

Small-Cap Growth Fund

Investor: **BIASX** Advisor: **BASAX** Institutional: **BAFSX**



Third Quarter 2023

U.S. SMALL-CAP GROWTH

WHY INVEST IN BROWN ADVISORY SMALL-CAP GROWTH?

The Fund seeks to exploit the inefficiencies associated with smaller companies, which can be informational, analytical or behavioral. The manager looks for durable, scalable business models led by capable management teams where a clear investment thesis can be articulated. Extensive analysis can establish differentiated views on the size and growth potential of each addressable market opportunity, a company's possible sustainable competitive advantages and its ability to attempt to drive attractive results at scale.

Fund manager Chris Berrier takes a long-term approach in constructing a focused portfolio with high active share. Supported by a deep, experienced equity research team and the firm's robust private investment network, he invests like a business owner for the long term. He attempts to take advantage of the volatility inherent to the small-cap growth equity universe and has the confidence to be different than the benchmark Index and the Fund's peer universe.

A shared culture of thoughtful investing. Brown Advisory's investment team is made up of independent thinkers who nonetheless share a common philosophy. We invest for the long term and we keep our portfolios focused on a relatively small number of our best investment ideas. We believe that this sort of active management is the best way to attempt to generate long-term outperformance vs. our benchmarks.

Fund Manager: Christopher Berrier; Associate Portfolio Manager: George Sakellaris, CFA
Benchmark: Russell 2000® Growth Index

AVERAGE ANNUAL TOTAL RETURNS % (AS OF 09/30/2023)

	3 MOS.	YTD	1 YR.	3 YR.	5 YR.	10 YR.	INCEPTION (06/28/1999)	INCEPTION (04/25/2006)	INCEPTION (09/20/2002)
Brown Advisory Small-Cap Growth Fund									
Investor Class - BIASX Inception: 06/28/1999	-6.51	2.78	8.56	2.25	4.77	8.29	7.10	--	--
Advisor Class - BASAX Inception: 04/25/2006	-6.55	2.57	8.31	2.00	4.52	8.02	--	8.20	--
Institutional Class - BAFSX Inception: 09/20/2002	-6.45	2.89	8.76	2.41	4.93	8.46	--	--	10.73
Russell 2000® Growth Index	-7.32	5.24	9.59	1.09	1.55	6.72	6.04	6.89	9.61
Excess Return vs. Index (Investor)	0.81	-2.46	-1.03	1.16	3.21	1.58	1.06	--	--
Morningstar % Rank in Category (Investor)			57	53	34	31	--	--	--
# of Funds in Small-Growth Category			589	560	525	390	--	--	--

CALENDAR YEAR RETURNS %

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Brown Advisory Small-Cap Growth Fund, Investor Class - BIASX	-20.34	7.44	31.76	33.49	-4.36	16.91	9.55	8.05	0.02	40.54
Russell 2000® Growth Index	-26.36	2.83	34.63	28.48	-9.31	22.17	11.32	-1.38	5.60	43.30
Excess Return vs. Index (Investor)	6.02	4.60	-2.87	5.01	4.95	-5.26	-1.77	9.43	-5.58	-2.76

Gross Expense Ratios: **1.10% (Investor), 0.95% (Institutional), 1.35% (Advisor)**
Past performance does not guarantee future results.

Morningstar Rankings represent a fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest percentile rank is 1 and the lowest is 100. It is based on Morningstar total return, which includes both income and capital gains or losses and is not adjusted for sales charges or redemption fees. **Past performance does not guarantee future results.**

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.

OVERALL MORNINGSTAR RATING™



As of 09/30/2023 for Investor Shares among 560 Small-Growth funds (derived from a weighted average of the fund's three-, five- and 10-year risk adjusted return measure).

CHARACTERISTICS (AS OF 09/30/2023)

	BIASX	INDEX
Fund Assets (\$MM)	2,084	--
Wtd. Avg. Market Capitalization (\$B)	7.0	3.3
Wtd. Median Market Capitalization (\$B)	5.5	3.0
Earnings Growth 3-5 Yr. Est (%)	11.0	12.3
Price-to-Earnings Ratio (P/E, FY1)	23.4	18.1
Price-to-Earnings Ratio (P/E, FY2)	21.7	15.9
Beta	0.9	--

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® and are only applicable for the investor share class. **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.

