First Quarter 2024

SUSTAINABLE CORE FIXED INCOME REVIEW

The Brown Advisory Sustainable Core strategy seeks to take a sustainable and dynamic approach to fixed income. We believe that a sustainable and flexible approach to fixed income can offer investors access to a more attractive stream of income and risk-adjusted returns while simultaneously generating a positive impact on global sustainability issues.

NAME	QTD RETURN (%)	1-YEAR RETURN (%)	3-YEAR RETURN (%)	5-YEAR RETURN (%)	ITD RETURN (09/30/2014)
Sustainable Core Fixed Income Composite (Gross of fees)	-0.73	0.71	-2.41	1.06	1.77
Sustainable Core Fixed Income Composite (Net of fees)	-0.81	0.41	-2.71	0.76	1.47
Bloomberg U.S. Aggregate Bond Index	-0.78	1.70	-2.46	0.36	1.39

Economic and Market Review

Over the course of the first quarter, it has proven exceedingly difficult to try to forecast how aggressively the Federal Reserve might cut rates in 2024. Many of the dynamics that propelled GDP growth and risk asset pricing in late 2023 endured this quarter, including sustained low unemployment, resilient household consumption and the slow transmission of fiscal policy into real economic growth, offsetting fears that restricted monetary policy would force a recession. This has pushed the timing of rate cuts to later in the year and created renewed volatility in interest rates.

After a robust rate rally in the 4th quarter of 2023, market implied metrics were signaling approximately seven policy rate cuts by the Federal Reserve. This proved to be fleeting as a series of inflation indicators reminded investors that the path back to the target rate of 2% would not be a straight line. The shift higher in the yield curve led the Bloomberg Aggregate Bond Index to return -78 basis points (bps) during the quarter, unwinding most of the progress made on interest rates late in 2023. By the end of the 1st quarter, the market had fallen in line with the Federal Reserve's forecast of approximately three policy rate cuts starting in the middle of 2024.

This "higher-for-longer" environment has created an attractive yield opportunity in risk assets, particularly at the front end of a still-inverted yield curve. Investment grade corporate credit spreads continued their rally in Q1, tightening 9 bps to 90 bps over Treasuries, only 14 bps away from 20 year tights set in 2005. Yields pushing north of 5.5%, high-quality balance sheets and an outlook that reflects a soft-landing economic scenario has made the asset class attractive for its risk-adjusted carry.

High Yield also continued its relentless rally, tightening 24 bps to 299 bps over Treasuries, also approaching all-time-tights as the Bloomberg U.S. Corporate High-Yield Index benefits from a benign credit profile and muted default outlook. Looming risks in the lower cohorts of leveraged credit, although present, are benefiting from a highly accommodative primary market, reducing the risk of a maturity-induced default wave in 2025. Taken altogether, these dynamics create comfort in investing in select credits that offer attractive risk-adjusted income opportunities as spread volatility likely remains benign for the foreseeable future.

Mortgage bonds were also impacted by the move higher in interest rates with spreads widening in the beginning of the quarter relative to Treasuries and corporate bonds. Digging deeper, 15-year mortgage bonds outperformed 30-year mortgage bonds over the period by 70 bps as the shorter weighted average life allowed for greater principal stability. Moreover, coupon selection proved to be a valuable tool to mitigate price declines as higher coupons outperformed lower coupons. Mortgage bonds posted 18 bps and -29 bps excess returns in January and February, respectively, before rebounding some in March as interest rates plateaued around existing levels and interest rate volatility decreased meaningfully. The total excess return for the mortgage bonds over the quarter was -12 bps.

(Continued on the following page)

Source: FactSet® and Bloomberg. All returns greater than one year are annualized. Past performance is not indicative of future results. The composite performance shown above reflects the Sustainable Core Fixed Income Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a GIPS compliant firm and is a division of Brown Advisory LLC. 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. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

First Quarter 2024

SUSTAINABLE CORE FIXED INCOME REVIEW

Portfolio Performance

The strategy performed approximately in line with the benchmark during the 1st quarter. We ended the quarter with an overweight in mortgage bonds given their attractive spread and yield profile, but this was not enough to offset the negative impact of the move higher in interest rates. Our security selection in specified pools and coupon positioning mitigated some of the impact of higher interest rates and heightened spread volatility. Specifically, our overweight to 5.5% and 6.0% coupon mortgages outperformed lower coupon mortgages, which make up a sizable percentage of the benchmark. Our moderate underweight to 15-year mortgages was a detractor as they outperformed 30-year mortgages over the period by 70 bps. We also selectively added top tranche asset-backed bonds that offered attractive yields, short average lives, and robust collateral support.

