

FLEXIBLE EQUITY REVIEW AND OUTLOOK

Third Quarter 2021

The S&P 500® Index, the strategy's benchmark, was up 0.58% during the quarter. The Index advanced 15.9% year-to-date, 30% over the last 12 months, 97.3% since the lows set in March 2020, and 30.6% above pre-pandemic highs. The returns of the Flexible Equity strategy lagged the Index for the quarter, however, led on a year-to-date basis and also over longer-term periods.

In early June this year, it did feel that the nation might be at the beginning of the end of COVID-19 as the number of new cases showed a steep downward trend. The robust efficacy of mRNA vaccines seemed to be working. However, the new Delta variant that became the prominent strain was more virulent. It proved to be more disruptive and new case counts picked up again. Due to the surge in new cases, the economic recovery in the U.S. has not proceeded in a straight line as demand and supply were further disrupted. The unevenness of the recovery can be seen in the bifurcation of consumer spending, which has shifted towards goods (e.g., appliances, furniture and cars) and away from services (e.g., travel and leisure). The spending on goods is nearly 20% above pre-pandemic levels, while spending on services remains 7% below trend. The surge in demand, existing supply constraints, ongoing health concerns and government assistance (e.g. additional unemployment benefits) are the primary causes of continued distortions in the economy. The currently elevated inflation rate is one such distortion. The U.S. Core Personal Consumer Expenditures (PCE) Price Index, which is the Federal Reserve's favored measure, has been above 3% since April this year. Such high levels of core PCE were last seen in the early 1990s. For now, the Fed continues to maintain that the elevated level of inflation is primarily being driven by supply-related disruption and that inflation will revert to the Fed's long-term objective of 2% on its own as the world normalizes. Broadly, both the equity and bond markets have bought into the theory that the Fed will be able to engineer the currently high inflation rates down to pre-pandemic levels. After all, the yield on the 10-year Treasury at quarter end was close to 1.5%, which is still meaningfully below the pre-pandemic averages. The headline inflation numbers and any potential move by the Fed to tighten the prevailing extremely easy monetary policy are being carefully watched; any deviations could lead to volatility. In late September, the 10-year yield jumped up 22 basis points over a

five-day period that put downward pressure on the technology sector and other growth-oriented stocks. The direction of long-term rates, which impacts the discount rate and thus the multiples investors are willing to pay for equities, is expected to continue to dominate the conversation.

The last quarter was also marked by fears of a contagion from troubles in China's property market. Both equity and debt of China Evergrande Group, which is one of the largest real estate development companies in China, experienced a dramatic sell-off against a backdrop of leadership trying to tame the mainland's housing market after years of runaway growth. The changes in the regulatory environment put limits to indebtedness of real estate developers, which sparked the spiraling down of the company. Investors feared that the downfall of China Evergrande Group could lead to a broader contagion in Chinese real estate and the financial system, resulting in lower economic activity and therefore a global slowdown.

Apart from real estate, the Chinese leadership has initiated sweeping measures to also reform several other industries under the premise of "common prosperity." The leadership views "common prosperity" as a fundamental requirement of socialism that is necessary to balance growth and financial stability. These reforms started with e-commerce and social media industries and have now expanded to gaming, fintech, after-school-tuition and education companies, ride-sharing and bitcoin mining. These measures by the Chinese leadership have come in the form of increased regulation, opening up to competition, outright cancellation of IPOs, as well as regulatory fines that have had a material impact on the prospects and economics of targeted businesses and industries.

(Continued on the following page)

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Shares of large Chinese technology companies listed in the U.S. have sold off sharply since November of 2020, including Alibaba (BABA), a Flexible Equity holding. In Alibaba's case, the pressure really started when the IPO of Ant Financial, where Alibaba has a meaningful stake, was cancelled. In addition, Alibaba suffered fines of \$2.8 billion, which were imposed by the country's anti-monopoly regulator. Furthermore, Alibaba is now required to open its "walled garden" to competitors. Investor sentiment has soured as tensions have arisen between the U.S. and China over the review of accounting practices of Chinese companies. U.S. regulators are currently threatening to de-list Chinese companies for non-compliance. So far, we have held on to our position in Alibaba, but continue to monitor the situation carefully. Notwithstanding the broader range of outcomes for the stock, our view remains that Alibaba has built two very strong and growing businesses in e-commerce and Cloud computing that have enduring businesses advantages. Moreover, the current valuation of 14x price-to-earnings has kept us in the stock.

