

Driehaus Emerging Markets Growth Strategy

OBJECTIVE

The strategy seeks to outperform the MSCI Emerging Markets Index over full market cycles.

KEY FEATURES

- All cap global emerging markets exposure
- Benchmark aware, not benchmark constrained
- Opportunistic investment approach
- High active share

INCEPTION DATE

January 1, 1997

COMPOSITE ASSETS UNDER MANAGEMENT¹

\$3,326 million

Total Strategy Assets: \$3,326 million

FIRM ASSETS UNDER MANAGEMENT

\$8.8 billion

INVESTMENT UNIVERSE

Emerging markets all cap equity

INVESTMENT STYLE

Growth equity

AVAILABLE INVESTMENT VEHICLES:

- Separately managed account
- Institutional commingled
- Mutual fund

PORTFOLIO MANAGERS



Howard Schwab
Lead Portfolio Manager
17 years of industry experience



Chad Cleaver, CFA
Portfolio Manager
16 years of industry experience



Richard Thies
Portfolio Manager
11 years of industry experience

MARKET OVERVIEW

The defining development in global equity markets during the first quarter was a dramatic resurgence in volatility. To provide some context, first quarter realized volatility for the S&P 500 was similar to realized volatility for the entire year of 2017. Two key factors contributed to the volatility spike. The first was January US wage data, which acted as a tipping point in the acceleration of average hourly earnings growth. This touched off concerns about the pace of Federal Reserve (Fed) tightening and the trajectory of US interest rates. The second contributing factor was negative rhetoric related to global trade, namely potential imposition of tariffs by the US on key trading partner China.

Despite the volatile environment, emerging markets once again posted the best performance among global equity markets. The resilience demonstrated by the asset class is encouraging. The MSCI Emerging Markets Index rose 1.07% in US dollar terms during the quarter, while the S&P 500 declined by 1.22% and the MSCI World Index fell by 1.74%. It's worth noting that this was the fifth consecutive quarter in which emerging market equities outperformed developed market equities.

Brazil was the strongest performer among the major emerging countries as the market returned 12.4% in dollar terms. While

Brazil's economy continues to recover from a deep recession, favorable macroeconomic developments were complemented by positive political news. Former President Lula's conviction was upheld, virtually eliminating the possibility of him running in the upcoming election and reducing the likelihood that the country will return to populism. Russia was the second best emerging market country performer. Russian equities appreciated by 9.4%, driven by a buoyant oil price and an improving economy.

India was the most notable underperformer among the major emerging markets. Numerous tailwinds contributed to the market's 7.0% quarterly decline. The increasing cost of oil (India is a significant importer) pressured the country's current account, and subsequently its currency. Associated with this, rising bond yields and borrowing costs weighed on valuation multiples and impacted expensive growth stocks specifically. Furthermore, a large scale banking sector fraud, while limited to a small group of state lenders, negatively impacted market sentiment.

PERFORMANCE REVIEW

The Driehaus Emerging Markets Growth Strategy returned 2.10%, net of fees, while the MSCI Emerging Markets Index returned 1.42%.²

¹Composite assets include those accounts that meet the composite objectives and eligibility requirements. Please see notes at the end of this document for descriptions of composite objectives and eligibility requirements.

²The performance data represents the strategy's composite of emerging markets growth accounts managed by Driehaus Capital Management LLC (DCM) (the composite). These returns are estimated for the period as all underlying accounts have not yet been reconciled. All rates of return include reinvested dividends and other earnings. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and transfer fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts. 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. The performance results for the composite are shown in comparison to an index. The index is not actively managed and does not reflect the deduction of any advisory or other fees and expenses. While the securities comprising the index are not identical to those in the composite, DCM believes this comparison may be useful in evaluating performance. Please see the notes section for other important information.

Russia was the strategy's largest country contributor. Outperformance was driven by both selection and allocation, as the strategy was overweight the outperforming market and the strategy's holdings also outperformed. A bank holding explained much of the strategy's country alpha. The stock performed well as earnings growth exceeded expectations and management provided positive commentary regarding dividends.

South Africa was also accretive to the strategy's performance. The country's recent political transition has raised hopes for a return to prudent economic management and stronger GDP growth. Rising economic sentiment drove strong performance for an apparel retailer held by the strategy. The company should benefit from improved and accelerating consumption growth. The strategy also benefited from being underweight a large technology company that underperformed.

