

Sustainable International Leaders

STRATEGY FACT SHEET

Fourth Quarter 2023

WHY INVEST IN BROWN ADVISORY SUSTAINABLE INTERNATIONAL LEADERS?

We believe that the best way to generate attractive risk-adjusted returns through the economic cycle is through a concentrated, low- turnover portfolio of international companies that we believe are and will continue to be leaders in their sector or industry. We define Sustainable International

Leaders as companies that have strong competitive advantages, high returns on invested capital (ROIC), capable and rightly incentivized management teams and attractive valuation over a long-term investment horizon.

We believe integrating fundamental and sustainable investment research, supplemented by investigative research helps to uncover businesses that we believe posses strong fundamental and sustainable competitive advantages, growth and profitability, and have the potential to compound returns over the long term. The

investment criteria for the strategy includes securities that have strong management of sustainability-related risks with a significant majority also using sustainability to compound a competitive advantage.

Portfolio Manager: Priyanka Agnihotri

Benchmark: MSCI ACWI ex U.S. Index

PERFORMANCE (% AS OF 12/31/2023)

	3 MOS.	1 YR.	3 YR.	5 YR.	ITD (09/01/2021)
Sustainable International Leaders Composite (Gross of Fees)	12.4	17.1	--	--	-1.7
Sustainable International Leaders Composite (Net of Fees)	12.2	16.1	--	--	-2.5
MSCI ACWI ex U.S. Index	9.8	15.6	--	--	-1.9

TOP 10 PORTFOLIO HOLDINGS (%)

Deutsche Boerse AG	4.7
London Stock Exchange Group plc	4.6
Waste Connections, Inc.	4.5
Safran SA	4.5
HDFC Bank Limited Sponsored ADR	4.4
Rentokil Initial plc	4.3
CTS Eventim AG & Co. KGaA	4.2
Compass Group PLC	4.1
Experian PLC	4.0
NXP Semiconductors NV	4.0

SECTOR BREAKDOWN (%)

	REP. ACCT	INDEX
Communication Services	4.3	5.2
Consumer Discretionary	12.9	11.5
Consumer Staples	4.8	8.0
Energy	--	5.6
Financials	24.8	21.2
Health Care	5.1	9.3
Industrials	32.0	13.5
Information Technology	12.3	12.5
Materials	3.8	8.0
Real Estate	--	2.1
Utilities	--	3.2

STRATEGY PROFILE AS OF 12/31/2023

BENCHMARK

MSCI ACWI ex U.S. Index

STRATEGY ASSETS

\$34.1 million

VEHICLES AVAILABLE

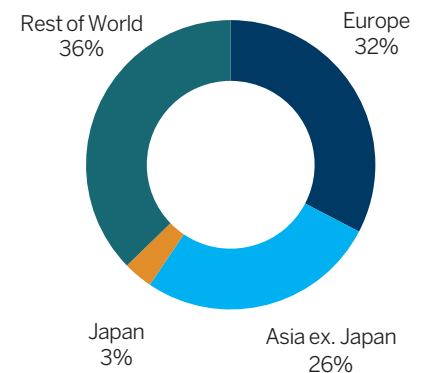
Separately Managed Account (SMA)
Mutual Fund

CHARACTERISTICS AS OF 12/31/2023

	REP. ACCT.	MSCI ACWI ex U.S. Index
ROIC (LFY*) Median (%)	18.3	9.2
Sales Growth (3-Yr CAGR) (%)	7.1	6.7
FCF Yield* (NTM Median) (%)	3.7	4.0
Active Share	93.6	--
Net Debt to EBITDA*	0.9	1.3

*Excludes financials - excludes Banks and Insurance Companies and outliers excluded from the benchmark.

GEOGRAPHIC COMPOSITION BY COUNTRY OF REVENUE (% OF PORTFOLIO)



Source: FactSet and Brown Advisory calculations. Calculations include cash and cash equivalents which was 2.2% as of 12/31/2023. Portfolio information is based on a representative Sustainable International Leaders account.

Source: FactSet®. The portfolio information provided is based on a representative Brown Advisory Sustainable International Leaders account as of 12/31/2023 and is provided as Supplemental Information. 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. Sector breakdown and portfolio characteristics exclude cash and equivalents; top 10 portfolio holdings include cash and equivalents which was 2.2% as of 12/31/2023 and is provided as Supplemental Information. Returns greater than one year are annualized. Past performance is not indicative of future results. Numbers may not total due to rounding. The composite performance shown above reflects the Brown Advisory Sustainable International Leaders Composite, managed by Brown Advisory Institutional. Brown Advisory Institutional is a division of Brown Advisory LLC, and Brown Advisory Institutional is a GIPS compliant firm. Please see the end of this Fact Sheet for a GIPS Report and a complete list of terms and definitions.