We usually close our written commentaries with the following statement about our investment approach:

The Flexible Equity team searches for investment bargains among long-term, attractive businesses with shareholder-oriented managers—those with productive assets and productive managers. These businesses should have or develop competitive advantages that result in good business economics, managers who allocate capital well, capacity to adjust to changes in the world and the ability to grow business value over time. Bargains in these types of stocks can arise for various reasons but are often due to short-term investor perceptions, temporary business challenges that will improve, company or industry changes for the better, or as-yet-unrecognized potential for long-term growth and development. Despite the occasional investment that will go awry and stretches when the general stock market is unrewarding, we are optimistic about the long-term outlook for equities of good businesses purchased at reasonable prices and our ability to find them.

SECTOR DIVERSIFICATION

Third Quarter 2021

- We base our investment approach on individual company selection and seek to incorporate a reasonable balance of sector exposure as part of our risk management process. We believe that companies in the same sectors can vary as greatly in their business economics and profiles as companies in completely different sectors.
- We added to Pinterest, Inc. in the communication services sector. We initiated a position in Pinterest during the second quarter upon the stock's decline.
- We added to several of the consumer discretionary holdings in the quarter but the weighting was relatively unchanged due to the decline in the sector.
- We eliminated Conagra Brands, reducing the weighting in the consumer staples sector.
- The financials sector was one of the best performing sectors in the quarter. The portfolio holdings, except for Berkshire Hathaway, all rose in the quarter.
- The industrials sector realized the highest return in the quarter. The portfolio holdings, except for Stericycle, increased in the quarter.

| SECTOR | REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT (%) | S&P 500® INDEX (%) | DIFFERENCE (%) | REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT (%) | |
|------------------------|--|--------------------|----------------|--|-------|
| | Q3'21 | Q3'21 | Q3'21 | Q2'21 | Q3'20 |
| Communication Services | 15.19 | 11.29 | 3.91 | 15.44 | 11.18 |
| Consumer Discretionary | 14.65 | 12.36 | 2.30 | 14.85 | 18.68 |
| Consumer Staples | 1.90 | 5.77 | -3.87 | 2.39 | 5.05 |
| Energy | 1.17 | 2.75 | -1.58 | 1.35 | 1.95 |
| Financials | 17.95 | 11.39 | 6.56 | 17.19 | 12.87 |
| Health Care | 10.48 | 13.25 | -2.78 | 10.24 | 10.08 |
| Industrials | 7.73 | 8.11 | -0.38 | 7.37 | 7.05 |
| Information Technology | 28.56 | 27.56 | 1.00 | 28.75 | 30.15 |
| Materials | -- | 2.48 | -2.48 | -- | -- |
| Real Estate | 2.36 | 2.58 | -0.22 | 2.41 | 2.99 |
| Utilities | -- | 2.46 | -2.46 | -- | -- |

Source: FactSet®. 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. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS®) classification system. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

QUARTER-TO-DATE CONTRIBUTION DETAIL BY SECTOR

Third Quarter 2021

| GICS SECTOR | REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT | | S&P 500® INDEX | | CONTRIBUTION TO RETURN ANALYSIS | | |
|------------------------|--|--------------|--------------------|-------------|--|-------------------|----------------|
| | AVERAGE WEIGHT (%) | RETURN (%) | AVERAGE WEIGHT (%) | RETURN (%) | REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT (%) | S&P 500 INDEX (%) | DIFFERENCE (%) |
| Communication Services | 15.56 | -2.57 | 11.29 | 1.60 | -0.38 | 0.16 | -0.54 |
| Consumer Discretionary | 14.80 | -7.05 | 12.12 | 0.01 | -1.07 | -0.01 | -1.06 |
| Consumer Staples | 1.96 | -2.57 | 5.81 | -0.31 | -0.08 | -0.02 | -0.06 |
| Energy | 1.10 | -12.77 | 2.54 | -1.64 | -0.17 | -0.06 | -0.11 |
| Financials | 17.25 | 4.46 | 11.13 | 2.74 | 0.70 | 0.28 | 0.41 |
| Health Care | 10.45 | 2.18 | 13.34 | 1.43 | 0.22 | 0.19 | 0.02 |
| Industrials | 7.55 | 4.70 | 8.34 | -4.35 | 0.33 | -0.35 | 0.67 |
| Information Technology | 28.87 | -0.84 | 27.77 | 1.39 | -0.20 | 0.39 | -0.59 |
| Materials | -- | -- | 2.55 | -3.51 | -- | -0.09 | 0.09 |
| Real Estate | 2.46 | -2.08 | 2.62 | 0.88 | -0.04 | 0.02 | -0.07 |
| Utilities | -- | -- | 2.50 | 1.74 | -- | 0.04 | -0.04 |
| Total | 100.00 | -0.70 | 100.00 | 0.58 | -0.70 | 0.58 | -1.28 |

