DRIEHAUS
CAPITAL MANAGEMENT

Driehaus Small/Mid Cap Growth Strategy Summary

2ND QUARTER 2023

Market Overview

The June quarter saw broad gains for U.S. equities led by the mega-cap tech stocks. Despite fears of an economic slowdown, the threat of a recession, and a regional bank crisis, the market was resilient as the Nasdaq posted its strongest first half of the year since 1983 and gained 32%. That strength broadened out to other sectors and to smaller market caps in the month of June.

The Russell small cap indices were down slightly during the first two months of the quarter. Small caps then played catch up in June, slightly outperforming large caps by gaining about 8% in the final month. Positively, this marked the third straight positive quarter for the US equity market. Notably, since 1950, such a streak has only occurred during bull markets.

The leadership during the quarter was encouraging and bullish. Economically sensitive cyclical industries and secular growth companies outperformed while defensive groups lagged. Technology (particularly semiconductors), industrials, transports, homebuilders and consumer leisure groups led during the quarter. These groups typically represent bull market leadership. Defensive areas like staples, parts of health care and utilities all lagged. Energy and materials lagged, which is a positive sign for disinflation. Banks, however, are an important market bellwether group, and they continue to lag badly. Small cap leadership, while much improved in the month of June, continues to lag large cap performance since the October 2022 S&P 500 low. Three quarters into a rally, small cap leadership is typically much more evident.

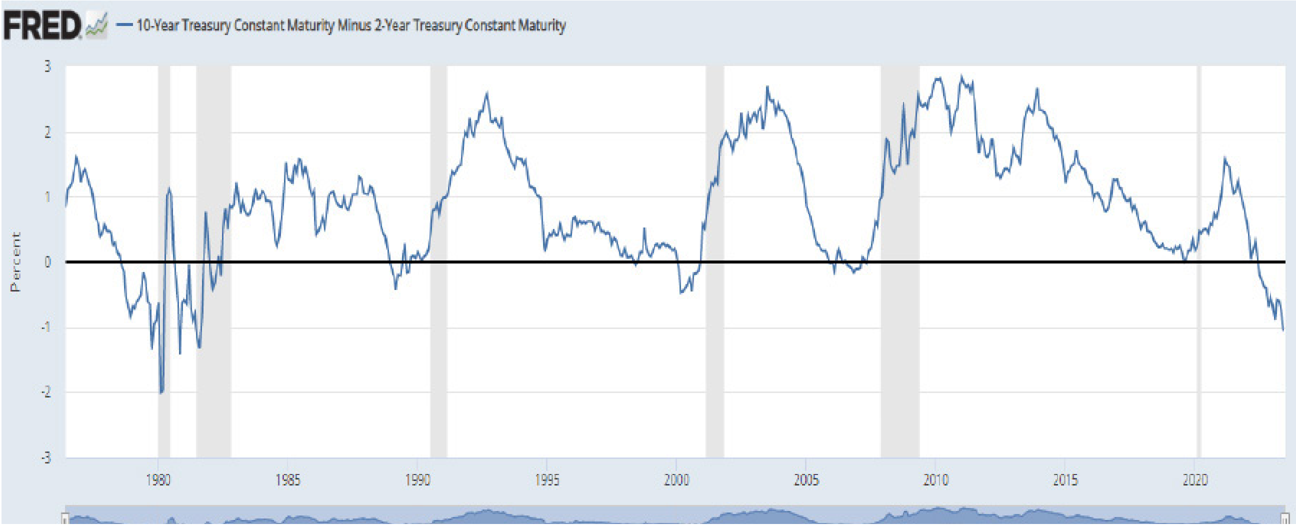
From a macro perspective, the U.S. economy continues to grow and there are no immediate signs of a recession, thus far. The labor market remains very resilient with strong job growth. Key areas like construction and homebuilding are showing clear strength. The auto sector is recovering. Leisure spending, travel and services remain a source of expansion as post-Covid demand shows few signs of abating.