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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PORTFOLIO MANAGER PROFILES

PRIYANKA AGNIHOTRI

Priyanka is a portfolio manager within the Global Equity team and a Partner at Brown Advisory. Priyanka joined the firm as a financials equity research analyst in June 2015 having formerly worked for Bernstein Research on the sell-side covering European financials. She began her investment career in 2009 as a buy-side analyst for Phoenix Asset Management Partners focusing on U.K. equities. Priyanka achieved her MBA in 2009 from Columbia Business School where she was a member of the Value Investing Program.

Brown Advisory Sustainable International Leaders

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)*
2022	-16.5	-17.2	-16	N/A	N/A	Five or fewer	N/A	17	58,575
2021**	-1.6	-1.9	-1.4	N/A	N/A	Five or fewer	N/A	1	79,715

**Return is for period September 1, 2021 through December 31, 2021.

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, 2022. 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 Sustainable International Leaders Composite (the Composite) includes all discretionary portfolios invested in the Sustainable International Leaders strategy. The Sustainable International Leaders strategy aims to achieve capital appreciation by investing primarily in international equities. The strategy intends to invest in equity securities of companies that the portfolio manager believes are leaders within their industry or country, as demonstrated by an ability to deliver high relative return on invested capital over time.
- Sustainable investment 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. Sustainable investment analysis may not be performed for every holding in the strategy. Sustainable investment considerations that are material will vary by investment style, sector/industry, market trends and client objectives. The Sustainable International Leaders Strategy ("Strategy") seeks to identify companies that it believes may be desirable based on our analysis of sustainable investment related risks and opportunities, but investors may differ in their views. 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 excluded from other strategies that focus on sustainable investment risks. Security selection will be impacted by the combined focus on sustainable investment research assessments and fundamental research assessments including the return forecasts. The Strategy incorporates data from third parties in its research process but does not make investment decisions based on third-party data alone.
- The Composite creation date is October 6, 2021. The Composite inception date is September 1, 2021.
- The benchmark is the MSCI ACWI ex U.S. Net Index rebalanced quarterly. The MSCI ACWI ex U.S. Net Index captures large and mid cap representation across Developed Markets (DM) countries (excluding the U.S.) and Emerging Markets (EM) countries. The Index covers approximately 85% of the global equity opportunity set outside the U.S. All MSCI indexes and products are trademarks and service marks of MSCI or its subsidiaries. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifier.
- As of September 1, 2022, the Composite benchmark was changed from the FTSE All-World ex-U.S. Net Index to the MSCI ACWI ex U.S. Net Index. The change was applied retroactively from the Composite inception date. The Advisor determined that MSCI indices are more widely used for global products, and thereby provide more relevant data to shareholders and prospects as well as comparisons to competitors.
- Composite dispersion 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.
- 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-fees performance returns are calculated by adjusting the gross-of-fees performance return by the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV, applied on a monthly basis. Certain accounts in the Composite may pay asset-based custody fees that include commissions. For these accounts, gross 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 \$50 million; 0.55% on the next \$50 million; 0.45% on the next \$50 million; and 0.40% on the balance over \$150 million. Further information regarding investment advisory fees is described in Part 2A of the firm's Form ADV. Actual fees paid by accounts in the Composite may differ from the current fee schedule.
- Effective July 1, 2023, the firm transitioned from using actual account fees in the calculation of net performance returns to applying the highest fee for the institutional strategy as outlined in Part 2A of the firm's Form ADV. The net performance track record was revised back to Composite inception.
- The investment management fee for the Investor Shares of the Brown Advisory Sustainable International Leaders Fund (the Fund), which is included in the Composite, is 0.75%, and represents the highest fee charged excluding Advisor Shares. The total expense ratio for the Investor Shares of the Fund is 1.00%. 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. The 3 year annualized standard deviation is not presented as of December 31, 2021 and December 31, 2022 because 36 month returns for the Composite were not available (N/A).
- 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.
- This is not an offer to sell securities. That may only be accomplished by the issuance of a private offering memorandum/subscription documents.
- 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

All financial statistics and ratios are calculated using information from FactSet as of the report date unless otherwise noted. 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. **Active Share** is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index. **Compound Annual Growth Rate (CAGR)** is the rate of return that would be required for an investment to grow from its beginning balance to its ending balance, assuming the profits were reinvested at the end of each period of the investment's life span. FCF yield is a measure of financial performance calculated as operating cash flow minus capital expenditures. **FCF yield** calculations presented use NTM and exclude Banks and Insurance companies. **Free cash flow (FCF)** represents the cash a company generates after cash outflows to support operations and maintain its capital assets. Unlike earnings or net income, free cash flow is a measure of profitability that excludes the non-cash expenses of the income statement and includes spending on equipment and assets as well as changes in working capital. **Net Debt-to-EBITDA** ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. The ratio shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant. **ROIC** is a measure of determining a company's financial performance. $ROIC = NOPAT / IC$. $NOPAT = EBIT + \text{Amortization of acquired intangibles} - \text{Cash tax paid}$. $IC = \text{Total Debt} + \text{Total Equity} + \text{Total unfunded pension liabilities} - \text{Excess Cash}$. ROIC is shown excluding financials. **Sales growth rate** is based on reported company revenue for the past three years at the end of the current quarter, provided as a historical average.