Statement on the Due Diligence Policies of Brown Advisory (Ireland) Limited on the Principal Adverse Impacts of Investment Decision

Statement

Brown Advisory (Ireland) Limited ("**Brown Advisory**"), as the UCITS management company of Brown Advisory Funds plc, defines sustainable investing as an investment approach that emphasises the materiality of risks and/or opportunities that arise from natural resource, social and economic, climate and/or governance issues in the underwriting of investments alongside fundamental research to drive performance.

For purposes of Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (the "**SFDR**"), our sustainable investment funds include those funds that promote environmental or social characteristics in their investment-decision making processes. This Statement is also the Investment Manager's Principal Adverse Impact Due Diligence Policy for the purpose of SFDR.

Brown Advisory conducts an assessment of the principal adverse impacts of our investment decisions on sustainability factors across the holdings in our sustainable investment funds. The principal adverse impacts of our investment decisions on sustainability factors for funds that do not promote sustainability considerations in investment decision-making processes may be considered on a case-by-case basis, but a principal adverse impact assessment is not required for holdings in these funds. In all cases, an assessment of principal adverse impacts may not be possible if we are not able to conduct detailed due diligence or do not have access to reliable data and information necessary to perform this due diligence.

Sustainable Investing Research Tools

We view issues such as climate change, inequality, biodiversity loss, and governance challenges as material risks and opportunities for our sustainable investment funds. In order to address these risks, we have an in-house research team to analyse both sustainability-related risks and sustainable opportunities across our sustainable investment funds. These analysts are integrated into the wider research team, alongside fundamental research analysts, which support our funds.

In addition to this research, we may utilise screening capabilities for our sustainable investment and integrated funds. This screening process leverages third-party data that seeks to identify companies that may have controversial business involvement, as determined by Brown Advisory. Our research team leverages this third-party data as a supplement to its bottom-up research of individual securities.

Engagement

We engage with issuers in our sustainable investment and integrated funds on a case-by-case basis, when possible, to facilitate long-term value creation for stakeholders, enhance resilience to sustainability-related risks, and contribute to positive outcomes within the scope of the issuer's business. Engagement is often discussed in tandem with outcomes. Long-term financial performance is the most credible and appropriate outcome to which the research team's engagement work seeks to contribute. More specifically, the research team's engagement efforts focus on stress testing the underlying investment thesis to understand if the thesis remains intact or is evolving. From time to time, engagement may include encouraging a specific action or change within a company, with the purpose of improving performance and creating an environment in which an investment thesis materialises.

Proxy Voting

Brown Advisory seeks to cast all proxy votes prudently and in line with long-term shareholder value, regardless of the topic on which a particular proposal focuses. Shareholder proposals regarding sustainability issues are evaluated in the same manner as all other proposals. We seek to support those proposals that our evaluation shows will likely have a clear and direct positive financial effect on shareholder value and would not impose unnecessary or excessive costs on the issuer. The sustainability-related proposals we support often result in increased reporting and disclosure, which we believe will benefit investors' due diligence. In rare

cases where the Firm believes a company has not adequately mitigated significant and material sustainability risks, the Firm may vote against directors

International Standards and Codes of Conduct

Brown Advisory partners with a variety of groups that help coordinate engagement activity within the investment community, including Ceres, the United Nations-supported Principles for Responsible Investment, the International Capital Market Association, Confluence Philanthropy, and the Interfaith Center for Corporate Responsibility. In addition, our engagement approach and recommendations may be informed by the Financial Stability Board's Task Force for Climate-related Financial Disclosure (TCFD), the Impact Management Project, the International Financial Reporting Standards (IFRS) and CDP.