

# Driehaus Emerging Markets Growth Fund

## KEY FEATURES

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

## INCEPTION DATE

December 31, 1997

## FUND ASSETS UNDER MANAGEMENT

\$1,447 million

## FIRM ASSETS UNDER MANAGEMENT

\$8.4 billion

## INVESTMENT UNIVERSE

Emerging markets all cap equity

## INVESTMENT STYLE

Growth equity

## PORTFOLIO MANAGERS



**Howard Schwab**  
Lead Portfolio Manager  
15 years of experience



**Chad Cleaver, CFA**  
Portfolio Manager  
14 years experience



**Richard Thies**  
Portfolio Manager  
9 years of investment experience

## MARKET OVERVIEW

Much of the second quarter was fairly uneventful. The first 10 weeks witnessed a series of ebbs and flows in global asset prices, but equity markets were range bound and there were few pronounced trends. This environment gave way to a wave of late quarter volatility. The Brexit outcome caught the market off-guard and sent investors rushing to make sense of its implications and the newly increased level of global macro uncertainty. Emerging market equities recovered from a sharp two-day post-Brexit selloff to finish the quarter up 0.8%, in US dollar terms. Unlike in prior quarters, currency was not a major factor as the emerging markets currency basket we track was up only 0.5%.

Brazil continued its first quarter trend, once again delivering the best performance among major emerging markets. The market gained 13.9% in US dollar terms (supported by 11.8% appreciation of the currency), as commodity price appreciation, continued improvement on the political front, and early signs of macro stabilization provided tailwinds. The Philippines was the next best performer (+5.9%) as the election of strongman President Rodrigo Duterte raised hopes that he would reenergize the country's investment cycle (particularly much-needed infrastructure investments) and make progress in stamping out corruption.

Poland was the worst performing major market, down 17.3% for the quarter. Investors continue to shy away from the

country in response to President Kaczynski's ongoing moves toward populist economic policies, increased government involvement in listed companies, and reduced independence of key institutions. These concerns were exacerbated by Poland's position as one of the countries most likely to be affected by a weaker UK and European growth outlook. Turkey was another significant underperformer (-7.7%). Politics again played a central role, as President Erdogan's reshuffle of the country's prime minister and cabinet raised concerns about his ongoing consolidation of power and the government's move toward greater authoritarianism.

From a sector perspective, consumer staples led the way (+6.0%) as investors gravitated toward the superior earnings visibility of staples companies in Brazil, Korea, India and Taiwan. Energy was the next best performer (+2.8%), buoyed by a 25% rally in the oil price as the commodity built upon its first quarter gains. The worst performing sector was industrials, which was down 2.6% as investors continued to worry about the weak global growth outlook and its implications for the cyclical sector. Such global growth concerns carried over to another cyclical sector, consumer discretionary, which was the second worst performer (-2.3%). North Asia was a particular area of weakness in the discretionary sector.



## PERFORMANCE REVIEW

The Driehaus Emerging Markets Growth Fund outperformed the MSCI Emerging Markets Index by 265 basis points during the quarter as the fund returned 3.45% and the index rose 0.80%.<sup>1</sup> From a style factor perspective, many of the first quarter headwinds reversed as quality, earnings revisions, momentum, and growth all outperformed.

China was the fund's top country contributor during the quarter, driven by strong performance of holdings in the consumer staples and technology sectors. While

China's overall growth outlook remains challenged, we continue to find opportunities in areas of the market with structural growth drivers.

These areas include consumption and Internet adoption, including development of the country's Internet ecosystem. Russia was another key performance driver. While Russia's structural growth prospects are subdued, the economy is showing signs of cyclical improvement off a low base, which has coincided with strengthening of the oil price. This second derivative improvement has presented opportunities in cyclical areas like banking, in addition to structural themes we continue to play such as the shift in advertising budgets from offline to online.

