

U.S. Flexible Equity

STRATEGY OVERVIEW

Third Quarter 2021

We believe that a portfolio based on a fundamental, business-analysis approach that employs the principles of Benjamin Graham and Warren Buffett can outperform the S&P 500 Index over the long term. Our guiding beliefs include that:

- Investing in stocks equates to ownership in businesses, so understanding businesses is key
- Price fluctuations can create “bargain moments” for the knowledgeable, prepared investor
- Maintaining a margin of safety helps reduce risk
- Compelling investments occur across the investment spectrum, so flexibility allows us to potentially avoid the limitations of style boxes like “value” or “growth”

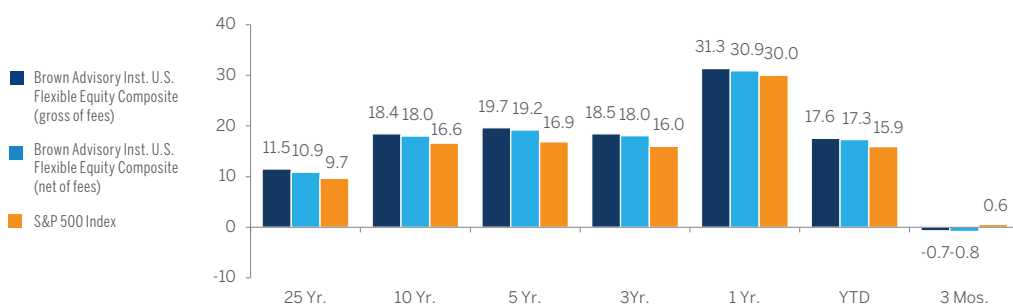
FLEXIBLE EQUITY
STRATEGY MANAGEMENT:

Maneesh Bajaj, CFA
Portfolio Manager
INVESTMENT EXPERIENCE SINCE 2003;
JOINED BROWN ADVISORY IN 2005

TRAILING ANNUALIZED TOTAL RETURN

Long-Term Outperformance vs. S&P 500 Index

Source: FactSet, as of 09/30/2021



Total Returns (%) as of 09/30/2021	25 Yr.	10 Yr.	5 Yr.	3 Yr.	1 Yr.	YTD	3 Mos.
Brown Advisory Inst. U.S. Flexible Equity Composite (gross of fees)	11.52	18.45	19.66	18.47	31.33	17.59	-0.70
Brown Advisory Inst. U.S. Flexible Equity Composite (net of fees)	10.86	18.00	19.20	18.04	30.89	17.28	-0.81
S&P 500® Index	9.65	16.63	16.90	15.99	30.00	15.92	0.58
Excess Return vs. Index (gross)	1.87	1.81	2.76	2.48	1.33	1.67	-1.29

eVestment U.S. Large-Cap Core Peer Universe as of 09/30/2021	25 Yr.	10 Yr.	5 Yr.	3 Yr.	1 Yr.	3 Mos.
eVestment U.S. Large-Cap Core Equity Median Returns (%)	10.41	16.14	16.21	14.93	29.82	0.22
Inst. U.S. Flexible Equity Composite Rank	Top 13%	Top 5%	Top 5%	Top 10%	Top 36%	Top 79%
# of Large-Cap Core Managers Ranked	83	275	341	370	380	380

Growth of \$10,000 Investment, Since Inception 12/31/1984 - 09/30/2021	Initial Value	Ending Value	Annualized Return
Inst. U.S. Flexible Equity Composite, gross of fees	\$10,000	\$1,261,884	14.1%
Inst. U.S. Flexible Equity Composite, net of fees	\$10,000	\$1,003,380	13.4%
S&P 500® Index	\$10,000	\$598,904	11.8%

Composite performance is based on the Brown Advisory Institutional U.S. Flexible Equity Composite. Returns are shown through 09/30/2021, and all returns greater than one year are annualized. Past performance is not indicative of future results. The composite performance shown above reflects the Brown Advisory Institutional Flexibly Equity Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a division of Brown Advisory LLC, and Brown Advisory Institutional is a GIPS compliant firm. Please see the Brown Advisory Institutional U.S. Flexible Equity Composite presentation on the last page for additional information and a complete list of terms and definitions. The portfolio information provided is based on a representative Brown Advisory U.S. Flexible Equity account as of 09/30/2021 and is provided as supplemental information. Portfolio characteristics exclude cash and equivalents; top 10 portfolio holdings exclude cash and equivalents which was 2.5% and provided as supplemental information. *Alphabet, Inc. represents a 3.7% holding position in Class C shares of the stock and 2.8% holding position in Class A shares of the stock. Numbers may not total due to rounding.

