

TAX-EXEMPT SUSTAINABLE STRATEGY REVIEW AND OUTLOOK

First Quarter 2024

Municipal bond yields drifted modestly higher during the first quarter of 2024 following the sharp rally in interest rates at the end of 2023. The Brown Advisory Tax-Exempt Sustainable strategy outperformed its benchmark, the Bloomberg 1-10 Year Blend Municipal Bond Index by +36 basis points (bp) during the quarter, returning -0.09%, net of fees, compared to -0.37% for the Index. Strategy returns were bolstered by a combination of active curve positioning, individual bond selection, and solid downside protection.

The U.S. economy showed surprising strength in the first quarter of 2024, particularly on the labor front. Job gains remained high, while inflation remained fairly rangebound at levels above the Fed's 2% target. This ongoing resilience in both economic data and inflation led to a somewhat more hawkish message by the Fed, and the market debate shifted from the importance of timing the first rate cut to a Fed communicating a "no rush to cut" posture for now. The pushing back of the beginning of Fed cuts, along with the possibility of short-term rates staying "higher for longer" put some modest price pressure on investment grade bonds during the quarter.

Within the municipal bond market, the largest yield moves were experienced on the front-end of the yield curve. Yields on the ultra-short, front-end of the curve (one-year and shorter) moved higher by more than 60bps for the period, while yields in the ten-year range moved higher by only 25bps. These moves caused the municipal yield curve to invert to record levels, with one-year municipals outyielding 10-year munis by 73bps by the end of the quarter.

The magnitude of this curve inversion has led to some very compelling risk-adjusted opportunities for high-quality yield in short duration bonds. We view the possible evolution of a higher-for-longer short-term yield environment, with its prospects of increased income, as generally favorable for bond investors, and particularly positive for our strategy positioning.

We currently hold close to a 25% weighting in our strategy in bonds with durations shorter than one-year, with close to a 50% total weighting in durations shorter than three-years. This positioning is a material

NAME	3-MONTH RETURN (%)	YTD RETURN (%)	1-YEAR RETURN (%)	3-YEAR* RETURN (%)	5-YEAR* RETURN (%)	ITD RETURN (09/30/2014)
Tax Exempt Sustainable Composite (Gross of fees)	-0.01	-0.01	3.38	-0.13	1.46	1.84
Tax Exempt Sustainable Composite (Net of fees)	-0.09	-0.09	3.05	-0.45	1.13	1.51
Bloomberg 1-10 Year Blend Municipal Bond Index	-0.37	-0.37	2.18	-0.01	1.44	1.83

*Annualized Returns

overweight compared to our benchmark and comprised the largest positive relative performance driver for the strategy this quarter, as it provided defensive income generation for the portfolio as yields drifted higher.

We are also materially underweight bonds in the 3-7 year duration range, which is the most inverted portion of the yield curve. It comprises some of the least attractive relative values compared to both shorter-duration, and longer-duration bonds. The inversion on the front of the curve, along with the possibility of short-term rates staying higher-for-longer, has only increased our level of conviction to the opportunity set in high-quality, short duration spread sectors.

Within those short-duration holdings we have continued to actively add exposure to municipal floating-rate securities, short-duration municipal housing programs, gas prepayment bonds, and defensive short-call structures. We believe that short-duration floaters represent a very attractive opportunity to earn above market yields with very minimal price volatility. We expect these structures will continue to provide consistent value (and income) in a higher-for-longer environment. Within municipal housing, many state housing finance authorities have a variety of both single-family and multi-family programs designed to provide access and affordability to lower income residents. We have found value in many of these short-duration government supported programs. Gas prepayment bonds are tax-exempt municipals issued by public utilities to lock-in long-term natural gas supplies at discount prices. Gas is typically supplied and guaranteed through large investment bank or commodity supplier partners whose credit also provides support for the bonds.

(Continued on the following page)

TAX-EXEMPT SUSTAINABLE STRATEGY REVIEW AND OUTLOOK

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Within gas prepays, we typically favor either short-duration fixed-rate or floating-rate structures. These bonds have been an area of issuance growth within the municipal market, and we are now beginning to see prepaid renewable electricity issues coming to market with similar structures.

We generally like these high-quality short-duration opportunities because they provide a defensive way to add yield to the portfolio while also helping to reduce credit spread duration. Like other U.S. investment grade bond markets, municipal bond credit spreads are near historically tight levels across most investment grade ratings categories. These tight municipal bond credit spreads are, in our view, justified by solid fundamentals across the broad market, but we still have higher conviction in our ability to generate above market income via yield curve and bond structure opportunities over credit beta.

To reiterate however, we believe municipal credit remains solid. According to Bloomberg and Moody's, 14 states now have a better credit rating than the U.S. sovereign rating. More broadly, 2023 represented the third consecutive year for rated municipal borrowers where ratings agency upgrades substantially outpaced downgrades (4-to-1 last year, according to Moody's). This dynamic has been partially the result of the record level of federal fiscal stimulus received by state and local governments (and their agencies), but municipal issuers have also benefitted from generally more conservative financial management.

