

Sustainable Bond Fund

Investor: **BASBX** Institutional: **BAISX**

Fourth Quarter 2019

WHY INVEST IN THE BROWN ADVISORY SUSTAINABLE BOND FUND?

The Fund seeks to maximize total return while investing in fixed income securities that meet certain environmental, social and governance (ESG) criteria. The Fund seeks to provide investors with an opportunity to align their investments with their values and make an impact without sacrificing performance.

Concurrent ESG research and fundamental credit analysis provides the basis for a holistic understanding of companies. By incorporating both elements into the due diligence process, we are able to more keenly understand an issuer's associated risks. We seek to identify companies whose ESG characteristics strengthen their credit profiles, as well as issuers whose use of proceeds creates positive societal impact.

INTERMEDIATE-TERM BOND

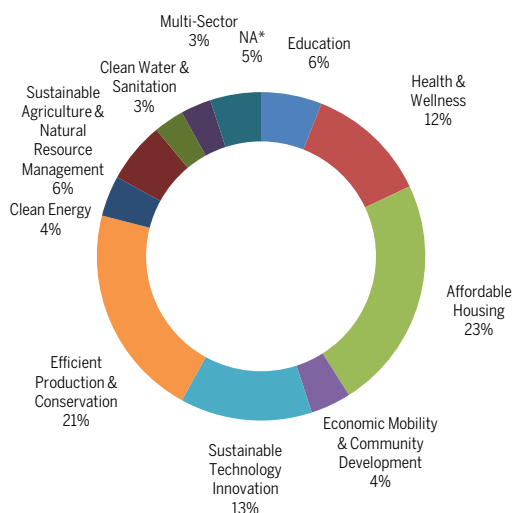
We believe the Fund benefits from the philosophy, process and people at Brown Advisory. We believe we can generate alpha and control risk through a repeatable process that combines stability and fundamental credit research. We concentrate portfolios based on credit, but diversify across sectors. Our experienced fixed income team has a long history of managing portfolios in all market environments.

Portfolio Managers: Thomas D.D. Graff, CFA & Amy Hauter, CFA
Benchmark Index: Bloomberg Barclays Aggregate Bond Index

IMPACT THEMES

- Affordable Housing
- Clean Energy
- Clean Water & Sanitation
- Diversity, Inclusion & Equality
- Economic Mobility & Community Development
- Education
- Efficient Production & Conservation
- Health & Wellness
- Multi Sector
- Sustainable Agriculture & Natural Resource Management
- Sustainable Technology Innovation

IMPACT DISTRIBUTION % (As of 12/31/2019)



FUND PROFILE & CHARACTERISTICS

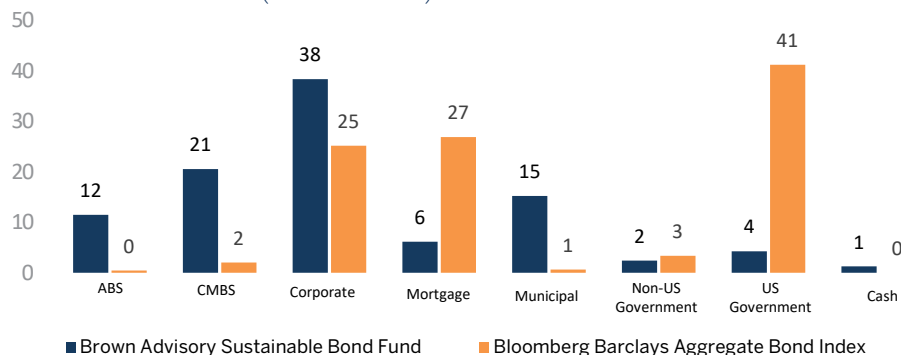
As of 12/31/2019	BASBX	INDEX
Fund Assets (\$MM)	141.3	--
Avg. Credit Quality	A2	Aa2
Effective Duration (years)	6.0	5.8
Yield to Worst (%)	3.0	2.3
Avg. Life (years)	9.5	7.9
30-Day SEC Yield Unsubsidized (%)	2.65	--

Source: Fund net assets provided by U.S. Bank; portfolio characteristics from FactSet® and include cash and equivalents. Total net assets are as of the last day of the quarter and include all share classes.

TOP 10 PORTFOLIO HOLDINGS (As of 12/31/2019)

Shown as a % of total net assets	
United States Treasury Note/Bond, 1.63% Due 11/15/2022	2.8
Northwell Healthcare Inc, 4.26% Due 11/01/2047	2.1
Santa Clara Valley Water District, 3.82% Due 06/01/2039	2.0
Bank of America Corp, 2.46% Due 10/22/2025	2.0
California Health Facilities Financing Authority, 3.03% Due 06/01/2034	1.9
Oregon Health & Science University, 3.00% Due 07/01/2032	1.8
Korea Development Bank/The, 2.77% Due 07/06/2022	1.7
Conservation Fund A Nonprofit Corp/The, 3.47% Due 12/15/2029	1.7
Keysight Technologies Inc, 4.60% Due 04/06/2027	1.6
Marvell Technology Group Ltd, 4.88% Due 06/22/2028	1.6
Total	19.2

SECTOR DISTRIBUTION % (As of 12/31/2019)



Source: Advent Portfolio Exchange® for Fund data, FactSet® for benchmark data. Sector breakdown includes cash and equivalents, are subject to change at any time and should not be considered a suggestion or recommendation 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. *NA refers to cash and equivalents, treasuries, and ESG neutral securities. It should not be assumed that investments in such securities have been or will be profitable. Figures may not total to 100% due to rounding.

