GLOBAL LEADERS REVIEW AND OUTLOOK

Brown ADVISORY
Thoughtful Investing.

Second Quarter 2024

The Global Leaders strategy is focused on delivering attractive long-term performance by investing in a concentrated portfolio of companies that can uniquely solve a problem for their customers and generate attractive economics for shareholders. Given its concentrated nature the Global Leaders strategy's performance is primarily an output of our stock-picking.

The Global Leaders strategy underperformed its benchmark, the MSCI All Country World Index (ACWI), in the second quarter of 2024. Underperformance was driven primarily by financials, particularly emerging markets financials, as well as information technology. These are the two largest sector exposures in the strategy making up approximately 50% of portfolio NAV. Information technology did generate positive absolute performance with the strongest contribution coming from high conviction positions such as Taiwan Semiconductor Manufacturing, Alphabet and Microsoft. The exceptional narrowness of performance contribution in the Index (e.g, Nvidia) combined with our capital allocation decisions to trim some technology investments based on declining IRRs led to the first technology sector underweight in the strategy since 2019. The main relative detractor in the quarter was a company we do not own, Nvidia. Year-to-date Nvidia alone has contributed approximately 250bps of performance to the ACWI benchmark. We have written about Nvidia, and more broadly errors of omission in concentrated investing, in our investment letter earlier in the year (link). As an error of omission, we would reject an investment as either not meeting our quality hurdles or as too expensive, yet it goes on to outperform. Nvidia squarely falls into the second valuation category, as we like Nvidia's business model and would like to own the company at the right price. We deliberately have high hurdles requiring a minimum double-digit 5-year base case IRR for every new investment. In practice that means rejecting a large part of the universe as not meeting our minimum IRR, which also leads to errors of omission. However, missing out once does not mean a mistake forever. When we realize such a mistake, we rely on our process of updating our base case fundamentals, recalibrating the probability and comparing across both the portfolio and our Ready-to-Buy list rather than giving in to fear of missing out (FOMO). Since inception our process has led us to avoid outsized mistakes at the cost of occasionally missing high payoffs which on balance has so far generated attractive returns for our investors.

Financials is the largest sector exposure in the strategy and has been the largest detractor this quarter and year-to-date. We own a very diversified set of companies across payment providers, financial market infrastructure and differentiated emerging market financials.

From a portfolio construction perspective this diversification across business models and regions limits factor risk and increases idiosyncratic stock specific risk. Over the last few quarters, we have experienced concerns over the merger between HDFC Bank and HDFC Ltd., changes to subsidies of microloans at Bank Rakyat in Indonesia and ongoing concerns over growth in China at AIA Group (new business grew over 30% in 1Q24). We believe these are all temporary issues.

As part of our capital allocation process, we re-underwrite our investment thesis for companies with meaningful drawdowns. This has included all emerging market financials within the strategy over the last 12 months. We evaluate the individual company's fundamentals, and our aim is to assess if the negative share price performance is linked to a temporary, demand side problem or much more concerningly, a permanent, supply side driven change that could impair our investors' capital. We then either add to or exit the investment. Since November last year we have done drawdown reviews on all emerging markets financials in the portfolio and added to all of them.

Our investment philosophy is firmly based on believing that markets are inefficient in the short-term. It is these moments of inefficiencies that allow us to make good long-term investments. This quarter we were able to move two long-term ready-to-buy list companies into the portfolio when they reached our double-digit 5-year base case target IRR. U.S. animal health company Zoetis and leading U.S. automotive parts retailer and distributor AutoZone.

Zoetis is a global leader in animal health serving both segments of companion animals and livestock through medicines, vaccines, and diagnostics products. Zoetis spun out of U.S. pharma company Pfizer in 2013 having operated as an animal health business since 1952. It is the largest pure-play animal health company with significant scale in R&D leading to innovation in drug discovery which has allowed it to take market share from smaller competitors. Animal health is in many aspects more attractive than the wider pharma industry given the smaller number of competitors, lighter regulation for drug development and go to market strategies (animal trials start and end with pets; shortening the trial periods compared to human drug testing) and less threats from generics. Zoetis has established itself as the highest quality marketer to the veterinarians and livestock producers where quality and reliability of a drug are key competitive advantages, increasing switching costs. We have followed the company closely since 2018.

