

# **DRIEHAUS MUTUAL FUNDS**

## **DESCRIPTION OF PROXY VOTING POLICY**

**AUGUST 2022**

The Board of Trustees of Driehaus Mutual Funds (the “Funds”) has delegated to the Adviser, Driehaus Capital Management LLC (“DCM”), the responsibility for determining how to vote proxies relating to the Funds’ portfolio securities, and DCM retains the final authority and responsibility for such voting. DCM has provided the Funds with its written proxy voting policy and maintains records of the Funds’ voting activities.

In order to facilitate this proxy voting process, DCM has retained Institutional Shareholder Services Inc. (“ISS”) to conduct in-depth proxy research, provide vote recommendations and execution, and to maintain records of the Funds’ voting activities.

ISS is an investment adviser that specializes in providing a variety of fiduciary-level services related to proxy voting. DCM has ascertained that ISS has the capacity and competency to analyze proxy issues and to make vote recommendations in an impartial manner and in the best interests of DCM’s clients, including the Funds. DCM and the Funds monitor the voting activities delegated to DCM and performed by ISS through reports provided by ISS.

DCM’s proxy voting policy sets forth the general voting guidelines that ISS follows on various types of issues when there are no company-specific reasons for voting to the contrary. In making the proxy voting decision, there are two overriding considerations: (i) the economic impact of the proposal; and (ii) the best interest impact of a proposal if it were to pass or not pass, as the case may be. ISS performs company-by-company analysis, which means that all votes are reviewed on a case-by-case basis and no issues are considered routine. Each issue is considered in the context of the company under review. DCM generally follows ISS’s recommendations and does not typically use its discretion in making the proxy voting decision. For this reason, proxies are voted in the best interests of the Funds and its shareholders, in accordance with a predetermined policy based upon recommendations of ISS, an independent third party, and are not affected by any potential or actual conflict of interest of DCM. In addition, DCM annually, and more frequently if necessary, reviews ISS’s policies and procedures regarding any potential conflicts of interest when making vote recommendations to determine that ISS is acting impartially.

If a situation arises in which a DCM portfolio manager wishes to deviate from an ISS recommendation on a proxy voting decision, that portfolio manager must consult with DCM’s general counsel or chief compliance officer in writing and provide: (i) the name of the issuer; (ii) a description of the proposal; (iii) ISS’s voting recommendation; (iv) the reason the portfolio manager believes they are acting in the best interest of clients by voting against the ISS recommendation; and (v) identification of any actual or potential conflicts of interest which do or could exist with respect to the proposal.

DCM may decline to vote proxies due to certain market considerations, including “share blocking.” DCM generally prefers not to restrict the sale of any shares held within client accounts for proxy voting purposes and it is therefore standard practice for DCM not to execute proxies for holdings located in countries that engage in share blocking.