- Contribution analysis is a tool that shows the combined effect of weighting and return to the total return earned.
- As part of our risk management process, we focus our efforts on individual company selection and incorporate a reasonable balance of sector exposure.
- Financials, health care and industrials sectors increased in the quarter and contributed the most to the strategy's returns.
- Communication services, consumer discretionary and information technology—among the largest sectors in the portfolio—detracted the most from overall returns.

QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR

Third Quarter 2021

| SECTOR | REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT | | S&P 500® INDEX | | ATTRIBUTION ANALYSIS | | |
|------------------------|--|--------------|--------------------|-------------|-----------------------|------------------------------------|------------------|
| | AVERAGE WEIGHT (%) | RETURN (%) | AVERAGE WEIGHT (%) | RETURN (%) | ALLOCATION EFFECT (%) | SELECTION & INTERACTION EFFECT (%) | TOTAL EFFECT (%) |
| Communication Services | 15.57 | -2.57 | 11.29 | 1.60 | 0.04 | -0.62 | -0.58 |
| Consumer Discretionary | 14.80 | -7.05 | 12.12 | 0.01 | -0.01 | -1.07 | -1.08 |
| Consumer Staples | 1.96 | -2.57 | 5.81 | -0.31 | 0.04 | -0.09 | -0.05 |
| Energy | 1.10 | -12.77 | 2.54 | -1.67 | 0.03 | -0.14 | -0.11 |
| Financials | 17.25 | 4.36 | 11.13 | 2.74 | 0.14 | 0.25 | 0.39 |
| Health Care | 10.45 | 2.18 | 13.34 | 1.43 | -0.03 | 0.07 | 0.05 |
| Industrials | 7.55 | 4.70 | 8.34 | -4.35 | 0.03 | 0.66 | 0.70 |
| Information Technology | 28.86 | -0.84 | 27.77 | 1.39 | 0.02 | -0.63 | -0.62 |
| Materials | -- | -- | 2.55 | -3.51 | 0.10 | -- | 0.10 |
| Real Estate | 2.46 | -2.08 | 2.62 | 0.88 | -- | -0.07 | -0.07 |
| Utilities | -- | -- | 2.50 | 1.78 | -0.03 | -- | -0.03 |
| Total | 100.00 | -0.72 | 100.00 | 0.58 | 0.33 | -1.63 | -1.30 |

- Attribution is a tool that calculates the effect of sector allocation and stock selection relative to market and sector benchmarks of performance. This tool does not reflect how we manage investments, and we believe it has significant limitations. However, it is frequently requested, so we share it for that reason.
- The portfolio declined slightly as compared to the S&P 500® Index which increased during the quarter. Our sector allocation was a positive contributor to the return relative to the Index.
- Financials and industrials sectors increased in the quarter and contributed the most to the portfolio's return relative to the Index. Financials had a higher weighting and a higher return than the Index. Industrials had a lower weighting than the Index. The industrials sector in the portfolio increased but declined in the Index.
- Consumer discretionary and information technology detracted the most from the portfolio's return relative to the Index. For both of these sectors, the portfolio had a higher weighting and a lower return than the Index.