According to Bloomberg reports, municipalities are also better insulated from the rising cost of debt service financing that the U.S. Government is currently experiencing due to the growth of U.S. debt issuance and elevated interest costs. By way of comparison, the total U.S. Treasury debt outstanding has roughly tripled since 2010, to \$34 trillion. Total municipal debt outstanding has remained virtually unchanged, at \$4 trillion. According to CATO Institute, this translates to states having average debt / GDP levels below 20%, while the U.S. Federal Government's debt as a % of GDP has increased to 100%. It is also worth mentioning that states generally have balanced budget requirements based on constitutional

rules that prohibit spending more than they collect on a given fiscal year, while the U.S. Federal government's budget deficit has grown to upwards of \$800 billion.

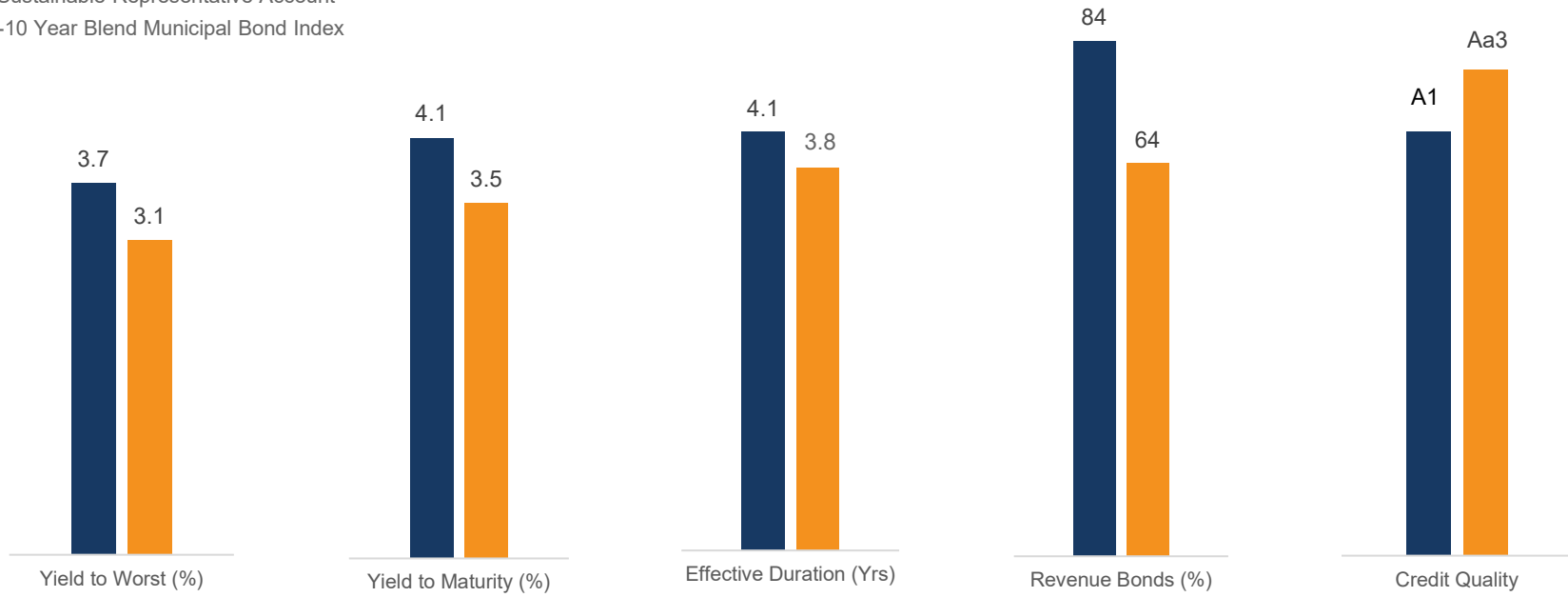
As we progress deeper into the year and this economic cycle, we believe macroeconomic uncertainty will likely remain at the front of investors' minds. Muni credit fundamentals are generally solid, but federal stimulus funds are being spent down and the economic cycle may be growing long in the tooth. The market will also have a sharp focus on the upcoming election season. Control of the White House and Congress could elevate market volatility generally, while changes in tax rates could specifically impact demand for municipal bonds. We will be watching these policy issues very closely. Yet, we believe the worst of the persistent negative sentiment within the municipal asset class is behind us, and now munis appear poised to serve more of their traditional roles such as providing diversification, capital preservation, and tax-efficient income.

(Continued on the following page)

PORTFOLIO ATTRIBUTES

First Quarter 2024 Tax-Exempt Sustainable Representative Account as of 03/31/2024

- Tax-Exempt Sustainable Representative Account
- Bloomberg 1-10 Year Blend Municipal Bond Index