South Africa was the fund's largest country detractor. We have maintained a material underweight to the market largely due to concerns about its macro picture. This served as a headwind during the quarter as South Africa outperformed, but more importantly some of our holdings lagged the local market due to weak earnings delivery. Mexico was another notable drag on performance due to both allocation and selection effects. Our market overweight worked against us as investors rotated out of Mexico and into Brazil (there was a performance spread of 21 percentage points

between the two markets). Several of our holdings also underperformed the local market for a variety of reasons, ranging from earnings disappointment to valuation derating.

Financials led the fund's performance at the sector level, as holdings in India, Russia and the Philippines outperformed, while we also benefited from underweights to areas like China, Poland and Korea. Tech was another notable contributor as a couple large Internet positions in China

and Russia significantly outperformed. Health care was the largest sector drag, due to a combination of overweighting the underperforming sector and stock selection. Industrials also detracted, as we were correctly underweight the underperforming sector but several of our holdings trailed their peers.

## OUTLOOK AND POSITIONING

Our view immediately following Brexit was that there was a mix of negative and positive implications as a result of the vote. On the negative side, we were wary of potential weakening of the global growth outlook from slower UK/European growth, possible upside pressure on the US dollar, and increased market

uncertainty and European political risk. On the positive side, we envisioned a lower-for-longer US interest rate environment and an enhanced global search for yield. Thus far, central bank intervention and contained European credit market volatility have caused the positives to outweigh the negatives, at least from an emerging markets equity perspective. We continue to see the relative case for emerging markets over developed markets as compelling, a view that is strengthened by the Brexit developments.

We continue to see the relative case for emerging markets over developed markets as compelling, a view that is strengthened by the Brexit developments.

<sup>1</sup>Performance Disclosure

The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. The Fund will charge a redemption fee of 2.00% on shares held less than 60 days. Performance data represents the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change, while cumulative total return reflects aggregate change. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information. Sources: Driehaus Capital Management LLC, Factset, Reuters and MSCI Indices

Portfolio positioning did not change significantly during the quarter, although at the margin we added some exposure to cyclical sectors (industrials and energy) and carry countries (Brazil). The fund remains somewhat defensively positioned as the top sector underweights are all cyclicals (financials, materials, energy) while the largest overweight is consumer staples. We continue to see much of the YTD move in emerging market equities as being driven more by valuation rerating and cost of equity compression, than true growth improvement. That being said, we are mindful of the shifting composition of earnings revisions and market leadership, and we continue to seek areas of the market that are witnessing positive inflections and sustainable second derivative improvements in their growth prospects. Factors that could alter our views and

positioning are conviction in sustained US dollar weakness or global stimulus efforts that alter the outlook for global growth and inflation, which is particularly relevant given our large underweight to the North Asia region. In our opinion, the US dollar remains the single most important global macro variable, given its impact on earnings growth, valuation, factor performance, and sector/country leadership in the emerging markets equity universe.

**In our opinion, the US dollar remains the single most important global macro variable, given its impact on earnings growth, valuation, factor performance, and sector/country leadership in the emerging markets equity universe.**

---

*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 18, 2016 and are subject to change at any time due to changes in market or economic conditions. The material has not been updated since July 18, 2016 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 6/30/16                            | Annualized Total Return |              |               |               |               |              | Inception<br>12/31/97 |
|--|-------------------------|--------------|---------------|---------------|---------------|--------------|-----------------------|
|  | QTR                     | YTD          | 1 Year        | 3 Year        | 5 Year        | 10 Year      |                       |
| <b>Driehaus Emerging Markets Growth Fund</b>         | <b>3.45%</b>            | <b>6.11%</b> | <b>-9.17%</b> | <b>-1.09%</b> | <b>-0.51%</b> | <b>5.26%</b> | <b>11.18%</b>         |
| MSCI Emerging Markets Index <sup>1</sup> (Benchmark) | 0.80%                   | 6.60%        | -11.71%       | -1.21%        | -3.44%        | 3.88%        | 6.64%                 |
| MSCI Emerging Markets Growth Index <sup>2</sup>      | 1.83%                   | 5.57%        | -9.60%        | 0.33%         | -1.86%        | 3.96%        | 6.25%                 |