Strategy Profile

BENCHMARK

S&P 500® Index

STRATEGY ASSETS

\$6.4 billion

PRODUCT INCEPTION

12/31/1984

PORTFOLIO CHARACTERISTICS	FLEXIBLE EQUITY REP. ACCOUNT	S&P 500® INDEX
Weighted Avg. Market Cap. (\$B)	583.0	563.6
Weighted Median Market Cap. (\$B)	307.4	192.9
P/E Ratio (FY2 est.)	20.9	19.7
Dividend Yield (%)	0.7	1.4
Earnings Growth (3-5 Year est. (%))	18.6	16.1
Return on Equity (ROE) (%)	21.6	23.3
Beta	1.1	--
Portfolio Turnover, (3-Year Avg. (%))	11.1	--
Active Share	69.3	--

TOP 10 PORTFOLIO HOLDINGS (% AS OF 09/30/2021)	
Alphabet, Inc. (Class A & C)*	6.6
Microsoft Corp.	6.2
Visa, Inc.	4.7
Facebook, Inc.	4.7
Mastercard, Inc.	4.4
Apple, Inc.	3.6
Berkshire Hathaway, Inc. CI B	3.4
Edwards Lifesciences Corp.	3.3
CarMax, Inc.	3.0
UnitedHealth Group, Inc.	3.0

Source: Universe performance rankings from eVestment, all other statistics from FactSet®. Past performance is not indicative of future results. The performance rankings may not be representative of any one client's experience because the ranking reflects an average of the accounts that make up the composite and is provided as supplemental information. eVestment U.S. Large-Cap Core equity universe represents managers that invest primarily in large capitalization stocks with fundamental characteristics between growth and value or products that invest in a relatively even mix of growth and value stocks/sectors. The expected benchmarks for this universe would include the Russell 1000® Index or S&P 500 Index. Managers in this category will typically indicate a "Primary Capitalization Emphasis" equal to Large-Cap and a "Primary Style Emphasis" equal to Core. The minimum criteria necessary for inclusion in an eVestment Universe are 1) minimum of one year of performance history, and 2) updated portfolio characteristics for the product. All products meeting the criteria are evaluated for inclusion. Managers voluntarily populate performance data into the database for inclusion, and the number of managers in each period only consists of managers that were in the universe for that entire period.

Team Approach

MANEESH BAJAJ, CFA
Portfolio Manager
R. HUTCHINGS VERNON, CFA
Flexible Equity Advisor
BRIAN GRANEY, CFA
Strategy Analyst: Generalist
NINA YUDELL
Strategy Analyst: Generalist
MIKE FOSS, CFA
Strategy Analyst: Generalist

ERIC GORDON, CFA
Director of Research
PRIYANKA AGNIHOTRI
Analyst: Financials
VICTORIA AVARA, CFA
Analyst: ESG
JOHN BOND, CFA
Analyst: Technology
JOHN CANNING, CFA
Analyst: Technology
LAUREN CAHALAN
Analyst: Investigative
ERIN CAWLEY
Analyst: Risk
ERIC CHA, CFA
Analyst: Consumer
RAN CHANG
Analyst: Generalist
JONATHAN CHOU, CFA
Analyst: Industrials & Basic Materials
KENNETH COE, CFA
Analyst: Financials
EMILY DWYER
Analyst: WESG
ROBERT FURLONG, CFA
Analyst: Business Services
DREW FRANCK
Analyst: Technology
THOMAS FITZALAN HOWARD
Analyst: Industrials
SANJEEV JOSHI, CFA
Analyst: Health Care
MARK KELLY
Analyst: Health Care
KATHERINE KROLL
Investment Specialist
PATRICK MAHONEY
Analyst: Consumer
CAMERON MATHIS
Analyst: Financials
DAN MOONEY, CFA
Analyst: Consumer
DAVID MYKRANTZ
Analyst: Risk
FRANK O'DONNELL
Analyst: Financials
ADI PADVA
Analyst: Industrials & Basic Materials
SUNG PARK, CFA
Analyst: Health Care
MICHAEL POGGI, CFA
Analyst: Small-Cap Generalist
GEORGE SAKELLARIS, CFA
Analyst: Small-Cap Generalist
RODDY SEYMOUR-WILLIAMS, CFA
Analyst: Industrials & Basic Materials
BRANDON WOODLAND, CFA
Analyst: Generalist
ALEX TREVINO
Analyst: Consumer
EMILY WACHTMEISTER, CFA
Analyst: Technology
JAMIE WYATT
Analyst: Health Care
ANGELA WILSON
Analyst: ESG
LARA WIGAN
Analyst: ESG
SOPHIE STONE
Analyst: Industrials & Basic Materials