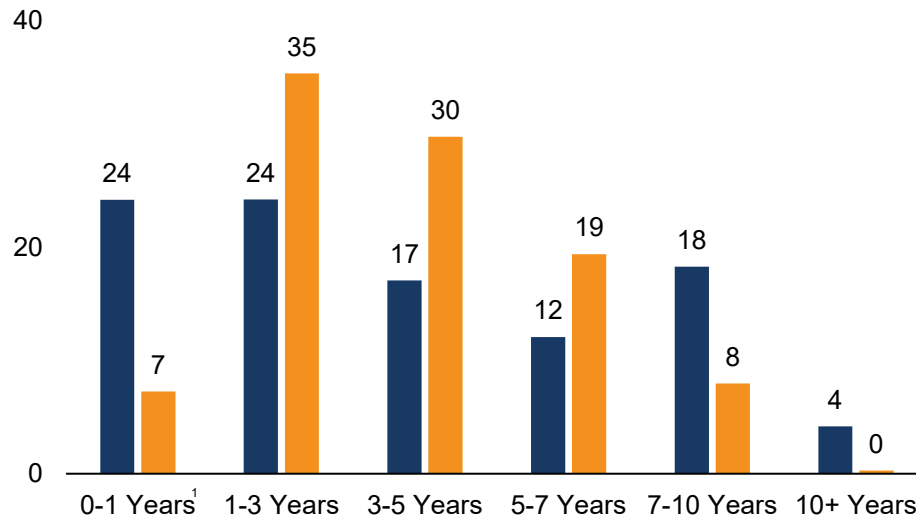
DURATION AND QUALITY DISTRIBUTIONS

First Quarter 2024

Duration Distribution

Percentage Weight

Rep Account 4.1
Benchmark 3.8



■ Tax-Exempt Sustainable Rep. Account
■ Bloomberg 1-10 Year Blend Municipal Bond Index

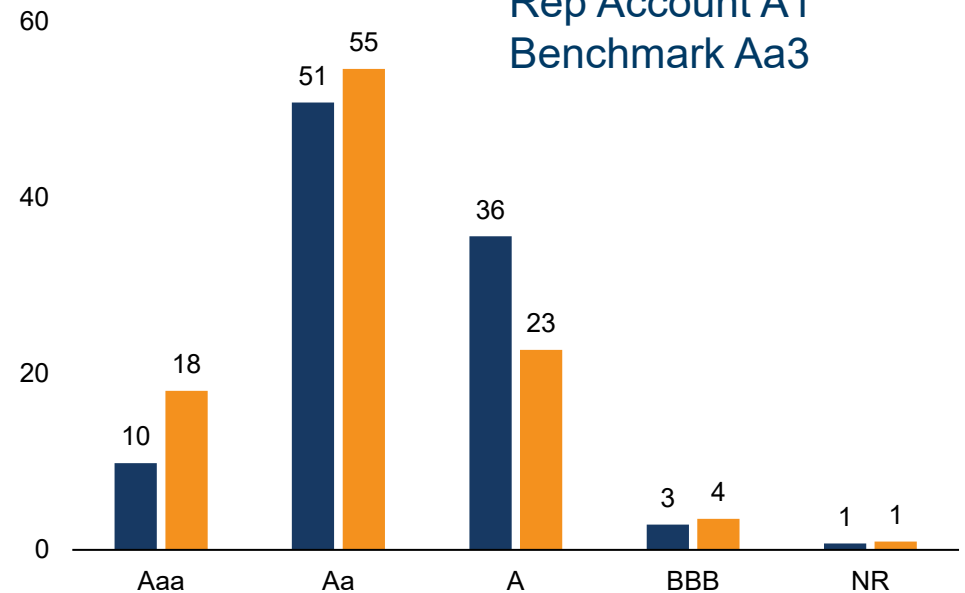
Source: FactSet, Bloomberg.

- Floating-rate securities and short-callable, high-coupon “kicker” bonds make up the majority of our ultrashort duration.
- We are underweight 1-5 year bonds because we believe that part of the yield curve is overvalued.
- We are overweight higher quality 5-10 year bonds which we view as having an attractive relative valuation.

Quality Distribution

Percentage Weight

Rep Account A1
Benchmark Aa3



■ Tax-Exempt Sustainable Rep. Account
■ Bloomberg 1-10 Year Blend Municipal Bond Index

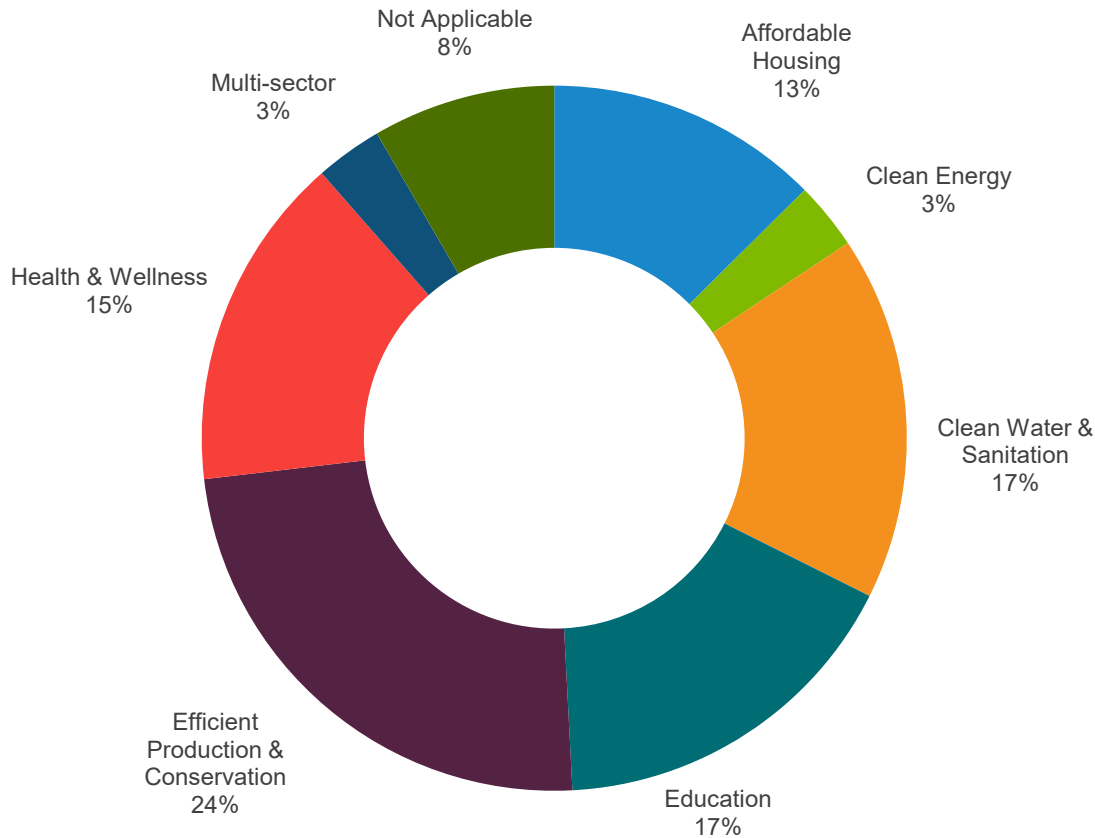
Source: FactSet; Bloomberg.