In contrast to the prior quarter, our shorter maturity profile in corporate bonds was additive as our holdings were better able to weather higher interest rates while still benefiting from tighter credit spreads as investors continued to primarily focus on their elevated yields. We continued to selectively add corporate bonds during the quarter but remain vigilant to any signs of fundamental deterioration given current valuations. Finally, our underweight to Treasuries was impactful given the meaningful move higher in interest rates.

Our rigorous, bottom-up research process enabled us to continue to identify investment opportunities that offer attractive income generation as well as positive environmental and social impact. We believe that recent shifts we've made will enable the strategy to perform in a range of market outcomes. Given our late cycle view, we continue to focus on liquidity and quality and continue to believe short-term yields across shorter duration corporate and securitized bonds remain attractive. Lastly, we ended the quarter mildly long duration with a moderate overweight to the belly of the yield curve and an underweight to longer-term maturities given the elevated pressure on them due to increasing Treasury issuance.

Outlook

Economic unpredictability, evidenced again in the 1st quarter, has proven how difficult it is to forecast and time markets. After the recent string of resurgent inflation readings, we believe this will continue to be the case throughout 2024 as the Federal Reserve continues to work towards returning inflation to their 2% target. We don't put a lot of emphasis on trying to forecast, rather focus on what we can control amidst continued market volatility. Our strength is staying nimble and flexible within our asset allocation and focusing on strong bottom-up security selection.

While we continue to see a path towards a "soft landing", it is becoming more challenging given the continuing strength of the economy and recent elevated inflation data. We also continue to be aware of increasing geopolitical risks and policy/economic challenges that could create significant hurdles to achieving that successfully. It is also a consequential election year and while that doesn't always translate into market impacts, it does create a lot of noise.

We continue to believe corporate bonds offer attractive yields, although from a spread perspective they are becoming increasingly expensive. We are not alone in this view, but attractive yields have led the market to absorb with relative ease investment grade corporate issuance that is running greater than 30% higher year-over-year. We maintained an overweight to mortgage bonds and continue to view the asset class as compelling given it is void of credit risk and offers additional yield above government bonds with attractive valuations.

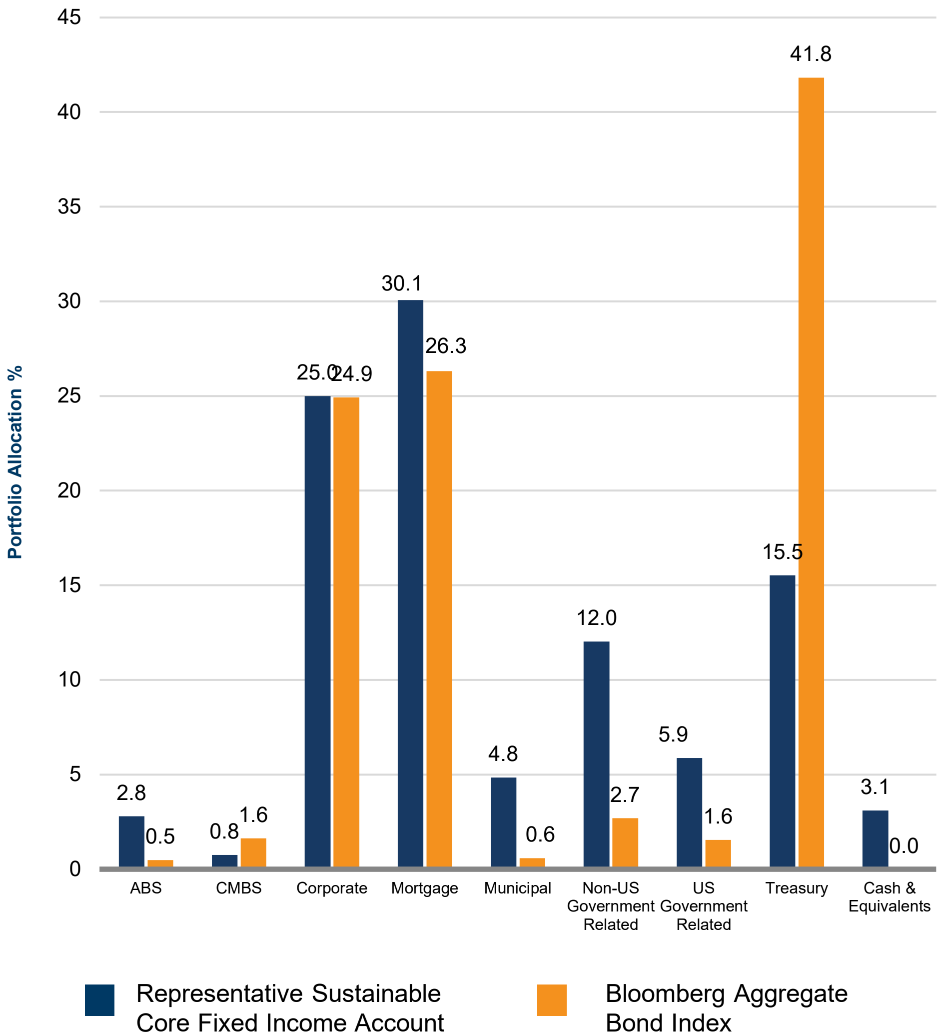
We continue to be excited for the remainder of the year ahead given the elevated yields in fixed income and the potential for capital appreciation if interest rates eventually decline. The strategy will continue to focus on generating strong risk-adjusted returns for our clients.