CONSISTENT, REPEATABLE INVESTMENT PROCESS

Seeking Desirable Businesses

UNIVERSE > IDEA GENERATION > DUE DILIGENCE > DECISION PROCESS > PORTFOLIO MANAGEMENT > SELL DISCIPLINE

Fundamental, Bottom-Up Process

- We look at a large investable universe consisting of more than 1,500 companies with a market cap over \$2 billion at the time of purchase.
- We judge the desirability of underlying business and investment opportunity, and seek to identify bargain-moment triggers.
- A lead analyst champions every idea, performs rigorous due diligence and shares recommendations internally.
- Our group discussions lead to robust analysis and ultimately more comprehensive decision-making; co-managers collaborate on final portfolio decisions.
- We typically add five to 10 new positions per year in a portfolio that holds roughly 35-45 stocks.

Typical Portfolio Construction

- Number of positions: 35-45
- Position size: 1%-6%, maximum 8%
- Top 10 weight: 30%-50% of total portfolio
- Cash position: 0%-5%, 10% max.
- Annual turnover: ~25%
- No set active-share target, but generally 80%

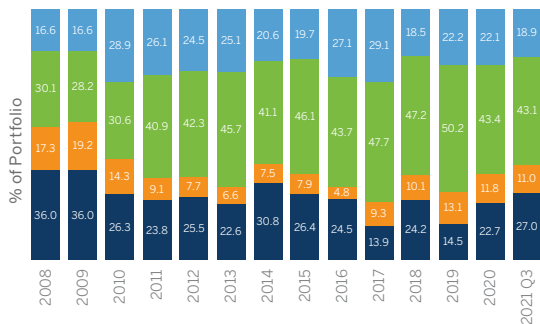
FLEXIBLE MARKET CAPITALIZATION; MINIMUM INVESTMENT OF AT LEAST \$2B

Unconstrained by Style or Market Cap

Source: FactSet, 2006-2021, as of 09/30/2021

Style Breakdown

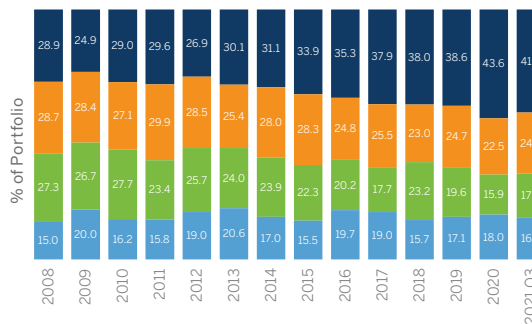
% of Portfolio Securities Overlap vs. Constituents in the Russell 1000® Growth Index & Russell 1000® Value Index



- Russell 1000® Value Index
- Russell 1000® Growth Index
- Not in the Russell 1000® Index
- Both the Russell 1000® Value and Growth Indices

Market Capitalization Breakdown

% of Portfolio Securities



- 1st Market Cap Quartile
- 2nd Market Cap Quartile
- 3rd Market Cap Quartile
- 4th Market Cap Quartile

Portfolio information is based on a representative Brown Advisory U.S. Flexible Equity account and is provided as supplemental information. Style breakdown excludes cash and cash equivalents. Market capitalization breakdown excludes cash and cash equivalents. Please see the disclosure statement at the end of this presentation for additional information.

