GLOBAL LEADERS REVIEW AND OUTLOOK

Brown ADVISORY
Thoughtful Investing.

Third 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.

We invest with a goal of achieving double-digit annual absolute returns. Whenever we make a new investment, a 10% annualized return is our minimum hurdle rate for our base case 5-year Internal Rate of Return (IRR). Since inception on May 1, 2015, nearly 10 years ago, the strategy has generated over 11.7% net annual absolute returns, so the underwriting from our crack team of analysts has been slightly above our goal. This is notably above the benchmark returns of approximately 9% per annum over the same period and the strategy has, on a net basis, outperformed over 1-year, 5-years, and since inception. Year to date in 2024, the absolute return is 15.9%, net of fees, however, the Global Leaders strategy underperformed its benchmark, the MSCI All Country World Index (ACWI), in the third quarter of 2024. Short-term underperformance was primarily due to some of our investments within Information Technology, particularly ASML, Microsoft, and Adobe, as well as some benchmark holdings that we do not own, such as Apple.

On a positive note, the relative performance of Financials was the largest positive contributor during the quarter. Prior to 3Q24, Financials had relatively underperformed this year, especially our emerging market (EM) financials investments. Our EM holdings did well in absolute terms, experiencing a strong recovery in 3Q24 with investments such as AIA Group (B4TX8S). We had undertaken multiple drawdown reviews over the last 18 months on AIA group and added on multiple occasions to the capital base. Our drawdown reviews aim to separate a permanent business change from any temporary issues affecting share price performance. Our process helps us to add capital in uncertain times, which paid off rapidly during the quarter. Other EM financials investments such as Bank Rakyat (670909) and B3 (BG36ZK) also performed positively in absolute terms. We have written in the past about the exceptional quality and long-term secular growth opportunities that we find with EM Financials, such as deposit and mortgage growth in India, microlending in Indonesia, or the deepening of financial markets in Brazil. These investments can be more cyclical in nature with revenue affected by the local macroeconomic environment. We feel confident that Bank Rakyat's management can maintain its strong underwriting discipline in micro-loans despite short-term challenges, and that merger integration at HDFC Bank (HDB) will ultimately result in a stronger deposit franchise and relative cost advantage. We have added to all our EM Financials investments over the past 18 months.

One feature of the portfolio which has been on display multiple times through 2024, most recently during the market downturn in early August, has been its defensiveness during downturns. We think about resilience of revenue when constructing the portfolio and approx. two-thirds of our investment's sales are non-deferrable or highly recurring in nature.

So far in 2024 we believe we have found long-term double-digit IRRs in three new investments with highly defensive revenues: Zoetis (B082RF) in animal health, AutoZone (AZO) in break-fix car parts, and this quarter in Rentokil Initial's (RTO) global leading pest control business. Rentokil became one of the largest North American pest control company in both commercial and residential settings after its acquisition of Terminix in 2022. Pest control is highly non-deferrable (e.g., for a restaurant!) and underpinned by mid-single digit structural growth. It is the industry's barriers to scale that allow Rentokil and close rival Rollins to grow and consolidate the market. Bolt-on acquisitions improve technician's route density (less time driving between jobs and more clients served per day) which reinforce its scale economies. From a sustainability perspective, Rentokil's product portfolio revolves around the philosophy of "protect people and enhance lives". Their focus on developing and innovating sustainable products with increased efficiency and reduced chemical use in pest control is a key driver for the business. We had an opportunity to invest as the company's share price reacted to weaker-than-expected growth in Rentokil's North American residential pest control business. Terminix merger integration has not gone smoothly so far, and we saw 3Q24 revenue shy of guidance. The integration will take time as management combines branches to optimize their network whilst investing in new back-end technology. On a 5-year view, we expect the merger to strengthen Rentokil's route density and scale, to deliver margin and Return on Invested Capital (RoIC) improvement with a mid-teens base case IRR.