These areas of strength are surprising to some given the Fed's restrictive monetary policy and the 500 plus basis point increase in the Federal Funds rate since March of last year. A recession has been widely expected by market participants as the traditional indicators of a recession suggest one should occur. Despite this risk of a recession, equities have been strong year-to-date as the rate of inflation continues to decline and economic growth remains positive (non-recessionary). The macro environment remains mixed with many conflicting variables. The market outlook can be summarized into two potential scenarios:

<u>A recession is still in front of us – several reliable indicators suggest a recession is just a matter of time:</u>

- Traditionally, an inverted yield curve, especially one this sharply inverted, very consistently leads to a recession (see the chart below). It is well established, but often forgotten, that monetary policy works on a long, variable lag. A recession typically occurs 12-18 months after the initial inversion of the curve. While distinct parts of the curve inverted at different times, using the widely followed 2-10 year curve, which inverted last July, history suggests the long anticipated US recession is still (loosely) one to three quarters away.

Exhibit 1: Yield curve inversions consistently precede recessions



Source: FRED (the Federal Reserve Bank of St Louis)

- The very large increase in the Fed Funds Rate historically results in a recession. The increase thus far is the second largest in history at 500 plus basis points since March of 2022.
- Declining LEIs (Leading Economic Indicators) historically precede a recession. The LEIs have declined 12 months in a row, and typically are a predictive variable that anticipates turning points in the business cycle by about 7 months. However, the CEIs (Coincident Economic Indicators) have not yet confirmed the LEIs. Also, global LEIs have turned back up recently, and the US has never experienced a recession when global LEIs are rising.
- This cycle's missing recession ingredient thus far is a contraction in credit via a credit crisis. Many expected the regional bank crisis in March to create such a credit crisis. It did not. Others expect a crisis to stem from the very unfavorable fundamentals in the office segment of the commercial real estate market or in the weakening of the sub-prime consumer credit market. These are still areas to monitor but a crisis has not happened yet. A credit crisis could also come from an area of the economy that is not widely expected. Given the tremendous liquidity still in the post-Covid economy it is plausible that we avoid the "needed" credit crisis to tip the economy into negative territory. While possible, such an avoidance of a credit crisis would be unique versus prior cycles given the yield curve and Fed tightening.
- As we mentioned in prior quarterly commentaries, equities historically bottom during a recession, not before. Yet equities are performing well as evidenced by three consecutive quarters of positive returns, again, something that has never happened in a bear market since 1950.
- Importantly, equities have been anticipating the impact of these traditional recession indicators and arguably priced in a recession with the dramatic market declines from the peaks of 2021 into the lows of the second quarter of 2022. At the June lows last year, micro and small cap equities had priced in a recession. Please see the chart and a further discussion below on the attractiveness of micro/small cap valuations.

<u>The economy has already experienced rolling recessions and now is seeing a rolling expansion.</u>

Multiple key industries have experienced a recession over the past 18 months. As these downturns occurred at different intervals they didn't tip the economy into a recession in aggregate terms and now many of them appear to be in expansion mode.

- Tech went through a downturn last year with large layoffs stemming from the sector's excesses during Covid. Many parts of the tech sector are now recovering and EVs and AI (artificial intelligence) are seen as important new open-ended growth drivers for the sector.
- Single-family residential housing went through a downturn last year as mortgage rates more than doubled. Residential investment fell 23% from Q2-2021 through Q1-2023. Consumers and builders have adjusted to the higher rates and lower measures of affordability with home sales and production accelerating year to date.
- The auto sector went through a downturn as production fell due to unprecedented semiconductor shortages. U.S. auto production bottomed at 12.5m units (SAAR – annualized) in late 2021 and has been recovering since mid-2022 as chip production normalizes and demand remains healthy.
- Manufacturing is amid a downturn with the ISM PMI (Purchasing Managers Index) hitting the mid-40's range earlier this year. Yet there are many indicators to suggest that manufacturing will recover as the reshoring trend continues to grow and construction spending is robust.
- Travel and leisure spending went through a dramatic decline during Covid but since has recovered and current demand seems sustainable looking at current trends and surveys.
- Durable goods spending experienced a sharp downturn post-Covid as the sector saw a hangover from record durable goods expenditures by consumers during the pandemic which peaked in late 2021. It has since stabilized and actually rose by a double digit % in the March quarter.