Source: FactSet. Total portfolio return figures provided above reflect the sum of the returns of the equity holdings in the representative account portfolio due to price movements and dividend payments or other sources of income, and exclude cash. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector attribution excludes cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

QUARTER-TO-DATE TOP FIVE CONTRIBUTORS TO RETURN

Third Quarter 2021 Representative Flexible Equity Account Top Five Contributors

| | NAME | DESCRIPTION | AVERAGE WEIGHT (%) | RETURN (%) | CONTRIBUTION TO RETURN (%) |
|-------|----------------------------------|--|--------------------|------------|----------------------------|
| BX | Blackstone Inc. | Provides investment and fund management services | 1.70 | 20.50 | 0.28 |
| EW | Edwards Lifesciences Corporation | Designs, develops, manufactures and markets products to treat late-stage cardiovascular disease | 3.27 | 9.31 | 0.27 |
| MSFT | Microsoft Corporation | Develops, manufactures and distributes software products | 6.38 | 4.26 | 0.26 |
| GOOGL | Alphabet Inc. Class A | Operates as a holding company with interests in software, health care, transportation and other technologies | 2.85 | 9.49 | 0.24 |
| GOOG | Alphabet Inc. Class C | Operates as a holding company with interests in software, health care, transportation and other technologies | 3.84 | 6.34 | 0.22 |

- Blackstone reported attractive growth in its fee-related businesses, investment performance gains and higher assets under management.
- Edwards Lifesciences' third quarter earnings results benefitted from a recovery in hospital procedures. Transcatheter aortic valve replacement (TAVR) volumes were higher as compared to the pre-COVID-19 time period.
- Microsoft Corporation posted strong results ahead of estimates in the final quarter of its fiscal year. Commercial businesses, LinkedIn and gaming grew in the quarter. The company provided detailed guidance for the first quarter of 2022 that was viewed positively.
- Alphabet reported third quarter earnings results that exceeded investors' expectations. Search, Retail, YouTube and Cloud posted strong revenue growth and increased profitability, largely driven by a healthy advertising environment and a shift to cloud computing. The company's investment in the cloud and artificial intelligence (AI) is paying off in terms of improved products and user engagement.

Source: FactSet. 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. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. Contribution to return is calculated by multiplying a security's beginning weight in the portfolio by the security's return on a daily basis, and geometrically linking the return for the reporting period. Security returns listed represent the period when the security was held during the period. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Top five contributors exclude cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

QUARTER-TO-DATE BOTTOM FIVE CONTRIBUTORS TO RETURN

Third Quarter 2021 Representative Flexible Equity Account Bottom Five Contributors

| | NAME | DESCRIPTION | AVERAGE WEIGHT (%) | RETURN (%) | CONTRIBUTION TO RETURN (%) |
|------|--|---|--------------------|------------|----------------------------|
| BABA | Alibaba Group Holding Ltd. Sponsored ADR | Operates as an online and mobile commerce company | 1.50 | -34.70 | -0.63 |
| BBBY | Bed Bath & Beyond Inc. | Owns and operates chain of home furnishings stores | 1.02 | -48.11 | -0.57 |
| PINS | Pinterest, Inc. Class A | Operates a pinboard-style photo-sharing website | 1.22 | -35.48 | -0.52 |
| PYPL | PayPal Holdings, Inc. | Provides digital and mobile payments on behalf of consumers and merchants | 2.72 | -10.73 | -0.29 |
| V | Visa Inc. Class A | Operates as a global payments technology | 4.96 | -4.60 | -0.22 |

- Alibaba's share price fell due to concerns about increased regulation by the Chinese government.
- Bed Bath & Beyond Inc. declined sharply as the company missed sales and earnings estimates. The disappointment was attributed to supply chain challenges, higher freight costs and poor execution of efforts to drive store and website traffic.
- Pinterest Inc. reported strong revenue and earnings growth but investors were disappointed in the number of monthly active users, a measure of engagement.
- PayPal Holdings reported strong total payment volume (TPV) driven by the continued secular shift to e-commerce, growth of in-store payments, increased user engagement and a return to travel. Despite these positives, however, the stock fell as transaction revenue was impacted by lower eBay volumes. eBay represents less than 4% of TPV and is expected to decline to 2.5% by year-end.
- Visa posted revenue growth in the quarter as purchase volumes increased but have not fully recovered relative to pre-pandemic levels.

