Driehaus Small/Mid Cap Growth Strategy

Key Features

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

Inception Date
February 1, 2012

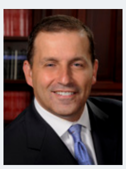
Composite Assets Under Management[1]
$125 million
Total Strategy Assets: $125 million

Firm Assets Under Management
$8.6 billion

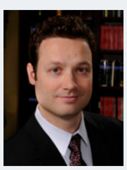
Investment Style
Growth equity

Available Investment Vehicle:
Separately managed account

Portfolio Managers



Jeff James
Portfolio Manager
28 years of investment experience



Michael Buck
Assistant Portfolio Manager
17 years of industry experience

[1]Composite 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.

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MARKET OVERVIEW

For US small and mid caps, the June quarter turned out to be a bullish one as smaller stocks hit new highs, powerfully outperforming the S&P 500. An accelerating economy and lower US corporate tax rates fueled earnings to new highs. These stellar earnings, record setting earnings revision ratios and a March quarter market correction of over ten percent combined to reduce equity valuations by a roughly three price per earnings (P/E) turns early in the quarter after the market reached frothy levels back in January. Other factors such as the looming trade war, the stronger US dollar and incrementally weaker overseas economies were headwinds for large cap US stocks but were less impactful for more US-centric small and midcap growth stocks.

The market's divergences have been positive for stock selection but have made the market outlook more complicated. In the bullish corner are record corporate earnings and robust economic growth. In the bearish corner are trade uncertainty, fears of peak growth rates, inflation pressures, monetary policy concerns and the flattening shape of the yield curve.

As the S&P 500 continues to consolidate in a sideways pattern, the outperformance of the NASDAQ and Russell 2500 in the June quarter and YTD reflect the outperformance of growth versus value and US centric markets versus non-US markets. The dispersion within the market has increased with some sectors dramatically outperforming others. Technology, health care and consumer discretionary have been healthy, with strong gains driven by stellar revenue and earnings trends and far less exposure to tariffs, trade and the dollar. Meanwhile, globally exposed cyclical sectors such as industrials and materials have lagged significantly.

Looking at the divergences further within technology, software and ecommerce have been very strong while semiconductors and hardware have lagged. Healthcare has been a leader as biotech and medical devices have been outperformers. Consumer discretionary has been dramatically stronger than consumer staples. Financials have been mixed as the flatter yield curve has held back bank stocks. Energy has lagged despite crude oil hitting three year highs.

Despite the market's concerns, investor risk appetite has remained healthy. With smaller caps and growth outperforming, IPO activity is the strongest in years in terms of the number of newly public companies, dollars raised and absolute price performance. The first half of the year saw the highest volume of IPOs since 2014, with 2018 on track to be one of the strongest years since 2000. Importantly, the IPO pipeline is as healthy as it has been since the middle of the last decade and the volume of deals is expected to remain strong well into 2019.

Market concerns can generally be put into two categories. First, inflation pressures and stronger economic growth have raised concerns about the pace of the Federal Open Market Committee's (FOMC) rate hikes. Inflation, in late June, finally hit the Fed's target of 2% (after nearly a decade of highly accommodative monetary policy). Inflationary pressures are increasing as economic strength, higher crude oil, labor shortages and the expected impact from tariffs take their toll. In the US, incredibly, there are now more job openings (6.7 million) than there are eligible job seekers to fill them.

As always, the interplay of economic growth, inflation and monetary policy will remain top of mind for the market. How monetary policy impacts the shape of the yield curve is a concern given its predictive power of recessions. Historically, however, it has taken quite some time for the curve to invert and a recession to ensue. For now, US economic growth is accelerating with the June quarter expected to post the highest GDP growth rate in years.

Second, and perhaps more concerning is the looming trade war. The highly unorthodox approach by President Trump to announce a wide range of tariffs on goods from key trading partners such as China and the European Union is certainly spooking the market and will have some negative impact on the economy and earnings. As tariffs are just going into effect in early July and countries reciprocate against the US, the actual impact will depend on how long the tariffs remain in place and the pace and outcome of trade negotiations. While Trump's objectives of fair and free trade on a reciprocal basis and protecting US intellectual property are sound as many policy imbalances exist, his political brinkmanship could be dangerous. Anecdotally, semiconductor and industrial companies have told us that the trade war rhetoric is hurting investment plans as there is uncertainty on many levels with no clarity as to what will actually happen. Supply chain decisions and investment spending have been paused according to some. While improved trade terms may ultimately be a positive end result, the process will be very complicated and how we get there is unclear.

