

Driehaus Emerging Markets Small Cap Equity Strategy Summary

3RD QUARTER 2021

Emerging market (EM) equities experienced a bout of volatility during the third quarter, driven largely by China, as the central government's regulatory campaign weighed on sentiment, while concerns over a power crunch and growing credit risk in the property market led to downward revisions to economic growth forecasts. Further, persistent tightness in global shipping and commodity markets led investors to increasingly question the transitory inflation narrative, as the Federal Reserve (Fed) inches closer to tapering its quantitative easing.

The Driehaus Emerging Markets Small Cap Equity strategy returned -3.78% for the quarter, compared to -2.16% for the MSCI Emerging Markets Small Cap Index.¹

Key contributors during the quarter included India and the real estate sector, while China and the industrials sector detracted from relative performance.

India remains a large overweight for the strategy, and the country was a strong contributor to performance during the quarter. Standout companies included a hospital operator, an internet company, a property developer, and two specialty chemical producers. We continue to observe a positive transformation of India's information technology (IT) sector as data infrastructure investments in recent years have created opportunities for companies in the SaaS and e-commerce industries. Robust IT hiring trends have fueled gains in the property market in certain cities, as affordability metrics are near all-time highs.

Real estate was the strategy's top performing sector during the quarter, with all of the gains stemming from three Indian property developers. Each company has a distinct strength in India's fastest growing micro markets, and collectively the listed companies have benefited from regulation in recent years, which has created an improved backdrop for formal players, while informal competitors within the sector have lost market share or exited the market entirely.

China detracted from relative performance during the quarter, largely due to the allocation effect associated with the strategy's overweight position in the country. Companies that faced the risk of an intensifying regulatory backdrop, supply chain disruptions, or rising raw material costs underperformed during the quarter. These positions included a provider of diagnostic reagents with a focus on oncology, which sold off in tandem with the health care sector due to the perceived risk of a broadening regulatory campaign, as well as a manufacturer of automotive headlights, which is seeing strong adoption from new customers, but has been hampered by chip shortages facing the industry.

¹Performance Disclosure

The performance data represents the strategy's composite of emerging markets small cap equity 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.

Please see the notes section for other important information.

Driehaus Emerging Markets Small Cap Equity Strategy

The industrials sector underperformed during the quarter. Underperformance was concentrated in industrial automation equipment manufacturers, which faced margin pressure from rising raw material and power costs, along with uncertainty over end market demand growth.

The strategy remains overweight China relative to the MSCI Emerging Markets Small Cap Index. Our positions are heavily focused on innovative areas where we anticipate strong structural growth despite the uncertain global backdrop. Examples include health care companies engaged in drug development and diagnostics, industrial automation companies that are benefiting from advances in robotics technology, and renewable energy companies that maintain strong policy tailwinds as China seeks to achieve peak carbon emissions by 2030.

From a sector perspective, the strategy is overweight energy. Global oil inventories continue to normalize faster than expected following the COVID-related hit to demand. A multi-year period of underinvestment in the sector, coupled with recent constraints in global hydroelectric power, have led to a supply-demand mismatch, particularly in China and Europe. These conditions are favorable for oil and gas producers with attractive resource bases, as well as oil service companies that are poised to benefit from rising activity levels. One of the strategy's top weightings is a company that produces turbine powered pressure pumping equipment, which maintains lower greenhouse gas emissions and better efficiency than conventional equipment.

The strategy is underweight Korea relative to the benchmark. We have identified a select group of companies with unique exposure to specific themes such as 5G and electric vehicles but remain underweight the broader market due to its relatively limited breadth of earnings growth.

The strategy is underweight the financials sector relative to the MSCI Emerging Markets Small Cap Index. While recent increases in interest rates have provided support for net interest margins across the sector, the recovery has not been uniform across emerging markets, as credit growth trends paint a more mixed picture. We continue to undertake a selective approach to the sector, favoring banks in rapidly growing economies such as Vietnam and India, along with fintech companies that are positioned to gain market share at the expense of slower moving legacy competitors in the sector.

Overall, we maintain a positive medium-term outlook for EM, as well as the small cap segment of the asset class, which is benefiting from trends such as innovation in the technology and health care sectors, the improving perception of local consumer brands, and the increasing emphasis on local supply chains. In the near-term, the pressure on earnings growth resulting from slowing economic growth has resulted in a number of holdings triggering our sell discipline. We are cognizant of the risk of tightening liquidity in tandem with a slowing economy, and expect any near-term volatility associated with these factors to lead to an opportunity to accumulate our highest conviction ideas in the coming quarters.

