

Sustainable Value Fund

Investor: **BISVX** Institutional: **BASVX**

Second Quarter 2023

SUSTAINABLE VALUE

WHY INVEST IN BROWN ADVISORY SUSTAINABLE VALUE FUND?

The Fund seeks to achieve competitive risk-adjusted returns over a full market cycle while providing a margin of safety over time by investing in a concentrated portfolio of companies that we believe have proven durable fundamental strengths, exhibit capital discipline, attractive valuation and a Sustainable Cash Flow Advantage (SCFA). Portfolio Manager, Michael Poggi, seeks differentiation through a targeted research-intensive approach that is focused on uncovering what we believe to be attractive investments that meet our strict ESG and "value" criteria.

Our Fund manager and investment team have extensive large-cap, value, sustainable investing backgrounds that support our unique research-intensive approach. We believe integrating fundamental and ESG research adds an informational edge that helps us identify high quality investments with Sustainable Cash Flow Advantages versus their competitors.

Portfolio Managers: Michael Poggi, CFA

Benchmark: Russell 1000® Value Index

PORTFOLIO DIVERSIFICATION (AS OF 06/30/2023)

Sector Composition %	Fund	Index	Weighting Difference
Communication Services	11.4	5.1	6.3
Consumer Discretionary	6.4	5.3	1.1
Consumer Staples	4.8	8.4	-3.6
Energy	6.5	7.9	-1.4
Financials	16.6	20.1	-3.5
Health Care	15.2	15.8	-0.6
Industrials	13.5	13.5	0.1
Information Technology	11.6	9.0	2.6
Materials	2.5	4.8	-2.3
Real Estate	1.9	4.9	-3.0
Utilities	3.6	5.2	-1.5

TOP 10 PORTFOLIO HOLDINGS % (AS OF 06/30/2023)

Top 10 Positions	%
Unilever PLC	4.5
Ferguson PLC	4.0
Comcast Corp	3.8
T-Mobile US Inc	3.4
Constellation Energy Corp	3.4
Merck & Co Inc	3.3
Schlumberger NV	3.3
Fidelity National Information Services Inc	3.3
Bank of America Corp	3.3
Cisco Systems Inc	3.1
Total % of Net Assets	35.4%

Source: U.S. Bank. Sector breakdown (excluding cash and equivalents) and Fund holdings (including cash and equivalents which was 5.5% as of 06/30/2023) are subject to change at any time. 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.

CHARACTERISTICS AS OF 06/30/2023

	BISVX	INDEX
Fund Assets (\$MM)	50	
Number of Holdings	40	844
Wtd. Avg. Market Capitalization (\$B)	119.5	137.7
Wtd. Median Market Capitalization (\$B)	43.6	73.3
Earnings Growth 3-5 Yr. Est (%)	3.7	7.7
Price-to-Earnings Ratio (P/E, FY1)	14.5	15.0
Price-to-Earnings Ratio (P/E, FY2)	12.7	13.9
Beta	1.0	--

Source: Fund net assets provided by U.S. Bank and are as of the last day of the quarter and include all share classes. Characteristics exclude cash and equivalents and are derived from FactSet® Earnings growth 3-5 year estimate is not a measure of the Fund's future performance. Performance figures and charts include the reinvestment of dividend and capital gain distributions. Returns would have been lower during the specified periods if the payment of certain fees by the Fund had not been waived or expenses reimbursed.

AVERAGE ANNUAL TOTAL RETURNS (% AS OF 06/30/2023)

	1 MOS.	3 MOS.	1 YR	INCEPTION (02/28/2023)
Brown Advisory Sustainable Value Fund				
Investor Class – BISVX Inception: 02/28/2023	6.14	4.16	--	0.20
Institutional Class – BASVX Inception: 02/28/2023	6.14	4.26	--	0.30
Russell 1000® Value Index	6.64	4.07	--	3.60
Excess Return vs. Index (Investor)	-0.50	0.08	--	-3.40

Gross Expense Ratios: 1.51% (Investor), 1.36% (Institutional)

Net Expense Ratios: 1.08% (Investor), 0.93% (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.

Brown Advisory LLC (the "Adviser") has contractually agreed to waive its fees and/or reimburse certain expenses in order to limit the Total Annual Fund Operating Expenses after Fee Waiver and/or Expense Reimbursement for Institutional Shares and Investor Shares to 0.93% and 1.08%, respectively, of the Fund's average daily net assets through October 31st, 2023.

EXPERIENCED MANAGEMENT



MICHAEL POGGI, CFA

Mike Poggi is the Portfolio Manager of the Brown Advisory Sustainable Value Fund.

Investment experience dating from 2003; joined Brown Advisory 2003;

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. We are committed to delivering a combination of first-class performance, customized strategic advice and the highest level of personalized service.

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

Before investing you should carefully consider the Fund's investment objectives, risks, charges, and expenses. This and other information is in the summary or statutory prospectus, a copy of which may be obtained by calling 1-800-540-6807 or visiting the Fund's website, www.brownadvisoryfunds.com. Please read the prospectus carefully before you invest.

Investments in smaller companies generally carry greater risk than is customarily associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock. The value of the Fund's investments in REITs may change in response to changes in the real estate market such as declines in the value of real estate, lack of available capital or financing opportunities, and increases in property taxes or operating costs. The Fund may invest in ETFs, which may trade at a discount to the aggregate value of the underlying securities and although expense ratios for ETFs are generally low, frequent trading of ETFs by the Fund can generate brokerage expenses. Investments in foreign securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets. These risks are greater for investment in emerging markets. Private Placement issued securities are restricted securities that are not publicly traded. Delay or difficulty in selling such securities may result in a loss to the Fund. The recent growth rate in the stock market has helped to produce short-term returns for some asset classes that are not typical and may not continue in the future. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes. Diversification does not assure a profit, nor does it protect against a loss in a declining market.

ESG considerations are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. ESG analysis may not be performed for every holding in the Fund.

All investments involve risk. The value of the investment and the income from it will vary. There is no guarantee that the initial investment will be returned. ESG considerations are one of multiple informational inputs into the investment process, alongside data on traditional financial factors, and so are not the sole driver of decision-making. ESG analysis may not be performed for every holding in the Fund. As a result, the Fund may invest in companies that do not reflect the beliefs and values of any particular investor. The Fund 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 Fund 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.

The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected and historical growth rates. The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The Index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics. The Russell 1000® Value 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.

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Past performance is no guarantee of future results.

Terms and Definitions

Market Capitalization is the value of the fund as determined by the market price of its issued and outstanding stock. The **Weighted Average Market Capitalization** of a portfolio equals 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). **Earnings growth rate** is the amount of increase that a specific variable has gained within a specific period and context and is based on consensus estimates derived from FactSet as of 06/30/2023 for the 3-5 year period, and is not a measure of the Fund's future performance. **Earnings Growth 3-5 Year Est.** is the forecasted growth rate of a company's earnings per share. Estimated EPS Growth Rate is not a measure of the Fund's future performance. **Price-Earnings Ratio (P/E Ratio)** is the ratio of the share of a company's stock compared to its per-share earnings. **Free cash flow (FCF)** is a measure of how much cash a business generates after accounting for capital expenditures such as buildings or equipment. **Margin of safety** is the difference between the intrinsic value of a stock and its market price. The Brown Advisory Funds are distributed by ALPS Distributors, Inc., which is not affiliated with Brown Advisory LLC.

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Note: The Sustainable Value Fund launched on 02/28/2023. A fund's performance for very short time periods may not be indicative of future results.