SUSTAINABLE CORE FIXED INCOME REVIEW

Second Quarter 2021

The Sustainable Core Fixed Income strategy performed about in-line with its benchmark, the Bloomberg Barclays US Aggregate Bond Index® in the second quarter. As discussed below, the strategy's defensive posture in regards to interest rates and credit spreads was a small drag on performance, but this was offset by strong individual bond selection. For the year-to-date period the strategy remains solidly ahead of the benchmark due to strong first quarter performance.

NAME	3-MONTH RETURN (%)	1-YEAR RETURN (%)	3-YEAR RETURN (%)	5-YEAR RETURN (%)	ITD RETURN (09/30/2014)
Sustainable Core Fixed Income Composite (Gross of fees)	1.93	2.02	6.61	3.72	3.87
Sustainable Core Fixed Income Composite (Net of fees)	1.84	1.62	6.22	3.41	3.53
Bloomberg Barclays US Aggregate Bond Index	1.83	-0.33	5.34	3.03	3.38

Market Commentary

What a difference a quarter makes. When we wrote this same letter after the first quarter, it looked like the U.S. economy was about to add jobs at a pace of one million per month and it felt like interest rates were headed materially higher. Today we have suffered some mediocre employment numbers, longer-term inflation expectations have waned, and interest rates have fallen from their highs. This has been something of a "Goldilocks" outcome: general economic performance, including company earnings growth, has been good, while slightly falling interest rates have supported asset valuations. Hence, both government bonds, and risk assets (everything from junk bonds to stocks), had a strong quarter.

The Sustainable Core Fixed Income strategy is cautiously positioned both in terms of credit exposure and interest rates. Hence, this Goldilocks outcome did not play well into this defensive positioning. Furthermore, it presents an illustration of the challenge of investing in fixed income right now. There remains significant risk that interest rates rise in the near-term, but it may take a long time before this plays out. In addition, credit spreads are very tight across just about all bond types, and yet spreads are unlikely to widen unless the economy turns weaker. Given the current economic strength, it would likely take a real surprise event to cause such an outcome near-term.

It is because of the risks described above that we are maintaining a defensive stance. After all, clients own fixed income for safety, and we would not be doing our job if we were not particularly sensitive to risks. On the other hand, we also need to be good stewards of capital—i.e., if these risks never come to fruition, we still need to deliver a competitive return on client assets. Again, this quarter is a good illustration of how we are trying to achieve that. Despite both rates and spreads moving against our defensive positioning, the strategy still managed to keep up with the Index. Below we elaborate on how the outlook has evolved and how we are trying to maintain the balance between risk management and delivering performance.

Has the outlook really changed?

The weak jobs reports in April and May caused the market to reassess the potential for Fed rate hikes in coming years. However, we are not so sure much has changed. The Fed has recently signaled that they will soon slow their QE purchases, probably by year-end. After that, the Fed will leave short-term rates at zero until core personal consumption expenditures (PCE) inflation has run above 2% for a year or so. That could mean rate hikes come as soon as mid-2022, but if inflation were to subside hikes could be years away.

We do not know what the future holds, yet the mere fact that job growth has slowed a bit does not change the outlook much. Inflation will probably come in two phases. The first is related to pandemic-damaged supply chains and is what we are living through now. The second will likely be driven by a tight labor market and will be more persistent. The jobs market sure *seems* tight right now, despite the unemployment rate at 5.9%. Moreover, the slower job growth seems to be because of a lack of labor supply, not weak demand. If the available pool of labor is smaller than we thought, it only means the job market is all the tighter. We do not see the risk of higher inflation (and ultimately tighter monetary policy) has changed much during this quarter.

(Continued on the following page)

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 Sustainable Core Fixed Income 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 Sustainable Core Fixed Income Composite disclosure statement at the end of this presentation for a GIPS compliant presentation. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

Risks are skewed

There is a common thread in all the risks previously described: the potential outcomes are skewed. That is to say, the potential for interest rates to fall or for credit spreads to tighten by a large degree is pretty limited. The potential for either to increase is meaningfully larger. There is a hidden advantage in this skewness: it limits potential underperformance from a defensive stance. For example, if the economy keeps growing at a solid clip, credit spreads are probably about unchanged or maybe slightly tighter. If inflation returns to its 2015-2019 level next year and Fed hikes are pushed out into the future, interest rates are probably relatively unchanged. Below is an example of how specifically we are attacking this risk/reward skew in the credit sector.

