Article 10 Transparency Statement in respect of

Brown Advisory US Value Fund (the "Fund")

LEI code: 635400QPWRHE8V4B1J71

a sub-fund of Brown Advisory Funds plc (the "Company")

Prepared by Brown Advisory (Ireland) Limited (the "Manager")

Brown Advisory LLC (the "Investment Manager")

12 August 2025

This Article 10 Transparency Statement (the "**Statement**") is published by the Manager of the Company, which has delegated investment management of the Fund to the Investment Manager. The Statement meets the requirements of the EU Sustainable Finance Disclosure Regulation ("**SFDR**"), specifically Article 10(1) of Regulation (EU) 2019/2088 and Articles 25 to 36 of the Commission Delegated Regulation (EU) 2022/1288. In accordance with Article 10 of the SFDR, financial market participants such as the Manager are required to publish and maintain summary information on a public website regarding financial products which promote environmental or social characteristics or which have sustainable investment as their objective. The purpose of the statement is to provide transparency on the Fund's environmental or social characteristics, Sustainable Investments and the methodologies that are used to assess, measure and monitor these characteristics within the investment strategy.

Words and expressions defined in the supplement to the prospectus of the Company relating to the Fund shall have the same meaning unless otherwise defined in this Statement.

a) Summary

The Fund is an Article 8 Fund pursuant to the SFDR and promotes environmental or social characteristics but does not have as its objective sustainable investment.

The investment objective of the Fund is to achieve capital appreciation by investing primarily in U.S. equities.

The Fund aims to achieve its investment objective by investing in the equity securities of undervalued high-quality large-sized companies which are listed or traded on the U.S. markets and exchanges listed in Appendix I of the Prospectus. The Investment Manager looks for value and sustainability across a wide range of industries and sectors, subject to the application of the exclusion policy. The Investment Manager defines "value" as durable, free cash flow businesses that exhibit capital discipline.

Environmental and social characteristics are promoted by investing in fundamentally strong companies that the Investment Manager assesses, on a qualitative basis, to have strong or improving Sustainability Characteristics while maintaining adequate risk management practices. At least 80% of the Net Asset Value of the Fund will be assessed and determined to promote environmental and social characteristics. In addition, a minimum of 50% of the Fund's Net Asset Value will be in companies that have been determined to be Sustainable Investments.

The Investment Manager's research process includes an assessment of Sustainability Characteristics and material Sustainability Risks for every company in the Fund. This research is fully integrated into the Fund's investment process and is provided through in-house research assessments. These assessments are then conducted on portfolio holdings periodically after investment in order to monitor ongoing compliance with the Investment Manager's sustainability criteria. The Investment Manager monitors the Sustainability Characteristics of the Fund through sustainability indicators and the Fund is bound by an exclusion policy.

The Investment Manager's portfolio managers and research team also engage in a significant amount of up-front due diligence prior to investing, which leads them to have very high conviction in the companies whose securities are ultimately selected for the Fund.

In assessing the Sustainability Characteristics and Sustainability Risks of the Fund, the Investment Manager

uses data sources which include publicly available data, third party data providers, information gathered from engagement activity if applicable and the Investment Manager's research team's analysis. The Investment Manager conducts ongoing discussions with companies to inform its investment research and decision-making.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

b) No Sustainable Investment Objective

The Fund promotes environmental or social characteristics but does not have as its objective sustainable investment.

c) Environmental or Social Characteristics of the Fund

The Fund invests in fundamentally strong companies that the Investment Manager assesses, on a qualitative basis, to have strong or improving Sustainability Characteristics while maintaining adequate risk management practices.

In doing so the Fund promotes the following environmental and/or social characteristics:

- **Emissions Reduction:** companies with internal strategies to reduce emissions;
- **Resource Efficiency:** companies implementing efficient operations to reduce resource use;
- **Positive Outcomes for People:** companies with strong culture and/or capital disciple leading to improved outcomes (e.g., enhanced safety record, improved employee retention) for stakeholders: and/or
- **Positive Outcomes for the Environment and Society:** companies with products or services that: (i) help customers to be more resource efficient; and/or (ii) help to solve sustainability challenges.