- We focus on bottom-up credit and sector selection to drive investment performance, rather than hugging a benchmark.
- Our focus on revenue-backed issues, from sectors like health care and utilities, tends to create a more balanced ratings distribution than the benchmark. We view our credit expertise as a strong differentiating factor.

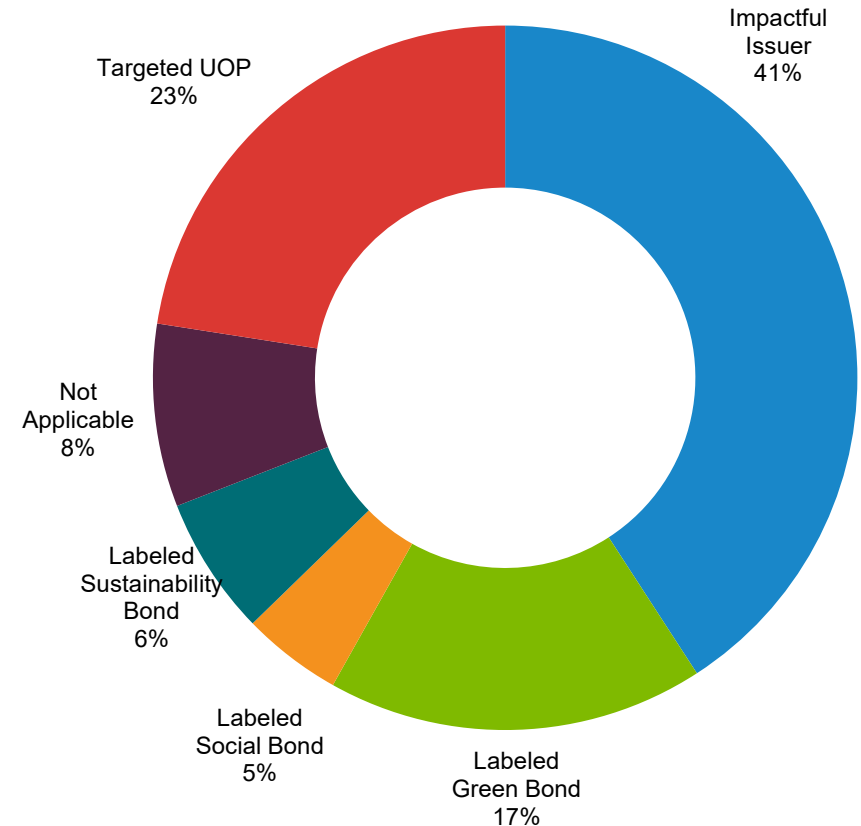
TAX-EXEMPT SUSTAINABLE FIXED INCOME

Impact Distribution as of 03/31/2024

Impact Distribution



Impact Source



Source: FactSet. Impact breakdowns are based on a representative Tax-Exempt Sustainable Fixed Income account, include cash and equivalents and are provided as Supplemental Information. *NA refers to cash and equivalents, treasuries, and sustainability-related neutral securities. Numbers may not total due to rounding. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