**ANNUAL FUND OPERATING EXPENSES<sup>3</sup>**

|                 |       |                 |       |                                       |       |
|-----------------|-------|-----------------|-------|---------------------------------------|-------|
| Management fee: | 1.50% | Other expenses: | 0.15% | Total annual fund operating expenses: | 1.65% |
|-----------------|-------|-----------------|-------|---------------------------------------|-------|

**SECTOR PERFORMANCE ATTRIBUTION** 2nd Quarter — 3/31/16 to 6/30/16

|                            | Driehaus Emerging Markets Growth Fund<br>(Port) (%) |                      |                           | MSCI Emerging Markets Index <sup>1</sup><br>(Bench) (%) |                       |                               | Attribution Analysis<br>(%) |
|----------------------------|---|----------------------|---------------------------|---|-----------------------|-------------------------------|-----------------------------|
|                            | Port Avg.<br>Weight                                 | Port Total<br>Return | Port Contrib<br>To Return | Bench<br>Avg.Weight                                     | Bench Total<br>Return | Bench<br>Contrib<br>To Return | Total Effect                |
| MSCI/GICS Sector           |   |                      |                           |   |                       |                               |                             |
| Consumer Discretionary     | 8.39  | 0.08                 | 0.02                      | 8.28  | -2.80                 | -0.24                         | 0.24                        |
| Consumer Staples           | 15.31   | 4.77                 | 0.72                      | 8.24  | 4.55                  | 0.37                          | 0.32                        |
| Energy                     | 4.21  | 9.47                 | 0.44                      | 7.63  | 1.92                  | 0.10                          | 0.25                        |
| Financials                 | 23.60   | 5.30                 | 1.32                      | 27.22   | 0.73                  | 0.14                          | 1.14                        |
| Health Care                | 4.09  | -3.62                | -0.20                     | 2.66  | 0.36                  | 0.01                          | -0.22                       |
| Industrials                | 5.71  | -7.47                | -0.29                     | 6.50  | -3.10                 | -0.23                         | -0.20                       |
| Information Technology     | 19.27   | 5.13                 | 1.21                      | 22.62   | 2.66                  | 0.77                          | 0.41                        |
| Materials                  | 3.81  | 1.05                 | 0.09                      | 6.76  | -1.15                 | -0.13                         | 0.20                        |
| Telecommunication Services | 4.78  | 2.74                 | 0.17                      | 6.82  | 0.04                  | -0.01                         | 0.17                        |
| Utilities                  | 3.68  | 10.59                | 0.34                      | 3.28  | 0.79                  | 0.02                          | 0.31                        |
| Cash                       | 6.13  | -6.42                | -0.38                     | --  | --                    | --                            | 0.00                        |
| Unassigned*                | 1.03  | -1.95                | -0.02                     | --  | --                    | --                            | 0.00                        |
| <b>Total</b>               | <b>100.00</b>                                       | <b>3.42</b>          | <b>3.42</b>               | <b>100.00</b>   | <b>0.80</b>           | <b>0.80</b>                   | <b>2.62</b>                 |

Data as of 6/30/16

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance, Morgan Stanley Capital International and Standard & Poor's Global Industry Classification Standard. The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Performance data represents the rate that an investor would have earned (or lost), during the given month, on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information. <sup>1</sup>Benchmark: 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 25 global emerging markets. <sup>2</sup>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. <sup>3</sup>Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2016. It is important to understand that a decline in the Fund's average net assets due to unprecedented market volatility or other factors could cause the Fund's expense ratio for the current fiscal year to be higher than the expense information presented. 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. Definitions of the attribution analysis can be found in the notes on page 5. \*Unassigned refers to securities that are not recognized by Factset.