Corporate bonds

In this sector, we have achieved this by lowering our spread duration—i.e., selling a longer-term bond and buying some shorter-term bond with a similar or wider spread to Treasuries. Within corporates, this has at times meant selling a bond rated A or AA and buying a shorter bond rated BBB. Despite the small downgrade in stated credit quality, this trade winds up being risk reducing. Here's how. The difference in spread volatility historically between BBB and A/AA bonds is not as large as you might think. Over the last 20 years, on quarters where spreads generally widened, the average A-rated spread moved 32 basis points wider while the average BBB bond moved 49 basis points wider. If we only look at the most extreme periods (we picked the worst 5% of quarters), A-rated bonds moved 88 basis points wider while BBB moved 114 basis points wider.

This relatively small variance difference can be more than offset if we select shorter bonds. A shorter-term bond is less volatile than a longer-term bond in exactly the same way that it is for a change in Treasury yields. For example, a 10-year bond could move roughly twice as much as a 5-year bond for a given change in spread. More specifically, if we use the spread moves mentioned above, a 10-year A-rated bond could decline by about 2.9% given an average spread widening quarter. The average 5-year BBB bond would likely only decline by 2.2%.

Despite this reduced volatility, the shorter bond would also add to income generation. Right now most A-rated bonds have a spread of around 60 basis points more than corresponding Treasury bonds. BBB-rated bonds are around 80-100 basis points. As a result, we are picking up around 20-30 basis points of extra income generation while also reducing our spread duration by making this swap.

Here is where the skewness of risks plays to our advantage. Reducing spread duration could hurt the portfolio's ability to capture upside if spreads were to tighten. However, given that spreads are already so tight, we believe spreads are very unlikely to tighten in a substantial way. In other words, we are not worried about missing out on upside. We can instead focus on avoiding downside while seeking to perform well in a steady state.

ESG analysis and late cycle investing

One of the many ways we can utilize ESG analysis is in assessing a company's priorities. A company that is more thoughtful about things like climate risks or treatment of its labor force shows a long-term mindset about running its business. A company with a long-term mindset is also less likely to do something like push leverage higher or do a questionable acquisition to goose short-term stock performance. In other words, a company that is aligned with our ESG philosophy is also very likely to be better aligned with us as bond investors as well.

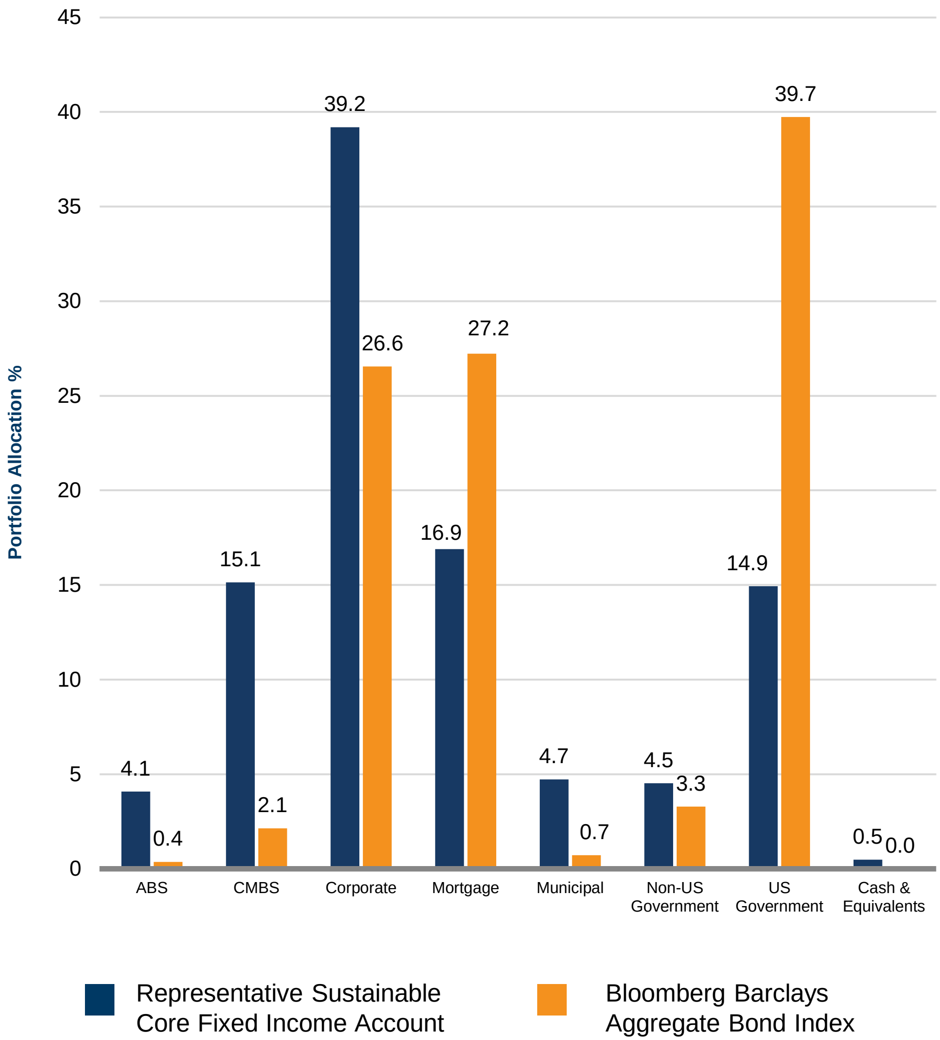
That's always important of course, but it is all the more important as the cycle ages. Right now companies are enjoying booming earnings growth, but this post-pandemic recovery should soon give way to a slower, later cycle growth pattern. That plus low interest rates may tempt many companies to use leverage to engineer more earnings growth. Such an action probably isn't in the company's long-term best interest, and it certainly isn't in bond holders' best interests. Bond holders have very little real power over management of a company, hence why looking for this strong interest alignment is crucial to making good bond investments.

