Brown Advisory Sustainable Bond Fund

5 year Anniversary

The Fund takes a sustainable and flexible approach to fixed income, seeking to offer investors access to an attractive stream of income and risk-adjusted returns while simultaneously generating a positive impact on sustainability issues

Dear clients, friends, and colleagues,

The Brown Advisory Sustainable Bond Fund has recently lapped its fifth trip around the sun and we felt this was a good opportunity to articulate some of our current thinking related to the strategy surrounding: performance track record, investment process, and views on markets.

PERFORMANCE

The fund seeks to provide a competitive total return, outperforming the Bloomberg U.S. Aggregate Bond Index over a full market cycle. In reviewing the last five years, we are pleased to note that the Morningstar peer group analysis puts the Fund at the top of the pile for the 3- and 5-year period, through September 30, 2022.

Our impact objective however, is not as easy to measure, but it is equally clear to us. We seek to invest primarily in bonds that we believe produce positive social and environmental impact through the specific use of the bond's proceeds and/or the general activities of the issuer. Conventional wisdom has long held that performance and impact goals are at odds with each other, but we have found our approach to sustainable investing can enhance our returns by steering us to responsible and forward-thinking issuers.

We believe the combination of our portfolio management teams' joint 50+ years of experience[1] in managing global fixed income mandates with a durable and proven investment process, may provide a solid foundation for us to continue to deliver long-term, attractive performance and impact to our clients.

Peer Analysis: *#1 Fund for 5 year period*

	YTD	1 YEAR	3 YEAR	5 YEAR	ITD
Brown Advisory Sustainable Bond (BASBX)	-14.30	-14.25	-2.45	0.22	0.17
Bloomberg U.S. Aggregate Bond Index	-14.61	-14.60	-3.26	-0.27	-0.23
Peer Group Median	-15.23	-15.32	-2.82	-0.06	-0.03
Rank	23	15	1	1	13
Number of Funds in Category	19	15	10	9	9

Inception date is 7/8/2017.

The rank shown is determined by the Fund's peer group percentile. Performance is as of 9/30/2022. Source: Morningstar. The Peer Group is determined by the U.S. Funds that reside in Morningstar's Sustainable Landscape of U.S. Funds that are also included in the Intermediate Core-Plus Bond category.

Performance data quoted represents past performance and is no guarantee of future results. Performance for periods greater than one year is annualized. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Performance for other share classes will vary. Shares redeemed or exchanged within 14 days of purchase will be charged a 1.00% fee. Performance data quoted does not reflect the redemption or exchange fee. If reflected, total returns would be reduced. For the most recent month-end performance, please call 1-800-540-6807.

INVESTMENT PROCESS

Our investment process is the foundation on which we seek to deliver attractive performance for our clients. We believe we differentiate ourselves at the intersection of our top-down and bottom-up research. The Sustainable Bond Fund benefits from the integration of both fundamental and ESG research that we believe reinforces our focus on risk-adjusted returns while providing impact. We have also found that this integrated approach has a positive influence on our investment decision-making. Our process gives us a better understanding of an issuer's ESG profile and its intended use of proceeds, and we believe this knowledge helps us allocate capital to bonds with a higher likelihood of producing desirable returns.

Investment debate is a critical feature of our investment process. We believe that establishing and maintaining a culture of debate optimizes investment decision making. Investment team alignment across the following key philosophical factors is important to us: accountability and transparency, commitment and discipline, growth and improvement, and collaboration and communication. The overall objective is to create an environment conducive to investment debate that has a foundation of psychological safety which allows our team to limit friction associated with emotional and/or personal influences on decision making. Ultimately, we strive to trust the investment process that has provided strong, dynamic risk-adjusted returns over a multi-year time horizon.