As always, thank you for your support and we look forward to speaking with you soon.

First Quarter 2024

PORTFOLIO ATTRIBUTES

Sustainable Core Representative Account as of 03/31/2024



Portfolio Characteristics

	REP. ACCOUNT	BENCHMARK
Avg. Credit Quality	Aa3	Aa2
Effective Duration (years)	6.43	6.14
Yield to Worst (%)	4.93	4.83
Avg. Life (years)	7.63	8.69

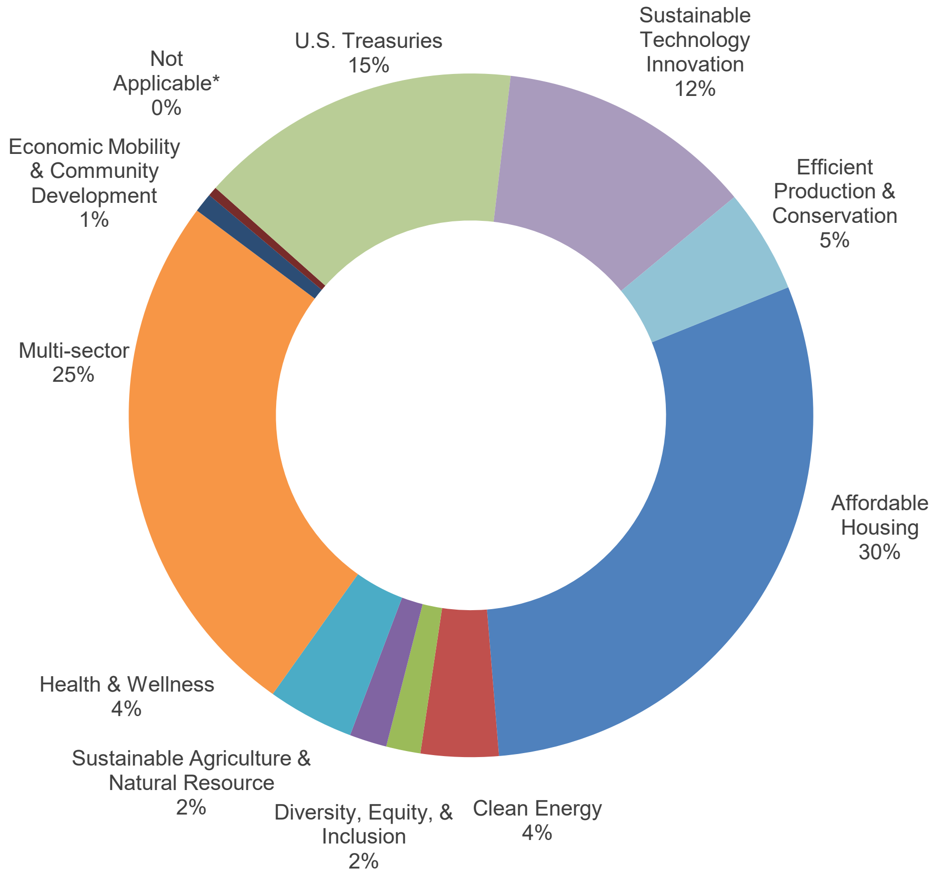
Source: FactSet. The portfolio information is based on a representative Sustainable Core Fixed Income account as of 03/31/2024 and is provided as Supplemental Information. Sector breakdown includes cash and equivalents. Portfolio characteristics include cash and equivalents. The information provided 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. Numbers may not total 100% due to rounding. Please see the end of this presentation for a GIPS Report, important disclosures and a complete list of terms and definitions.