**COUNTRY PERFORMANCE ATTRIBUTION** 2nd Quarter — 3/31/16 to 6/30/16 (U.S. Dollar Denominated)

| MSCI Country         | Driehaus Emerging Markets Growth Fund<br>(Port) (%) |                      |                           | MSCI Emerging Markets Index <sup>1</sup><br>(Bench) (%) |                       |                               | Attribution Analysis (%)  |
|----------------------|---|----------------------|---------------------------|---|-----------------------|-------------------------------|---------------------------|
|                      | Port Avg.<br>Weight                                 | Port Total<br>Return | Port Contrib<br>To Return | Bench<br>Avg.Weight                                     | Bench Total<br>Return | Bench<br>Contrib<br>To Return | Total Effect <sup>2</sup> |
| Argentina            | 1.17  | 12.10                | 0.08                      | --  | --                    | --                            | 0.05                      |
| Austria              | 0.35  | -5.80                | -0.02                     | --  | --                    | --                            | -0.01                     |
| Brazil               | 5.58  | 17.84                | 1.30                      | 6.82  | 13.94                 | 0.88                          | 0.23                      |
| Canada               | 0.56  | 29.74                | 0.16                      | --  | --                    | --                            | 0.15                      |
| Chile                | 0.52  | -3.82                | 0.00                      | 1.26  | 2.51                  | 0.02                          | 0.01                      |
| China                | 19.12   | 3.61                 | 0.88                      | 21.26   | 0.72                  | 0.21                          | 0.65                      |
| Colombia             | --  | --                   | --                        | 0.49  | 2.85                  | 0.01                          | -0.01                     |
| Czech Republic       | --  | --                   | --                        | 0.18  | -3.60                 | -0.01                         | 0.01                      |
| Egypt                | 0.44  | 4.16                 | 0.01                      | 0.18  | 0.95                  | 0.00                          | 0.01                      |
| France               | 0.11  | -7.76                | -0.08                     | --  | --                    | --                            | -0.11                     |
| Greece               | 0.31  | -11.49               | -0.08                     | 0.44  | -13.89                | -0.05                         | -0.06                     |
| Hong Kong            | 3.86  | 1.47                 | 0.12                      | 3.32  | -2.30                 | -0.08                         | 0.14                      |
| Hungary              | 1.58  | -2.20                | -0.03                     | 0.30  | -4.67                 | -0.01                         | -0.03                     |
| India                | 11.10   | 3.63                 | 0.37                      | 8.35  | 3.72                  | 0.32                          | 0.11                      |
| Indonesia            | 2.93  | 12.56                | 0.39                      | 2.67  | 4.45                  | 0.12                          | 0.27                      |
| Jordan               | 0.14  | -8.97                | -0.05                     | --  | --                    | --                            | -0.07                     |
| Luxembourg           | --  | --                   | --                        | 0.10  | -15.84                | -0.02                         | 0.02                      |
| Macau                | 1.47  | -14.99               | -0.25                     | --  | --                    | --                            | -0.28                     |
| Malaysia             | 0.68  | -3.18                | -0.03                     | 3.27  | -5.93                 | -0.23                         | 0.22                      |
| Mexico               | 6.99  | -7.08                | -0.62                     | 4.31  | -6.94                 | -0.35                         | -0.24                     |
| Netherlands          | 3.09  | 12.08                | 0.39                      | 0.48  | -12.61                | -0.07                         | 0.41                      |
| Norway               | 0.17  | -1.37                | 0.01                      | --  | --                    | --                            | 0.03                      |
| Pakistan             | 0.41  | 14.67                | 0.06                      | --  | --                    | --                            | 0.05                      |
| Panama               | 0.35  | -32.34               | -0.24                     | --  | --                    | --                            | -0.20                     |
| Peru                 | 0.73  | 9.12                 | 0.13                      | 0.32  | 25.64                 | 0.07                          | -0.03                     |
| Philippines          | 1.04  | 17.75                | 0.19                      | 1.50  | 5.91                  | 0.10                          | 0.09                      |
| Poland               | --  | --                   | --                        | 1.26  | -17.32                | -0.25                         | 0.26                      |
| Qatar                | --  | --                   | --                        | 0.94  | -4.86                 | -0.05                         | 0.06                      |
| Russia               | 3.16  | 14.41                | 0.48                      | 3.89  | 4.19                  | 0.15                          | 0.35                      |
| South Africa         | 2.47  | -15.22               | -0.29                     | 6.68  | 3.10                  | 0.20                          | -0.53                     |
| South Korea          | 8.43  | 2.68                 | 0.16                      | 15.22   | -1.21                 | -0.27                         | 0.45                      |
| Switzerland          | 0.01  | 6.40                 | 0.02                      | --  | --                    | --                            | 0.00                      |
| Taiwan               | 7.42  | 3.85                 | 0.38                      | 12.05   | 1.00                  | 0.17                          | 0.20                      |
| Thailand             | 1.98  | 13.02                | 0.25                      | 2.25  | 2.92                  | 0.07                          | 0.19                      |
| Turkey               | 1.05  | -4.82                | -0.03                     | 1.46  | -7.65                 | -0.12                         | 0.10                      |
| United Arab Emirates | 1.01  | -5.65                | -0.07                     | 0.91  | 0.06                  | -0.01                         | -0.09                     |
| United Kingdom       | 1.18  | 6.21                 | 0.21                      | --  | --                    | --                            | 0.25                      |
| United States        | 4.48  | 0.27                 | 0.02                      | 0.10  | -2.46                 | -0.01                         | -0.07                     |
| Cash                 | 6.13  | -6.42                | -0.38                     | --  | --                    | --                            | -0.00                     |
| <b>Total</b>         | <b>100.00</b>                                       | <b>3.42</b>          | <b>3.42</b>               | <b>100.00</b>   | <b>0.80</b>           | <b>0.80</b>                   | <b>2.62</b>               |