AVERAGE WEIGHT DETAIL BY SECTOR

First Quarter 2024



SECTOR	TAX-EXEMPT SUSTAINABLE REP ACCOUNT	BLOOMBERG 1-10 YEAR BLEND MUNICIPAL BOND INDEX	CONTRIBUTION TO RETURN (GROSS)			CONTRIBUTION TO RETURN (NET)		
			AVERAGE WEIGHT (%)	AVERAGE WEIGHT (%)	BROWN ADVISORY (%)	BENCHMARK (%)	DIFFERENCE (%)	BROWN ADVISORY (%)
General Obligation	14.3	31.5	-0.06	-0.19	0.13	-0.07	-0.19	0.12
Hospital/CCRC	14.3	5.9	0.11	0.00	0.11	0.10	0.00	0.10
Ports/Airports	13.5	6.0	0.11	0.00	0.11	0.10	0.00	0.10
Lease/Housing	12.6	4.2	-0.02	-0.02	0.00	-0.03	-0.02	-0.01
Education	11.7	5.3	-0.02	-0.03	0.01	-0.03	-0.03	0.00
Tax Revenue	9.6	10.7	0.02	-0.06	0.08	0.01	-0.06	0.07
Utilities	8.3	16.3	0.02	-0.01	0.03	0.01	-0.01	0.02
Other Transportation	6.7	8.8	0.00	-0.04	0.04	0.00	-0.04	0.04
Miscellaneous Revenue	6.1	6.5	-0.02	-0.02	0.00	-0.03	-0.02	-0.01
Cash	2.1	--	0.04	--	0.04	0.04	--	0.04
Pre-Refunded	1.0	4.8	0.00	0.00	0.00	0.00	0.00	0.00
Total	100	100	0.18	-0.37	0.55	0.10	-0.37	0.47

Source: FactSet and Brown Advisory calculations. Portfolio information is based on a representative Tax-Exempt Sustainable account and is provided as Supplemental Information. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. Net of fees returns are calculated by adjusting gross of fees returns by the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV, applied on a monthly basis and allocated pro rata based on position weight. Actual fees may be lower based on assets under management and other factors. Net of fees returns for actual accounts may therefore differ from the returns shown above. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions. Past performance is not indicative of future results.

AVERAGE WEIGHT BY DURATION AND CREDIT QUALITY

First Quarter 2024

DURATION	TAX-EXEMPT NATIONAL MUNICIPAL BOND REP ACCOUNT	BLOOMBERG 1-10YR MUNI BLEND	CONTRIBUTION TO RETURN (GROSS)			CONTRIBUTION TO RETURN (NET)		
DURATION RANGE	AVERAGE WEIGHT (%)	AVERAGE WEIGHT (%)	BROWN ADVISORY (%)	BENCHMARK (%)	DIFFERENCE (%)	BROWN ADVISORY (%)	BENCHMARK (%)	DIFFERENCE (%)
0 – 1	24.2	7.3	0.23	0.04	0.19	0.21	0.04	0.17
1 – 3	24.2	35.4	0.04	-0.07	0.11	0.02	-0.07	0.09
3 – 5	17.1	29.8	-0.02	-0.13	0.11	-0.04	-0.13	0.09
5 – 7	12.1	19.4	0.03	-0.13	0.16	0.02	-0.13	0.15
7 – 10	18.3	8.0	0.00	-0.08	0.08	-0.02	-0.08	0.06
10 +	4.2	0.3	-0.09	0.00	-0.09	-0.09	0.00	-0.09
Total	100	100	0.18	-0.37	0.55	0.10	-0.37	0.47

QUALITY	TAX-EXEMPT SUSTAINABLE REP ACCOUNT	BLOOMBERG 1-10YR MUNI BLEND	CONTRIBUTION TO RETURN (GROSS)			CONTRIBUTION TO RETURN (NET)		
CREDIT RATING	AVERAGE WEIGHT (%)	AVERAGE WEIGHT (%)	BROWN ADVISORY (%)	BENCHMARK (%)	DIFFERENCE (%)	BROWN ADVISORY (%)	BENCHMARK (%)	DIFFERENCE (%)
AAA	9.9	18.0	0.01	-0.12	0.13	0.00	-0.12	0.12
AA	51.2	54.5	-0.07	-0.27	0.20	-0.11	-0.28	0.17
A	35.3	22.5	0.23	0.01	0.22	0.20	0.01	0.19
BBB	2.9	3.6	0.01	0.01	0.00	0.01	0.01	0.01
NR	0.7	1.3	0.00	0.00	0.00	0.00	0.00	0.00
Total	100	100	0.18	-0.37	0.55	0.10	-0.37	0.47

Source: FactSet and Brown Advisory calculations. Portfolio information is based on a representative Tax-Exempt Sustainable account. Net of fees returns are calculated by adjusting gross of fees returns by the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV, applied on a monthly basis and allocated pro rata based on position weight. Actual fees may be lower based on assets under management and other factors. Net of fees returns for actual accounts may therefore differ from the returns shown above. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. Past performance is not indicative of future results. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

QUARTER-TO-DATE TOP FIVE AND BOTTOM FIVE CONTRIBUTORS TO RETURN

First Quarter 2024



Representative Tax-Exempt Sustainable Account Top Five Contributors

NAME	DESCRIPTION	WEIGHT (%)	CONTRIBUTION TO RETURN (NET)
Intel Corp	Fund industrial wastewater treatment facilities in Chandler, AZ	2.0	0.04
Commonwealth of Massachusetts	Finance various environmentally beneficial projects	2.1	0.04
LifeSpire of Virginia Obligated Group	A large and diversified senior living provider operating life planned communities across the state of Virginia.	2.7	0.03
City of Salt Lake City UT Airport Revenue	Paid by net revenues of the airport system (SLC is the largest airport in the system)	2.1	0.03
Northeastern University	A comprehensive private university with a market niche in experiential learning and graduate and professional programs,	1.7	0.03