Integrated ESG and Fundamental Research

TOP-DOWN DYNAMIC ASSET ALLOCATION

Global Macro Assessment
Fundamentals, Valuations, Positioning, Technicals

Top-Down ESG Research
Geopolitics, Demographics, Equality, Regulatory framework, Climate change

Seeks attractive, long-term, risk-adjusted returns over the economic cycle and positive environmental and social impact

Bottom-Up ESG Research
Carbon utilization, Management compensation, Environmental liabilities, Human capital

Fundamental Analysis
Valuation, Relative value, Duration, Liquidity, Capital structure

BOTTOM-UP SECURITY SELECTION

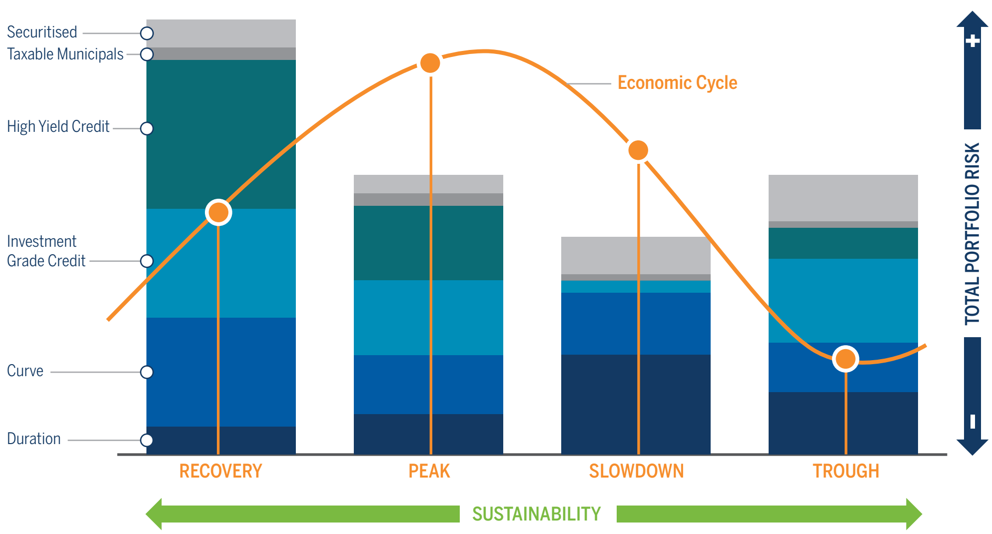
We view ESG research as a value-additive component of our investment process, integrated with top-down macro views and bottom-up fundamental analysis. This ESG research adds an informational edge that helps us identify high-quality investments with low ESG risks, and attractive sustainable opportunities that generate positive environmental and social impact.

On an annual basis, we construct a macro view of the global fixed income markets that provides a north star for our asset allocation within the portfolio. We leverage both top-down and bottom-up research to inform this dynamic view while utilizing research from across credit, securitized, equity, ESG, and private client investment teams within Brown Advisory. We challenge our macro thesis with daily investment debate and investment team calls, with weekly strategy and research meetings, and with quarterly macro reviews. Our asset allocation is based on our assessment of the economic cycle and we manage asset allocation dynamically throughout the economic cycle. We think about investment performance in terms of three primary pillars: alpha opportunities, dynamic beta, and core income—our investment ABCs. These performance pillars all rest on the foundation of sustainability. Alpha opportunities represent non-directional, idiosyncratic investments that are designed to be as uncorrelated to the broader portfolio as possible. Dynamic beta represents the directional characteristics of the portfolio—think interest rates higher or lower, risk on or off, spreads wider or tighter. Core income represents the risk-adjusted income in the portfolio that corresponds with our view of the economic cycle. Together with our sustainable investment approach, we believe the Sustainable Bond Fund provides our clients with an all-weather bond portfolio that provides risk-adjusted returns through the economic cycle—delivering performance and positive environmental and social impact.

Portfolio Positioning Across the Cycle

Dynamic asset allocation re-positions the portfolio in different market environments in an effort to help maximize return potential and mitigate risk.

