

# Global Sustainable Total Return Bond

## SUSTAINABLE DRIVERS PROFILE MATRIX

### First Quarter 2025

The Brown Advisory Global Sustainable Total Return Bond strategy seeks to deliver attractive risk-adjusted returns by incorporating sustainable investment research that strengthens bottom-up, credit-focused research, while producing positive environmental and social outcomes.

### SUSTAINABILITY PROFILES FOR CORPORATE PORTFOLIO HOLDINGS (AS OF 03/31/2025)

COMPANY	THEME	SUSTAINABLE DRIVER
AbbVie, Inc.	Health & Wellness	AbbVie's robust immunology portfolio addressing various unmet needs for patients with autoimmune diseases generates nearly half of the company's net revenues. Through its focus on improving diversity in clinical research, AbbVie's research and development platform and drug pipeline improves patient outcomes and expands its total addressable market. The company's commitment to innovation continues to drive its ability to discover novel medicines and treatments, putting them on the frontlines of tackling some of the world's most complex and serious diseases.
AerCap Ireland	Efficient Production & Conservation	AerCap Ireland (AER) is an industry leader in aviation leasing. Through its fleet modernization efforts and business model, AER offers a compelling value proposition to airlines as they seek to reduce fuel costs and transition to more fuel-efficient aircraft, while taking on the large capex requirements so airlines don't have to.
AIB Group PLC	Sustainable Finance	AIB is a leading Irish retail mortgage lender. It plays an essential role in providing access to affordable housing in a country with low housing supply. It is also a leader in lending to the renewable energy sector to support the transition to a low carbon economy. As a founding signatory of the UN's Environment Program for Finance Initiative, which asks signatories to acknowledge the banking industry's role in shaping a sustainable future, AIB is positioning itself as a leading sustainable financial institution.
Banco Bilbao Vizcaya Argentina (BBVA)	Economic Mobility & Community Development	BBVA is one of Spain's largest financial groups. In addition, it derives a strong majority of its net consolidated profit from emerging markets, with over half of its loans in countries like Turkey and Mexico, positioning it well to expand access to financial services in underbanked communities. BBVA is at the forefront of digitalization, with more than half of new customers acquired digitally, further cementing its leadership position and driving down its cost base. Additionally, BBVA has a strong focus on SME lending, particularly in Mexico.
BAWAG Group AG	Economic Mobility & Community Development	BAWAG Group is an Austrian bank focused on fostering positive economic and social impact through simple, transparent, and affordable financial products, with a strong digital focus. It serves over 2 million customers across the DACH/NL region. By specializing in retail and SME lending, BAWAG supports local economies, entrepreneurship, and community development. Their products, such as state-guaranteed mortgages and specialized SME financing, enhance financial accessibility and stability, driving innovation and job creation in the regions they serve.