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QUARTER-TO-DATE ADDITIONS/DELETIONS

Third Quarter 2021 Representative Flexible Equity Account Portfolio Activity

- We added to several existing holdings, but there were no new additions in the quarter.
- Conagra Brands, Inc. was eliminated from the portfolio. Conagra has been an underwhelming investment and we sold the shares in favor of reinvesting the proceeds in existing holdings.

| SYMBOL | ADDITIONS | SECTOR |
|--------|-----------|--------|
|--------|-----------|--------|

None

| SYMBOL | DELETIONS | SECTOR |
|--------|-----------|--------|
|--------|-----------|--------|

| | | |
|-----|----------------------|------------------|
| CAG | Conagra Brands, Inc. | Consumer Staples |
|-----|----------------------|------------------|

PORTFOLIO CHARACTERISTICS

Third Quarter 2021

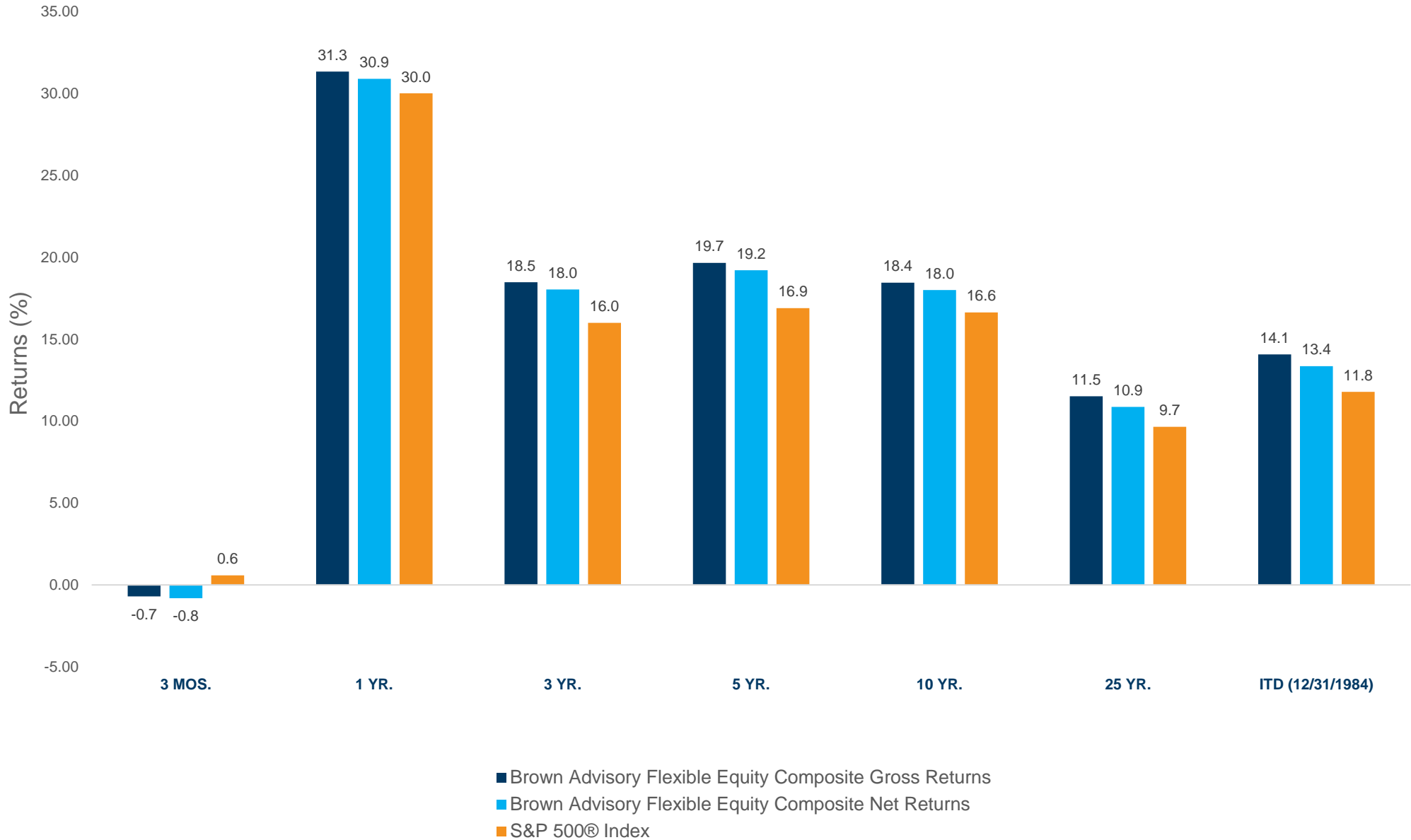


| | REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT | S&P 500 INDEX |
|--|---|------------------|
| Number of Holdings | 46 | 505 |
| Market Capitalization (\$ B) | | |
| Weighted Average | 583.0 | 563.6 |
| Weighted Median | 307.4 | 192.9 |
| Maximum | 2342.8 | 2342.8 |
| Minimum | 1.8 | 6.0 |
| P/E Ratio FY1 Est. (x) | 23.6 | 21.0 |
| P/E Ratio FY2 Est. (x) | 20.9 | 19.7 |
| Earnings Growth 3-5 Yr. Consensus Est. (%) | 18.6 | 16.1 |
| Dividend Yield (%) | 0.7 | 1.4 |
| Top 10 Equity Holdings (%) | 41.0 | 28.1 |
| Three-Year Annualized Portfolio Turnover (%) | 11.1 | -- |

Source: FactSet. The portfolio information provided is based on a representative Flexible Equity account and is provided as supplemental information. Portfolio characteristics exclude cash and cash equivalents. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions. Holdings exclude cash and cash equivalents.

COMPOSITE PERFORMANCE

Third Quarter 2021 as of 09/30/2021



Source FactSet. All returns greater than one year are annualized. Past performance is not indicative of future results. The composite performance shown above reflects the Institutional Flexible Equity Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a GIPS compliant firm and is a division of Brown Advisory LLC. Please see the Brown Advisory Institutional Flexible Equity Composite disclosure statement at the end of this presentation for a GIPS compliant presentation.