We exited Estee Lauder (EL) this quarter after a second drawdown review in roughly 18 months. Estee Lauder had been an outperformer over the life of our investment up until April this year, but a subsequent sharp derating resulted in us exiting at a loss. In-line with our process improvement from our 2023 offsite, we had added "kill triggers" (quantifiable metrics specific to our investment thesis with typically a ~12-month time horizon) to track. For Estee Lauder, the kill triggers were activated and we ultimately concluded that what had originally presented as a temporary, demand side weakness stemming from its significant exposure to the Chinese end-market was in fact a more permanent supply-side loss of share to rivals in multiple end markets. Our confidence in the successful execution of the management's growth plan was muted firstly by the CFO and subsequently the CEO departures.

(Continued on the following page)

Source: FactSet® and Brown Advisory analysis. 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. Commentary on company information is as of each company's fiscal year. Sectors are based on the Global Industry Classification Standard (GICS®) classification system. 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. Portfolio level information is based on a representative Global Leaders account and 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.

GLOBAL LEADERS REVIEW AND OUTLOOK

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Third Quarter 2024

Our moat framework is designed to help us identify the barriers protecting an industry from new entrants which can disrupt our investment's special relationship with their customers. We spend significant time thinking about the strength of such moats, are they widening/narrowing, and the interaction with relative competitive advantages. Our economic moat framework is the key tool we use to look for the defining characteristic of our companies – a unique customer outcome. One lesson learnt is that brand loyalty – even in combination with other competitive advantages - is not enough to protect that relationship from new rivals entering an industry.

The focus on stand-alone moats and the most powerful combinations between moats and competitive advantages was a central discussion topic at our annual offsite this quarter. Our team strongly believes in self-improvement, and we review our investment process annually at our offsite to work out where we can get better. This year we dedicated time to discuss our assessment of moats and a quantifiable link to customer outcome. We also spent time quantitatively analyzing close to 10 years of investment decisions to uncover heretofore unnoticed patterns (good and bad). One particular highlight was our session called "MOAT Inc". The Global Equity working group split into teams to "dream up" the business model characteristics of a company that has only one of the moats we use in our investment selection process. This allowed us to compare strengths and weaknesses of individual moats and to identify recurring, powerful combinations. As we reflect upon our offsite's thinking we expect to make some tweaks to our moat framework.

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

Third 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 (%)	
	Q3'24	Q3'24	Q3'24	Q2'24	Q3'23
Communication Services	6.42	7.75	-1.33	6.73	6.88
Consumer Discretionary	6.95	10.65	-3.7	6.59	4.81
Consumer Staples	4.45	6.36	-1.9	5.63	6.35
Energy	--	4.00	-4	--	--
Financials	30.31	16.22	14.1	28.82	31.72
Health Care	9.89	10.85	-0.97	9.98	7.69
Industrials	17.37	10.64	6.73	15.43	15.83
Information Technology	22.36	24.51	-2.14	24.95	24.35
Materials	2.24	4.07	-1.83	1.86	2.37
Real Estate	--	2.24	-2.24	--	--
Utilities	--	2.72	-2.72	--	--

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

Third Quarter 2024

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	REPRESENTATIVE GLOBAL LEADERS ACCOUNT	MSCI ACWI INDEX	ATTRIBUTION ANALYSIS		
SECTOR	AVERAGE WEIGHT (%)	AVERAGE WEIGHT (%)	ALLOCATION EFFECT (%)	SELECTION & INTERACTION EFFECT (%)	TOTAL EFFECT (%)
Communication Services	6.43	7.67	0.02	-0.22	-0.20
Consumer Discretionary	6.85	10.29	-0.10	-0.19	-0.28
Consumer Staples	5.14	6.39	0.02	0.08	0.09
Energy	--	4.24	0.38	--	0.38
Financials	29.82	16.04	0.53	0.02	0.54
Health Care	10.31	11.17	0.05	-0.43	-0.38
Industrials	16.18	10.47	0.21	-0.07	0.14
Information Technology	23.14	24.95	0.14	-0.91	-0.77
Materials	2.13	3.98	-0.05	0.33	0.28
Real Estate	--	2.17	-0.21	--	-0.21
Utilities	--	2.63	-0.25	--	-0.25
Unassigned	--	--	--	--	--
Total	**100.00**	**100.00**	**0.74**	**-1.39**	**-0.65**

- During the quarter underperformance was primarily due to some of our investments within Information Technology, particularly ASML (ASML), Microsoft (MSFT) and Adobe (ADBE) as well as some benchmark holdings that we do not own, such as Apple.
- The relative performance of Financials was the largest positive contributor during the quarter.
- We find exceptional quality and long-term secular growth opportunities with EM financials, such as deposit and mortgage growth in India, microlending in Indonesia or the deepening of financial markets in Brazil.