Naturally, many risks and uncertainties remain but there is a credible case to be made that the traditional recession indicators may need to be interpreted differently this cycle given the particulars of a post-pandemic recovery versus the traditional supply/demand/credit crisis economic cycle. We are not making a call for or against a recession but rather are pointing out current observations and historical tendencies. There have been many periods historically where the market rallied before a recession and during yield curve inversions, only to have the rally fail later. Either way the current variables are in many ways unique when compared to past cycles.
Valuation – whether or not a recession occurs, it is possible the market priced in a contraction in economic activity and lower earnings as of June 2022.

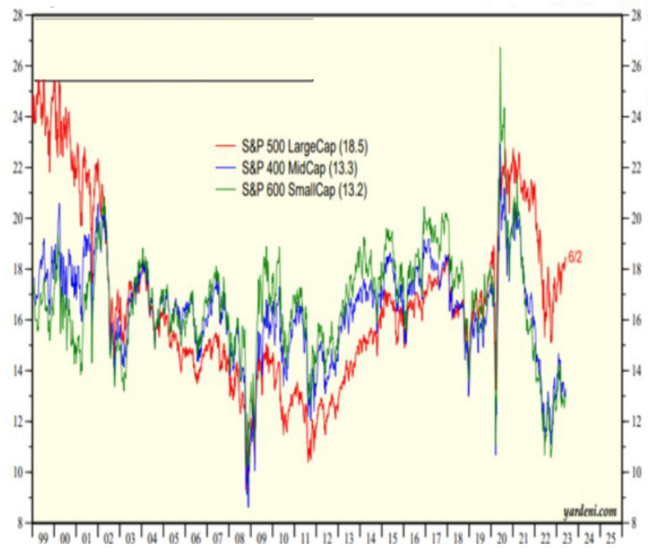
- The Russell 2000 reached low double digit forward P/E level in June of 2022. That is at or below the level reached during the past five recessions.
- Small caps trade at a deep discount to large caps– the second largest discount ever since the inception of the Russell 2000 in 1980 as illustrated in the following chart.

Exhibit 2: Small Caps Remain Historically Cheap vs. Large Caps

Source: BofA US Equity & Quant Strategy, FactSet

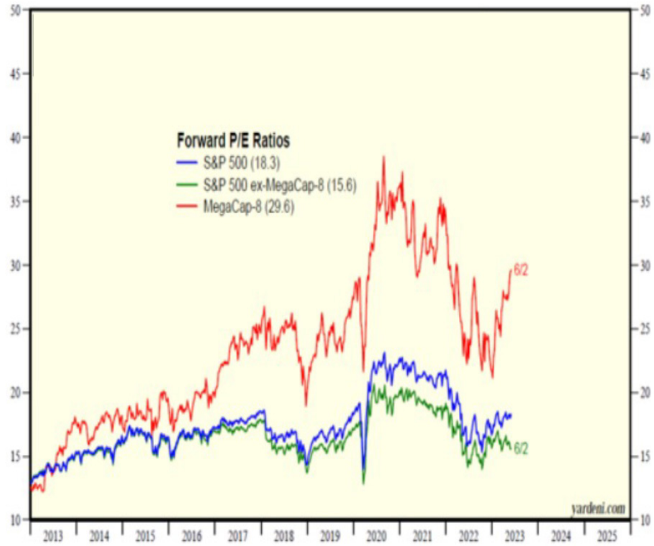
Even excluding the eight mega-cap tech stocks, small caps trade at a unique historical discount to large caps:

Exhibit 3: Forward P/E Ratios for S&P Indexes* (weekly)



*Price divided by 52-week forward consensus expected operating earnings per share
Source: Yardeni

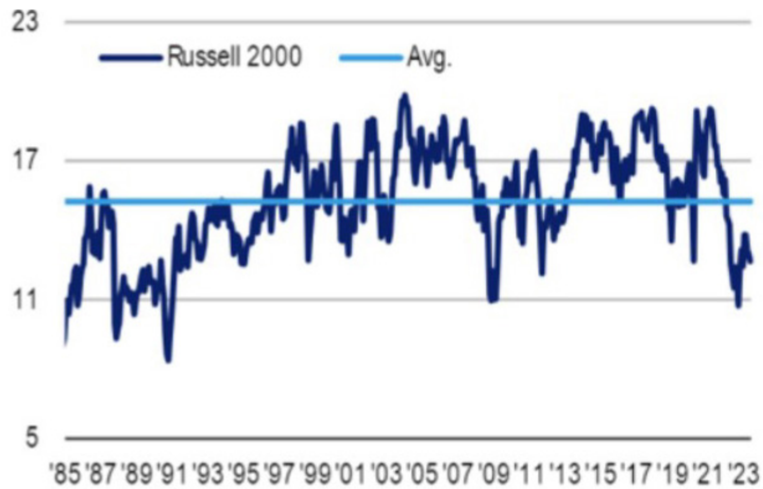
Exhibit 4: Forward P/E Ratios* of S&P with and without MegaCap-8**