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. <sup>1</sup>A definition of this index can be found on page 4. <sup>2</sup>Definitions of the attribution analysis can be found below.

**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.

| SECTOR WEIGHTS         |       |           |                | COUNTRY WEIGHTS |                 |           |       |                      |       |       |
|------------------------|-------|-----------|----------------|-----------------|-----------------|-----------|-------|----------------------|-------|-------|
|                        | Fund  | Benchmark | Active Weights |                 | Fund            | Benchmark | Fund  | Benchmark            |       |       |
| Consumer Discretionary | 8.1%  | 8.6%      | -0.6%          |                 | Argentina       | 1.3%      | 0.0%  | Peru                 | 1.9%  | 0.3%  |
| Consumer Staples       | 14.6% | 8.3%      | 6.3%           |                 | Brazil          | 9.2%      | 7.2%  | Philippines          | 1.1%  | 1.6%  |
| Energy                 | 5.4%  | 7.3%      | -1.9%          |                 | Chile           | 0.0%      | 1.2%  | Poland               | 0.0%  | 1.1%  |
| Financials             | 21.3% | 26.4%     | -5.1%          |                 | China/Hong Kong | 21.9%     | 25.8% | Qatar                | 0.0%  | 0.9%  |
| Health Care            | 3.8%  | 2.7%      | 1.2%           |                 | Colombia        | 0.0%      | 0.5%  | Russia               | 2.2%  | 3.7%  |
| Industrials            | 8.2%  | 6.1%      | 2.2%           |                 | Czech Republic  | 0.0%      | 0.2%  | South Africa         | 1.9%  | 6.8%  |
| Information Technology | 19.9% | 24.2%     | -4.3%          |                 | Egypt           | 0.4%      | 0.2%  | South Korea          | 7.0%  | 14.6% |
| Materials              | 2.8%  | 6.5%      | -3.7%          |                 | Greece          | 0.6%      | 0.3%  | Taiwan               | 7.8%  | 12.1% |
| Telecomm. Services     | 4.1%  | 6.6%      | -2.5%          |                 | Hungary         | 1.2%      | 0.3%  | Thailand             | 1.9%  | 2.3%  |
| Utilities              | 3.6%  | 3.2%      | 0.4%           |                 | India           | 9.4%      | 8.4%  | Turkey               | 1.3%  | 1.3%  |
| Cash                   | 7.5%  | 0.0%      | 7.5%           |                 | Indonesia       | 3.3%      | 2.7%  | United Arab Emirates | 1.2%  | 0.9%  |
| Unassigned             | 0.7%  | 0.0%      | 0.7%           |                 | Malaysia        | 0.5%      | 3.0%  | Other <sup>1</sup>   | 12.9% | 0.6%  |
|                        |       |           |                |                 | Mexico          | 5.3%      | 4.1%  | Cash                 | 7.2%  | 0.0%  |
|                        |       |           |                |                 | Pakistan        | 0.4%      | 0.0%  |                      |       |       |