Hypothetical Portfolio Risk Allocation[2]



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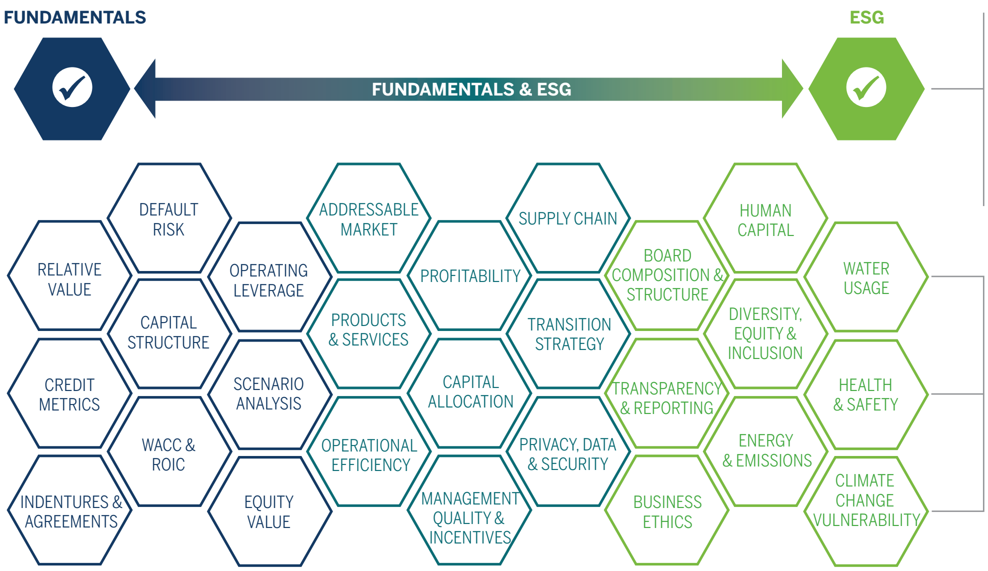
The pursuit of risk-adjusted returns for our clients is in the spirit of providing a ballast for investment portfolios by seeking to protect on the downside. A core tenet of our investment philosophy is that all-weather bond portfolios should behave as bond portfolios while having an awareness of the economic cycle versus portfolios primarily driven by credit risk. Given the asymmetric risk profile of fixed income investing, relatively limited upside in capital along with the risk of absolute capital loss, we think additional lenses through which to view credit risk can provide additional benefits to risk-adjusted return. Our fundamental, bottom-up investment process includes ESG research that assesses sustainable opportunities and ESG risks associated with a given investment. We believe this additional information provides us with more robust investment conviction when underwriting credit risk in our portfolio and leads us to more forward-thinking issuers likely to be more resilient over the long-term.

Fundamental and ESG Research

From the bottom up, we build a mosaic of information to evaluate and analyze a company's investment profile with integrated fundamental and ESG research.[3]

Mosaic of Information[4]



SECURITY SELECTION

- Attractive fundamentals
- Appropriate ESG risk management systems in place
- Strong or improving sustainable opportunities

RESOURCES

- Company filings and reports
- Bond indentures and credit agreements
- Interviews with management, suppliers, customers, and industry experts
- Public/private databases, business publications, policymakers
- 3rd party research (e.g., sell side, rating agencies, regulation, consultants)
- Financial modeling
- Investment memo and/or presentation

At Brown Advisory, we are proud to be at the forefront of sustainable investing. Since being early signatories to the ICMA Green Bond Principles in 2016, we have actively sought to shape the nearly $5 trillion[5] sustainable debt market through collaboration and engagement with many industry stakeholders. Today, we are involved in several industry working groups, including the UN PRI, ICMA, Ceres, and CDP and we are recent signatories to initiatives, such as the Net Zero Asset Managers initiative. Looking ahead over the next 5 years, we expect to continue to build on the foundations already in place today through continuous innovation in our investment research and process by leveraging the increasing amount of ESG data that is becoming available across asset classes.