*Price divided by consensus forward earnings forecast
**MegaCap-8 stocks include, Alphabet, Amazon, Apple, Meta, Microsoft, Netflix, NVIDIA, and Tesla. Both classes of Alphabet are included. Source: I/B/E/S data by Refinitiv
Source: Yardeni

- As a sign of large cap dominance, it is notable that:
  -Apple's (AAPL) market cap exceeds the market cap of the entire Russell 2000.
  -JP Morgan's (JPM) market cap exceeds the entire S&P Regional Bank index's market cap.
- Small caps typically outperform large caps for the first five to six years of a new bull market cycle when looking at the past several decades. It is well known that small caps underperform during bear markets, but given the bear market began in 2021, it is important to look forward and consider how small caps outperform traditionally in a new market cycle.
- The small cap Russell 2000 declined 32.43% from its high on November 8th in 2021 to its low on June 16th of 2022. The Russell 2000 Growth index declined 41.93% from its high on February 8th, 2021, to its low on June 16th of 2022. At these June lows, small caps reached valuations consistent with or below prior recession lows. Small Caps have only recovered modestly but historically as new equity cycles unfold, valuation multiples normalize and often recover quickly. Consider the following chart:

Exhibit 5: Small Cap Forward P/E Below the Long-Term Average



Source: BofA US Equity & Quant Strategy, Factset

Key themes:

<u>AI (Artificial Intelligence):</u>

AI is still in its infancy. We believe it will have a significant impact on our economy and create many investment opportunities. However, its true impact will take some time to be known. Some companies have been working on integrating AI into their products and services for a while now. The hype surrounding AI has reached an elevated level since the introduction of ChatGPT late in 2022. A lot of that hype may prove to be unwarranted. In some use cases and industries, AI may prove to be a commodity. In others, it may be a major differentiator.

We are constantly assessing which stocks and industries may be beneficiaries and which may be disrupted or may be at a disadvantage when it comes to AI. Some stocks are benefitting from hype and others are seeing multiple compression due to AI risks. We do not hold any AI pure play companies yet; very few are public at this juncture. However, we do hold several attractive companies benefiting from AI.

Housing:

Despite the negative impact of higher interest rates on housing affordability, homebuilders and building materials stocks have been outperforming since late 2022. The strength in the broader homebuilding group is being driven by several factors:

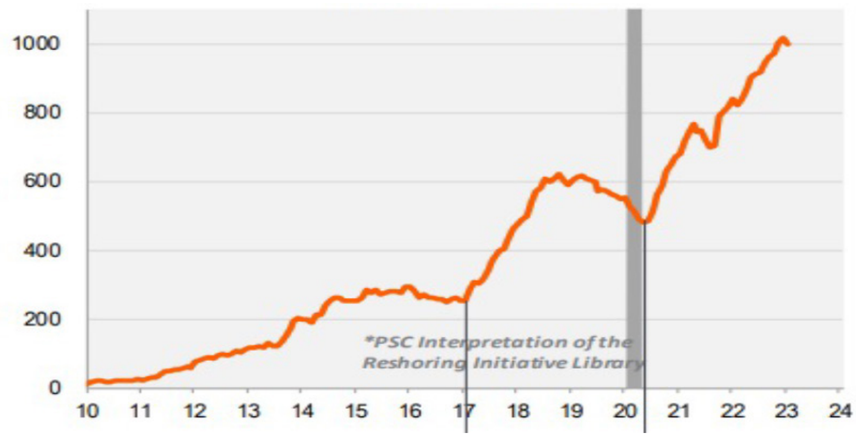
- The US has been under-building single family residential homes for over 15 years relative to population and housing formation growth, creating a severe shortage of homes. By some estimates this equates to a shortage of 6 million homes nationwide.
- 90% of US home mortgages have a rate under 5%. Over the past 18 months, the typical mortgage rate has ballooned from under 3% to over 7%. As a result, many existing homeowners do not want to sell as they would end up with a much higher new mortgage rate. This is creating a shortage of existing homes for sale and pushing buyers into the new home market.
- Millennials, now the largest generation by population, are buying homes for the first time. Older generations and more affluent households are increasingly purchasing vacation or second homes as remote and hybrid work is becoming more acceptable and there is a migration from high tax to low tax states. These dynamics are driving housing demand despite high rates and unfavorable affordability.