(Continued on the following page)

During that time Zoetis' business mix shifted meaningfully to a higher and more profitable contribution of its companion animal segment which has moved from less than half to approximately 65% of company revenues and closer to approximately 75% of cash flow according to company reports. From a sustainability perspective Zoetis offers medicine and diagnostics that can extend lives of pets while also helping to secure our food supply through the protection of livestock globally. Following the company's announcement of the divestment of its medical feed additive portfolio (~4% of revenues) - which is expected for the end of 2024 - the company's exposure to livestock antibiotics will be focused on antibiotics used to cure infections, meaningfully reducing Zoetis antimicrobial resistance exposure. We had an opportunity to invest in Zoetis at a double-digit annualized 5-year base case IRR when the share price came under pressure from the U.S. launch of their osteoarthritis pain drug that highlighted a rare number of cases with severe side effects. This will likely be addressed through re-labeling. Additionally, vet visit volumes have declined post-COVID-19 for wellness/preventative visits that have little medical content and therefore little impact to Zoetis, and competitors announced product launches to Zoetis' Simparica Trio parasiticides protection treatment and a rival osteoarthritis treatment for dogs. Both treatments are solving new previously unmet needs and are therefore in structurally growing product segments where Zoetis has a dominant market share. We reduced our position in General Electric to fund the new investment in Zoetis.

We also initiated a position in leading automotive parts retailer and distributor AutoZone. The company services both the Do it Yourself (DIY) and Do it for Me (DIFM) segments of the used car market. The market is structurally growing as the fleet expands, with a high degree of visibility into future demand of the 6+ year used car cohort which is AutoZone's core target market. AutoZone further has the opportunity to expand into the faster growing DIFM market as well as into Brazil and Mexico. The company's superior customer outcome is the meaningful de-risking of the balance sheets of smaller garages which do not need to hold inventory themselves. It also offers a differentiated service level for customers based on availability of parts, turnaround speed and advice (including free specialty tool loans), which has historically proven difficult to replicate in an e-commerce setting. While there are a small number of large companies operating in this growing market, further consolidation of smaller competitors is expected as leading retailers' scale (depth and breadth of inventory) and network effects (proximity to customers in immediate need of repair) constitute strong moats.

AutoZone has generated meaningful cash flow through its operations and delivered exceptional capital discipline, evidenced by substantial share buybacks. The company's share count has reduced by about 85% since the year 2000. From a sustainability perspective keeping older fuel-efficient cars on the road longer reduces CO_2 emissions significantly more than speeding up the global transition to green technology, due to high CO_2 emissions for new car production. From a sustainable operations perspective AutoZone uses a hub and spoke model to put as much inventory as close to the consumer as possible. This form of local fulfillment is substantially cheaper per unit on average than upstream shipping. Additionally, AutoZone is working to implement several energy-savings programs across its U.S. stores and distribution centres. We had an opportunity to invest in AutoZone at a double-digit annualized 5-year base case IRR using funds from Safran based on a relatively more attractive IRR.

On 2nd April 2024, we received shares in General Electric's (GE) power business GE Vernova, as the final step in the breakup of the old GE. There are some attractions to the company's main economic engine, the Power unit, which has a services-orientated business model. However, we reached the conclusion that GE Vernova doesn't possess the characteristics that we require. This is evidenced by their ongoing loss of global market share in the power market. At a high-level, GE Vernova's products refine inputs into electricity – a commodity. Their customers, largely regulated utilities, exploit the limited product differentiation between the various players through bargaining power by encouraging price competition which is reflected in low margins and returns on capital in the industry. This behaviour has been most acute in GE Vernova's wind business which, despite being consolidated, operates in one of the worst industrial end markets with a largely original equipment business model. Accordingly, we sold our position in the quarter.

Since inception of the Global Leaders strategy, we have looked for high-quality companies with superior customer outcomes, that we believe are able to pass on prices and generate high levels of recurring revenue while requiring low leverage. This approach is helping us focus on the long-term and capital preservation. Our process continues to guide us successfully to investing in those quality companies that have their economics compound over long periods of time to generate attractive returns for our investors. It is this time arbitrage paired with a thoughtful, repeatable process that we see as the core driver of value generation within the Global Leaders strategy.

SECTOR DIVERSIFICATION

Second Quarter 2024

- Global Leaders is a concentrated global equity strategy that focuses on investing in a small number of franchises that we believe can deliver exceptional outcomes for their customers and outstanding economics for shareholders. Accordingly, sector and country diversification is an output of stock picking, with the team more focused on business models and end-market economics than in which sector a company is classified.
- At the same time, the strategy seeks differentiated exposures but should not compromise philosophically. The portfolio managers are happy to have no exposure in certain areas, such as energy, real estate or utilities, that do not satisfy their investment criteria.
- The strategy's exposure to financials – its largest exposure is via companies with strong, structural growth trends and predominantly through financial market infrastructure companies and differentiated financials in emerging markets as well as large payment providers.