**SUSTAINABILITY PROFILES FOR CORPORATE PORTFOLIO HOLDINGS (AS OF 03/31/2025)**

COMPANY	THEME	SUSTAINABLE DRIVER
<b>Bio-Rad Labs</b>	Health & Wellness	Bio-Rad offers the largest and most comprehensive software and quality control products, critical in obtaining fast and accurate lab results, preventing misdiagnosis, and supporting early detection and intervention of infectious diseases. Bio-Rad maintains thousands of product offerings and generates most of its sales from its products with a leading market position.
<b>Brambles USA Inc.</b>	Efficient Production & Conservation	Brambles is a global provider of logistics solutions. Its circular business model perpetuates the share, repair and reuse of the world's largest pool of reusable pallets and containers, allowing businesses to minimise their impact on the environment while improving the efficiency and safety of supply chains around the world. Brambles' regenerative vision enables its commercial teams to positively influence its customers' sustainability programmes by utilising its circular business model to showcase resource, emissions and waste reduction benefits in their supply chains. Crucially, improving the circularity of its business model delivers sustainability outcomes in business and for its customers.
<b>CaixaBank S.A.</b>	Economic Mobility & Community Development	CaixaBank's MicroBank is one of the largest private microfinance institutions in Europe. It provides access to the financial system for those who may previously have experienced barriers, thereby broadening out its total addressable market and creating the potential to drive value for the company in the future. Furthermore, CaixaBank also offers an array of sustainable financing tools including financing environmental or social projects important to building sustainable, resilient economies.
<b>Carrier Global Corp.</b>	Sustainable Technology Innovation	With its main business line in HVAC and secondary line in refrigeration, we believe Carrier is well positioned to benefit from tailwinds including urbanization, focus on food security, more extreme climate, and greater focus on energy efficiency. Expanding on its opportunity, its intention to acquire Viessman Climate Solutions could expand its HVAC market share to Europe where heat pump adoption is moving quickly and supported by significant regulation and incentives. Overall, the business offers climate positive solutions that simultaneously enable both commercial and residential customers to save on utility bills compared to fossil fuel-based options.
<b>Coventry Building Society</b>	Efficient Production & Conservation	As a mutual organization, Coventry Building Society is owned and run for the benefit of its members, allowing it to reinvest profits into providing improved mortgage and savings rates to its members. As the second largest building society in the UK, Coventry promotes sustainable lending by offering discounted borrowing rates for green home improvements, enhancing consumer financial resilience through lower energy costs. Additionally, it aims to double the number of first-time buyers it serves annually, supporting greater access to home ownership.
<b>Crown Castle International Corp.</b>	Sustainable Technology Innovation	Crown Castle's portfolio of shared communications infrastructure, including towers, small cells, and fiber, enables customers – AT&T, Verizon and T-Mobile amongst them – to build and operate their networks with increased efficiency and at a reduced cost. With about 50% of towers touched with 5G and moving into the densification cycle, Crown Castle plays a key role in the rollout of 5G in the US.
<b>eBay, Inc.</b>	Efficient Production & Conservation	As an early advocate of the circular economy, eBay's platform connects millions of customers to buy and sell pre-owned items, in over 190 markets, leveraging its strong brand and market presence to promote environmental sustainability and resource conservation. It is committed to empowering entrepreneurs and small businesses; eBay aligns with the eco-conscious values of younger generations and aims to significantly increase the sale of pre-loved and refurbished goods on its platform.

Source: Underlying portfolio companies. The conclusions provided are based on fundamental research of Brown Advisory's sustainable investment team. Please see the end of this presentation for important disclosures.

