# Small-Cap Fundamental Value Fund

Brown ADVISORY Thoughtful Investing.

## Why Invest in Brown Advisory Small-Cap Fundamental Value?

U.S. SMALL BLEND

**The Fund seeks to invest primarily in equity securities of small companies that we believe are mispriced relative to our assessment of their underlying value.** Portfolio Manager David Schuster believes that, at times, a company's market price does not fully reflect its intrinsic value. We focus on identifying companies with sustainable free cash flow and management teams that demonstrate disciplined capital allocation.

**Our Fund manager and investment team bring experience that supports our unique research-intensive approach.** Many members of the investment team, including David, have extensive investment banking backgrounds. They seek to identify classic value-oriented opportunities or special situations where we believe the market is overlooking or mispricing a company's true worth. These valuation gaps may provide a margin of safety and the potential for relative outperformance over the long term.

**A shared culture of thoughtful investing.** Brown Advisory's investment team is made up of independent thinkers who share a common philosophy. We invest with a long-term mindset, seeking exceptional businesses and building concentrated portfolios around our highest-conviction ideas. We believe this disciplined, active approach is the most effective way to deliver differentiated results and long-term outperformance relative to our benchmarks.

**Portfolio Manager: J. David Schuster**

**Benchmark: Russell 2000® Value Index**

## Average Annual Total Returns % (09/30/2026)

| | 3 MOS. | YTD. | 1 YR. | 3 YR. | 5 YR. | 10 YR. | ITD (12/31/2008) | ITD (07/28/2011) | ITD (10/19/2012) |
|---|---|---|---|---|---|---|---|---|---|
| Brown Advisory Small-Cap Fundamental Value Fund | | | | | | | | | |
| Investor Class-BIAUX Inception: 12/31/2008 | -6.41 | 12.82 | 13.35 | 14.53 | 9.08 | 8.94 | 11.73 | -- | -- |
| Advisory Class-BAUAX Inception: 07/28/2011 | -6.46 | 12.65 | 13.09 | 14.25 | 8.81 | 8.67 | -- | 9.46 | -- |
| Institutional Class-BAUUX Inception: 10/19/2012 | -6.36 | 12.97 | 13.54 | 14.70 | 9.25 | 9.11 | -- | -- | 10.17 |
| Russell 2000® Value Index | -4.91 | 16.96 | 20.77 | 17.93 | 7.80 | 9.40 | 10.79 | 9.71 | 10.14 |
| **Excess Return vs. Index (Investor)** | -1.50 | -4.14 | -7.42 | -3.40 | 1.28 | -0.46 | 0.94 | -- | -- |

## Calendar Year Returns %

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Investor Class-BIAUX | 5.73 | 11.87 | 16.00 | -8.77 | 31.11 | -5.70 | 23.99 | -13.29 | 12.20 | 21.86 |
| Russell 2000® Value Index | 12.59 | 8.05 | 14.65 | -14.48 | 28.27 | 4.63 | 22.39 | -12.86 | 7.84 | 31.74 |
| **Excess Return vs. Index (Investor)** | **-6.86** | 3.82 | 1.36 | 5.71 | 2.84 | -10.33 | 1.60 | -0.42 | 4.36 | -9.88 |

**Gross Expense Ratios: 1.11% (Investor), 0.96% (Institutional), 1.36% (Advisor)**
**Net Expense Ratios: 1.11% (Investor), 0.96% (Institutional), 1.36% (Advisor)**

**Source: U.S. Bank. Performance data quoted represents past performance and is no guarantee of future results. Performance is reported net of all advisory fees. 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 may be worth more or less than original cost. Performance for other share classes will vary. For the most recent month end performance, please call 1-800-540-6807.**