SECTOR	REP. BROWN ADVISORY GLOBAL LEADERS ACCOUNT (%)	MSCI ACWI INDEX (%)	DIFFERENCE (%)	REP. BROWN ADVISORY GLOBAL LEADERS ACCOUNT (%)	
	Q2'24	Q2'24	Q2'24	Q1'24	Q2'23
Communication Services	6.73	7.91	-1.17	7.16	7.34
Consumer Discretionary	6.59	10.39	-3.79	4.38	4.14
Consumer Staples	5.63	6.20	-0.57	5.97	6.71
Energy	--	4.37	-4.37	--	--
Financials	28.82	15.57	13.26	29.06	32.13
Health Care	9.98	10.89	-0.91	7.94	6.86
Industrials	15.43	10.30	5.13	18.54	15.26
Information Technology	24.95	25.86	-0.91	24.69	25.24
Materials	1.86	3.98	-2.13	2.25	2.31
Real Estate	--	2.04	-2.04	--	--
Utilities	--	2.49	-2.49	--	--

Source: FactSet®. 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. The portfolio information provided is based on a representative Global Leaders account and is provided as Supplemental Information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS®) classification system. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR

Second Quarter 2024

	REPRESENTATIVE GLOBAL LEADERS ACCOUNT	MSCI ACWI INDEX	ATTRIBUTION ANALYSIS		
SECTOR	**AVERAGE WEIGHT (%)**	**AVERAGE WEIGHT (%)**	**ALLOCATION EFFECT (%)**	**SELECTION & INTERACTION EFFECT (%)**	**TOTAL EFFECT (%)**
Communication Services	7.03	7.80	-0.03	0.26	0.23
Consumer Discretionary	5.28	10.65	0.25	0.49	0.73
Consumer Staples	5.98	6.42	0.005	-0.38	-0.37
Energy	--	4.56	0.16	--	0.16
Financials	29.20	15.90	-0.35	-0.91	-1.26
Health Care	9.32	10.96	0.06	-0.05	0.01
Industrials	16.85	10.68	-0.25	0.28	0.02
Information Technology	24.34	24.16	-0.05	-0.91	-0.96
Materials	2.00	4.21	0.14	-0.26	-0.13
Real Estate	--	2.11	0.12	--	0.12
Utilities	--	2.56	-0.02	--	-0.02
Unassigned	--	0.002	0.02	--	0.02
Total	**100.00**	**100.00**	**0.05**	**-1.49**	**-1.43**

- The strategy underperformed the benchmark during the quarter. Financials and information technology were the main detractors while consumer discretionary and consumer services contributed positively.
- Within financials it was the emerging market financials Bank Rakyat and B3 that went through meaningful corrections and underperformed. Within emerging markets the strategy owns financials with a dominant market positioning and strong, structural growth trends.
- Information technology generated positive absolute performance with the strongest contribution coming from high conviction positions such as Taiwan Semiconductor Manufacturing, Alphabet and Microsoft. Underperformance in the sector came from companies we do not own, namely Nvidia, which had a large negative impact on relative performance.

Source: FactSet. 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. 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 portfolio information provided is based on a representative Global Leaders account and is provided as Supplemental Information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector attribution is gross of fees and excludes cash and cash equivalents. Attribution Analysis shown is calculated on a gross of fees basis. 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 CONTRIBUTORS TO RETURN

Brown ADVISORY Thoughtful Investing.

Second Quarter 2024 Representative Global Leaders Account Top Five Contributors

SYMBOL	NAME	DESCRIPTION	AVERAGE WEIGHT (%)
TSM	Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	Manufactures, distributes and tests integrated circuits, silicon wafers, diodes and related semiconductor components	4.19
GOOG	Alphabet Inc. Class C	Operates as a holding company with interests in google search, network, advertising and cloud services	4.83
MSFT	Microsoft Corporation	Develops, manufactures and distributes software products	9.19
HDB	HDFC Bank Limited Sponsored ADR	Provides national banking services	2.95
B10RZP	Unilever PLC	Provides fast moving consumer goods	3.85