Long-Term Oriented, High-Active-Share Approach

Sources: FactSet and eVestment

Holding Period (Years) Based on portfolio turnover for the last 12 months											
Data shown as of 09/30/2021	12/31/2011	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	9/30/2021
Brown Advisory Flexible Equity Rep. Account	2.75	6.46	5.47	5.70	7.35	7.30	8.07	7.18	10.31	8.48	9.21
Peer Comparison: eVestment U.S. Large-Cap Core Equity Universe											
5th Percentile	0.64	0.74	0.75	0.67	0.59	0.64	0.75	0.73	0.79	0.71	0.74
25th Percentile	1.13	1.23	1.28	1.29	1.20	1.35	1.28	1.31	1.35	1.26	1.66
Median	1.87	1.69	1.96	1.99	2.11	2.08	1.99	2.12	2.65	2.14	2.91
75th Percentile	3.53	3.45	4.00	3.92	4.03	4.30	4.27	4.68	4.81	4.55	6.69
95th Percentile	7.69	7.67	8.59	10.63	9.56	13.06	12.54	10.76	16.43	10.10	19.33
# of Managers in Universe	264	239	226	244	262	214	239	239	166	225	232
Active Share											
Data shown as of 09/30/2021	12/31/2011	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	9/30/2021
Brown Advisory Flexible Equity Rep. Account	80.45	78.82	77.60	78.35	77.72	76.28	73.73	71.69	71.24	70.52	69.46
Peer Comparison: eVestment U.S. Large-Cap Core Equity Universe											
5th Percentile	86.60	93.92	91.74	91.26	92.43	91.94	90.90	90.49	90.34	92.24	90.17
25th Percentile	81.31	83.18	80.42	82.78	85.07	82.13	79.00	79.02	77.88	78.20	79.08
Median	72.51	71.25	72.99	75.00	74.38	71.90	71.97	70.76	69.96	67.59	68.12
75th Percentile	61.25	63.19	64.06	65.34	63.08	62.93	63.56	60.97	61.54	59.12	59.47
95th Percentile	31.40	43.33	39.48	14.33	13.67	42.61	51.48	45.73	39.45	32.21	38.72
# of Managers in Universe	18	22	55	101	170	159	208	223	168	222	240

Example: Brown Advisory U.S. Flexible Equity representative account had a longer average holding period and higher active share than the median U.S. large-cap core equity manager, according to eVestment as of 09/30/2021

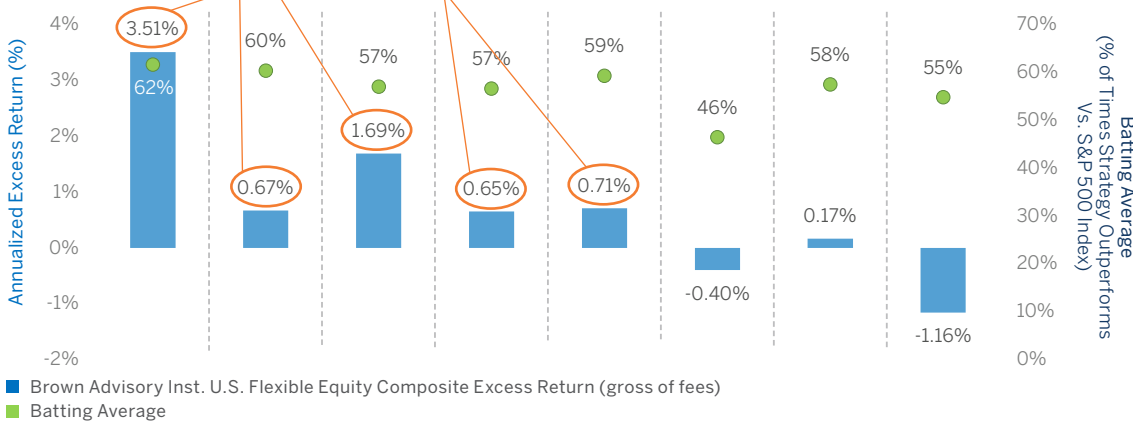
Past performance is not indicative of future results. The eVestment U.S. Large-Cap Core Equity classification ("universe") includes U.S. equity strategies that invest primarily in large capitalization stocks with fundamental characteristics between growth and value or products that invest in a relatively even mix of growth and value stocks/sectors. The expected benchmarks for this universe would include the Russell 1000®, or S&P 500. Managers in this category will typically indicate a "Primary Capitalization Emphasis" equal to Large-Cap and a "Primary Style Emphasis" equal to Core. The minimum criteria necessary for inclusion in an eVestment Universe are 1) minimum of one year of performance history, and 2) updated portfolio characteristics for the product. All products meeting the criteria are evaluated for inclusion. Managers voluntarily populate performance data into the database for inclusion, and the number of managers in each period consists of only managers that provided that data point and were in the universe for that entire period. For example, the number of managers that provided turnover and active share statistics as of 12/31/2010 differed from 261 to 166, respectively, despite representing the same eVestment U.S. large-cap core equity universe. Historical manager data for active share, which has gained popularity since 2009, is notably limited prior to 2013. The time period selected is based solely on quarterly active share data available for the peer universe. This analysis is provided as supplemental information. Please see the Brown Advisory Institutional Flexible Equity compliant presentation on the last page for additional information and a complete list of terms and definitions.

