FLEXIBLE EQUITY REVIEW AND OUTLOOK

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Fourth Quarter 2022

The Great Reset of 2022

Most folks likely know that the first fix an IT professional recommends when your device is not behaving is to turn it off, then back on; i.e. reset it! That's exactly what occurred in financial markets in 2022. The year began with the financial world turned upside down. Incredibly low interest rates, even negative in some markets, spurred sky-high stock valuations, with 'transitory' inflation raging in the background.

This year, the Fed, late to the game, hit the reset button on financial markets. Call it the Great Reset. Many, if not most, investors had to know asset valuations were living on borrowed time. It only took 15 years of quantitative easing (QE) and a 40+ year inflation peak to get the Fed to move. Despite the obviousness of these adjustments, the financial community was slow to anticipate a change in the environment, leading to meaningful losses in both the stock and bond markets.

Why were returns so poor in 2022? The simple explanation is the dramatic transition from QE to quantitative tightening (QT). The thirteen years of QE since the Great Financial Crisis broke down the price discovery mechanism in markets and flooded financial markets with excess liquidity. Bond investors got lulled into believing central banks would always be there to support the market. Equity investors ratcheted down their discount rates while expecting COVID-driven earnings to continue as a trend, lifting many segments of the equity market to unsustainable levels. Numbed by global QE for so long, both groups of investors downplayed the drivers of interest rates – real return, inflation, and risk premium (for stock discount rates). In other words, the old rules of economics and finance no longer applied. Until, they did. The long length of the QE era reminds one of the John Maynard Keynes truisms, “Markets can stay irrational longer than you (investors) can remain solvent.”

So where are we now? Stocks are -18% and the 10-year US Treasury -16.33% in 2022, the yield curve is sharply inverted, global QT is in full swing, and inflation remains a sticky problem. Stock and bond valuations still look slightly elevated. Many are bearish. Whereas, in 2022 inflation and interest rates were the biggest driver of stock prices, earnings growth (or lack of it) and sentiment set up as the primary drivers of stock returns in 2023. Most institutional investors seem to believe a recession is imminent and S&P 500® Index earnings are about to tank. However, most strategists and sell-side analysts are waiting for companies to provide guidance instead of adjusting their forecasts. Current sell-side forecasts are for S&P 500 Index earnings to grow mid-single digits this year. It is indeed odd to sound bearish but not reflect that in forecasts. Maybe that is because several aspects of the economy remain resilient – the consumer keeps spending and labor markets continue to be strong. As a result, the set up could be for reasonable stock returns in 2023. We shall see.

Portfolio Changes

With dislocations across the equity market, the Flexible Equity team is working hard broadening out our search for ideas that fit our philosophy. Inevitably we will continue to make some hard decisions to keep the portfolio to our usual 35-45 names. In the fourth quarter we eliminated three names and added three names. Among the deletions, we made the difficult decision to part ways with Disney, which we've owned since 2008. While there is likely value here and we are pleased to see Bob Iger back leading Disney, a challenging path lies ahead for the company. We also eliminated Stericycle, which has struggled to fix itself, and Paypal which now has meaningfully more competitors than in the past. We used the proceeds to purchase Align Technology which was down nearly 70% in 2022. Align's technology greatly simplifies orthodontia procedures and we believe last year's performance was the result of a very difficult COVID earnings comparison. In classic Flex parlance, this appears to be a flat tire (albeit dramatically over-inflated at the top, pun intended) rather than a broken axle. We also purchased Adobe, a dominant software company and long-term compounder, on a market-driven price break. Lastly, we initiated a position in Fiserv, which we believe is well positioned across the entire payments value chain.

Fourth Quarter and Calendar Year Performance

The Flexible Equity Fund slightly outperformed the S&P 500 Index in the fourth quarter. Solid contributions from the consumer discretionary and IT sectors was offset by relative weakness in the communications and health care sectors. Top individual contributors in the fourth quarter include Baker Hughes, Netflix, TJX, and Merck, all up over 25%. Among the weaker performers were Amazon, Paypal, and Meta.

For the full year of 2022, the Flexible Equity Fund, net of fees, underperformed the S&P 500 Index. The IT sector was the lone, strong outperformer, adding 157 basis points of relative performance. Staples, health care, and energy were the most meaningful detractors. It is worth noting that energy was only one of two sectors up for the year. Our underweight and lower beta holdings within energy prevented us from keeping up with the strong benchmark return. The portfolio's top performing stocks include Merck, Netflix and T-Mobile. Weakest names include Meta, Carmax, Edwards Lifesciences and Paypal.