- Taiwan Semiconductor Manufacturing (TSM) continues to benefit from the high-performance computing (HPC) and AI infrastructure build out where its technology leadership allows it to take market share.
- Alphabet's (GOOG) core Search business continues to strengthen, and Google Cloud has seen strong momentum. The company's management is successfully improving the cost base which is translating into margin expansion. Alphabet preemptively settled the pending AdTech case changing the type of trial this autumn from a public to a bench trial. Alphabet also announced the appointment of the new (ex-Eli Lilly) CFO. Previous CFO Ruth Porat will move into a new strategic role within the firm.
- Microsoft (MSFT) is delivering strong performance across all business segments, driven by Azure and Windows. Growth for its cloud business is coming from both "core" (non-AI) as well as its AI-enabled data center offering.
- We believe HDFC Bank (HDB) is in a very attractive position within the Indian economy to benefit from an increasing demand in financial products and services to take share in a growing deposit market. We expect profitability, impacted due to last year's merger with HDFC Ltd., to recover as margins improve.
- Unilever (B10RZP) reported volume growth across all segments and geographies which is encouraging and inline with new managements focus on re-accelerating organic growth. Updates on planned divestments in the Tea and Ice Cream business units further have the potential to generate shareholder value.

QUARTER-TO-DATE BOTTOM FIVE CONTRIBUTORS TO RETURN

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Second Quarter 2024 Representative Global Leaders Account Bottom Five Contributors

SYMBOL	NAME	DESCRIPTION	AVERAGE WEIGHT (%)
EL	Estee Lauder Companies Inc. Class A	Manufactures and distributes skin care, makeup, fragrance & hair care products	2.12
670909	PT Bank Rakyat Indonesia (Persero) Tbk Class B	Operates national and international banking institutions	1.76
MA	Mastercard Incorporated Class A	Offers credit & debit cards and payment solutions	4.22
BG36ZK	B3 SA - Brasil, Bolsa, Balcao	Provides exchange trading, clearing and other trade services	1.74
SHW	Sherwin-Williams Company	Engages in the manufacturing, distribution and retail sale of architectural paints & coatings	2.00

- Estee Lauder's (EL) continues to experience a weak demand picture across China and issued overall cautious sales guidance for the rest of the year.
- Bank Rakyat Bank is in the process to transition their book of government subsidized loans to commercial loans which have higher loan yields. This has seen an impact on asset quality at a time when macro impacts from higher inflation and negative weather impacts are also impacting loan book quality. The company employs a tight risk management policy and has further tightened lending criteria to respond to an increase in non-performing loans. Bank Rakyat did undergo a drawdown review in the quarter, and we subsequently added to our position.
- Mastercard's (MA) share price saw moderate weakness in the quarter albeit being up year-to-date to the end of June. This came after a U.S. judge blocked Visa and Mastercard's settlement with U.S. merchants. Our base case is that there should be minimal impact to Mastercard's economics from a reduction in the interchange rate that is charged to merchants and the current 'Honor all Cards' arrangement, where all Visa or Mastercard branded cards are accepted, will remain in place.
- B3 SA (BOLSF) continued to see an unfavorable macro environment with high local interest rates impacting cash equity trading. Derivatives volumes supported top line growth. B3 did undergo a drawdown review in the quarter, and we subsequently added to our position.
- Sherwin Williams' (SHW) exposure to the U.S. residential market has seen a volume decline from its residential real estate exposed end markets. The company is in a position to take market share in this environment, having previously invested in growth initiatives around customer acquisition and supplier relationships.

QUARTER-TO-DATE ADDITIONS/DELETIONS

Second Quarter 2024 Representative Global Leaders Account Portfolio Activity

- We initiated a position in AutoZone in May. AutoZone is a leading automotive parts retailer and distributor in the Americas. The company services both the Do it Yourself (DIY) and Do it for Me (DIFM) segments of the used car market servicing both small garage owners and retail clients. The market is structurally growing as the fleet expands, with a high degree of visibility into future demand of the 6+ year used car cohort and AutoZone further has the opportunity to expand into the faster growing DIFM market as well as into Brazil and Mexico. The company's superior customer outcome is the significant de-risking of the balance sheets of smaller garages which do not need to hold inventory themselves. It also offers as a differentiated service level for customers based on availability of parts, turnaround speed and advice (including free specialty tool loans), which has historically proven difficult to replicate in an e-commerce setting. While there are a small number of large companies operating in this growing market, further consolidation of smaller competitors is expected as leading retailers' scale (depth and breadth of inventory) and network effects (proximity to customers in immediate need of repair) constitute strong moats. AutoZone has generated meaningful cash flow through its operations and delivered exceptional capital discipline, evidenced by substantial share buybacks. From a sustainability perspective keeping older fuel-efficient cars on the road longer reduces CO2 emissions significantly more than speeding up the global transition to green technology, due to high CO2 emissions for new car production. From a sustainable operations perspective AutoZone uses a hub and spoke model to put as much inventory as close to the consumer as possible. We had an opportunity to invest in AutoZone at a double-digit annualized 5-year base case IRR and reallocated funds from Safran based on a relatively more attractive IRR.
- We initiated a position in Zoetis during April. Zoetis is a global leader in animal health. The company serves both segments of companion animals and livestock through medicines, vaccines, and diagnostics products. Zoetis is the largest pure-play animal health company with meaningful scale in R&D leading to innovation in drug discovery which has allowed it to take market share from smaller competitors. Zoetis has established itself as the highest quality marketer to the veterinarians and livestock producers where quality and reliability of a drug are key competitive advantages, increasing switching costs. From a sustainability perspective Zoetis offers medicine and diagnostics that can extend lives of pets while also helping to secure our food supply through the protection of livestock. We had an opportunity to invest in Zoetis at a double-digit annualized 5-year base case IRR and reduced our position in General Electric to fund the position in Zoetis.

