



This annual shareholder report contains important information about the Brown Advisory Mortgage Securities Fund (the “Fund”) for the period of July 1, 2023, to June 30, 2024. You can find additional information about the Fund at <https://www.brownadvisory.com/mf/how-to-invest>. You can also request this information by contacting us at 1-800-540-6807.

What were the Fund costs for the past year?

(based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Investor Shares	\$50	0.50%

How did the Fund perform last year and what affected its performance?

For the 12-month period ended June 30, 2024, the Fund underperformed its regulatory benchmark, the Bloomberg U.S. Aggregate Bond Index.

WHAT FACTORS INFLUENCED PERFORMANCE

The rate environment over the past 12 months continued to be extraordinarily volatile and was a dominant driver of mortgage market returns. The Fund’s positioning along the coupon stack and a higher overall allocation to agency MBS basis detracted from overall performance relative to the benchmark. Exposure to securitized credit benefited performance over the period as spreads generally tightened over the year. Our security selection within the MBS sector also contributed positively to performance.

POSITIONING

We added to MBS basis over the past year as we believe that agency-backed mortgages continue to offer compelling value relative to riskier assets. We also added to high quality, short ABS which complement the mortgage exposure of the fund. We maintain a slight duration overweight, but continue to hold a relatively neutral duration stance as we prefer to add risk through our bottom-up selection and allocation decisions given the uncertainty of the current interest rate environment and reliance on near-term central bank policy decisions and posture.

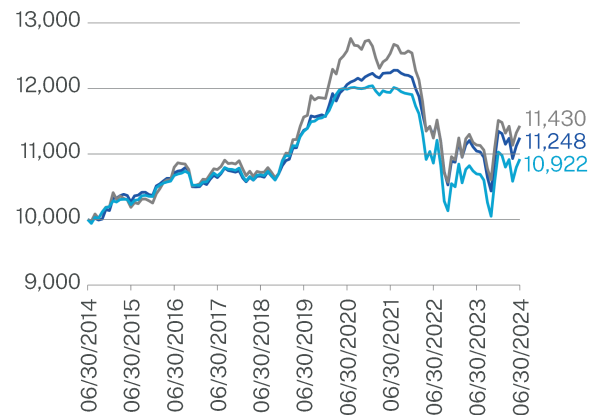
PERFORMANCE

The Fund posted positive returns as moderating rate volatility and tighter spreads were offset by higher yields across most of the curve. While the fund generally outperformed its benchmark in weaker market periods with elevated market volatility, it lagged during times of strong market momentum due to our conservative positioning over the period.

How did the Fund perform over the past 10 years?*

The \$10,000 chart reflects a hypothetical \$10,000 investment in the class of shares noted and does not assume the maximum sales charge. The chart uses total return NAV performance and assumes reinvestment of dividends and capital gains. Fund expenses, including 12b-1 fees, management fees and other expenses were deducted. Performance for other share classes will vary.

CUMULATIVE PERFORMANCE



- Brown Advisory Mortgage Securities Fund Investor Shares
- Bloomberg U.S. Aggregate Bond Index
- Bloomberg Mortgage Backed Securities Index

ANNUAL AVERAGE TOTAL RETURN (%)

	1 Year	5 Year	10 Year
Investor Shares	1.84	-0.20	1.18
Bloomberg U.S. Aggregate Bond Index	2.63	-0.23	1.35
Bloomberg Mortgage Backed Securities Index	2.12	-0.76	0.89

* The Fund’s past performance is not a good predictor of the Fund’s future performance. The returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares. In accordance with new regulatory requirements, the Fund has selected a new primary benchmark. The former primary benchmark is also included for comparison.

Key Fund Statistics (as of June 30, 2024)

Net Assets	\$285,945,246	Net Advisory Fee	\$869,152
Number of Holdings	328	Portfolio Turnover	335%

Visit <https://www.browoadvisory.com/mf/funds/mortgage-securities-fund> for more recent performance information.

What did the Fund invest in? (% of net assets, as of June 30, 2024)

Security Type	(%)	Top 10 Issuers	(%)
Agency Residential Mortgage-Backed Securities	88.3%	Federal National Mortgage Association	42.8%
Short-Term Investments	14.9%	Federal Home Loan Mortgage Corp.	23.3%
Asset-Backed Securities	10.4%	Ginnie Mae II Pool	13.1%
Agency Commercial Mortgage-Backed Securities	4.1%	Government National Mortgage Association	11.9%
Non-Agency Residential Mortgage-Backed Securities	0.7%	United States Treasury Bill	11.8%
Non-Agency Commercial Mortgage-Backed Securities	0.5%	First American Government Obligations Fund	3.1%
Municipal Bonds	0.1%	John Deere Owner Trust	1.4%
Cash & Other	-19.0%	CNH Equipment Trust	1.3%
		CarMax Auto Owner Trust	1.3%
		Ford Credit Auto Owner Trust	1.2%

Householding

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your Brown Advisory, LLC documents not be househanded, please contact Brown Advisory, LLC at 1-800-540-6807, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by Brown Advisory, LLC or your financial intermediary.

For additional information about the Fund; including its prospectus, financial information, holdings and proxy information, scan the QR code or visit <https://www.browoadvisory.com/mf/how-to-invest>.

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