TOP 5 HOLDINGS<sup>2</sup> (as of 5/31/16)

| Company  | Sector                 | Country   | % of Fund |
|--|------------------------|-----------|-----------|
| Tencent Holdings Ltd.                                      | Information Technology | Hong Kong | 5.8%      |
| HDFC Bank Limited Sponsored ADR                            | Financials             | India     | 4.1%      |
| AIA Group Limited  | Financials             | Hong Kong | 2.7%      |
| Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR | Information Technology | Taiwan    | 2.6%      |
| Kweichow Moutai Co., Ltd. Class A                          | Consumer Staples       | China     | 2.1%      |

## PORTFOLIO CHARACTERISTICS

|   | Fund     | Benchmark | 3-year period      | Fund  | Benchmark |
|---|----------|-----------|--------------------|-------|-----------|
| Number of Holdings                      | 112      | 836       | Annualized Alpha   | -0.31 | n/a       |
| Weighted Avg. Market Cap (M)            | \$53,378 | \$49,177  | Sharpe Ratio       | -0.09 | -0.08     |
| Median Market Cap (M)                   | \$10,545 | \$5,312   | Information Ratio  | 0.02  | n/a       |
| Est. 3-5 Year EPS Growth                | 15.0%    | 11.3%     | Beta               | 0.76  | 1.00      |
| Active Share (3-year avg.) <sup>3</sup> | 83.94    | n/a       | Standard Deviation | 13.28 | 16.51     |
| <b>Market Cap Breakout</b>              |          |           | Tracking error     | 5.79  | 0.00      |
| < \$5 billion                           | 16.9%    | 16.1%     | R-squared          | 0.90  | 1.00      |
| \$5 - \$15 billion                      | 29.1%    | 29.7%     |                    |       |           |
| > \$15 billion                          | 54.0%    | 54.2%     |                    |       |           |

Sources: Driehaus Capital Management LLC, Factset Research Systems, Inc., eVestment Alliance  
Data as of 6/30/16. Benchmark: MSCI Emerging Markets Index

Driehaus Securities LLC, Distributor

<sup>1</sup>Represents companies domiciled in developed countries that have significant emerging markets exposures. <sup>2</sup>Holdings subject to change. <sup>3</sup>Data is calculated monthly. The Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. During certain periods, the Fund has benefited from unusually strong market conditions. At times, a significant portion of a Fund'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 Fund with a smaller asset base, and the Fund may not experience similar performance results as its assets grow. **Investments in overseas markets can pose more risks than U.S. investments, and the Fund's share prices are expected to be more volatile than that of a U.S.-only fund.** In addition, the Fund's returns will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which the Fund invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the Fund's prospectus. **Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (800) 560-6111 or visit www.driehaus.com. Please read the prospectus carefully before investing.**

**TERMS:** **Active share** represents the share of portfolio holdings that differ from the benchmark index holdings. Average drawdown is the arithmetic average of declines in value during a given period of time. Downside risk is a measure of the average deviations of a negative return series. A large downside risk implies that there have been large swings or volatility in the manager's return series. **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. **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** measures the amount of active risk that is being taken by a manager. Tracking error accounts for the deviation away from the benchmark and does not indicate in which direction it occurred, either positive or negative. Source: eVestment Alliance. **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. **Sharpe ratio** is calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation. **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.