Until next month,



Chad Cleaver, Lead Portfolio Manager
Driehaus Emerging Markets Small Cap Equity Strategy

Driehaus Emerging Markets Small Cap Equity Strategy

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

	Annualized						
	MTH	QTD	YTD	1 Year	3 Year	5 Year	Inception ¹
Driehaus Emerging Markets Small Cap Equity-Gross (2/1/16)	-1.69	-3.46	13.13	38.85	23.60	15.36	16.16
Driehaus Emerging Markets Small Cap Equity-Net (2/1/16)	-1.80	-3.78	12.00	36.90	21.69	13.99	14.81
MSCI Emerging Markets Small Cap Index (ND) (Benchmark)	-1.99	-2.16	17.20	43.24	13.11	9.75	11.84
MSCI Emerging Markets Small Cap Growth Index (ND)	-2.09	-2.47	17.07	40.99	14.64	9.59	10.77

Top 5 Holdings⁵ (as of 8/31/21)

Company	Sector	Country	% of Strategy
FPT Corp.	Information Technology	Vietnam	2.0
Max Healthcare Institute Ltd	Health Care	India	1.8
Estun Automation Co. Ltd. Class A	Industrials	China	1.8
KASPI.KZ JSC-144A	Information Technology	Kazakhstan	1.7
Info Edge India Ltd.	Communication Services	India	1.6

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

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¹2/1/2016. ²Composite assets include those accounts that meet the composite objectives and eligibility requirements. Please see notes at the end of this presentation for additional information.

³Portfolio characteristics represent the strategy's composite. ⁴Data is calculated monthly. ⁵Holdings subject to change.

Key Features

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

Facts

Inception Date	2/1/16
Composite Assets Under Management ²	\$113 million
Firm Assets Under Management	\$14.2 billion

Portfolio Characteristics³

Market Cap Breakout	Strategy	Benchmark
<\$5 billion	66.3%	94.8%
\$5- \$15 billion	31.8%	5.2%
> \$15 billion	1.9%	0.0%

	Strategy	Benchmark
Number of Holdings	96	1,817
Weighted Avg. Market Cap (M)	\$4,509	\$1,976
Median Market Cap (M)	\$4,033	\$963
Est. 3-5 Year EPS Growth	25.5%	23.4%
Active Share (3-year avg.) ⁴	96.69	n/a

Portfolio Management

Chad Cleaver, CFA, Lead Portfolio Manager
19 years industry experience

Howard Schwab, Portfolio Manager
21 years of industry experience

Richard Thies, Portfolio Manager
14 years of industry experience

Driehaus Emerging Markets Small Cap Equity Strategy

Sector Weights (%)

	Comm. Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities	Cash
Strategy	1.3	11.9	7.1	3.5	5.6	8.6	16.0	17.4	13.6	4.9	2.8	7.5
Benchmark	4.0	11.2	5.9	2.2	10.5	8.7	15.4	18.7	13.0	6.4	4.1	0.0
Active Weights	-2.7	0.7	1.2	1.3	-4.9	-0.1	0.6	-1.3	0.6	-1.5	-1.3	7.5

Country Weights (%)

	Strategy	Benchmark	Active Weights
Argentina	0.6	0.4	0.2
Australia	0.7	0.0	0.7
Brazil	9.2	6.0	3.2
Canada	1.2	0.0	1.2
China	13.4	5.3	8.1
Hong Kong	3.8	2.9	0.9
India	28.0	20.5	7.5
Indonesia	3.3	1.6	1.7
Kazakhstan	2.6	0.0	2.6
Mexico	2.2	1.8	0.4
Poland	1.4	1.4	0.0
Russia	0.7	0.9	-0.2
South Korea	5.3	17.5	-12.2
Taiwan	9.8	21.0	-11.2
Thailand	1.5	3.4	-1.9
Turkey	0.9	1.3	-0.4
United Kingdom	0.7	0.0	0.7
United States	0.7	0.3	0.5
Vietnam	6.4	0.0	6.4
Cash	7.5	0.0	7.5

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

Data as of 9/30/21.

Benchmark: MSCI Emerging Markets Small Cap Index (ND)

Driehaus Emerging Markets Small Cap Equity Strategy

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

	Driehaus Emerging Markets Small Cap Equity Composite (Port) (%)			MSCI Emerging Markets Small Cap 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	2.19	5.17	0.27	3.83	-5.25	-0.21	0.41
Consumer Discretionary	13.88	-7.10	-1.02	11.70	-8.66	-1.04	0.10
Consumer Staples	7.71	1.67	0.10	5.92	-4.15	-0.24	0.40
Energy	1.59	20.19	0.35	1.96	7.50	0.16	0.23
Financials	6.50	-1.72	-0.18	10.13	0.09	0.01	-0.31
Health Care	8.99	-9.64	-0.98	9.16	-11.63	-1.12	0.12
Industrials	14.91	-8.38	-1.17	15.28	-0.22	-0.03	-1.19
Information Technology	17.90	-6.29	-1.14	19.00	-0.92	-0.19	-0.92
Materials	12.67	4.26	0.49	12.70	3.82	0.46	0.02
Real Estate	3.43	15.40	0.54	6.41	-2.18	-0.13	0.67
Utilities	3.33	-6.72	-0.22	3.89	4.42	0.18	-0.40
Cash	6.88	-0.20	-0.01	0.00	0.00	0.00	0.05
Other ³	0.00	-82.05	-0.84	0.01	2.14	0.00	-0.84
Total	100.00	-3.82	-3.82	100.00	-2.16	-2.16	-1.67

Data as of 9/30/2021.