The end result is a robust environment for new home construction. Newly built homes are now 30-35% of all homes sold versus the historical 10-15% range. Also, the public homebuilder companies have key advantages over the thousands of smaller local builders. They have huge scale to manage this demand, acquire land, leverage costs, get attractive financing and can buy down mortgage rates providing buyers with a deep discount (in the 5% range) to where typical mortgage rates currently reside.

Reshoring:

Reshoring is the trend of manufacturing returning to the US from other parts of the world. It is the result of the huge supply chain dislocations and headaches experienced during Covid. Additionally, rising costs, negative rhetoric and less friendly policy in China are also key factors. National security and energy security issues are also supporting the move to relocate domestically. The reshoring trend actually began well before Covid but has accelerated since then. Note the large rise in the number of announced projects and the huge increase in construction spending on new manufacturing facilities shown in the following two charts.

**Exhibit 6: Cos Annoucement of Onshoring*
+Cos Announcement of Expanding Production**



Source: Piper Sandler

Exhibit 7: Nonresidential Construction: Manufacturing (billion dollars, saar)

Source: Yardeni

A further driver of reshoring is the exceptionally large federal stimulus plans that are encouraging manufacturing to return domestically. These include the Inflation Reduction Act (IRA), the Infrastructure Investment and Jobs Act, the Chips Act, and various rural broadband spending programs which combined total more than $2 trillion in spending, subsidies, or credits over the next decade. We believe this is a powerful multi-year theme that many industrial and tech companies are benefitting from. We are increasingly seeing reshoring begin to impact current demand for many industrial holdings and reshoring is being mentioned more frequently as a fundamental driver of quarterly results. It is one driver of our overweight position in the industrial sector.

Inflation:

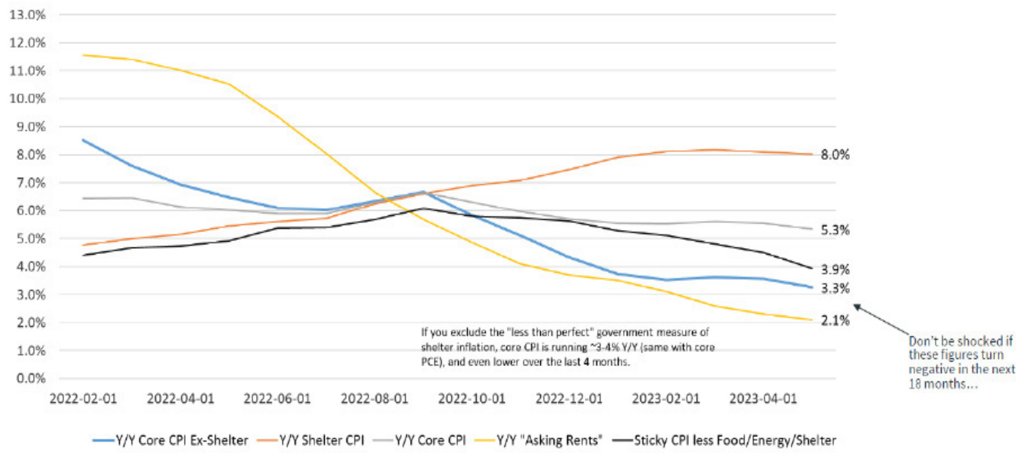
Inflation remains the key macroeconomic variable. Inflation has been the primary cause of the 2021 market peak and ensuing bear market. Naturally, inflation has driven the Fed's hawkish monetary policy and as a result the economic and earnings slowdown. US inflation peaked in June of 2022 and has consistently declined since on a year-over-year basis. While still not at the Fed's 2% target, we continue to believe inflation is trending in the right direction as the four key Covid-related drivers of inflation continue to ease or normalize:

- Money supply (M2) – was up 27% y/y in 2021 and is now down around 5% y/y.
- Excess saving – has normalized and returned to pre-Covid levels.
- Supply chain issues - have normalized.
- Labor shortages – labor demand has eased, labor participation (supply) is recovering, and wage growth is falling.