QUARTER-TO-DATE TOP FIVE CONTRIBUTORS TO RETURN

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Third Quarter 2024 Representative Global Leaders Account Top Five Contributors

SYMBOL	NAME	DESCRIPTION	AVERAGE WEIGHT (%)
B10RZP	Unilever PLC	Provides fast moving consumer goods	4.38
B4TX8S	AIA Group Limited	Provides life and health insurance services	2.27
GE	GE Aerospace	Manufactures aircraft engines	3.57
702196	Deutsche Boerse AG	Engages in trading, securities, collateral management and IT activities	4.31
B0SWJX	London Stock Exchange Group plc	Provides financial markets infrastructure and data services	4.25

- Unilever (B10RZP) continues to show strength across all segments and geographies which is encouraging and inline with new management's 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.
- AIA Group (B4TX8S) continues to do well fundamentally, delivering strong underlying growth from AIA's core regions, China and Hong Kong. Towards the end of the quarter the share price reacted strongly to announcements of stimulus policies from the Chinese government, targeted to improve the local economy.
- GE Aerospace (GE) has been able to upgrade its guidance on 2024 operating profit and free cash flow, based on strong and resilient demand for travel leading to strong engine usage. Airplane delivery delays at Airbus and Boeing further increase the contribution from GE's more profitable aftermarket business in its revenue mix.
- Deutsche Boerse (702196) sees benefits from structural growth as well as some cyclical drivers coming from high interest income across its Securities Services and Fund Services segments. The integration of Simcorp into its investment management solutions offering is performing well, driving new customer growth and revenue increases.
- London Stock Exchange Group (B0SWJX) is benefitting from solid organic growth across all business lines. We believe the company is well placed to further execute on pricing, customer retention and increased market share supported by little requirements to increase costs, driving strong free-cash-flow growth.

QUARTER-TO-DATE BOTTOM FIVE CONTRIBUTORS TO RETURN

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Third Quarter 2024 Representative Global Leaders Account Bottom Five Contributors

SYMBOL	NAME	DESCRIPTION	AVERAGE WEIGHT (%)
EW	Edwards Lifesciences Corporation	Designs, develops, manufactures and markets products to treat late-stage cardiovascular disease	2.05
GOOG	Alphabet Inc. Class C	Operates as a holding company with interests in google search, network, advertising and cloud services	4.36
MSFT	Microsoft Corporation	Develops, manufactures and distributes software products	8.32
SCHW	Charles Schwab Corp	Provides securities brokerage and other financial services	2.22
B929F4	ASML Holding NV	Engages in the development, production, marketing, selling and servicing of semiconductor equipment systems	1.51

- Edwards Lifesciences (EW) lowered full guidance for its transcatheter aortic valve replacement (TAVR) procedure which accounts for ~65% of the company's overall revenues. We expect continued dominance of Edward's TAVR procedure and improvement in workflow management between TAVR and fast-growing new procedures such as Transcatheter Mitral Tricuspid Therapy to drive growth in what we believe to be underpenetrated end-markets, and differentiation to peers.
- Alphabet (GOOG) has experienced a loss in its search antitrust case with the announcement of remedies not likely before 2H 2025 and a wide range of outcomes from a choice screen to more material structural change to Alphabet's business model. Alphabet's innovation leadership, largest and best organized collection of data and its ability to monetize its two-sided business model continue to drive strength in Search and Cloud, ahead of competition.
- Microsoft's (MSFT) share price saw a very moderate decline in the quarter. The business shows uninterrupted growth in Intelligent Cloud (primarily Azure) and Productivity and Business Processes (primarily Office). Its significant increase in capex indicates the company's visibility into demand from its artificial intelligence solutions.
- Charles Schwab (SCHW) saw cash sorting continue with a negative impact on net interest income and margins. Net asset gathering was positive, albeit below management guidance, while upcoming adjustments to the company's balance sheet management still require further clarity by management.
- U.S. export controls to China as well as a potential slowdown in semiconductor capital expenditures during 2025 impacted ASML (B929F4), as more mature markets such as mobile have seen a slow recovery. Long-term, advanced lithography remains tied to a potentially decade long, structural growth of technology investments.

