



Brown Advisory Tax-Exempt Bond Fund



Investor Shares | BIAEX

Annual Shareholder Report | June 30, 2024

This annual shareholder report contains important information about the Brown Advisory Tax-Exempt Bond 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	\$46	0.45%

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

For the 12-month period ended June 30, 2024, the Fund outperformed its regulatory benchmark, the Bloomberg Municipal Bond Index.

WHAT FACTORS INFLUENCED PERFORMANCE

Positive contributions to relative performance were led by active yield curve positioning and individual security selection, during a period of elevated interest rate volatility. The municipal yield curve became severely inverted over the past year, with intermediate-maturity bonds yielding dramatically less than both short-term and longer-term bonds. These dynamics led us to actively position the portfolio in a duration barbell, which benefitted relative and absolute returns as the curve began to normalize by mid-2024. Bond selection was also additive to performance as many of our active sector and individual credit overweights outperformed the broad market.

POSITIONING

We tactically added to a duration barbell with a dramatic overweight to ultra-short duration bonds, and large weightings to longer duration bonds. We maintained an overweight in revenue-backed municipal sectors and added tactically to Prepaid Gas, Airports, and Tax Revenue, while trimming our positions in Higher Education and Healthcare.

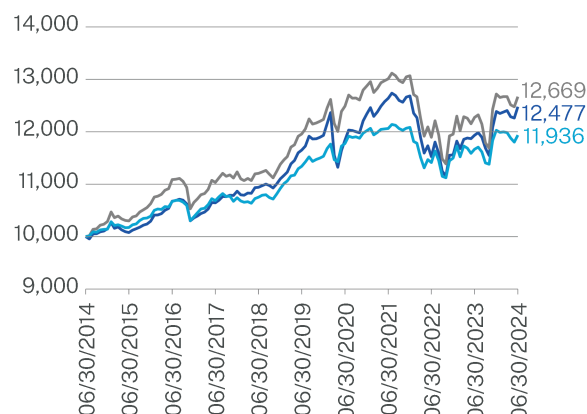
PERFORMANCE

The Fund outperformed its benchmark in a volatile market. Much of our outperformance was driven by downside protection, particularly during the second half of 2023 as interest rates rose sharply. This performance was further bolstered by solid credit selection and active duration management for the entire 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 Tax-Exempt Bond Fund Investor Shares
- Bloomberg Municipal Bond Index
- Bloomberg 1-10 Year Blended Municipal Bond Index

ANNUAL AVERAGE TOTAL RETURN (%)

	1 Year	5 Year	10 Year
Investor Shares	4.55	1.38	2.24
Bloomberg Municipal Bond Index	3.21	1.16	2.39
Bloomberg 1-10 Year Blended Municipal Bond Index	2.31	1.03	1.79

* 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	\$919,823,529	Net Advisory Fee	\$2,528,227
Number of Holdings	167	Portfolio Turnover	57%

Visit <https://www.brownadvisory.com/mf/funds/tax-exempt-bond-fund> for more recent performance information.

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

Top Ten States	(%)	Top 10 Issuers	(%)
Texas	13.2%	Black Belt Energy Gas District	4.4%
New York	10.1%	Texas Municipal Gas Acquisition and Supply Corp. II	4.2%
Illinois	9.5%	Main Street Natural Gas, Inc.	3.8%
Florida	6.7%	New Jersey Transportation Trust Fund Authority	3.4%
Georgia	5.9%	Tobacco Settlement Financing Corp.	3.1%
Alabama	5.6%	First American Government Obligations Fund	2.6%
California	4.4%	Miami-Dade County Florida Expressway Authority	2.4%
New Jersey	4.0%	Metropolitan Pier & Exposition Authority	2.2%
Ohio	4.0%	Illinois State	2.2%
Cash & Other	36.6%	Fort Worth Texas	2.1%

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.

Security Type Breakdown (%)



- Municipal Bonds (98.7%)
- Short-Term Investments (2.6%)
- Cash & Other (-1.3%)

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

The Brown Advisory Tax-Exempt Bond Fund is distributed by ALPS Distributors, Inc.