Some observers believe that inflation will remain sticky and the remaining path to 2% will prove difficult to achieve. Perhaps, but looking at the various components of CPI (Consumer Price Index) a path to 2% remains clear. For instance, the shelter/housing components of the official CPI are calculated on a lag. When looking at more real time indicators of shelter/housing inflation they are well below the official CPI numbers and trending lower favorably. The following helps illustrate this dynamic.

Exhibit 8: Inflation is Improving, and Will Continue to as Supply Increases, Demand Decreases

Y/Y Core CPI Vs. Core CPI Ex-Shelter vs. "Sticky" CPI



Source: St. Louis Federal Reserve, Raymond James Research

Performance Review

For the June quarter, the Driehaus Small/Mid Cap Growth strategy outperformed its benchmark. The Strategy gained 10.60%, net of fees, while the Russell 2500 Growth Index gained 6.41%, the Russell 2500 appreciated 5.22%, and the S&P 500 rose 8.74%. By month, the Strategy outperformed in each of the three months.

By sector, the June quarter performance is summarized as follows:

Outperforming sectors:

Industrials

Industrials added 345 basis points in absolute terms but 129 basis points versus the index. Our holdings rose 13.8% versus 9.6% for the index. The portfolio remains overweight the sector at 27.1% (up 180 basis points since the start of the quarter) versus 18.1% for the index. We maintain an overweight as we see attractive holdings and several strong end market themes within the sector. These themes include reshoring (discussed above), commercial aerospace, residential housing, and non-residential construction.

Technology

Technology outperformed by 118 basis points versus the index and added 433 basis points to absolute performance as our holdings underperformed, gaining 17.3% vs 9.1% for the index. By sub-industry, the gains were broad-based. Software outperformed the index and semiconductors also contributed to absolute performance but performed nearly inline with the index. The material outperformer came from networking and hardware.

[1]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.

Several networking and hardware holdings performed well due to increased spending on AI. Hardware investment to support the growing need for greater bandwidth and computing power to support AI applications is showing a huge growth inflection. In particular, one server manufacturer is seeing tremendous growth in its servers for AI applications. Nvidia, as is well known, is benefiting from rising AI demand, and is shipping chips to this server manufacturer. Both companies are seeing a large increase in demand together. Our holding appreciated over 138% during the quarter and contributed over 188 basis points on a relative basis and 247 basis points on an absolute basis. We still see tremendous fundamental and earnings upside ahead along with potential multiple expansion as it still maintains a modest earnings multiple.

Semiconductors saw mixed performance. After the December and March quarters saw robust outperformance in semis, we expected some consolidation. The industry detracted 34 basis points. We continued to see strong gains and earnings from two semi cap equipment holdings levered to silicon carbide (SiC) material adoption in EVs (electric vehicles).

We are overweight the tech sector, and our exposure rose nearly 500 basis points since the end of the March quarter, finishing at a 27.1% weighting compared to nearly 24% for the index.

Energy

Energy continued to be challenging, as the price of crude oil and natural gas were weak pressuring the sector. However, the sector contributed 54 basis points and outperformed by 56 basis points versus the index. Our holdings gained 19.6% versus the index's 2.7% gain. The outperformance was a function of good performance from a couple offshore oil service companies and a uranium producer. Also, we had no exposure to the exploration and production group, which lagged.

We increasingly like the group long-term as under-investment in capex and production suggest higher crude and natural gas prices. Near-term, the one bright spot is oil service and equipment companies with offshore exposure. Offshore oilfield activity is increasing, leading to higher equipment demand, rising day rates, and strong earnings outlooks.

Consumer Staples

Staples outperformed the index by 49 basis points due to security selection and contributed 84 basis points in absolute terms. Our holdings rose 16.2% for the quarter, strongly outperforming the benchmark's holdings, which gained 5.2%. The sector's outperformance came from a handful of stocks. A specialty beverage company gained nearly 60% while posting strong earnings surprise. We continue to maintain an overweight in the sector due to the attractiveness of multiple holdings with strong brands which are gaining share in large markets.

