

BROWN ADVISORY FUNDS p.l.c.

Luxembourg Supplement (the "Supplement")
dated 21 July 2017 to the Prospectus dated 7
June 2017

This Supplement is part of the English language Prospectus (the "Prospectus") dated 7 June 2017 of Brown Advisory Funds p.l.c. (the "Company"). This Supplement should be read in the context of and together with the Prospectus. The Prospectus is valid in Luxembourg only if it includes this Supplement.

Public Distribution of the Shares of the Company in Luxembourg

The Shares of the following sub-funds of the Company (the "Sub-Funds") have been notified for public distribution in Luxembourg, all to be issued as provided for in the Prospectus:

Brown Advisory US Equity Growth Fund

- Dollar Class A Acc Shares
- Dollar Class B Dis Shares
- Dollar Class B Acc Shares
- Dollar Class P Acc Shares
- Sterling Class A Hedged Shares
- Sterling Class B Dis H Shares
- Euro Class A Acc H Shares
- Euro Class B Acc Shares
- Euro Class P Acc H Shares

Brown Advisory American Fund

- Dollar Class A Dis Shares

Brown Advisory US Flexible Equity Fund

- Dollar Class A Acc Shares
- Dollar Class B Acc Shares

Paying agent in Luxembourg

RBC Investor Services Bank S.A., with registered office at 14, Porte de France, L-4360 Esch-sur-Alzette has been appointed as paying agent (the "Paying Agent") in respect of the shares of the Sub-Funds of the Company (the "Shares"). Accordingly, RBC Investor Services Bank S.A. is acting as agent of the Company for the payment of distributions (if any) and the payment in relation to repurchases and exchanges of Shares in Luxembourg to shareholders in the Sub-Funds (the "Shareholders"). Investors may also present applications, repurchases and exchanges requests of Shares to RBC Investor Services Bank S.A.

Copies of all documents referred to in the section "Documents for inspection" on pages 77 and 78 of the Prospectus are available for inspection at the offices of RBC Investor Services Bank S.A. Copies of the Prospectus and the annual and half yearly reports of the Company may be obtained at the offices of RBC Investor Services Bank S.A..

The net asset value of the Shares as well as the applications and repurchases prices of the Shares can be obtained on a daily basis from the offices of RBC Investor Services Bank S.A. during normal business hours and at such other sources as the directors of the Company may deem appropriate.

Any notice to the Shareholders will be duly notified by mail to their registered address unless Shareholders have elected to receive them electronically.

Sales of the Shares in Luxembourg will only take place through banks and distributors.

Listing on the Luxembourg Stock Exchange

The Company does not intend to apply for the listing of the Shares on the Luxembourg Stock Exchange.

Taxation in Luxembourg

The following information is of general nature only and is based on the Company's understanding of certain aspects of the laws and practice in force in Luxembourg as of the date of the Prospectus. It does not purport to be a comprehensive description of all of the tax considerations that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the Shares and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to Shareholders. This summary is based on the laws in force in Luxembourg on the date of the Prospectus and is subject to any change in law that may take effect after such date. Prospective Shareholders should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject and as to their tax position.

Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), personal income tax (*impôt sur le revenu*) as well as a temporary equalization tax (*impôt d'équilibrage budgétaire*). Corporate taxpayers may further be subject to net worth tax (*impôt sur la fortune*), as well as other duties, levies or taxes. Corporate income tax, municipal business tax, as well as the solidarity surcharge invariably apply to most corporate tax payers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, the solidarity surcharge and the temporary equalization tax. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

The Company

Under current Luxembourg law, there are no Luxembourg ordinary income, capital gains, estate or inheritance taxes payable by the Company, provided that the Company has no permanent establishment or permanent representative in Luxembourg and does not realise or hold any Luxembourg sourced profits or wealth.

The Shareholders

Income Tax

Luxembourg resident Shareholders

Luxembourg resident individuals

Dividends and other payments derived from the Shares by resident individual Shareholders, who act in the course of the management of either their private wealth or their professional / business activity, are subject to income tax at the ordinary progressive rates.