QUARTER-TO-DATE ADDITIONS/DELETIONS

Third Quarter 2024 Representative Global Leaders Account Portfolio Activity

- We initiated a new position in Rentokil (B082RF) in August. Rentokil became one of the largest North American pest control company in both commercial and residential settings after its acquisition of Terminix in 2022. Pest control is highly non-deferrable and underpinned by mid-single digit structural growth. It is the industry's barriers to scale that allow Rentokil and close rival Rollins to grow and consolidate the market. Bolt-on acquisitions improve technician's route density which reinforce its scale economies. From a sustainability perspective Rentokil's product portfolio revolves around the philosophy of "protect people and enhance lives". Their focus on developing and innovating sustainable products with increased efficiency and reduced chemical use in pest control is a key driver for the business. We had an opportunity to invest as the company's share price reacted to weaker than expected growth in Rentokil's North American residential pest control business. Terminix merger integration has not gone smoothly so far, and we saw 3Q24 revenue shy of guidance. The integration will take time as management combines branches to optimize their network whilst investing in new back-end technology. On a 5-year view, we expect the merger to strengthen Rentokil's route density and scale and to deliver margin and RoIC improvement with a mid-teens base case IRR.
- We exited Estee Lauder (EL) in August after a second drawdown review in roughly 18 months. Estee Lauder had been an outperformer over the life of our investment up until April this year, but a subsequent sharp derating resulted in us exiting at a loss. In-line with our process improvement from our 2023 offsite, we had added "kill triggers" (quantifiable metrics specific to our investment thesis with typically a ~12-month time horizon) to track. For Estee the kill triggers were activated and we ultimately concluded that what had originally presented as a temporary, demand side weakness stemming from its significant exposure to the Chinese end-market was in fact a more permanent supply-side loss of share to rivals in multiple end markets. Our confidence in the successful execution of the management's growth plan was muted firstly by the CFO and subsequently CEO departures.

