conditions. At times, a significant portion of an account's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a strategy with a smaller asset base, and the strategy may not experience similar performance results as its assets grow. Investments in overseas markets can pose more risks than U.S. investments. In addition, the strategy's returns will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the strategy invests. These risks are generally greater when investing in emerging markets.

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 (MSCI) AC World ex USA Small Cap Growth Index is a market capitalization-weighted index designed to measure equity performance in global developed markets and emerging markets, excluding the U.S and is composed of stocks which are categorized as small capitalization stocks. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

Copyright MSCI 2023. All Rights Reserved. Without prior written permission of MSCI, this information and any other MSCI intellectual property may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI, each of its affiliates nor any third party involved in or related to the computing, compiling or creating of any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages relating to any use of this information.

The most recent annual GIPS Report is available [here](#).

GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

TERMS

Active share represents the share of portfolio holdings that differ from the benchmark index holdings. **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. **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.

©2023 Driehaus Capital Management LLC

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