As of early July, the stock market has been holding up remarkably well despite the protectionist announcements. Indeed, small and midcaps continue to act quite well and large caps continue to hold in, which thus far indicates that the market believes the economic impact on the US will be muted or that some resolution on trade will be reached. Of course, the bearish action in emerging markets and in some US cyclical sectors suggest some negative fundamental impact and a high degree of uncertainty about a resolution.

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PERFORMANCE REVIEW

For the second quarter, the Driehaus Small/Mid Cap Growth strategy outperformed its benchmark. The strategy returned 8.86%, net of fees, while the Russell 2500 Growth Index rose 5.53%.[1]

By sector, for the quarter, the strategy's relative outperformance was dominated by health care and consumer discretionary. Portfolio holdings in both sectors experienced strong earnings. The portfolio returns and the total contribution in each far exceeded the performance of those sectors in the benchmark. Financials, materials and information technology were modest outperformers. On the downside, industrials and energy narrowly underperformed, contributing negatively to the portfolio's total return for the quarter.

Health care's outperformance was led by significant gains in a broad number of biotech and medical device companies. Consumer discretionary had solid outperformance from apparel, specialty retail, diet/wellness, gaming and e-commerce companies. Banks and software companies drove outperformance within financials and information technology.

OUTLOOK & POSITIONING

Trade policy is the key concern for the market currently. The market is fearful that Trump's recently implemented policies are the start of a Trade War which would impact economic growth. Our view is that it will modestly impact the economy but US growth is currently strong enough to absorb the impact. Earnings on a case by case basis will also

[1]The performance data represents the strategy's composite of small/mid cap 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.***

be impacted, but the larger impact will be on investor sentiment and therefore market multiples. Given the generally positive performance of equities in early July, it is possible that the initial tariff shock is priced in and the outlook is shifting to the upcoming earnings season, but we will be on alert for any signs that changes in trade policy are resulting in an economic slowdown.

Corporate earnings should again be robust overall and particularly so for our portfolio companies. We believe the fundamental outlooks for the rest of the year will remain positive with a measured level of cautiousness for companies with exposure to exports and wage inflation. With a healthy earnings outlook, sustained economic growth and benign credit conditions, most key economic statistics and indicators will continue to trend positively. The equity market's breadth and leadership has been mixed but is driven by sector and end market exposures.

In terms of positioning, the strategy is overweight consumer discretionary, energy and health care. Consumer discretionary, information technology, health care and industrials are the four largest absolute weightings. The strategy is underweight materials, industrials, financials and consumer staples.

We look forward to the upcoming earnings season to assess the fundamental progress. We continue to hold and discover an exciting mix of companies that are early in their growth expansions. We are confident that these differentiated companies will gain market share, exceed expectations and will become larger companies over time.

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 strategy 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 July 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 July 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 6/30/18

	QTR	YTD	1 Year	3 Year	5 Year	Inception 2/1/12
				Annualized Total Return		
Driehaus Small/Mid Cap Growth Composite (Gross)	**9.02%**	**15.69%**	**35.01%**	**14.07%**	**16.01%**	**16.50%**
Driehaus Small/Mid Cap Growth Composite (Net)	**8.86%**	**15.31%**	**34.14%**	**13.29%**	**15.21%**	**15.72%**
Russell 2500® Growth Index (Benchmark)[1]	5.53%	8.04%	21.53%	10.86%	13.87%	14.55%