SECTOR DIVERSIFICATION

Fourth Quarter 2022

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- We base our investment approach on individual company selection and seek to incorporate a reasonable balance of sector exposure as part of our risk management process. We believe that companies in the same sectors can vary as greatly in their business economics and profiles as companies in completely different sectors.
- The communication services sector weighting declined. We eliminated Walt Disney Co. The share prices of Alphabet Inc., Meta Platforms, Inc. and Walt Disney Co. fell. We added to Meta during the quarter.
- The consumer discretionary sector weighting declined. The share prices of Amazon.com, Inc. and CarMax fell.
- The financials sector weighting was relatively unchanged from the previous quarter-end. We trimmed First Citizens Banc Shares, Inc. on its price strength. We trimmed Blackstone, Inc. in favor of adding to KKR & Co., Inc.
- We added to Avantor and initiated a new position in Align Technologies in health care. We trimmed several holdings in the sector as their share prices were higher and allocated the proceeds to other opportunities.
- We eliminated Stericycle in the industrials sector. The prices of the other holdings in the sector increased.
- We purchased two new holdings in the Information technology sector, Adobe and Fiserv, and added to Intuit. We eliminated PayPal Holdings.

SECTOR	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT (%)	S&P 500® INDEX (%)	DIFFERENCE (%)	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT (%)
	Q4'22	Q4'22	Q4'22	Q3'22
Communication Services	10.61	7.28	3.33	12.90
Consumer Discretionary	10.27	9.80	0.48	10.95
Consumer Staples	1.51	7.20	-5.69	1.36
Energy	4.33	5.23	-0.90	3.53
Financials	17.23	11.66	5.56	17.58
Health Care	15.01	15.82	-0.81	14.69
Industrials	6.24	8.92	-2.68	6.00
Information Technology	29.24	25.47	3.77	28.05
Materials	--	2.73	-2.73	--
Real Estate	1.41	2.71	-1.30	1.57
Utilities	--	3.18	-3.18	--

Source: FactSet®. 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. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. The portfolio information provided is based on a representative Flexible Equity account and is provided as Supplemental Information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS ®) classification system. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

QUARTER-TO-DATE ATTRIBUTION DETAIL BY SECTOR

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Fourth Quarter 2022

	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT		S&P 500® INDEX		ATTRIBUTION ANALYSIS		
SECTOR	AVERAGE WEIGHT (%)	RETURN (%)	AVERAGE WEIGHT (%)	RETURN (%)	ALLOCATION EFFECT (%)	SELECTION & INTERACTION EFFECT (%)	TOTAL EFFECT (%)
Communication Services	12.08	-2.41	7.54	-1.38	-0.46	-0.12	-0.58
Consumer Discretionary	10.59	1.58	10.61	-10.18	0.05	1.37	1.42
Consumer Staples	1.40	21.41	6.98	12.72	-0.29	0.12	-0.17
Energy	4.15	46.35	5.19	22.81	-0.16	0.79	0.63
Financials	17.70	10.52	11.43	13.61	0.38	-0.53	-0.15
Health Care	14.35	7.80	15.36	12.80	-0.07	-0.69	-0.76
Industrials	6.13	21.03	8.63	18.86	-0.27	0.11	-0.16
Information Technology	29.01	8.22	25.91	4.71	-0.07	1.04	0.97
Materials	--	--	2.64	15.05	-0.19	--	-0.19
Real Estate	1.42	-1.29	2.68	3.82	0.05	-0.08	-0.03
Utilities	--	--	3.03	8.64	-0.03	--	-0.03
Total	**100.00**	**8.32**	**100.00**	**7.56**	**-1.25**	**2.01**	**0.75**

- Attribution is a tool that calculates the effect of sector allocation and stock selection relative to market and sector benchmarks of performance. This tool does not reflect how we manage investments, and we believe it has meaningful limitations. However, it is frequently requested, so we share it for that reason.
- The portfolio increased more than the S&P 500® Index in the quarter. Individual stock holdings contributed to the return relative to the Index while sector allocation detracted from the return.
- Consumer discretionary and information technology contributed the most to the portfolio's return relative to the Index. The consumer discretionary sector in the portfolio increased but fell in the S&P 500® Index in the quarter. Information technology had a higher weighting and a higher return than the Index.
- Communication services and health care detracted the most from the portfolio's return relative to the Index. These sectors had lower returns than the Index. The communication services sector in the portfolio had a higher weighting than the index while the health care weighting was roughly equal.

Source: FactSet. Total portfolio return figures provided above reflect the sum of the returns of the equity holdings in the representative account portfolio due to price movements and dividend payments or other sources of income, and exclude cash. The portfolio information provided is based on a representative Flexible Equity account and is provided as Supplemental Information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector attribution excludes 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.