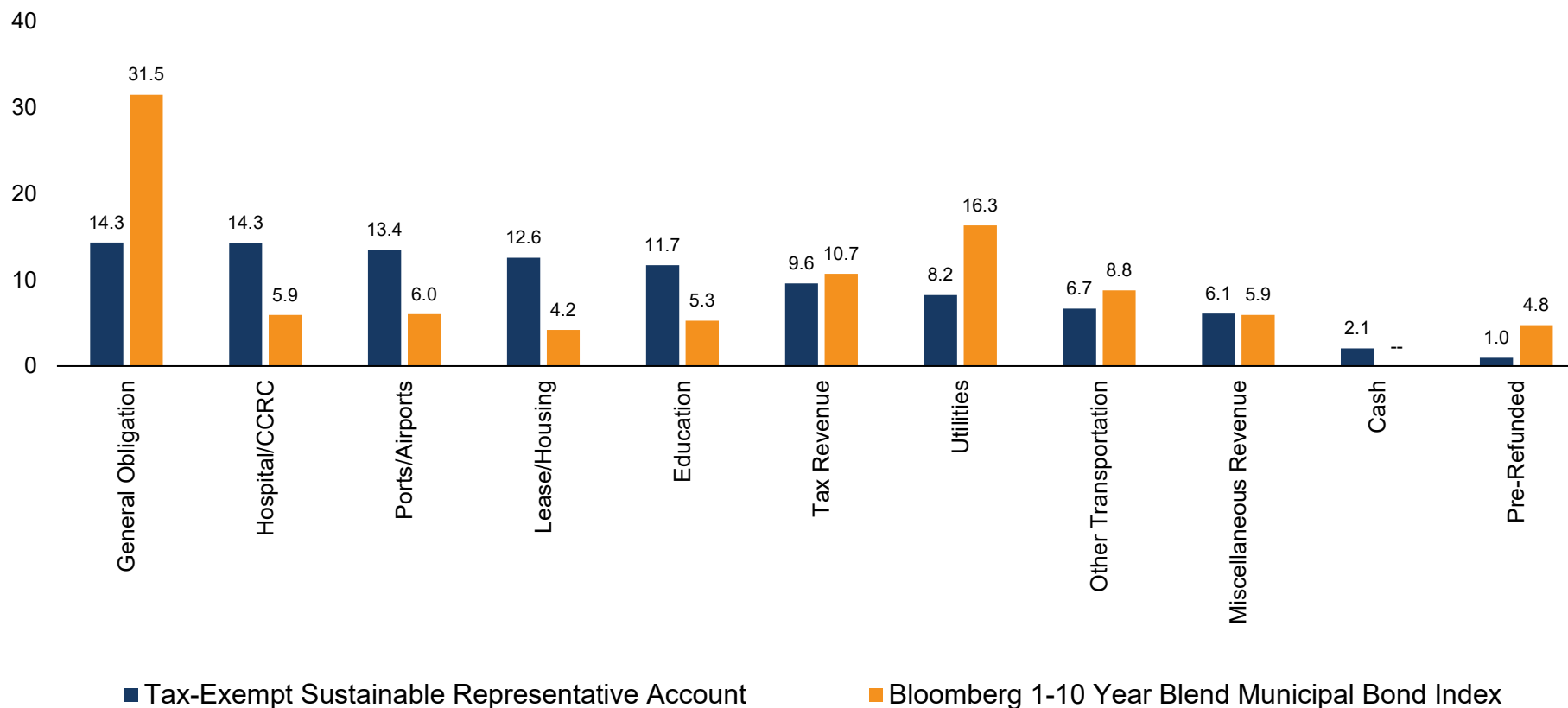
Representative Tax-Exempt Sustainable Account Bottom Five Contributors

NAME	DESCRIPTION	WEIGHT (%)	CONTRIBUTION TO RETURN (NET)
City of Waltham MA	A city located within the Boston MA.	2.0	-0.05
Town of Middleton MA	A town located in northeastern Massachusetts.	2.1	-0.04
Trustees of Boston College	A private research university located in Chestnut Hill, MA	2.7	-0.03
Massachusetts Clean Water State Revolving Fund	Provides low interest loans and grants to municipalities in to help build or replace water quality infrastructure	2.1	-0.02
Kipp NYC Public Charter Schools	Based in the State of New York operating 13 schools for students in grades kindergarten through twelve.	1.7	-0.02

Source: FactSet and Brown Advisory calculations. Portfolio information is based on a representative Tax-Exempt Sustainable account and provided as Supplemental Information. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. Contributors and detractors excludes cash and cash equivalents. Commentary regarding an investment's contribution to return and relative performance has been assessed on a net performance basis. Past Performance is not indicative of future results. Net of fees returns are calculated by adjusting gross of fees returns by the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV, applied on a monthly basis and allocated pro rata based on position weight. Actual fees may be lower based on assets under management and other factors. Net of fees returns for actual accounts may therefore differ from the returns shown above. Past performance is not indicative of future results. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

SECTOR DIVERSIFICATION

First Quarter 2024



- We focus on bottom-up credit and sector selection to drive relative performance.
- We find credit fundamentals in revenue-backed bonds to be more transparent and more easily modeled, with the bonds yielding more than most general obligation (GO) issues.