In identifying the above, Investment Manager will identify companies that use sustainability strategies to add value for shareholders. The Fund will identify companies that possess strong or improving SCFAs. A company is considered to have SCFA if it is focused on culture and capital discipline, operational excellence and superior customer outcomes that lead to both long-term financial performance and certain positive sustainability outcomes. The nature of the environmental or social outcomes associated with the identified SCFA will vary by company.

The Fund does not have Sustainable Investment as its objective but does commit to investing at least 50% of the Fund's NAV in Sustainable Investments.

d) Investment Strategy

The investment objective of the Fund is to achieve capital appreciation by investing primarily in U.S. equities.

The Fund aims to achieve its investment objective by investing in the equity securities of undervalued high-quality large-sized companies which are listed or traded on the U.S. markets and exchanges listed in Appendix I of the Prospectus. The Fund invests primarily in a concentrated low turnover portfolio of undervalued U.S.-based companies that the Investment Manager believes possess the following fundamentals: (i) have durable free cash flow streams; (ii) exhibit capital discipline through both balance sheet management and capital expenditures; (iii) are run by management teams that have a proven and capable capital allocation track record; and (iv) are attractively valued and provide a favourable reward vs. risk outlook.

This process identifies up to 45 companies that meet the Investment Policies of the Fund. The Investment Manager seeks companies trading at attractive free cash flow yields run by management teams with a history of prudent capital allocation. Fundamental analysts work side by side with the Investment Manager's sustainable investing team to identify companies that demonstrate sustainable business characteristics through the Investment Manager's "3P" investment filter: People - Process – Product (as described below).

The Investment Manager believes that investing in companies focused on culture and capital discipline, operational excellence, and superior customer outcomes can drive a Sustainable Cash Flow Advantage ("**SCFA**") over time.

The Investment Manager looks for value and sustainability across a wide range of industries and sectors, subject to the application of the exclusion policy. The Investment Manager defines "value" as durable, free cash flow businesses that exhibit capital discipline. The Investment Manager seeks out securities with attractive fundamentals, appropriate Sustainability Risk management systems in place, and strong or evolving sustainable opportunities.

The Fund will identify companies that possess strong or improving SCFAs. A company is considered to have SCFAs if it is focused on culture and capital discipline, operational excellence and superior customer outcomes that lead to both long-term financial performance and certain positive sustainability outcomes. SCFAs have one or more characteristics that, seek to simultaneously strengthen both long- term financial performance and sustainability outcomes. These SCFA characteristics are defined by the Investment Manager as the "3P Filter":

- **People**: For example:
    - Attraction, retention and internal promotion of employees drives cost savings while also creating a cultural advantage
    - Leadership on health and safety has the potential to serve as both a mechanism for improved employee retention and generation of revenue tied to greater productivity
- **Process**: For example:
    - Sound operations that promote a safe and healthy community can bolster franchise value, while also avoiding regulatory and reputational risk
    - Margin improvement through operations that save costs and resources, enabling meaningful reduction in carbon emissions and natural resource consumption
- **Product**: For example:
    - Products or services that provide superior customer outcomes resulting in recurring revenue while also providing environmental and/or social solutions

The Investment Manager believes that companies that have SCFAs will promote one or more of the environmental or social characteristics.

The strategy also will identify Sustainable Investments, investing at least 50% of the Fund in companies that positively contribute to identified sustainability outcomes, being one or more of:

- Affordable Housing
- Clean Energy
- Clean Water and Sanitation

- Diversity, Inclusion and Equality
- Economic Mobility and Community Development
- Education
- Efficient Production and Conservation
- Health and Wellness
- Sustainable Agriculture and Natural Resource Management
- Sustainable Finance
- Sustainable Technology Innovation

The Fund is also bound by its exclusion policy.

All companies added to the portfolio are analysed according to a variety of applicable governance factors including, though are not limited to, any one or more of the following: board and committee composition and structure in terms of expertise and diversity; shareholder rights provisions; business ethics and compensation packages. This analysis forms part of the Fund's general assessment of Sustainability Characteristics and Sustainability Risks.

e) Proportion of Investments

At least 80% of the Net Asset Value of the Fund will be assessed and determined to promote environmental and social characteristics. In addition, a minimum of 50% of the Fund's Net Asset Value will be in companies that have been determined to be Sustainable Investments.