More alpha, less beta

For most of the last 18-months, fixed income performance in general has been dominated by betas: massive changes in credit spreads and interest rates have overwhelmed everything else and thus been the primary driver of relative performance. However, our style has always been for individual bond selection to drive most of our outperformance. We expect that some degree of reduced volatility plus the risk skew described previously will allow our bottom-up decision making to shine through.

SUSTAINABLE CORE FIXED INCOME REVIEW

Sustainable Core Representative Account as of 6/30/2021



Portfolio Characteristics

	REP. ACCOUNT	BENCHMARK
Avg. Credit Quality	A1	Aa2
Effective Duration (years)	5.7	6.5
Yield to Worst (%)	1.5	1.5
Avg. Life (years)	6.7	8.4

Source: FactSet. The portfolio information is based on a representative Sustainable Core Fixed Income account as of 06/30/2021 and is provided as supplemental information. Sector breakdown includes cash and equivalents. Portfolio characteristics include cash and equivalents. 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. Numbers may not total 100% due to rounding. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

SUSTAINABLE CORE FIXED INCOME

Impact Distribution as of 6/30/2021

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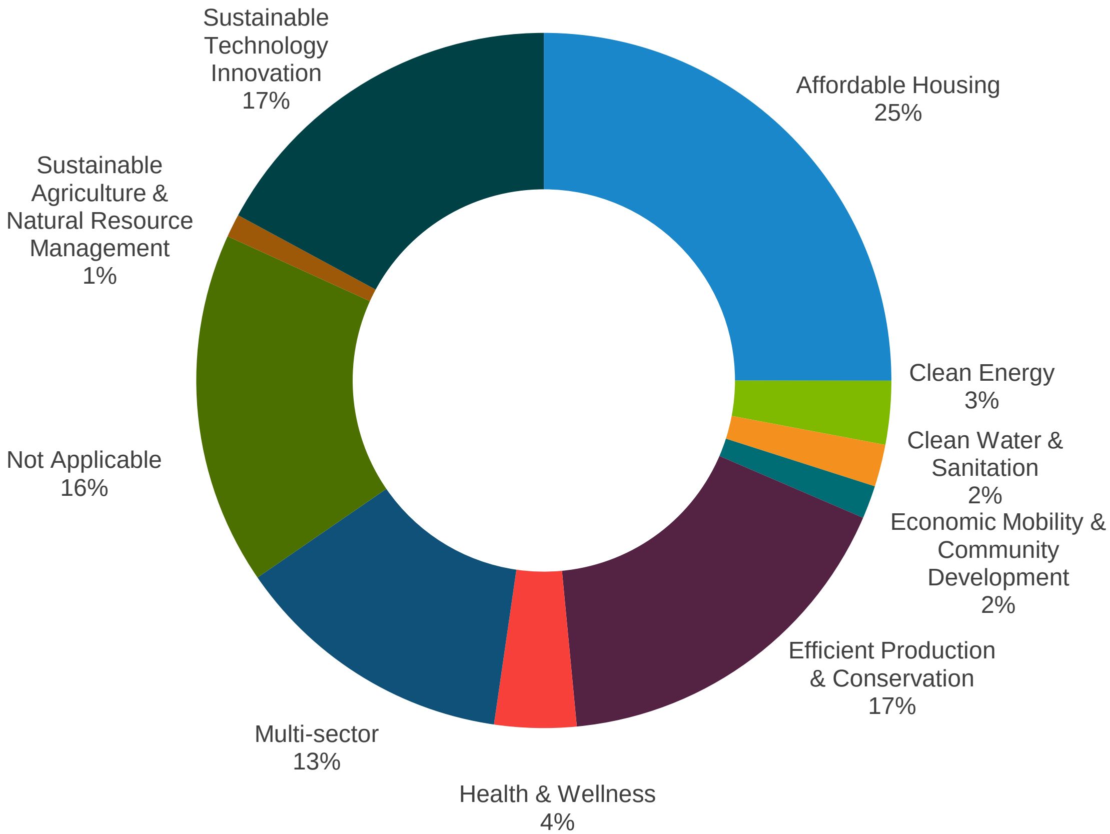
Thoughtful Investing.

Impact Distribution



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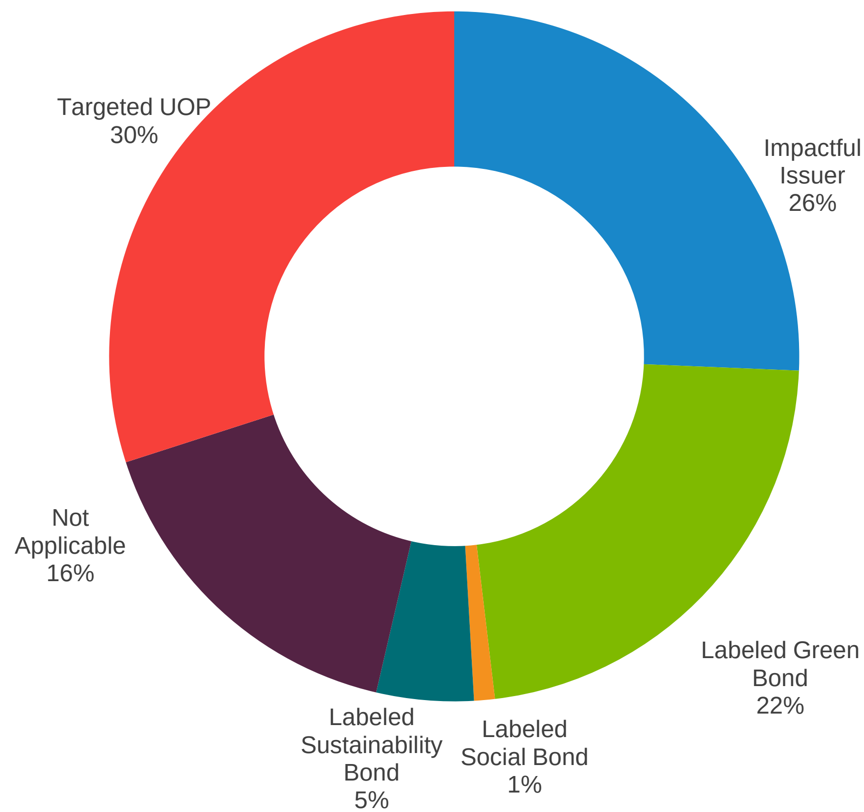


Source: FactSet. Impact breakdowns are based on a representative account, include cash and are provided as supplemental information. *NA refers to cash and equivalents, treasuries, and ESG neutral securities. Numbers may not total due to rounding. The information provided in this material is not intended 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. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. Please see the end of this presentation for important disclosures.

QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR

Second Quarter 2021 Representative Sustainable Core Fixed Income Account as of 06/30/2021

	REPRESENTATIVE SUSTAINABLE CORE FIXED INCOME ACCOUNT			BLOOMBERG BARCLAYS AGGREGATE BOND INDEX			ATTRIBUTION FACTORS							
SECTOR	SECTOR WEIGHT	TOTAL RETURN (%)	CONTRIBUTION TO RETURN (%)	SECTOR WEIGHT	TOTAL RETURN (%)	CONTRIBUTION TO RETURN (%)	SHIFT EFFECT	TWIST EFFECT	SPREAD EFFECT (LOCAL)	INCOME EFFECT (LOCAL)	ALLOCATION EFFECT	SELECTION EFFECT	TOTAL EFFECT (LOCAL)	EXCESS RETURN
ABS	2.98	0.07	0.00	0.38	0.69	0.00	-0.00	-0.00	0.00	0.01	-0.00	0.00	0.00	0.12
CMBS	16.98	1.58	0.28	2.16	1.87	0.04	0.06	0.07	0.05	0.10	-0.03	0.02	0.27	0.44
Corporate	38.31	2.67	1.05	26.50	3.55	0.93	0.06	-0.05	-0.06	0.06	-0.03	0.18	0.16	0.89
Mortgage	9.98	-0.06	-0.03	27.30	0.33	0.09	-0.05	-0.04	0.09	-0.13	-0.04	0.01	-0.15	-1.07
Municipal	7.74	1.81	0.17	0.71	5.03	0.04	0.08	0.05	-0.04	0.06	-0.02	0.03	0.15	0.07
Non-U.S. Government	4.64	-2.92	0.00	3.31	1.61	0.05	-0.02	-0.03	0.01	0.01	-0.00	-0.03	-0.06	-3.37
U.S. Government	14.06	2.14	0.32	39.63	1.70	0.67	-0.10	-0.19	-0.05	-0.12	0.02	0.05	-0.40	-0.14
Cash and Equivalents	5.31	0.02	0.00	--	--	--	--	--	--	0.00	-0.00	--	-0.00	0.02
Total	**100.00**	**1.76**	**1.76**	**100.00**	**1.83**	**1.83**	**0.04**	**-0.20**	**0.01**	**-0.02**	**-0.12**	**0.25**	**-0.03**	**0.23**

Source: Bloomberg and Brown Advisory Analysis. Portfolio information is based on a representative Sustainable Core Fixed Income account and is provided as supplemental information. Sectors are based on Bloomberg Barclays Index classifications. 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. Sector attribution includes 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.

ATTRIBUTION ANALYSIS

Second Quarter 2021

- Intermediate and long-term rates fell modestly this quarter, as slower employment growth caused both longer-term Fed hike and inflation expectations to moderate. The yield curve flattened, mostly in response to the potential for the Fed to begin tapering QE purchases later this year. This was a mild detractor to our relative performance due to a combination of being underweight duration generally and having a larger underweight in the longest part of the yield curve than other segments.

- Corporate credit spreads tightened during the quarter, with investment-grade moving about 10 basis points tighter and high-yield about 50 basis points tighter. Both are now close to long-term tights. Our corporate positions underperformed those in the benchmark, but this was entirely due to our lower duration in the sector. After adjusting for duration, performance of our selections was neutral. Our general overweight of the sector did contribute positively to relative performance.

- Mortgage-backed securities (MBS) generally underperformed other bond types this quarter, as falling rates have made it easier for loans to be refinanced. Hence, being underweight this sector was a positive.

SAMPLE HOLDINGS

Sustainable Core

Portfolio Holding: Dana, Inc. (DAN)

Dana is a leader in drivetrain and e-Propulsion systems by engineering, manufacturing, and distributing power-conveyance and energy-management solutions.

Fundamental Drivers

- Dana is well diversified by geography and end-market, with strong program positioning across light trucks, commercial vehicles and off-highway applications; this is the result of a savvy and financially conservative M&A program that has helped mitigate cyclicality.
- The company has a very strong track record of cost containment, reliability and execution through the cycle. This is visible in growing backlogs and hitting successive, long-term margin targets.
- There is a well-known and marketed interest to approach investment grade via stated delivering goals and financial policies.