## CHARACTERISTICS (09/30/2026)

| | BIAUX | Russell 2000® Value Index |
|---|---|---|
| Fund Assets ($MM) | $1,120.8M | -- |
| Number of Holdings | 62 | 1,414 |
| Wtd. Avg. Market Cap. ($B) | 3.9 | 3.3 |
| Earnings Growth (3-5 Yr. Est.) (%) | 18.3 | 14.1 |
| Price-to-Earnings Ratio (P/E, FY1 Est.) (x) | 12.8 | 11.6 |
| Price-to-Earnings Ratio (P/E, FY2 Est.) (x) | 11.2 | 11.1 |

Source: Fund net assets provided by U.S. Bank and are as of the last day of the quarter and include all share classes. Characteristics exclude cash and equivalents and are derived from FactSet® and are applicable to the investor share class only. Characteristics are calculated gross of fees unless noted otherwise. Performance figures and charts include the reinvestment of dividend and capital gain distributions. Returns would have been lower during the specified periods if the payment of certain fees by the Fund had not been waived or expenses reimbursed. Earnings growth 3-5 year estimate is not a measure of the Fund's future performance.

# Small-Cap Fundamental Value Fund

THIRD QUARTER 2026: INVESTOR: BIAUX | ADVISOR: BAUAX | INSTITUTIONAL: BAUUX

## Portfolio Diversification (09/30/2026)

| Sector Composition (%) | BIAUX | Russell 2000® Value Index | Weighting Difference |
|---|---|---|---|
| Communication Services | 4.2 | 2.5 | 1.7 |
| Consumer Discretionary | 11.2 | 9.0 | 2.2 |
| Consumer Staples | 1.1 | 2.2 | -1.2 |
| Energy | 5.0 | 7.9 | -2.9 |
| Financials | 28.0 | 28.4 | -0.4 |
| Health Care | 16.4 | 12.1 | 4.3 |
| Industrials | 9.3 | 12.1 | -2.8 |
| Information Technology | 8.1 | 7.3 | 0.8 |
| Materials | 7.9 | 4.0 | 3.9 |
| Real Estate | 6.5 | 9.2 | -2.7 |
| Utilities | 2.3 | 5.2 | -2.9 |

Source: FactSet® (Portfolio diversification) and U.S. Bank (Portfolio holdings). Portfolio diversification excludes cash and equivalents, and Portfolio holdings include cash and equivalents, which was 2.1% as of 09/30/2026, and are subject to change at any time. 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. Sectors are based on the Global Industry Classification Standard (GICS®) classification system. Numbers may not total due to rounding.

### TOP 10 PORTFOLIO HOLDINGS (09/30/2026)

| Shown as a % of total net assets | (%) of |
|---|---|
| Integer Holdings Corp | 3.2 |
| Ingevity Corp | 3.1 |
| Lantheus Holdings Inc | 2.4 |
| Signet Jewelers Ltd | 2.4 |
| CTS Corp | 2.3 |
| Cushman & Wakefield Ltd | 2.3 |
| Talen Energy Corp | 2.3 |
| Encompass Health Corp | 2.2 |
| Insight Enterprises Inc | 2.2 |
| WSFS Financial Corp | 2.2 |
| **Total** | 24.5 |

## About Brown Advisory

### BROWN ADVISORY: AN INDEPENDENT INVESTMENT FIRM

Brown Advisory is an independent investment management and strategic advisory firm committed to delivering client-first investment performance, strategic advice and the highest level of service.

The firm's clients—including individuals, families, family offices, endowments, foundations, charities, institutions, consultants, and financial intermediaries—are served by over 1,000 colleagues worldwide, all of whom are equity owners of the firm.