Up to 20% of the Fund's Net Asset Value may consist of other investments that have not been determined to be aligned with the environmental and/or social characteristics, including` any cash that the Fund may not yet have allocated to an investment or for liquidity or currency hedging purposes through the use of FDI.

f) Monitoring of Environmental or Social Characteristics

The Investment Manager's research process includes an assessment of Sustainability Characteristics and material Sustainability Risks for every company in the Fund. This research is fully integrated into the Fund's investment process and is provided through in-house research assessments. These assessments are then conducted on portfolio holdings periodically after investment in order to monitor ongoing compliance with the Investment Manager's sustainability criteria.

The following are the sustainability indicators used to measure the environmental or social characteristics of the Fund:

- **Emissions Reduction**:
  - weighted-average greenhouse gas emissions intensity of the Fund's investee companies in terms of the Greenhouse Gas Protocol's definition of Scope 1 emissions (direct emissions owned or controlled by a company) and Scope 2 emissions (emissions that a company causes indirectly and come from where the energy it purchases and uses is produced); and
  - the percentage of the Fund with an emissions reduction target.
- **Resource Efficiency**:
  - Companies that have implemented or are in the process of implementing efficient operations to reduce resource use (e.g., energy, water, materials)
- **Positive Outcomes for People**:
  - Companies that demonstrate strong internal culture and/or capital discipline which the Investment Manager believes leads to improved outcomes for stakeholders (e.g. employee retention, safety, and governance)

- **Positive Environmental or Social Outcomes**:
    - Companies whose products or services: (i) help customers to be more resource efficient, and/or (ii) help to solve broader sustainability challenges.

The identification of companies contributing to these outcomes is based on a combination of:

- Direct company engagements with management to understand sustainability strategies and operational practices;
- Conversations with issue experts to contextualise company actions within broader environmental and social themes;
- Corporate disclosures, including sustainability reports and regulatory filings; and
- Third-party data from sustainable investing research providers, used to supplement internal analysis.

This multi-source approach enables the Investment Manager to form a qualitative and evidence-based view of each company's sustainability profile. The resulting percentages are reported annually and reflect the proportion of portfolio companies that meet the relevant criteria for each indicator.

Quarterly reports on Fund holdings are created by the Investment Manger's Reporting and Business Intelligence team with data sourced from the in-house research assessments which is reviewed by the portfolio managers. These reports document the available in-house sustainable investment ratings and third-party data assigned to each holding.

g) Methodologies

The Investment Manager's bottom-up research process seeks to understand the fundamental characteristics and Sustainability Characteristics of its investments.

The research approach is based on a qualitative assessment of each security across a broad range of factors but will contain certain quantitative elements. The purpose of this assessment is to identify companies that, overall, approach sustainability issues that help to maintain or improve a company's financial position while also seeking to avoid those companies exposed to material Sustainability Risk. The Investment Manager will avoid those companies that it believes either to be failing to manage Sustainability Risks or to not have in place appropriate mitigants or plans to secure an improved position with respect to Sustainability Risks.

From the initial universe of securities meeting the investment thesis of the strategy, the Investment Manager uses bottom-up fundamental research to build in-depth financial models to identify free cash flow characteristics and what the potential upside return might be (and, conversely, potential downside return). From there, the Investment Manager constructs a concentrated portfolio of its highest conviction ideas, with price targets allowing for comparisons/competition across holdings. Ongoing portfolio and risk management includes monitoring of applicable fundamental and Sustainability Characteristics of each stock, continually optimising the Fund's portfolio based on risk/return profiles and engaging with management teams of investee companies.

These methodologies allow the Investment Manager to select companies that can drive an SCFA over time and also those which the Investment Manager considers to be Sustainable Investments.

The Fund will also limit its exposure to particular companies and industries. In addition to the Investment Manager's proprietary and qualitative analysis, the Investment Manager relies on MSCI as a third-party provider to apply a rules-based screening process which seeks to identify companies that may have controversial business involvement, as determined by the Investment Manager.