CALENDAR YEAR ATTRIBUTION DETAIL BY SECTOR

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Calendar Year 2022 Representative Flexible Equity Account Attribution Detail

	REPRESENTATIVE FLEXIBLE EQUITY ACCOUNT		S&P 500® INDEX		ATTRIBUTION ANALYSIS		
SECTOR	AVERAGE WEIGHT (%)	RETURN (%)	AVERAGE WEIGHT (%)	RETURN (%)	ALLOCATION EFFECT (%)	SELECTION & INTERACTION EFFECT (%)	TOTAL EFFECT (%)
Communication Services	12.11	-37.55	8.67	-39.90	-0.86	0.40	-0.46
Consumer Discretionary	12.37	-33.68	11.31	-37.03	-0.10	0.36	0.25
Consumer Staples	1.61	-32.10	6.63	-0.62	-0.75	-0.53	-1.28
Energy	3.37	35.28	4.39	65.72	-0.63	-0.32	-0.95
Financials	17.58	-13.35	11.18	-10.53	0.48	-0.51	-0.03
Health Care	13.56	-9.91	14.38	-1.95	-0.14	-0.92	-1.06
Industrials	6.33	-8.46	8.18	-5.40	-0.25	-0.19	-0.44
Information Technology	28.52	-22.73	26.99	-28.35	-0.05	1.68	1.63
Materials	--	--	2.61	-12.27	-0.14	--	-0.14
Real Estate	1.54	-26.17	2.76	-26.13	0.06	-0.04	0.02
Utilities	--	--	2.91	1.54	-0.48	--	-0.48
Total	**100.00**	**-20.44**	**100.00**	**-18.11**	**-2.26**	**-0.07**	**-2.33**

- The portfolio declined more than the S&P 500® Index for the year. Sector allocation detracted from the return relative to the Index. Individual stock holdings were not a meaningful contributor.
- Information technology contributed the most to the portfolio's return relative to the Index. The sector had a higher weighting and declined less than the Index.
- Energy detracted the most from the portfolio's return relative to the Index. The sector in the portfolio had a lower weighting and a lower return than the Index. It was the only sector in the portfolio with a positive return.

Source: FactSet. Total portfolio return figures provided above reflect the sum of the returns of the equity holdings in the representative account portfolio due to price movements and dividend payments or other sources of income, and exclude cash. The portfolio information provided is based on a representative Flexible Equity account and is provided as Supplemental Information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Sector attribution excludes 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.

QUARTER-TO-DATE TOP FIVE CONTRIBUTORS TO RETURN

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Fourth Quarter 2022 Top Five Contributors

	NAME	DESCRIPTION	AERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
SLB	Schlumberger NV	Designs and constructs wells and manufactures surface & midstream production systems	2.63	49.43	1.04
MA	Mastercard Incorporated Class A	Offers credit & debit cards and payment solutions	4.87	22.49	0.96
V	Visa Inc. Class A	Operates as a global payments technology	5.05	17.22	0.78
BRK.B	Berkshire Hathaway Inc. Class B	Operates as a holding company which offers insurance, rail transportation and energy generation & distribution services	4.35	15.68	0.65
BKR	Baker Hughes Company Class A	Engages in oilfield services, manufacturing of turbo machinery and oilfield equipment & provides digital solutions	1.53	41.81	0.56

- Schlumberger NV delivered strong earnings and margin improvement during their earnings announcement reflecting a resurgence in activity across the global energy complex.
- Mastercard reported strong quarterly results, with both revenues and expenses beating Wall Street estimates. The standout continues to be accelerating cross-border fees and transaction processing revenues.
- Visa traded higher in October on the strength of its third quarter earnings that exceeded consensus revenue and earnings per share expectations. A bellwether of global economic activity, Visa’s across-the-board growth in year-over-year transaction volume signaled continued strength in consumer payments, resilience in eCommerce, and an ongoing recovery in cross-border travel despite persistent inflation and rising interest rates.
- Berkshire Hathaway's share price rebounded from near its low for the year at the start of the quarter which could be attributed to its earnings report showing growth in operating earnings.
- Baker Hughes delivered earnings results that reflected improvements in operational execution and showed continued growth in activity levels from their customers across the oil, gas, and renewable energy landscape.

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CALENDAR YEAR TOP FIVE CONTRIBUTORS TO RETURN

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Calendar Year 2022 Representative Flexible Equity Account Top Five Contributors

	NAME	DESCRIPTION	AERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
SLB	Schlumberger NV	Designs and constructs wells and manufactures surface & midstream production systems	0.92	46.10	0.95
MRK	Merck & Co., Inc.	Discovers, develops and markets human and animal health products	1.28	49.38	0.54
SCHW	Charles Schwab Corp	Provides securities brokerage and other financial services	1.09	18.64	0.42
UNH	UnitedHealth Group Incorporated	Provides hospital and medical service plans	4.27	6.95	0.37
NFLX	Netflix, Inc.	Provides online movie rental subscription services	0.55	37.85	0.35

- Schlumberger, during the calendar year, showed strong earnings and margin growth as activity levels across the oil, gas, and new energy landscape continued to tick higher. The company has a portfolio of high value technology and services that are continuing to command pricing gains from their customer base, resulting in absolute and relative earnings growth relative to energy services peers.
- Merck & Co. posted a strong 2022 with continued commercial success on Keytruda and the return of more normalized preventative care demand with strong vaccine portfolio performance led by Gardasil. Merck also continues to generate incrementally positive clinical catalysts in regards to their pipeline assets, highlighted by ongoing updates as to expanding Keytruda indications and a confirmatory update for Phase 3 Sotatercept in October.
- Charles Schwab, among the largest retail trading platforms globally, continues to benefit from a rising interest rate environment.
- UnitedHealth Group had a strong 2022 with broad strength across both insurance segment UnitedHealthCare and managed service segment Optum. UnitedHealth benefited from utilization and cost trends running slightly lower in 2022 relative to expectations, while Optum continued to generate strong performance especially from value-based care penetration and economics within OptumHealth.
- Netflix made key strategic changes in 2022 that were viewed positively by the market. These include adding an ad-supported tier and fighting password sharing. While both of these initiatives are at early stages in terms of execution, the market has already given them some credit. The company is also beginning to show an inflection in free cash flow which we expect to continue and should be appreciated in this market environment.