Source: FactSet. Portfolio information is based on a representative Tax-Exempt Sustainable account and is provided as Supplemental Information. Sector diversification includes cash and cash equivalents. Sectors are based on the Bloomberg sector classifications. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

SAMPLE HOLDINGS

Tax-Exempt Sustainable

Portfolio Holding: New York Institute of Technology

The New York Institute of Technology is a private research university in New York.



Fundamental Drivers

- Comprehensive institution with more than 50 fields of study with 7,500 students enrolled worldwide.
- Consistent positive operating margins averaging approximately 6% over the past three years.
- Debt service coverage ratio of 10x for FY2023.

Sustainable Drivers

- Recognized by U.S. News & World Report as a Top Performer in Social Mobility and by The Georgetown University Center on Education and the Workforce as a top U.S. college for return on investment for low-income students.
- Bond proceeds to fund a Biomedical Research Innovation and Imaging Center and flood mitigation upgrades, among other renovations.

New York Institute of Technology is a current holding in the Tax-Exempt Sustainable Fixed Income portfolio as of 03/31/2024 and was selected because the investment team believes it demonstrates the strategy's stated investment philosophy regarding attractive business fundamentals, compelling valuation, and strong or improving Sustainable Drivers. It does not represent all of the securities purchased, sold or recommended for advisory clients. Please see slide 1 for composite performance as of 03/31/2024.

Source: New York Institute of Technology as of 03/31/2024. The information provided is based on a representative Tax Exempt Sustainable Fixed Income account and provided as Supplemental Information. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

Portfolio Holding: LCRA Transmission Services Corp

LCRA Transmission Services Corporation provides reliable and cost-effective electric transmission services to Texans.



Fundamental Drivers

- Owns and/or operates approximately 5,400 miles of transmission lines in 80 counties throughout the state of Texas.
- Operates within the regulatory framework of the Public Utility Commission of Texas (PUCT), which provides predictable cost recovery.
- Consistent historical debt service coverage of around 1.5x.

Sustainable Drivers

- Built out infrastructure that brings wind power from West Texas to densely populated areas of the state through Competitive Renewable Energy Zones (CREZs).
- Transmission lines are important for the development of the renewable energy market, especially in Texas given its high wind and solar capacity.

LCRA Transmission Services Corp is a current holding in the Tax-Exempt Sustainable Fixed Income portfolio as of 03/31/2024 and was selected because the investment team believes it demonstrates the strategy's stated investment philosophy regarding attractive business fundamentals, compelling valuation, and strong or improving Sustainable Drivers. It does not represent all of the securities purchased, sold or recommended for advisory clients. Please see slide 1 for composite performance as of 03/31/2024.

Source: LCRA Transmission Services Corp as of 03/31/2024. The information provided is based on a representative Tax Exempt Sustainable Fixed Income account and provided as Supplemental Information. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

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All investments involve risk. The value of the investment and the income from it will vary. There is no guarantee that the initial investment will be returned.

Sustainable investment considerations are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. Sustainable investment analysis may not be performed for every holding in the strategy. Sustainable investment considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The strategy seeks to identify companies that it believes may be desirable based on our analysis of sustainable investment related risks and opportunities, but investors may differ in their views. As a result, the strategy may invest in companies that do not reflect the beliefs and values of any particular investor. The strategy may also invest in companies that would otherwise be excluded from other funds that focus on sustainable investment risks. Security selection will be impacted by the combined focus on sustainable investment research assessments and fundamental research assessments including the return forecasts. The strategy incorporates data from third parties in its research process but does not make investment decisions based on third-party data alone.

All investments involve risk. The value of the investment and the income from it will vary. There is no guarantee that the initial investment will be returned.

An investor cannot invest directly in an index.

The **Bloomberg 1-10 Year Blend Municipal Bond Index** consists of a broad selection of investment-grade general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and prerefunded bonds with maturities of at least 1 year and less than 10 years. It is an unmanaged index representative of the tax-exempt bond market. FactSet® is a registered trademark of FactSet® Research Systems, Inc.

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Effective Duration is a time measure of a bond’s interest rate sensitivity, based on the weighted average of the time periods over which a bond’s cash flows accrue to the bondholder. **Yield to Worst** is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer. **Yield to Maturity** is the total return of a bond if it is held until maturity. The **Average Weight** of a position or sector refers to the daily average for the period covered in this report of a stock’s value as a percentage of the portfolio. **Contribution to return** measures the contribution of certain portfolio constituents (symbols, sectors) to the portfolio’s overall return

TAX-EXEMPT SUSTAINABLE COMPOSITE

Year	Composite Total Gross Returns (%)	Composite Total Net Returns (%)	Benchmark Returns (%)	Composite 3-Yr Annualized Standard Deviation (%)	Benchmark 3-Yr Annualized Standard Deviation (%)	Portfolios in Composite at End of Year	Composite Dispersion (%)	Composite Assets (\$USD Millions)*	GIPS Firm Assets (\$USD Millions)*
2023	5.5	5.1	4.6	5.5	5.0	50	0.4	577	81,325
2022	-7.5	-7.8	-4.8	5.1	4.4	42	0.5	488	58,575
2021	2.0	1.7	0.5	3.4	2.8	56	0.7	494	79,715
2020	3.9	3.5	4.2	3.3	4.1	51	0.6	491	59,683
2019	6.4	5.9	5.6	1.8	1.9	27	0.5	206	42,426
2018	1.6	1.3	1.6	2.4	2.5	48	0.2	114	30,529
2017	3.7	3.3	3.5	2.4	2.5	10	0.4	41	33,155
2016	-0.1	-0.4	-0.1	N/A	N/A	Five or fewer	N/A	29	30,417
2015	2.1	1.7	2.5	N/A	N/A	Five or fewer	N/A	7	43,746
2014**	0.8	0.7	0.6	N/A	N/A	Five or fewer	N/A	7	44,772