First Quarter 2024

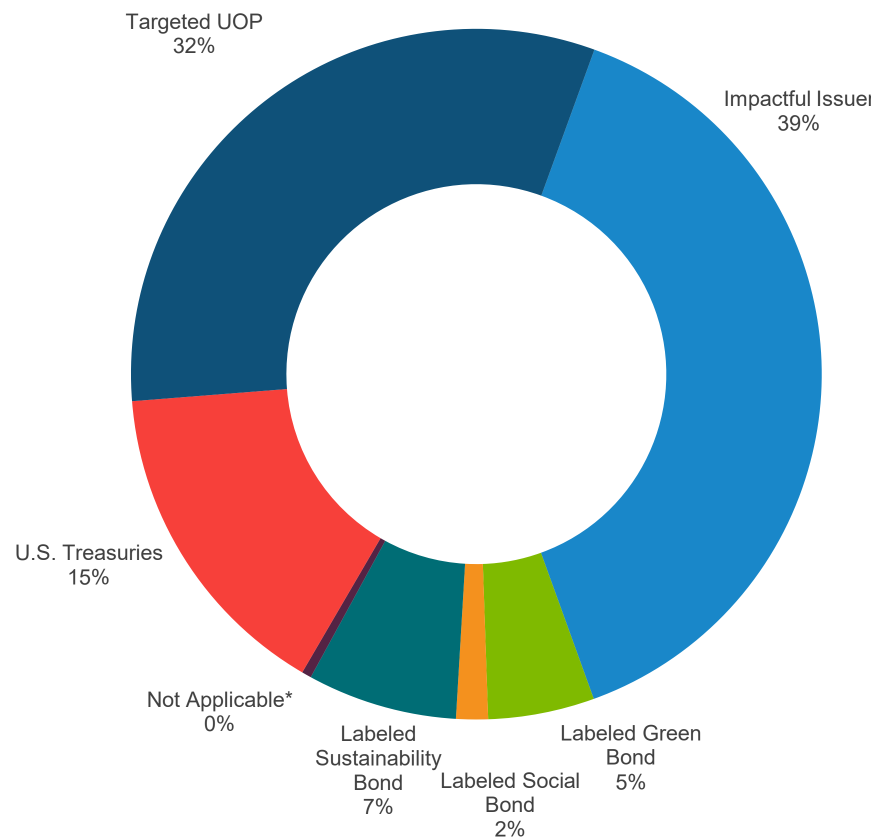
SUSTAINABLE CORE FIXED INCOME

Impact Distribution as of 03/31/2024

Impact Distribution



Impact Source



Source: FactSet. Impact breakdowns are based on a representative Sustainable Core Fixed Income account, include cash and equivalents and are provided as Supplemental Information. Numbers may not total due to rounding. *Not Applicable accounts for 0.45%. 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.