Brazil represented the largest drag on the strategy's performance. While country allocation was correct (the strategy was slightly overweight the outperforming market), stock selection was a headwind. Our mix of holdings lagged the benchmark as the strategy's positioning is less cyclical than that of the benchmark. Specifically, underweights to the financial and energy sectors hurt as both sectors outperformed significantly.

Materials and information technology were the strategy's most positive sector contributors. Materials outperformance was broad-based, driven by diverse holdings across numerous countries and subsectors. Tech outperformance was driven by an underweight to a large Chinese internet company, as well as outperformance of a Latin American e-commerce holding and a Russian search engine.

The energy and utilities sectors detracted from performance. Lack of exposure to a large Brazilian energy company was a key headwind, as the company outperformed due to rising oil price and positive macroeconomic sentiment in Brazil. Utilities underperformance was driven by two holdings in India. While the structural growth case for both companies has not changed and earnings delivery remains strong, the stocks' valuations were negatively impacted by rising government bond yields.

OUTLOOK AND POSITIONING

During the quarter, the strategy reduced exposure to the consumer sector and increased exposure to the materials, information technology, and industrials sectors. The decision to reduce consumer exposure was company-specific, as we exited a few stocks for which earnings growth and revisions began to stall and valuation had become expensive. Most of the sectors to which the strategy increased exposure are classified as cyclical. We

continue to see opportunities in countries and sectors that are recovering after having undergone significant economic slowdowns and adjustments during the 2011-2015 period. The strategy maintains exposure to companies exhibiting a cyclical improvement in earnings, emphasizing pricing power and operational efficiencies in an environment in which input costs are rising. The strategy's largest overweights are consumer discretionary and financials, while its largest underweights are consumer staples and energy.

While we are mindful of the risk posed by tightening US monetary policy and trade war rhetoric, we remain positive on the prospects for emerging market equities as an asset class, particularly relative to developed markets. We believe emerging markets will successfully navigate the US monetary tightening cycle. We are also of the view that cooler heads will ultimately prevail in tariff negotiations, and a large scale global trade war will be avoided. The relative case for emerging markets, which we continue to emphasize, remains intact. The case is built upon attractive relative valuations and improving fundamentals, most notably a better outlook for profit margins and growth, as well as more disciplined corporate management, and structural reforms. We believe small cap companies, in particular, are becoming increasingly attractive following two years of substantial underperformance versus large caps.

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 16, 2018 and are subject to change at any time due to changes in market or economic conditions. The material has not been updated since April 16, 2018 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.

PERFORMANCE as of 3/31/18

	Annualized Total Return						
	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Inception 1/1/97
Driehaus Emerging Markets Growth Composite (Gross)	2.33%	2.33%	33.24%	11.89%	7.91%	6.23%	13.71%
Driehaus Emerging Markets Growth Composite (Net)	2.10%	2.10%	31.94%	10.66%	6.56%	4.73%	11.91%
MSCI Emerging Markets Index (ND) ¹	1.42%	1.42%	24.93%	8.81%	4.99%	3.02%	*
MSCI Emerging Markets Growth Index (ND) ²	1.22%	1.22%	31.73%	10.89%	7.30%	3.87%	*

SECTOR PERFORMANCE ATTRIBUTION 1st Quarter — 12/31/17 to 3/31/18

MSCI/GICS Sector	Driehaus Emerging Markets Growth Composite (Port) (%)			MSCI Emerging Markets 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 ³
Consumer Discretionary	13.33	-0.05	0.03	7.48	-4.52	-0.33	0.24
Consumer Staples	3.57	-0.30	0.06	6.27	-1.08	-0.05	0.06
Energy	4.11	6.49	0.24	6.92	7.88	0.48	-0.20
Financials	27.18	3.10	0.94	24.28	4.05	0.86	-0.11
Health Care	2.76	16.97	0.47	2.72	7.04	0.19	0.27
Industrials	4.91	-3.36	-0.28	5.14	-1.21	-0.06	-0.11
Information Technology	28.04	1.55	0.68	29.92	1.10	0.41	0.29
Materials	5.09	6.94	0.26	7.47	0.95	0.08	0.34
Real Estate	0.58	-1.68	-0.04	2.80	-2.14	-0.06	0.00
Telecommunication Services	2.75	-0.24	-0.01	4.61	-3.70	-0.17	0.17
Utilities	1.52	-9.24	-0.14	2.39	2.85	0.06	-0.18
Cash	6.17	-0.45	-0.03	0.00	0.00	0.00	-0.01
Unassigned**	0.00	-0.26	-0.26	0.00	0.00	0.00	-0.26
Total	100.00	1.93	1.93	100.00	1.42	1.42	0.52

Data as of 3/31/18. Preliminary performance data. Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance

*The inception of the fund predates the inception of the index. **Unassigned refers to securities not recognized by Factset.