Source: U.S. Bank. Portfolio holdings include cash and equivalents. Fund holdings are subject to change and should not be considered a suggestion or recommendation 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.

AVERAGE ANNUAL TOTAL RETURNS % (As of 12/31/2019)

	3 MOS.	1 YR	INCEPTION 08/07/2017	INCEPTION 07/02/2018
Brown Advisory Sustainable Bond Fund				
Investor Class – BASBX Inception: 08/07/2017	-0.11	8.90	3.47	--
Institutional Class – BAISX Inception: 07/02/2018	-0.10	8.96	--	6.58
Bloomberg Barclays Aggregate Bond Index	0.18	8.72	3.80	6.96
Excess Return vs. Index (Investor)	-0.29	0.19	-0.33	--

Net Expense Ratios: 0.57% (Investor) 0.52% (Institutional)

Source: U.S. Bank. Performance data quoted represents past performance and is no guarantee of future results. Performance for periods greater than one year is annualized. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Performance for other share classes will vary. Shares redeemed or exchanged within 14 days of purchase will be charged a 1.00% fee. Performance data quoted does not reflect the redemption or exchange fee. If reflected, total returns would be reduced. For the most recent month-end performance, please call 1-800-540-6807.

CREDIT QUALITY COMPOSITION

As of 12/31/2019	BASBX	INDEX
AAA/Aaa	21.6	72.0
AA/Aa	20.7	3.3
A	17.3	10.7
BBB	35.6	12.8
High Yield	4.1	0.9
Not Rated	0.8	0.3

Credit quality is calculated using ratings assigned by Moody's. If Moody's does not rate a holding then Standard & Poor's is used. If Moody's and Standard & Poor's do not rate a holding then Fitch is used. A bond is considered investment grade if its credit rating is BBB- or higher according to Standard & Poor's; more specifically, a rating of "AAA" represents the highest credit quality with minimal risk of default and a rating of "BB" or below represents speculative financial security. High Yield, if noted, includes holdings that are rated BB+ or lower according to Moody's. Not Rated category, if noted, includes holdings that are not rated by any rating agencies. All ratings are as of 12/31/2019.

EXPERIENCED MANAGEMENT



Thomas D.D. Graff, CFA

Thomas Graff is the head of fixed income, a portfolio manager of the Strategic Bond Fund and a portfolio manager of the Brown Advisory Sustainable Bond Fund.

Investment experience dating from 1999; joined Brown Advisory 1999; manager since Fund inception



Amy Hauter, CFA

Amy Hauter is a portfolio manager of the Brown Advisory Sustainable Bond Fund.

Investment experience dating from 2011; joined Brown Advisory 2012; portfolio manager since 2019

Must be preceded or accompanied by a prospectus.

Mutual fund investing involves risk. Principal loss is possible.

Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in Asset-Backed and Mortgage-Backed securities include additional risks that investor should be aware of including credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. In addition, the fund is susceptible to risks from investments in derivatives, U.S. Government securities, municipal securities and its investments in other investment companies.

The Bloomberg Barclays Aggregate Bond Index (Bloomberg Barclays Agg Bond Index) is an unmanaged, market-value weighted index comprised of taxable U.S. investment grade, fixed rate bond market securities, including government, government agency, corporate, asset-backed, and mortgage-backed securities between one and ten years. Bloomberg Barclays Indices are trademarks of Bloomberg or its licensors, including Barclays Bank PLC. It is not possible to invest directly in an index.

The Fund's environmental, social and governance policy could cause it to make or avoid investments that could result in the portfolio underperforming similar funds that do not have an ESG policy.

Diversification does not assure a profit, nor does it protect against a loss in a declining market.

DURATION DISTRIBUTION %

As of 12/31/2019	BASBX	INDEX
> 10 Years	13.9	16.7
7 to 10 Years	8.4	6.7
5 to 7 Years	17.8	11.3
3 to 5 Years	17.8	31.3
1 to 3 Years	26.3	33.0
< 1 Year	15.9	1.2

Source: FactSet® Duration distribution includes cash and equivalents. Distribution is subject to change and should not be considered a suggestion or a recommendation 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.

BROWN ADVISORY: AN 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 by providing them first-rate investment performance, customized strategic advice and the highest level of personalized service.

- Founded in 1993
- Independent since 1998
- 100% of colleagues collectively own approximately 70% of the firm's equity

General Terms & Definitions

Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk adjusted performance to a benchmark index.

Total net assets are as of the last day of the quarter and include all share classes.

Average Maturity is the average period of time for all principal dollars to be returned to investors.

Effective Duration is a time measure of a bond's interest-rate sensitivity, based on the weighted average of the time periods over which a bond's cash flows accrue to the bondholder.

Yield to Worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer.

SEC Yield (Unsubsidized) is computed under an SEC-standardized formula based on net income earned over the past 30 days excluding expense reimbursements.

SEC Yield (Subsidized) is computed under an SEC-standardized formula based on net income earned over the past 30 days.

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