PORTFOLIO DIVERSIFICATION (AS OF 09/30/2023)

Sector Composition %	Fund	Index	Weighting Difference
Communication Services	4.6	2.1	2.5
Consumer Discretionary	9.8	11.0	-1.2
Consumer Staples	4.0	4.5	-0.5
Energy	6.3	5.9	0.5
Financials	4.7	6.4	-1.8
Health Care	23.5	21.6	1.9
Industrials	20.8	20.1	0.7
Information Technology	18.3	21.1	-2.9
Materials	3.5	4.2	-0.7
Real Estate	2.5	1.6	1.0
Utilities	--	1.6	-1.6
[Unassigned]	2.1	--	2.1

Source: U.S. Bank. Sector breakdown (excluding cash and equivalents) and Fund holdings (including cash and equivalents which was 8.3% as of 09/30/2023) 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.

TOP 10 PORTFOLIO HOLDINGS % (AS OF 09/30/2023)

Top 10 Positions	%
Bright Horizons Family Solutions Inc	2.9
SPDR S&P Biotech ETF	2.3
Casey's General Stores Inc	2.3
Abcam PLC	2.2
Genpact Ltd	2.2
ChampionX Corp	2.2
Prosperity Bancshares Inc	2.0
Dynatrace Inc	1.9
Rentokil Initial PLC	1.9
MSA Safety Inc	1.8
Total % of Net Assets	21.7

EXPERIENCED MANAGEMENT



CHRISTOPHER BERRIER

Chris Berrier is the Portfolio Manager of the Brown Advisory Small-Cap Growth Fund.

Investment experience dating from 2000; joined Brown Advisory 2005; co-Portfolio Manager of the Fund from 2006-2014, Portfolio Manager since 2014



GEORGE SAKELLARIS, CFA

George Sakellaris is the Associate Portfolio Manager of the Brown Advisory Small-Cap Growth Fund

Investment experience dating from 2001; joined Brown Advisory 2014; Associate Portfolio Manager since 2017

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. Privately 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.

The Russell 2000® Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000® Index companies with higher price-to-value ratios and higher forecasted growth values. The Russell 2000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the small-cap growth segment. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small-cap opportunity set and that the represented companies continue to reflect growth characteristics. The Russell 2000® Growth Index and Russell® are trademarks/service marks of the London Stock Exchange. It is not possible to invest directly in an index.

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"The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts)

with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods."

Morningstar Rankings represent a fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest percentile rank is 1 and the lowest is 100. It is based on Morningstar total return, which includes both income and capital gains or losses and is not adjusted for sales charges or redemption fees. Brown Advisory Small-Cap Growth Fund was rated against U.S. domiciled Small Growth funds over the following time periods: 560 funds in the last three years, 525 in the last five years, and 390 in the last ten years for the period ending 09/30/2023. With respect to these Small Growth funds, Brown Advisory Small-Cap Growth Fund received a Morningstar Rating of 3 stars, 4 stars and 4 stars for the three-, five- and ten-year period, respectively. The Morningstar category represents a universe of open-end U.S. funds with similar objectives. **Past performance is no guarantee of future results.**

Terms and Definitions

Active Share is a measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index. **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). **The Weighted Median Market Capitalization** is the median market capitalization of a fund's equity portfolio gives you a measure of the size of the companies in which an equity fund invests. It is the trimmed mean of the market capitalizations of the stocks in the fund's portfolio. **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 09/30/2023 for the 3-5 year period, and 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. The Fund's Investor Class is used to calculate **beta**, a measure of the magnitude of a fund's past share price fluctuations in relation to the fluctuations in the stock market (as represented by the fund's benchmark). While not predictive of the future, funds with a beta greater than 1 have in the past been more volatile than the benchmark. The Brown Advisory Funds are distributed by ALPS Distributors, Inc., which is not affiliated with Brown Advisory LLC.

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