SYMBOL	ADDITIONS	SECTOR
B082RF	Rentokil Initial plc	Industrials

SYMBOL	DELETION	SECTOR
EL	Estee Lauder Companies Inc. Class A	Consumer Staples

PORTFOLIO CHARACTERISTICS

Third Quarter 2024 Global Leaders Representative Account as of 09/30/2024

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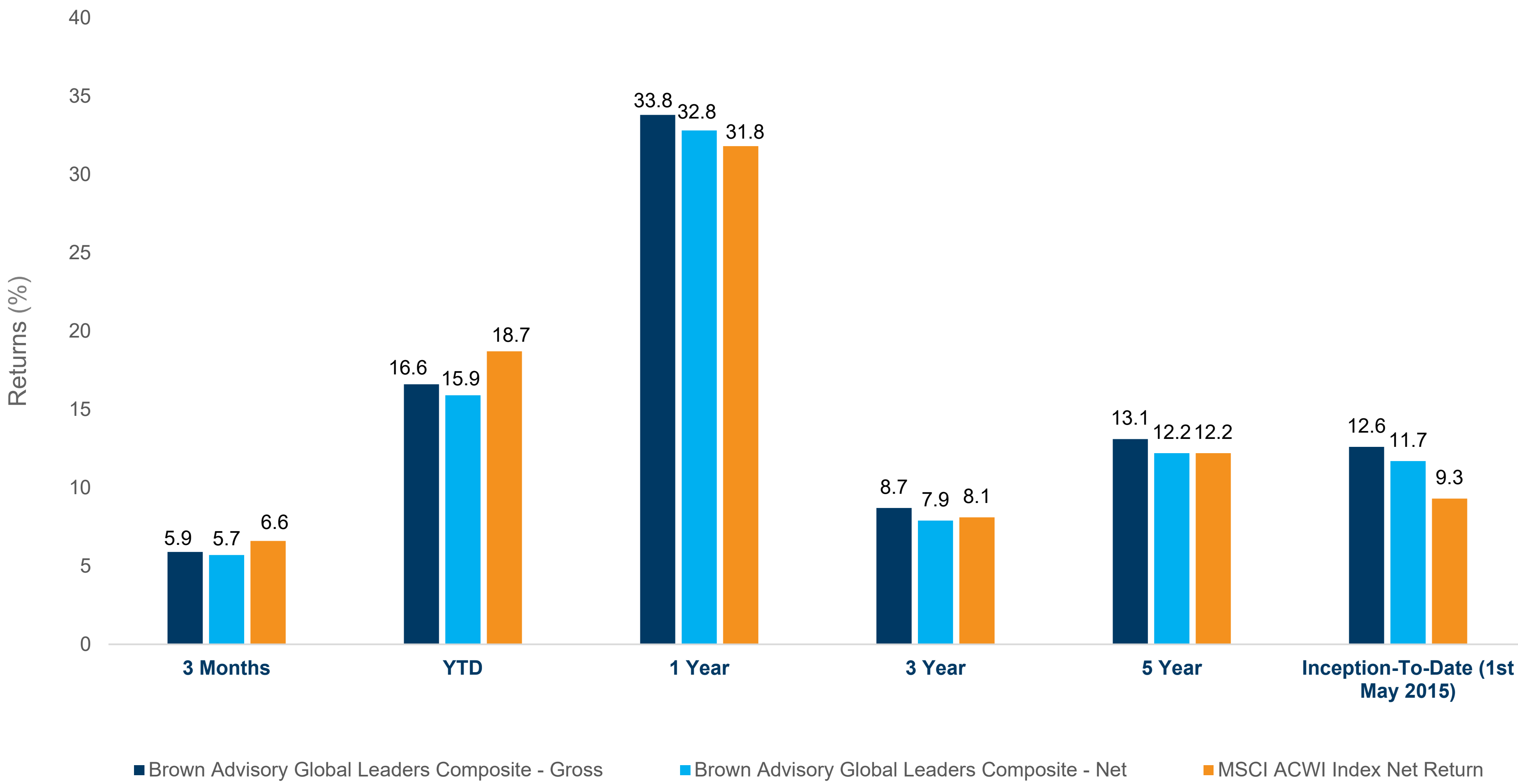
	GLOBAL LEADERS REPRESENTATIVE ACCOUNT	MSCI ACWI NET INDEX
ROIC (LFY ex. financials) Median* (%)	21.43	8.74
3 YR. growth CAGR Median* (%)	8.4	6.3
FCF Yield ex. financials (NTM Median*) (%)	3.49	3.85
Volatility	15.5	15.1
Alpha (Net of fees)	2.4	-
Net Debt to EBITDA ex. Financials	0.4	1.2

*Median Figure as of 06/30/2024

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 unless otherwise stated. Ex. Financials excludes Banks and Insurances Companies and outliers excluded from the benchmark. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