**SUSTAINABILITY PROFILES FOR CORPORATE PORTFOLIO HOLDINGS (AS OF 03/31/2025)**

COMPANY	THEME	SUSTAINABLE DRIVER
Ferguson PLC	Sustainable Technology Innovation	Ferguson distributes energy efficient HVAC systems throughout North America, directly contributing to lowering the emissions generated from buildings and reducing utility costs to customers. Given its product mix and strong growth in its sustainable offerings with intentions to expand, we believe Ferguson is well positioned to benefit from federal legislation and customer preferences for more energy-efficient buildings.
Fidelidade CIA Seguros	Efficient Production & Conservation	Fidelidade is a market leader in Portugal's insurance sector with significant shares in both life and non-life insurance: it plays a crucial role in the Portuguese financial ecosystem. It promotes sustainable behavior changes via innovations across its product lines that result in positive sustainability outcomes. Its Multicare Vitality health insurance product incentivizes healthy lifestyle habits via premiums discounts. In auto insurance, its telematics solution rewards safe and sustainable driving leading to improved safety outcomes and lower emissions.
Ford Motor Credit Co. LLC	Sustainable Technology Innovation	Ford is a leader in the EV transition and should benefit over time from its diversified offerings of EV and hybrid vehicles across both light and commercial vehicle segments. Specifically, Ford's transition will both reduce its exposure to emissions regulation, and will enable it to expand revenue and market share opportunities. The timeline of the success of this strategy will depend on a number of factors, some within Ford's control and some not. Within its control, we believe Ford's focus on reducing battery production costs will better position it to produce more affordable vehicles, while its hybrid offerings will help it reach a broader customer base.
Gruma SAB	Health & Wellness	Gruma is a global supplier of tortillas and tortilla flour with the majority of its net sales derived from healthier, corn-based tortilla products which have lower fat, salt and calories compared to processed bread items, positioning itself well to capitalize on consumer demand for healthier products. Supporting this, Gruma's "Better for You" product line of almond and cauliflower-based wraps has seen a surge in the demand in the USA. Moreover, the company has improved production efficiency by implementing technologies that have meaningfully cut water usage compared to traditional methods, and actively recycles and reuses water in production—especially important given its facilities are in water-stressed areas.
Intesa Sanpaolo	Sustainable Finance	As one of Italy's largest domestic lenders, Intesa supports the country's green transition via its sustainability-focused product offering across mortgages, business lending and asset management services. Its "S-loan" product range provides funding for sustainability improvements for its small-and-medium size enterprises (SMEs) clients. In addition, Intesa's asset management arm has seen a surge in sustainable fund investments, with most of its assets under management now classified as sustainable, which we believes positions it well for increasing demand and regulation surrounding sustainable finance products.
Natwest Group PLC	Sustainable Finance	NatWest is a UK- leader in sustainable finance with material climate and sustainable funding and finance targets in place focusing on renewables, green finance, green mortgages, and electric vehicles. We believe its varied and innovative sustainable financing product range makes it well positioned to expand its market share in sustainable lending.
Regal Rexnord Corp	Sustainable Technology Innovation	Regal Rexnord (RXX) is focused on driving energy efficiency across its products which serve end markets including data centers, HVAC and medical devices. This focus on efficiency should enable RRX to benefit from tailwinds such as electrification and related regulation. RRX is also focused on reducing its own operational and product emissions footprint, which should position it well to help satisfy customers' sustainability targets.