The performance data represents the strategy's composite of emerging markets growth accounts managed by Driehaus Capital Management LLC (DCM) (the composite). These returns are estimated for the period as all underlying accounts have not yet been reconciled. All rates of return include reinvested dividends and other earnings. Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and transfer fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts. 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. The performance results for the composite are shown in comparison to an index. Unlike the composite, the index is not actively managed and does not reflect the deduction of any advisory or other fees and expenses. While the securities comprising the index are not identical to those in the composite, DCM believes this comparison may be useful in evaluating performance. **Please see the notes section for other important information.**

¹The Morgan Stanley Capital International Emerging Markets Index (MSCI Emerging Markets Index) is a market capitalization-weighted index designed to measure equity market performance in global emerging markets. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment. ²The Morgan Stanley Capital International Emerging Markets Growth Index (MSCI Emerging Markets Growth Index) is a subset of the MSCI Emerging Markets Index and includes only the MSCI Emerging Markets Index stocks which are categorized as growth stocks. Data is in US Dollars. The net dividend (ND) index is calculated with net dividend reinvestment. ³**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.

Copyright MSCI 2017. 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.

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.

COUNTRY PERFORMANCE ATTRIBUTION 1st Quarter — 12/31/17 to 3/31/18

MSCI Country	DrieHaus Emerging Markets Growth Composite (Port) (%)			MSCI Emerging Markets 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	0.82	9.09	0.19	0.00	0.00	0.00	0.13
Austria	0.72	16.05	0.10	0.00	0.00	0.00	0.09
Brazil	7.75	3.46	0.28	7.28	12.36	0.80	-0.42
Cayman Islands	0.62	4.75	0.12	0.18	24.84	0.04	0.09
Chile	0.00	0.00	0.00	1.24	1.45	0.02	0.00
China	22.44	2.26	0.75	26.14	1.61	0.38	0.24
Colombia	0.00	0.00	0.00	0.42	4.85	0.02	-0.01
Czech Republic	0.00	0.00	0.00	0.18	6.40	0.01	-0.01
Egypt	0.32	16.86	0.05	0.10	14.28	0.01	0.03
France	0.35	-3.80	-0.01	0.00	0.00	0.00	-0.03
Greece	0.74	-2.67	0.00	0.33	-6.75	-0.02	0.00
Hong Kong	4.65	-0.40	-0.06	3.65	1.50	0.05	-0.03
Hungary	0.64	-1.42	-0.02	0.32	-1.00	0.00	0.03
India	10.52	-7.82	-0.81	8.29	-6.95	-0.56	-0.26
Indonesia	1.77	5.05	0.07	2.16	-7.18	-0.15	0.24
Japan	0.78	7.07	0.01	0.00	0.00	0.00	-0.04
Luxembourg	0.18	-2.56	-0.02	0.04	-5.28	0.00	-0.01
Macau	0.96	6.32	0.05	0.00	0.00	0.00	0.04
Malaysia	0.92	22.91	0.18	2.39	8.52	0.18	0.02
Mexico	2.59	5.47	0.14	2.91	0.91	0.03	0.13
Netherlands	1.06	18.02	0.18	0.04	-19.20	-0.01	0.18
Pakistan	0.00	0.00	0.00	0.08	11.44	0.01	-0.01
Peru	1.54	8.24	0.12	0.32	9.24	0.03	0.08
Philippines	1.18	-19.29	-0.23	1.05	-11.57	-0.12	-0.14
Poland	0.57	-10.28	-0.04	1.28	-8.29	-0.10	0.07
Qatar	0.00	0.00	0.00	0.55	2.51	0.01	-0.01
Romania	0.00	0.00	0.00	0.08	-41.93	-0.05	0.05
Russia	6.53	11.45	0.73	3.53	9.37	0.30	0.33
Saudi Arabia	0.83	8.00	0.09	0.00	0.00	0.00	0.17
South Africa	3.88	-0.39	0.13	6.83	-3.44	-0.17	0.28
South Korea	8.81	1.21	0.18	14.76	-0.50	-0.05	0.27
Switzerland	0.14	-0.42	0.00	0.00	0.00	0.00	-0.04
Taiwan	8.54	2.56	0.17	11.27	5.73	0.58	-0.31
Thailand	1.18	-4.11	-0.05	2.35	8.95	0.19	-0.22
Turkey	1.07	-5.70	-0.11	1.03	-5.00	-0.05	-0.05
United Arab Emirates	0.54	-8.36	-0.04	0.63	-1.02	0.00	-0.04
United Kingdom	0.14	4.76	0.02	0.00	0.00	0.00	-0.02
United States	1.06	-0.28	0.03	0.58	7.89	0.05	-0.02
Cash	6.17	-0.45	-0.03	0.00	0.00	0.00	0.00
Unassigned*	0.00	-0.26	-0.26	0.00	0.00	0.00	-0.26
Total	100.00	1.93	1.93	100.00	1.42	1.42	0.52