COMPOSITE VS. S&P 500 INDEX

Excess Returns Produced in Most Market Conditions

Source: FactSet, Monthly, 01/31/2000-09/30/2021, Brown Advisory Inst. U.S. Flexible Equity Composite Annualized Excess Returns (% , Gross of fees) vs. S&P 500 Index & Batting Average (%)

The Brown Advisory Flexible Equity Strategy produced positive excess returns vs. its S&P 500 Index benchmark across the majority of market conditions featured below. For example, in the months that the S&P 500 Value Index outperformed the S&P 500 Growth Index since 2000, the Flexible Equity Composite (gross of fees) produced 3.5% excess annualized return vs. the S&P 500 Index, and outperformed the Index 62% of the time.



Value Outperforms Growth	Down Market	Up Market	Hyper-momentum Down Market	Rising Valuations	Contracting Valuations	Hyper-momentum Up Market	Growth Outperforms Value
S&P 500 Value Index outperforms the S&P 500 Growth Index in the one-month period	S&P 500 Index declines from the prior month period	S&P 500 Index increases from the prior month period	S&P 500 Index falls more than 5% vs. prior month	S&P 500 Index 3-month average rises 1.5% higher vs. its previous 3-month average	S&P 500 Index 3-month average falls 1.5% lower vs. its previous 3-month average	S&P 500 Index rises more than 5% vs. prior month	S&P 500 Growth Index outperforms the S&P 500 Value Index in the onemonth period
128 observations	91 observations	170 observations	30 observations	64 observations	71 observations	33 observations	133 observations

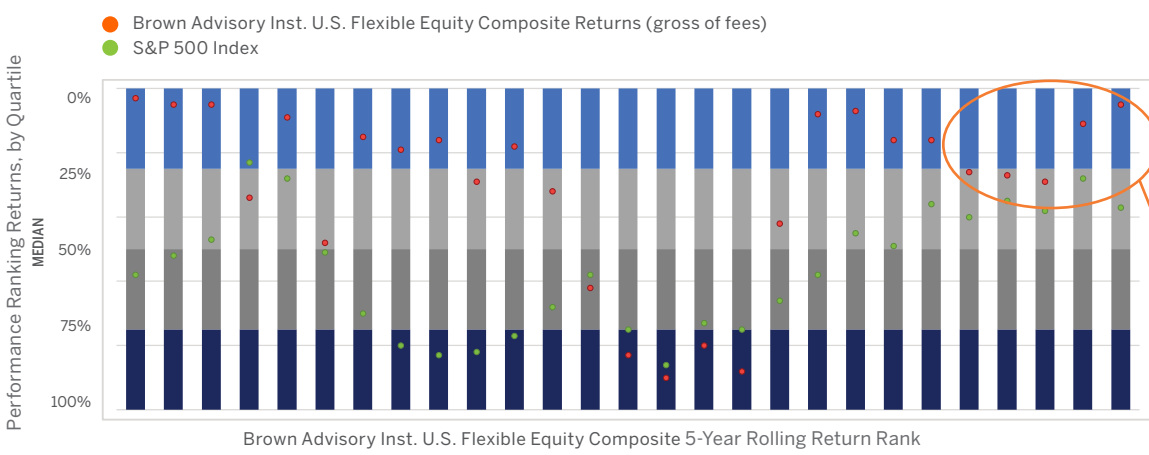
Source: FactSet

Past performance is not indicative of future results. The time period selected is based solely on available monthly composite data for the strategy, which begins January 1, 2000. Prior to that time, composite performance was calculated quarterly. Each column represents a different market condition and coincides with the table below the chart. The S&P 500 Index is the benchmark for this strategy but the S&P 500 Growth and S&P 500 Value components were used in creating the analysis for different market types. For example, value outperforms growth is a market condition in which the S&P 500 Value Index outperforms the S&P 500 Growth Index. One observation = one month. The study includes 249 months. This analysis is provided as supplemental information. Please see the Brown Advisory Institutional U.S. Flexible Equity Compliant presentation on the last page for additional information and a complete list of terms and definitions. The composite performance shown above reflects the Brown Advisory Institutional Flexibly Equity Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a division of Brown Advisory LLC, and Brown Advisory Institutional is a GIPS compliant firm. Please see the Brown Advisory Institutional U.S. Flexible Equity Compliant presentation on the last page for additional information and a complete list of terms and definitions.