**SUSTAINABILITY PROFILES FOR CORPORATE PORTFOLIO HOLDINGS (AS OF 0/30/2024)**

COMPANY	THEME	SUSTAINABLE DRIVER
<b>Regeneron Pharmaceutical</b>	Health & Wellness	Regeneron houses a large and diverse human genetics database, establishing a unique opportunity for the company to expand its TAM (Total Addressable Market) by developing more effective treatments for underserved and underrepresented communities. By responsibly leveraging human genetics in clinical research, the company improves patient outcomes by discovering and validating genetic factors that cause or influence severe diseases and medical conditions. Additionally, the company's VelociSuite Technology enables Regeneron to quickly discover and develop human antibodies; the foundation of biologic medicines developed to treat and sometimes reverse the effects of human diseases that were previously incurable.
<b>ReNew Power</b>	Clean Energy	ReNew Power is one of the largest utility scale pure-play renewable power generation companies in the world. With approximately 10GW of commissioned energy (100% renewable) and a strong pipeline to be operational in the near term, ReNew should play a key role in India's energy transition.
<b>Revvity, Inc.</b>	Health & Wellness	Revvity's Life Sciences product offerings are used by over 2 million scientists across pharmaceutical and biotech companies and academic institutions to help discover better treatments and therapeutics that fight diseases faster and more efficiently. The company launches over a thousand new life science reagent products annually, helping to accelerate the drug discovery process and development pipeline.
<b>Roper Technologies, Inc.</b>	Sustainable Technology Innovation	Roper acquires companies that are leaders in their niche markets across healthcare, utilities, transportation, amongst others, and helps them grow further. We believe most of these companies are capitalizing on sustainability mega-trends (improve patient care, decrease water leakage, lower emissions) and in our view, being part of Roper's umbrella enables them to run more efficiently and expand their reach.
<b>Société Générale</b>	Sustainable Finance	Société Générale (SG) has set a sustainable financing target for transactions in low-carbon energy, sustainable real estate, low-carbon mobility, and other industry and environmental transition topics. The sustainable finance target aims to focus financial flows towards the decarbonization of the highest emitting sectors, covering a wider scope than the bank's previous target. The 2023 announcement of SG's transformation strategy will enhance the sustainable opportunity by allocating capital towards sustainable product development and propel SG to be on par with peers in sustainable financing initiatives.
<b>T-Mobile</b>	Efficient Production & Conservation	With one of the largest 5G networks in the US, T-Mobile has a strategic goal to increase its market share in rural America, an area that has been historically underserved when it comes to connectivity. In addition, T-Mobile has a key focus on energy efficiency measures, achieving a considerable reduction in energy consumption per unit of data traffic on their network (as well as a commitment to source more energy from renewable sources), which should lead to cost savings.
<b>Verisign, Inc.</b>	Neutral	As a provider of critical internet infrastructure services, VeriSign helps maintain the security, stability, and resiliency of the internet, enabling its next innovations while protecting it from new and emerging cyberattacks.
<b>Yara International</b>	Sustainable Technology Innovation	As one of the world's largest fertilizer producers, Yara continues to lead the industry in innovation by developing its production of renewable hydrogen and ammonia, with new carbon capture, utilization, and storage projects in the works. This represents a small but fast-growing portion of Yara's total business. Yara also launched its Agoro Carbon business to incentivize sustainable farming practices and fertilizer usage, by connecting farmers with the carbon marketplace to benefit financially from these better practices. Green bond proceeds will initially be allocated to capex and opex for plants producing Yara's premium fertilizers, but over time should go increasingly to production of green ammonia and carbon capture, utilization, and storage plants. Premium fertilizers have significantly lower process emissions compared to alternatives, and allocation to this production process will help reduce the company's emissions footprint today.

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## SUSTAINABILITY PROFILES FOR SECURITIZED BOND PORTFOLIO HOLDINGS (AS OF 03/31/2025)<sup>1</sup>

COMPANY	THEME	SUSTAINABLE DRIVER
Freddie Mac	Affordable Housing	Freddie Mac plays an important role in expanding access to affordable housing and improving the environmental sustainability of housing infrastructure. Freddie Mac has a number of different programs with varying focuses, from its Workforce Housing program supporting cost-burdened borrowers, to its HomePossible program providing flexible financing options to first-time homebuyers. Regardless of program, these mortgage-backed securities support affordable housing across the United States with collateral pools located in low income, minority and other underserved areas based on various demographic and affordability factors.

<sup>1</sup>The holdings listed above are a few samples of the portfolio's taxable municipal bond holdings and do not include the full list of holdings. Holdings shown may not be held in all portfolios. Names shown were based on what Brown Advisory believes demonstrate strong sustainable drivers.

## SUSTAINABILITY PROFILES FOR SUPRANATIONAL BOND PORTFOLIO HOLDINGS (AS OF 03/31/2025)<sup>1</sup>

COMPANY	THEME	SUSTAINABLE DRIVER
BNG Bank NV	Affordable Housing	BNG Bank is one of the largest lenders to the Dutch public sector and has a clear mandate to provide funding at the lowest possible cost to the public sector and related entities. The bank's customer base consists almost entirely of Dutch local authorities, public sector utilities and entities involved in social housing, healthcare and education. The bank fulfils a critical role in financing housing associations at low cost, and thus contributes to the state's social policy to improve housing affordability for underserved communities in the Netherlands.
European Investment Bank (EIB)	Sustainable Finance	EIB is a multilateral finance institution focused on financing environmental and social projects across several key priority areas: climate and environment, development, innovation and skills, small and medium-sized businesses, infrastructure and cohesion. EIB has been a leader in sustainable finance since issuing the first green bond in 2007 with climate action at the heart of its financing priorities. More recently, EIB has established an Environmental and Social Policy that governs all new projects that should play an essential role in helping the EU achieve carbon neutrality by 2050.
KfW	Sustainable Finance	KfW is a German state-owned investment and development bank with a mandate to promote global development and improve economic, social, and environmental living conditions. Climate and environmental protection are key focus areas for dispersed funds. The green bonds finance renewable energy and energy efficiency projects in Germany and around the globe.