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 3. 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.

*Unassigned refers to securities not recognized by Factset.

TOP 5 HOLDINGS¹ (as of 2/28/18)

Company	Sector	Country	% of Strategy
Tencent Holdings Ltd.	Information Technology	Hong Kong	5.4
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	Information Technology	Taiwan	4.1
Sberbank Russia OJSC Sponsored ADR	Financials	Russia	3.4
Samsung Electronics Co., Ltd.	Information Technology	South Korea	3.2
Alibaba Group Holding Ltd. Sponsored ADR	Information Technology	China	3.0

SECTOR WEIGHTS (%)

	Strategy	Benchmark	Active Weights
Consumer Discretionary	12.3	9.5	2.8
Consumer Staples	2.3	6.5	-4.1
Energy	4.5	7.2	-2.7
Financials	28.8	24.0	4.8
Health Care	3.1	2.8	0.3
Industrials	6.0	5.2	0.8
Information Technology	27.2	27.8	-0.6
Materials	8.2	7.3	0.8
Real Estate	0.0	0.0	0.0
Telecomm. Services	2.4	4.6	-2.2
Utilities	0.9	2.4	-1.4
Cash	4.4	0.0	4.4

COUNTRY WEIGHTS (%)

	Strategy	Benchmark		Strategy	Benchmark
Argentina	1.0	0.0	Philippines	0.8	1.0
Brazil	9.5	7.5	Russia	6.8	3.6
China/Hong Kong	24.8	29.2	Saudi Arabia	1.5	0.0
Egypt	0.5	0.1	South Africa	3.6	6.7
Greece	0.5	0.3	South Korea	8.3	15.1
Hungary	0.9	0.3	Taiwan	10.8	11.7
India	11.3	8.1	Thailand	2.1	2.4
Indonesia	1.9	2.0	Turkey	0.8	1.0
Malaysia	1.0	2.5	UAE	0.5	0.6
Mexico	2.6	2.9	Other ²	5.1	0.9
Peru	1.5	0.3	Cash	4.4	0.0

PORTFOLIO CHARACTERISTICS³

	Strategy	Benchmark
Number of Holdings	96	846
Weighted Avg. Market Cap (M)	\$105,894	\$102,156
Median Market Cap (M)	\$16,083	\$6,861
Est. 3-5 Year EPS Growth	17.0%	16.6%
Active Share (3-year avg.) ⁴	79.22	n/a
Market Cap Breakout (%)		
< \$5 billion	8.7	9.7
\$5 - \$15 billion	20.7	25.4
> \$15 billion	70.6	64.9

RISK CHARACTERISTICS (Trailing 3-years)

3-year period	Strategy	Benchmark
Annualized Alpha	4.64	n/a
Sharpe Ratio	0.85	0.51
Information Ratio	0.56	n/a
Beta	0.78	1.00
Standard Deviation	13.43	16.46
Tracking Error	5.47	0.00
R-squared	0.91	1.00

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance
Data as of 3/31/18. Benchmark: MSCI Emerging Markets Index (ND)

¹Holdings subject to change.