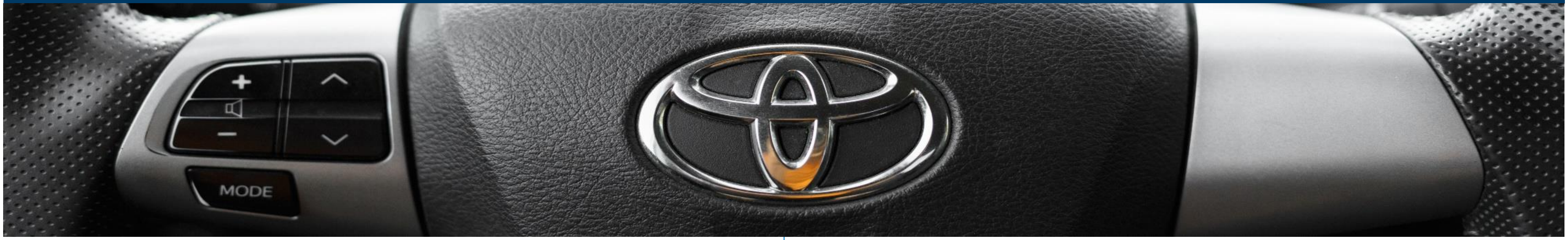
Sustainability Drivers

- Dana is well positioned to facilitate the transition to an electric vehicle future, as it has made a key part of its enterprise strategy to develop fully integrated e-Propulsion systems and capitalize on increased content per vehicle associated with electric vehicles. It has made nine strategic acquisitions since 2019 to support this mission, and has significant growth in its electric vehicles sales backlog.
- Dana has also demonstrated efforts to improve its environmental footprint across its operations, through decreased energy consumption, sourcing of renewable energy, and leveraging renewable energy credits.
- **Green Bond Proceeds:** Eligible use of proceeds include clean transportation, renewable energy and more, with exclusions around fossil fuel energy and investments related to pure internal combustion engines. The bond will enhance the company's broader sustainability integration efforts across its product offerings and operations.

TOYOTA AUTO ABS

Portfolio Holding: Toyota Motor Corporation (TM)

Toyota is one of the largest automobile manufacturers in the world with a history dating back to 1937.



Fundamental Drivers

- Toyota Motor Credit Corporation is an experienced sponsor and has strong support from Toyota Motor Corporation as its captive finance company. TMCC has a strong track record in the auto lease and lending markets and consistent underwriting practices.
- ABS is backed by very high-quality borrowers, with high average FICO and majority new vehicle collateral.

Sustainability Drivers

- Proceeds of the Toyota ABS deal will be used to finance new retail loan and lease contracts for Toyota and Lexus vehicle models that meet eligibility criteria including:
  - Must be HEVs, PHEVs, FCEVs and BEVs
  - Vehicle for which base trim model has max tailpipe CO_2 emissions of 110 gram per km
  - US EPA smog rating of 7 or better (where 10 is the cleanest)
- The issuance reinforces Toyota's reputation as an industry leader in hybrid vehicles and in the transition to EVs, and aligns with Toyota's 2030 company goals, including making annual sales of more than 5.5mn electrified vehicles, which are expected to reduce CO_2 emissions by 35% or more compared to 2010 levels.

DISCLOSURES

The views expressed are those of the author and Brown Advisory as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be and should not be relied upon as investment advice and are not intended to be a forecast of future events or a guarantee of future results. Past performance is not a guarantee of future performance and you may not get back the amount of money invested. 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. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy, and is not a complete summary or statement of all available data. This piece is intended solely for our clients and prospective clients, is for informational purposes only, and is not individually tailored for or directed to any particular client or prospective client.

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

The **Bloomberg Barclays Aggregate 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 10 years. One cannot invest directly into an index. Bloomberg Barclays Indices are trademarks of Bloomberg or its licensors, including Barclays Bank PLC.

An investor cannot invest directly in an index.