FIXED INCOME MARKETS — UNCHARTED TERRITORY

We are in unchartered territory as 2022 is on pace to be the worst calendar year for the Bloomberg U.S. Aggregate Bond Index on record, dating back to 1976. A perfect storm of extraordinary events conspired to impair all areas of the bond market, and financial markets in general. A post-pandemic boom, that in retrospect included too much fiscal and monetary stimulus, Russia's unprovoked invasion of Ukraine that sent commodity prices soaring, grave miscalculations by global central banks about the durability of inflation, and lingering supply chain dysfunction have led the world into stagflation. We agree with the Oxford English Dictionary: the definition of stagflation is "a state of the economy in which stagnant demand is accompanied by severe inflation." The United States has experienced the highest levels of inflation in the last four decades and as the notion of "transitory" price pressures has been dispelled, the Federal Reserve has responded by aggressively tightening the stance of monetary policy. This has led to a broad-based tightening of financial conditions through higher interest rates, heftier credit premiums, a stronger U.S. dollar, and lower asset prices. Multi-decade high levels of inflation, a lack of renewed government spending, and deteriorating business confidence all pose significant headwinds to the economy moving forward. Even as the critically important job market remains robust, consumers' future expectations remain depressed, thus threatening the largest component of GDP, consumption. In the beginning of each year we model a series of economic scenarios and we're unhappy to report that continued stagflation has now become our most likely outcome for the near term.

The United States has experienced the highest levels of inflation in the last four decades and as the notion of "transitory" price pressures has been dispelled, the Federal Reserve has responded by aggressively tightening the stance of monetary policy.

For us, this means negative, or close to zero growth, inflation remaining well above the Fed's 2% target, and a meaningful move higher in the unemployment rate. Whether a recession is officially declared by the National Bureau of Economic Research (NBER), we're not sure, but we don't expect it will matter to financial markets. In this environment, we suspect risk-free interest rates will be rangebound. In our view, the primary moves higher in interest rates to reflect elevated inflation and central bank tightening is now behind us. It is likely that headline inflation has now peaked, as oil and other commodity prices have rolled over, and that the market has priced in an appropriate level of Fed rate hikes. We do expect, however, that the yield curve will continue to flatten and further invert, meaning the yields on shorter maturity Treasuries will likely exceed those of longer maturities. Additionally, we expect further weakness in riskier fixed income, including corporate bonds, both investment grade and high yield, as well as securitized bonds. We're particularly concerned about earnings power and margin pressure within the corporate universe as we progress through the end of this year and into next year. History is informative in assessing future valuation, however we expect corporate credit to perform better versus previous periods of stress. Strong balance sheets, including ample levels of liquidity, and low debt servicing costs should allow most to whether the storm. We expect weakness within the U.S. residential real estate sector, however there is not the same oversupply problems of the past and thus the risk of systemic consequence is lower in our view. Lastly, we believe the impact of the Fed's Quantitative Tightening (QT) program that is focused on shrinking the size of the Fed's balance sheet is difficult to quantify and further contributes to the uncertainty within fixed income markets.

Every cycle is different and we are keenly aware that the market is well ahead of discounting the troubled economic times ahead. This will require flexibility on our part, ready to re-risk the portfolio sooner than we have in the past. We expect this will include the adding of U.S. Treasury duration once inflation begins to moderate and the purchase of corporate securities as the growth outlook improves. This period has been a disappointing one for investors and also difficult to navigate. Ultimately, we view the economy in a classic "late cycle" state that demands a defensive posture with a focus on preserving capital. While the road may be rocky, we believe real value creation is in the works within fixed income markets.

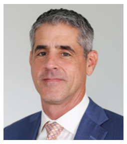
In addition to the general market dynamics at play, we recognize that issues like climate change, inequality and shifting demographics will continue to be some of the most important issues of our time and likely to impact the ever-evolving investment landscape. As fixed income investors, we believe that not only will these be important considerations when thinking about our ability to manage downside risks, but that we also have a very compelling opportunity to contribute to, and participate in, many of the solutions.