TOP 10 EQUITY HOLDINGS

Representative Flexible Equity Account as of 09/30/2021

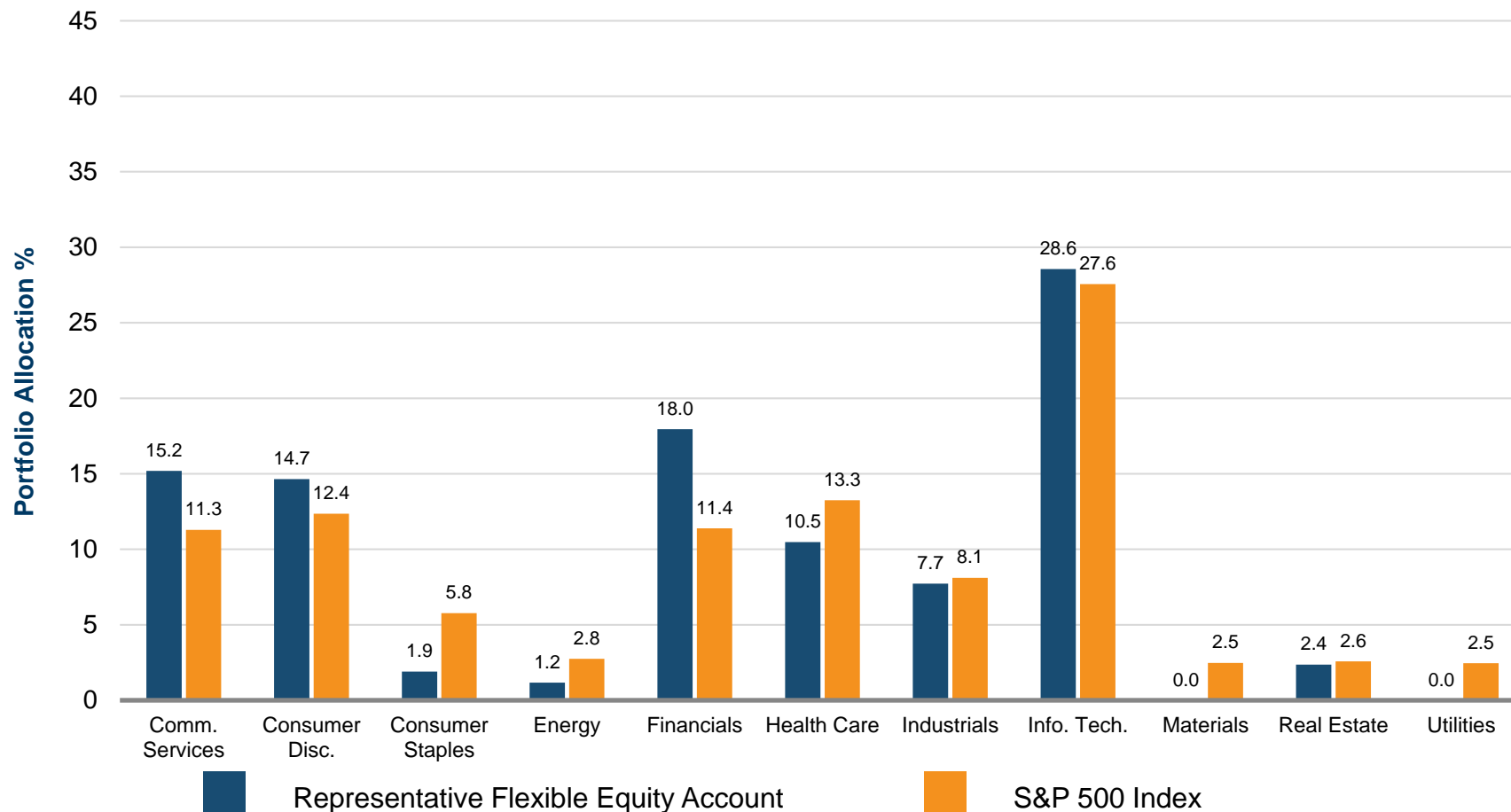
Top 10 Portfolio Holdings

| TOP 10 HOLDINGS | % OF PORTFOLIO |
|-------------------------------|----------------|
| Alphabet (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. Cl B | 3.4 |
| Edwards Lifesciences Corp. | 3.3 |
| CarMax, Inc. | 3.0 |
| UnitedHealth Group, Inc. | 3.0 |
| Total | 42.8 |

Source: FactSet. *Alphabet Inc. represents a 2.8% holding position in class A and 3.7% in class C shares of the stock. 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. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. Portfolio information is based on a representative Flexible Equity account and is provided as supplemental information. Please see disclosure statement at the end of this presentation for additional information. Figures in chart may not total due to rounding. Holdings exclude cash and cash equivalents.

SECTOR DIVERSIFICATION

Third Quarter 2021 Global Industry Classification Standard (GICS) as of 09/30/2021



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The **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. Standard & Poor's, S&P, and S&P 500® are trademarks/service marks of MSCI and Standard & Poor's.

The **U.S. Core Personal Consumer Expenditures Price Index** is a measure of the prices that people living in the United States, or those buying on their behalf pay for good and services.

An investor cannot invest directly into an index.

Global Industry Classification Standard (GICS®) and "GICS" are service makers/trademarks of MSCI and Standard & Poor's.

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Figures shown on sector diversification, contribution and attribution by detail slides may not total due to rounding.

All financial statistics and ratios are calculated using information from FactSet as of the report date unless otherwise noted.

The **Average Weight** of a position or sector refers to the daily average for the period covered in this report of a stock's value as a percentage of the portfolio.