ROLLING FIVE-YEAR RETURN ANALYSIS

Rolling Return Analysis vs. Index & Peers

Source: eVestment, Peer universe comparison: U.S. Large-Cap Core Equity Rolling 5-Year Return Analysis shown annually as of 12/31; Period: 01/01/1987-09/30/2021, Quarterly



Brown Advisory Inst. U.S. Flexible Equity Composite 5-Year Rolling Return Rank	
Year	% Rank
'95	3
'96	5
'97	6
'98	34
'99	9
'00	49
'01	16
'02	20
'03	17
'04	29
'05	18
'06	32
'07	62
'08	83
'09	90
'10	80
'11	88
'12	41
'13	8
'14	7
'15	16
'16	16
'17	26
'18	27
'19	29
'20	9
'21	5

Past performance is not indicative of future results. eVestment U.S. Large-Cap Core Equity universe represents managers that invest primarily in large capitalization stocks with fundamental characteristics between growth and value or products that invest in a relatively even mix of growth and value stocks/sectors. The expected benchmarks for this universe would include the Russell 1000®, or S&P 500. Managers in this category will typically indicate a "Primary Capitalization Emphasis" equal to Large Cap and a "Primary Style Emphasis" equal to Core. The minimum criteria necessary for inclusion in an eVestment Universe are 1) minimum of one year of performance history, and 2) updated portfolio characteristics for the product. All products meeting the criteria are evaluated for inclusion. Number of managers in each period only consists of managers that were in the universe for that entire period. Managers voluntarily populate performance data into the database for inclusion, and the number of managers in each period consists only of managers that provided performance and were in the universe for that entire period. The rolling return analysis is provided as supplemental information. All dates are as of 09/30/2021. The composite performance shown above reflects the Brown Advisory Institutional Flexible Equity Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a division of Brown Advisory LLC, and Brown Advisory Institutional is a GIPS compliant firm. Please see the end of this for a GIPS compliant presentation. Please see the Brown Advisory Institutional U.S. Flexible Equity Compliant presentation on the last page for additional information and a complete list of terms and definitions.

Risk Management

SECURITY LEVEL

We select companies based on desirable vs. undesirable traits on a static and dynamic basis.

We evaluate market price based on relationship of price to opportunity and relevant downside potential; we gauge market psychology in share-price action and determine percent of capital to commit.

PORTFOLIO LEVEL

To avoid undue risk aggregation, we seek economic sector balance and commonalities of business characteristics.

We limit positions to 8% max. for individual holdings (rarely above 6%) and 10% for cash (rarely above 6%).

Our investment evaluations are ongoing.

Our portfolio monitoring for client guideline compliance is ongoing.

TEAM LEVEL

Manager cross-checks investment thinking.

We hold twice-weekly research team meetings.

We embrace a culture of continuous learning.

We perform peer reviews and self examinations.

Sell Discipline

OPPORTUNITY COST

Sold to fund more attractive investment based on team input and price targets

FULL VALUATION

Positions given opportunity to grow unless valuation becomes excessive, fundamentals reach maximum potential, or growth in position size distorts portfolio

CHANGE OF VIEW

Broken thesis, price target violation, undesirable traits develop and/or risks increase

Example: In two out of the last five years, Brown Advisory Flexible Equity Composite (gross of fees) has ranked in the top quartile of its U.S. Large-Cap Core Equity manager universe on a rolling five-year return basis according to eVestment and has outperformed the S&P 500 Index during those rolling return periods.

This chart also illustrates that the S&P 500 Index has only outperformed the median U.S. Large-Cap Core Equity active manager 41% of the time, or 11 of the last 27 rolling five-year return periods.

About Brown Advisory



Brown Advisory is a leading independent investment firm that offers a wide range of solutions to institutions, corporations, nonprofits, families and individuals. Our mission is to make a material and positive difference in the lives of our clients. We are committed to delivering a combination of first-class performance, customized strategic advice and the highest level of personalized service.

We follow a philosophy that low-turnover, concentrated portfolios derived from sound bottom-up fundamental research provide an opportunity for attractive performance results over time. We have a culture and firm equity ownership structure that help us attract and retain professionals who share those beliefs, and we follow a repeatable investment process that helps us stay true to our philosophy.