**Return is for period October 1, 2014 through December 31, 2014.

Brown Advisory Institutional claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Brown Advisory Institutional has been independently verified for the periods from January 1, 1993 through December 31, 2023. The Verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

- *For the purpose of complying with the GIPS standards, the firm is defined as Brown Advisory Institutional, the Institutional and Balanced Institutional asset management divisions of Brown Advisory. As of July 1, 2016, the firm was redefined to exclude the Brown Advisory Private Client division, due to an evolution of the three distinct business lines.
- The Tax-Exempt Sustainable Composite (the Composite) is comprised of all discretionary accounts with no material investment restrictions, which invest in tax-exempt fixed income securities of an intermediate target duration, and flexibility to invest in bonds from multiple states. At least 80% of the securities in each portfolio in the Composite will have credit quality ratings of A or better at the time of purchase. The minimum account market value required for Composite inclusion is \$2 million, and accounts in the Composite will have an average effective duration between 3.5 and 5.5 years.
- Bonds in Composite accounts are evaluated according to a variety of considerations including sustainability related risk and opportunities. These inputs are used by the portfolio manager to seek holdings with effective management of sustainability-related risks and or bonds whose uses of proceeds meet the standards of the Green Bond Principles. Sustainability considerations are not used for the purposes of absolute negative screening in Composite accounts.
- Sustainable investment considerations are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. Sustainable investment analysis may not be performed for every holding in the strategy. Sustainable investment considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The Tax-Exempt Sustainable Strategy ("Strategy") seeks to identify issuers that it believes may be desirable based on our analysis of sustainable investment related risks and opportunities, but investors may differ in their views. As a result, the Strategy may invest in issuers that do not reflect the beliefs and values of any particular investor. The Strategy may also invest in issuers that would otherwise be excluded from other strategies that focus on sustainable investment risks. Security selection will be impacted by the combined focus on sustainable investment research assessments and fundamental research assessments including the return forecasts. The Strategy incorporates data from third parties in its research process but does not make investment decisions based on third-party data alone.
- The Composite creation date is May 1, 2016. The Composite inception date is October 1, 2014.
- The current benchmark is the Bloomberg Municipal Bond 1-10 Year Index. The Bloomberg Municipal Bond 1-10 Year Index consists of a broad selection of investment-grade general obligation bonds, revenue bonds, insured bonds (including all insured bonds with a Aaa/AAA rating), and prerefunded bonds with maturities of at least 1 year and less than 10 years. It is an unmanaged index representative of the tax-exempt bond market. "Bloomberg®" and Bloomberg Municipal Bond Index are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Brown Advisory Institutional. Bloomberg is not affiliated with Brown Advisory Institutional, and Bloomberg does not approve, endorse, review, or recommend the Composite. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the Composite. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers.
- The composite dispersion presented is an equal-weighted standard deviation of portfolio gross returns calculated for the accounts in the Composite for the entire calendar year period. The composite dispersion is not applicable (N/A) for periods where there were five or fewer accounts in the Composite for the entire period.
- Gross-of-fees performance returns are presented before management fees but after all trading commissions, and gross of foreign withholding taxes (if applicable). Net-of-fees performance returns are calculated by adjusting the gross-of-fees performance return by the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV, applied on a monthly basis. Certain accounts in the Composite may pay asset-based custody fees that include commissions. For these accounts, gross returns are also net of custody fees. Other expenses can reduce returns to investors. The standard management fee schedule is as follows: 0.325% on the first \$10 million; 0.30% on the next \$15 million; and 0.25% on the balance over \$25 million. Further information regarding investment advisory fees is described in Part 2A of the firm's Form ADV. Actual fees paid by accounts in the Composite may differ from the current fee schedule.
- Effective July 1, 2023, the firm transitioned from using actual account fees in the calculation of net performance returns to applying the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV. The net performance track record was revised back to Composite inception.
- The investment management fee for the Investor Shares of the Brown Advisory Tax-Exempt Sustainable Bond Fund (the Fund), which is included in the Composite, is 0.30%, and represents the highest fee charged excluding Advisor Shares. The total expense ratio for the Investor Shares of the Fund as of the most recent fiscal year end (June 30, 2023) was 0.50%. Further information regarding investment management fees and expenses is described in the fund prospectus and annual report.
- The three-year annualized ex-post standard deviation measures the variability of the Composite (using gross returns) and the benchmark for the 36-month period ended on December 31. The 3 year annualized standard deviation is not presented as of December 31, 2014, December 31, 2015 and December 31, 2016, because 36 month returns for the Composite were not available (N/A).
- Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
- Portfolios in the Composite do not make material use of derivative securities.
- Duration is a measure of interest rate risk.
- A complete list of composite descriptions and broad distribution and limited distribution pooled funds is available upon request.
- Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
- Past performance is not indicative of future results.
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