First Quarter 2024

QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR

Representative Sustainable Core Fixed Income Account as of 03/31/2024

	REPRESENTATIVE SUSTAINABLE CORE FIXED INCOME ACCOUNT	BLOOMBERG AGGREGATE BOND INDEX	ATTRIBUTION FACTORS				
SECTOR	SECTOR WEIGHT	SECTOR WEIGHT	SHIFT EFFECT	TWIST EFFECT	ALLOCATION EFFECT	SELECTION EFFECT	TOTAL EFFECT (LOCAL)
ABS	2.79	0.49	-0.00	0.00	0.01	-0.01	0.00
CMBS	0.76	1.63	0.02	0.00	-0.01	-0.00	0.01
Corporate	25.00	24.92	0.20	-0.02	-0.00	-0.06	0.11
Mortgage	30.07	26.31	-0.10	0.02	-0.01	-0.03	-0.12
Municipal	4.84	0.59	-0.04	-0.01	0.05	-0.03	-0.03
Non-U.S. Government Related	12.03	2.69	-0.13	0.03	0.02	-0.04	-0.12
U.S. Government Related	5.87	1.55	-0.07	0.01	-0.00	-0.01	-0.07
Treasury	15.53	41.82	0.10	0.22	0.07	-0.15	0.24
Cash and Equivalents	3.11	0.00	-0.00	0.00	0.01	0.00	0.01
Total	**100.00**	**100.00**	**-0.02**	**0.26**	**0.12**	**-0.32**	**0.03**

Source: Bloomberg and Brown Advisory Analysis. Portfolio information is based on a representative Sustainable Core Fixed Income account and is provided as Supplemental Information. Sectors are based on Bloomberg Index classifications. 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. Sector attribution includes cash and cash equivalents. Attribution 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. Past performance is not indicative of future results.

SAMPLE HOLDINGS

Sustainable Core

WASTE CONNECTIONS

Portfolio Holding: Waste Connections (WCN)

Waste Connections is a waste management company that provides waste collection, transfer, disposal, and recycling services.

Waste Connections, Inc.

Fundamental Drivers

- Top margin-generating national municipal and commercial solid waste operator with best-in-class incident rates (human capital) and emissions intensity (environmental)
- Smaller scale versus other companies such as Waste Management and Republic Services but paid for the scale differential while enjoying strong earnings visibility via consistent price, operating with dominant share in select metropolitan areas.
- Extremely resilient margin profile and efficient mergers and acquisitions (M&A) program

Sustainable Drivers

- Maintains an incident rate much lower compared to the industry, and has achieved up to 70% reductions in rates of acquired companies within one year of integration. In an industry well known for safety risks, this record enables retention and margin benefits.
- Continues to build out its waste-to-energy and recycling initiatives, with targets to increase biogas recovery by 40%, and increase resources recovered by at least 50%. Both of these business lines have potential to support enhanced revenue and margin opportunities.

Waste Connections (WCN) is a current holding in the Sustainable Core 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: Waste Connections (WCN) as of 03/31/2024. The information provided is based on a representative Sustainable Core Fixed Income account and provided as Supplemental Information. 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.

AIR LEASE CORPORATION

Brown ADVISORY
Thoughtful Investing.

Portfolio Holding: Air Lease Corporation (AL)

Air Lease Corporation is a leading aircraft leasing company.

Fundamental Drivers

- Top-tier global aircraft lessor, second only to Aercap in scale, managing one of the younger fleets in the space
- Scale and fleet quality drives high revenue visibility with most of the fleet booked through 2025
- Global aircraft shortages across both wide and narrowbody planes is pushing valuations, lease yields and free cash flow higher, especially as capex budgets fall in response to limited deliveries from the major OEMs

Sustainable Drivers

- Seeks to acquire in demand and fuel-efficient aircraft, making it well positioned to help customers quickly modernize fleets.
- Its fleet is typically 20-25% more efficient than the aircraft it replaces, and as of year-end, the fleet had a weighted average age of 4.5 years compared to about 11 years for the global fleet of commercial passenger aircraft.

Air Lease Corporation (AL) is a current holding in the Sustainable Core 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.

DISCLOSURES

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 of money 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.

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.

The **Bloomberg U.S. Aggregate Bond Index** is an unmanaged, market-value-weighted Index composed of taxable U.S. investment-grade, fixed rate bond market securities, including government, government agency, corporate, asset-backed, and mortgage-backed securities between one and 10 years.

The **Bloomberg U.S. Corporate High-Yield Index** measures the market of USD-denominated, non-investment grade, fixed rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody’s, Fitch and S&P is Ba1/BB+/BB+ or below, excluding emerging market debt. The U.S. Corporate High-Yield Index was created in 1986, with history backfilled to July 1, 1983, and rolls up into the U.S. Universal and Global High-Yield Indices. The U.S. Corporate Index rolls up to other flagship indices, such as the U.S. Aggregate and the multi-currency Global Aggregate Index.