SYMBOL	ADDITIONS	SECTOR
AZO	AutoZone, Inc.	Consumer Discretionary
ZTS	Zoetis, Inc. Class A	Health Care

SYMBOL	DELETION	SECTOR
	None	

SYMBOL	ADD & DELETES	SECTOR
GEV	GE Vernova Inc.	Industrials

- On 2nd April 2024, we received shares in General Electric's (GE) power business GE Vernova, as the final step on the breakup of old GE. There are some attractions to the company's main economic engine, the Power unit, which has a services-orientated business model. However, we reached the conclusion that GE Vernova doesn't possess the characteristics that we require. This conclusion was evidenced by their ongoing loss of global market share in the power market. Accordingly, we sold our position in the quarter. When investing in General Electric in June 2023 we were attracted to the aerospace segment. Following the GE Vernova spin-off we now hold GE Aerospace as a pure play aerospace asset.

PORTFOLIO CHARACTERISTICS

Second Quarter 2024 Global Leaders Representative Account as of 06/30/2024

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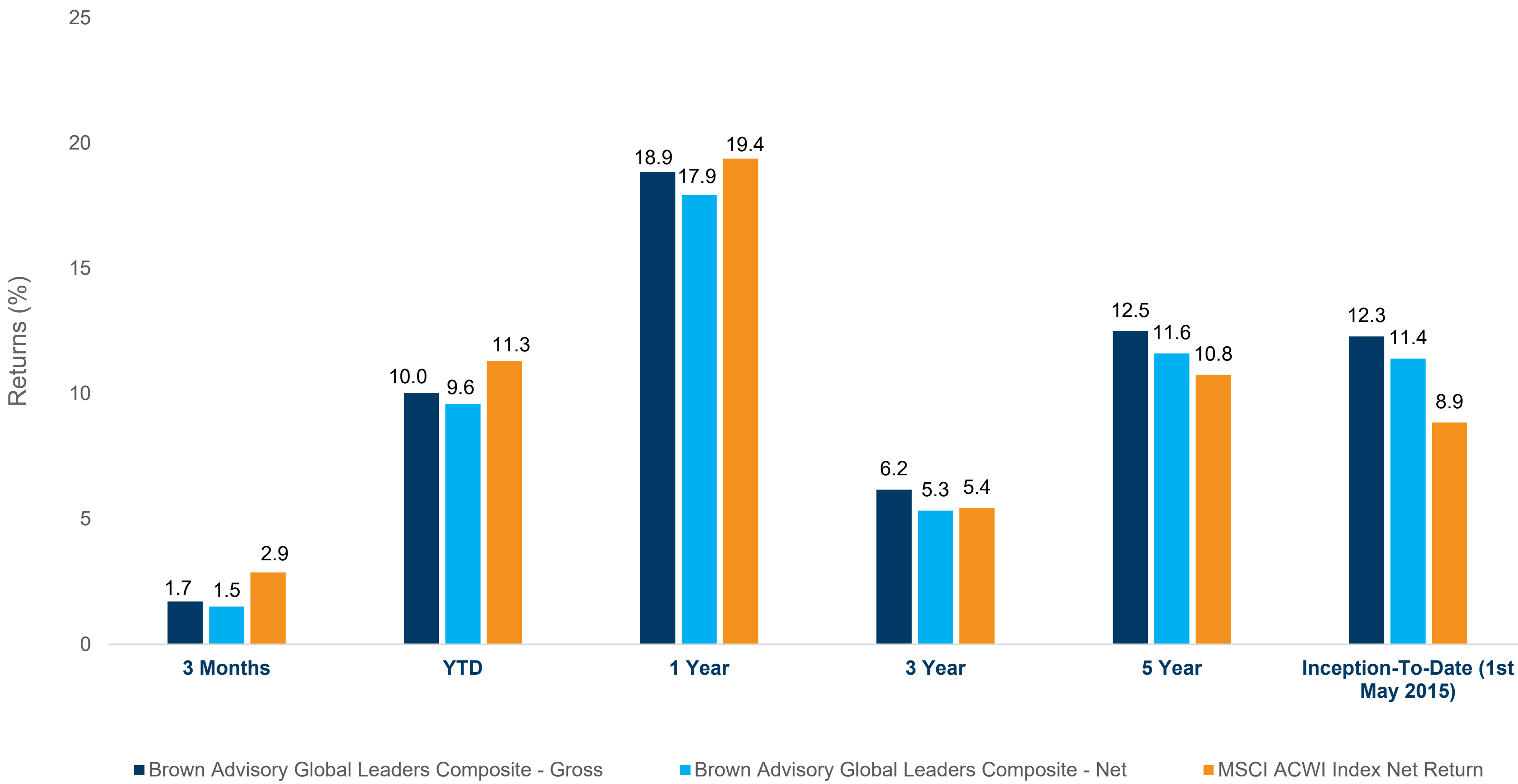
	GLOBAL LEADERS REPRESENTATIVE ACCOUNT	MSCI ACWI NET INDEX
ROIC (LFY ex. financials) Median (%)	21.4	8.7
3 YR. growth CAGR Median (%)	8.9	6.3
FCF Yield ex. financials (NTM Median) (%)	3.5	4.1
Volatility	15.6	15.3
Alpha (Net of fees)	2.5	--
Net Debt to EBITDA ex. Financials*	0.1	1.2

