Large-Cap Sustainable Growth

STRATEGY FACTSHEET

Third Quarter 2021

Brown ADVISORY
Thoughtful Investing.

WHY INVEST IN BROWN ADVISORY SUSTAINABLE GROWTH?

Sustainable business strategies can be a compelling source of long-term growth. Managers Karina Funk and David Powell have years of experience uncovering large-cap companies that are building strong, successful business models by growing revenues, trimming costs and increasing enterprise values thanks to their sustainable business advantages (SBA).

A sustainable process. Due diligence focuses on both fundamental and sustainable business drivers. All portfolio decisions are guided by a detailed and constantly updated risk/reward analysis model. The portfolio will typically hold 30-40 securities; self-imposed "one in, one out" discipline is used to consistently test portfolio holdings against new ideas. Risk is managed through intensive research into business quality, as well as disciplined portfolio adjustment based on valuation considerations.

Portfolio Managers: Karina Funk, CFA; David Powell, CFA
Benchmark: Russell 1000® Growth Index

STRATEGY PROFILE AS OF 09/30/2021

BENCHMARK
Russell 1000® Growth Index

STRATEGY ASSETS
$15.0 billion

VEHICLES AVAILABLE
Separately Managed Account (SMA)
Model Only
Mutual Fund
Collective Investment Trust (CIT)
UCITS

PERFORMANCE (% AS OF 09/30/2021)

	3 MOS.	YTD	1 YR.	3 YR.	5 YR.	10 YR.
Large-Cap Sustainable Growth Composite (Gross of Fees)	5.14	19.86	34.98	26.21	25.01	21.66
Large-Cap Sustainable Growth Composite (Net of Fees)	5.00	19.52	34.47	25.69	24.44	21.06
Russell 1000® Growth Index	1.16	14.30	27.32	22.00	22.84	19.68

CHARACTERISTICS AS OF 09/30/2021

	LARGE-CAP SUSTAINABLE GROWTH REP. ACCT.	RUSSELL 1000 GROWTH INDEX
Wtd. Avg. Market Cap.	$371.2B	$824.0B
EV/FCF (FY2 Est.)	38.4x	40.5x
Dividend Yield	0.5%	0.7%
Name Turnover (3Yr. Avg.)	15.4%	--

TOP 10 PORTFOLIO HOLDINGS (%)

Microsoft Corp.	4.7
Alphabet, Inc. Cl A	4.5
Intuit, Inc.	4.3
Danaher Corp.	4.2
Amazon.com, Inc.	4.0
American Tower Corp.	3.8
IDEXX Laboratories, Inc.	3.7
UnitedHealth Group, Inc.	3.6
Thermo Fisher Scientific, Inc.	3.6
Visa, Inc.	3.6

SECTOR BREAKDOWN (%)	REP. ACCT	INDEX
Communication Services	4.5	12.7
Consumer Discretionary	14.1	18.4
Consumer Staples	--	3.8
Energy	--	0.3
Financials	2.9	2.5
Health Care	23.8	9.1
Industrials	6.8	5.6
Information Technology	42.3	44.9
Materials	1.7	1.1
Real Estate	3.8	1.7
Utilities	--	0.03

PORTFOLIO MANAGER PROFILES

KARINA FUNK, CFA

Karina Funk is a portfolio manager of the Brown Advisory Large- Cap Sustainable Growth strategy. Karina joined Brown Advisory in 2009 and has extensive environmentally-oriented investment experience spanning early-stage ventures to debt and public equities. She was previously an equity research analyst for Winslow Management Company, a principal at Charles River Ventures, and an investment manager at the Massachusetts Renewable Energy Trust. Karina earned her post-graduate diploma from École Polytechnique in France.

DAVID POWELL, CFA

David Powell is a portfolio manager of the Large-Cap Sustainable Growth strategy. He joined Brown Advisory in 1999 as an equity research analyst with responsibility for identifying and recommending investment opportunities in the industrials and energy sectors. Prior to joining the firm, David held a position in investor relations at T. Rowe Price. David earned his BA degree from Bowdoin College in 1997.