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QUARTER-TO-DATE BOTTOM FIVE CONTRIBUTORS TO RETURN

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Fourth Quarter 2022 Bottom Five Contributors

	NAME	DESCRIPTION	AERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
AMZN	Amazon.com, Inc.	Provides online retail shopping services	2.61	-25.66	-0.74
EW	Edwards Lifesciences Corporation	Designs, develops, manufactures and markets products to treat late-stage cardiovascular disease	2.64	-9.71	-0.27
GOOG	Alphabet Inc. Class C	Operates as a holding company with interests in software, health care, transportation and other technologies	3.17	-7.72	-0.23
META	Meta Platforms Inc. Class A	Operates as a social networking service and website	1.57	-11.31	-0.21
AAPL	Apple Inc.	Designs, manufactures and markets mobile communication, media devices, personal computers, and portable digital music players	3.88	-5.83	-0.20

- Amazon.com traded down in the fourth quarter on the heels of a disappointing third quarter earnings report and lowered fourth quarter guidance.
- Edwards Lifesciences continued to see procedure demand impacted by ongoing macro issues across their hospital customer base, namely staffing shortage issues (primarily nursing) across an extensive referral channel.
- Alphabet, Inc. shares fell as the company missed consensus estimates in the third quarter. The primary driver of the miss was tough year-over-year comparables. Foreign exchange, product mix shifts, and advertiser pullback in certain areas were also cited as reasons for the shortfall.
- Meta Platforms surprised investors with accelerated spend rather than reduced spending, in contrast to what their CEO previously signaled. Despite losing $3.7bn in their Reality Labs division, the management decided to invest further, which may in turn have steeper losses. Many investors decided to move on the day the results were announced.
- Apple shares were down on both supply and demand concerns. Supply was impacted in the fourth quarter due to COVID-unrest-related production shutdowns at a key supplier in China. Apple forecasted decelerating sales for the fourth quarter, with investors fearing further slowdowns in the first half of 2023 as China continues to work through COVID issues, and consumer spending in the western part of the world potentially weakens.

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CALENDAR YEAR BOTTOM FIVE CONTRIBUTORS TO RETURN

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Calendar Year 2022 Representative Flexible Equity Account Bottom Five Contributors

	NAME	DESCRIPTION	AERAGE WEIGHT (%)	RETURN (%)	CONTRIBUTION TO RETURN (%)
META	Meta Platforms Inc. Class A	Operates as a social networking service and website	1.97	-64.22	-2.01
MSFT	Microsoft Corporation	Develops, manufactures and distributes software products	6.55	-28.02	-1.87
AMZN	Amazon.com, Inc.	Provides online retail shopping services	2.87	-49.62	-1.82
EW	Edwards Lifesciences Corporation	Designs, develops, manufactures and markets products to treat late-stage cardiovascular disease	3.09	-42.41	-1.60
GOOG	Alphabet Inc. Class C	Operates as a holding company with interests in software, health care, transportation and other technologies	3.56	-38.67	-1.59

- Meta Platforms surprised investors with accelerated spend rather than reduced spending, in contrast to what their CEO previously signaled. Despite losing $3.7bn in their Reality Labs division, the management decided to invest further, which may in turn have steeper losses. Many investors decided to move on the day the results were announced.
- After an exceptional couple of years, Microsoft sold off with the rest of the information technology sector. Microsoft continued to execute well across many of its businesses, but has started to face extremely tough COVID-related comparisons in the Windows personal computer business. Additionally, Azure, their cloud business, slowed as customers optimized their cloud footprints to drive efficiencies after years of exceptional growth.
- Amazon.com underperformed in 2022 due to the challenges of overcoming difficult COVID driven sales comparisons. As it turned out, Amazon overhired and overbuilt capacity to keep up with demand during the COVID pandemic which ultimately hurt margins especially as sales decelerated faster than expected. AWS, their cloud services business, also decelerated in the second half of the year.
- Edwards Lifesciences continued to see procedure demand impacted throughout most of 2022 by ongoing macro issues across their hospital customer base - namely staffing (primarily nursing) shortage issues across an extensive referral channel. Still, Edwards Lifesciences continues to expand their clinical pipeline, most recently with FDA approval for their PASCAL system addressing the mitral valve opportunity.
- Alphabet enjoyed a 2021 period with accelerating growth due to the pandemic recovery while hiring and investments were moderately held back due to continued caution around COVID. In 2022, growth slowed against very difficult comparisons while hiring and investment ramped to catch up with the revenue growth seen in 2021. This led to margin compression back to normalized levels. FX headwinds also pressured the top line and margins, as Alphabet has a more US centric cost base.