SECTOR PERFORMANCE ATTRIBUTION 2nd Quarter — 3/31/18 to 6/30/18

	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
Consumer Discretionary	23.35	2.71	15.17	1.22	0.28	0.84	1.12
Consumer Staples	1.38	0.24	2.12	0.21	-0.04	0.11	0.07
Energy	1.79	-0.01	1.54	0.15	0.01	-0.18	-0.17
Financials	7.01	0.49	8.53	0.14	0.04	0.43	0.48
Health Care	21.50	3.70	18.66	1.44	0.16	1.82	1.99
Industrials	14.62	-0.47	18.82	0.10	0.25	-0.56	-0.30
Information Technology	26.13	2.51	25.05	1.92	0.11	0.27	0.39
Materials	0.73	0.00	5.80	-0.04	0.34	0.00	0.34
Real Estate	1.50	0.11	3.24	0.28	-0.02	-0.04	-0.06
Telecomm. Services	0.67	-0.20	0.72	0.03	0.00	-0.24	-0.23
Utilities	0.00	0.00	0.36	0.02	0.01	0.00	0.01
Cash	1.30	0.01	0.00	0.00	-0.02	0.00	-0.02
Unassigned*	0.00	-0.16	0.00	0.00	-0.16	0.00	-0.16
Total	**100.00**	**8.92**	**100.00**	**5.47**	**0.97**	**2.47**	**3.45**

Data as of 6/30/18. Preliminary performance data.

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

*Unassigned refers to securities not recognized by Factset.

The performance data represents the strategy's composite of small/mid cap 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.**

[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.

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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. **Currency Effect** - The currency effect is the portion of the total effect the portfolio manager can potentially influence by using currency hedging. **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.

PORTFOLIO CHARACTERISTICS[1]

	Strategy	Benchmark
Number of Holdings	106	1,473
Weighted Avg. Market Cap (M)	$9,146	$4,951
Median Market Cap (M)	$6,662	$1,307
Active Share (3-year avg.)[4]	83.85	n/a

Market Cap Breakout (%)	Strategy	Benchmark
< $2.5 billion	7.3	28.3
$2.5 - $15 billion	77.0	71.7
> $15 billion	15.7	0.0

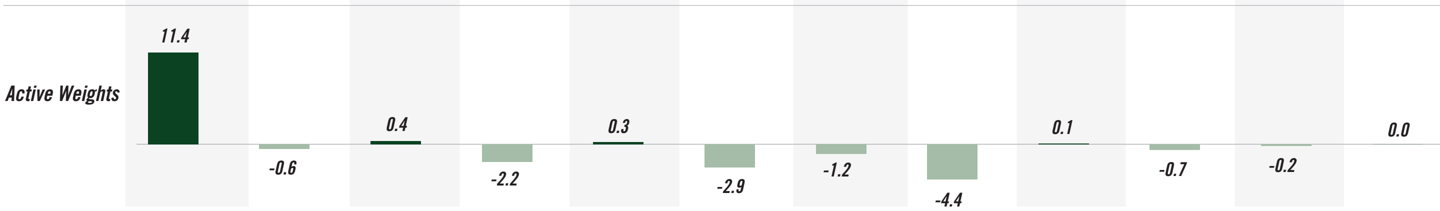
TOP 5 HOLDINGS[1] (as of 5/31/18)

Company	Sector	Description	% of Strategy
Loxo Oncology Inc	Health Care	Drug development company focused on genetically defined cancers	2.0
Insulet Corporation	Health Care	Medical device company that sells insulin pumps worldwide	1.9
Nutanix, Inc. Class A	Information Technology	A software vendor that converges server, virtualization, storage, and networking systems	1.9
RingCentral, Inc. Class A	Information Technology	A provider of global enterprise cloud communications and collaboration solutions	1.9
CoStar Group, Inc.	Industrials	Leading provider of commercial real estate information.	1.7

SECTOR WEIGHTS

Month-End Absolute Weights (%)

	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Telecomm. Services	Utilities	Cash
Strategy	28.0	1.4	2.3	5.2	22.3	14.2	23.3	0.7	2.6	0.0	0.0	0.0
Benchmark	16.6	2.0	1.9	7.4	22.0	17.1	24.5	5.1	2.5	0.7	0.2	0.0



Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance
Data as of 6/30/18. Benchmark: Russell 2500® Growth Index
[1]Portfolio characteristics represent the strategy's composite.
[2]Data is calculated monthly.
[3]Holdings subject to change.

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 SMALL/MID CAP GROWTH COMPOSITE
The Small/Mid Cap Growth Composite includes all unleveraged "small/mid cap growth" accounts over which DCM exercises discretionary investment authority of both cash and equities using the same investment objective and philosophy.

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 range at the time of purchase as those included in the Russell 2500® Growth Index.

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 at the beginning of the 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 small/mid accounts, valuations and returns are computed and stated in U.S. dollars. After January 1, 1990, 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. Leverage is not a part of the Company's investment strategy for this Composite.

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 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.

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

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