²Represents companies domiciled in developed countries that have significant emerging markets exposures.

³Portfolio characteristics represent the strategy's composite.

⁴Data is calculated monthly.

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 strategies to individuals, organizations, and institutions. The firm consists of all accounts managed by DCM (the Company). Prior to October 1, 2006, the firm included all accounts for which Driehaus Capital Management (USVI) LLC (DCM USVI) acted as investment adviser. On September 29, 2006, DCM USVI ceased conducting its investment advisory business and withdrew its registration as a registered investment adviser with the SEC. Effective September 30, 2006, DCM USVI retained DCM as investment adviser to these portfolios.

DCM claims compliance with the Global Investment Performance Standards (GIPS®).

COMPOSITE OBJECTIVES AND ACCOUNTS ELIGIBLE FOR THE EMERGING MARKETS GROWTH COMPOSITE

The Emerging Markets Growth Composite (the Composite) presented includes all unleveraged “emerging markets growth accounts” over which the Company exercises discretionary investment authority of both cash and equities using the same investment objective and philosophy. The Composite was created in January 1997.

An account is considered to be an emerging markets growth account if it seeks capital appreciation by investing primarily in equity securities of rapidly growing companies in emerging markets countries around the world. This strategy may invest substantially all (no less than 65%) of its assets in emerging markets companies.

Once an account has met the above criteria and is fully invested, it is included in the Composite in the next full monthly reporting period. Accounts that change investment strategies are transferred between composites in the first full monthly reporting period in which the account is managed under the new style. Terminated accounts are excluded from the Composite in the first month in which they are not fully invested as of the end of the month.

PERFORMANCE RESULTS

Asset-weighted, net of fee and gross of fee composite returns are presented. Monthly composite returns are calculated as the sum of the monthly returns of each account weighted by the account’s beginning monthly value as compared to the Composite total. For periods prior to November 1, 2004, time-weighted account rates of return were calculated on a monthly basis and allowed for the effect of cash additions and withdrawals using the Modified-Dietz method. If a cash contribution or withdrawal exceeded 10% of an account’s value, the account was revalued and the return was calculated for the interim period. Effective November 1, 2004, account rates of return are calculated on a monthly basis by geometrically linking daily returns. Monthly composite returns are geometrically linked to determine annual composite returns.

Net of fee returns reflect the payment of advisory fees and in some instances, other fees and expenses such as administrative and transfer fees while the gross of fee returns do not. Both are net of brokerage commissions charged to the accounts.

The annualized rate of return is presented as the level annual rate which, if earned for each year in a multiple-year period, would produce the actual cumulative rate of return over that period.

For emerging markets growth accounts, valuations and returns are computed and stated in U.S. dollars. Since returns are stated in U.S. dollars, exchange rates were used in the conversion. The Company is not aware of any significant inconsistencies between exchange rates used in the Composite and those used in the benchmark indices. Securities transactions, which include brokerage commissions, are recorded on a trade date basis, and where information is available, income and expense items are recorded on an accrual basis. Returns are presented on a pretax basis and are net of any actual foreign taxes withheld on dividends and interest. Leverage is not a part of the Company’s investment strategy for this Composite. Securities are valued in the foreign currency in which they are denominated and then translated into U.S. dollars at the spot rate. Forward contracts are generally purchased to hedge the risk of the currency fluctuation between the trade date and the settlement date of the underlying securities transactions.

Past performance is not indicative of future results. All investments have risks and you could lose money. Other methods may produce different results and the results for individual accounts and for different periods may vary depending on market conditions and the composition of the account. Care should be used when comparing these results to those published by other investment advisers, other investment vehicles and unmanaged indices due to possible differences in calculation methods.

Additional information regarding policies for valuing portfolios, calculating and preparing compliant composite presentations are available upon request. A complete listing and description of all composites is also available upon request. Please contact our sales, marketing and relationship management department at 312-932-8621.

TAX EFFECT

The rates of return presented are determined without regard to U.S. tax consequences. 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 performance results for the Composite are shown in comparison to indices. While the securities comprising the indices are not identical to those in any account in the Composite, the Company believes this may be useful in evaluating performance. The indices are not actively managed and do not reflect the deduction of any advisory or other fees and expenses.

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

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

Copyright MSCI 2017. 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.

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.

©2018 Driehaus Capital Management LLC

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