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The **Total Return of a benchmark-, sector-, and portfolio-level** are the sum of the returns from price movement and the returns due to 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.
The **Contribution to Return** is measured 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.
The **Shift Effect** measures the effect of a parallel shifts in the yield curve.
The **Twist Effect** is measured by multiplying the difference in changes in a yield curve and the key duration with negative modified duration.
The **Spread Effect** is measured by subtracting income and treasury effects from the total portfolio return.
The **Income Effect** is measured by dividing the coupon rate by the ending price.
The **Allocation Effect** measures the impact of the decision to allocate assets differently than those in the benchmark.
The **Selection Effect** is measured by using the remainder once income, treasury and spread effects are subtracted from the total return.
The **Total Effect** reflects the combination of allocation, selection and interaction effects. Totals may not total due to rounding.
EBITDA is an indicator of a company's financial performance and refers to earnings before interest, taxes, depreciation, and amortization.

SUSTAINABLE CORE COMPOSITE

Brown ADVISORY
Thoughtful Investing.

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 ($USD Millions)*	Firm Assets ($USD Millions)*
2020	9.4	8.9	7.5	4.3	3.4	26	0.4	416	59,683
2019	9.5	9.1	8.7	2.9	2.9	14	0.2	265	42,426
2018	0.4	0.1	0.0	2.8	2.8	19	0.3	217	30,529
2017	3.7	3.4	3.5	2.8	2.8	11	0.3	113	33,155
2016	1.0	0.8	2.7	N/A	N/A	9	0.1	91	30,417
2015	1.2	0.8	0.6	N/A	N/A	Five or fewer	N/A	60	43,746
2014**	2.0	1.9	1.8	N/A	N/A	Five or fewer	N/A	5	44,772

**Return is for period October 1, 2014 through December 31, 2014.

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 Sustainable Core Composite (the Composite) is comprised of all discretionary accounts with no material investment restrictions, which invest primarily in fixed income securities that have a target duration between 3 and 7 years. At least 80% of the securities in each portfolio in the Composite will have credit quality ratings of A or better at the time of purchase. Accounts included in the Composite are invested primarily in taxable securities. The minimum account market value required for Composite inclusion is $2 million, and accounts in the Composite will have an average effective duration between 3 and 7 years. The guidelines of accounts specifically indicate a preference for sustainability related investments. Bonds in Composite accounts are evaluated according to a variety of environmental, social and governance factors. These factors are used by the portfolio manager to seek holdings with attractive ESG risk profiles and or bonds whose uses of proceeds meet the standards of the Green Bond Principles. ESG Factors are not used for the purposes of absolute negative screening in Composite accounts.
3. ESG considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The strategy seeks to identify issuers and securities 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 securities that do not reflect the beliefs and values of any particular investor. The strategy may also invest in securities 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 securities with measurable ESG outcomes, as determined by Brown Advisory, and seeks to screen out particular issuers 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. From July 2016 to September 2019, the minimum account market value required for Composite inclusion was $1 million, and prior to July 2016 was $2 million.
5. Effective January 1, 2016, a significant cash flow policy was implemented for the Composite. Accounts with a greater than or equal to 14% external cash flow will be removed from the Composite for the entire month that the external cash flow occurred. The account will be added back to the Composite the following month if it meets the Composite inclusion requirements. The external cash flow percentage is calculated using beginning market value.
6. The composite creation date is November 1, 2015. The composite inception date is October 1, 2014.
7. The benchmark is the Bloomberg Barclays Aggregate Bond Index. The Bloomberg Barclays Aggregate 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. 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. Other expenses can reduce returns to investors. The standard management fee schedule is as follows: 0.375% on the first $10 million; 0.25% on the next $15 million and 0.20% on the balance over $25 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 Bond Fund (the Fund), which is included in the Composite, is 0.30%, 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 0.62%. Further information regarding investment management fees and expenses is described in the fund prospectus and annual report.
11. 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, 2014, December 31, 2015 and December 31, 2016 because 36 month returns for the Composite were not available (N/A.)
12. Valuations and performance returns are computed and stated in U.S. Dollars. All returns reflect the reinvestment of income and other earnings.
13. Duration is a measure of interest rate risk.
14. The use of derivatives is integral to the investment process of the strategy mutual fund, which is a constituent of the Composite. Futures and swaps are utilized and comprise roughly 20% of the fund. The fund may employ leverage, but it is not integral to the investment process. Portfolios have and may invest in CMOs and range accrual notes. Shorting is not utilized.
15. A complete list of composite descriptions and broad distribution and limited distribution pooled funds is available upon request.
16. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.
17. Past performance is not indicative of future results.
18. 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.