*Median Figure as of 03/31/2024
Source: FactSet. Past performance is not indicative of future results. The portfolio information provided is based on a representative Global Leaders account and is provided as Supplemental Information. Portfolio characteristics include cash and cash equivalents, and are based on gross returns. Calculations for ROIC, FCF Yield and Net Debt to EBITDA exclude Banks and Insurance. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

COMPOSITE PERFORMANCE

Second Quarter 2024 as of 06/30/2024



Source: FactSet®. All returns greater than one year are annualized. Past performance is not indicative of future results and you may not get back the amount invested.The composite performance shown above reflects the Global Leaders composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a GIPS Compliant firm and is a division of Brown Advisory LLC. Please see the Brown Advisory Global Leaders GIPS Report at the end of this presentation.

TOP 10 PORTFOLIO HOLDINGS

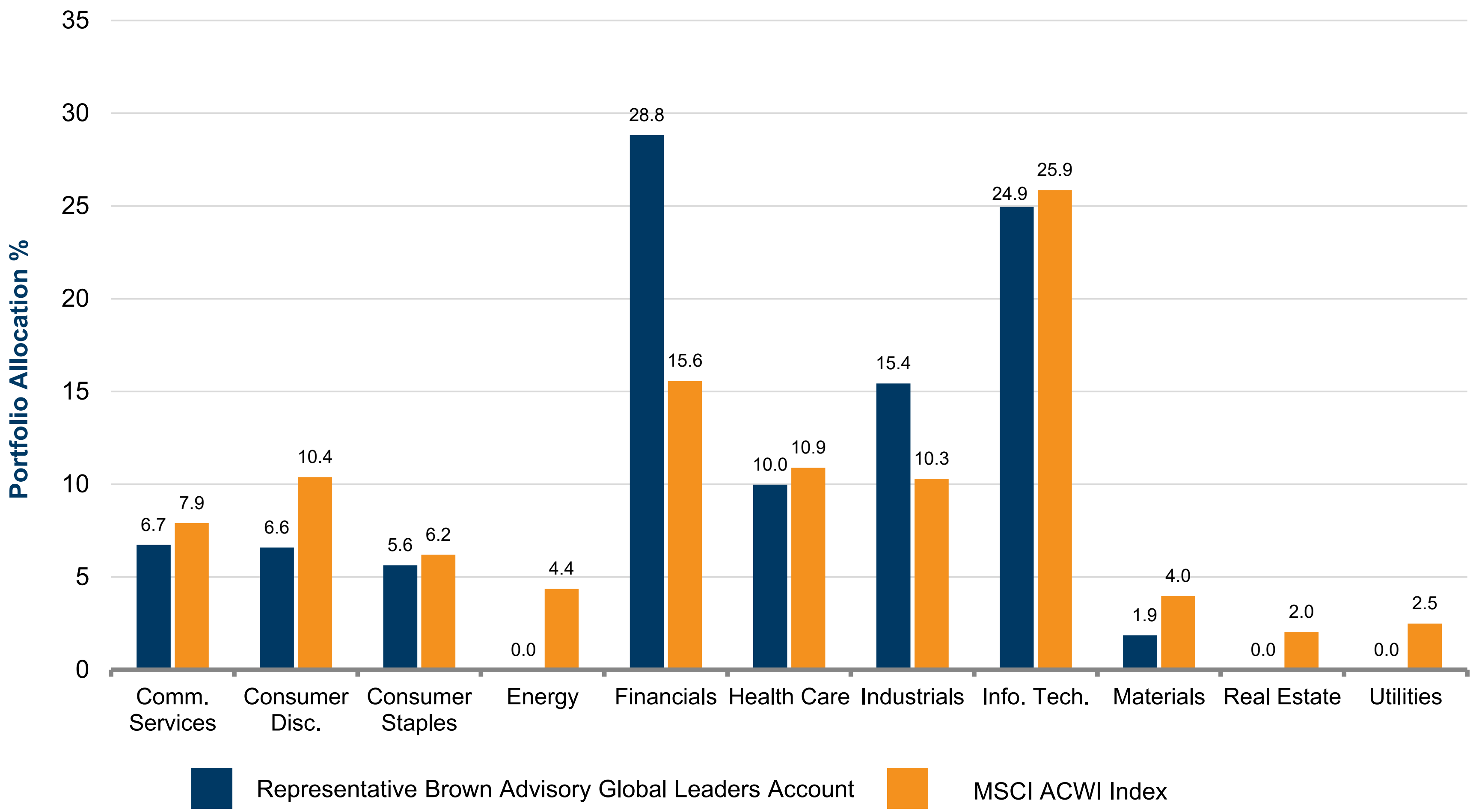
Global Leaders Representative Account as of 06/30/2024

TOP 10 HOLDINGS	% OF PORTFOLIO
Microsoft Corporation	9.0
Alphabet Inc. Class C	4.8
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	4.3
Deutsche Boerse AG	4.1
Unilever PLC	4.0
Mastercard Incorporated Class A	3.9
London Stock Exchange Group plc	3.9
GE Aerospace	3.4
Safran SA	3.2
HDFC Bank Limited Sponsored ADR	3.1
Total	**43.7**

Source: FactSet. Top 10 holdings includes cash and cash equivalents which was 0.5% as of 06/30/2024. 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. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. Portfolio information is based on a Global Leaders Representative account and is provided as Supplemental Information. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions. Figures in chart may not total due to rounding.

SECTOR DIVERSIFICATION

Second Quarter 2024 Global Industry Classification Standard (GICS) as of 06/30/2024



Source: FactSet. The portfolio information provided is based on a representative Global Leaders account and is provided as Supplemental Information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