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QUARTER-TO-DATE ADDITIONS/DELETIONS

Fourth Quarter 2022 Representative Flexible Equity Account Portfolio Activity

- During the quarter, we added three new holdings and eliminated three holdings from the portfolio.
- Adobe is a leading software franchise in the digital content creation and delivery markets. Adobe's leadership in each of these markets position the company for continued secular growth, while maintaining strong profitability. Recently, Adobe announced the acquisition of Figma at a hefty price tag, leading to a sell-off in the stock as investors worried about competitive forces and slowing growth. We believe that Figma is a strategic asset, which should allow Adobe to expand its offering in the web-enabled world. The current sell-off has created a potential ‘bargain’ opportunity and we like the risk/reward.
- Align Technology is an established leader in teeth straightening through their Invisalign product. The company has a solid track record of both innovation and commercial success. The stock has sold off dramatically as sales slowed in the current economic environment due to the discretionary nature of their offering. It is difficult to time as to when the economy or the consumer propensity to straighten their teeth will improve. However, in our view the stock at these levels offers compelling risk/reward in the medium to long-term.
- Fiserv, Inc.’s key businesses are merchant acceptance, bank core processing and payments, which are mostly consolidated industries. A large portion of their revenue is recurring in nature with 35% profit margins. The stock’s price to earnings multiple has shrunk in the recent past from trading at a premium to now trading two points below the market and we like the risk/reward at these levels.

SYMBOL	ADDITIONS	SECTOR
ADBE	Adobe Incorporated	Information Technology
ALGN	Align Technology, Inc.	Health Care
FISV	Fiserv, Inc.	Information Technology
SYMBOL	**DELETIONS**	**SECTOR**
PYPL	PayPal Holdings, Inc.	Information Technology
SRCL	Stericycle, Inc.	Industrials
DIS	Walt Disney Company	Communication Services

- We eliminated PayPal Holdings in favor of investing in Fiserv given some of the challenges PayPal is facing.
- Stericycle’s business has been in a protracted turnaround mode, which has proven to be difficult. We recycled capital to purchase Adobe, a more compelling opportunity.
- Walt Disney Co. has been in the news with the ignominious exit of the CEO Bob Chapek and Bob Iger's return as CEO. Clearly, the company lacked effective leadership in a particularly tough time period. While we see a lot of franchise value, there are cyclical as well as secular challenges. We exited the position to make way for a potentially better idea.

CALENDAR YEAR ADDITIONS/DELETIONS

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Representative Flexible Equity Account Portfolio Activity as of 31st December 2022

SYMBOL	ADDITIONS	SECTOR
ADBE	Adobe Incorporated	Information Technology
ALGN	Align Technology, Inc.	Health Care
AVTR	Avantor, Inc.	Health Care
BKR	Baker Hughes Company Class A	Energy
SCHW	Charles Schwab Corp	Financials
FISV	Fiserv, Inc.	Information Technology
NFLX	Netflix, Inc.	Communication Services
SYMBOL	**DELETIONS**	**SECTOR**
BABA	Alibaba Group Holding Ltd. Sponsored ADR	Consumer Discretionary
BBBY	Bed Bath & Beyond Inc.	Consumer Discretionary
CIT	CIT Group Inc.	Financials
CCI	Crown Castle Inc.	Real Estate
JPM	JPMorgan Chase & Co.	Financials
PYPL	PayPal Holdings, Inc.	Information Technology
SRCL	Stericycle, Inc.	Industrials
DIS	Walt Disney Company	Communication Services

Source: FactSet. 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. References to specific securities are for illustrative purposes only and do not represent all of the securities purchased, sold or recommended for advisory clients. The portfolio information provided is based on a representative Flexible Equity account and is provided as Supplemental Information. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

PORTFOLIO CHARACTERISTICS

Fourth Quarter 2022

	U.S. FLEXIBLE EQUITY UCITS FUND	S&P 500 INDEX
Number of Holdings	46	503
Market Capitalization ($ B)		
Weighted Average	430.5	417.5
Weighted Median	157.2	150.4
Maximum	2071.5	2071.5
Minimum	3.0	4.0
P/E Ratio FY1 Est. (x)	19.3	16.9
P/E Ratio FY2 Est. (x)	17.3	16.6
Earnings Growth 3-5 Yr. Consensus Est. (%)	16.6	11.2
Dividend Yield (%)	0.9	1.7
Top 10 Equity Holdings (%)	41.8	24.4
Three-Year Annualized Portfolio Turnover (%)	31.4	--

Source: FactSet. The portfolio information provided is based on a representative Flexible Equity account and is provided as Supplemental Information. Portfolio characteristics exclude 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. Holdings exclude cash and cash equivalents.