“Bloomberg®” and the Bloomberg indices used in this presentation 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. Bloomberg is not affiliated with Brown Advisory, and Bloomberg does not approve, endorse, review, or recommend the Brown Advisory Sustainable Core Fixed Income strategy. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the Brown Advisory Sustainable Core Fixed Income strategy.

An investor cannot invest directly in an Index.

FactSet® is a registered trademark of FactSet® Research Systems, Inc.

DISCLOSURES (CONTINUED)

The **Shift Effect** measures the effect of a parallel shifts in the yield curve.

The **Income Effect** is measured by dividing the coupon rate by the ending price.

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

The **Selection Effect** is measured by using the remainder once income, treasury and spread effects are subtracted from the total return.

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

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.

Average Life is the average period of time for all principal dollars to be returned to investors.

Brown Advisory

SUSTAINABLE CORE 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 ($USD Millions)*	Firm Assets ($USD Millions)*
2023	4.4	4.1	5.5	6.5	7.1	44	0.7	965	81,325
2022	-12.8	-12.3	-13.0	5.9	5.8	34	0.2	583	58,575
2021	-0.4	-0.8	-1.5	4.6	3.6	31	0.3	502	79,715
2020	9.4	9.4	7.5	4.3	3.4	26	0.4	416	59,683
2019	9.5	9.1	8.7	2.9	2.9	14	0.2	265	42,426
2018	0.4	0.1	0.0	2.8	2.8	19	0.3	217	30,529
2017	3.7	3.3	3.5	2.8	2.8	11	0.3	113	33,155
2016	1.0	0.7	2.7	N/A	N/A	9	0.1	91	30,417
2015	1.2	0.9	0.6	N/A	N/A	Five or fewer	N/A	60	43,746
2014**	2.0	N/A	1.8	N/A	N/A	Five or fewer	N/A	5	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.

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 Sustainable Core Composite (the Composite) is comprised of all discretionary accounts with no material investment restrictions, which invest primarily in fixed income securities that have a target duration between 3 and 7 years. 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. Accounts included in the Composite are invested primarily in taxable securities. 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 and 7 years. The guidelines of accounts specifically indicate a preference for sustainability related investments.
3. 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.
4. 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 Sustainable Core 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.
5. Effective January 1, 2016, a significant cash flow policy was implemented for the Composite. Accounts with a greater than or equal to 14% external cash flow will be removed from the Composite for the entire month that the external cash flow occurred. The account will be added back to the Composite the following month if it meets the Composite inclusion requirements. The external cash flow percentage is calculated using beginning market value.
6. The composite creation date is November 1, 2015. The composite inception date is October 1, 2014.
7. The benchmark is the Bloomberg Aggregate Bond Index. The Bloomberg Aggregate Bond Index is an unmanaged, market-value weighted index comprised of taxable U.S. investment grade, fixed rate bond market securities, including government, government agency, corporate, asset-backed, and mortgage-backed securities between one and ten years. "Bloomberg®" and Bloomberg Aggregate 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.
8. 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.
9. 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 and net returns are also net of custody fees. Other expenses can reduce returns to investors. The standard management fee schedule is as follows: 0.30% on the first $50 million; 0.25% on the next $50 million; and 0.20% on the balance over $100 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.
10. 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.
11. The investment management fee for the Investor Shares of the Brown Advisory 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 0.52%. Further information regarding investment management fees and expenses is described in the fund prospectus and annual report.
12. 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.)
13. Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
14. Duration is a measure of interest rate risk.
15. The use of derivatives is integral to the investment process of the Fund, which is a constituent of the Composite. Futures and swaps are utilized and comprise roughly 20% of the Fund. The Fund may employ leverage, but it is not integral to the investment process. Portfolios have and may invest in CMOs and range accrual notes. Shorting is not utilized.
16. A complete list of composite descriptions and broad distribution and limited distribution pooled funds is available upon request.
17. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
18. Past performance is not indicative of future results.
19. This is not an offer to sell securities. That may only be accomplished by the issuance of a private offering memorandum/subscription documents.
20. 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.