DISCLOSURES

For institutional investors and professional clients only.

Past performance may not be a reliable guide to future performance and investors may not get back the amount invested. 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.

The views expressed are those of the author and Brown Advisory as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be and should not be relied upon as investment advice and are not intended to be a forecast of future events or a guarantee of future results. Past performance is not a guarantee of future performance and you may not get back the amount invested. 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. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy, and is not a complete summary or statement of all available data. This piece is intended solely for our clients and prospective clients, is for informational purposes only, and is not individually tailored for or directed to any particular client or prospective client.

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.

The **MSCI ACWI® (All Country World Index),** MSCI's flagship global equity index, is designed to represent performance of the full opportunity set of large- and mid-cap stocks across developed and emerging markets. As of May 2022, it covers more than 2,933 constituents across 11 sectors and approximately 85% of the free float-adjusted market capitalization in each market. All MSCI indexes and products are trademarks and service marks of MSCI or its subsidiaries.

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Global Industry Classification Standard (GICS®) and "GICS" are service makers/trademarks of MSCI and Standard & Poor's.

Figures shown on sector diversification and quarterly attribution by detail slides may not total due to rounding.

TERMS AND DEFINITIONS

Alpha is a measure of performance on a risk-adjusted, net of fees basis . Alpha takes the volatility (price risk) of a portfolio and compares its risk-adjusted performance to a benchmark.

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.

Allocation Effect measures the impact of the decision to allocate assets differently than those in the benchmark.