Specifically, the Fund will exclude knowingly owning equity securities of companies:

a) that defy the UNGC Principles; and/or
b) that directly manufacture controversial weapons (defined as cluster munitions, land mines, biological weapons, and/or chemical weapons); and/or
c) that conduct animal testing for non-medical purposes and do not exhibit strong ethical policies and practices; and/or

d) whose primary business activities are directly tied to conventional exploration, extraction, production, manufacturing or refining coal, oil or gas; and/or
e) whose primary business activities are directly tied to producing electricity derived from fossil fuels; and/or
f) with significant assets directly invested in conventional fossil fuel reserves,

where in the cases of (d) to (f) above, such companies do not have evidence of a transition towards decarbonising their business.

The Fund also applies the following investment guidelines in respect of underlying issuers to ensure that a company will not be included if it knowingly has more than:

- 5% of its revenue derived directly from the manufacture of conventional weapons; and/or
- 5% of its revenue derived directly from alcohol products; and/or
- 5% of its revenue derived directly from tobacco products; and/or
- 5% of its revenue derived directly from adult entertainment; and/or
- 5% of its revenue derived directly from gambling.

The Fund also considers PAIs at portfolio level.

In addition to the Fund's investment policies and exclusion policy stated above, the Investment Manager may adopt certain additional internal investment criteria which may further restrict Fund investments.

h) Data Sources and Processing

The Investment Manager relies on a number of data sources when assessing Sustainability Characteristics and Sustainability Risks.

The Investment Manager utilises resources such as: (i) company filings and reports; (ii) interviews with management, suppliers, customers, and industry experts; (iii) public/private databases, business publications, information from policymakers; and (iv) third-party research (e.g., sell-side businesses, rating agencies, MSCI Inc., Institutional Shareholder Services (ISS), etc.) as part of its research process to determine the initial universe of potential investments. Third party data is one input in the Fund's approach but is not the primary factor in the assessment.

Responsibility for data accuracy and any data accessed via a third party platform is undertaken by the respective data provider. Any in-house data that is derived from the Investment Manager's internal research database is peer-reviewed prior to being distributed internally.

Estimated data varies by the dataset and is dependent on the coverage of the data provider.

i) Limitations to Methodologies and Data

Investing on the basis of sustainability criteria is qualitative and subjective by nature, and there can be no assurance that the data received from the Investment Manager's vendors, or any judgment exercised by the Investment Manager, will reflect the beliefs or values of any particular investor. Data and qualitative information are inherently subject to interpretation, restatement, delay and omission outside the Investment Manager's control.

Due to inconsistencies with respect to the evaluation of particular companies by third party research and data providers, the evaluation of an investment's sustainability characteristics may differ between financial market participants. For this reason, the Investment Manager always uses a combination of qualitative and quantitative data. Quantitative data is provided by either the company directly or by a third party data provider and this is then overlaid by the qualitative assessment undertaken by the Investment Manager's research team. Whilst the data providers are responsible for the accuracy of the data, the insights that the Investment Manager's research teams gain through their interaction with the companies and their own analysis, limits the effect of poor/lack of data in the investment process.

j) Due Diligence

As noted above, the Investment Manager’s sustainable investment research team conduct a significant amount of up-front due diligence prior to investing and monitor the companies in the Fund on an on-going basis. Additional monitoring is also undertaken through a quarterly review of certain Sustainability Characteristics of the Fund. In addition to the in-house qualitative analysis, the Investment Manager has access to data from third-party providers. The research process may also include but is not limited to a review of public filings, meetings with management teams and site visits to operations, research around industry and competitive dynamics, and checks with competitors or suppliers.

The Investment Manager’s research teams are tasked with overseeing and monitoring the portfolio manager’s approach to integrating sustainability considerations and engagement insights into their investment due diligence.

k) Engagement Policies

The Investment Manager conducts ongoing discussions with companies to inform its investment research and decision-making. Companies with evolving SCFAs will require on-going monitoring, and at times, engagement to enable full maturation of the SCFA. When possible and material to an investment decision, these conversations are a component of the Investment Manager’s research process and on-going monitoring.

Where an investee company is deemed to be doing significant harm to the environment or society, and due diligence (including engagement) with the company indicates that the harm is systemic, detractive from the Fund’s investment, and the harm is unlikely to be mitigated, the Investment Manager will exit the position in a manner that the Investment Manager believes to be in the best interests of the Fund, taking account of such factors such as costs of dealing and ensuring the Fund is fully invested.

l) Designated Reference Benchmark

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Fund.

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