We're tremendously excited about the investment opportunities with which the fixed income markets are presenting us and we very much look forward to our future five and ten-plus years of investment performance. Please feel free to let us know if you would like to discuss the Fund and/or investment opportunities with us in more detail.

Best regards,

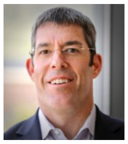
Chris, Amy and Colby

Sustainable Bond Fund Investment Team



Chris Diaz, CFA
- *Partner, portfolio manager and co-head of the global taxable fixed income team*
- *Investment experience since 2000*
- *Joined Brown Advisory 2021*

Amy Hauter, CFA
- *Partner, portfolio manager and global head of fixed income sustainability*
- *Investment experience since 2011*
- *Joined Brown Advisory 2012*



Colby Stilson
- *Partner, portfolio manager and co-head of the global taxable fixed income team*
- *Investment experience since 2002*
- *Joined Brown Advisory 2021*

[1] The Portfolio Management Team's experience managing global fixed income mandates includes experience at financial institutions other than Brown Advisory.

[2] Based on a hypothetical asset allocation, does not represent an actual fund's investments and is intended for illustrative purposes only.

[3] An ESG assessment is conducted for corporates, securitized products and other asset classes when relevant information is available. Also, we invest on the basis of ESG risk management and/or opportunity.

[4] Illustrative example focused on corporate credit analysis, does not include all variables analyzed.

[5] Source: Bloomberg, as of October 7, 2022.

Must be preceded or accompanied by a prospectus.

Mutual fund investing involves risk. Principal loss is possible.

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 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.

Mutual fund investing involves risk. Principal loss is possible. Investments in foreign securities and ADRs entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in Asset-Backed and Mortgage-Backed securities include additional risks that investor should be aware of including credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. In addition, the fund is susceptible to risks from investments in derivatives, U.S. Government securities, municipal securities and its investments in other investment companies.

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.

ESG 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. ESG analysis may not be performed for every holding in the Fund. ESG considerations that are material will vary by investment style, sector/industry, market trends and client objectives. These strategies seek to identify companies that we believe may have desirable ESG outcomes, but investors may differ in their views of what constitutes positive or negative ESG outcomes. As a result, the strategy may invest in companies and issuers that do not reflect the beliefs and values of any particular investor. These strategies may also invest in companies or issuers that would otherwise be screened out of other ESG-oriented funds. Security selection will be impacted by the combined focus on ESG assessments and forecasts of return and risk. Investing in securities that meet ESG criteria may result in the fund forgoing otherwise attractive opportunities, which may result in underperformance when compared to funds that do not consider ESG factors.

These strategies intend to invest in companies and issuers with measurable ESG outcomes, as determined by Brown Advisory, and may seek to screen out particular companies and industries. Brown Advisory relies on third parties to provide data and screening tools. There is no assurance that this information will be accurate or complete or that it will properly exclude all applicable securities. Investments selected using these tools may perform differently than as forecasted due to the factors incorporated into the screening process, changes from historical trends, and issues in the construction and implementation of the screens (including, but not limited to, software issues and other technological issues). There is no guarantee that Brown Advisory's use of these tools will result in effective investment decisions.

The Bloomberg Aggregate Bond Index (Bloomberg Agg 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 Indices are trademarks of Bloomberg or its licensors, including Bank PLC. It is not possible to invest directly in an index. 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. Bloomberg is not affiliated with Brown Advisory, and Bloomberg does not approve, endorse, review, or recommend the Brown Advisory Sustainable Bond Fund. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the Brown Advisory Sustainable Bond Fund.

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Click here (https://www.brownadvisory.com/definitions) for index and financial term definitions.

Terms and Definitions

All financial statistics and ratios are calculated using information from FactSet® as of the report date unless otherwise noted. FactSet® is a registered trademark of FactSet Research Systems Inc.

Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index.

Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Beta is used in the capital asset pricing model (CAPM), a model that calculates the expected return of an asset based on its beta and expected market returns.

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