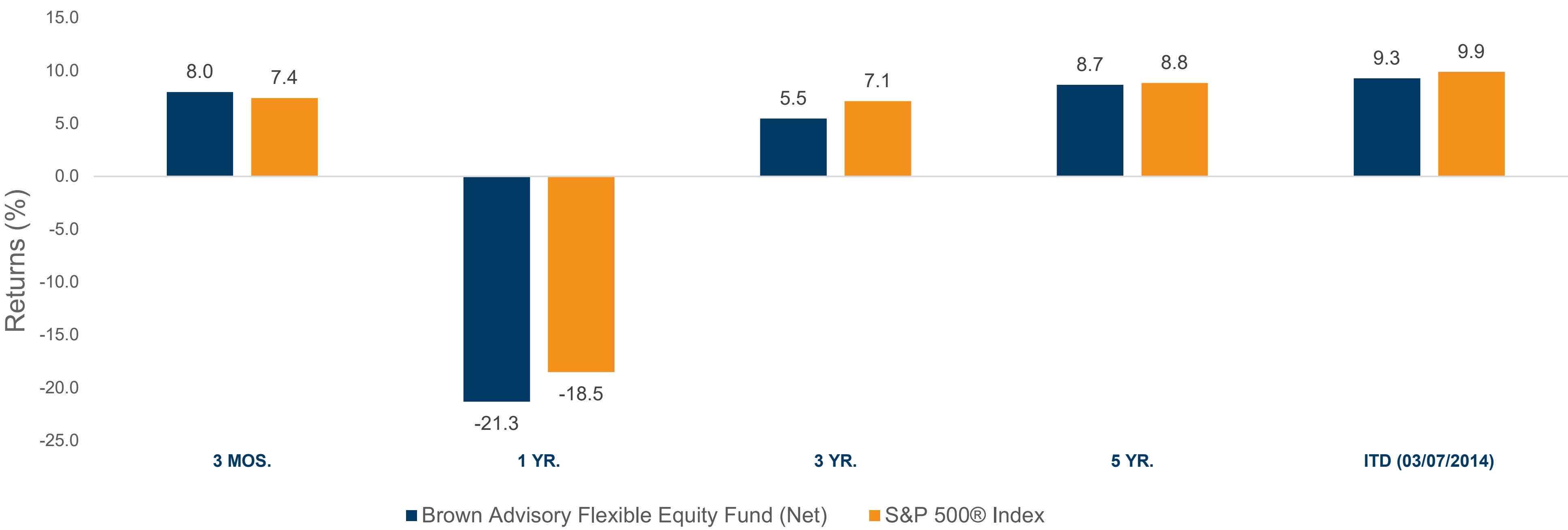
PERFORMANCE

Fourth Quarter 2022 as of 12/31/2022

Past performance is not indicative of future results

Calendar Year Returns (% net of fees)	2022	2021	2020	2019	2018	2017	2016	2015
U.S. Flexible Equity Fund B USD (07-March-2014)	-21.3	24.8	19.5	35.6	-4.8	23.5	8.4	-3.3
S&P 500 Net Index (USD)	-18.5	28.2	17.8	30.7	-4.4	21.8	12.0	1.4

This performance is additional to, and should be read in conjunction with, the calendar year performance data above.



Past performance may not be a reliable guide to future performance and investors may not get back the amount invested. 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. The S&P 500 Index measures the large-cap segment of the U.S. equity markets and consists of approximately 500 leading companies in leading industries of the U.S. economy.

Source FactSet. All returns greater than one year are annualized. The performance shown above reflects the U.S. Flexible Equity UCITS Fund which was launched under the firm's Dublin UCITS umbrella on 8 March 2014. Please see disclosure statements at the end of this presentation for additional information and a complete list of terms and definitions.