Source: FactSet®. Numbers may not total due to rounding. The portfolio information provided is based on a representative Brown Advisory Large-Cap Sustainable Growth account as of 09/30/2021 and is provided as supplemental information. Sector breakdown and portfolio characteristics exclude cash and cash equivalents; top 10 portfolio holdings exclude cash and cash equivalents which was 0.9% as of 9/30/2021. 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. Composite performance is based on the Brown Advisory Large-Cap Sustainable Growth Composite. Returns greater than one year are annualized. Past performance is not indicative of future results. The Brown Advisory Large-Cap Sustainable Growth Composite is managed by Brown Advisory Institutional. Brown Advisory Institutional is a division of Brown Advisory LLC and Brown Advisory Institutional is a GIPS compliant division of BALLC. Please see the Brown Advisory Large-Cap Sustainable Growth Composite performance disclosure on the reverse side for additional information and for a GIPS Compliant presentation.

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 Large-Cap Sustainable Growth

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	40.2	39.4	38.5	17.5	19.6	114	0.7	8,086	59,683
2019	36.2	35.5	36.4	12.4	13.1	53	0.3	2,379	42,426
2018	5.4	4.8	-1.5	11.6	12.1	41	0.2	1,049	30,529
2017	29.1	28.4	30.2	10.6	10.5	32	0.2	762	33,155
2016	6.6	6.0	7.1	11.5	11.2	32	0.1	503	30,417
2015	13.7	13.1	5.7	11.1	10.7	23	0.3	405	43,746
2014	7.1	6.5	13.1	9.9	9.6	25	0.1	303	44,772
2013	34.5	33.7	33.5	12.1	15.5	24	0.2	288	40,739
2012	16.5	15.9	15.3	15.7	15.7	22	0.3	211	26,794
2011	5.4	5.0	2.6	NA	NA	21	0.3	37	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.

1. *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.
2. The Large-Cap Sustainable Growth Composite (the Composite) includes all discretionary portfolios invested in the Sustainable Large Cap Strategy. The strategy invests primarily in large market capitalization companies with financially and environmentally sustainable business models. The minimum account market value required for Composite inclusion is $1.5 million.
3. 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.
4. Prior to March 31, 2013, the strategy was named Large-Cap Sustainability. Prior to December 31, 2011, the strategy was named Winslow Green Large Cap. No changes have been made to the strategy since inception.
5. Prior to 2012, the minimum account market value required for Composite inclusion was $100,000.
6. The Composite was created in 2010. The Composite inception date is January 1, 2010.
7. The benchmark is the Russell 1000® Growth Index. 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 new and growing equities are included and that the represented companies continue to reflect growth characteristics. The Russell 1000® Growth index and Russell® are trademarks/service marks of the London Stock Exchange Group companies. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers.
8. 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. The composite dispersion is not applicable (N/A) for periods where there were five or fewer accounts in the Composite for the entire period.
9. Gross-of-fees performance returns are presented before management fees but after all trading commissions, and gross of foreign withholding taxes (if applicable). 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. The standard management fee schedule is as follows: 0.80% on the first $10 million; 0.65% on the next $15 million; 0.50% on the next $25 million; and 0.40% on the balance over $50 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.
10. The investment management fee for the Investor Shares of the Brown Advisory Sustainable Growth Fund (the Fund), which is included in the Composite, is 0.60%, 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 0.85%. Further information regarding investment management fees and expenses is described in the fund prospectus and annual report.
11. The investment management fee for the Dollar Class B Acc Shares of the Brown Advisory US Sustainable Growth 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.
12. 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. The 3 year annualized standard deviation is not presented as of December 31, 2010 and December 31, 2011 because 36 month returns for the Composite were not available (N/A).
13. Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
14. A complete list of composite descriptions and broad distribution and limited distribution pooled funds is available upon request.
15. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
16. Past performance is not indicative of future results.
17. 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

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. "Global Industry Classification Standard (GICS), "GICS" and "GICS Direct" are service marks of Standard & Poor's and MSCI. "GICS" is a trademark of MSCI and Standard & Poor's. **Market Capitalization** refers to the aggregate value of a company's publicly traded stock. **Weighted Average Market Cap** refers to 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). **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. **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. **P/E / Growth Ratio,** or **PEG Ratio,** is the ratio of a portfolio's P/E Ratio divided by its Est. 3-5 Yr. EPS Growth rate. All of the above ratios for a portfolio are expressed as a weighted average of the relevant ratios of each portfolio holdings, EXCEPT for P/E ratios, which are expressed as a weighted harmonic 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.