<sup>1</sup>The holdings listed above are a few samples of the portfolio's supranational bond holdings and do not include the full list of holdings. Holdings shown may not be held in all portfolios. Names shown were based on what Brown Advisory believes demonstrate strong sustainable drivers.

## THEMATIC FRAMEWORK

The research team begins their analysis of each investment from the bottom-up, with a focus on understanding the specifics of the investment's structure and fundamental characteristics. While there are many levers that can impact financial results, we have identified two broad themes that transcend asset classes and sectors: Climate & Natural Capital and Community & Human Capital.

### Climate & Natural Capital

Our economy is highly influenced by climate change and the availability of natural resources, which pose risks and opportunities for companies, governments and other stakeholders. We seek to identify the financial implications of transitioning to a lower carbon economy, managing losses associated with physical climate risk and biodiversity loss, and operating in an increasingly resource-constrained environment.

### Community & Human Capital

People are foundational to all aspects of our economy. As such, we seek to identify investments that are managing human capital well, contributing to equitable and inclusive societies, and upholding global human rights standards—which we believe are important to driving improved financial outcomes.

Brown Advisory's sustainable investment research is underpinned by a focus on sound governance. Careful assessment of how leadership, whether it be a company's management team or government organization, serves the needs of its various stakeholders is important in assessing an investment's ability to deliver positive outcomes, including those related to Climate & Natural Capital and Community & Human Capital. Furthermore, we seek investments where appropriate transparency and accountability structures are in place enabling durable operations and management.

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 invested.

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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 strategy seeks to identify companies that it believes may be desirable based on our analysis of sustainable

## PRIMARY THEMES AND SUB-THEMES

### Climate & Natural Capital

<b>Sustainable Technology Innovation</b>	Innovating products and services that deliver sustainability results (e.g., energy-efficient products, sustainable transportation).
<b>Efficient Production &amp; Conservation</b>	Reducing use of energy or raw materials, increasing use of renewables, etc., through internal operations.
<b>Clean Energy</b>	Developing, operating or delivering clean energy from wind, solar and other renewable sources.
<b>Sustainable Agriculture/Natural Resource Management</b>	Responsibly managing natural resources, minimizing or reversing land degradation, and protecting biodiversity.
<b>Sustainable Finance</b>	Innovative financial products or services that enable positive environmental or social outcomes
<b>Clean Water &amp; Sanitation</b>	Improving access to clean drinking water and sanitation services; solving infrastructure challenges; managing freshwater ecosystems.

### Community & Human Capital

<b>Affordable Housing</b>	Offering housing options to low- and moderate-income families.
<b>Economic Mobility &amp; Community Development</b>	Increasing employment opportunities and financial inclusion for underserved communities.
<b>Education</b>	Reducing barriers to education for underserved groups.
<b>Culture and Safety</b>	Supporting race and gender equity; empowering marginalized populations.
<b>Health &amp; Wellness</b>	Promoting health and well-being, and improving access to and quality of health care.
<b>Clean Water &amp; Sanitation</b>	Improving access to clean drinking water and sanitation services; solving infrastructure challenges; managing freshwater ecosystems.
<b>Sustainable Finance</b>	Innovative financial products or services that enable positive environmental or social outcomes

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 funds 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 strategy intends to invest in companies with measurable sustainability-related outcomes, as determined by Brown Advisory, and may seek to screen out particular companies and industries. Brown Advisory may rely 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.