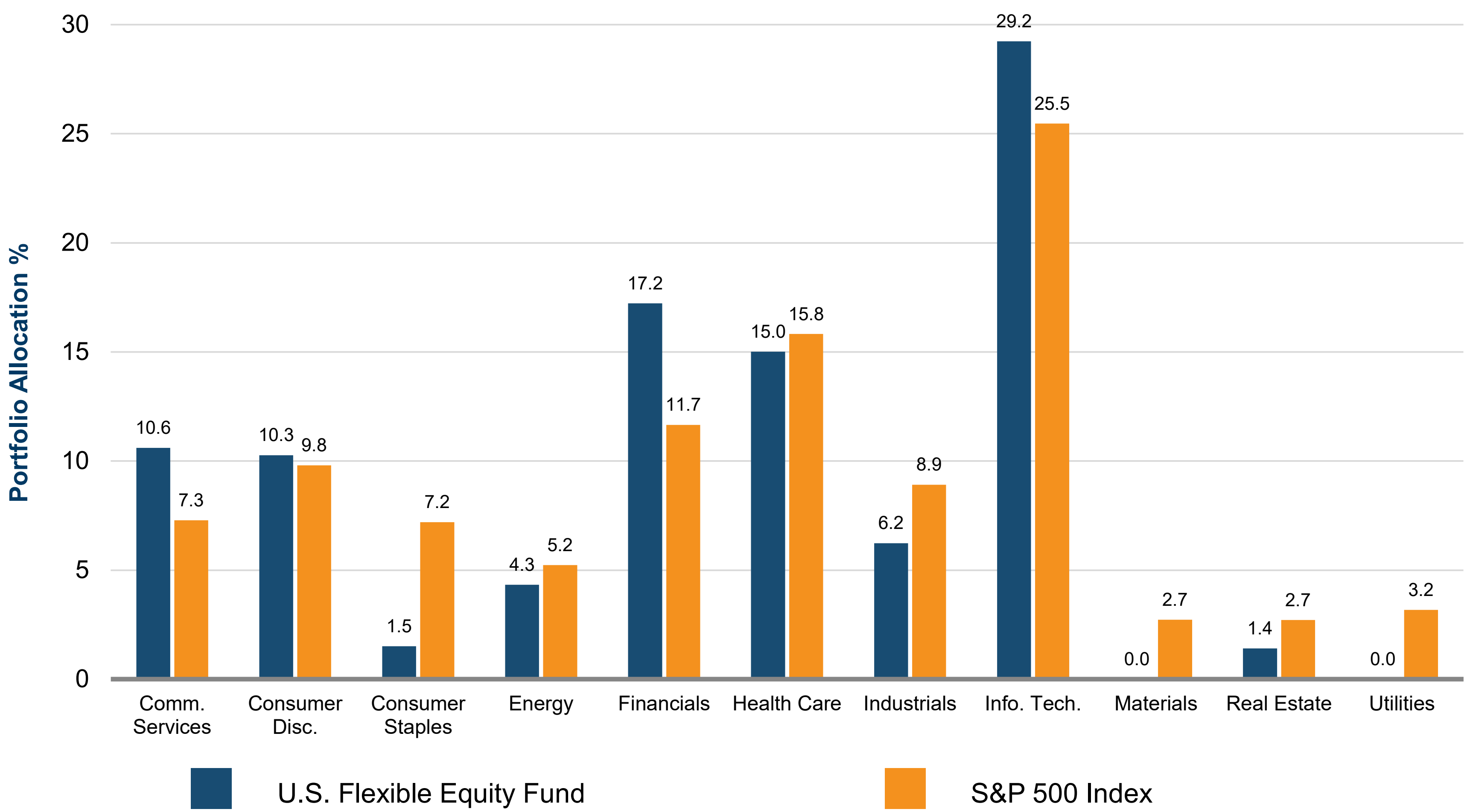
TOP 10 EQUITY HOLDINGS

as of 12/31/2022

TOP 10 HOLDINGS	% OF PORTFOLIO
Microsoft Corporation	6.2
Visa Inc. Class A	5.1
Mastercard Incorporated Class A	5.1
Alphabet Inc. Class A & C*	5.1
UnitedHealth Group Incorporated	4.5
Berkshire Hathaway Inc. Class B	4.5
Apple Inc.	3.5
Elevance Health, Inc.	2.9
Schlumberger NV	2.8
Booking Holdings Inc.	2.6
Total	**42.2**

SECTOR DIVERSIFICATION

Fourth Quarter 2022 Global Industry Classification Standard (GICS) as of 12/31/2022



Source: FactSet. The portfolio information provided is based on a representative Flexible Equity account and is provided as Supplemental Information. Sector diversification excludes cash and cash equivalents. Sectors are based on the Global Industry Classification Standard (GICS) classification system. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

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 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.

The **S&P 500® Index** represents the large-cap segment of the U.S. equity markets and consists of approximately 500 leading companies in leading industries of the U.S. economy. Criteria evaluated include market capitalization, financial viability, liquidity, public float, sector representation and corporate structure. An index constituent must also be considered a U.S. company. Standard & Poor's, S&P, and S&P 500® are trademarks/service marks of MSCI and Standard & Poor's.

An investor cannot invest directly into an index.

Global Industry Classification Standard (GICS®) and "GICS" are service makers/trademarks of MSCI and Standard & Poor's.

FactSet® is a registered trademark of FactSet Research Systems, Inc.

Figures shown on sector diversification, contribution and attribution by detail slides may not total due to rounding.

DISCLOSURES

All financial statistics and ratios are calculated using information from FactSet as of the report date unless otherwise noted.

The **Average Weight** of a position or sector refers to the daily average for the period covered in this report of a stock's value as a percentage of the portfolio.

The **Total Return** of an equity security is the sum of the return from price movement and the return due to dividend 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.

Allocation Effect measures the impact of the decision to allocate assets differently than those in the benchmark.

Selection and Interaction Effect reflects the combination of selection effect and interaction effect. Selection effect measures the effect of choosing securities that may or may not outperform those of the benchmark. Interaction effect measures the effect of allocation and selection decisions (i.e., did we overweight the sectors in which we underperformed).

Total Effect reflects the combination of allocation, selection and interaction effects. Totals may not equal due to rounding.