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Brown Advisory Inst. U.S. Flexible Equity

Year	Composite Total Gross Returns (%)	Composite Total Net Returns (%)	Benchmark Returns (%)	Composite 3-Yr Annualized Standard Deviation (%)	Benchmark 3-Yr Annualized Standard Deviation (%)	Portfolios in Composite at End of Year	Composite Dispersion (%)	Composite Assets (\$USD Millions)	GIPS Firm Assets (\$USD Millions)
2020	20.8	20.3	18.4	20.1	18.5	41	0.3	2,550	59,683
2019	37.3	36.8	31.5	12.8	11.9	42	0.4	2,196	42,426
2018	-3.3	-3.7	-4.4	12.3	10.8	41	0.3	2,263	30,529
2017	25.1	24.6	21.8	11.4	9.9	50	0.3	2,912	33,155
2016	9.9	9.4	12.0	12.1	10.6	52	0.2	2,883	30,417
2015	-2.0	-2.4	1.4	11.1	10.5	56	0.2	2,686	43,746
2014	14.0	13.5	13.7	9.2	9.0	49	0.2	3,195	44,772
2013	37.5	36.9	32.4	11.9	11.9	44	0.4	2,247	40,739
2012	19.9	19.5	16.0	14.6	15.1	40	0.3	1,818	26,794
2011	5.8	5.4	2.1	18.5	18.7	43	1.1	1,714	19,962
2010	11.1	10.3	15.1	22.7	21.9	45	0.7	1,811	16,859
2009	37.1	36.0	26.5	21.3	19.6	48	3.4	1,905	11,058

Brown Advisory Institutional claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Brown Advisory Institutional has been independently verified for the periods from January 1, 1993 through December 31, 2020. The Verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

- *For the purpose of complying with the GIPS standards, the firm is defined as Brown Advisory Institutional, the Institutional and Balanced Institutional asset management divisions of Brown Advisory. As of July 1, 2016, the firm was redefined to exclude the Brown Advisory Private Client division, due to an evolution of the three distinct business lines.
- The Institutional Flexible Equity Composite (the Composite) includes all actual, discretionary, institutional accounts with a flexible value equity objective of 100%. The strategy seeks bargains in "value" as well as "growth" stocks and invests primarily in the common stock of domestic companies with market capitalizations greater than \$2 billion at the time of purchase. As of January 1, 2013, the minimum account market value required for Composite inclusion is \$1.5 million.
- ESG considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The strategy seeks to identify companies that it believes 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 that do not reflect the beliefs and values of any particular investor. The strategy may also invest in companies 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. The strategy intends to invest in companies with measurable ESG outcomes, as determined by Brown Advisory, and seeks 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.
- Prior to August 2013, the name of the Composite was Institutional Flexible Value. The strategy remains the same.
- The Composite was created in 1985. The Composite inception date is January 1, 1985.
- The benchmark is the S&P 500® Index. The S&P 500 Index is a capitalization-weighted index of 500 stocks that is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. Index returns assume reinvestment of dividends and do not reflect any fees or expenses. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers. Standard & Poor's, S&P®, and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"), a subsidiary of S&P Global Inc.
- The composite dispersion presented is an equal-weighted standard deviation of portfolio gross returns calculated for the accounts in the Composite for the entire calendar year period.
- Between October 2006 and December 2008, a significant cash flow policy was adopted for the Composite. A significant cash flow is defined as a single flow of cash or securities of more than 25% of the portfolio's market value at prior month end. Accounts with significant cash flows are excluded from the Composite for a grace period, defined as the month during which the flow occurred. Additional information regarding significant cash flow policies are available upon request.
- Gross-of-fees performance returns are presented before management fees but after all trading commissions. Net-of-fee performance returns reflect the deduction of actual management fees and all trading commissions. Certain accounts in the Composite pay asset-based custody fees that include commissions. For these accounts, gross and net returns are also net of custody fees. Other expenses can reduce returns to investors. Prior to 2011, net performance is based on a model fee using the highest fee in effect, 0.75% applied quarterly. For periods after 2011 actual fees are used to calculate net returns. The standard management fee schedule is as follows: 0.60% on the first \$25 million; 0.50% on the next \$25 million; 0.45% on the next \$50 million; and 0.40% on the balance over \$100 million. Further information regarding investment advisory fees is described in Part II A of the firm's form ADV. Actual fees paid by accounts in the Composite may differ from the current fee schedule.
- The investment management fee for the Investor Shares of the Brown Advisory Flexible Equity Fund (the Fund), which is included in the composite, is 0.50% for the first \$150 million, 0.45% on \$150 million to \$250 million, 0.40% on \$250 million to \$1 billion, and 0.38% over \$1 billion, and represents the highest fee charged excluding Advisor Shares. The total expense ratio for the Investor Shares of the Fund as of the most recent fiscal year end (June 30, 2020) was 0.84%. Further information regarding investment management fees and expenses is described in the fund prospectus and annual report.
- The investment management fee for the Dollar Class B Acc Shares of the Brown Advisory US Flexible Equity Fund (the UCITS), which is included in the composite, is 0.75%. The total expense ratio for the Dollar Class B Acc Shares of the UCITS as of the most recent fiscal year end (October 31, 2020) was 0.91%. Further information regarding investment management fees and expenses is described in the fund prospectus and annual report.
- The three-year annualized ex-post standard deviation measures the variability of the Composite (using gross returns) and the benchmark for the 36-month period ended on December 31.
- Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
- A complete list of composite descriptions and broad distribution and limited distribution pooled funds is available upon request.
- Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
- Past performance is not indicative of future results.
- This piece is provided for informational purposes only and should not be construed as a research report, 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, including any mutual fund managed by Brown Advisory.