Financials

Financials outperformed by 34 basis points due to security selection and being underweight banks. Our holdings gained 2.7% for the quarter versus down .8% for the benchmark's holdings. We again saw strong performance from a specialty insurer that continues to outgrow the industry while posting strong earnings.

We were also underweight banks with no exposure. Over the medium and long-term we believe the tremendous price declines in the banking group will provide attractive opportunities. However, we remain cautious on the group near-term as several challenges and uncertainties remain though the regional banking crisis of confidence has calmed down.

Underperforming sectors:

Healthcare

Healthcare underperformed by 24 basis points vs the benchmark, as our healthcare holdings gained 7.1% versus 8.3% for the benchmark. The sector did contribute 106 basis points to the strategy's absolute performance for the quarter. Healthcare ended the quarter underweight at 14.6% vs 13.3% at the start of the quarter.

Biotech/pharma underperformed by 84 basis points as our holdings lagged. Despite the underperformance we are encouraged by ongoing clinical trial results and clinical pipeline updates. Our holdings have very promising and innovative clinical stage therapies demonstrating superior efficacy, safety and/or dosing in important disease indications, such as epilepsy, endocrinology, diabetes, neurology, autoimmune, vaccines and oncology. We anticipate the second half of 2023 will be a promising period for many of them as their clinical trials demonstrate successful outcomes.

Medical devices also performed well contributing 106 basis points in absolute terms and outperforming the index by 56 basis points as our holdings gained 18.4% versus 7.5% for the index. Our positions continue to have robust commercial product launches as demonstrated by strong quarterly surprises and forward outlooks. Strong performers during the quarter are providing better patient outcomes in areas such as sleep apnea, cardio, orthopedics, and various ophthalmology diseases.

Consumer Discretionary

Consumer discretionary has been a difficult, volatile sector over the past couple of years but was relatively stable during the quarter though it underperformed the broader equity market. Our holdings slightly underperformed, rising 3.9% versus a gain of 5.0% for the index. We did see strength in leisure companies, homebuilders and building suppliers. This strength was offset by the decline in declines in specialty retail.

Overall, the outlook for the consumer remains mixed as excess Covid savings decline and low to middle income households become incrementally more cautious with their spending. Still in aggregate terms consumer spending is positive as the labor market remains robust, inflation slows and pent-up demand for post-Covid leisure and travel remains evident. Homebuilders remain strong as we discussed above. We are underweight the sector with a 13.4% weighting, which was a sizeable decrease compared to the over 17% weighting a quarter ago.

Outlook & Positioning

Current market conditions are uncertain over the near-term, as inflation, Fed monetary policy and recession concerns remain the key focus for market participants. Yet we are seeing encouraging signs across many industries and individual holdings. The technical action across the equity is improving as it broadens out. Valuations remain appealing for many parts of the market and are significantly so when compared to large caps. As detailed above, smaller cap stocks in general continue at their second largest discount to large caps over the past 40 years. Additionally, current small cap valuations are at levels similar to past recessions. While the case for a recessions has conflicting variables for and against, the market has been discounting a recession for over a year. Intermediate term, the case for small caps stocks is very compelling as history shows that small caps typically materially outperform during the first five years or more of a new market cycle.

In terms of portfolio positioning, we have an attractive mix of secular and cyclical growth holdings. By sector, industrials and technology are tied as our largest absolute weights, followed by healthcare, consumer discretionary, consumer staples, materials, energy, and financials. On a relative basis, the strategy is overweight industrials, consumer staples, consumer discretionary, and technology. The strategy is underweight health care, financials, materials and energy.