The **Total Return** of an equity security is the sum of the return from price movement and the return due to dividend payments or other sources of income. Standard benchmark-, sector- and portfolio-level returns are the sums of the weights of each security multiplied by its return, summed and calculated daily and summed over the period covered by the report or by an otherwise-noted period.

Allocation Effect measures the impact of the decision to allocate assets differently than those in the benchmark.

Selection and Interaction Effect reflects the combination of selection effect and interaction effect. Selection effect measures the effect of choosing securities that may or may not outperform those of the benchmark. Interaction effect measures the effect of allocation and selection decisions (i.e., did we overweight the sectors in which we underperformed).

Total Effect reflects the combination of allocation, selection and interaction effects. Totals may not equal due to rounding.

Contribution To Return is calculated by multiplying a security's beginning weight in the portfolio by the security's return on a daily basis, and geometrically linking the return to the reporting period.

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; Maximum and Minimum: the market caps of the largest and smallest companies, respectively, in the portfolio.

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. Calculated as a weighted harmonic average.

Earnings Growth 3-5 Year Est. is the average predicted annual earnings growth over the next three to five years based on estimates provided to FactSet by various outside brokerage firms, calculated according to each broker's methodology. Calculated as weighted average.

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. Calculated as weighted average.

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. Portfolio turnover is provided for a three-year trailing period.

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.

INSTITUTIONAL FLEXIBLE EQUITY COMPOSITE



| 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 |

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.
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