- Independent since 1998
- Founded in 1993
- 100% of colleagues collectively own approximately 65% of the firm's equity

## Experienced Management

J. David Schuster

Portfolio Manager

*David Schuster is the Portfolio Manager for the Small-Cap Fundamental Value Fund and Co-Portfolio Manager of the Sustainable Small-Cap Core Fund.*
*Investment experience dating from 1995; joined Brown Advisory 2008*

# Small-Cap Fundamental Value Fund

THIRD QUARTER 2026: INVESTOR: BIAUX | ADVISOR: BAUAX | INSTITUTIONAL: BAUUX

**Before investing you should carefully consider the Fund's investment objectives, risks, charges, and expenses. This and other information is in the summary or statutory prospectus, a copy of which may be obtained by calling 1-800-540-6807 or visiting the Fund's website, www.brownadvisory.com/mf. Please read the prospectus carefully before you invest.**

Mutual fund investing involves risk. Principal loss is possible. Past performance is no guarantee of future results.

Investments in smaller companies generally carry greater risk than is customarily associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock. The value of the Fund's investments in REITs may change in response to changes in the real estate market such as declines in the value of real estate, lack of available capital or financing opportunities, and increases in property taxes or operating costs. The Fund may invest in ETFs, which may trade at a discount to the aggregate value of the underlying securities and although expense ratios for ETFs are generally low, frequent trading of ETFs by the Fund can generate brokerage expenses. The Fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater in emerging markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management, and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. Private Placement issued securities are restricted securities that are not publicly traded. Delay or difficulty in selling such securities may result in a loss to the Fund.

Performance figures and charts include the reinvestment of dividend and capital gain distributions.

The Fund is the successor to the investment performance of the Predecessor Fund as a result of the reorganization of the Predecessor Fund into the Fund on October 19, 2012.Accordingly, the performance information shown for periods prior to October 19, 2012 is that of the Predecessor Fund. The Predecessor Fund was also advised by the Adviser and had the same investment objective and strategies as the Fund. Investor Shares commenced operations on December 31, 2008 as part of the Predecessor Fund and Advisor Shares commenced operations on July 28, 2011 as part of the Predecessor Fund and Institutional Shares commenced operations on October 19, 2012. Performance shown prior to inception of the Institutional Shares is based on the performance of Investor Shares, adjusted for the lower expenses applicable to Institutional Shares. Prior to October 19, 2012, Investor Shares were known as Institutional Shares. Institutional Shares commenced operations on October 19, 2012. Prior to October 19, 2012, Investor Shares were known as Institutional Shares.

The benchmark index shown represents the Fund's performance benchmark index, which is different from the Fund's regulatory benchmark index. The Fund's regulatory benchmark index is the Russell 1000® Index and it is included in the Fund's prospectus. The Fund's prospectus can be obtained by contacting the Fund at 1-800 645-3923 or by visiting the Fund's website at https://www.brownadvisory.com/mf

The **Russell 2000® Value Index** measures the performance of the small-cap value segment of the U.S. equity universe. It includes those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000® Value Index is constructed to provide a comprehensive and unbiased barometer for the small-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The Russell 2000® Value Index and Russell® are trademarks/service marks of the London Stock Exchange. An investor cannot invest directly into an index.

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

GICS® is a registered trademark of MSCI and Standard & Poor's Financial Services LLC.

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### Terms and Definitions

**Market Capitalization** is the value of the fund as determined by the market price of its issued and outstanding stock. The **Weighted Average Market Capitalization** of a portfolio equals the average of each holding's market cap, weighted by its relative position size in the portfolio (in such a weighting scheme, larger positions have a greater influence on the calculation). **Earnings growth rate** is based on consensus estimates derived from FactSet as of the current quarter-end for the next 3-5 year trailing period, and is not a measure of the Fund's future performance. **Earnings Growth 3-5 Year Est.** is the forecasted growth rate of earnings per share. Estimated EPS Growth Rate is not a measure of the Fund's future performance**. Price-Earnings Ratio (P/E Ratio)** is the ratio of the share of a company's stock compared to its per-share earnings. **Free cash flow (FCF)** is a measure of how much cash a business generates after accounting for capital expenditures such as buildings or equipment. Margin of safety is the difference between the intrinsic value of a stock and its market price.