Driehaus Small/Mid Cap Growth Strategy

% Month-End Performance (as of 6/30/23)

				Annualized			
	MTH	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Inception[2]
Driehaus Small/Mid Cap Growth Composite (Gross)	9.97	10.68	16.02	18.25	10.64	13.17	14.58	15.03
Driehaus Small/Mid Cap Growth Composite (Net)	9.94	10.60	15.85	17.89	10.10	12.59	13.89	14.34
Russell 2500® Growth Index (Benchmark)	7.89	6.41	13.38	18.58	6.56	7.00	10.38	11.18

Top 5 Holdings[5] (as of 5/31/23)

Company	Sector	% of Strategy
Super Micro Computer, Inc.	Information Technology	3.2
Arista Networks, Inc.	Information Technology	2.5
Builders FirstSource, Inc.	Industrials	2.4
Quanta Services, Inc.	Industrials	2.2
Deckers Outdoor Corporation	Consumer Discretionary	2.2

Sector Weights (%)

	Strategy	Benchmark	*Active Weights*
Communication Services	3.7	2.4	*1.3*
Consumer Discretionary	13.4	13.0	*0.4*
Consumer Staples	5.3	3.6	*1.7*
Energy	2.9	3.9	*-1.0*
Financials	4.7	8.2	*-3.4*
Health Care	14.6	22.5	*-7.9*
Industrials	27.4	19.2	*8.2*
Information Technology	24.8	20.9	*3.9*
Materials	2.0	3.7	*-1.8*
Real Estate	0.0	1.5	*-1.5*
Utilities	0.0	1.1	*-1.1*
Cash	1.2	0.0	*1.2*

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance Data as of 6/30/23.

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]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]2/1/2012. [3]Portfolio characteristics represent the strategy's composite. [4]Data is calculated monthly. [5]Holdings subject to change.

Key Features

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

Facts

Inception Date	2/1/12
Composite Assets Under Management[1]	$1.5B
Firm Assets Under Management	$14.4B
Investment Style	Growth Equity
Available Investment Vehicles:	Separately Managed Account Mutual Fund

Portfolio Characteristics[3]

5-year period	STRATEGY	BENCHMARK
Information Ratio	0.83	n/a
Beta	0.97	1.00
Standard Deviation	23.72	23.56
Tracking Error	6.71	n/a
R-squared	0.92	1.00

Market Cap Breakout	STRATEGY	BENCHMARK
< $2.5 billion	2.6%	22.4%
$2.5 - $15 billion	71.9%	74.8%
> $15 billion	25.6%	2.8%

	STRATEGY	BENCHMARK
Number of Holdings	94	1,281
Weighted Avg. Market Cap (M)	$13,457	$5,895
Median Market Cap (M)	$8,990	$1,598
Active Share (3-year avg.)[4]	84.24	n/a

Portfolio Management

Jeff James, Portfolio Manager
33 years of industry experience

Michael Buck, Portfolio Manager
23 years industry experience

Prakash Vijayan, Assistant Portfolio Manager
17 years industry experience

Driehaus Small/Mid Cap Growth Strategy

Sector Performance Attribution 2nd Quarter – 3/31/23 to 6/30/23

	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	4.51	-0.12	1.98	0.05	-0.09	-0.14	-0.22
Consumer Discretionary	16.50	0.40	12.77	0.60	-0.10	-0.16	-0.26
Consumer Staples	4.72	0.84	4.14	0.21	-0.03	0.53	0.50
Energy	2.66	0.54	4.89	0.02	0.16	0.41	0.57
Financials	4.41	0.01	6.56	-0.09	0.18	0.17	0.35
Health Care	14.98	1.06	19.80	1.66	-0.13	-0.11	-0.24
Industrials	24.82	3.45	18.76	1.68	0.26	1.06	1.32
Information Technology	23.46	4.33	22.48	2.16	0.07	1.82	1.88
Materials	1.86	0.08	4.95	0.01	0.17	0.06	0.22
Real Estate	0.00	0.00	2.44	0.06	0.06	0.00	0.06
Utilities	0.00	0.00	1.24	0.00	0.08	0.00	0.08
Cash	2.07	0.00	0.00	0.00	-0.03	0.00	-0.03
Other[2]	0.00	-0.10	0.00	0.00	-0.08	-0.01	-0.10
Total	100.00	10.49	100.00	6.35	0.50	3.64	4.14

Data as of 6/30/23

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.

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.

RISKS
All investments have risks. 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. The securities of micro-cap companies may be more volatile in price, have wider spreads between their bid and ask prices, and have significantly lower trading volumes than the securities of larger capitalization companies. As a result, the purchase and sale of more than a limited number of shares of the securities of a smaller company may affect its market price. Growth stocks may involve special risks and their prices may be more volatile than the overall market. It is anticipated that the strategy will experience high rates of portfolio turnover.

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. **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.

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