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

¹The Morgan Stanley Capital International Emerging Markets Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure equity market performance of small cap stocks in global emerging markets. Data is in US dollars. The net dividend (ND) index is calculated with net dividend reinvestment. 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.

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Driehaus Emerging Markets Small Cap Equity Strategy

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

MSCI Country	Driehaus Emerging Markets Small Cap Equity Composite (Port) (%)			MSCI Emerging Markets Small Cap 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
Argentina	0.75	27.11	0.27	0.42	5.70	0.03	0.26
Australia	0.84	7.59	0.09	0.00	0.00	0.00	0.11
Bermuda	0.00	0.00	0.00	0.04	-28.04	-0.01	0.01
Brazil	10.38	-12.77	-1.18	6.53	-18.72	-1.30	0.10
Canada	1.39	-14.31	-0.21	0.00	0.00	0.00	-0.19
Cayman Islands	0.00	0.00	0.00	0.37	-20.97	-0.09	0.08
Chile	0.00	0.00	0.00	0.75	-17.72	-0.14	0.13
China	11.49	-17.66	-2.19	5.88	-15.77	-0.98	-1.08
Colombia	0.00	0.00	0.00	0.19	5.11	0.01	-0.01
Cyprus	0.74	0.20	0.01	0.14	7.87	0.01	0.01
Czech Republic	0.00	0.00	0.00	0.03	9.52	0.00	0.00
Egypt	0.00	0.00	0.00	0.27	4.49	0.01	-0.02
Greece	0.00	0.00	0.00	1.00	-6.54	-0.06	0.05
Hong Kong	3.58	-26.75	-1.08	3.07	-6.55	-0.21	-0.90
Hungary	0.00	0.00	0.00	0.07	-3.39	0.00	0.00
India	25.97	13.86	3.06	18.95	12.92	2.24	1.18
Indonesia	1.89	-4.25	0.13	1.45	9.67	0.14	-0.04
Kazakhstan	2.18	22.26	0.42	0.00	0.00	0.00	0.47
Kuwait	0.00	0.00	0.00	0.84	2.60	0.02	-0.04
Malaysia	0.00	0.00	0.00	2.96	4.74	0.14	-0.20
Mexico	2.14	-8.75	-0.19	1.79	-3.84	-0.07	-0.13
Netherlands	0.00	0.00	0.00	0.11	31.65	0.03	-0.03
Pakistan	0.33	-17.21	-0.07	0.34	-10.30	-0.04	-0.03
Peru	0.00	0.00	0.00	0.07	-11.11	-0.01	0.01
Philippines	0.00	0.00	0.00	0.90	1.13	0.01	-0.03
Poland	1.30	13.00	0.14	1.32	6.33	0.08	0.07
Qatar	0.00	0.00	0.00	0.82	3.47	0.03	-0.04
Russia	1.31	-5.76	-0.10	0.83	-3.53	-0.03	-0.06
Saudi Arabia	0.00	0.00	0.00	2.38	-1.79	-0.05	0.00
Singapore	0.00	0.00	0.00	0.02	-15.27	0.00	0.00
South Africa	0.00	0.00	0.00	3.63	1.07	0.05	-0.12
South Korea	6.08	-9.10	-0.56	17.82	-4.95	-0.96	0.08
Suriname	0.00	0.00	0.00	0.07	0.73	0.00	0.00
Taiwan	13.19	-7.85	-1.13	21.35	-3.97	-0.87	-0.44
Thailand	1.74	-18.89	-0.39	3.38	-5.65	-0.18	-0.23
Turkey	0.90	6.47	0.05	1.32	2.09	0.03	0.01
United Arab Emirates	0.00	0.00	0.00	0.59	2.96	0.02	-0.03
United Kingdom	0.61	-2.41	-0.01	0.00	0.00	0.00	-0.01
United States	0.01	16.72	0.00	0.29	-9.77	-0.03	0.02
Vietnam	6.29	-1.66	-0.07	0.00	0.00	0.00	0.09
Cash	6.88	-0.20	-0.01	0.00	0.00	0.00	0.04
Other ³	0.02	-66.81	-0.77	0.00	0.00	0.00	-0.76
Total	100.00	-3.82	-3.82	100.00	-2.16	-2.16	-1.67

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 5. 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.

Notes // Driehaus Emerging Markets Small Cap Equity 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 Small Cap Equity Composite (the Composite) was created in February 2016. An account is considered to be an emerging markets small cap equity account if it seeks to maximize capital appreciation through active investment primarily in a portfolio of emerging market traded equity and equity-convertible securities of smaller capitalization companies with perceived high growth potential.

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.

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 Small Cap Index (MSCI Emerging Markets Small Cap Index) is a market capitalization-weighted index designed to measure equity market performance of small cap stocks in global emerging markets. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment.

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

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