Contribution To Return is calculated 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.

Market Capitalization refers to the aggregate value of a company's publicly traded stock. Statistics are calculated as follows: Weighted Average: 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); Weighted Median: the value at which half the portfolio's market capitalization weight falls above and half falls below; Maximum and Minimum: the market caps of the largest and smallest companies, respectively, in the portfolio.

Price-Earnings Ratio (P/E Ratio) is the ratio of the share of a company's stock compared to its per-share earnings. P/E calculations presented use FY2 earnings estimates; FY1 estimates refer to the next unreported fiscal year, and FY2 estimates refer to the fiscal year following FY1. Calculated as a weighted harmonic average.

Earnings Growth 3-5 Year Est. is the average predicted annual earnings growth over the next three to five years based on estimates provided to FactSet by various outside brokerage firms, calculated according to each broker's methodology. Calculated as weighted average.

Dividend Yield is the ratio of a stock's projected annual dividend payment per share for the fiscal year currently in progress, divided by the stock's price. Calculated as weighted average.

Return on Invested Capital (ROIC) is a calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.

Portfolio Turnover is the ratio of the lesser of the portfolio's aggregate purchases or sales during a given period, divided by the average value of the portfolio during that period, calculated on a monthly basis. Portfolio turnover is provided for a three-year trailing period.

All of the above ratios for a portfolio are expressed as a weighted average of the relevant ratios of each portfolio holding, EXCEPT for P/E ratios, which are expressed as a weighted harmonic average.

Performance data relates to the Brown Advisory U.S. Flexible Equity Fund (the “Fund”). The performance is net of management fees and operating expenses. This communication is intended only for investment professionals and those with professional experience of investing in collective investment schemes. Those without such professional experience should not rely on it. This presentation should not be shown or given to retail investors. Any entity responsible for forwarding this material to other parties takes responsibility for ensuring compliance with applicable financial promotion rules. The Fund’s investment strategy is a 50%-50% blend of the Brown Advisory Small-Cap Growth strategy (established March ‘93) and the Brown Advisory Small-Cap Value strategy (established January ‘09). Long-term performance available upon request. Changes in exchange rates may have an adverse effect on the value price or income of the product. The difference at any one time between the sale and repurchase price of units in the Fund means that the investment should be viewed as medium to long term. This presentation is issued in the European Union by Brown Advisory (Ireland) Limited, authorised and regulated by the Central Bank of Ireland. In the UK and other non-EU permissible jurisdictions, this presentation is issued by Brown Advisory Limited, authorised and regulated by the Financial Conduct Authority. This is not an offer or an invitation to subscribe in the Fund and is by way of information only. Cancellation rights do not apply and UK regulatory complaints and compensation arrangements may not apply. This is not intended as investment or financial advice. Investment decisions should not be made on the basis of this presentation. A Prospectus is available for Brown Advisory Funds plc (the “Company”) as well as a Supplement for the Fund and a Key Investor Information Document (“KIID”) for each share class of the Fund. The Fund’s Prospectus can be obtained by calling +440203 301 8130 or visiting https://www.brownadvisory.com/intl/ucits-legal-document-library and is available in English. The KIIDs can be obtained from https://www.brownadvisory.com/intl/kiid-library and are available in one of the official languages of each of the EU Member States into which the Fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive). In addition, a summary of investor rights is available from https://www.brownadvisory.com/intl/ucits-legal-document-library. The summary is available in English. The Fund is currently notified for marketing into a number of EU Member States under the UCITS Directive. The Company can terminate such notifications for any share class and/or the Fund at any time using the process contained in Article 93a of the UCITS Directive. Please contact Brown Advisory for more information. Certain share classes of the Fund will also be available for subscription in jurisdictions where the Fund may be lawfully privately placed. Please contact Brown Advisory for more information. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund. This and other important information is contained in the Prospectus, the Supplement, and the applicable KIIDs. Read these documents carefully before you invest.

The Fund is a sub-fund of the Company, an umbrella fund with segregated liability between sub-funds. The Fund is authorised by the Central Bank of Ireland as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as may be amended, supplemented or consolidated from time to time (the “Regulations”). The Company has appointed Brown Advisory (Ireland) Limited as its UCITS management company which is authorised by the Central Bank of Ireland pursuant to the Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended. The investment manager of the Fund is Brown Advisory LLC. The distributor of the Fund is Brown Advisory LLC, The Fund is a recognised collective investment scheme for the purposes of section 264 of the UK’s Financial Services and Markets Act 2000.

The Fund uses the S&P 500 Net Index as a comparator benchmark to compare performance. The Fund is actively managed and is not constrained by any benchmark. The S&P 500 Index represents the large-cap segment of the U.S. equity markets and consists of approximately 500 leading companies in leading industries of the U.S. economy. Criteria evaluated include market capitalization, financial viability, liquidity, public float, sector representation and corporate structure. An index constituent must also be considered a U.S. company. An investor cannot invest directly into an index. Benchmark returns are not covered by the report of the independent verifiers.

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