Terms and Definitions for Representative Account Calculations

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. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "GICS" and "GICS Direct" are service marks of Standard & Poor's and MSCI. "GICS" is a trademark of MSCI and Standard & Poor's. **S&P 500® Index** represents the large-cap segment of the U.S. equity markets and consists of approximately 500 leading companies in leading industries of the U.S. economy. Criteria evaluated include market capitalization, financial viability, liquidity, public float, sector representation and corporate structure. An index constituent must also be considered a U.S. company. **The S&P 500® Growth Index** is a style-concentrated index designed to track the performance of stocks that exhibit the strongest growth characteristics by using a style-attractiveness-weighting scheme. **The S&P 500® Value Index** is a style-concentrated index designed to track the performance of stocks that exhibit the strongest value characteristics by using a style-attractiveness-weighting scheme. S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC. It is not possible to invest directly in an index. **The Russell 1000® Index** measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000® Index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market. The Russell 1000 Index is constructed to provide a comprehensive and unbiased barometer for the large-cap segment and is completely reconstituted annually to ensure new and growing equities are reflected. **The Russell 1000® Value Index** measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® Index companies with lower price-to-book ratios and lower expected growth values. **The Russell 1000® Growth Index** measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000® Index companies with higher price-to-book ratios and higher forecasted growth values. **The Russell 1000® Growth Index** is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The Index is completely reconstituted annually to ensure that new and growing equities are included and that the represented companies continue to reflect value characteristics. **The Russell 1000® Growth Index** and **Russell 1000® Value Index** are trademarks/service marks of the London Stock Exchange. One cannot invest directly into an index. **Market Capitalization** refers to the aggregate value of a company's publicly traded stock. Statistics are calculated as follows: **Weighted Average**: 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); **Weighted Median**: the value at which half the portfolio's market capitalization weight falls above and half falls below; **Price-Earnings Ratio (P/E Ratio)** is the ratio of the share of a company's stock compared to its per-share earnings. P/E calculations presented use FY2 earnings estimates; FY1 estimates refer to the next unreported fiscal year, and FY2 estimates refer to the fiscal year following FY1. **Dividend Yield** is the ratio of a stock's projected annual dividend payment per share for the fiscal year currently in progress, divided by the stock's price. Portfolio-level statistics equals the weighted average of the ratios of all holdings in the portfolio. **Earnings Growth 3-5 Year Estimate** is the average predicted annual earnings growth over the next three to five years based on estimates provided to Factset by various outside brokers, calculated according to each broker's methodology. **ROE, or Return on Equity**, is equal to a company's net income for a full fiscal year, divided by total shareholder equity. All of the above ratios for a portfolio are expressed as a weighted average of the relevant ratios of each portfolio holding, except for P/E ratios, which are expressed as a weighted harmonic average. **Beta** is a measure of the volatility of a security or a portfolio of securities in comparison to a benchmark or the market as a whole. A beta less than 1 means that the security will be less volatile than the market, while a beta greater than 1 indicates that the security's price will be more volatile than the market. For example, if a stock's beta is 1.2, it is theoretically 20% more volatile than the market. Portfolio Beta is calculated by comparing the series of monthly returns of the portfolio to the monthly returns of the benchmark, for the period of time specified. **Portfolio Turnover** is the ratio of the lesser of the portfolio's aggregate purchases or sales during a given period, divided by the average value of the portfolio during that period, calculated on a monthly basis. **Active share** is calculated by taking the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and dividing by two.