COMPOSITE PERFORMANCE

Third Quarter 2024 as of 09/30/2024



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 09/30/2024

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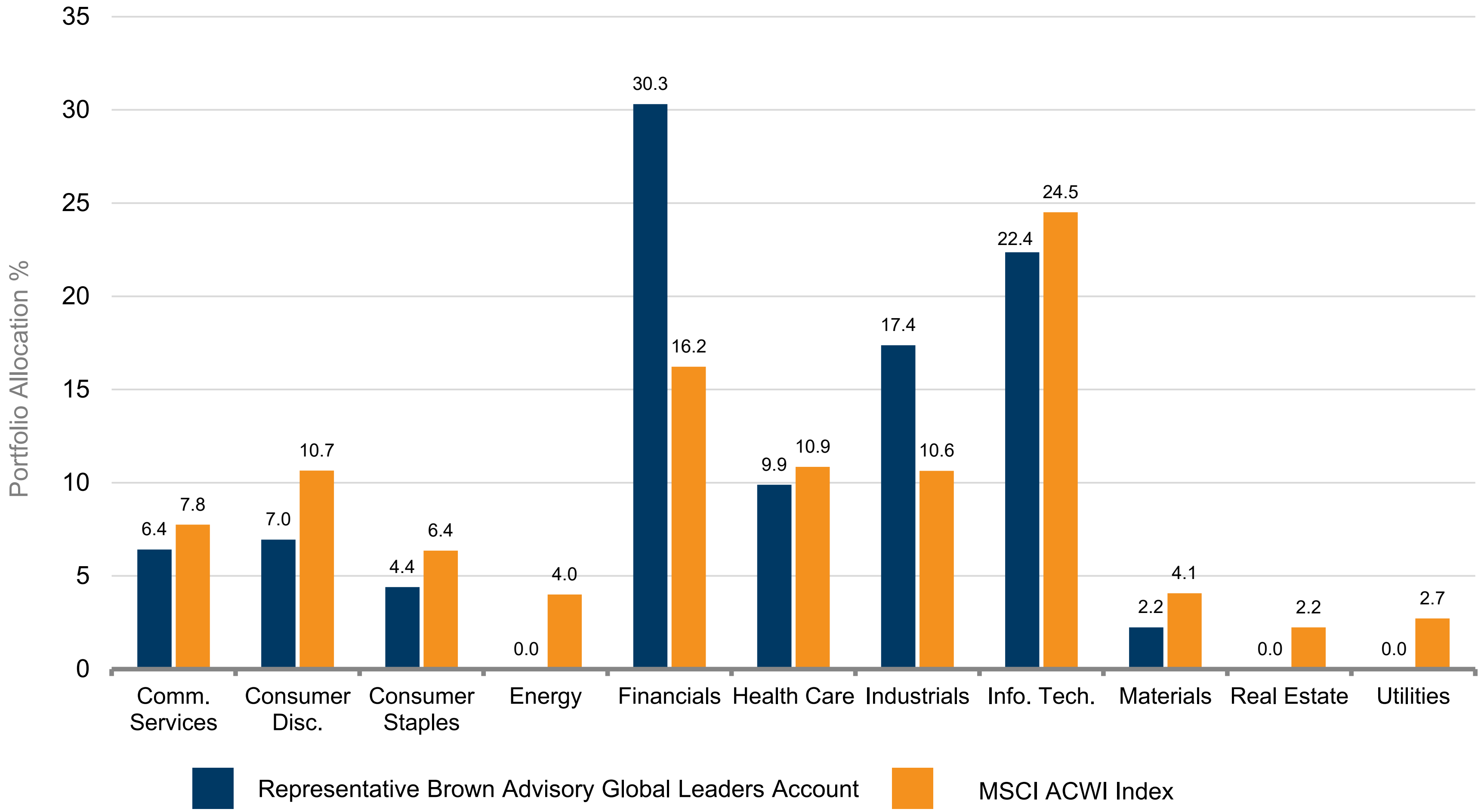
TOP 10 HOLDINGS	% OF PORTFOLIO
Microsoft Corporation	7.9
Alphabet Inc. Class C	4.5
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	4.5
Deutsche Boerse AG	4.4
Unilever PLC	4.1
Mastercard Incorporated Class A	4.1
London Stock Exchange Group plc	3.8
GE Aerospace	3.4
Safran SA	3.2
HDFC Bank Limited Sponsored ADR	3.1
Total	**43.0**

Source: FactSet. Top 10 holdings includes cash and cash equivalents which was 0.5% as of 09/30/2024. 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

Third Quarter 2024 Global Industry Classification Standard (GICS) as of 09/30/2024



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.

Compound Annual Growth Rate (CAGR) is the rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's life span.

Capital Expenditure (CAPEX) are funds used by a company to acquire, upgrade, and maintain physical assets such as property, plants, buildings, technology, or equipment.

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.

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.
16. This piece is provided for informational purposes only and should not be construed as a research report, 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, including any mutual fund managed by Brown Advisory.