Capital gains realized on the disposal of the Shares by resident individual Shareholders, who act in the course of the management of their private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative and are subject to income tax at ordinary rates if the Shares are disposed of within 6 months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual Shareholder holds or has held, either alone or together with his spouse or partner and / or minor children, directly or indirectly at any time within the 5 years preceding the disposal, more than 10% of the share capital of the company whose shares are being disposed of. A Shareholder is also deemed to alienate a substantial participation if he acquired free of charge, within the 5 years preceding the transfer, a participation that was constituting a substantial participation in the hands of the alienator (or the alienators in case of successive transfers free of charge within the same 5-year period). Capital gains realized on a substantial participation more than 6 months after the acquisition thereof are taxed according to the half-global rate method, (*i.e.* the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realized on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the participation.

Capital gains realized on the disposal of the Shares by resident individual Shareholders, who act in the course of their professional / business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

Luxembourg corporate residents

Dividends and other payments derived from the Shares by Luxembourg resident fully-taxable companies are subject to income taxes.

Capital gains realized by a Luxembourg fully-taxable resident company on the Shares are subject to income tax at ordinary rates.

Luxembourg residents benefiting from a special tax regime

A Shareholder who is either (i) an undertaking for collective investment governed by the amended law of 17 December 2010, (ii) a specialized investment fund governed by the amended law of 13 February 2007 (iii) a family wealth management company governed by the amended law of 11 May 2007 or (iv) a reserved alternative investment fund governed

by the law of 23 July 2016 is exempt from income tax in Luxembourg. Dividends derived from and capital gains realized on the Shares are thus not subject to income tax in his hands.

Luxembourg non-resident Shareholders

Non-resident Shareholders, who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, are generally not liable to any Luxembourg income tax on income received and capital gains realized upon the sale, disposal or redemption of the Shares.

Non-resident Shareholders who have a permanent establishment or a permanent representative in Luxembourg to which or whom the Shares are attributable, must include any income received, as well as any gain realized on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg tax assessment purposes. Taxable gains are determined as being the difference between the price for which the Shares have been disposed of and the lower of their cost or book value.

Net Wealth Tax

Luxembourg resident Shareholders, as well as non-resident Shareholders who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, are subject to Luxembourg worth tax on such Shares, except if the Shareholder is (i) an individual, (ii) an undertaking for collective investment subject to the amended law of 17 December 2010, (iii) a securitization company governed by the amended law of 22 March 2004 on securitization, (iv) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (v) a specialized investment fund governed by the amended law of 13 February 2007 (vi) a family wealth management company governed by the amended law of 11 May 2007 (vii) a professional pension institution governed by the amended law of 13 July 2005 or (viii) a reserved alternative investment fund vehicle governed by the law of 23 July 2016.

However, (i) a Luxembourg resident securitization company governed by the amended law of 22 March 2004 on securitization, (ii) a professional pension institution governed by the amended law of 13 July 2005, (iii) a reserved alternative investment fund vehicle (opting for the treatment as a venture capital vehicle) governed by the law of 23 July 2016, and (iv) a Luxembourg resident company governed by the amended law of 15 June 2004 on venture capital vehicles shall be subject to the minimum net wealth tax ("MNWT") charge according to the amended law of 16 October 1934 on net wealth tax.

The MNWT is only levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, transferable securities, such as the Notes, and cash at bank exceeds 90% of their total gross assets and €350,000, the MNWT is set at €3,210 (in principle increased to €4,815 as from 1 January 2017). For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the €3,210 MNWT, the MNWT ranges from €535 to €32,100, depending on the company's total gross assets.

Other Taxes

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the Shareholders as a consequence of the issuance or transfer of Shares, unless recorded in a notarial deed or otherwise registered in Luxembourg (which is generally not mandatory).

Under Luxembourg tax law, where an individual Shareholder is a resident of Luxembourg for tax purposes at the time of his death, the Shares are included in his taxable base for

inheritance tax purposes. On the contrary, no estate or inheritance taxes are levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg at the time of his death for inheritance tax purposes.

Gift tax may be due on a gift or donation of the Shares, if the gift is recorded in a deed passed in front of a Luxembourg notary or otherwise registered in Luxembourg.

Secondary markets

No assurance can be given that a trading market will develop.

Clearing and Settlement

The ISIN codes are available at the office of the listing agent, i.e. RBC Investor Services Bank S.A., at 14, Porte de France, L-4360 Esch-sur-Alzette.

The directors of the Company whose names appear under the heading “Directors of the Company” in the Prospectus are responsible for the contents of the Prospectus and this Supplement.

DATED: 21 July 2017