Selection and Interaction Effect reflects the combination of selection effect and interaction effect. Selection effect measures the effect of choosing securities that may or may not outperform those of the benchmark. Interaction effect measures the effect of allocation and selection decisions (i.e., did we overweight the sectors in which we underperformed).

Total Effect reflects the combination of allocation, selection and interaction effects. Totals may not equal due to rounding.

RoIC is a measure of determining a company's financial performance. ROIC = NOPAT / IC. NOPAT = EBIT + Amortization of acquired intangibles - Cash tax paid. IC = Total Debt + Total Equity + Total unfunded pension liabilities - Excess Cash. ROIC ex financials excludes Banks and Insurance companies, and outliers excluded from the benchmark.

Sales growth rate is based on reported company revenue for the past three years at the end of the current quarter, provided as a historical average.

Volatility is a statistical measure of the dispersion of returns for a given security or market index. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index.

Net debt-to-EBITDA (earnings before interest depreciation and amortization) ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. The calculation presented excludes Banks and Insurance companies, and outliers excluded from the benchmark.

Free Cash Flow (FCF) is a measure of financial performance calculated as operating cash flow minus capital expenditures. Free cash flow (FCF) represents the cash that a company is able to generate after laying out the money required to maintain or expand its asset base. Free cash flow is important because it allows a company to pursue opportunities that enhance shareholder value. Without cash, it's tough to develop new products, make acquisitions, pay dividends and reduce debt.

Free Cash Flow (FCF) yield is a measure of financial performance calculated as operating cash flow minus capital expenditures. FCF yield ex. financials calculations presented use the median NTM (Next Twelve Months) and excludes Banks and Insurance companies, and outliers excluded from the benchmark.

Internal rate of return (IRR) is a metric used in financial analysis to estimate the profitability of potential investments.

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GLOBAL LEADERS 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	27.0	26.0	22.2	17.7	16.3	Five or fewer	N/A	4,730	81,325
2022	-19.0	-19.7	-18.4	20.6	19.9	Five or fewer	N/A	3,680	57,575
2021	17.6	16.7	18.5	17.2	16.8	Five or fewer	N/A	4,368	79,715
2020	21.0	20.0	16.3	18.1	18.1	Five or fewer	N/A	2,428	59,683
2019	35.1	34.0	26.6	11.6	11.2	Five or fewer	N/A	731	42,426
2018	-2.2	-2.8	-9.4	11.0	10.5	Five or fewer	N/A	303	30,529
2017	35.1	34.0	24.0	N/A	N/A	Five or fewer	N/A	77	33,155
2016	-0.6	-1.4	7.9	N/A	N/A	Five or fewer	N/A	38	30,417
2015**	1.2	0.7	-7.3	N/A	N/A	Five or fewer	N/A	24	43,746

**Return is for period May 1, 2015 through December 31, 2015

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.

1. *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.
2. The Global Leaders Composite (the Composite) aims to achieve capital appreciation by investing primarily in global equities. The strategy will invest in equity securities of companies that the portfolio manager believes are leaders within their industry or country, as demonstrated by an ability to deliver high relative return on invested capital over time. The minimum account market value required for Composite inclusion is $1.5 million.
3. 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 Global Leaders Strategy (“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 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.
4. The Composite creation date is August 26, 2015. The Composite inception date is May 1, 2015.
5. The benchmark is the MSCI ACWI Net Index. The MSCI ACWI Net Index captures large and mid cap representation across Developed Markets (DM) and Emerging Markets (EM) countries. The Index covers approximately 85% of the global investable equity opportunity set. All MSCI indexes and products are trademarks and service marks of MSCI or its subsidiaries. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers.
6. As of September 1, 2022, the Composite benchmark was changed from the FTSE All-World Net Index to the MSCI ACWI Net Index. The change was applied retroactively from the Composite inception date. The Advisor determined that MSCI indices are more widely used for global products, and thereby provide more relevant data to shareholders and prospects as well as comparisons to competitors.
7. Composite dispersion 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.
8. 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: 0.80% on the first $50 million; 0.55% on the next $50 million; 0.45% on the next $50 million; and 0.40% on the balance over $150 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.
9. 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.
10. 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, 2015, December 31, 2016 and December 31, 2017 because the 36 month returns were not available for the Composite (N/A).
11. Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
12. A complete list of composite descriptions and broad distribution and limited distribution pooled funds is available upon request.
13. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
14. Past performance is not indicative of future results.
15. This is not an offer to sell securities. That may only be accomplished by the issuance of a private offering memorandum/subscription documents.
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